

LIME. For Living. Everyday.



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September 7, 2012

Mark Connors
Head of Economics and Regulation
Information and Communication Technology Authority
3rd floor Alissta Towers
P.O. Box 2502
Grand Cayman KY1-1104
Cayman Islands

Dear Mr. Connors,

Further to the letter from the Authority dated 16th August, we have responded to the conditions detailed as follows:

1) We can confirm that the effective date for the price increase will be the 1st November 2012. This 'effective date' was determined as it provides the advance notification of a minimum of thirty days to our customers and this notification has been included on our bill run of the 25th August. Customers are likely to receive their bill on the 3rd day of September 2012.

2 & 3) We have updated Tariff Sheet 801, 802 and 201 to reflect the new effective date. We have also removed the phrase "Effective August, 2010" from the body of the text in section 801.4 and also the same phrase from the table in the body of the page in section 802.4 page 8.6.

We have attached the Tariff Pages for your consideration. We will be updating our Website to show both the existing Tariff Pages with additional links for Sheets 801,802 and 201 showing the new rates. On the 1st November we will replace the existing Tariffs Pages for 801, 802 and 201 and the website will show only the new rates. We will notify the Authority on the 1st November to confirm this.

The notification of the rate change on the customer bill will appear as follows:

New Rates for Residential Landline Services

LIME advises residential customers that rate increases will be introduced to our residential landline monthly rental and to our Home Plan 500 and 800 services effective November 1st 2012. These rates will increase by CI\$1.00. Please visit www.lime.com/ky/priceincrease

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4) We have attached the Q&A document which is accessed from the link on the notification. We have updated this customer communication to include the specific bill rates that will change with the previous rate and the new rate.

5) It is anticipated that the press advert will be placed in the Cayman Compass on the 28th September 2012. Within one week of the advertisement being published, we will provide the authority with a PDF of the tear sheet showing the full page on which the advertisement has been placed.

Please contact me should you have any questions.

Yours faithfully,
Cable and Wireless (Cayman Islands) Limited, trading as LIME

'Signed'

Anthony Ritch
General Manager LIME (Cayman Islands)

c.c. Rochelle Cameron, Head of Legal & Regulatory North

PART B PUBLIC SWITCHED NETWORK ACCESS

Item 201 Basic Telecommunications Services

1. Service Description

- 1) This item is subject to the terms and provisions of Part A of this Tariff.
- 2) Basic Telecommunications Services includes an access component – Telephone Line Rental service - and a usage component – Local Calling.
- 3) Line Rental service is the rental of one Telephone Line. A monthly charge, as set out in sub-item 5 shall apply.
- 4) Local Calling allows Customers to make and receive Local Calls. Local Calls are charged on a usage-basis, as set out in sub-item 5 below. The Calling Party pays for Local Calls.
- 5) The Customer is entitled to one free copy of the Telephone Directory for each Telephone Line rented, as long as C&W has directories in stock.

2. Definitions

"Basic Telecommunications Service Application" is the C&W Application for Basic Telecommunications Service.

"Call Set-up" is the process by which the switch provides dial tone to the calling party, and receives and analyses the dialed digits, connects to required number and provides ringing tone to the called party.

"Ceased for Nonpayment" occurs when an account is unpaid and is suspended permanently, this cessation is initiated by C & W and not by the customer

"Telephone Line Rental" is the rental of a Telephone Line.

