

**Reference Inter-connect Offer**

**(For distribution of Services/Channels through IPTV Platform to the  
Subscribers other than Commercial Subscribers)**

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**NEO SPORTS BROADCAST PRIVATE LIMITED**

**Regd. Office: Nimbus Centre, Oberoi Complex, Andheri West, Mumbai - 400053**

## Interconnect Agreement for IPTV Operators

This Interconnection Agreement (“AGREEMENT”) is executed on \_\_\_\_\_ at Delhi, between:

**NEO SPORTS BROADCAST PRIVATE LIMITED**, a company registered under the Companies Act, 1956 having its registered office at Regd. Office: Nimbus Centre, Oberoi Complex, Andheri West, Mumbai-400053 (hereinafter referred to as “**NEO**”, which term / expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns) of the First Part.

AND

\_\_\_\_\_ a company registered under the Companies Act, 1956 having its registered office \_\_\_\_\_ (hereinafter referred to as “**AFFILIATE**”, which term / expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns and be deemed to mean IPTV operator who distribute television channel via its IPTV Platform) of the Second PART.

### WHEREAS

- A. NEO is the owner of the television channels “NEO Sports” and “NEO Prime” (“Channels”) and is engaged in the business of inter-alia producing, broadcasting and distributing the said Channels.
- B. Affiliate is inter – alia engaged in the business of establishing, maintaining and operating Internet Protocol Television transmission service on its television platform (“**IPTV Services**”) within India.
- C. Affiliate has represented to NEO that it has necessary infrastructure, resources, experience and expertise in distributing the channels/services to the Customers/house holds through its IPTV Platform and is desirous of subscribing the channels/services of NEO in order to distribute the same to its subscribers with in the territory of India.
- D. NEO on the representation of Affiliate has agreed to grant non-exclusive distribution rights of the Channels to Affiliate, for the purpose of simultaneous distribution of the Channels to its Subscribers within the Territory through the IPTV Services of Affiliate.

The parties to the agreement agrees to abide by the Supreme Court Order dated 18<sup>th</sup> April 2011 passed in civil appeal no. 2847-2854 and is effective from 19<sup>th</sup> April 2011 and is interim in nature, subject to the final outcome of the abovementioned civil appeals pending in the Hon’ble Supreme Court or any other proceedings initiated by NEO and/or any other broadcaster *inter-*

*alia* in relation to the Telecommunication (Broadcasting and Cable) Services (Fourth) (Addressable Systems) Tariff Order 2010 dated 21<sup>st</sup> July 2010.

**NOW THEREFORE THIS AGREEMENT WITNESSETH AND IT IS MUTUALLY AGREED AS FOLLOWS:**

## **SECTION I.**

### **DEFINITIONS AND INTERPRETATION**

**Affiliate** – shall mean IPTV Operator whose description has been specified herein and is authorized by NEO as per the terms of this Agreement to subscribe the agreed Channels in order to further distribute the same to its Subscribers/Customers via Permitted Distribution System. Affiliate shall include its successors and permitted assigns.

#### **Affiliate's IPTV Platform (also referred to as Affiliate's Platform or Platform)**

Shall mean the Internet Protocol Television (IPTV) system, wherein subscription television services are delivered to subscribers in an addressable mode using the Internet Protocol via closed network infrastructure, through the Digital Rights Management (“**DRM**”) mode which are owned or controlled and operated by the Affiliate (the “**System**”) for distribution to the Subscribers, solely for reception through television only and Affiliate agrees to provide the Channels as per the terms of the Agreement.

**Affiliate Equipment/Equipment** shall include IRDs and the Viewing card(s) required for receiving and decoding the signals of NEO for IPTV transmission by the Affiliate to its Subscribers.

**Affiliate Premises** means the location at which the Equipment(s) with CAS viewing /smart card are/to be installed/housed for the purpose of up-linking the signals of the channels for IPTV transmission and used in accordance with the provisions hereof; which at present is

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**Agreement** means this Inter-connect offer together with its schedules/annexures attached to and forming part of this Agreement as may be amended from time to time.

**Applicable Laws** shall mean and include any law, regulation, direction, notification, policy, guidelines, order, including amendments thereto, enacted or issued by any constitutional, legislative, judicial, quasi-judicial or administrative authority concerning Broadcasting and IPTV distribution of TV channels and matters consequential upon and incidental thereto.

**Cable Operator** shall mean any person including an individual, group of persons, public or body corporate, firm or any organization or body who, put, employ or install any device/joint to access the channels including the Channels in order to distribute the same to its Subscribers through its Cable Television Network (as defined under the Cable Television Network Act, 1995) and includes the in-putters/jointers/link operators/ sub-cable operator by whatever name

called, of the Cable Operator for whom the Cable Operator shall be deemed to be acting as Principal thereof. The term Cable Operator shall include the term Multi System Operator.

**Channels** mean such televisions channels which presently have been subscribed by or will be subscribed by the Affiliate in future for further distribution to its Subscribers as per the terms of this Agreement. The channels presently subscribed by the Affiliate are NEO Prime & NEO Sports

**Conditional Access System, CAS/CA or Addressable System** means a system of allowing consumers/Subscribers access to only those services/channels which have been subscribed by them.

**Confidential Information** for the purpose of this Agreement, means, with respect to either party, any and all information given in writing relating to the disclosing party (including but not limited to the pricing and subscriber base) which might reasonably be presumed to be proprietary or confidential in nature) excluding any such information which:

- (i) is known to the public (through no act or omission of the receiving party in violation of this Agreement);
- (ii) is lawfully acquired by the receiving party from an independent source having no obligation to maintain the confidentiality of such information;
- (iii) was known to the receiving party prior to its disclosure under this Agreement;
- (iv) was or is independently developed by the receiving party without breach of this Agreement;  
or
- (v) is required to be disclosed by governmental or judicial order, in which case the party so required shall give the other party prompt written notice, where possible, and use reasonable efforts to ensure that such disclosure is accorded confidential treatment and also to enable such other party to seek a protective order or other appropriate remedy at such other party's sole costs;

**Customer Equipment (CE)** shall include set top boxes (STBs) and other tools and equipments/device(s) which are compatible with technology employed by Affiliate in respect of its IPTV Platform and shall be installed or to be installed at the Subscriber's Premises so as to receive and decode the signals of the subscribed channels as part of the Affiliate's IPTV Platform

**Designated Language** for the Channels means English Language only.

**Digital Rights Management (DRM)** system means the Digital Rights Management System which is required to secure the content within the network and prevent unauthorized access to the content through Set Top Box or any other access device. It covers encryption of content with known set of keys and authorization of Set Top Box with distribution of keys. It should support finger printing, forced messaging and OSD.

**Electronic Program Guide (EPG)** means an electronic program guide maintained by the Affiliate that lists television channels and programmes, and scheduling/programming information therein 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 programmes.

**Fingerprinting** means the method/system to be employed by the Affiliate in order to force the set top box to display a viewing / smart card unique number on the screen of the television sets of any person using the Services of the Affiliate, to be used to identify the Set top box.

**Integrated Receiver - Decoder (IRD) or Equipment** –The device that is able to receive and/or decode the Service while used in conjunction with a Viewing / Smart card provided by the Affiliate and which has a recommendation/approval of NEO on the basis of mutually agreed parameters between the parties from time to time.

**Intellectual Property Rights** includes all intellectual property rights owned and/or licensed to at present and/or to be owned in future by and licensed to NEO and/or the Channel/ Service owners; which *inter-alia* includes copyright, trade name, trademark, service mark, trade secrets, rights of attribution, integrity and similarly afforded "moral rights," and any other intellectual or proprietary rights of any nature whatsoever in any part of the world, which belongs to NEO.

**IPTV** is a system where a digital television service is delivered using the Internet Protocol over a network infrastructure which may include delivery by a Broadband connection, through Conditional Access System only. As defined by International Telecommunication Union, IPTV service is defined as follows:

“An IPTV service (or technology) is the new convergence service (or technology) of the Telecommunication and Broadcasting through QoS controlled Broadband Convergence IP network including wire and wireless for the managed controlled and secured delivery of a considerable number of multimedia contents such as Video, Audio, data and application processed by Platform to a customer via Television, PDA, Cellular and Mobile TV terminal with STB module or similar device.”

**Material Breach**— shall include but not be limited to any of the following breaches:

- 1) Non-payment/part payment of the Subscription fee as per the terms of this agreement.
- 2) Providing incorrect Statement/warranties and/or in the event of a statement /warranty of the party is found to be incorrect.
- 3) Distribution of Channels in other than agreed designated language
- 4) Tampering with SMS/CAS, Equipment(s) and/or Records
- 5) Non-integration of CAS & SMS
- 6) Change of location of Equipment by the Affiliate without consent of NEO.
- 7) Under disclosure or wrong disclosure of subscriber base and /or non/wrongly providing the details of Subscribers,

- 8) Provision of Services by the Affiliate in any other mode except IPTV mode
- 9) Provision of Services outside the Territory
- 10) Provision of Services to other than the Permitted Distributed System and
- 11) Non compliance of the terms of Annexure C attached to this Agreement.

**National Newspaper** for the purpose of this Agreement means a newspaper which has a maximum coverage across the Affiliate's territory which includes vernacular language speaking regions and it should cover atleast 70% of its subscribers.

**Package** shall mean a set of channels selected by the Affiliate in order to offer the same as a IPTV bouquet to its subscribers for an indicated consideration where all the channels in the said bouquet are simultaneously made available to the subscribers for exactly the same duration and can be viewed at any point in time as a part of the said package.

**Permitted Distribution System** shall mean a system of continuous and uninterrupted distribution of the Television channels, on as it is basis, in agreed designated language only to the Subscribers/Customers in encrypted/scrambled digital format through IPTV mode. The Distribution System would not allow/include distribution of the Subscribed channels to any Specified Commercial Subscribers and /or through any other method such as Analogue mode, Head-ends in the sky, Pay per view, Video on demand, Multi point Microwave distribution system/multi channel multi point distribution system, Quadruple play, Terrestrial transmission (analogue/digital), Mobile TV or through Cellular mobile networks etc. or any other medium or technology or device. It is however clarified that for distribution of signals of the Channels to any of the abovementioned restricted mode/categories by the Affiliate, the Affiliate needs to sign another agreement with NEO in this respect.

