

Internet Leased Connectivity Agreement

between

ABC Pvt. Ltd.
New Baneshwor, Kathmandu

and

Nepal Telecom
(Registered as Nepal Doorsanchar Company Ltd.)
Kathmandu Regional Directorate
Service Division

Internet Leased Connectivity Agreement

This AGREEMENT is entered on _____ by and between:

, , (hereinafter called "**CLIENT**") of the one part

And

Nepal Telecom, Kathmandu Regional Directorate, Service Division (hereinafter called "**Nepal Telecom**") of the other part;

Whereas the **CLIENT** is desirous to obtain Internet Gateway Access Service through **bps** shared channel Leased Connectivity from **Nepal Telecom** and whereas **Nepal Telecom** is willing to provide such service through its Internet Gateway.

In consideration of the mutual agreements hereinafter set forth, **CLIENT** and **Nepal Telecom** (hereinafter collectively referred to as **Parties**) agree as follows:

1. Definitions

Service: **Service** shall mean **Nepal Telecom's** Internet Gateway Access Service to provide gateway access to the Internet using the Connectivity System and Resources installed in the premises of **Nepal Telecom**.

Test Period: After successful installation, one week of **Test Period** shall be assigned. Then Service shall be put into operation.

Service Date: **Service Date** is the operational date of **CLIENT's** Internet Connectivity Facilities via the link provided by **Nepal Telecom** after completion of **Test Period**.

Territory: **Territory** shall mean the **CLIENT's** premises

Service

Outage: **Service Outage** shall be an incident of **Service** interruption or stoppage of at least one hundred and eighty (180) continuous minutes in duration, which arises due to:

- (a) A hardware or software failure in the Router at **Nepal Telecom** premises that **CLIENT** is directly connected to for the Services.
- (b) A failure in the interconnection accessories and components or the system function on which the **CLIENT** is directly connected and that is under the control of **Nepal Telecom**, and which is not caused, directly or indirectly, by a negligent act or omission of the **CLIENT**.

- (c) **Service Outage** shall not include any service outage or interruption resulting from scheduled or routine operations and maintenance activities of **Nepal Telecom**.
- (d) **Service Outage** shall not cover the damage or failure or service interruptions due to any other causes in the **CLIENT** premises or any other causes beyond the control of **Nepal Telecom**.

For operational maintenance and Service Outage correspondence, the responsible or authorized contact personnel names, telephone (Fixed/Mobile) numbers, fax number and email address shall be agreed in writing between the Parties.

2. Description of Service

2.1 Nepal Telecom, either directly or through affiliates, agrees to provide the **CLIENT** a **bps** leased connection with the connectivity to the Internet via **Nepal Telecom's** Gateway Router situated at **Nepal Telecom's** premises.

2.2 During the contract effective period, on request of **CLIENT**, higher bandwidth connection can be provided at the monthly charges given in **Annex A**.

2.3 Nepal Telecom shall arrange and install the required type of **modem** in **CLIENT** premises in lease basis, if required.

CLIENT shall arrange for the transmission media (leased cable pair etc.) required for the leased connectivity. Other necessary equipment configurations at **CLIENT** premises shall be the responsibility of the **CLIENT**.

2.4 After the expiration of the agreement period the modem leased by **Nepal Telecom** shall be returned in working condition by the **CLIENT** or else **CLIENT** shall pay replacement charges.

2.5 Service Specifications:

Connection Speed: **bps - shared channel**

Connection Point: **Nepal Telecom end:**

Client end:

3. Agreement period

3.1 This Agreement shall commence from the date of signing of the agreement and shall be valid for one (1) year. This agreement shall continue for the following years unless revised by mutual agreement of both the parties in writing. Either party shall give at least one (1) month's notice to the other party to terminate this agreement.

