



CABLE & WIRELESS

Our Ref: GRCR/COMP 8.7
2nd March, 2006

Mr. David Archbold
Managing Director
Information Communications Technology Authority
3rd Floor Alissta Towers
P.O. Box 2502
George Town
Grand Cayman

Dear Mr. Archbold,

Re: Determination Request - TeleCayman Limited - Interconnect Transit and Termination Rates

On 17 February 2006, Cable and Wireless (Cayman Islands) Limited ("C&W") hand-delivered, to TeleCayman Limited ("TeleCayman") a letter dated 16 February 2006, entitled "Interconnect Transit and Termination Rates", which set out the details of a dispute with TeleCayman regarding the amounts that company owes C&W for calls transited by C&W and terminating on third party mobile networks (i.e., Digicel and AT&T/Cingular Wireless). That letter was submitted as a notice of dispute pursuant to clause 34 of our May 2004 Interconnection Agreement with TeleCayman (the "Agreement"), and as a Notice of Grievance pursuant to section 3(1) of the *Information and Communication Technology Authority (Dispute Resolution) Regulations* (the "Regulations").

The Agreement requires TeleCayman to acknowledge receipt of that letter within two business days. The Regulations requires TeleCayman to acknowledge receipt within five business days. Under both the Agreement and the Regulations, TeleCayman and C&W would have then begun good-faith negotiations to resolve the dispute. However, both deadlines have passed (on February 21st and 24th, respectively) and, despite allowing TeleCayman additional time to acknowledge receipt of the 16 February 2006 letter, C&W has not heard from TeleCayman.

It is clear that TeleCayman has no intention of commencing good-faith negotiations to resolve this dispute. Further, this latest instance fits into the pattern of non-responsiveness exhibited by TeleCayman in this matter for more than a year. C&W, therefore, has no option but to exercise its rights under clause 34.1.5(c) of the Agreement and section 5 of the Regulations, and to submit this Determination Request to the Authority.

The nature of the dispute is set out in some detail in the 16 February 2006 letter, which is attached and hereby incorporated by reference.

C&W requests that the Authority issue a determination that,

1. pursuant to the terms of the Agreement, C&W is entitled to pass through to TeleCayman, and TeleCayman is required to pay C&W, the charges of \$0.1845 per minute imposed by third party mobile operators for termination on their networks of calls originating on TeleCayman's network and transited to them via C&W's PSTN network;
2. TeleCayman must pay forthwith to C&W all arrears owing, and must pay the full charges on a going-forward basis, for this transited traffic;
3. if TeleCayman does not pay immediately all arrears owed and/or persists in not paying the full charges owing going-forward, for traffic transited by C&W for termination on third party mobile networks, C&W is entitled to terminate the provision of PSTN Transit services to TeleCayman to the extent that such PSTN Transit services are used for calls originating on TeleCayman's network and terminating on third party mobile networks.

C&W has shown considerable forbearance towards TeleCayman in this matter in trying to resolve the issue amicably and in deferring the filing of this Determination Request, and submits that it has requested relief more than proportionate to the harm currently being suffered by C&W. However, C&W should not be required to incur losses on traffic carried for TeleCayman, and is not willing to allow this situation to continue any longer.

C&W has included with this letter the prescribed \$750 processing fee. C&W has also attached an affidavit by the undersigned attesting to the fact that the matters set out in this letter and in the attached 16 February 2006 letter are to that person's knowledge and belief true and accurate.

As required by section 6(1) of the Regulations, a copy of this Determination Request shall be provided to TeleCayman on the same day as it is filed with the Authority.

Yours sincerely
Cable & Wireless (Cayman Islands) Ltd.

"Signed"

Rudy B. Ebanks
Chief Regulatory and Carrier Relations Officer

C.c.: Gloria Glidden, President and Chief Operating Officer, TeleCayman
Timothy Adam, Chief Executive, C&W
Frans Vandendries, Vice President Regulatory Affairs, C&W
Lawrence McNaughton, Executive Vice President Carrier Services, C&W

Encl.