**Service** means Channels being provided by NEO to the Affiliate. However, the term Channel(s) and Service may be inter-changed for the purpose of convenience under this Agreement.

**Set Top Box/STB** is a box which is connected to or is the interface between the television of the Subscriber and the Affiliate which allows him (the Subscriber) to decode the signals of the Channels/Service received from the IPTV platform of the Affiliate in decoded form in order to view the programming.

**“Subscriber”** means each STB/TV who subscribes to and avails the IPTV service provided by Affiliate at a place indicated to Affiliate by him without further transmitting it to any other person and includes all kinds of subscribers except as defined by TRAI i.e. (i) hotels with rating of three star and above; (ii) heritage hotels (as described in the guidelines for classification of hotels issued by Department of Tourism, Government of India); (iii) any other hotel, motel, inn, and such other commercial establishment providing boarding and lodging and having fifty or more rooms; and (iv) in respect of programmes shown on the occasion of a special event for common viewing, at any place registered under the Entertainment Tax Law and to which access is allowed on payment basis for a minimum of 50 persons. For the purpose of this Agreement, these exceptions shall be collectively referred to as ‘Specified Commercial Subscribers’.

**Subscription Fees/Charges** means the fees/amount payable by the Affiliate to NEO for subscribing the Services of NEO on the basis of the Price and conditions as specified in this Agreement and any/all revisions thereof made by NEO from time to time in accordance with the terms of this Agreement. It is clarified that the subscription fee will be arrived at by multiplying the price of the Channels with the Average number of Subscriber availing the channels. NEO reserves the right to revise the price of the Channel(s) in accordance with the provisions of the applicable statute.

It is clarified that the “Monthly Average Subscriber Level” is equal to the sum of the number of subscribers on the first and last day of the month in question divided by two.

It is further clarified and agreed that for the purpose of calculation of the Monthly License Fee payable to NEO, “Subscriber” means, for any calendar month, each Set Top Box, which is availing the Channel(s) of NEO through the IPTV operator.

**Subscriber Management System or SMS** means a system or device being integrated with CAS, which stores the Subscriber’s records and details with respect to name, address etc. as well as information regarding the hardware being utilized by the Subscriber, channels /bouquets of channels subscribed to by the Subscribers, price of such channels or bouquets of channels as defined in the system, the activation / deactivation dates and time for any channel or bouquet of channels, a log of all actions performed on a Subscriber’s record, invoices raised on each subscriber and the amounts paid by the subscriber for each billing period. The SMS shall contain 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.

**Subscriber Numbers/Number of Subscribers** means the number of Subscribers subscribing to the Channel(s) (whether such Channel(s) is/are sold on a-la-carte or as part of any package/bouquet). For the purpose of convenience the term Subscriber Number is also referred to as Subscriber Base in this Agreement.

It is clarified that for the purpose of calculating the Subscription Fee, the Subscriber Numbers for any calendar month would be considered as the Average of the number of Subscribers subscribing to the Channel(s) on the first day of the calendar month and the last day of the said calendar month in question. It is further clarified and agreed that the Subscriber number shall be determined based upon each TV connected to a Set Top Box installed in the residential dwelling unit (including a dwelling unit in an apartment or multi unit complex) and shall be determined based upon the Television Set installed in each of the room/premises of the Commercial Subscriber. However, in case any apartment/building/block and/or rooms of any hotel is serviced through by a single set top box in such a case the dwelling units/ number of rooms/TV in the hotel will be counted to determine the Subscriber Number for such commercial subscriber.

**Subscriber Premises** means premises at which the Subscriber receives the Services from the IPTV platform of the Affiliate.

**TERM** means the validity period of this Agreement which is commencing from \_\_\_\_\_ and ending on the date as mentioned in Section III of this Agreement. The Term includes the period of Extended Term also.

**Territory** means territory of India as defined and existing on date of execution of this Agreement.

**Triple Play service** is the provisioning of two broadband services, high-speed internet access and television, and one narrowband service, telephone, over a single broadband connection.

**Viewing Card (also called as CA Smart card)** means the electro-magnetic card to be used in conjunction with the IRD to access and decode each Subscribed Channel and provide the viewer access to various pay channels from the network. The Cards when inserted into set-top boxes / IRD's that have an internal decoder, shall be converting encrypted signals into are cognizable format.

The title of this Agreement and its headings are used for convenience only and shall not affect the interpretation of this Agreement.

Unless the context specifies otherwise, reference to the singular includes a reference to the plural and vice versa, and reference to any gender includes a reference to all other genders and reference to an individual shall include his personal representative, successor or legal heir.

## **SECTION II. AUTHORIZATION & RIGHTS:**

(A) On the basis of and in reliance upon the representation, warranties and declaration made by the Affiliate, and subject to compliance of the terms/obligation by the Affiliate, NEO hereby grants to the Affiliate the non-exclusive right (during the Term of this Agreement) to subscribe the agreed Channel(s)/Service in order to simultaneously distribute the same to its Subscribers in the Territory only through Permitted Distribution System and in the manner provided in sub clause (G) of this clause, through its IPTV Platform.

(B) It is agreed that the above said rights/authorization are granted subject to and conditional upon the performance by the Affiliate of all its obligations and compliance of the provisions of this Agreement; particularly payment of Subscription fee by the Affiliate and mere possession of the Equipment(s) shall not entitle the Affiliate to receive and or distribute the Service. It is further reiterated and agreed that the above-said authorization (for subscribing the Channel(s)/Services for further distribution) to the Affiliate is confined to distribution of the Channel(s)/Services only:

- in the designated Territory
- in agreed designated language
- through Permitted Distribution System & in the manner as provided in sub clause (G) of this Section II and
- to the declared number of Subscribers of the Affiliate



(C) The subscription/distribution rights given to the Affiliate are confined only to those Subscribers having set top box and whose complete details have been recorded/ maintained in the CAS/SMS of the Affiliate with intimation to NEO.

(D) All rights/authorization including all programming elements contained in the signal of each Channel not specifically granted to the Affiliate in this Agreement shall remain with NEO. NEO reserves the right to provide the Service to other persons/Affiliates/Operators (i.e. IPTV, Cable Operators and/or any other person) for the purpose of distributing the Service at its sole discretion.

(E) It is reiterated that unless otherwise agreed, the authorization granted to the Affiliate is confined to its Subscribers and the Affiliate is not entitled to distribute the Channel(s)/Services to Commercial Subscriber(s). It is further reiterated that the Affiliate undertakes to subscribe and distribute the Service/Channel in agreed designated language only and shall not change or use the language other than the authorized one.

(F) In case the Affiliate intends to distribute the Channel(s)/Service to any Commercial Subscriber(s) or through any other mode it shall seek separate authorization from NEO and a separate agreement is to be executed in this respect.

**(G) Manner of distribution & technical security measures:**

(1) The Affiliate shall follow the below-mentioned procedures which are a sine-qua-non for the authorization granted to it by NEO:

a) The Affiliate shall receive, decrypt and de-code the Subscribed Channels only through Equipments supplied/approved by NEO.

b) The Affiliate shall decode, turn-around and encrypt the Channels (without deletion or alteration of, or interference with, the content of any of the Channels) in a mode acceptable to NEO and then uplink through Affiliate's IPTV platform to be received by the authorized Subscribers of the Affiliate.

c) The Affiliate agrees to provide all the channels including the Channels through the Affiliate IPTV Platform for reception by the Subscribers through CE as per their request and choice, but at all times in accordance with the terms and conditions of this Agreement. Further it is required that the transmitting facilities of the Affiliate shall be capable of addressing the Subscribers individually on the basis of decoder and programme.

d) The Affiliate shall ensure that the services of the Channels shall be available to the Affiliate's Subscribers on a continuous and uninterrupted basis as per the terms of this Agreement. The Affiliate shall further ensure that the Service/Channels shall only be activated through the set top boxes which meet the specifications prescribed by BIS/BECIL; otherwise NEO shall be entitled to de- activate the Service of the Affiliate in accordance with the provisions of Inter connect regulations issued by TRAI. For the purpose of compliance of this clause, the Affiliate shall give a certificate to NEO ( from time to time as required by NEO) to be signed by Chief Financial

Officer or head of that department that a mutually agreed procedure for verification is in place and that the same has been followed in respect of each subscriber.

e) The Affiliate shall record the details of all its Subscribers in the CAS and SMS along with the date of activation and deactivation of their Services.

(2) The following conditions are a prerequisite for the execution of the present Agreement and shall subsist for continuing the same:

a) The Affiliate shall install the highly secured and standard CAS, which is linked and integrated, with SMS and activation/deactivation is processed through such SMS.

b) Both CAS and SMS systems should be in accordance with the standard prescribed by BIS/BECIL.

c) Both the CAS and SMS software must be from a reputed company in the business of protecting live sports content for at least last 5 (five) years and must currently be successfully protecting at least Ten millions pay TV subscribers world wide.

d) The reports generated by SMS should be in conformity with CAS and in a pre-defined read only format such as a suitable PDF format (password protected), which cannot be edited.

e) The Affiliate's operating system should be able to handle individual channels, packages, discounts, free offers, promotional offers;

f) The CAS and SMS of Affiliate must have the capability or recording activation/deactivation history with respect to each addressable device (IRD/VC) and each service for every activation and deactivation in the system for a minimum period of 1 year. In addition the SMS of the Affiliate shall have the compulsory features of maintaining a detailed database of the Subscribers which shall inter-alia include - the name, address and the channels/package(s) opted by the Subscribers, basic features of the contracts executed with the Subscribers such as date of contract, details of Customers Equipments, method of billing, payments and outstanding by the Subscribers etc. & administration of such features as per industry standards, handling complaints of the Subscribers.

g) The Services of NEO shall be provided to the Subscribers only through CAS/SMS and no services shall be provided without, authorization, recording the details under which the subscriber has opted the channel i.e., package, billing etc. through the said system.

h) Such system must have the features of finger printing (FP) and On Screen Display (OSD) to be shown on various location, frequencies and duration as advised by NEO from time to time. The FP & OSD should not be removable by the Subscriber and should be controllable as and when required.

i) The Affiliate agrees to display the Finger Printing and /or OSD at the scheduled time, location, duration as advised by NEO provided 15 minutes notices is given to the Affiliate.

j) It is acknowledged and agreed that the Affiliate install the process for FP whereby code words/numbers etc. are made overtly to appear on the screen of a television screen and / or covertly in the signal of the Channel that enables identification of the Viewing Cards being used to access the signal.

k) The Affiliate shall ensure that:-

I) FP should be possible at any location and different FP location setting should be possible for different groups of STBs. In addition the FP should be displayed/defined by x - y coordinates on the TV screen and is capable of being displayed for varying length of time which can be scheduled at different intervals.