4. Pricing and Billing

- 4.1 The payments for the **Service** offered to **CLIENT** shall be payable from the **Service Date**. **CLIENT** shall pay to **Nepal Telecom** for the Services the monthly recurring charge of **NRs. (Rupees)** and prevailing taxes as per the prevailing laws of Government of Nepal. The monthly charges of subsequent years shall be as given in **Annex A**.
- 4.2 The payments shall be made under the terms and conditions set forth in **Annex A**. The invoice shall be raised every Two months in advance. Payment shall be made within 2 weeks after receipt of the invoice. If **CLIENT** in good faith disputes any invoiced amount, it shall submit invoice along with written documentation identifying the items, which are in dispute. The **Parties** shall investigate the matter and upon mutual agreement a credit against future invoices shall be issued by **Nepal Telecom**.
- 4.2 The invoice shall be raised from the **Service Date**.
- 4.3 The charges set forth in **Annex A** are exclusive of all applicable taxes including value-added tax and any other applicable duties and levies imposed by Government of Nepal.
- 4.4 At the request of **CLIENT**, **Nepal Telecom** shall avail the higher bit rate leased Internet connectivity at the monthly charge rate given in Annex A.
- 4.5 The charges under this contract shall be revised as and when **Nepal Telecom** revises its tariff plan.

5. Responsibility of CLIENT

- 5.1 **CLIENT** shall be solely responsible for providing, at its own cost and expenses, the necessary equipment (both Hardware and Software), except for the lease modem, at its **Territory** to establish connectivity to the nearest POP of **Nepal Telecom**.
- 5.2 In case of fault or damage of the lease modem in **CLIENT** premises, **CLIENT** is required to bear the maintenance or replacement charges.

6. Disclaimer of Warranty and Limitation of Liability

- 6.1 It is acknowledged by **CLIENT** that **Nepal Telecom** does not operate or control the Internet in any way whatsoever, and that all merchandise, information, content, and services offered or made available or accessible on the Internet are offered or made available or accessible by third parties with whom **CLIENT** shall contract directly for such services. Consequently, **Nepal Telecom** offers no warranty, whether expressed or implied, and makes no representation with regard to any merchandise, information, content, and services offered or made available or accessible on the Internet, and **Nepal Telecom** shall not be liable for **CLIENT**'s reliance on or use of such merchandise, information, content, and services offered or made available or accessible on the Internet.

- 6.2 **Nepal Telecom** does not restrict access to any destination within the Internet network; however, **CLIENT** acknowledges that other Internet service providers may, from time to time, filter or restrict access to other destinations within the Internet network and **CLIENT** agrees that **Nepal Telecom** shall have no liability for any such actions by such third party Internet service providers.
- 6.3 **Nepal Telecom** shall not be liable to **CLIENT** for any loss or damage sustained by **CLIENT**, its interconnecting carriers or its customers or end users, by reason of any failure in or breakdown of interconnecting carriers or its customers or end-users, by reason of any failure in or breakdown of **Nepal Telecom**'s facilities or those of the **CLIENT**, underlying carriers or third parties associated with providing the service under this Agreement, or for any interruption or degradation of the service whatsoever shall be the duration or the cause of such failure, breakdown, interruption or degradation.
- 6.4 In no event shall either party be liable to the other for consequential or direct losses or damages howsoever arising under this Agreement and whether under contract, tort or otherwise (including, without limitation, third party claims, loss of profits, loss of customers, or damage to reputation or good will). It is understood that this Article shall not be interpreted so as to allow a party to avoid liability for payment for services provided hereunder
- 6.5 **Nepal Telecom** shall not be liable to any other party regarding the usage of its connectivity provided to the **CLIENT**. The **CLIENT** shall bear all the responsibility for the usage and content of the connectivity provided by **Nepal Telecom**. The **CLIENT** shall not however, host any obscene and other materials; content prohibited by the prevailing laws, and or any generally accepted ethics by International community on spamming and scamming of Emails etc.

