

From: Jan Tjernell [mailto:Jan.Tjernell@digicelgroup.com]

Sent: 23 December 2009 11:05

To: Vandendries, Frans

Cc: Raul Nicholson-Coe; Victor Corcoran; David Archbold; David Laliberte; Mark Connors; Jasper Mikkelsen; Nelson, Derrick; Fijman, Martin; Morris-Gillespie, Christine

Subject: RE: Interconnection in Cayman

Importance: High

Frans

Your email below constitutes a breach of the agreement that was agreed between Digicel Cayman Ltd (Digicel) and Cable & Wireless Cayman Limited (C&W) on Thursday December 17 in the offices of ICTA. You confirmed on a direct question from me that you were authorized (or would be able to get the necessary authorization via telephone – an opportunity you took) to negotiate and agree on behalf of C&W.

Just to recollect what the agreement is

- Same rates and T&C as today to December 31, 2009, and No retroactivity.
- January 1 – June 30; MTR of 16.553 Ccents/min all other rates the same and no retroactivity (this is incidentally the same rates and T&C's for January 1 to March 31 as you suggest in your email below as far as I understand).
- July 1 – December 31 a further decrease of the MTR to 14.636 Ccents/min and no retroactivity.

All this is subject to a determination by the ICTA in which case the determination will take precedence from the date of the determination (i.e. no retroactivity).

For obvious reasons the draft agreement you sent out in February can never be applicable. As you are well aware we have agreed more than 150 changes/amendments to that agreement - as such the only agreement that possibly can be applicable is the current ICA or possibly the re-negotiated ICA as it stands today with the 6 outstanding issues that has been referred to the ICTA for determination. We are hereby giving you formal notice of that we deem your email to be a notification of intended breach of contract and serve you notice to retract from your email below and confirm your intention to comply with the agreement.

Based on your email below you will effectively be in breach by December 28 to December 31 if you don't agree to pay the rates that are applicable by today's date. The next time you would be in breach according to your email below would then be April 1.

In case the ICTA will adjudicate in a negative way for Digicel compared to what is agreed between the Parties, Digicel reserve its rights to seek damages and compensation of C&W and /or you personally.

Best regards
Jan Tjernell

Digicel Group | General Counsel

Telephone Number: +1 876 470 8683

From: Vandendries, Frans [mailto:frans.vandendries@time4lime.com]

Sent: Sunday, December 20, 2009 1:12 AM

To: Jan Tjernell

Cc: Raul Nicholson-Coe; Victor Corcoran; David Archbold; David Laliberte; Mark Connors; Jasper Mikkelsen; Nelson, Derrick; Fijman, Martin; Morris-Gillespie, Christine

Subject: Interconnection in Cayman

Jan,

I am writing further to our meeting Thursday at the offices of the ICTA in Cayman.

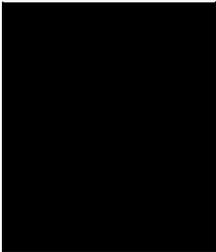
With respect to the interim billing arrangement that was discussed at the time, LIME is not willing to agree to an open-ended arrangement. LIME is, however, willing to agree to an interim rates arrangement for a three-month period starting the 27th of December. During that three month period, we would charge each other the rates that apply today, with the exception of the MTR for domestic-originated traffic, which would be set at CI\$ 0.16553 per minute. During this period, we would also proceed with the Dispute Determination Request process as expeditiously as possible. At the end of the three month period, namely on the 27th of March 2009, we are prepared to charge and to pay an MTR for domestic-originated traffic of CI\$ 0.895, in accordance with the terms of our letter to you of the 27th of November 2009.

I trust you will agree that a quick resolution of the rates dispute between our companies is in the best interests of both our companies as well as the public of the Cayman Islands, and that you can agree to the above proposal in that light.

Please note that, irrespective of the interim rates arrangement that might apply after the 27th of December 2009, all existing agreements governing interconnection between our two networks in the Cayman Islands will be terminated, and replaced by a new arrangement, as set out in our November 27th letter.

Best regards,

Frans

 Frans Vandendries
Vice President Legal Regulatory and Corporate Affairs

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