3. Terms and Conditions

PART B PUBLIC SWITCHED NETWORK ACCESS - continued

Item 201 Basic Telecommunications Services - continued

- 1) To apply for Basic Telecommunications Services, new Customers must complete and submit C&W's applicable Basic Telecommunications Services Application. Completed Basic Telecommunications Services Applications can be submitted to the following C&W sales offices: Anderson Square, Galleria Plaza or Stake Bay. A passport or some other form of identification is required.
- 2) Customers wishing to cease Service, temporarily cease Service, or transfer their Service to another Service Address must complete and submit C&W's applicable Basic Telecommunications Services Change to Existing Service Form.
- 3) Customers shall pay one-time charges for the following Services associated with Basic Telecommunications Services: installation, maintenance, repair, and reconnection. These charges are set out in sub-item 4(b).
- 4) Reconnection fees and installation charges are billed, and payable, on the following month's bill.
- 5) Maintenance and repair services on C&W-provided equipment and external network, (excluding single line customer premises equipment) are included in the monthly rental fee. Internal wire repair services can be obtained from Cable & Wireless on a term basis for residential customers or on-demand basis for both residential and business customers, (see sub-item 4 (b)) or from another contractor.
- 6) Where a customer has or would like to obtain service from C&W but does not have a Telephone Line associated with the service, the same deposit as the applicable customer category and classification is required.

PART B PUBLIC SWITCHED NETWORK ACCESS - continued
Item 201 Basic Telecommunications Services - continued
4. Telephone Line Rental Rates

a) The following monthly charges and deposits apply per Telephone line.

Customer Categories	Customer Classification	Deposit Amount Required per Telephone Line	Monthly Charges per Telephone Line
Residential	New	\$200	\$15.00
Residential	Existing - for Telephone Lines added after 01 November 2007	\$200	\$15.00
Residential	Ceased for Non_Payment/Account in arrears for > 90 days	\$300.00	\$15.00
Business Sole Trader	New	\$350.00	\$30.00
Business Sole Trader	Existing	\$350.00	\$30.00
Business Sole Trader	Ceased for Non_Payment/Account in arrears for > 90 days	\$525.00	\$30.00
Business Limited Company or Other form	New	\$500.00	\$30.00
Business Limited Company or Other form	Existing	\$500.00	\$30.00
Business Limited Company or Other form	Ceased for Non_Payment/Account in arrears for > 90 days	\$750.00	\$30.00
Business Exempt Company (Trading Outside of the Cayman Islands)	New	\$1,000.00	\$30.00
Business Exempt Company (Trading Outside of the Cayman Islands)	Existing	\$1,000.00	\$30.00
Business Exempt Company (Trading Outside of the Cayman Islands)	Ceased for Non_Payment/Account in arrears for > 90 days	\$1,500.00	\$30.00
Government	New	\$500.00	\$30.00
Government	Existing	\$500.00	\$30.00
Government	Ceased for Non_Payment/Account in arrears for > 90 days	\$500.00	\$30.00

Issued Date: 24 May 2012
Effective Date: 01 November 2012
APPROVED BY THE AUTHORITY DETERMINATION 16 AUGUST 2012

PART B PUBLIC SWITCHED NETWORK ACCESS - continued

Item 201 Basic Telecommunications Services - continued

- (i) Deposit payments are acceptable via cash, cheque, credit or debit cards
- (ii) Direct Debit accounts will have Direct Debit removed if more than two Direct Debit payments are returned from the bank within a 12-month period.
- (iii). A higher deposit is required to reactivate a service or account Ceased for Non-payment or one that is in arrears for greater than 90 days (see table).
- (iv) A customer who is returning to reactivate service, after having been Ceased for Nonpayment, must use cash as the deposit payment. However, he may sign up for subsequent payments to be made via Direct Debit.
- (v) A customer who was charged a higher deposit for reasons of having a ceased account or an account in arrears for greater than 90 days, will be charged the deposit applicable to an existing service, once he or she has been keeping their account current in the last 12 months.
- (vi) Customers accounts will be regularly reviewed and accounts found to be in arrears for greater than 90 days will be required to pay the deposit amount as indicated in the deposit requirement schedule above.
- (vii) Existing Residential customers who used Direct Debit as an alternative to paying a deposit as of 01 November 2007 are not required to pay the deposit amount unless Direct Debit is removed from the account, Telephone Lines are added to the account, the account is Ceased for non-payment, or the account is in arrears for greater than 90 days.

PART B PUBLIC SWITCHED NETWORK ACCESS - continued

Item 201 Basic Telecommunications Services - continued

b) Installation, Reconnection and Other Charges

1) The following one-time rates and charges apply.

	Installation	Reconnection
Residential Business and Government	\$40.00	\$10.00

2) The following charges are applicable for repairs, not covered by the Internal Wire Service plan.