7 Services Outages

- 7.1 For each incident of **Service Outage** verifiable by **Nepal Telecom**, **Nepal Telecom** will endeavor to offer a **Service Outage** credit to **CLIENT** as follows: **Nepal Telecom** shall offer the **CLIENT** as **Service Outage** credit Equivalent to one hour of Service for each full hour of service interruption or exceeding one (1) continuous hour. All portions of hours shall be rounded down to the nearest full hour. For purposes of determining **Service Outage** credit, an hour of service shall be equivalent to the monthly access charge divided by 720 hours.
- 7.2 The granting of **Service Outage** credits is contingent upon the **CLIENT** having informed the customer support section of **Nepal Telecom** within two (2) hours after the particular incident of Service Outage. The duration of the Service outage period will be determined at the sole discretion of **Nepal Telecom** according to **Nepal Telecom**'s internal record and the information it receives from the **CLIENT**.
- 7.3 In no event shall **Nepal Telecom**'s liability for **Services Outage** credits exceed the corresponding monthly access charge for service within the corresponding month.

8 Assignment

8.1 This agreement is personal to the Parties hereto and may not be assigned or transferred by either Party without the prior written consent of the other Party; except that either Party may assign this Agreement without consent to any affiliated entity or successor in interest whether by merger, reorganization or transfer of all or substantially large amount of its assets or otherwise.

9. Force Majeure

9.1 No failure or omission by either Party to carry out or observe any of the terms and conditions of this Agreement (other than any payment obligation) shall give rise to any claim against the other Party or be deemed a breach of this Agreement if such failure or omission arises from an act of God, an act of Government, or any other circumstances commonly known as Force Majeure.

10. Termination for Default

10.1 **Nepal Telecom**, without prejudice to its other rights at law or in equity, may terminate this Agreement if **CLIENT** is in default in the payment of any amount due hereunder.

11. Publicity/confidentially

11.1 Throughout the period of Agreement, each Party shall maintain the confidentiality of data of any nature ("information") provided to it by the other Party.

11.2 Either party shall maintain the confidentiality of data of any nature ("information") provided to it by the other party until notified otherwise by the providing party provided such information contains a conspicuous marking identifying it as either Confidential or Proprietary.

11.3 The provision by **Nepal Telecom** of the service in no way grants to the **CLIENT** any title or ownership in intellectual property, which may be included or embedded therein. It is understood that such intellectual property shall at all times remain the exclusive property of **Nepal Telecom**.

11.3.1 Without the prior written consent of the other Party hereto, neither party shall:

- (a) Refer to itself as a representative of the other Party hereto in promotional, advertising or other materials.
- (b) Use another Party's logos, trademarks, service marks or any variations thereof in any of its promotional, advertising or other materials. Or
- (c) Release any public announcements referring to the other Party or this Agreement without first having obtained such Party's prior written consent.

However, **Nepal Telecom** is expressly authorized to identify **CLIENT** as its customer to Service for the limited purpose of periodic issuance of marketing and / or publicity announcements.

12. Dispute Settlements

12.1 In the event of any dispute or differences arising out of or relating to the application of or interpretation of the covenants hereunder agreed upon by the parties, the dispute or differences shall be settled through mutual discussions.

12.2 In case, any dispute or differences fails to be resolved as per **Clause 12.1** above, it shall be resolved in accordance with the Arbitration Act, 2056 (1999) or other prevailing laws by appointing an Arbitral Tribunal consisting of one representative each of the **CLIENT** and the **Nepal Telecom** and an Umpire selected by these two representatives.

13. Agreement Amendments

No variation in or modification of the terms of the Agreement shall be except by written amendment signed by both the Parties.

