

Disclaimer, waiver and limitation of liability

The purpose of the documents (preliminary rules, PPP contract and their exhibits) that the Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes – SCT*) publishes hereby, is to make the process that is being performed thereby more transparent in order to define the terms, modalities and requirements of the competitive bidding whereby the telecommunications *Red Compartida* project referred to in article sixteenth transitory of the Executive Order that amends and supplements several provisions of articles 6th, 7th, 27, 28, 73, 78, 94 and 105 of the Political Constitution of the United Mexican States, in telecommunication matters, published in the Federal Gazette on June 11, 2013, which includes the use of the radioelectric spectrum frequency band, which includes the segments of 703 to 748 MHz and of 758 to 803 MHz, with a total of 90 MHz nationwide, as well as a pair of dark fiber optic strands of the Backbone Network contemplated in article fifteenth transitory of the aforesaid Executive Order, shall be awarded. The preliminary rules, the PPP Contract and the exhibits that are hereby published, are preliminary documents and are the result of the analysis performed by the SCT and by the IFT, within their scope of their respective duties, therefore anyone who wishes to participate in the aforesaid competitive bidding, if the case may be, whether as a participant, bidder or with any other capacity, interest or desire, must not take such documents and information therein provided as final, whether in whole or in part, as specifications, definitions, terms, conditions or features applicable to the competitive bidding or to the *Red Compartida* project, since they may be amended in whole or in part, and therefore do not mean any commitment whatsoever for the SCT or for the IFT or have any binding content whatsoever. In such regard, neither the Federal Government, including the SCT and its other agencies or entities, nor whoever acts as the inviting entity to the *Red Compartida* project, nor the IFT, undertake any responsibility whatsoever regarding the accuracy of the information or the preliminary documentation that is being published; nor any liability of any kind regarding its interpretation, understanding, analysis or comment, or regarding the decision making of any person, with any capacity, based on such information or documentation. The information and values that are being published do not represent or constitute any offer, promise or commitment whatsoever of the Federal Government, including the SCT and its other agencies or entities, or of whoever acts as inviting entity of the competitive bidding of the *Red Compartida* project, if the case may be, nor of the IFT, and therefore rejects any obligation or indemnification that is claimed, imposed or derived from the information that is being published. No obligation, commitment, damage, lost profit or right to any indemnification shall be acknowledged, derived from the information referenced herein. The information contained in the documents that are being published is preliminary and for consultation and feedback purposes, and it is just a sample of some of the specifications of the *Red Compartida*. Likewise, the information contained in the documents that are being published does not imply any commitment by the Federal Government, including the SCT and its other agencies and entities, to carry out any proceeding under any modality, whether as a public tender, competitive bidding or any other that is determined. The people who wish to participate in the *Red Compartida* project competitive bidding, if the case may be, or who have an interest therein, shall be responsible for making their own analysis and calculations, based on the final information published for such purpose, and shall be fully responsible for the results, conclusion and information obtained therefrom and mainly the actions and decision making based thereon. This act of publication does not constitute the commencement of any stage of the public tender or competitive bidding of the *Red Compartida* project, or any invitation or request of expressions of interest or of requested or unrequested proposals. The delivery to the SCT or to any other agency or entity of the Federal Government, or to the IFT, of comments, opinions, proposals, requests or expressions of any kind, by any individual or entity, derived from the information provided in these documents, does not imply any commitment whatsoever nor in any way binds the SCT or any other agency or entity of the Federal Government or the IFT to respond to them affirmatively or to take them into consideration, adopt them or abide by them, in whole or in part; nor grants whoever delivers them any right, present or future, in the proceeding that is carried out for the award of the project.

This courtesy English translation is provided only for reference. It has no validity and in the event of any discrepancy, the Spanish version shall prevail and be considered as the correct version for all intents and purposes.

PUBLIC-PRIVATE PARTNERSHIP AGREEMENT MADE AND ENTERED INTO ON THE ONE HAND, BY "ORGANISMO PROMOTOR DE INVERSIONES EN TELECOMUNICACIONES ORPITEL", HEREBY REPRESENTED BY ITS GENERAL DIRECTOR, _____ (HEREINAFTER, THE "AGENCY") AND TELECOMUNICACIONES DE MÉXICO, HEREBY REPRESENTED BY ITS GENERAL DIRECTOR, _____ (HEREINAFTER, "TELECOMM") AND ON THE OTHER HAND, THE SPECIFIC PURPOSE COMPANY NAMED "_____", HEREBY REPRESENTED BY _____ (HEREINAFTER, THE "DEVELOPER"), (JOINTLY, THE "PARTIES"), IN ACCORDANCE TO THE FOLLOWING RECITALS, REPRESENTATIONS AND CLAUSES:

RECITALS

1. On June 11, 2013, the Federal Official Gazette (hereinafter, "DOF", Spanish acronym), published an Executive order by which certain provisions of the 6th, 7th, 27th, 28th, 73rd, 78th, 94th and 105th articles of the United Mexican States Constitution were amended and added, regarding telecommunications matters, whose sixteenth transitory article sets out that the State, through its Federal Executive in coordination with the Federal Telecommunications Institute shall guarantee the installation of a public shared telecommunications network to boost effective access by the population to wide band communication and to the telecommunications services (hereinafter, "Constitutional Executive order").
2. According to the same transitory provision referred to in the paragraph above, the aforementioned Red Compartida [shared network] shall consider, among others, the use of at least 90 MHz of the spectrum released by the transition to Digital Terrestrial Television (700 MHz band) and of resources for the optical fiber backbone network of the Federal Electricity Commission (hereinafter, the "CFE").
3. The fifteenth transitory article of the Constitutional Executive Order was directed the CFE to fully grant to Telecomm its concession to install, operate and profit from a public telecommunications network, as well as to transfer all necessary resources and equipment required for the operation and exploitation of said concession. Consequently, on _____, 2015, among other resolutions, CFE entered into an Agreement with Telecomm by which the latter was granted unlimited right to use the three [3] pairs of optical fiber in its network.
4. On July 14, 2014, the Federal Official Gazette published an Executive order issuing the Federal Telecommunications and Broadcasting Law and the Law on the Public Broadcasting System of the Mexican State and by which certain provisions in telecommunications and broadcasting matters are amended, added and repealed (hereinafter, the "Executive order"), whose thirteenth transitory article sets out that the Federal Executive, through the Ministry of Communications and Transport

(hereinafter the “SCT”), shall carry out actions tending to install the public telecommunications shared network referred to by the Sixteen transitory article of the Constitutional Executive order.

5. The 2013-2018 National Development Plan propounds as one of its objectives the democratization of telecommunication services, considering to such purpose and among other lines of action, the promotion of a larger offer of telecommunication services, as well as private investment in the sector to encourage the better use of the 700 MHz and 2.5 GHz bands under principles of universal, non-discriminatory, shared and continuous access and the promotion of public private interests in the deployment, development and efficient use of connectivity infrastructure in the country.
6. The 2013-2018 Communications and Transport Sector Program sets out as one of its objectives to extend the coverage and access to better communication services under competition terms. To such purpose, it has set out as strategy to promote the development of new communication infrastructure, as well as the best use thereof to improve its coverage, connectivity and accessibility. It thus establishes the following lines of action: to promote the creation of a wholesale shared network of wireless access, using the 700 MHz band, as well as to promote public-private partnerships in the deployment, development and efficient use of connectivity infrastructure; to expand and operate the backbone network provided for by the constitutional amendment in telecommunications matters to offer a greater coverage, among others.
7. On _____, the Agency, in its capacity of Inviting Agency, issued the invitation to the Bidding process, a certified copy of which is attached hereto as Annex 1.
8. Also on _____, 2015, the Agency, in its capacity of Inviting Agency, published the Bidding rules at CompraNet and on the Internet - electronic dissemination Web pages www._____ and www._____; a certified copy of which, including the records of the consulting and clarifications stages carried on during the Bidding process, are attached hereto as Annex 2.
9. On _____, 2015, the Investment Unit of the Ministry of Finance and Public Credit issued a favorable opinion on the feasibility of the Red Compartida project under a public-private partnership, self-financing scheme according to provisions set forth in article 14 of the Public-Private Partnerships; 3rd article, section III and fifth paragraph sub-section C, and 37th article of the Regulations of the Public-Private Partnerships.
10. On _____, 2016, the Agency, in its capacity of Inviting Agency, issued the Bidding rules (hereinafter, the “Bidding Rules”) and declared _____ as the Winning Bidder. Certified copies of the ruling are attached hereto as Annex 3, which is an integral part hereof.

