

**Customer Code:**

**ADDENDUM AGREEMENT FOR THE REFERENCE INTERCONNECT OFFER – TELUGU BOUQUET**

This Addendum to the Reference Interconnect Offer Agreement ("**Addendum**") is executed on this \_\_\_\_ day of \_\_\_\_\_, 201\_\_ by and between:

**STAR India Private Limited**, a company incorporated in India with its registered office at Star India Private Limited, STAR House, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (W), Mumbai, 400013 (hereinafter referred to as the "**STAR**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);

**AND**

\_\_\_\_\_, [Sole Proprietorship Concern/ Partnership Firm/ Private or Public Limited Company] with its registered office at \_\_\_\_\_ and headend at \_\_\_\_\_ through its Authorized Signatory / Sole Proprietor/ Managing Partner / Partners Mr./Mrs./ Ms. \_\_\_\_\_ (hereinafter referred to as the "**HITSO**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);

STAR and HITSO shall hereinafter be individually and collectively referred to as "**Party**" and "**Parties**" respectively.

**WHEREAS:**

- A. The HITSO is desirous of availing of the Channels provided by STAR for distribution through its Distribution System on the basis of STAR's reference interconnect offer issued under the Interconnection Regulations and pursuant to the Reference Interconnect Offer Agreement entered into between the STAR and HITSO on \_\_\_\_\_ ("**Agreement**");
- B. STAR is offering the HITSO Incentives on the TELUGU Bouquet Rate as set out in this Addendum ("**TELUGU Bouquet Scheme**"), subject to and in accordance with the terms and conditions contained in this Addendum;
- C. The HITSO is desirous of availing the Incentives under this TELUGU Bouquet Scheme subject to and in accordance with the terms and conditions contained in this Addendum;
- D. Based on (i) HITSO opting for the TELUGU Bouquet under the Agreement and (ii) on the above representations, Incentives under the TELUGU Bouquet Scheme are being made available to the HITSO on the TELUGU Bouquet, subject to the HITSO's compliance with all the terms and conditions of the Agreement, as modified pursuant to this Addendum.

**NOW THEREFORE**, in consideration for the mutual promises and covenants set out herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, it is hereby agreed as follows:

## 1. DEFINITIONS

- 1.1. *Capitalized Terms.* Any capitalized terms used but not defined in this Addendum shall have the meanings ascribed to such terms in the Agreement, or if not defined in the Agreement, then the meanings ascribed to such terms under applicable Law.
- 1.2. *Definitions.* All other capitalized terms used in this Addendum shall have the meanings ascribed to such terms in **Annexure 1**. Any term used herein but not defined expressly in this Addendum or the Agreement shall have the meaning ascribed under applicable Law.

## 2. CONDITIONS

- 2.1. *Incentive Eligibility Conditions.* The HITSO shall be entitled to avail of the Incentives, within the Territory, with effect from the date of execution of this Addendum, subject to the HITSO meeting each of the following conditions ("**Incentive Eligibility Conditions**"):
  - 2.1.1. The HITSO shall have executed the Agreement in order to distribute the Channels of STAR, on the terms set out in the Agreement;
  - 2.1.2. The HITSO having opted for the TELUGU Bouquet on the terms set out in the Agreement;
  - 2.1.3. The HITSO ensuring that during the Term, the Channels comprising in the TELUGU Bouquet will be made available and carried throughout the Territory on its Distribution System to its existing subscribers as on the date of execution of this Addendum, as well as to its new subscribers in entirety and continuously on a 24X7X365 basis without any break, as per the terms and conditions of this Addendum.

## 3. INCENTIVES

- 3.1. *Incentives.* The HITSO shall, subject to compliance with each of the Incentive Eligibility Conditions set out in Clause 2.1 of this Addendum, be entitled to avail the following incentives on a cumulative basis for the TELUGU Bouquet on the TELUGU Bouquet Rate.
  - 3.1.1. *Subscriber Base Incentive:* The subscriber base incentive shall mean the incentive provided to the HITSO based on the Network Pay Subscriber Base of the HITSO, in accordance with the terms set out in **Annexure 2 ("Subscriber Base Incentive Conditions")**.
  - 3.1.2. *LCN Incentive:* The LCN incentive shall mean the incentive available to the HITSO in consideration of the HITSO placing the Channel(s) in the logical channel number position ("**LCN**") slabs set out in **Annexure 3 ("LCN Incentive Conditions")**.
  - 3.1.3. *Channel Parity Incentive:* The Channel Parity incentive shall mean the incentive available to the HITSO in consideration of the HITSO placing the Channel(s) in parity with the competing channels of other broadcasters as set out in **Annexure 4 ("Channel Parity Incentive Conditions")**.
  - 3.1.4. *Penetration Incentive:* The Penetration Incentive shall mean the incentive available to the HITSO in consideration of the HITSO achieving the penetration threshold set out in **Annexure 5 ("Penetration Incentive Conditions")**.
  - 3.1.5. *Additional South Incentive:* The additional south incentive shall mean the additional Incentive available to the HITSO's on the basis of the South Network Pay Subscriber

Base (“Additional South Incentive”) as set out in **Annexure 6 (“Additional South Incentive Conditions”)**.