14. Notices

14.1 All notices, requests, or other communications here under shall be in writing, addressed to the Parties as follows:

CLIENT :-

, Nepal
Phone No :
Fax No :
Email :

NEPAL TELECOM :-

Nepal Telecom
Service Division
Kathmandu Regional Directorate, Nepal
Phone No: 01- 6201374
Fax No: 01-
E-mail: lease@ntc.net.np

14.2 Notices mailed by registered or certified mail shall conclusively deem to have been received by the addresses when delivered. Notices sent by telex or fax shall be conclusively deemed to have been received by the addresses upon confirmation of receipt.

14.3 Any changes to the above addresses shall be made known to the other party in writing.

14.4 In witness whereof, the undersigned, duly authorized hereto by their respective institutions, have signed this Agreement in English language and in duplicate at **Nepal Telecom, Kathmandu Regional Directorate**, Service Division, on the date first mentioned above.

For and on behalf of

For and on behalf of

Nepal Telecom

Signature:

Signature:

Printed Name:
Designation:

Printed Name: Birendra Bdr. Shakya
Designation: Deputy Manager
Kathmandu Regional Directorate
Nepal Telecom

Official Stamp:

Official Stamp:

Witness:

Witness:

Signature:

Signature:

Printed Name:
Designation:

Printed Name: Raju R. Maskey
Designation: Senior Engineer
Service Division
Kathmandu Regional Directorate
Nepal Telecom

Annex-A**Rates for Leased Internet Connectivity**

- The Client is required to make advanced payment for two months.
- The rates for Shared Channel are as below:

| Speed (kbps shared and symmetrical) | Internet Monthly Rate | Copper Lease Monthly | HDSL Modem on Lease Monthly | Total Monthly |
|-------------------------------------|---|----------------------|-----------------------------|---------------|
| 64 | Rs. 5,000.00 | Rs. 1000.00 | Rs. 2000.00 | |
| N*64 | N*Rs. 5,000.00 (as per attachment "Rates List") | Rs. 1000.00 | Rs. 2000.00 | |

The above rates are exclusive of all applicable taxes.

- The installation charge is Rs.1800.00 for the Local leased (copper pair). Client shall arrange the required drop wire up to Client's premises.
- Ownership charge Rs. 1500.00.
- Nepal Telecom will provide additional discounts depending upon the bandwidth used.
- The Client shall be given one free Unlimited Single User or 25hrs monthly/hourly National roaming package Internet Account free of charge upon Client's choice.
- Number of public IPs provided:
- The charges shall be revised as when Nepal Telecom revises tariff plan.

Rates List

Internet Leased Line connectivity (n*64Kbps)

Nepal Telecom Internet service provides Leased Internet Connectivity over dedicated leased lines. These are very economical means of having high-speed Internet access round the clock. Require leased line modems at both ends of a physical leased line.

Leased Internet Connectivity Rates per month for Symmetrical Bandwidth

| No of Channels | Bandwidth Kbps | Bandwidth Cost Rs | Lease Modem (Option) | Local Lease |
|----------------|----------------|-------------------|----------------------|-------------|
| 1 | 64 | 5,000.00 | 2,000.00 | 1,000.00 |
| 2 | 128 | 9,800.00 | 2,000.00 | 1,000.00 |
| 3 | 192 | 14,700.00 | 2,000.00 | 1,000.00 |
| 4 | 256 | 19,600.00 | 2,000.00 | 1,000.00 |
| 5 | 320 | 24,500.00 | 2,000.00 | 1,000.00 |
| 6 | 384 | 29,400.00 | 2,000.00 | 1,000.00 |
| 7 | 448 | 34,300.00 | 2,000.00 | 1,000.00 |
| 8 | 512 | 39,200.00 | 2,000.00 | 1,000.00 |
| 9 | 576 | 44,100.00 | 2,000.00 | 1,000.00 |
| 10 | 640 | 49,000.00 | 2,000.00 | 1,000.00 |
| 11 | 704 | 53,900.00 | 2,000.00 | 1,000.00 |
| 12 | 768 | 58,800.00 | 2,000.00 | 1,000.00 |
| 13 | 832 | 63,700.00 | 2,000.00 | 1,000.00 |
| 14 | 896 | 68,600.00 | 2,000.00 | 1,000.00 |
| 15 | 960 | 73,500.00 | 2,000.00 | 1,000.00 |
| 16 | 1024 | 76,000.00 | 2,000.00 | 1,000.00 |
| 17 | 1088 | 80,750.00 | 2,000.00 | 1,000.00 |
| 18 | 1152 | 85,500.00 | 2,000.00 | 1,000.00 |
| 19 | 1216 | 90,250.00 | 2,000.00 | 1,000.00 |
| 20 | 1280 | 95,000.00 | 2,000.00 | 1,000.00 |
| 21 | 1344 | 99,750.00 | 2,000.00 | 1,000.00 |
| 22 | 1408 | 104,500.00 | 2,000.00 | 1,000.00 |