11. On _____, 2016 the Developer, in its capacity of Winning Bidder, incorporated the Specific Purpose Company which is hereby entering and subscribing this Agreement, having provided to the Agency the documentation evidencing so, pursuant to provisions set forth in articles 91 of the Public-Private Partnerships Law (hereinafter, "LAPP"); 104, 105 and 106 of the Regulations to the Public-Private Partnerships Law (hereinafter, "RLAPP"); as well as in the Bidding rules. Said documentation, including the incorporation deed of Developer, is attached hereto as Annex 4.
12. On _____ the Agency, in its capacity of Inviting Agency, gave notice of the Bidding Rules to the Federal Telecommunications Institute (hereinafter, "IFT").
13. On _____ the Developer requested IFT to grant the Wholesaler Concession which was granted to it on _____, 2016, a copy of which is attached hereto as Annex 6.
14. On _____ IFT granted the Agency the Spectrum Concession, a copy of which is attached hereto as Annex 7.
15. Having satisfied the Bidding terms according to provisions in the Bidding Rules and in the applicable legislation, this Agreement is entered into within the term established to such purpose, pursuant to provisions in article 60 of LAPP.

REPRESENTATIONS

1. The Agency, through its General Director, declares that:
 - 1.1. It is a decentralized Agency, with legal capacity and assets of its own, created by executive order published on the DOF on _____, 2015, being part of the group in the sector coordinated by SCT, the purpose of which is to perform actions tending to guarantee the installation of the public telecommunications shared network and others for the provision of public telecommunications services by itself, through other third parties or in public-private partnerships according to the functions set out in the 3rd article of its executive order for the creation thereof, in order to encourage effective access to broadband communication and the telecommunication services by the population.
 - 1.2. Its General Director has sufficient authority to enter into this Agreement pursuant to provisions set forth in articles 22 and 59 of the Federal Semi-Public Entities and 14 of the executive order of its creation.
 - 1.3. It is the holder of the Spectrum Concession granted by the IFT.
 - 1.4. So that the Project (as defined further below) may be executed, it wishes to contribute to this Agreement the rights of use, benefit and exploitation of the radio-electric spectrum frequency band, to include segments from 703 to 748

MHz and from 758 to 803 MHz with a total of 90 MHz at a national level, under the figure of leasing, which does not imply the assignment or transfer of title of the Spectrum Concession.

2. Telecomm, through its General Director, declares that:

- 2.1. It is a decentralized agency with legal personality and assets of its own, created by executive order published in the DOF on August 20, 1986 and amended by various executive orders published on the same news media on November 17th, 1989, October 29, 1990, January 6th, 1997 and April 14, 2011, being part of the group in the sector coordinated by SCT, whose purpose is the provision of the following public services: telegraphs, wire transfers, radio telegraphy and telecommunications according to functions referred to in the 3rd article of the executive order by which the agency is created.
- 2.2. Its General Director has sufficient authority to enter into this Public-Private Partnership Agreement pursuant to articles 22 and 59 of the Federal Law on the Semi-Public Entities; 11, section I of the executive order by which it is created and 19, sections I and IV of the Resolution by which certain provisions of the Telecommunications corporate bylaws, published on DOF on May 20, 2014 were amended, repealed and added.
- 2.3. In fulfillment of the provisions set forth in the fifteenth transitory article of the Constitutional Executive order dated _____, 2015, CFE granted to Telecomm its concession to install, operate and exploit a public telecommunications network (hereinafter, the "Telecomm Concession").
- 2.4. That CFE granted it with unlimited right of use on its [3] pairs of dark optic fiber strands in its network. Telecomm concession and the agreement by which it is granted unlimited right to the pairs of dark optic fiber of the CFE network are attached hereto as Annexes 8 and 9, which are an integral part hereof.
- 2.5. It wishes to contribute to this Agreement, its right to use, benefit from and exploit one (1) pair of dark optic fiber strands of the Backbone Network (as defined further below), for them to be used by the Developer and to also contribute through this Agreement, to fulfill the constitutional mandate referred to by the fifteenth article and the first section of the seventeenth transitory article of the Constitutional executive order. The above does not imply granting or transferring to Developer the title on the optical fiber whose use is hereby granted. The routes and features of the pair of dark optical fiber strands whose use is granted to Developer are attached hereto as Annex 10.

3. Developer, through its legal representative, declares that:

- 3.1. It is a specific purpose business corporation under the terms of articles 91 of the LAPP, 104, 105 and 106 of its Regulations, organized pursuant to the

United Mexican States laws, as evidenced by public instrument number _____, dated _____, 2016, executed before Attorney _____, holder of _____ public number _____ of _____, and filed in the Public Registry of Commerce of _____, in commercial folio number _____.

- 3.2. It is filed in the Federal Taxpayers' Registry with code number _____.
- 3.3. Its representative has sufficient authority for entering into this Agreement, which as of this date has not been limited, amended or restricted in any way whatsoever, which is evidenced by public instrument number _____, dated _____, 2016, executed before Attorney _____, holder of _____ public number _____ of _____. Attached hereto as Annex 11, is a certified copy of said public instrument.
- 3.4. It holds a Wholesaler Concession that was awarded by the IFT.
- 3.5. It is the desire of its principal to enter into this Agreement and to make the contributions described herein, for Project performance.

Having stated the above, Parties agree in entering into this Agreement, pursuant to provisions set forth in the following:

CLAUSES

1 Definitions, Annexes and rules of interpretation

1.1. Definition of terms. For the purposes of this Agreement, the capitalized words and terms shall have the meaning given in Clause 1.2 below and any be used in singular or plural, as required by the sense of the text in question. The above, notwithstanding that certain Annex may use its own glossary, in which case it shall abide by the definitions of the Annex in question.

Technical words, abbreviations and acronyms used herein shall have the meaning set forth in the LFTR or, if not set in the LFTR, the meaning that is usual for such terms in the telecommunications industry, except it is expressly defined or specified otherwise.

1.2. Glossary of terms. For the purposes of this Agreement, the following [words] shall mean:

"Financial Agent". Means a counselor in financial and economic matters, hired by SCT, its administrative units or by the Agency during the development and implementation of the Bid.

"Technical Auditor". Means a technical auditor or third party auditor hired by the Agency to verify or supervise compliance with Developer obligations arising from this Agreement, including fulfillment of Minimum Required Coverage obligations.

“Bases”. Means the Bidding Rules, a certified copy of which is attached hereto as Annex 2.

“CFE”. Federal Electricity Commission.

“Customers”. It means the Red compartida customers, to whom Developer provides the Telecommunications Wholesale Service, based on the Wholesaler Concession.

“Risk Capital”. It means the amounts of money Developer binds to contribute to the Management Trust in order to partially finance the Capital expenses under the terms set forth herein.

“Coverage”. It will be considered that there is coverage at a certain place, if the Red Compartida is in conditions to allow Customers to offer their services to End Users, at an uplink data transfer speed of one (1) megabyte per second and a downlink data transfer speed of four (4) megabytes per second at the edge of a cell, on a peak hour.

“Minimum Coverage Required”. It will have the meaning given to such term in Clause 13.1 hereof.

“Offered Population Coverage”. It means the population coverage offered by the Winning Bidder as its economic offer in the Bid and based on which the Project was awarded to it. Based on such economic offer, the Population Coverage Offered is [__.__%] of the Aggregate Population at a national level, at the Time of Measurement.

“CompraNet”. Means the public electronic information system of the Government regarding purchases, leases and services of the federal public sector, as well as the public works and services related to them, managed by the Ministry of the Public Function, located at the following e-mail address: www.compranet.gob.mx.

“Spectrum Concession”. Means the concession to use, benefit from and exploit radio electrical spectrum frequency bands for commercial use granted by IFT in favor of the Agency, on the spectrum frequency band that includes segments from 703 to 748 MHz and from 758 to 803 MHz, with a total of 90 MHz at a national level, a copy of which is attached hereto as Annex 7.

“Telecomm Concession”. Concession granted by IFT in favor of Telecomm to use, benefit from and exploit a public communications network, deriving from the assignment of rights of the public telecommunications public network concession by CFE to Telecomm.

“Wholesaler Concession”. The network concession title for commercial use granted by IFT to Developer for providing the Wholesale Telecommunications Service.

“Winning Bidder”. Means a consortium formed by _____, which was awarded the Project in accordance to the Bidding Rules.

“Bid”. International bid no. _____ for awarding a public-private partnership project in accordance to the Public-Private Partnerships Law (hereinafter, the “Bid”), for the installation and operation of the telecommunications shared public network referred to by the sixteenth transitory article of the Constitutional Executive order, considering the use, commercialization and exploitation of the commercial spectrum frequency band including segments from 703 to 748 MHz and from 758 to 803 MHz, with a total of 90 MHz at a national level and a pair of optic fiber strands of the backbone network referred to in the fifteenth transitory article.

“Agreement”. Means this public-private partnership agreement.

“Invitation”. Means the invitation to the International Bid No. _____ for awarding a public-private partnership project pursuant to the Public-Private Partnerships Law, published, among other media, by the DOF on _____, 2015.

“Business Day”. Any day, except the ones considered as holidays according to article 28 of the Federal Administrative Procedure.

“Restatement Factor”. It results from dividing by five the time offered to reach the Minimum Required Coverage for the seventh anniversary of having entered into this Agreement, including its extensions. The result of this operation is distributed in five periods of time, as follows For the first period, the restatement factor will be 1, for the second one, it will be 2, for the third one it will be 3, for the fourth one it will be 4 and for the fifth one it will be 5.