3.2 Each of the aforesaid incentives shall individually be referred to as an “**Incentive**” or collectively as “**Incentives**”.

3.3 In the event that the HITSO complies with all the Incentive Eligibility Conditions, the HITSO will be entitled to such of the Incentives in respect of which it complies with the conditions as set out in the respective Annexures.

#### 4. **REPORTS**

4.1. In order to be eligible for the Incentives, the HITSO shall for the entire Territory, provide STAR, along with and in addition to the Reports referred to in the Agreement, additional Reports as detailed in **Annexure 7** of this Addendum.

4.2. The HITSO shall provide STAR with the Reports, as applicable, within 7 (seven) calendar days of end of each month.

4.3. Provisioning of Reports as per the terms of this Clause 4 shall constitute a material obligation on part of the HITSO. Non-provisioning of such Reports shall amount to material breach of the Agreement, which shall entitle STAR to withdraw the Incentives and/ or terminate the Agreement and disconnect signals of the Channels to the HITSO as per the terms of the Agreement.

#### 5. **SUBSCRIBER RECORDS, ACCESS AND AUDIT**

5.1. STAR shall, during the Audit referred to in Clause 15 of the Agreement, be entitled to access the Records, SMS, CAS and related systems of the HITSO in order to determine the correctness of the Reports referred to in Clause 4.1 of this Addendum. In the event an audit or inspection by STAR’s representative(s) reveals that the HITSO has under-reported or has misrepresented any information contained in the Reports or any item having a bearing on the computation of the Incentives that the HITSO is entitled to avail and/ or the License Fee payable by the HITSO, STAR shall provide the HITSO with written notice setting out the amount of such additional fee (“Shortfall Amount”) payable by the HITSO to STAR (“Notice of Shortfall”). Upon receipt of the Notice of Shortfall, the HITSO shall immediately, and in any event no later than 2 (two) calendar days from the date of receiving such Notice of Shortfall pay the Shortfall Amount together with interest at the Late Payment Interest Rate for the period from the date when the payments should have been made by the HITSO until the actual date of payment in the manner set out in Clause 15 of the Agreement.

#### 6. **LICENSE FEE**

6.1. The License Fee for the relevant month shall be calculated in the manner as set out in Clause 7 of the Agreement.

6.2. However for computation of the License Fee payable by the HITSO to STAR for the TELUGU Bouquet as per Clause 7 of the Agreement, the TELUGU Bouquet Rate shall be the Incentivized TELUGU Bouquet Rate.

#### I. **TERMINATION**

a. This Addendum shall stand automatically terminated and shall cease to have effect immediately upon termination or expiry of the Agreement in accordance with its terms.

## II. MISCELLANEOUS

- a. Until the termination of this Addendum in accordance with the terms hereof:
- i. This Addendum shall form an integral part of the Agreement and shall be read along with the Agreement. All references in the Agreement to “this Agreement” shall include the reference to this Addendum, wherever the context so requires. Further, reference to the Agreement in any other documents shall include reference to the Agreement as amended by this Addendum.
  - ii. This Addendum shall modify the Agreement and the understanding set out in the Agreement, as applicable, only to the limited extent set out herein. Except as specifically and expressly amended by this Addendum, all other provisions of the Agreement shall remain unchanged and in full force and effect and shall continue to remain applicable and binding on the Parties.
  - iii. Save and except for the aforesaid all other terms and conditions of the Agreement shall remain unaltered and in force. In the event of conflict between the terms of this Addendum and the provisions of the Agreement, the provisions of this Addendum shall prevail in relation to the matters set out herein.
  - iv. The Parties agree that STAR reserves its right to amend/ modify or withdraw the TELUGU Scheme and Addendum at its sole discretion, in the event, during the Term, (i) STAR launches a New Channel, or (ii) in case of a Removed Channel, or (iii) in case of a Converted Channel, as stated in Clause 6 of the Agreement. For the avoidance of doubt, it is clarified that a reference to a New Channel in this Addendum and/ or the Agreement includes any additional channels (whether by way of a new launch, acquisition of any existing channel or otherwise), distributed by STAR and/ or its current or future subsidiaries, and in such an event STAR shall have the right to withdraw and/ or modify this Addendum and/ or the Incentives set out herein in its sole discretion.
  - v. The Agreement and this Addendum collectively contain the entire understanding between the Parties with respect to the subject matter hereof and supersedes any prior agreements, writings, understandings or communications in this connection. The Parties agree that the terms contained herein are fair and reasonable. The Agreement and this Addendum shall not be modified, amended or varied unless otherwise mutually agreed in writing in accordance with applicable Law.