II) FP shall be visible in the Electronic Program Guide (EPG), Picture in Picture (PIP) or in any other mode in which the Service is available. FP should be possible on single and/or all the Channels.

III) CEs should support both visible & invisible Finger Printing as well as OSD messaging.

IV) The CAS of the Affiliate must have a log of all the actions performed on the CE at least for the past one year which shall inter-alia include activation/ deactivation, FP triggers etc;

V) The FP should not be removable by the Subscriber or any other person not authorized by NEO.

VI) The Affiliate shall not resort to and, or, use any method technology, software now known or hereinafter devised to subvert the Addressable System to the detriment of the interests of the Company.

VII) The Smart card (VC card) and the STB should be paired in such a way that without any of these individual components or changing any one of those should not enable the services. This combination should support fingerprinting and for any reason if the fingerprinting is not available on change of any of these components then NEO has right to discontinue the services.

VIII) To have strict security measures against piracy of the viewing / smart card.

IX) To comply with all the specification with respect to STB, CAS and SMS as stated in Schedule IV of the Inter connect Regulations dated 17th March 2009 issued by TRAI which is annexed as Annexure C to this Agreement.

**(3)** The Affiliate will maintain at its own expense a subscriber management system ("SMS") capable of, at a minimum:

- (i) maintaining a computerized customer database capable of recording adequate details of each Subscriber, including name, address, chosen method of payment and billing;
- (ii) administering subscriptions of Subscribers by producing and distributing contracts for new Subscribers and setting up and maintaining an infrastructure whereby Subscriber contracts are collected and recorded in the SMS database for ongoing administration;
- (iii) 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
- (iv) administering payments of any commission fees from time to time payable to the IPTV operator's authorised agents for the sale to Subscribers of programming packages;
- (v) obtaining and distributing receivers and smartcards, if applicable, to Subscribers, and issue replacement smartcards from time to time in its discretion; and
- (vi) enable new Subscribers via the SMS over-the-air addressing system and disable defaulting Subscribers from time to time in its discretion.

In case the security of CAS/SMS is breached, or if the Services are viewed through without FP or OSD, NEO reserves the right to discontinue its services as per the terms of this Agreement without prejudice to any other rights.

**(H) Placement, packaging and new channels:**

1. It is clearly understood that Affiliate has the right to include channels/s of NEO in any package of their choice which is consistent with the definition of package in this agreement. The Affiliate undertakes that it shall not discriminate channel/s of NEO vis-à-vis any other channel if the terms of offer and/ or contents is/are same or similar. (Cricket for cricket and sports for sports, and programme having similar profile
2. In the event of introduction of new channel(s) by NEO, the Affiliate, subject to its bandwidth IPTV capacity, agrees not to discriminate the new channels of NEO with any other channels of the same genre while subscribing the new channels for its IPTV Platform.
3. The Affiliate agrees that the channels "NEO Sports" and "NEO Prime" shall be made available to its existing subscribers on its platform on fixed LCN Numbers being 406 for NEO Sports and 405 for NEO Prime. That the above mentioned LCN numbers will be provided by the Affiliate at the time of entering into the Agreement and the Affiliate undertakes not to make available the said channels on any other LCN without prior intimation to NEO.
4. The Affiliate undertakes to offer NEO Channels on its platform strictly in accordance with the terms and conditions of this Agreement.

5. In the event the affiliate opts to sell/distribute NEOs Channels/ NEO bouquet on an A-la-carte basis, then it is agreed by the Affiliate, that the Affiliate shall not remove the channels at its own discretion and the removal of channels shall only be allowed provided the subscriber chooses specifically to opt out of the NEO channels taken on alacarte.

### **SECTION III. Term:**

(A) Unless terminated earlier as per the terms of this Agreement, the Term of this Agreement will be for a minimum period of 2 (two) year, commencing from \_\_\_\_\_ to \_\_\_\_\_. It is agreed between the parties that the period from \_\_\_\_\_ to \_\_\_\_\_ shall be the initial period and the parties will have the liberty to re-negotiate the terms there after for the period of \_\_\_\_\_ to \_\_\_\_\_. However the agreement may be renewed by either party after the expiry of the present Agreement for a further period of 1 year (Extended Term) on the same terms and conditions as would be agreed between the parties but subject to Section III (B) as mentioned hereinafter

(B) The Affiliate shall pay the then prevailing price for the Channels for the Extended Term

### **SECTION IV. NEO Obligations:**

(A) NEO shall make available the agreed Channel(s)/Service to the Affiliate as per the terms and conditions of this Agreement and as per applicable laws/ regulations/ guidelines/ directions/ tariff orders issued by the Govt. /TRAI.

In the event NEO discontinues any Channel(s), it shall do so by giving the Affiliate a reasonable notice and subject to equitable reduction of the Subscription fee with effect from the date of discontinuation of the Channel. Such discontinuation shall be in compliance with all applicable regulations.

(B) NEO shall, on receipt of the subscriber base, issue monthly invoices to the Affiliate for the previous calendar month on or before the 15th day of the succeeding calendar month, however non-receipt of dispatched invoice will not relieve the Affiliate from its obligation to make the payment of Subscription fee as per the terms of this Agreement.

(C) In the event the Affiliate wishes to take the IRD/equipment from NEO upon execution of the Agreement and subject to fulfillment of all commercial and technical terms, NEO hereby agrees to provide the same to the Affiliate at the earliest practicable place at cost price which price shall be paid by the Affiliate within 15 days of receipt of NEO's invoice.

(D) NEO shall take all necessary approvals and permissions as may be laid down by law and shall comply with all the applicable statute including the Rules, notifications and orders issued by the relevant Authorities

(E) NEO agrees that it shall not:

- acquire any proprietary or other rights in the trade names and marks which is Affiliate's assert, proprietary or other rights, which Affiliate may inform NEO from time to time in writing and agrees not to use the same in any corporate or trade name.
- cause or permit anything which may damage or endanger the Intellectual Property of the Affiliate or assist or allow others to do so;
- apply for registration of the Trade Names of the Affiliate as a trade mark
- Use any name or mark similar to or capable of being confused with the trade Name or the mark of the Affiliate.

(F) Reservation of Rights

Notwithstanding any thing contained in the Agreement:

- (1) NEO has the sole and exclusive right and privilege to determine which program, advertisements, messages and content and the like shall be included in the Channel(s)/Service and reserves the rights to change or withdraw the same, alter any of the Channel including its name at any time and programmes being /to be exhibited therein at its sole discretion without any notice to the Affiliate.
- (2) NEO reserves the right to form a new/separate bouquet of channel(s) at any time, subject to applicable law, rules, regulations or government order.
- (3) NEO also reserves its right to act or abstain from performing any of its obligations in pursuance to any decision/action taken and/or order passed by the Govt., Court(s), Tribunal(s) and/or any Authority [including but not limited to any sports or statutory Authority either by amendment in existing laws/guidelines/rules or otherwise.
- (4) NEO may commence or continue to provide the Services directly or indirectly to Subscribers and /or to any other person/Affiliate/person/Cable Operator through any platform/mode.
- (5) NEO is entitled to discontinue any Channel and/or contents thereof at its discretion without any obligation. In the event any Channel is withdrawn from the Service, the Subscription Fee shall be adjusted equitably but the Affiliate is not entitled to any other claim against NEO.
- (6) NEO may change the name of the Channels at its sole discretion

**SECTION V. Affiliate's Obligations:**

The Affiliate agrees and covenants to comply with following terms and conditions, during the Term of this Agreement, in addition to other terms mentioned in the Agreement.

### **A) Subscription, Reception and Distribution:**

(1) The subscription of the Channel(s)/Services by the Affiliate is solely for the purpose of further distribution in the agreed Territory to its Subscribers (as declared by the Affiliate) on continuous and uninterrupted basis through Permitted Distribution System.

(2) The Affiliate shall receive and download, at its own expense & cost, the signals of the subscribed Channel(s)/Service, and distribute through the approved Equipments and mode as specified by NEO.

(3) The Affiliate shall ensure reception and distribution of the Channel(s)/Service on a separate, dedicated network for reception by its Subscribers on continuous and uninterrupted basis in designated/agreed language only. The Affiliate also agrees to maintain a high quality of signal transmission for the subscribed Service to its Subscribers without any disturbances, disruptions, black out or interruptions.

(4) The Affiliate agrees and undertakes that it shall distribute and ensure simultaneous, continuous and uninterrupted distribution of the Service in its entirety, during the Term of this Agreement, in the same manner as it is received without any modification, editing, delays, alterations, interruptions, including any pull through or scrolling, imposing or superimposing of advertisements, insertion of graphics overlays except for the Affiliate's brand/logo; provided it (the Affiliate's logo) shall not hide the logo of NEO and will be non-discriminatory in nature, picture squeezing or re-sizing or otherwise tampering with the telecast/content including editing, deletion, addition and/or voice over etc., interference, de-modulation, delaying, and blacking it out in any manner whatsoever. The Affiliate further undertakes that it shall distribute the channels in accordance with the terms of this Agreement and shall not disrupt, black out, interrupt and/or discontinue the carriage, supply and/or distribution of the Channels during the term of this Agreement.

It is further agreed that the Channels must be delivered by the Affiliate to its Subscribers in a securely encrypted manner and without any alteration and infrastructure allocated by IPTV operator in respect of the broadcast signal of the Channels by the Affiliate to its subscribers shall be no worse than that of the broadcast signal of any other channel within the same genre on its IPTV platform.