“Management Trust”. It means and irrevocable investment and management trust and source of payment, to be organized by the Developer under the terms set forth in Clause 16.2 hereof.

“Reserve Fund”. It means the Reserve Fund to be created under the terms of provisions set forth in Clause 17 hereof and in fulfillment of the Management Trust purposes.

“Reserve Fund Reached”. It means the Objective Amount at the time in which the Network Coverage reaches 85% of the Added Population, at national level.

“Contract Performance Bond”. It has the meaning given to such term in Clause 22 hereof.

“Capital Expenditures”. It means the capital expenses or *capital expenditures* - CAPEX, required to install and deploy the Red Compartida, including the cost of leasing of equipment or essential infrastructure for service provision throughout the network or the proportional cost of other associated agreements to the cost of said equipment or essential infrastructure.

“Marginal Reference Capital Expenditures”. It is the amount specified in Annex 12 hereof, related to the corresponding Offered Population Coverage.

“LFTR”. The Telecommunications and Radio broadcasting Law.

“Major Cities”. It means locations of 10,000 inhabitants and over, according to the last national population and housing census, published by the National Institute of Statistics and Geography (INEGI) by the time of entering into this Agreement.

“Minor Locations”. It means locations with less than 10,000 inhabitants, according to the last national census of population and dwelling, published by the National Institute of Geography and Statistics (INEGI) by the time of entering into this Agreement.

“Measuring Time”. Means the date corresponding to the seventh anniversary of this PPP Agreement or any other further date determined by the Agency in case of extension.

“Target Amount”. It will have the meaning given to such term in Clause 17.2.1 hereof.

“Commercial Operations”. It means having entered into at least one contract with the Customer to which Wholesale Telecommunications services will be provided by the Red Compartida and that such Customer is providing retail services to End Users.

“Population Added”. It means the population added on the basis of the latest General Census of Population and Dwelling published by the National Institute of Geography and Statistics (INEGI) upon the Measuring Time.

“Project”. The design, installation, deployment, operation, maintenance and updating of the Red Compartida, the use of the pair of dark optical fiber strands of the Backbone Network and commercialization of the Wholesale Telecommunications Service through them.

“Red Compartida”. It means the public telecommunications shared network referred to by the sixteenth transitory article of the Constitutional Executive order.

“Backbone Network”. It means the optic fiber network referred to by the fifteenth and the seventeenth, section I, transitory articles of the Constitutional Executive order.

“Wholesale Telecommunications Service”. It means the telecommunications service consisting of supplying access to individual elements, to capabilities of a network or services, including the interconnecting ones used by Concessionaires or Commercial Companies in providing telecommunication services to End Users.

“End User”. Individual or corporation using a telecommunication service as ultimate user.

“Profits”. It shall have the meaning given to such term in Clause 19.2 hereof.

1.3. Annexes. Annexes are an integral part of this Agreement which, signed by the Parties, are identified and attached hereto as follows:

- Annex 1. Certified Copy of the Invitation.
- Annex 2. Certified copy of the Bidding Rules.

- Annex 3. Certified copy of Bidding Ruling.
- Annex 4. Documentation evidencing the incorporation of Developer.
- Annex 5. Amount of fees/commission of the Financial Agent and account number.
- Annex 6. Certified copy of the Wholesaler Concession
- Annex 7. Certified copy of Spectrum Concession.
- Annex 8. Certified copy of Telecomm Concession.
- Annex 9. Certified copy of the agreement by which CFE grants unlimited right to use the dark optic fiber pairs of its network.
- Annex 10. Characteristics, routes, terms of use and other features and conditions of the pair of dark optical fiber strands of the Backbone Network.
- Annex 11. Certified copy of public deed containing the powers of attorney of the party appearing as representative of Developer to this Agreement execution.
- Annex 12. Marginal Reference Capital Expenditures
- Annex 13. Access, use and benefit terms of the pair of Backbone Network strands.
- Annex 14. Copy of the CFE Maintenance Agreement.
- Annex 15. Minimum technical specifications of the Project.
- Annex 16. Methodology to perform measurements to verify compliance with the Minimum Required Coverage.
- Annex 17. Model of the Management Trust Agreement.
- Annex 18. Guidelines to calculate Profits.

1.4. Rules of Interpretation.

1.4.1. In case of any discrepancy, difference or contradiction between the terms and conditions of the Bidding Rules or specifications by the Clarifications Meeting and provisions in the Agreement and its attachments, provisions set forth in the Bidding Rules and the specifications of the Clarifications Meeting shall prevail.

1.4.2 In case of any discrepancy, difference or contradiction between provisions in the Agreement and specifications in the Annexes thereof, Agreement provisions shall prevail.

1.4.3. No representation or document other than the Bidding Rules and the Clarifications Meeting minutes issued by a public server, employee or representative of Parties prior to the execution of this Agreement shall be taken into account for the interpretation of the terms and conditions hereof.

1.4.4. The nullity, illegality or failure to enforce any of the terms and conditions of the Agreement or its Annexes shall affect in any way the validity or enforceability of the other terms and conditions.

2 Purpose of the Agreement

The purpose of this Agreement is to set out the scheme, terms and conditions of the public-private partnership under which the Developer shall implement the Project to comply with provisions set forth in the sixteenth transitory article and to contribute to

fulfillment of provisions set forth in the fifteenth and section I of the seventh transitory articles, all of the Constitutional Executive order.

3 Condition Precedent

This Agreement is subject to a Condition Precedent consisting of:

- 3.1 Developer gets and hands out to the Agency, an Agreement Performance Bond under the terms and conditions set out in Clause 22 hereof;
- 3.2 Developer establishes the Management Fund under the terms specified in Clause 16 hereof and carried out the first contribution to the Reserve Fund under the terms specified in Clause 17 hereof; and
- 3.3 Pay directly and fully the fees and or commission to the Financial Agent employed by the SCT, its administrative units and/or by the Inviting Entity to conduct the Bidding process, within 5 (five) Business Days from the signature of this Contract. At this time, Developer acquires that obligation to pay the amount in the account established in Annex 5 of this Contract and shall exhibit the receipt within the period corresponding to this concept.

The Parties agree that the studies, deliverables, products and services derived from such employment are for and owned by the SCT, its administrative units and/or the Inviting Entity.

Under the terms provided for by article 1941 of the Federal Civil Code, upon fulfillment of the Condition Precedent, the effects deriving hereof as of the date it was entered are

In the event that the Condition Precedent has not been fulfilled no later than thirty (30) Business Days commencing on the date this Agreement is entered into, then it will be considered as not complied with and this Agreement will be considered as never to have become effective.

4 Parties' Contributions

For fulfilling the provisions set forth in Clause 2 above, Parties hereby contribute and/ or commit to make the following contributions:

4.1. Contribution by the Agency.

- 4.1.1. Contribution by the Agency. The Agency hereby contributes and grants to Developer the right to use, benefit from and exploit the radio electrical spectrum frequency band running from 703 to 748 MHz and from 758 to 803 MHz segments, with a total of 90 MHz at national level. This contribution is provided by the Agency to Developer under the leasing figure, pursuant to provisions and expressly authorized by IFT in the Spectrum Concession.

The Agency contribution pursuant to this Agreement does not imply that title to the Spectrum Concession is assigned or transferred in whole or in part to Developer, for the Agency bears at all times the capacity of holder of the Spectrum Concession.

- 4.1.2. Spectrum Lease. The spectrum lease that is hereby contributed to Developer is subject to permanent compliance by Developer, of the terms and conditions set forth herein, in the Spectrum Concession, in the Wholesaler Concession, in provisions set forth in the LFTR and in the applicable guidelines and rules issued and established by IFT.

By virtue of the contribution of spectrum under the lease figure, Developer also assumes and commits to comply before the competent instances, with any and all obligations arising from the provisions of article 104 of the LFTR.

- 4.1.3. Consideration for leasing. As consideration for the contribution made hereunder by the Agency to Developer, Developer commits and binds to pay to the Agency as of the date this Agreement is executed, an amount equivalent to the rights set forth in the Federal Rights Law, that is valid as of the time in which the obligation to pay arises for the use, benefit and exploitation of the radio electrical spectrum, plus the corresponding restatements and contributions or taxes according to the applicable legislation, adding such amount to any tax effect arising for the Agency due to reception of such payment.

- 4.1.4. Payment of consideration for leasing. The consideration to be annually paid by Developer to the Agency shall be within fifteen (15) business days following the month of January of each calendar year through bank transfer to the account identified below, or in any other that the Agency may from time to time give notice to Developer:

Account number: _____

Regarding payment relative to the calendar year in which this Agreement is executed, Developer shall pay the proportional part corresponding to the remainder of the relevant year. Said payment shall be made by Developer to the Agency within five (5) business days following the date in which the Condition Precedent referred to in Clause 3 hereof is met.

In case of arrears of payment of the consideration referred to by this Clause by Developer, Developer binds to pay default interests on the unpaid balance of any amount owed and which is not paid by Developer, at a balance interbank interest rate (TIIE) of 28 days, in addition to fifteen (15) percentage points per every day of delay until the full amount has been duly paid to the Agency.