| | | | | |
|-----|------|------------|----------|----------|
| 23 | 1472 | 109,250.00 | 2,000.00 | 1,000.00 |
| 24 | 1536 | 114,000.00 | 2,000.00 | 1,000.00 |
| 25 | 1600 | 118,750.00 | 2,000.00 | 1,000.00 |
| 26 | 1664 | 123,500.00 | 2,000.00 | 1,000.00 |
| 27 | 1728 | 128,250.00 | 2,000.00 | 1,000.00 |
| 28 | 1792 | 133,000.00 | 2,000.00 | 1,000.00 |
| 29 | 1856 | 137,750.00 | 2,000.00 | 1,000.00 |
| 30 | 1920 | 142,500.00 | 2,000.00 | 1,000.00 |
| 31 | 1984 | 147,250.00 | 2,000.00 | 1,000.00 |
| 32 | 2048 | 152,000.00 | 2,000.00 | 1,000.00 |
| 64 | 4096 | 288,000.00 | 4,000.00 | 2,000.00 |
| 96 | 6144 | 432,000.00 | 6,000.00 | 3,000.00 |
| 128 | 8192 | 576,000.00 | 8,000.00 | 4,000.00 |

The above rates are monthly rates in NRs and exclusive of all applicable taxes.

- The installation charge is Rs.1800.00 for the Local lease (copper pair). Client shall pay for the drop wire up to Client's premises.
- Ownership tax Rs. 1500.00
- The client will have the choice to take the Lease Modem from Nepal Telecom on Lease Basis or arrange the required type of Modem (at both ends) by self.
- Nepal Telecom will provide additional 5% discounts for an advanced payment of one year charges.
- The Client shall be given one free Unlimited Single User or 25 Hrs monthly/hourly National Roaming package Internet Account free of charge upon Client's choice.

Intranet Leased Line connectivity (n*64Kbps)

Nepal Telecom Internet service also provides Leased Intranet Connectivity over dedicated leased lines. This service is used to connect remote sites of a corporate network over Nepal Telecom's IP Backbone. Require leased line modems at both ends of a physical leased line. Speeds multiple of 64 kbps up to 2 Mbps can be provided.

Rates for Leased Intranet Connectivity

- The rates for Shared Channel are as below

| Speed (kbps shared) | Monthly Rate |
|---------------------------------|---|
| 64 | Rate breakdown: a. One port per end = Rs. 2500 b. One 64kpbs bandwidth = Rs. 2000 |
| Additional N*64 (on same port) | N*Rs.2500.00 (5% discount where N>1) |

- The monthly charge for the Local leased (copper) cost Rs. 500.00 is included in above monthly rate.
- The installation charge for the Local leased (copper) cost Rs. 1800.00. Client itself shall arrange the required drop wire up to Client's premises.
- The installation of necessary equipment configurations at the Client's premises shall be the responsibility of the Client.
- The Client is required to make advance payment for two months.
- Nepal Telecom shall provide additional 5% discounts for an advanced payment of one year charges.