



Financial guarantees

Addendum n°7 to the Proximus Reference Interconnect Offer valid as from 01/03/07

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Sensitivity Unrestricted

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1. Introduction

This Addendum to the Proximus Reference Interconnect Offer concerns:

- Financial guarantees

This Addendum comes into effect as from 01/03/07. The sections of the BRIO, which are impacted by this Addendum are indicated in the subsequent paragraphs.

2. Adaptation of Section 15 and ANNEX 6A

Section 15 is to be replaced by:

General Principle – Prepayment

Notwithstanding anything to the contrary in the Interconnection Agreement, in order to guarantee the payment by OLO of the prices due for Interconnect Services provided by Proximus that are invoiced on a monthly basis, OLO will provide Proximus with a monthly prepayment based on the average of the monthly net amount due by OLO after netting of invoices during three months Interconnect Services provided a netting Agreement which includes a.o. the procedure described in Annex 6B is signed with OLO. If no netting Agreement is signed with OLO, the amount of the prepayment shall be based on the average of the invoices for Interconnect Services issued by Proximus during three months. The amount of the prepayment shall be reviewed every three months. The terms and conditions of this prepayment are described in Annex 6A.

Sufficient Creditworthiness

This monthly prepayment will not be required in the following circumstances:

- OLO has sufficient creditworthiness as evidenced by either of the following alternatives:
 - a. OLO has obtained a “Ba2” rating or above for its debt (Moody’s);
 - b. OLO has obtained a rating similar to Moody’s “Ba2” rating, provided that (i) such rating is generally accepted by the market as giving similar reliability as Moody’s, (ii) such rating is generally reviewed and updated on a regular basis.

Other Financial Guarantees

In the event that, in the course of the Interconnect Agreement, OLO would lose the above described credit worthiness (either through the loss of “Ba2” credit rating or similar or upon the occurrence of any default or delay of payment) OLO will have to provide Proximus with a prepayment or with another financial guarantee as defined in the present chapter within 10 working days from Proximus’s request thereto.

- OLO obtains an irrevocable and unconditional parent corporation guarantee for the debts incurred by OLO in the application of the Interconnect Agreement, provided that such parent company is issued by a company that has sufficient creditworthiness as defined above. In the event that, in the course of the Interconnect Agreement, the Parent Company would lose the above described creditworthiness (either through the loss of “Ba2” credit rating or similar or upon the occurrence of any default or delay of payment), OLO will provide Proximus with a prepayment or with another financial guarantee as described in the present chapter within 10 working days of the request of Proximus;
- OLO has constituted a Deposit on an escrow account with a reputable bank or financial institution established in the EU. The amount of that deposit will be equal to an estimate of three months of net amount due by OLO after netting of invoices for Interconnect Services issues by both Parties, provided a Netting Agreement which includes a.o. the procedure described in Annex 6B is signed between the Parties. If no Netting Agreement is signed, the amount of the deposit will be equal to an estimate of three months of Proximus’s invoices for Interconnect Services. Based on the actual traffic exchanged between the Parties, OLO and Proximus will have the right to require an adaptation of the amount of the deposit every three months. Upon the request for adaptation of the amount or deposit, necessary steps will be taken to ensure adaptation within 10 working days. In case of default by OLO to pay sums due under the interconnect agreement, the sums deposited on the escrow account will accrue to Proximus. The interests accrued on the escrow account will be payable to OLO. In the event the sums deposited are accrued to Belgacom, OLO will provide Proximus with a prepayment or with another financial guarantee as defined in the present chapter within 10 working days of the request of Proximus;
- OLO has provided Proximus with an irrevocable and unconditional bank guarantee on first demand issued by a reputable bank or financial institution established in the EU. That bank guarantee will be issued for a minimum period of three years and for an amount equal to an estimate of three months of net amount due by OLO after netting of invoices for Interconnect Services issued by both Parties, provided a Netting Agreement which includes a.o. the procedure described in Annex 6B is signed between the Parties. If no Netting Agreement is signed, the amount of the bank guarantee will be equal to an estimate of three months of Proximus Interconnect invoices. Based on the actual traffic exchanged between the Parties, OLO and Proximus will have the right to require an adaptation of the amount of the bank guarantee every three months. Upon the request for adaptation of the amount of bank guarantee, necessary steps will be taken to ensure adaptation within 10 working days. Upon the expiration of the bank guarantee or after OLO has called upon the bank guarantee, OLO shall provide Proximus with a prepayment or with another financial guarantee as defined in the present chapter, within 10 working days of the request thereto from Proximus.

Without prejudice to any other legal or contractual remedies and notwithstanding anything to the contrary in the Interconnection Agreement, in the event OLO fails to pay on due time any amount due under the prepayment conditions as defined in the present section and in Annex 6A, Proximus shall be entitled to execute the following alternatives until full payment is made:

- suspension of the Interconnect Services in accordance with the Communication of BIPT of 11 June 2003;
- refusal in writing of any new IC link or Half Link order and of any new CPS request subject to prior approval of BIPT;
- refusal in writing of any other new Interconnect Services.

ANNEX 6A point 2 is to be replaced by:

The amount of the pre-invoice shall be adapted on a quarterly basis, i.e. increased or lowered as the case may be, based on the amounts due by OLO for the services provided under the Interconnect Agreement during the previous quarter. For OLO's not yet in service and concluding a new Interconnect Agreement, the first pre-invoice shall amount to 5.000€ per IC link (OIT).