(5) The Affiliate is authorized to transmit/distribute the Services only to such numbers of Subscribers whose details have been recorded in its CAS/SMS and provided/disclosed to NEO as per the terms of this Agreement. It is further agreed that all the relevant terms and conditions of this Agreement will be binding upon the Subscribers of the Affiliate.

(6) The Affiliate undertakes to distribute the Channels to its subscribers in full compliance with the provisions of Section II Clause 2 (H).

## **B) Subscriber base & Territory:**

(1) Subject to sub-clause 5 of this Clause; it is expressly acknowledged that the Subscriber number shall be determined solely on the basis of and in reliance upon the Reports and declaration made by the Affiliate of its Subscription base from time to time as per the terms of this Agreement which shall be subject to verification by NEO for the correctness of the same.

(2) The Affiliate agrees to distribute the Service only to those Subscribers whose details have been recorded in its CAS/SMS and have been declared to NEO and in case Affiliate is desirous of providing the Service/Channel to more number of Subscribers than declared by the Affiliate i.e. if there is any increase in number of its subscriber's base, it is obligatory on the part of the Affiliate to intimate the enhanced subscription base to NEO and pay the subscription fee on the increased base.

(3) The Affiliate is required to intimate to NEO on or before 7th day of each Calendar month - the number of Subscribers ( which shall inter alia includes the opening, closing and Average number of subscribers) and details thereof opted for the Channels/Service of NEO(during the previous month) through its IPTV platform.

(4) The Affiliate hereby undertakes that it shall distribute the Channel(s) only in the agreed Territory and any distribution of the subscribed Channel(s) beyond the Territory without prior authorization from NEO or more than the declared number of Subscribers will be deemed as distribution without authorization and will also constitute a Material Breach, for which NEO is entitled to terminate the Agreement and/or claim damages for the same without prejudice to any other rights available to NEO.

(5) The Affiliate agrees and undertakes to declare the true subscriber base to NEO and send an updated list thereof as per the terms and conditions of this Agreement. In case after verification NEO arrives at the opinion that the Affiliate has been distributing the Services to the number of Subscriber receiving the Service are more than the number declared by Affiliate in any particular month; NEO may, upon notice to the Affiliate, send the revised invoice for that month and the Affiliate agrees to pay the revised Subscription Fees in accordance with the provisions hereof, without raising any dispute in this regard, unless he proves, within five days from such notice, that the opinion of NEO is based on wrong information/assumption .

## **C) Records, Reports and Audit:**

(1) The Affiliate shall keep proper and up-to-date records with respect to the Service and its Subscribers [ which *inter-alia* includes the name & address of the Subscribers, billing & payment details, channels (including the Channels) subscribed in a-la-carte and/or in bouquet, CE numbers, date of commencement/deactivation/re-activation of Services, and other relevant details] (hereinafter collectively called “the **Records**”).

(2) The Affiliate shall provide the copy of the Records and a report, in the format and medium provided/specified by NEO, containing complete and accurate opening, closing and average number of subscribers (separately for individual and Commercial Subscribers) who have



subscribed the NEO Channels and/or package containing NEO Channels and the subscribers thereof, the details of total number of the Subscribers subscribed the Channels, number of Subscriber of a particular package having NEO Channel(s) (hereinafter collectively called “the **Reports**”) on monthly basis, and as and when required by NEO with respect to the Services/Channels. The Affiliate shall send an updated copy of the Records and Reports to NEO within seven days after expiry of every month without any demand and/or within seven days of the demand made by NEO.

It is agreed that such reports shall specify all information required to calculate the Monthly Average Subscriber Level (including but not limited to the number of Subscribers for each of NEO’s Channel and each package in which the NEO Channel is included) and the License Fees payable to NEO.

The said Record/Report shall be signed and attested by an authorized representative of the Affiliate who shall certify that all information in the Report is true and correct.

#### **D) AUDIT**

1) NEO reserves the right not more than twice in a calendar year, during the Term and within one year of completion of the Term, to verify/audit the subscriber base, Reports and/or Records of the Affiliate through its representative and/or through an outside agency, after giving 48 hours notice to the Affiliate. In addition NEO also reserves the right, not more than twice in a calendar year, to inspect, review/audit the SMS/CAS and/or other related systems, books and records of the Affiliate with respect to the Channels/Service of NEO for the purpose compliance of the terms and/or determining the subscriber base/fee. The Affiliate shall allow conducting such audit and fully co-operating with and assist the audit team of NEO as they may reasonably require in order to carry out any audit. However in case of exceptional circumstances (specified in writing by the Affiliate) the Affiliate is not in a position to allow audit on the date specified in the notice; the Audit shall be conducted from the 16th day of the date of notice sent by NEO.

2) The Affiliate shall make available the Records and other papers/documents/details relating to the Service for inspection and Audit to the authorized representative(s) of NEO, during the Term and within one year after expiry of the Term. The Affiliate shall also allow the authorized representatives of NEO to inspect and /or to take copies of them.

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

3) In case such review and or audit reveals that additional fees are payable to NEO, the Affiliate shall immediately pay such fees, as increased by the Late Payment Interest Rate (as defined hereunder). If any fees due for any period exceed the fees reported by the Affiliate to be due for such period by two (2) percent or more, the Affiliate shall pay all of NEO’s costs incurred in connection with such review and / or audit, and take any necessary actions to avoid such errors in the future to the satisfaction of NEO.

4) In addition in order to ensure the Affiliate's ongoing compliance with the security requirements set out in the Agreement, NEO also reserves the rights to conduct the technical audit, not more than twice in a calendar year, by its representatives and/or by an expert outside agency in order to ensure the compliance of the security/anti piracy requirements by the Affiliate. In case there is any deficiency is found in such technical audit report or if the results of any Technical Audit are not found to be satisfactory by NEO, and then Affiliate shall work with NEO in resolving this issue in the next fourteen (14) business days. If a solution is not reached at by then, NEO shall be entitled, in its sole discretion, to suspend the Services of the Affiliate or its right to distribute the Channels, without prejudice to any other rights until such systems, procedures and security measures have been corrected to NEO's satisfaction and till the security measures/procedures are set in place by the Affiliate.

The Affiliate 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 Affiliate to NEO's satisfaction.

#### **E) Subscription Fee & Payment Terms:**

(1) The Affiliate agrees to pay to NEO the following and all other dues as mentioned in the Agreement without any deduction or set-off but subject to the deduction of TDS as per the provisions of Income Tax Act 1961, by way of electronic fund transfer/a DD/pay order / local cheque payable at par which shall be drawn in favour of "Neo Sports Broadcast Pvt. Ltd.":

a) The Subscription Fee as calculated/determined on the basis of subscriber base declared by the Affiliate on the following basis and at the rate specified in Annexure – A of this Agreement and/or all revisions or modifications thereof in consideration of subscribing to the Service/Channels either in bouquet or on a- la-carte mode.

**(I) In case a IPTV operator avails the Bouquet of NEO and if the Affiliate is providing the Bouquet(s) as a whole to its IPTV subscribers :** the Monthly License Fee for such Bouquet shall be equal to the Bouquet rate as set out in the Annexure multiplied by the number of monthly average number of subscribers availing the Bouquet(s). However if the Affiliate does not offer such opted bouquet(s) as a whole to its Subscriber but offers only certain channels comprised in such bouquet or packages; the channels comprised in such opted bouquet in a manner resulting in different subscriber base for different channels comprised in such opted bouquet, then the payment to NEO for such entire opted bouquet by the Affiliate, shall be calculated on the basis of subscriber base for the channel which has highest subscriber base amongst the channels comprised in the bouquet.

**(II) In case a IPTV operator avails one or more or all Channels of on a-la- carte rate basis and:**

●If the IPTV operator is providing the Channels on ala carte basis to its IPTV subscribers, the Monthly License Fee for such ala carte Channels shall be equal to the ala carte rate as set out in the Annexure multiplied by the number of monthly average number of subscribers availing the Channels on ala carte basis.

●If the IPTV operator does not offer such opted ala carte channel(s) as ala carte to its Subscriber but offers the ala carte channel (s) in packages, then the payment to NEO for each of the ala carte channels, shall be calculated on the basis of subscriber base of the package in which such opted ala carte channel has been placed.

**(III) In case a IPTV operator avails one or more channels on ala carte rate basis and also opts for different Bouquet(s) not comprising of channels opted on ala carte basis of NEO:** in such situation (a) For bouquet(s), the monthly license fee shall be calculated on the basis of sub clause I above and (b) For ala carte channels, the monthly license fee shall be calculated on the basis of sub clause II above.

b) The Subscription fee/Charges shall be paid by the Affiliate monthly in arrears, without any deduction, in the following manner:

●The Affiliate shall send the Subscriber report (for the previous month) to NEO which shall inter-alia include the opening, closing and average number of subscribers for that month, on or before 7th day of every succeeding calendar month.

●Within 7 days of receipt of such report NEO shall raise the invoice on the Affiliate on the basis of the said report. In case the Affiliate fails to send the report within the said period of seven days, NEO shall have the right to raise a provisional invoice, which shall be sent to the designated person through email and courier,; and the Affiliate shall be under obligation to pay the license fee on the basis of such provisional invoice in accordance with the terms of this clause. The name and the contact details of the designated person will be provided by the Affiliate to NEO on time to time basis.

However the provisional invoice shall be for an amount not more than the monthly license fee payable by the Affiliate for the immediately preceding month. On receipt of the report from the Affiliate, the parties would conduct reconciliation between the provisional invoice raised by NEO and the report sent by the Affiliate.