4.2. Telecomm Contribution.

4.2.1. Right to use the optical fiber of the Backbone Network. Telecomm hereby contributes and confers to Developer, the right to use, benefit and exploit one (1) pair of strands of dark optical fiber of the Backbone Network, in the routes and with the characteristics described in Annex 10 hereof. Developer shall use said rights in order to integrate them to the Project development, thus contributing to fulfillment of the constitutional mandate referred to in the fifteenth and section I of the seventeenth transitory articles of the Constitutional Executive order; without the above implying that title on the optical fiber is conferred or transferred to Developer, for such title shall remain with the CFE.

4.2.2. Conditions of access use and benefit from the pair of strands. Conditions of access, use and benefit from the pair of dark optical fiber strands of the Backbone Network to which Developer shall be subject to and comply with regarding the CFE, are described in Annex 13 hereof, being an integral part hereof.

As part of the agreements entered into between CFE and Telecomm, dated _____, 2015, there is the Optical Fiber Maintenance Agreement (hereinafter, the “CFE Maintenance Agreement”), a copy of which is attached hereto as Annex 14. According to provisions set forth in the CFE Maintenance Agreement, Telecomm was allowed the possibility of partially assigning the rights and obligations deriving from said agreement. Based on which, Telecomm hereby grants Developer the rights and obligations of the CFE Maintenance Agreement related to the pair of optical fiber strands whose use is hereby contributed by Telecomm to Developer.

Deriving from the above, Developer accepts that the relationship on the maintenance services associated to the pair of optical fiber strands, whose use is contributed by Telecomm, shall be directly and exclusively between the Developer and CFE. Developer therefore assumes all the rights and obligations deriving from the CFE Maintenance Agreement regarding the pair of optical fiber strands, including but not limited to, the payment rights on maintenance.

4.2.3. Developer assumes and undertakes to meet all the obligations deriving from the Telecomm Concession Title, regarding the pair of dark fiber strands of the Backbone Network, ensuring that by virtue of said fulfillment, Telecomm is in full and timely compliance with the obligations before the IFT.

4.3. Contributions by Developer. Developer commits and binds to contribute the capital, the goods, rights, authorizations, the human, material, economic, financial and technical resources and any other type of resources required to develop and carry out Project implementation under the terms set forth herein, assuming the risks deriving from entering into this Agreement, pursuant to provisions therein.

4.4 No additional contributions by the Agency or Telecomm. It is expressly set out that neither the Agency nor Telecomm shall make any additional contribution to the ones set forth in paragraphs 4.1. and 4.2. above.

5 Spectrum subleasing

5.1 Authorization to sublease the spectrum. By entering into this Agreement, the Agency authorizes Developer to sublease the radio electrical spectrum contributed to it, pursuant to provisions and express permissions set out in the Spectrum Concession title, and under the terms and conditions contained herein.

5.2 Conditions for subleasing the spectrum. Developer may sublease the spectrum whose use it receives as contribution, pursuant to provisions set forth in this Agreement, provided that:

5.2.1. Developer is up to date in complying with its obligations established in the PPP Contract.

5.2.2. Said subleasing contributes to Project fulfillment, development and implementation.

5.2.3 Income earned by Developer deriving from the subleasing of the spectrum are devoted to Project by Developer, and

5.2.4 Developer has obtained prior authorization from IFT, under the terms of article 104 of the LFTR, which states, among others:

- The sublessee has an enabling Concession (Concesión Única, in accordance with article 66 and 67(I)) for commercial use or has requested one to the IFT,
- The sublessee agrees to be joint obligor of the Agency and of the Developer, with regards to the obligations derived from the concession of the frequency band leased.
- The continuity in the service is not affected, and
- It does not generate concentration, hoarding or crossed ownership phenomena.

Developer shall process and manage directly with IFT the authorizations referred to by paragraph 5.2.4 above, and shall hand out a copy both of the authorizations and of the subleasing agreement to the Agency, within five (5) Business days following the execution thereof.

6 Subcontracting.

6.1 Capacity to subcontract. Developer may subcontract with other third parties activities related to the Project, always keeping the title and responsibility of obligations set out herein. The above, notwithstanding the powers corresponding to IFT.

6.2 In case of any subcontracting, the sole obligor with subcontractors or third parties contracted will be the Developer, who remain bound to indemnify and hold the Agency and Telecomm harmless from any damages, suit, claim, cost or liability, including lawyer fees arising due to any actions filed by any subcontractor or third party contracted by Developer, regarding the Project.

6.3 Also, in case of subcontracting, the sole obligor to the Agency and Telecomm will be the Developer, thus the Developer is responsible in the case of a noncompliance resulting from subcontracting.

7 Risks assumed by Developer.

It is expressly agreed and Developer accepts to assume and acknowledges that all risks regarding or related to the following will be are its responsibility:

- Risks deriving from the development and implementation of the Project.
- Risks arising from Project operation.
- Risks deriving from maintenance of the Red Compartida and of the pair of optical fiber strands of the Backbone Network.
- Environmental risks.
- Risks deriving from the provision of Wholesale Telecommunications Service and of compliance or not of regulatory obligations related to the development of the Project.
- Contractual risks, including differences arising from Agreement interpretation and application of regulations that amend the original terms.
- Risks deriving from procurement or lack of procurement of licenses and necessary permits for Project development.
- Risks arising from the procurement or lack of procurement of rights of way required for Project development.
- Political risks, including early termination risks due to political reasons, insecurity risk, deficient inter-institutional coordination.
- Social risks, including the risk of social conflict affecting the Project.
- Financial risks including interest rate risk, exchange rate risk and bankability risk.
- Project financial risks.
- Risks due to variations or increase in the cost of Project execution or development and implementation.

- Risks due to substantial increases of the cost of project execution, deriving from an administrative, legislative or jurisdictional act of a competent authority.
- Risks due to fortuitous case or force majeure.
- Risks deriving from breaching of obligations acquired by subtenants and subcontractors.

It is expressly agreed by the Parties that the Agency and/or Telecomm shall have no responsibility whatsoever to Developer or to third parties for risks that are the responsibility of the Developer, and thus Developer will undertake from this moment on any and all necessary actions to clear any responsibility that may be construed against the Agency and/or Telecomm.

8 Recovery of Investments

Parties acknowledge and accept that the Project is self-financing in terms of provisions set out by article 3, section III, sub-section c) of RLAPP, for the resources for the development and execution thereof come from the whole of contributions other than cash; resources from private parties or income produced by the Project itself, and therefore no federal budgetary resources shall not be incurred for Project performance.

Developer shall receive, as sole compensation deriving from entering into this Agreement and Project development and implementation, the income produced or arising from Project operation, from the Wholesale Telecommunication Service provision, from activities or contracts related to or deriving from the Project; as well as the ones arising or coming from subleasing the radio electrical spectrum, if applicable. The above, subject to profit share mechanisms or of some other nature, included in this Agreement. There will be no payment whatsoever as part of the Agency or by Telecomm in favor of Developer for the activities it performs in fulfilling this Agreement and/or to be developed for the Project.

By virtue of the above, Parties agree and Developer expressly accepts, acquiring the corresponding risk, that it may recover and pay from the income produced by the Project, the whole of the investments made and the profits expected (subject to profit share mechanisms that may result applicable); for it will precisely be the Developer the one in charge of its financing.

The Agency and Telecomm assume no liability whatsoever nor do they grant any security that Developer shall recover its investments or get any profits.

It is expressly agreed by the Parties hereto that the Agency and Telecomm shall not be part or have any obligation or responsibility whatsoever regarding the liabilities and debts of Developer. Developer binds to hereinafter assume all responsibility deriving from such concepts, and shall indemnify and hold the Agency and Telecomm harmless from any damages, cost, demand, claim or trial against it, including lawyer fees.

It is expressly agreed by the Parties hereto that Developer shall pay all contributions and other taxes or benefits corresponding to the Project development, pursuant to applicable legal provisions.

9 Agreement term and extension

This Agreement term shall be of twenty (20) years, commencing on the date of its signature and may be extended for one time, up to for an equal period of time.

The term hereof is subject to fulfillment of the Condition Precedent referred to in Clause 3 hereof.

For Agreement extension, Developer shall request in writing to the Agency, prior to commencement of the last fifth part of this Agreement term, provided it is up to date in fulfilling the obligations set out therein. This Agreement shall not be extended if the Network Concession and the Wholesaler Concession have not been previously extended by IFT.

The Agency, prior consultation with Telecomm shall resolve everything related to the calendar year following the date in which the extension request has been made. The above, notwithstanding that the Agreement terms may be reviewed for the extension, pursuant to provisions set forth in article 121 of the LAPP.

If Developer fails to request the extension within the term specified by this Clause or the Agency determines not to grant it, the Agreement will be deemed terminated pursuant to provisions therein.