**IN WITNESS WHEREOF** the Parties hereto the Parties hereto have caused this Addendum to be duly executed and delivered by their duly authorized representatives on the day and year first above written.

Signed for and on behalf of	Signed for an on behalf of
	<b>STAR India Private Limited</b>
Signature:	Signature:
Name: Mr.	Name: Mr.
Title:	Title:
Date:	Date:
<b>WITNESS:</b>	<b>WITNESS:</b>
Signature:	Signature:
Name:	Name:

## ANNEXURE 1

### DEFINITIONS

1. **Add-on Package** shall mean the additional television channels offered by the HITSO to its subscribers on a package basis consisting of 2 (two) or more Pay Channels of 1 (one) or more broadcasters, to the subscribers of any of the Basic Entry Packages or Basic Service Tier for an additional subscription charge.
2. **Basic Entry Package** shall mean all such package (current, historical and/ or future) of television channels offered by the HITSO to its subscribers, comprising of (i) a combination of FTA Channels and one or more Pay Channels of a single broadcaster or multiple broadcasters; and/or (ii) a combination of one or more Pay Channels of a single broadcaster or multiple broadcasters. It is however clarified that, it shall not include Add-on Packages.
3. **Basic Service Tier** shall mean a package of television channels offered by the HITSO, consisting only of FTA channels.
4. **FTA Channel(s)** shall have the meaning ascribed to it in Schedule A of the Agreement.
5. **TELUGU Bouquet** shall have the meaning ascribed to it in Schedule A of the Agreement.
6. **TELUGU Bouquet Rate** shall have the meaning ascribed to it in Schedule A of the Agreement.
7. **Incentivized TELUGU Bouquet Rate** shall mean the TELUGU Bouquet Rate less any Incentives as set out in this Addendum, which the HITSO is entitled to avail of in terms of this Addendum.
8. **Pay Channel(s)** shall have the meaning ascribed to it in Schedule A of the Agreement.

## ANNEXURE 2

### SUBSCRIBER BASE INCENTIVE CONDITIONS

1. The HITSO shall be entitled to the Subscriber Base Incentive based on the Network Pay Subscriber Base of the HITSO as detailed in the table below ("**Subscriber Base Grid**"):

<b>Subscriber Base Grid</b>		
<b>Sr. No.</b>	<b>Network Pay Subscriber Base</b>	<b>Subscriber Base Incentive</b>
1	Less than 100,000	0.0%
2	Greater than or equal to 100,000, but less than 500,000	1.5%
3	Greater than or equal to 500,000	3.0%

2. Network Pay Subscriber Base for the concerned month, shall mean the total number of subscribers who are connected to the HITSO's Distribution System, for the Territory, and have subscribed to one or more pay channels of any broadcaster, on a-la-carte or bouquet basis from the HITSO.
3. For the purpose of calculating the Subscriber Base Incentive for the relevant months as per the table above, the Network Pay Subscriber Base shall be calculated on the basis of the Reports furnished as per this Addendum.

### ANNEXURE 3

#### LCN INCENTIVE CONDITIONS

1. In the event the HITSO makes available the Channels comprised in the TELUGU Bouquet in the manner as set out in **Table I** (“**LCN Requirement Grid**”) below, and subject to Paragraph 2 below, the HITSO shall be entitled to the Incentive set out in **Table II** below.
2. LCN Rank Requirement as stated in the LCN Requirement Grid shall mean the Rank within the Genre mentioned in the LCN Requirement Grid.