●The Affiliate shall make the payment within 21 days of receipt of such invoice. If however no invoice is received by the Affiliate within 21 days of sending the subscriber report, the Affiliate shall make the payment within 21 days after sending subscriber reports to NEO

c) An interest free security deposit equivalent to 4 months of average subscription fee based on preceding 12 months period shall be payable by the affiliate at the time of entering into this agreement. The said security deposit would be recalculated on an annual basis and the differential amount will be paid to NEO every 13th month if the agreement is for a longer term. In case it is a new Affiliate then the Affiliate shall pay on their estimated plan for the ensuing 12 months period, confirming to the above said principle for ascertaining the amount to be given to NEO as security deposit every 12 months period. The said interest free security deposit shall be refunded by NEO to the Affiliate upon expiry of the term of the Agreement or extended term if applicable, provided however that NEO will at all times have the right to setoff any outstanding

payments owed to them by the affiliate on account of subscription fee against the security deposit

d) It is acknowledged by the Affiliate that the subscription fees agreed between the parties has been arrived at after taking into consideration, that the affiliate will continue the services of NEO for the full term of the Agreement. In the event the Affiliate discontinues the services of NEO before the term of the said Agreement and/ or commits such breach of the Agreement which compels NEO to terminate the said Agreement before its full term, the Affiliate agrees that liquidated damages/ pre-estimated damages which shall be equal to 3 months of the subscription fees immediately preceding the date of termination of service or agreement It is agreed that the said sum is not in the nature of a penalty and is an agreed pre-estimated/ liquidated damages.

e) All the present and future taxes & duties (including Service Tax) levied on such subscription and distribution by the Affiliate but specifically excluding any direct taxes & duties incident on NEO such as income tax.

f) Any other payments statutorily required to be made by the Affiliate to NEO.

(1) All payments to be paid shall be net of (a) all taxes and charges or levies; (b) any bank transfer or similar fees or charges and the liability of all taxes & duties including the Service tax or statutory charges shall be solely of the Affiliate. In case NEO is required to make the payment of any taxes/levies etc for providing the Services to the Affiliate, the Affiliate shall re-imburse the said payment to NEO within seven days of the demand made by NEO without raising any dispute provided that such taxes are not in the nature of taxes that are incident on NEO. It is clarified and agreed that all the above payments shall be free and not be reduced by any tax, levy or charges except for Tax Deduction at Source as per Indian Income Tax Act, 1961,. The Affiliate shall issue the TDS certificate for such deducted tax as per applicable laws from time to time.

(2) It is acknowledged that total Subscription fee shall be determined on the basis of the Channel Rate, as specified in Annexure A, and number of Subscribers provided with the Channel(s)/Services of NEO. The Affiliate undertakes to abide by the terms of Annexure A and further undertakes that it shall declare the true Subscriber base to NEO on monthly basis as per the terms of this Agreement. It is reiterated that the Subscription fees is based upon and calculated on the basis of subscriber base declared by the Affiliate and in case it is found that the subscriber base was wrongly/shortly declared by the Affiliate, the subscription fee will be charged on the basis of increased subscriber base retrospectively

(3) NEO reserves its right to revise the aforementioned subscription fee (Channel Price) as per its subscription pricing policy from time to time in accordance with the prevalent applicable law. Upon such revision, the Affiliate agrees to pay the revised Subscription Fee.

(4) The Affiliate agrees to make the payment on or before the due dates and in case of any revision of the subscription fee by NEO in accordance with prevalent/applicable law the Affiliate agrees to pay the revised fee with immediate effect without any dispute. In case the Affiliate has paid the fees in advance, the differential amount of the subscription fees on a pro rata basis, from

the effective day of such revision will be paid by the Affiliate within a period of seven days from the receipt of the notice of revised fee from NEO

(5) It is expressly agreed between the Parties that the Affiliate shall be liable to make the above said subscription fee payment to NEO irrespective of whether the Affiliate has been able to collect the same from the Subscribers or not. For avoidance of doubt, it shall be the responsibility of the Affiliate to secure itself against any payment defaults by subscribers.

(6) It is agreed that non payment of subscription fees by the Affiliate on or before the due date shall constitute a material breach and NEO shall be entitled to charge the interest ("Late Payment Interest Rate") on any sums, which remain unpaid more than 30 days following the Due Date (the date on which they are due and payable). Such interest shall accrue from the Due Date and shall be payable at a rate equal to the prime rate, as posted in the final posting on the Due Date by the Reserve Bank of India, ("Late Payment Interest Rate") .which shall be without prejudice to other rights available to NEO which *inter-alia* includes de-activation of the Service and /or terminate the Agreement in accordance with the provisions of law. It is however further agreed that the imposition and collection of interest on late payments does not constitute a waiver of the Affiliate's obligation to pay the License Fee by the Due Date, and NEO shall retain all of its other rights and remedies under the Agreement.

(7) The receipt of money by NEO shall not prevent NEO from questioning the correctness of any statement submitted by the Affiliate.

(8) In case the Affiliate does not receive the invoice from NEO in any exceptional circumstances such as loss of invoice in transit/post etc within such seven days, NEO shall issue a duplicate invoice within seven days of receipt of such demand from the Affiliate. In the event there is no demand from the Affiliate within seven days then it will be presumed that the invoice has been served upon the Affiliate.

It is reiterated that all Licence Fee payments hereunder are exclusive of all applicable indirect taxes including all and any service taxes, VAT, customs duties, excise duties, entertainment taxes and other such taxes. All such taxes shall be at Affiliate's cost and will be charged at the prevailing rates by NEO.

#### **F) Affiliate Equipments:**

(1) Subject to terms and conditions of the Agreement, NEO has already provided the Equipments to the Affiliate.

(2) The Affiliate Equipment shall remain the property of NEO and except as otherwise provided in this Agreement, no right, title or interest in the Equipment(s) shall pass to the Affiliate by virtue of this Agreement. The Affiliate agrees not to temper, alienate or part with possession of the Affiliate Equipment(s) or pledge and/or create charge upon them to and/or in favour of any third party without the prior written approval of NEO.

(3) The Affiliate shall use and maintain the Affiliate Equipment(s) in accordance with the manufacturer's/NEO's instructions and will keep the Equipment(s) in good repair/running condition and working order and have them insured at its own costs. The Affiliate assumes the risk of damage to the Equipments on collection and will indemnify to NEO in case of loss or damage of the same.

(4) The Equipment(s) shall be kept at Affiliate Premises and the Affiliate shall not transfer them from the said Premises without the prior intimation to NEO.

(5) NEO shall replace the Affiliate Equipment(s) in case of non-functioning of the Equipment during normal usage, however if it is found that the Affiliate has not used the Equipment(s) as per the instruction of manufacturer/NEO, and/or has not maintained the Equipment as per the provisions of this Clause (i.e Clause V E), the Affiliate shall be liable to make good the cost of the same. It is further agreed that NEO shall not be liable to the Affiliate for any direct, indirect, special, consequential or indirect loss arising out of or by using the said Equipments.

(6) It is expressly understood and agreed between the Parties that NEO shall have no liability or obligation whatsoever under this Agreement, towards the Affiliate or the Subscribers, arising from and in respect to:

- any defect or damage in Equipment(s);
- Any defect in the Equipment attributable to or resulting from any unauthorized or improper use, tampering, negligence or failure to follow NEO/Manufacturer's instruction, or otherwise or any use of the Equipment(s)/IRD with any apparatus or equipment not authorized by NEO;

any action or failure to act or default on the part of any Equipment distributor or installer.

any indirect or consequential loss resulting out of any other default on the part of NEO or any of its officers, employees, suppliers, distributors or agents or any vendor of Equipment(s).

#### **G) Intellectual Property Rights & Anti Piracy measures :**

(1) The Affiliate acknowledges and agrees that NEO is and shall remain the sole & exclusive owner of the Channel(s) and contents thereof and all rights including Intellectual Property Rights vested therein shall be the sole and exclusive property of NEO.

(2) The Affiliate undertakes that it shall distribute the Service/Channels in its entirety and shall ensure simultaneous & continuous distribution of the Service in the same manner as it is received without any modification, including any scrolling, imposing or superimposing of advertisements or otherwise tampering with the telecast/content, delaying editing, voice over etc., interference, de-modulation, and blacking it out in any manner whatsoever.

(3) The Affiliate undertakes to distribute the Service only in the Territory and only in the agreed designated language of the Service/Channel(s).

(4) The Affiliate further undertakes to abide by the provisions of the Copy Rights Act, 1957 (as amended from time to time) and further undertakes not to do any act which violates the rights of NEO provided under the Agreement.

(5) The Affiliate hereby agrees that it shall not:

- acquire any ownership or other rights with respect to the Subscribed channels except as expressly set forth in this Agreement, nor shall the Affiliate grant to others, the right to use the Subscribed Channels or any other rights pertaining to the Subscribed channels as specifically set forth in this Agreement.

- acquire any proprietary rights in any of the contents of the Channels by reason of this Agreement or by reason of performance pursuant to this Agreement.

- acquire any proprietary or other rights in the trade names and marks to which NEO and its associates or principals assert proprietary or other rights, which NEO may inform the Affiliate from time to time in writing and agrees not to use the same in any corporate or trade name.

- cause or permit anything which may damage or endanger the Intellectual Property or assist or allow others to do so;

- license to any third party any programme of the Channels as it is not entitled for the same.

- apply for registration of the Trade Name of NEO as a trade mark and not to interfere with in any manner nor attempt to prohibit the use or registration of the Trade Name or any similar name or designation by any other subscriber of the Affiliate.

- Use any name or mark similar to or capable of being confused with the trade Name or the mark of the Channel and/or NEO;

- Remove any name or mark including fingerprinting from the Services.

- change or use the language of the Channel(s) other than the authorized one.

(6) The Affiliate shall use the signals only for distributing the same to its Subscribers. The Affiliate shall neither record, duplicate, transmit by any means or otherwise use the Channels or any part thereof other than as specifically set out in this Agreement subject to any regulatory requirement / stipulation nor allow any person to do so. All rights and title in the Channels and/or any portion thereof remain vested in NEO and the Affiliate acknowledges such ownership rights. Further the Affiliate undertakes that it shall not authorize, cause any of the Channels or any part thereof to be recorded, duplicated, cablecast, exhibited or otherwise used for any purpose.

(7) Both the parties acknowledges that all legal and beneficial right, title and interest in their trademarks, trade names, service marks and logos shall be and shall remain the exclusive property of the respective parties. To the extent that any legal or beneficial interest in the Marks

should for any reason vest in either party during the Term, Parties shall not claim adversely to or challenge the rights of respective marks of the parties. To the extent any of such rights are deemed to accrue to any of the parties, respective parties shall not use any material containing any of the Marks without the prior written consent of the other party.. If any of the party authorizes the use of such, marks, the other party shall use the Marks only and only in accordance with the instructions of the party authorizing the use of the mark. Each party reserves the right to inspect any such material at any time without prior written notice. Either party shall not use any of the Marks as part of a corporate name or of a trade name, register or use any name or mark which is the same as, which contains or which, in the opinion of the parties resembles any of the Marks of the party concerned. Within sixty (60) days after termination of this Agreement, each party shall return destroy all material containing, and all material used for the purpose of printing or reproducing any Marks or any other names or marks that in the reasonable opinion of the parties are similar to any Mark of party concerned.