10 Implementation of Project

Developer commits and binds to develop and implement the Project to which purpose it shall:

10.1 Comply with the terms and conditions set forth in this Agreement, in the Spectrum Concession, in the Wholesaler Concession and in Telecomm Concession,

10.2 Comply with guidelines issued by IFT and other legal provisions applicable,

10.3 Comply with minimum technical specifications of Project, as described in the document attached hereto as Annex 15,

10.4 Comply with Deployment Calendar of the Red Compartida that was part of its Bidding proposal, and

10.5 Ensure coverage commitments are complied with as detailed in Clause 13 hereof and with the Offered Population Coverage commitment offered its capacity of Winning Bidder as economic offer in the Bid.

11 Real estate property, goods and rights related to Project System

Developer may acquire or in any other way get on its own account and at its expense, all real estate property, personal property and the passive and active infrastructure required to carry out and implement the Project.

Developer shall submit to the Agency, within the first fifteen (15) days of the month of January every year, the inventory of personal property, real estate property and other rights it has acquired during the immediately previous calendar year and/or which in any way are subject to or are being used for the Project, whether they were acquired, rented or acquired the right to use them by any means, for the Agency to have useful information to determine and distinguish any such goods that are necessary and essential for the Project.

In case of termination of this Agreement, the Agency shall determine if it will acquire the goods subject to the Project, taking as basis the information provided by Developer, to which the paragraph above refers.

They shall only be onerously acquired such goods that are deemed as necessary and of the essence for Project continuation by the Agency and provided these had not been amortized by Developer. In such case, said goods shall be valued by the Institute of Administration and Appraisals of National Goods or whichever other to substitute it.

Outside the case set out in the paragraph above, the Agency may acquire the goods for no consideration.

12 Authorizations and permits for Project implementation

In Project implementation, Developer shall observe the provisions of environmental protection, preservation and maintenance of ecological balance, human settlements, urban development and others applicable in the federal, state and municipal environments; as well as to respect and comply with provisions set forth in the Wholesaler Concession, the Spectrum Concession, in this Agreement, in the applicable legislation and provisions issued by the IFT.

Developer commits and binds to manage and get in its favor and at its own expense, any permit, license, consent, authorization, concession, right of way or of use, access to or use of passive and active infrastructure, statement of environmental and urban impact, among others, required for development and implementation of Project.

Developer shall obtain the above under his name, responsibility and cost. Under no circumstance and for no reason shall the Agency and/or Telecomm commit to manage or advocate in favor of Developer in order to get any permit, authorization or any other concept of the aforementioned in this Clause.

13 Project Coverage

13.1 Developer commits and binds to develop and implement the Project and, specifically, to install and deploy the Red Compartida pursuant to Deployment Calendar and undertaking to deploy with the following minimum coverage required (the “Minimum Required Coverage”):

- At least 25% of the Added Population Coverage at national level by March 31, year 2018;
- At least 40% of the Added Population Coverage at national level by March 31, year 2019;
- At least 55% of the Added Population Coverage at national level by March 31, year 2020;
- At least 65% of the Added Population Coverage at national level by March 31, year 2021;
- At least 75% of the Added Population Coverage by March 31, year 2022;
- At least 85% of the Added Population Coverage at national level by March 31, year 2023.

For purposes of calculating fulfillment of the Minimum Required Coverage per every 1% (one per cent) of Added Population in an area with Major Cities Coverage, Developer shall demonstrate at least 0.29% (zero point twenty-nine per cent) of added population in an area with Minor Locations Coverage.

To verify fulfillment of the Minimum Required Coverage by Developer, the Agency shall be aided by Technical Auditing services, which for purposes of measurement shall follow the methodology included in this Agreement as Annex 16.

Developer undertakes to comply with the Population Coverage Offered by Developer in its capacity of Winning Bidder as economic offer in the Bid.

14 Services to be provided

Developer, through the Red Compartida, shall provide Wholesale Telecommunications Service pursuant to the specifications, times, requirements, obligations and modalities set out herein, in the Wholesaler Concession, in the Network Concession, in the Telecomm Concession, in the applicable legislation, in provisions issued by the IFT and in any others applicable.

Developer shall be responsible at all times for the Project and the Wholesale Telecommunications Service and shall be responsible for entering into the corresponding agreements with Customers, before whom it will be directly and fully responsible for the obligations deriving from the Project and the ones acquired with them.

Under no reason or circumstance the Agency or Telecomm or persons involved in the decision-making bodies, shall have any relationship that generate conflict of interest with

people involved in the substantive activities of the Developer, and thus they assume or shall assume no commitment or obligation whatsoever with them, whether directly or indirectly, subsidiary, joint, subordinate or supplementary obligation. Consequently, Developer binds to indemnify and hold the Agency and Telecomm harmless from any conflict, obligation or commitment that may be filed or demanded due to the implementation of Project by Developer, the entering of agreements deriving from said implementation or any matter deriving from the activities carried out by Developer, deriving from the execution of this Agreement.

15 Commencement of the service provision

Developer undertakes and binds to start the Commercial Operations before March 31, 2018; to implement the Project and to comply with the Minimum Required Coverage, under the terms set out herein.

The Agency, at any time, shall carry out verifications by itself or by other third parties regarding the progress of deployment of active and passive infrastructure, in order to ensure that said deployment is as provided by Clause 13 hereof. It may also give notices regarding program delay, notwithstanding the corresponding penalties, in order to guarantee the Commercial Operations start on the specified date. From the above the corresponding verification minutes shall be issued.

No later than thirty (30) business days prior to the date of commencement of the Commercial Operations, Developer shall give notice to the Agency regarding the specific date in which said Commercial Operations shall start.

In case it is in conditions of starting the Commercial Operations, the Agency shall authorize Developer to start in accordance to provisions set forth in article 107 of LAPP. The authorization issued by the Agency shall not exempt Developer of responsibilities it may have incurred due to delays or for any other cause.

Prior to commencing the Commercial Operations, Developer shall receive approval from IFT and publish its Public Reference Offer in accordance to provisions set forth in the Wholesaler Concession title.

The Agency shall at any time and development stage of the Project verify that the Wholesale Telecommunications Services are provided under the terms set forth herein. It also may require Developer to provide the annual passive and active deployment plans, if so required. Said verification may be performed by the Agency itself or through other third parties, including the Technical Auditor.

The provision in this clause is notwithstanding the supervision, verification and sanction powers of the IFT.

16 Management Trust.

16.1 According to provisions set forth in the Trust Agreement, Developer shall deposit into the Management Trust all the investments, contributions, cash resources, whether resources come from the capital or from debt, to cover the necessary Capital Expenditures required for Project operation, including among others, the ones coming from subleasing the spectrum, if applicable.

16.2 Incorporation of the Management Trust. Developer binds to establish an irrevocable investment, management and source of payment trust (the "Management Trust"), under the terms of the document attached hereto as Annex 17 (the "Trust Agreement"), which shall be duly organized within [] Business Days following the date of execution hereof.

16.3 Purposes of the Management Trust. The Management Trust shall have, among other purposes detailed in the Trust Agreement, the following:

16.3.1 To receive through the Management Trust all income resulting from Project operation, from the provision of Wholesale Telecommunications Services, from activities or contracts related to or deriving from the Project; as well as from the ones arising or coming for the subleasing of the radio electrical spectrum and to provide to Developer the corresponding amounts in terms of what is agreed to in the Trust Agreement.

16.3.2 To establish and manage the Reserve Fund referred to by Clause 17 hereof.

16.3.3 To act as control mechanism and payment of profits corresponding to the Agency, based on provisions in Clause 19 hereof.

16.4 Fiduciary Institution. The Management Trust shall be established with a fiduciary institution authorized to act as such in Mexico, which is elected by the Developer and approved in writing by the Agency. The fiduciary fees and any other expense, fee, cost or similar arising from the incorporation of the Management Trust shall be on the exclusive account of Developer.

17 Reserve Fund.

17.1 Obligation to create the Reserve Fund. Developer binds to incorporate the Reserve Fund through the Management Trust, according to the Management Trust purposes and to provisions hereof. The main purpose of the Management Fund is, in accordance to specifications hereof and in the Management Trust, to guarantee availability of resources to cover the Capital Expenditures required to reach the Offered Population Coverage from the Minimum Required Coverage.

17.2 Contributions to incorporate the Reserve Fund.

17.2.1 Target Amount of the Reserve Fund. The Reserve Fund shall have sufficient resources to reach a Target Amount (the “Target Amount”), equivalent to, at least, the amount which is higher between (i) twenty (20%) of the Marginal Reference Capital Expenditures, multiplied by the Restatement factor, and (ii) [__%] of the Capital Expenditures actually disbursed or CAPEX accrued through the Management Trust.

17.2.2 Initial Contribution to the Reserve Fund. Developer shall contribute to the Management Trust, upon its incorporation, an initial contribution equivalent to twenty (20%) of the Marginal Reference Capital Expenditures.

17.2.3 Additional Contributions to the Reserve Fund. In case that the resources existing in the Reserve Fund are less than the Target Amount, Developer shall be bound to contribute the difference within five (5) Business Days following notice made by trustee and informing them of such situation. Trustee shall be responsible for permanently ensuring that the Reserve Fund has resources in an amount equivalent to the Target Amount, pursuant to mechanisms set forth in the Trust Agreement.