	Standard Working Hours(a)	After Hours(b)	Weekend(c)
Repair	\$125.00/hr	\$150.00/hr	\$150.00/hr

(a) Monday to Friday, 8:00 a.m. to 4:45 p.m.; Friday, 8:15 a.m. to 4:00 p.m.

(b) Monday to Friday, 4:46 p.m. to 7:59 a.m., Friday: 4:01 p.m. to 8:14 a.m.

(c) Saturday, Sunday and Holidays.

5. Local Call Rates

The charges apply to the Calling Party only.

	Unit Charge	Unit Duration
Residential and Business Customers		
Fixed to Fixed (all)	\$0.09 (first unit(a))	60 seconds

Issued Date: 24 May 2012

Effective Date: 01 November 2012

APPROVED BY THE AUTHORITY DETERMINATION 16 AUGUST 2012

PART B PUBLIC SWITCHED NETWORK ACCESS - continued**Item 201 Basic Telecommunications Services - continued**

locations)	\$0.02 (each unit thereafter)	
Fixed to Mobile (all locations)	\$0.27 per unit	60 seconds
Data (b)	\$0.05	60 seconds

(a) includes call set-up.

(b) Data Calls are PSTN dial up calls to an ISP.

PART H BUNDLED SERVICES

Item 801 Smart Choice

1. Service Description

- 1) Smart Choice provides Residential Customers with a bundle comprised of Residential Telephone Line Rental, several Optional Services, an IDD Discount and e. Account.
- 2) There are three Smart Choice Plans: Plan A, Plan B, Plan C.
- 3) This Item is subject to the terms and provisions of Part A of this Tariff.

2. Definitions

"C&W Sales Offices" are located at Anderson Square, Galleria Plaza and Stake Bay.

"e.Account" allows Customers to view and print their current and recent bills online at C&W's Website (www.eaccount.ky).

3. Terms and Conditions

- 1) To apply for a Smart Choice Plan, Customers must complete a Smart Choice Application Form (which is available online at www.candw.ky) and fax the completed form to 345-949-0039 or visit a C&W Sales Office and present acceptable ID. IDD numbers subject to the IDD Discount must be listed on the Application Form.
- 2) The Term of the Smart Choice Plan shall be month to month. The Term shall start from the date the Smart Choice Plan is applied on the Customer's Telephone Line. The start date is the date the application form is received and setup on the customer's account.
- 3) At the end of the Term, the Smart Choice Plan will automatically renew for another month unless the Customer cancels his/her Smart Choice Plan by writing to C&W or calling Customer Service.
- 4) The Customer will be allowed to downgrade his/her Smart Choice Plan once per month subject to the administrative fees listed in sub-Item 4.

PART H BUNDLED SERVICES – continued

Item 801 Smart Choice - continued

- 5) The Customer can upgrade his/her Smart Choice Plan free of charge.
- 6) Customers may change their IDD numbers at any time at no additional charge.
- 7) The Service components which comprise the Smart Choice Plans are as described in Part B, Part C and Part D.

4. Packages and Rates and Charges

	Smart Choice Plans		
	Plan A	Plan B	Plan C
Base Element	Line Rental	Line Rental	Line Rental
Features	Call Waiting Caller ID Voicemail	Call Waiting Caller ID Voicemail (extended or multiple)(a) Call Forwarding 3 Way Call Ring Back When Free	Call Waiting Caller ID Voicemail (extended or multiple)(a) Call Forwarding 3 Way Call Ring Back When Free
IDD Discount	20% off calls to 3 predetermined IDD numbers	20% off calls to 4 predetermined IDD numbers	20% off calls to 6 predetermined IDD numbers
e.Account	Free e.Account	Free e.Account	Free e.Account
Monthly Price	\$20	\$24	\$29
Administrative Fee	n/a	\$20	\$40

PART H BUNDLED SERVICES – continued

Item 801 Smart Choice - continued

- (a) The extended (Executive) Voicemail feature allows for a longer personal greeting and longer message lengths. The multiple features allows for up to four personal mailboxes with longer greeting and message lengths. The extended and multiple Voicemail features are only available with Smart Choice Plans. (See Item 301.4 for Voicemail greeting and message lengths)

Note: Plan D is no longer available. However, existing customers will be “grandfathered” with conditions, rates and charges same as Plan C.

