



Cayman's Bigger, Better Network.

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March 7, 2012

Mr. David Archbold
Managing Director
Information and Communication Technology Authority
3rd Floor Alissta Towers
P.O Box 2502
Grand Cayman KY1-1104
Cayman Islands

Dear Mr. Archbold,

LIME's Refusal to Negotiate an Offer for Unbundled Local Loops

LIME wrote to the Authority on 2nd March about Digicel's Determination Request with respect to LIME's refusal to provide Unbundled Local Loops to Digicel. The letter from LIME is, regrettably, both illogical and patronizing.

LIME alleges that Digicel has not gone through a grievance process and should do so now. A grievance process can only work if LIME is prepared to cooperate and provides Digicel with an offer for unbundled local loops (ULLs). However LIME has made it clear in its letter of 28th November 2011 and again in its latest letter of 2nd March 2012 that it will not negotiate an offer for ULLs. In other words LIME has already taken an unequivocal position that LIME itself will not enable a grievance process to work with respect to our request for ULLs. Nonetheless, and quite illogically, LIME is asking Digicel to involve itself in such a process. Since LIME will not negotiate the provision of ULLs the only recourse left to Digicel is to ask the Authority to make a Determination.

We quote from both relevant letters from LIME on this matter:

LIME's letter of 28th November stated

"...given the current competitive environment, there is no public policy basis for LIME to be required to expend the time and resources needed to develop this service and the related facilities..."

and that LIME would

"..discuss with Digicel the provision of any existing wholesale services that would address Digicel's needs.."

In other words:

1. LIME refused to negotiate to make an offer to Digicel for ULLs;
2. it is for LIME to decide on public policy;
3. LIME knows better than Digicel how Digicel should run its business and what could satisfy Digicel's commercial requirements;

Directors: Denis O'Brien (Chairman), Michael Alberga, Leslie Buckley, Conor O'Dea

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4. with respect to the comment re the "*current competitive environment*" we are not sure exactly what is meant. Perhaps LIME's underlying concern is that it does not want further competition.

Further, LIME's current letter of 2nd March states:

"..LIME is prepared to discuss the provision of existing services to Digicel that would satisfy Digicel's requirements.."

In other words once again:

1. LIME refuses to negotiate to make an offer for ULLs;
2. LIME knows better than Digicel how Digicel should run its business and what could satisfy Digicel's commercial requirements.

LIME appears to want to involve Digicel in a charade wherein Digicel writes another letter to LIME asking for ULLs. On this occasion LIME wants Digicel to state specifically that that we are "aggrieved" with LIME's refusal to make an offer for ULLs to Digicel. The purpose, or rather purposelessness, of that letter would be so that LIME can for the third time refuse to make an offer for ULLs and for the third time offer something that Digicel has not asked for. Presumably LIME also aims to burn up time for its commercial benefit.

In any event, and as the Authority knows, Digicel previously copied all the relevant correspondence to the Authority and the Authority stated in response in its letter of 12th December 2011 that:

"The proper procedure if Digicel wants to take it further (see Regulation 26 of the Regulations), would be for Digicel to submit the issue to the Authority for resolution in accordance with the Dispute Regulations (2003)."

As the Authority knows, Regulation 26 per permits a matter to be submitted to the Authority directly if one party believes that the other is not negotiating or processing a request in good faith. In this case we do not see that there can be any doubt. LIME has told us that it will not negotiate an offer for ULLs. Hence, and in accordance with the Authority's guidance, we have submitted the matter to the Authority for resolution.

Yours sincerely,



Victor Corcoran
Chief Executive Officer