17.2.4 In the event that Developer fails to contribute sufficient resources to integrate the Reserve Fund, the Trust may use up to 20% of the income coming from the development of Project to reach the Target Amount, notwithstanding the obligation of Developer to contribute resources to such purpose, as specified above.

17.3 Release of Reserve Fund Resources. As of the date in which Developer meets its obligation of a Minimum Required Coverage, resources from the Reserve Fund shall start to be released in favor of Developer, according to the following:

17.3.1 According to the Deployment Schedule, the term existing between fulfillment of the Minimum Required Coverage and fulfillment of the Offered Population Coverage shall be identified. Said term will be divided by 4 periods (i.e., if the number of months between both dates is 54, such number is divided by 4, resulting in 13.5 months).

17.3.2 In each of said periods (in the aforementioned example, every 13.5 months), the amount required to deploy the Red Compartida shall be released for the Developer in up to a percentage of the Reserve Fund, according to the following: (i) in the first period resources equivalent to up to 17.5% of the Reserve Fund Reached may be released; (ii) in the second period, resources equivalent to up to 22.5% of the Reserve Fund Reached may be released; (iii) in the third period resources equivalent to up to 27.5% of the Reserve Fund Reached may be released; and (iv) in the fourth period resources equivalent to up to 32.5% of the Reserve Fund Reached may be released. The release shall only apply if the Agency confirms in writing to trustee that in the corresponding term the target coverage of the term in question.

18 Contribution of resources to reach the Offered Population Coverage

18.1 Developer shall use the resources of the Reserve Fund Reached only to deploy the necessary infrastructure in order to meet the Offered Population Coverage. In case such

resources are insufficient to reach said coverage, Developer shall contribute the necessary resources thereto. Failure to contribute said necessary resources as instructed by the Agency or failure to comply with the Offered Population Coverage by the Time of Measuring shall be cause for termination hereof.

19 Profit share.

19.1 Profit share. Parties agree and Developer undertakes to share with the Agency, five (5) percentage of the profits produced by the Project, including the ones resulting from said related and connected activities, whether such profits are earned by Developer or by any other entity which is part of the same economic interest group.

19.2 Calculation and payment of profits. Profits are calculated on the basis of guidelines attached hereto as Annex 18 and shall be paid to the Agency through the Management Trust mechanisms described in Clause 16 hereof.

20 Risk Capital

20.1 The capital subscribed and paid of Developer shall be at least equivalent to the amount of the Risk Capital, which must be greater or equal to 30% of the Capital Expenditures required to meet the Offered Population Coverage, without including interests, commissions and financing coverage costs.

20.2 Developer binds to contribute and/or guarantee the total amount of the Risk Capital required every year up to fulfillment of the Offered Population Coverage, by liquid resources and/or letters of credit in favor of the Management Trust.

The first contributions shall be integrated no later than ten (10) business days prior to performing the first Capital Expenditure. Subsequent contributions shall be at every anniversary of the first contribution.

21 Insurance

To pay for damages that could be provoked by the development and implementation of the Project, Developer shall hire a civil liability insurance policy for damages and consequential damages of ample coverage, which shall not be less than _____.

The amount of policy coverage shall be determined by a study of risks performed by an expert appointed by an insurance company.

The policy shall be issued by an insurance company authorized thereto under the Mexican Law and shall be valid from the thirtieth day of contract term and successively during the whole contract term.

Developer shall annually provide to the Agency, within fifteen (15) days of the month of January every year, a copy of the policies purchased and the payment vouchers of the corresponding premiums for the year covered.

Developer shall give written notice to the Agency of any loss, no later than three (3) business days after it occurs.

Any loss which is not covered by the insurance purchased or which was paid by the insurance company within forty-five (45) business days following the date of claim shall be paid in its entirety by Developer to the damaged parties, being bound to hold the Agencies and Telecomm harmless from any and all claims.

22 Agreement Performance Bond.

Developer shall deliver to the Agency, within a term of ten (10) Business Days following the date of signature of this Agreement, a bond or irrevocable letter of credit issued by an authorized institution under the laws of the United Mexican States, in favor of the Federal Treasury in the amount of \$_____, in order to guarantee fulfillment of obligations set forth in this agreement and its annexes.

Developer shall maintain valid the guarantee during the whole contract term and up to fulfillment of the last obligation, to such purpose Developer shall, if applicable, renew the bond, presenting a Certified copy of the renewal document and of the payment voucher that credits so, within thirty (30) Calendar Days prior to expiration of the security granted.

The guarantee presented by Developer shall be checked and approved by the Agency within ten (10) Business Days following the reception thereof, which if applicable, may reject it and request for one time to be amended to comply with the specifications required, pursuant to applicable provisions and criteria established by the Federal Treasury.

The aforementioned performance bond shall be calculated according to the total amount of fulfillment of the corresponding obligations in each fiscal year. It must be updated and renewed on every fiscal year for the amount to be exercised and the obligations to comply with during the next fiscal year and to provide it to the Agency no later than on the first ten calendar Days of the corresponding fiscal year.

Per request of Developer, the agency or entity may agree not to substitute the security granted, provided it continues to be valid and its amount maintains the proportion agreed regarding the amounts to be incurred and the obligations to comply in each subsequent fiscal year.

Parties agree that the obligations in charge of Developer are divisible and therefore guarantees may be exclusively executed according to the amount proportional to breaching by Developer.

The guarantee shall only be cancelled by express authorization of the Agency provided the obligations in charge of Developer have been complied with.

23 System of the assignment of rights, granting of shares in guarantee, transfer of shares and exclusion and admission of new partners.

23.1 Agreement Assignment. Granting of guarantee on the Agreement rights.

Developer shall only assign, transfer to third parties, give in guarantee or affect in any way, in whole or in part, the rights deriving from this Agreement, prior authorization by the Agency, as well as the ones deriving from the Wholesaler Concession, prior authorization of the IFT in accordance to the environment of its attributes.

To request authorization referred to by the paragraph above, Developer shall credit with the Agency that the person to whom it intends to assign or transfer and if applicable, which could demand title on this Agreement for having been subject to or given in guarantee, does comply or may comply with legal, management, economic, financial and technical capacities credited and demanded as requirements in the Bidding and which may face fulfillment of obligations set out in this agreement. It must also be evidenced that the person to whom it is the intention to assign or transfer rights deriving from this agreement is not under any of the cases provided by article 42 of the LAAP, or impaired pursuant to the guidelines in the matter of influence issued by the IFT.

Should Developer grant as guarantee the rights deriving from this Agreement and if applicable, from the Authorizations granted to it, and if said guarantees or affectations should become effective, the holders thereof shall only be entitled to the flows produced by the Project, after having deducted the obligations to pay to the Agency, the expenses and fiscal encumbrances thereof. Developer shall include this provision in the contracts it executes.

In any case, Developer and its counterpart shall take all necessary measures not to affect or compromise Project development and fulfillment.

23.2 Granting of guarantee and transfer of the representative shares of capital stock of Developer.

Developer shall request authorization by the Agency and IFT according to provisions in the Spectrum Concession, the Wholesaler Concession, the Telecomm Commission and other applicable legal provisions to give in guarantee the shares of stock representative of its capital stock, or by any cause to transfer the shares of stock representing its capital stock or any change in the shareholding structure in the Developer or at the level of corporation partners, direct or indirect, of Developer or to admit or exclude the new partners. Also, it shall request authorization by the Agency to amend its corporate bylaws, notwithstanding the authorization that, if applicable, it must get from the IFT according to the Wholesaler Concession.

Developer shall at all times credit that granting of the authorization shall not deteriorate its legal capacity, or its management, economic, financial or technical capacity or affect or compromise Project development and fulfillment.

In accordance to provisions in the Spectrum Concession, the Wholesaler Concession, the Telecomm Concession and other applicable provisions, Developer shall only carry out acts or succession of acts, agreement or contract having effect or amending the control within it, prior authorization by the Agency and the IFT and provided it provides evidence that it will comply with or may comply with legal, management, economic, financial and technical capacities set forth in the Bidding and which may continue to comply with the obligations established in this agreement. Likewise, Developer shall comply with the obligations applicable in the matter of concentrations of the Federal Law on Economic Competency (hereinafter, the “LFCE”) and the ones corresponding to the subscription or sale of shares or corporate interests in terms of the LFTR.

The new shareholders of Developer, if applicable, shall be deemed, for all purposes, to be the original shareholders thereof, once the act giving origin to the change of control has been executed.

24 Fulfillment of obligations set out in the Wholesaler Spectrum and Telecomm Concessions

Developer shall be directly liable for complying with the obligations that in its capacity as concessionaire correspond to it, under the Wholesaler Concession granted to it by IFT, as well as of any such obligations established in the applicable provisions that in its capacity of concessionaire it has to fulfill.