PART H BUNDLED SERVICES

Item 802 Smart Choice Plus

1. Service Description

- 1) Smart Choice Plus provides Residential Customers with a bundle comprised of Residential Telephone Line Rental, several Optional Services, an IDD Discount, e. Account, and a 10% discount off Fixed Line to Mobile Local Call charges, Broadband ADSL monthly rental charges, and bMobile monthly access and Mobile Call charges.
- 2) There are three Smart Choice Plus Plans: Plan A, Plan B, Plan C.
- 3) This Item is subject to the terms and provisions of Part A of this Tariff.

2. Definitions

"C&W Sales Offices" are located at Anderson Square, Marquee, Galleria Plaza and Stake Bay.

"Discount Plans" mean the 10% discount for Fixed Line to Mobile Local Call charges, certain Broadband ADSL monthly rental charges and certain bMobile monthly access and Mobile Call charges.

"e.Account" allows Customers to view and print their current and recent bills online at C&W's Website (www.eaccount.ky).

"Services Offered" means all of Smart Choice, ADSL Services, and bMobile Plans.

3. Terms and Conditions

- 1) To apply for a Smart Choice Plus Plan, Customers must complete a Smart Plus Choice Application Form (which is available online at www.candw.ky) and fax the completed form to 345-949-0039 or visit a C&W Sales Office and present acceptable ID. IDD numbers subject to the IDD Discount must be listed on the Application Form.
- 2) To be eligible for the Smart Choice Plus Plans, the Customer must:
 - a. Subscribe to Smart Choice and at least one of the other Services Offered (bMobile and/or Broadband ADSL); and

PART H BUNDLED SERVICES – continued

Item 802 Smart Choice Plus - continued

- b. be current in the payment of all Accounts.
- 3) Discount Plans will not apply to any of the Accounts that are not current in payment. At C&W's sole option, the Discount Plans may be terminated or suspended in relation to any such Account.
- 4) C&W may consolidate the Customer's Accounts onto one Bill and C&W reserves the right to specify the payment date.
- 5) The Term of the Smart Choice Plus Plan shall be month to month. The Term shall start from the date the Smart Choice Plus Plan is applied to the Customer's Telephone Line. The start date is the date the application form is received and setup on the customer's account.
- 6) At the end of the Term, the Smart Choice Plus Plan will automatically renew for another month unless the Customer cancels his/her Smart Choice Plus Plan by writing to C&W or calling Customer Service.
- 7) The Customer will be allowed to downgrade his/her Smart Choice Plus Plan, once per month, subject to the administrative fees listed in sub-Item 4.
- 8) If the customer no longer subscribes to the bmobile or Broadband ADSL Services Offered, he/she is no longer eligible for Smart Choice Plus discounts and cancellation charges for bmobile and Broadband ADSL services shall apply.
- 9) The Service components which comprise the Smart Choice Plus Plans are as described in Part B, Part C and Part D of the General Tariffs and Part B (Item 201) and Part C (Item 301 and 302) of the Special Tariffs.

PART H BUNDLED SERVICES – continued

Item 802 Smart Choice Plus - continued

4. Packages and Rates and Charges

	Smart Choice Plans		
	Plan A	Plan B	Plan C
Base Element	Line Rental	Line Rental	Line Rental
Features	Call Waiting Caller ID Voicemail	Call Waiting Caller ID Voicemail (extended or multiple)(c) Call Forwarding 3 Way Call Ring Back When Free	Call Waiting Caller ID Voicemail (extended or multiple)(c) Call Forwarding 3 Way Call Ring Back When Free
IDD Discount	20% off calls to 3 predetermined IDD numbers	20% off calls to 4 predetermined IDD numbers	20% off calls to 6 predetermined IDD numbers
e.Account	Free	Free	Free
Monthly Price	\$20	\$24	\$29
Administrative Fee	n/a	\$20	\$40
Local Calls: Fixed Line to Fixed Line	10% discount	10% discount	10% discount
ADSL Plans			
All Broadband ADSL Plans	10% off monthly rental charges(a)	10% off monthly rental charges(a)	10% off monthly rental charges(a)
Mobile Plans			
All bMobile Plans	10% off monthly access fee, and international calls (b)	10% off monthly access fee, and international calls (b) Text Messaging Mobile Mail.	10% off monthly access fee, and international calls (b) Text