#### **H) Anti Piracy Obligations & Measures:**

(a) The Affiliate shall take necessary legal steps/actions to prevent the piracy and unauthorized access of the Channel(s)/Service.

(b) The Affiliate shall not authorize, cause or suffer any portion of any of the Channels to be recorded, duplicated, cablecast, exhibited or otherwise used for any purpose other than for distribution by the Affiliate at the time the Channels are made available. If the Affiliate becomes aware that any unauthorized third party is recording, duplicating, cable-casting, exhibiting or otherwise using any or all of the Channels for any other purpose, the Affiliate shall within ten minutes of so becoming aware of such recording, duplicating, cable-casting, exhibiting or otherwise using any or all of the Channels for any other purpose, notify NEO and unauthorized use. In addition the Affiliate further undertakes to notify to NEO of any suspected and/or actual infringement of the Intellectual Property/Piracy of the Channels of NEO (such event includes - receiving/usage/distribution of the Channels for commercial purpose by the Subscribers or any other person without the authorization of NEO, receiving/usage/distribution of the Channels by the Cable Operators, receiving/usage/distribution of the Channels by the unauthorized Commercial establishments, Specified Commercial Subscribers, Mass display such as in Cinema, PVA, any large gathering or otherwise by any person without authorization of NEO, ) through its IPTV Platform and shall take all necessary steps and actions as advised by NEO from time to time. The Affiliate is also authorized to take legal steps ( including criminal proceedings) in its own name after taking the approval from NEO, to prevent any unauthorized access to/piracy of NEO channels its Territory and will regularly provide to NEO updated piracy reports on quarterly basis.

(c) If so instructed by Information (as defined below) by NEO, the Affiliate shall deactivate the transmission to any subscriber/ subscribers indulging in piracy, within 10 mins (During high impact or live sports event to be informed by NEO and within 1 Hour for any other circumstances) from the time it receives such instruction from NEO. Provided NEO shall indemnify, hold harmless and defend AFFILIATE from and against any and all liability, damage, fines, penalties, cost and expense incurred by the AFFILIATE in connection with any third party claim or suit brought or action made against the AFFILIATE, arising from or related to



deactivation of service at the request of NEO. Such indemnification shall be limited to liquidated damage subject to actual proof being provided by the Affiliate and will not be in the form of penalty.. Any communication under this clause shall be considered as valid Information only if (i) the information is sent through e mail in a format as mutually agreed by the parties and (ii) the information is sent by a person(s) who is designated to send such information and (iii) contains the exact location address in addition to the Finger Print Number However the “information” may even be provided by NEO representatives through other means of communications such as telephonic message, fax etc and the said “information” shall later be confirmed by NEO through e mail and the Affiliate shall be under obligation to act upon such information.

(d) The Affiliate shall deploy/ Finger printing (FP) mechanisms to detect any piracy, violation of copyright and unauthorized viewing of the Channels, distributed / transmitted through its Platform at least every 10 minutes on 24 x 7 x 365(6) basis.

(e) The Affiliate shall also display the Water mark and other measures as approved by NEO in order to detect the piracy. The FP should be on the top of any other display OSD including programme and should not be removable by the Subscriber or any other person.

(f) The finger printing shall be both overt and covert and should be in different in colours as advised by NEO. In addition the co-ordinates of finger printing should be in shifting mode and of multi-positioning; i.e. the place of display of finger printing should be kept on changing from time to time. Such finger printing should be displayed for such period and /or for such interval as may be advised by NEO from time to time. It is further agreed that the FP of NEO shall pass through without masking or tampering with respect to time, location, duration and frequency

(g) Use of a Set Top Box with Personal Video Recorder/ Digital Video Recorder facility which has been supplied by the Affiliate shall not be treated as unauthorized use, as long as such Set Top Box is used in accordance with the terms and conditions of the subscription agreement between the Affiliate and the subscriber.

(h) Both CAS and STB should support both overt and covert fingerprinting. The background of OSD should be in different colours which include no colour (blank) and fonts as advised by NEO. In addition the co-ordinates of the finger printing should be in shifting mode and of multi-positioning; i.e. the place of display of finger printing should be kept on changing from time to time as advised by NEO. The Overt FPs should be clearly visible, continuous and the frequency of display should be controllable as and when required as advised by NEO. Display of FPs with varying length of time can be scheduled at different intervals as advised by NEO.

(i) In order to prevent theft, piracy, unauthorized retransmissions, redistribution or exhibition, copying or duplication of any Channel, in whole or in part, (hereinafter collectively referred to as “Piracy”), the Affiliate shall, prior to the commencement of the Term of the agreement and at all times during such Term, employ, maintain, and enforce fully effective conditional access delivery and content protection and security systems, and related physical security and operational procedures (hereinafter collectively referred to as the “Security Systems”) as may be specified (security specifications), in a non-discriminatory manner in writing, from time to time,

by NEO and mutually agreed by parties. The Affiliate shall, at the time of signing the Agreement provide a PIRACY POLICY (to be finalized in consultation with NEO), so as to protect the rights including Intellectual Property Rights of NEO, which shall have all the features as specified in Annexure B attached to this Agreement. It is further agreed that the Affiliate undertakes to comply with all the term and conditions as mentioned in the Agreement and Annexure B with respect to protection of piracy, till the time the said Piracy Policy is provided to NEO. The said Policy shall be circulated to the staff of Affiliate and the Affiliate undertakes to comply with the provisions of such Policy by it and its employees, agents etc strictly. In addition the Affiliate shall ensure to employ, maintain and enforce a security system which shall inter-alia include the fully effective conditional access delivery and content protection and security system in order to prevent theft, piracy, unauthorized distribution/retransmission, copying or duplication of the Channel(s) or any party thereof.

(j) In case the CAS/SMS of the Affiliate is found/ informed to be hacked, the Affiliate shall change or upgrade its CAS/ SMS at the earliest. The Affiliate agrees to take appropriate remedial actions to curb piracy in the Area with prior written approval of NEO and shall also extend all co-operations to NEO as may be required by it (NEO) for taking necessary action against such infringement.

(k) It is further agreed that in case the Channels are not distributed as per the terms of this clause and/or in case NEO finds that the Affiliate is not taking adequate steps to prevent piracy as advised by NEO, NEO shall be entitled to deactivate the service and/or terminate this Agreement immediately and recover damages from the Affiliate without prejudice to any other rights available to it.

## **SECTION VI. Representations and Warranties**

(A) NEO represents and warrants that:

- 1) It has the requisite power and authority to enter into this Agreement and to fully perform respective obligation hereunder;
- 2) It shall abide by all the laws and regulations applicable to the distribution of the subscribed Channels.
- 3) It is in compliance with and shall comply with all material Laws with respect to its covenants under this Agreement and it will not do any act or thing which causes the Affiliate to violate any such Laws.
- 4) It has obtained, and shall maintain in full force during the Term all approvals and consents necessary to operate the business it is conducting in connection with this Agreement, with respect to distribution of the Channels
- 5) The Channels are registered in India with the Ministry of Information and Broadcasting and that the Channel has obtained permission for down linking from the said Ministry and such permissions are in force as at the date hereof.

6) So far as it is aware presently no court or tribunal or any other authority has passed an order which is currently in force forbidding the distribution of the Channel or taking the Channel off the air.

7) It will keep Affiliate informed of any order or direction of any authority or court or Tribunal suspending the distribution of the Channels as soon as it is served with a copy of such order or direction.

8) It grants to Affiliate the right to use the Channel Marks or Broadcaster's name or any other contents of the Channels in Affiliate's website, EPG or User Manual or any other medium or material solely for on and off-air marketing and promoting of IPTV service of Affiliate and/or any Package in which the Channels is included.

9) Affiliate shall be entitled to display its logo or mark on the Channels during transmission which in no manner will interfere with the Logo of NEO and the programme.

10) The Channels confirm to the applicable laws of India, including but not limited to Cinematograph Act, Programme Code and Advertisement Code laid down by the Ministry of Information & Broadcasting from time to time.

11) The Channels shall not contain any objectionable, pornographic or obscene content, messages or communication that is inconsistent with the laws of India or anti national in nature.

(B) The Affiliate represents and warrants that it:

a) has the requisite power and authority to enter into this Agreement and to fully perform respective obligation hereunder;

b) has obtained all licenses, approvals, authorization, permissions, registrations and permits necessary for receiving and distributing the Service hereunder.

c) is in compliance with and shall comply with all material Laws with respect to its covenants under this Agreement and it will not do any act or thing which causes the Affiliate to violate any such Laws.

d) shall pay to NEO the subscription fee and any revision thereof along with all the taxes and duties on or before the due date and as per the terms and condition of this Agreement.

e) shall distribute the Service only in accordance with the terms of this Agreement.

f) shall provide access of the Services to only such Subscribers whose details are recorded in CAS/SMS and intimation of which are provided to NEO.

g) shall not discriminate the Channels with any other channels being distributed by the Affiliate in the same genre and shall distribute the Channels in full compliance of Section II Clause 2 (H) of the Agreement.

h) shall abide by all the laws and regulations applicable to the distribution of the Subscribed channels

i) will provide true and updated details of its Subscribers to NEO on a monthly basis.

j) shall provide the reports, records and details as per the terms of this Agreement.

k) cause continuous distribution of the subscribed Channels to all its subscribers during its telecast without blacking it out or interfering with it in any manner whatsoever.

l) distribute the Service/Channels in its entirety and shall ensure simultaneous & continuous distribution of the Service in the same manner as it is received without any modification,

m) shall comply with all of its obligations as specified in this Agreement

n) the Affiliate recognizes that it has been authorized, in reliance upon the representation, warranties and declaration made by it.