Under no circumstance shall the Agency and Telecomm assume responsibility or substitute Developer in fulfilling the obligations in the Wholesaler Concession, hereinafter undertaking to hold them harmless from any requirement, claim or administrative or judicial procedure that is filed against it.

By virtue of the contributions and the rights conferred to Developer thereon, Developer commits to and binds to fulfill the obligations in charge of the Agency and of Telecomm deriving from its corresponding concessions, to which purpose it shall ensure timely fulfillment thereof, establishing preventive and necessary actions to guarantee due fulfillment in time and form. This, notwithstanding the joint obligation assumed by Developer from leasing of the radio electric spectrum, under the terms of provisions in article 104 of the LFTR.

At all times, Developer shall provide to the Agency and Telecomm any information, documentation and element evidencing compliance with the obligations thereof or which is used to be exhibited before the IFT and its due compliance is credited.

25 Project Supervision.

25.1 The Agency, by itself, through a Technical Auditor or by any third party, shall supervise at all times fulfillment of obligations by Developer hereby established, including compliance by Developer of the obligations to the Minimum Required Coverage, to which purpose it may do the following, listed but not limited to:

25.1.1 Require from Developer any type of information related to the development and implementation of Project or in any other form related thereto, such as financial, economic, accounting, technical, juridical, fiscal form among others.

25.1.2 Perform inspection visits.

25.1.3 Perform field tests.

25.1.4 Perform technical tests.

25.1.5 Request support or the intervention of IFT or of any other Government agency.

25.2 Developer commits and binds to grant all information and facilities required to the Agency,, according to the terms set out hereby, as well as to allow access to its facilities, passive and active infrastructure, vehicles, any good or service hired from third parties and any good required, in order to check and supervise compliance with the obligations hereof.

25.3 The Agency shall issue a minute per every act of supervision it performs, and notice thereof shall be given to Developer. In the event that as a result of the supervision there is certain breaching by Developer to its obligations according to this Agreement, the Agency shall proceed to impose penalties set out herein, and shall establish a program by which Developer shall abide to remedy his breach, except if they are breaches which imply revocation of the concessions granted to the Parties in the Agreement. In such case, the specifications herein shall apply.

The Agency shall follow up the programs set due to breaches referred to in the paragraph above, up to full compliance thereof.

25.4 Telecomm hereby expressly authorizes the Agency to carry out verifications of compliance regarding obligations in charge of Developer as to its contributions and/or rights, to demand fulfillment and to impose any applicable penalties, in order to conform a single supervision and management instance under this Agreement.

Parties expressly agree that payment of supervision expenses performed by the Agency to check compliance with obligations in charge of Developer will be in charge of Developer, including expenses and fees or third parties and/or Technical Auditor hired to such purpose.

It will exclusively correspond to the Agency, to select such third parties, including the Technical Auditor, in order to carry out the supervision referred by this Clause.

26 Project Intervention

When in the opinion of the Agency there is a breach of obligations by Developer due to causes attributable to Developer and if this seriously endangers Project performance, the Agency shall carry out an intervention, directly or through other third parties designated to such purpose at any stage of the Project, according to provisions set forth in the LAPP and according to the terms and conditions in articles 112 to 116 of said ordainment.

Before the Agency shall exercise its right to carry on Project intervention in accordance to provisions set forth in this Clause, it shall provide notice in writing to Developer's creditors related to this Project, at least thirty (30) calendar days in advance, if they specified in writing a domicile for such purposes, of its intention to exercise this right, for any legal effects that may apply.

Parties expressly agree that payment of expenses from the intervention performed by the Agency, including the expenses and fees of third parties hired to such purpose will be in charge of Developer..

Selection of any third parties that will carry out the intervention shall exclusively correspond to the Agency.

27 Labor Responsibility

Developer binds to comply with any and all obligations it is responsible for and deriving from the labor relationship with its workers and to third parties, including labor, administrative and fiscal authorities. Therefore, Developer, as company and employer of the staff it hires to fulfill the obligations it is responsible for according to provisions set out in this Agreement and its Attachments, shall bear sole responsibility for obligations deriving from legal provisions and other ordainments in labor and social security matters, thus agreeing to respond to the claims that its workers file against it or against the Agency or Telecomm, regarding fulfillment of obligations set out in this Agreement and/or its Annexes.

Under oath and in terms of article 13 of the Federal Labor Law, Developer states to have elements of its own and sufficient to comply with all the obligations it is responsible for and deriving from the labor relationship with its workers, and therefore, it will bear sole responsibility for the staff it employs or uses to comply with the purpose of this Agreement, it being understood that the Agency and Telecomm shall not be deemed to be joint employers or substitute of any of the employer-employee obligations corresponding to Developer regarding its personnel.

Developer states, regarding the personnel it employs or hires in the execution of this Agreement or in the development and implementation of Project, that at no time shall such

personnel be under the direction or orders of the Agency or of Telecomm.

Also, Developer binds, in an unlimited way, to indemnify and hold the Agency and Telecomm harmless from any claim, proceedings, loss or expense resulting from any breach of the obligations set out in this Clause or for any cause arising from the employer-employee relationship corresponding to Developer and affecting the Agency and/or Telecomm.

28 Responsibility towards third parties

Should Developer need to hire or subcontract the provision of goods or services for the development and implementation of the Project, it is expressly agreed by the Parties that the Agency and Telecomm shall have no type of legal relationship or responsibility whatsoever to such third parties.

Developer binds, in an unlimited way, to indemnify and hold the Agency and Telecomm harmless from any claim, proceedings, loss or expense resulting from breaching the obligations set forth in this Clause or for any cause arising from the relationship with other third parties corresponding to Developer and affecting the Agency and/or Telecomm.

29 Conventional penalties

The Agency shall be entitled to penalize Developer with no need for prior judicial declaration, for any of the causes established below:

29.1 In case of failing to comply with the Minimum Population Coverage; in which case a conventional penalty shall apply equivalent to \$_____;

29.1.1 In case of failing to comply with the Offered Population Coverage at the Measuring Time, the conventional penalty considered in Clause 18 hereof shall apply.

29.2 With a conventional penalty equivalent to [\$_____], in the following cases:

29.2.1 If any of the causes for termination set out herein is updated.

29.2.2 Not making the contributions under the terms set out herein.

29.2.3 Not to comply with the terms of access to, use and benefit of the pair of dark optical fiber strands of the Backbone Network, the use of which is contributed by Telecomm under the terms specified herein.

29.2.4 Not to implement the Project according to the minimum technical specifications required.

29.2.5 Incur in an action or omission during Project performance, which results in penalties applied to the Agency or Telecomm by any competent authority, including

breaches to the Spectrum Concession or Telecomm Concession. Notwithstanding the above, Developer in such case, undertakes to indemnify the affected party and to hold such party harmless from any damage, claim or dispute related to the action and omission that gave rise to the penalty in question.

29.2.6 Not to comply with the conditions set out in the title of the Wholesaler Concession, the Spectrum Concession and/or the Telecomm Concession.

29.2.7 Not to provide the Wholesale Telecommunications Service under the terms set forth herein.

29.2.8 To misrepresent, hide, vary or alter information regarding the Project or to the Parties in this Agreement.

29.3 With a conventional penalty equivalent to [\$_____], in the following cases:

29.3.1 Not to submit, under the terms and periods of time established in this Agreement, the inventory of goods assigned to the Project, as required by this Agreement.

29.3.2 Not to present the active and passive infrastructure deployment program referred to in Clause 13 hereof.

29.3.3 Not to request authorization to the Agency to assign its rights or to grant representative shares of Developer's capital stock in guarantee or for any other breach of provisions set forth in Clause 23 hereof.

29.4 With a conventional penalty equivalent to [\$_____], in the following cases:

29.4.1 Failure to provide information or documentation, or any other elements for Agency and Telecomm to evidence compliance with their respective concession titles.

29.4.2 Failure to provide information, documentation and other elements for Agency to supervise the project in the terms set forth in this Agreement.

29.4.3 Failure to submit, where appropriate, the program to rectify non-compliances required by Agency.

29.4.4 Failure to pay Agency for the Project's supervisory expenses.

29.4.5 Where appropriate, failure to pay the fees of third parties, Technical Auditor included, hired by Agency to exercise their supervisory rights or intervention.

29.4.6 Failure to maintain in strict confidentiality and discretion the information that derives from this Agreement. This is without prejudice of the damages that may be caused by disclosing such information.

29.4.7 Disregarding the Project's social communication mechanism.

29.4.8 Disregarding the communication mechanism between the Parties.

The conventional penalties applied by Agency are without prejudice of demanding from the Developer the payment of unmet amounts by any other means.

The conventional penalties applied by Agency to Developer may be covered through the execution of the Agreement Compliance Warranty.

30 Termination of the Agreement.

The following are causes for termination of the Agreement:

- 30.1 The fulfillment of its objective;
- 30.2 The expiration of its term;
- 30.3 Early termination, or
- 30.4 Rescission.

For the cases indicated in subsections 30.1 and 30.2 above, the Parties shall perform a termination agreement that states the absence of outstanding obligations, for the Agreement's termination to proceed.