PART H BUNDLED SERVICES – continued**Item 802 Smart Choice Plus - continued**

	Text Messaging Mobile Mail.		Messaging Mobile Mail.
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- (a) Does not apply to Internet Roaming.
- (b) Does not apply to Mobile Roaming.
- (c) The extended (Executive) Voicemail feature allows for a longer personal greeting and longer message lengths. The multiple features allows for up to four personal mailboxes with longer greeting and message lengths. The extended and multiple Voicemail features are only available with Smart Choice Plans. (See Item 301.4 for details on voicemail greetings and message lengths)
- (d) Customers terminating their Broadband ADSL Service prior to the end of the minimum term must pay the early termination fee as per the Broadband ADSL Special Tariff Item 201 (3)(7). Customers terminating their mobile service prior to the end of the minimum term must pay the early termination fee as per the bMobile Special Tariff Item 301 (3)(4)(b) or Item 302 (3)(4).

Note: Plan D was never available on SmartChoice Plus.



Q&A Line Rental Increase

LIME. For Living. Everyday

We will be increasing our fixed line residential rental charges by C\$1.00 from 1st November 2012.

Here is some Q&A's that we hope will help answer your questions.

Q. What will I see on my bill?

Bill Item Description	Old Monthly Rate	New Monthly Rate
Direct Exchange Line Rental	\$14.00	\$15.00
Smart Choice Plan A	\$19.00	\$20.00
Smart Choice Plan B	\$23.00	\$24.00
Smart Choice Plan C	\$28.00	\$29.00
Smart Choice Plus Plan A	\$19.00	\$20.00
Smart Choice Plus Plan B	\$23.00	\$24.00
Smart Choice Plus Plan C	\$28.00	\$29.00
Home Plan 500	\$22.00	\$22.00
Home Plan 800	\$29.95	\$29.95

Q: Why is LIME raising prices when customers are already burdened with price increases in almost every commodity?

A: For the past 2 years, we have absorbed in full, increases in electricity and other utilities, staff costs, capital equipment prices—all driven by inflation.

Please bear in mind that our business is very capital intensive and almost every input has to be purchased from outside of the Region. In addition, inflation has added to this. Even with this increase, we are continuing to absorb a significant percentage of our increased costs, so that we can continue to provide you with the best value.

Q: Why should I stay with LIME?

A: Our competition is not investing/reinvesting at the levels we are and in all cases is not providing a full service across mobile, landline and internet. One example of our significant investment is our 4G network. We rolled this out across all three of the Cayman Islands last year; we did not limit it to a certain area of Grand Cayman, we believe everyone should have access to the technology.

When we invest, we invest in long term – providing the technology that will help improve national security, providing better education opportunities for children using broadband etc. Our 4G technology is helping to encourage businesses to locate to the Cayman Islands; it gives us an advantage over some of our offshore competitors by offering a “first world” technology experience.

Over the next year you will see a significant level of investment. This will include an upgrade to our 4G Mobile network to give us increased capacity; Broadband—with higher speeds coming; significantly improved Customer Service and some exciting new products and services. We have stated that we will be moving into the Entertainment area with TV and we are working assiduously towards this.

Q: Is this price increase just about significantly boosting LIME's profits?

A: If you look at our results you will see that while LIME makes a profit (as it must to continue being a viable business), our profits are well in line with almost any business operating in the Caribbean and is certainly well in line with the level of our continued investments.

Q. How is the price increase being communicated?

A. We will be placing an advert in the Compass newspaper on 28th September 2012 communicating the price changes. We will also feature the prices on our website and will be placing a message on our bills which has already gone to all our customers.