## **SECTION VII De-activation & Termination**

(A) Either Party may terminate this Agreement, without assigning any reason for the same, by giving prior written notice of Ninety days (90) to the other Parties post completion of the initial period of \_\_\_\_\_ to \_\_\_\_\_.

(B) NEO may, without prejudice to any other rights including termination of the Agreement, deactivate the Services of the Affiliate in accordance with the relevant provisions of the applicable statutes and as per the terms of this Agreement, in case any of the representation and/or warranty made by the Affiliate is found to be incorrect and/or the Affiliates fails to perform its duty and/or carry out its obligations as mentioned in the Agreement particularly the obligation of making timely payment, providing the true details of its Subscribers, distributing the Services through Permitted Distribution System in the agreed Territory and to the declared number of Subscribers.

C) It is agreed that this Agreement is executed for a period of the Term mentioned in the Agreement and shall automatically come to an end by efflux of time i.e. completion of the Term unless extended in accordance with Section III of this Agreement and NEO shall deactivate the Services of the Affiliate immediately after expiry of the Term and/or in accordance with the applicable regulations applicable at that time.

D) It is agreed that the Affiliate was given the channels/ taken the channels under the 'must provide' clause and in the event the Affiliate deactivates the Channels then the Affiliate

undertakes to forfeit its rights to avail the services of NEO under the 'must provide' option from the date of deactivation. The reactivation will be at the sole discretion of NEO.

E) Both the parties shall begin the process of negotiations for renewal of existing Agreement at least two months before the due date of expiry of the existing Agreement.

Provided that if the negotiations for renewal of the agreement continue beyond the due date of expiry of the existing agreement then the terms and conditions of the existing agreement shall apply till a new agreement is reached or for the next three months from the date of expiry of the original agreement, whichever is earlier. However, once the parties reach an agreement, the new commercial terms shall become applicable from the date of expiry of the original agreement. Provided further that if the parties are not able to arrive at a mutually acceptable new agreement, then any party may disconnect the re-transmission of TV signals at any time after the expiry of original agreement after giving a notice in the manner specified in the Interconnection Regulation. The commercial terms of the original agreement shall apply till the date of disconnection of signals

F) Notwithstanding anything contained above; either Party shall have the right to terminate the Agreement by a written notice, to the other Party in the event of:

- Material breach of any of the term, undertaking(s), obligation(s), representation(s) and/or warranty(ies) given by other Party (the Defaulting Party) which is capable of remedy, is not cured within 30 days from receipt of default notice by the Defaulting Party from the Non-Defaulting Party. However in case of the breach is not capable of being cured and in the event of happening of Piracy, the Non-Defaulting Party may terminate this Agreement with two hours notice, unless otherwise specified in the applicable statute.
- The bankruptcy, insolvency or appointment of receiver over the assets of the other Party;

G) It is further agreed that in case of the following events either Party may terminate this Agreement by notice, unless otherwise specified in applicable Statute:

a) in case of amalgamation, consolidation or reorganization, bankruptcy or insolvency of the other Party

b) In the event of assignment of the agreement by the other Party without prior consent of such Party.

c) If the other Party voluntarily or by operation of law loses control of the means to distribute the Channels in the Territory.

d) If the other Party's registration/ licence or any other material license necessary for the other Party to perform its obligations under this Agreement is revoked, cancelled and/or not renewed at anytime

e) Winding up of the business of the other Party voluntarily or through court order winding up the company, or the appointment of a liquidator.

f) If the other Party ceases to operate/ do business in the territory for any reasons.

g) If either party receives written notice from the Ministry of Information & Broadcasting of India requiring parties to cease distribution of the Channels for such period of time as mandated.

(H) In the following event, NEO shall be entitled to deactivate the services by a written notice:

- a) If the Affiliate in any manner jeopardizes the intellectual property rights of NEO in the subscribed channels or part thereof.
- b) If the Affiliate's licence necessary to perform its obligations under this Agreement is revoked, cancelled and/or not renewed at anytime. .

(I) Upon expiration of this Agreement;

- All rights granted to and obligations undertaken by, the Parties hereunder shall terminate immediately except Affiliate's obligations to pay all amounts of Subscription Fees or other dues including damages, if any, accrued hereunder upon or prior to the expiration or termination of this Agreement; and the obligation of the parties with respect to indemnity and confidentiality and such other rights as may accrue upon NEO under the laws of India.

- The Affiliate shall forthwith;

- o cease to use the Intellectual Property and to sign such confirmation of cessation of use of Intellectual Property as NEO may require; and shall cease to provide or distribute the Service to its Subscribers.

- o return to NEO all the Equipment(s)/ and property of NEO in the same conditions as it were made available to the Affiliate subject to normal wear and tear..

Neo shall forthwith:

- Cease to use the Affiliate Marks and to sign such confirmation of cessation of use of intellectual property as Affiliate may require.
- Return to Affiliate all documents, confidential information, and other material belonging to the Affiliate if any in possession of NEO..

## **SECTION VIII: DEFAULTS & INDEMNITIES**

Each Party shall indemnify, defend and hold harmless the other Party and its parent, officers, directors, employees and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages and expenses (including but not limited to reasonable attorneys' fees and costs).

fees) arising out of any breach by the indemnifying Party of any provision herein (including but not limited to any express representation)

It is further agreed that neither Party shall be liable to the other for any indirect, special or consequential loss or damages arising under this Agreement, except that each Party is indemnified with respect to third party claims.

## **SECTION IX: MISCELLANEOUS**

### **(A) No Partnership/Agency:**

The parties are not partners or joint ventures nor is the Affiliate able to act as agent of NEO. The relationship between NEO and the Affiliate is "Principal to Principal". The Affiliate shall not attempt to incur any liability on behalf of the Company and shall not hold itself out to any third party as being able to do so also there will be deemed to be no privity of contract or direct contractual relationship of NEO and the Subscribers.

### **(B) Confidentiality:**

The parties agree to keep all information provided to them, the terms of this Agreement and the strategy and volume of business of other party as confidential, at all times. All data relating to NEO subscribers must be kept in strict confidence. The parties hereby undertake to keep confidential and not publish any material/information (except as per the terms of this Agreement) provided by other which has been disclosed under this Agreement. This clause will survive for a period of two years even after termination/expiry.

### **(C) Binding Nature:**

All obligations and benefits arising under the Agreement shall pass to and be binding on the respective assignees, transferees and successors of the parties hereto.

### **(D) Force Majeure:**

Neither party shall be liable for any delay in performing, or failing to perform, any or all of its obligations under this Agreement resulting from malfunction or jamming, which may affect the distribution of signals of the Subscribed channels to the subscribers provided that the party so affected gives prompt notice to the other party.

It is further agreed that failure on the part of either party to perform any of its obligations and the non furnishing of the Service, shall not entitle the other Party to raise any claim or be a breach hereunder to the extent that such failure arises from an event of *force-majeure*. If through force Majeure the fulfillment by either party of any obligation set forth in this Agreement will be delayed, the period of such delay will not be counted on in computing periods prescribed by this Agreement. Force Majeure will include any war, Court order, civil commotion, strike, governmental action, lockout, accident, decision of any sport governing body, epidemic, failure of Equipments, or any other event of any nature or kind whatsoever beyond the control of the

Parties that directly or indirectly hinders or prevents it from commencing or proceeding with consummation of the transactions contemplated hereby.

It is agreed between the Parties that lack of funds shall not in any event constitute or be considered an event of force Majeure. If the condition of force Majeure shall continue for a period exceeding one (1) year, then the Parties shall meet to decide upon the future performance of the Agreement. If the Parties are unable to agree upon a plan for future performance then the Agreement shall be terminated upon notice of either party to the other, on the thirtieth day after the notice is given.

#### **(E) Assignment**

Except in accordance with the provisions hereof, neither party is entitled to transfer/assign its obligations under this Agreement to any other person/Affiliate/network without the prior written approval of the other party and any such transfer/assignment shall be illegal, without authorization and impermissible; It is clarified and agreed that for above-said transfer/assignment and/or extension of distribution of Services a written approval of the other party is required (which the other party may provide or withhold at its sole discretion) and mere intimation by the party seeking such assignment or transfer will not be deemed as consent of the other party. If other party has consented to such transfer under the provisions hereof; this Agreement will be deemed to be binding on the new party from the date of grant of consent..

#### **(F) Modifications:**

Any amendment/modification in the Agreement shall be subject to terms of this agreement and will effect in writing

#### **(G) Severability:**

Any provision of this Agreement, which is invalid, illegal or unenforceable in any respect, shall be ineffective to the extent of that invalidity, illegality or unenforceability, without prejudice to the continuing operation of the remaining operation of the remaining provisions of this Agreement.

#### **(H) Notices**

(1) All notices, requests, consents and other communication under this Agreement (“Notices”) shall be in writing and shall be sent by either (i) registered mail or (ii) courier or (iii) fax ( followed by the original Notice to be sent by registered mail/courier within 24 hours of faxing the letter) to the respective Parties at the addresses set forth hereinafter. Any Notice given in accordance with this clause, shall be deemed to have been given:

- two(2) days after having been sent by courier
- next day in case sent by fax
- seven (7)days in case only by registered post



(2) Notices shall be addressed to:-

In the case of NEO to: Neo Sports Broadcast Pvt. Ltd. Nimbus Centre, Oberoi Complex, Andheri West, Mumbai – 400 053, India

With a copy to: EVP Neo Sports, 807,8th Flr, Tower B, Unitech Cyber Park, Sector – 39, Gurgaon – 122 001, Haryana, India

And in the case of the Affiliate to:

With a copy to \_\_\_\_\_

**(I) Change of address & Telephone/fax numbers**

Each of the parties shall give notice to the other of change of any address or telephone/fax number as soon as practicable and in any event within 48 hours of such change.

**(J) Entire Agreement:**

This document contains and records the entire Agreement between the parties, in the subject matter hereof and supersedes all prior agreements, arrangements and understandings between the parties, written or oral, on the subject matter herein.