Table I: LCN Requirement Grid		
Channels	LCN Rank Requirement	Genre
Star Sports 3 (Erstwhile Channel V)	Top 8	Sports
Star Sports 1	Top 4	Sports
Star Sports 2	Top 4	Sports
Star Sports 1 Hindi (Erstwhile Star Sports 3)	Top 4	Sports
Star Sports Select 1	Top 8	Sports
Star Sports Select 2	Top 9	Sports
Star World	Top 1	English General Entertainment
Star Movies	Top 1	English Movies
National Geographic	Top 3	Infotainment
Nat Geo Wild	Top 7	Infotainment
Fox Life	Top 2	Lifestyle
Maa TV	Top 2	Regional Telugu General Entertainment
Maa Gold	Top 5	Regional Telugu General Entertainment
Maa Movies	Top 2	Regional Telugu Movies
Maa Music	Top 2	Regional Telugu Music
Star Sports First	Top 15	Sports

3. CN positioning of Star Sports 1, Star Sports 2 and Star Sports 1 Hindi will be consecutive in the Sports genre, without any channel(s) breaking the sequence. Similarly, LCN positioning of Star Sports Select 1 and Star Sports Select 2 will be consecutive in the Sports genre, without any channel(s) breaking the sequence. Non-compliance of this condition (calculated for each Sports Channel individually) shall be construed as the non-fulfillment of the LCN condition for such Channel.

#### Examples:

- a. if Star Sports 1 is placed at number 2 within the Sports genre, then Star Sports 2 and Star Sports 1 Hindi shall be placed at 3 and 4 respectively, without any other channel(s) placed between the Star Sports Channels thereby disrupting the sequence.
- b. if Star Sports Select 1 is placed at number 7, then Star Sports Select 2 shall be placed at number 8, without any other channel(s) placed between them.
- c. if Star Sports 1 is placed at number 1 within the Sports genre; Star Sports 2 is placed at no. 2 and Star Sports 1 Hindi is placed at no. 5, then the desired LCNs will be construed as not having been provided for two Channels (i.e. Star Sports 2 and Star Sports 1 Hindi which are not consecutive and also Star Sports 1 Hindi which is not placed in the Top 4).



4. In the event that the HITSO adheres to the LCN Conditions as set out in Paragraph 1 and Paragraph 2 above, the Incentives referred to in Clause 3.1.2 of this Addendum shall be granted as per the table below:

**Table II**

<b>Sr. No.</b>	<b>Number of Channels satisfying LCN Conditions</b>	<b>Incentives</b>
1	Desired LCN provided for all Channels	15.5%
2	Desired LCN provided for all Channels except for 1 Channel	8.0%
3	Desired LCN provided for all Channels except for 2 Channels	2.5%
4.	Desired LCN not provided for more than 2 Channels	0.0%

#### ANNEXURE 4

##### CHANNEL PARITY INCENTIVE CONDITIONS

1. The HITSO shall be entitled to the Channel Parity Incentive as set out in table below, in the event the HITSO makes available to its Subscribers each of the Channels comprised of in the TELUGU Bouquet, in the Basic Entry Package(s) and Add-on Package(s) comprising of (i) similar channels; and (ii) similar genre and language channels of competing broadcasters, in the manner set out in the table below (“Parity Requirement Grid”)

Parity Requirement Grid	
Competing broadcaster channels (“Competing Channels”)	STAR Channels
Comedy Central, AXN, Zee Café, Colors Infinity and similar channels	Star World
Zee Studio, PIX, Movies Now, HBO, WB, MGM, Romedy Now and similar channels	Star Movies
Discovery, History TV18, Animal Planet, Discovery Science, Discovery Turbo, Sony BBC Earth & similar channels	National Geographic
TLC, NDTV Good Times, Travelxp and similar channels	Fox Life
Animal Planet and similar channels	Nat Geo Wild
Gemini TV, ETV Telugu, Zee Telugu and similar channels	Maa TV
Gemini Movies, ETV Cinema, Zee Cinemalu and similar channels	Maa Gold
Gemini Movies, ETV Cinema, Zee Cinemalu and similar channels	Maa Movies
Gemini Music and similar channels	Maa Music

2. In the event that the HITSO adheres to the Channel Parity Conditions for each of the Channels comprised in the TELUGU Bouquet in the manner as set out in Paragraph 1 above, during every single day of the concerned month, the HITSO shall receive a Channel Parity Incentive of 23% on the TELUGU Bouquet Rate.
3. For the avoidance of doubt it is hereby clarified that, if the HITSO fails to adhere to the Channel Parity Conditions for any single Channel comprised in the TELUGU Bouquet for even a single day during the concerned month, the HITSO shall not be entitled to any Channel Parity Incentive for the concerned month.
4. Notwithstanding the above, if the HITSO fails to adhere to the Channel Parity Conditions as set out above for any 2 (two) months during the Term, the HITSO at STAR’s sole discretion shall not be eligible for any Channel Parity Incentive for a period of upto 3 (three) months immediately succeeding the second default month. This is over and above the HITSO not being eligible for Channel Parity Incentive during the concerned default months.