**(K) Waiver**

The failure by NEO to enforce at any time or for any period any one or more of the terms or conditions of this Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Agreement

**(L) Governing Law and Dispute Resolution**

The rights and obligations of the parties under the Agreement shall be governed by the laws of India. Any disputes or differences pertaining to this Agreement will be resolved initially through negotiations (once either party has notified in writing that a dispute/difference has arisen which requires such negotiations), between Vice President (Affiliate Sales) of NEO and a Vice President/General Manager of the Affiliate and in case the said dispute is not resolved within 7 days; a further negotiation between the President (Affiliate Sales) of NEO and President /CEO of the Affiliate will take place for another 7 days. However, if the Parties fail to arrive at an amicable settlement within 7 days thereafter then the dispute will be adjudicated by the Appellate Tribunal i.e. Telecom Disputes Settlement and Appellate Tribunal (“TDSAT”) as provided under the TRAI ACT 1997. The parties agree that all disputes between the parties shall be resolved only through proceedings instituted before the TDSAT. However it is agreed that the parties shall be entitled to take action in the appropriate forum/court in case of third party claims arising from infringement of Intellectual property right.

IN WITNESS WHEREOF, the Parties have set their hands and seals to this Agreement in the presence of the below stated witnesses

**Signed by [on behalf of NEO]**

**Signed by [on behalf of Affiliate]**

\_\_\_\_\_  
**(Name & Designation)**

In the presence of:

WITNESSES:

\_\_\_\_\_  
**(Name & Designation)**

In the presence of:

WITNESSES:

\_\_\_\_\_  
**(Name and Address)**

\_\_\_\_\_  
**(Name and Address)**

Website Copy. Not for Execution

## ANNEXURE - A

### Channel Rates &, Payments

A) The Affiliate shall pay to NEO the Subscription fee for the Channels at the following rates:

Channel Options to be subscribed by the Affiliate	Rate(s) in Rs. per month per Subscriber (exclusive of taxes) @ 42% as per the order of the Hon'ble Supreme Court. Refer Clause A and B below
Bouquet 1 (consisting of Neo Prime & Neo Sports)	Rs. 17.41
Neo Prime	Rs. 14.89
Neo Sports	Rs. 11.17

- A. The above-mentioned rates are stipulated at 42% of the Non CAS Rates and are revised under protest and without prejudice to our rights and contentions, based on the directions of the Telecom Regulation Authority of India dated 29.6.2011.
- B. The above-mentioned rates are subject to any order(s) being passed by the Hon'ble Supreme Court in Civil Appeal No.2847-2854 of 2011 and shall be subject to revision upon passing of further orders or the final judgment and the payment shall be from retrospective effect (if mentioned in the judgment)
- C. The above-mentioned rates are pursuant to order(s) dated August 04, 2015 passed by the Hon'ble Supreme Court in Civil Appeal No. 15115 of 2015, 15217 of 2015 and 15297 of 2015

Company reserves its right, subject to applicable regulations of Telecom Regulatory Authority of India's ("TRAI"), to revise the Price per Set Top Box per month mentioned herein above. Upon such revision, IPTV Operator agrees and unconditionally undertakes to pay the revised Subscription Fee pro rata from the effective date of such revision.

- D. The Affiliate shall pay the Subscription fee as per the above-mentioned published rates on the basis of subscribers' set top boxes connected to the Affiliate's IPTV services as per terms and conditions specified in the Agreement. Subject to terms of the Agreement the Subscribers base will be determined and intimated by the Affiliate to NEO on monthly basis.
- E. The Affiliate shall make the payment of the subscription fee in accordance with the provisions of this Agreement.
- F. All the payment required to be made by the Affiliate shall be made on or before the due date without any deduction or set off except the TDS as per the provisions of the Income Tax Act, 1961.

NEO may at its sole discretion from time to time offer any incentive/discount schemes which may be based on the volume of subscribers being procured by the Affiliate so as to increase penetration of the Channels and the Affiliate's platform and expand markets.

**Signed by [on behalf of NEO]**

**Signed by [on behalf of Affiliate]**

\_\_\_\_\_  
**(Name & Designation)**

In the presence of:

WITNESSES:

\_\_\_\_\_  
**(Name & Designation)**

In the presence of:

WITNESSES:

\_\_\_\_\_  
**(Name and Address)**

\_\_\_\_\_  
**(Name and Address)**

## **ANNEXURE B**

### **Guidelines/Features to be included in the PIRACY POLICY**

#### **A) General features:**

1. Each Party shall immediately notify the other Party if it ascertains or becomes aware the unauthorized access of the Service and not as per the terms of this Agreement.
2. The Affiliate immediately, on becoming aware of a Piracy Event or unauthorized access of the Services, shall take all necessary steps to prevent such unauthorized/illegal use of the Service.
3. In case NEO intends to take any legal recourse against such unauthorized usage, the Affiliate shall provide all reasonable assistance to NEO in order to prevent the same.
4. If required the Affiliates shall take legal or other action, as specified by NEO, to prevent unauthorized usage of the Service at its own cost. The Affiliate shall keep the progress of such actions informed to NEO and shall not settle the matter without consultation with NEO.
5. In case the mal-functioning of CAS/SMS or such system is shown as hacked, the Affiliate shall change or upgrade its CAS/SMS at the earliest.
6. NEO shall intimate the unauthorized access of the Service either by fax/e-mail on receipt of which the Affiliate shall deactivate the CE within 10 mins (During high impact or live sports event to be informed by NEO and within 1 Hour for any other circumstances)

#### **B) Systems and Procedures**

1. The Affiliate shall ensure and undertakes to have the adequate systems, processes and controls with respect to transmitting the Services and with respect to the distribution of CEs so as to avoid the unauthorized usage of the Service. The Affiliate shall also ensure that only BIS approved CEs should be sold and such CEs be sold only through its authorised dealers and such dealers must ensure that the CEs should be installed only at the Premises of the Customers/Subscribers.
2. The Affiliates shall ensure to verify the Subscriber's Premises and install the CEs only at the Subscriber's Premises.
3. The Affiliate shall ensure that CEs be opened only at Subscriber Premises and shall employ card-pairing technology so as to ensure only paired Smart Card and Set Top boxes are to be

activated and that the Channels cannot be viewed if such Smart Card is removed and used with any other Set Top Box.

4. The Affiliate shall ensure that its representatives should ensure all the precautions and other advisory instructions as handed over to him before installation and activation of CEs and shall note down all the details of the Subscriber in pre-printed form which can be inspected/audited by NEO at any time.

5. The Affiliate shall ensure non providing of the Services out side the Territory and /or to any Subscriber whose details are not recorded in its CAS/SMS and/or the person not covered under the definition of Subscriber such as commercial establishment, Cable operator etc.

6. The Affiliate shall ensure the activation of the CEs only for bone fide Subscribers and it undertakes that there are adequate controls to ensure that the CEs will not be activated before installation or not paired and only at the address of the Subscriber.

7. The Affiliate shall be responsible for ensuring that the Services are distributed only in accordance with the terms of the Agreement and only digital, encrypted format signal be receivable by its Subscribers.

### **C) Technical Requirements**

In addition to the requirements as mentioned in the Agreement, the Affiliate shall ensure that:

1. CAS and SMS are duly integrated and all the reports are to be generated should match with both CAS and SMS. Further CAS and SMS should allow viewing and printing historical data, in terms of activation/de-activation/re-activation and all required by NEO from time to time with respect to its other records as Channels.

2. The Affiliate shall ensure that the Services/Channels are transmitted/distributed in an encrypted form and in a form capable of Fingerprinting. The Affiliate shall install and have its systems and controls to run the FPs and OSDs at the intervals as specified by NEO from time to time. The Affiliate shall ensure that all such CEs should be compatible for running FPs to be operated by NEO and/or the Affiliate.

3. The FPs should be displayed on various locations, in different colours and on pre-set parameters as specified by NEO. Such FPs should, be available on global, group and regional bases at all times.

4 OSDs should support a minimum number of characters that displays and preserve uniqueness of CEs.

5. The Affiliate shall ensure that the FPs of NEO should pass through without any kind of

masking or tampering with respect to time, location, duration and frequency. In addition the FPS shall be displayed at the location, duration and frequency as advised by NEO from time to time.

6. The Affiliate shall install both CAS and SMS which is BIS compliant and purchased from a reputed organization and are currently being used by other pay television services that have, in aggregate, at least 1 million subscribers in the global pay television market outside of the Territory and none of the current versions of them have been hacked and is capable of hacking or invalidating the FPS.

7. Both CAS & SMS must be integrated and any activation/de-activation must be processed simultaneously through both systems.

**Signed by [on behalf of NEO]**

**Signed by [on behalf of Affiliate]**

\_\_\_\_\_  
**(Name & Designation)**

In the presence of:

WITNESSES:

\_\_\_\_\_  
**(Name & Designation)**

In the presence of:

WITNESSES:

\_\_\_\_\_  
**(Name and Address)**

\_\_\_\_\_  
**(Name and Address)**

## ANNEXURE - C

Specifications for Set-Top-Boxes (STBs), Conditional Access System (CAS) & Subscribers Management System (SMS) :

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

1. All the STBs should have embedded Conditional Access.
2. The STB should be capable of decrypting the Conditional Access inserted by the Headend.
3. The STB should be capable of doing Finger printing. The STB should support both Entitlement Control Message (ECM) & Entitlement Management Message (EMM) based fingerprinting.
4. The STB should be individually addressable from the Headend.
5. The STB should be able to take the messaging from the Headend.
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 BIS compliant.
10. There should be a system in place to secure content between decryption & decompression within the STB.
11. The STBs should be addressable over the air to facilitate Over The Air (OTA) software upgrade.

### **(B) 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 Viewing Card (VC) number.
4. The 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 Headend 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 by the MSO/LCO 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.

**(C) CAS & SMS Requirements:**

1. The current version of the conditional access system 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 & 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 company should be known to have capability of upgrading the CA in case of a known incidence of the hacking.
6. The SMS & 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 set top box/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 1 years

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

10. Both CA & 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 equipments, taxes etc.

13. The CA & SMS system suppliers should have the technical capability in India to be able to maintain the system on 24x7 basis throughout the year.

14. CAS & SMS should have provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB can not be re-deployed. ”

**Signed by [on behalf of NEO]**

**Signed by [on behalf of Affiliate]**

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**(Name & Designation)**

---

**(Name & Designation)**

*Website Copy. Not for Execution*