## ANNEXURE 5

### PENETRATION INCENTIVE CONDITIONS

1. The HITSO shall be entitled to Penetration Incentive on the TELUGU Bouquet Rate in terms of one of the scenarios set out in the table below, subject to the HITSO achieving the Penetration threshold for each of such scenarios set out below: it is clarified that the Penetration Incentive can be availed by the HITSO for the concerned month only with respect to any one of the Scenarios and will not be cumulative

Scenario	Channels	Penetration threshold of Network Pay Subscriber Base	Penetration Incentive
1	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 1 Hindi, Star Sports Select 1, Star Sports Select 2, Star World, Star Movies, Star Sports First	>=95% penetration for each of the Channels in column 2 of this table	26.0%
2	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 1 Hindi, Star Sports Select 1, Star Sports Select 2, Star Sports First	>=95% penetration for each of the Channels in column 2 of this table	23.5%

## ANNEXURE 6

### ADDITIONAL SOUTH INCENTIVE

1. The HITSO shall be entitled to the Additional South Incentive equal to 6.5% in the event the South Network Pay Subscriber Base is equal to or more than 80% of the Network Pay Subscriber Base of the HITSO.
2. “South Network Pay Subscriber Base” shall mean the Network Pay Subscriber Base of the HITSO in the southern states of Tamil Nadu, Kerala, Karnataka, Telangana, Andhra Pradesh, as detailed in the Reports set out in **Annexure 7** of this Addendum.

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**ANNEXURE 7**

**FORMAT OF REPORTS**

**Part A:**

**1. Network Subscriber Base Report**

Opening Active STBs of HITSO	Closing Active STBs of HITSO	Average Active STBs of HITSO

**2. Network Pay Subscriber Base Report**

Opening Active Pay STBs of HITSO	Closing Active Pay STBs of HITSO	Average Active Pay STBs of HITSO

**Part B:**

**1. STAR Channel(s) Subscriber Base Report**

Sr. No.	STAR Channel Name	Opening Active STBs Count	Closing Active STBs Count	Average Active STBs Count

**2. STAR Bouquet Report (Channel-wise)**

Sr. No.	STAR Bouquet Name	STAR Channels part of Bouquet	Opening STBs count for STAR Channels	Closing STBs count for STAR Channels	Average STBs count for STAR Channels

HITSO will provide subscriber base of all Bouquets subscribed in the format listed above

**3. STAR Channel(s) A-la-Carte Report (Channels not part of Bouquet)**

Sr. No.	Channel Name (A-la-Carte)	Opening STBs count for STAR Channels	Closing STBs count for STAR Channels	Average STBs count for STAR Channels

HITSO cannot subscribe to same Channel(s) in Bouquet as well as A-la-carte. The above report should include all STAR Channels taken by HITSO on A-la-Carte basis and not part of Bouquet.

**Part C: HITSO bouquet(s) to subscribers / consumers (Retail Bouquet)**

**1. Retail Bouquet -wise report**

Sr. No.	Retail Bouquet name	Opening STBs count for the Retail Bouquet	Closing STBs count for Retail Bouquet	Average STBs count for Retail Bouquet

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**2. HITSO retail bouquet -wise channel-wise report**

Sr. No.	Retail Bouquet name	STAR Channel part of the Retail Bouquet	Opening STB count for STAR Channels	Closing STB count for STAR Channels	Average STB count for STAR Channels

**3. Add-on Retail Bouquet wise channel-wise report**

Sr. No.	Add-On Retail Bouquet_Name	STAR Channel part of the Add-On Retail Bouquet	Opening STB count for STAR Channel(s)	Closing STB count for STAR Channel(s)	Average STB count for STAR Channel(s)

**4. Add-on Retail Bouquet wise channel-wise report**

Sr. No.	Channel Name (A-la-Carte)	Opening STBs count for STAR Channel	Closing STBs count for STAR Channel	Average STBs count for STAR Channel

The above report should include all STAR channels offered by HITSO to its subscribers on A-la-Carte basis

**5. HITSO state-wise subscriber report**

Sr. No.	Name of the state	Opening STBs count	Closing STBs count	Average STBs count

**Part D: LCN Report**

Sr. No	Channel Name	Genre	Language	Channel LCN No	LCN Rank in Genre

**Part E: Parity Report**

Sr. No.	Name of all Retail Bouquet & add-On Retail Bouquet	Name of all STAR channels (Pay, FTA, Pay +	Name of all channels of other	Parity adhered to (Y/N)

	<b>(Pay, FTA, Pay + FTA)</b>	<b>FTA)</b>	<b>broadcasters (Pay, FTA, Pay + FTA)</b>	

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