In regard to subsections 30.3 and 30.4, the provisions of the respective clauses of this Agreement shall be observed.

31 Early termination.

- 31.1 Agency may terminate this Agreement early, when any of the following cases take place:
 - 31.1.1 For reasons of public interest;
 - 31.1.2 When for any reason the Wholesaler Concession, the Spectrum Concession or the Telecomm Concession cease to be valid.
 - 31.1.3 When the Project becomes no longer necessary;
 - 31.1.4 When the continuation of the Project becomes harmful to the Estate;
 - 31.1.5 When compliance with the obligations assumed in this Agreement is suspended for reasons of a fortuitous event or force majeure and it cannot be resumed after a certain period specified by the Parties;

31.1.6 In case of an event that renders the Project impossible to fulfill, or

31.1.7 For any other reason under the applicable legislation.

31.2 The following procedure shall be observed for the early termination of the Agreement:

31.2.1 Agency shall notify Developer of the existence of any of the causes for early termination of this Agreement.

31.2.2 Developer shall reply within ten (10) business days after being notified, whatever may be in its best interest;

31.2.3 Agency, with or without reply from Developer, shall resolve the matter within thirty (30) business days from the date in which the period referred to in 31.2.2 has concluded.

31.3 If the early termination is admissible, Agency shall determine and notify the Developer of its effects, securing the continuance of the services in favor of the customers, for which it may take action as it deems appropriate.

In the event of an early termination, Agency shall reimburse the Developer those non-recoverable expenditures and investments it may have incurred and are pending repayment, as long as these were essential, directly related to the Project and the corresponding amounts are market prices that the Developer shall cover in order to appropriately terminate the Project early, without affecting third parties.

Developer may request this reimbursement within a period of no more than twenty (20) business days from the early termination date. Such payment will be made within a period of no more than ninety (90) Business Days after submittal of the request along with its supporting documentation.

Developer shall not be entitled to any reimbursement if the early termination is for causes attributable to itself.

For purposes of the reimbursement referred to in the preceding paragraph, it is required that the corresponding expenditures and investments are properly verified. Said concepts shall include the transfer of properties such as real estate, goods, rights, equipment and other elements necessary to provide the Telecommunications Wholesale Service, if these are to be kept by Agency, under the terms of this Agreement. Said transfer of properties shall be made in favor of Agency or the public entity indicated by it.

If an agreement on the amounts to be paid for early termination is not reached, Agency shall pay, where appropriate, the non-disputed amount, and the differences upon the

amounts for which there is no agreement shall be subject to the dispute settlement procedures under this Agreement.

32 Rescission

32.1 The following are grounds for Rescission of this Agreement, in addition to those contemplated in Article 22 of the LAPP:

- 32.1.1 Cancellation, abandonment or delay of the Project, unless there is a possibility of an extension in case of delay, in which case, when determining the corrective actions, it will be established when to apply a rescission in the event of further delays;
- 32.1.2 Failure to pay considerations for leasing, within 60 (sixty) days counted from which it is required, subject to accrued interest or not pay considerations for profits in a timely manner;
- 32.1.3 Failure to comply with the Commercial Operations startup date;
- 32.1.4 Failure to comply with the Minimum Required Coverage and its deadlines under this Agreement, unless an extension has been granted;
- 32.1.5 Failure to produce the insurance policies in the terms and periods set forth in this Agreement;
- 32.1.6 Failure to submit the warranties in the terms and periods set forth in this Agreement;
- 32.1.7 When Developer has been penalized three times for non-compliance of any of the obligations under this Agreement;
- 32.1.8 Failure to use the goods provided by Agency and Telecomm for purposes of this Project, or when these are used and/or intended for purposes other than the Project's;
- 32.1.9 When Developer does not comply with Clause 18.1 of this Agreement, in case of non-compliance with the Offered Population Coverage, or
- 32.1.10 In case of a final Decision from the IFT that proves the Developer's liability for absolute monopolistic practices under Article 53, Section IV of the LFCE during the Bidding process that allowed it to be awarded this Agreement.

32.2 Agency may require the fulfillment of this Agreement or choose to rescind it, in accordance with the following:

- 32.2.1 Developer shall be notified upon the existence of any of the grounds for termination of this Agreement.
- 32.2.2 Developer will reply within ten (10) business days after being notified, whatever may be in its best interest;
- 32.2.3 Agency, with or without reply from Developer, shall resolve the matter within thirty (30) business days from the date in which the period referred to in 32.2.2 has concluded.
- 32.3 If the rescission of this Agreement is admissible, Agency shall determine and notify the Developer of its effects, securing the continuance of the services in favor of the customers, for which it may take action as it deems appropriate.
- 32.4 The rescission or the fulfillment of the Agreement may be applied without prejudice of the applicable penalties.
- 32.5 Agency shall determine those expenditures to be covered by Developer in order to perform an adequate termination of the Project without affecting third parties.
- 32.6 If Agency decides to require the fulfillment of the Agreement, it shall establish the terms and conditions for its compliance and will warn of the rescission thereof in case of a further breach. The foregoing is without prejudice of the applicable penalties.

33 Fortuitous event or force majeure.

- 33.1 When any of the Parties cease to fulfill its obligations for reasons of a fortuitous event or force majeure, it may be released of the responsibility related to its failure to comply as long as the following is met for such event:
- 33.1.1. That the existence, duration or effects of the fortuitous event or force majeure are conclusively proven;
 - 33.1.2 That the party affected by the fortuitous event or force majeure had not caused or contributed to its occurrence;
 - 33.1.3 That the fortuitous event or force majeure is notified within the next three (3) business days of its occurrence, and
 - 33.1.4 That appropriate measures to prevent the spreading of the effects or damages caused by the fortuitous event or force majeure are adopted.
- 33.2 Once the fortuitous event or force majeure is unquestionably determined, each Party shall bear the financial consequences of its effects on their respective assets, unless this is covered by the insurance provided by Developer under this Agreement, in which case they will conform to the corresponding coverage.

34 Confidential and privileged information.

The Parties hereto agree and undertake to maintain strict confidentiality and discretion in regard to the confidential information and documentation made known to them by any means, received from the other Parties or generated as a result of the execution of this Agreement. Such obligation for confidentiality shall extend to those individuals that work, directly or indirectly, with the Parties.

For such purpose, Developer agrees to sign non-disclosure agreements with its employees or with third parties, prior to granting them access to confidential and privileged information, valid for at least the same period as this obligation has for the Developer, and it should take the necessary measures to ensure its proper safeguard and protection, not being allowed to disclose it without authorization from Agency or from Telecom, whichever the case.

For their part, Agency and Telecom will be subject to the Transparency and Access to Government Public Information Federal Act and other applicable provisions, in order to protect the information provided by Developer.

The provisions agreed upon in this Clause shall remain in effect for the term of this Agreement and will survive for _____ (____) years after its termination for any reason.

35 Social Communications Framework

The Parties agree that all social communications intended to be carried out by Developer in connection with the signing or performance of this Agreement, or with the development and implementation of the Project, shall be subject to Agency's prior authorization, without which these may not be carried out.

An exception to the above are those commercial communications or advertisements related to the marketing of the Telecommunications Wholesale Services that Developer may carry out in order to develop and implement the Project.

In order to obtain the authorization referred to in this clause, Developer must submit a request attaching the communication project three (3) business days prior to the intended date for the communication. If Agency does not issue the corresponding response within said term, it shall be deemed as not authorized.

Regarding scheduled interviews, Developer must observe the procedure previously indicated and in case of non-scheduled interviews, Developer must observe the guidelines notified by Agency for such purpose.

36 Notices.

Any notice related to this Agreement shall be in writing and addressed to the representative designated by each Party that is named in the following clause, with return

receipt. For such purposes, the Parties designate the following as their addresses for service of process of all kinds:

For Developer: _____

For Agency: _____

For Telecomm: _____

Any change of address must be notified in writing with return receipt to the other Party, no less than five (5) business days prior to the date of such change.

37 Representatives of the Parties

For purposes of compliance with this Agreement, the Parties designate the following individuals, who will have powers to resolve those matters arising out of the development and implementation of the Project, and from the performance of this Agreement.

The above is without prejudice of those authorizations or powers required to effectively undertake any obligations on behalf of those they represent.

For Developer: _____

For Agency: _____

The individuals herein designated may be assisted from whatever personnel they deem necessary to accomplish their functions.

38 Governing Law

This Agreement is governed by the legal, administrative and regulatory provisions of the United Mexican States.

Anything not contemplated by this Agreement shall be governed by the provisions of the LAPP and the RLAPP.

39 Jurisdiction and Competence

39.1 At the option of the Party that initiates any proceedings related to the performance or interpretation of this Agreement, the dispute may be heard by the special federal courts of the Federation's Judicial Branch for matters of economic competition, broadcasting and telecommunications, or otherwise be subject to arbitration, in which case the provisions of Clause 39.2 below shall apply.

Notwithstanding the above, the Parties agree that, prior to the filing of any legal action, they shall seek to resolve their differences through conciliation and adhering to the principle of good faith.

39.2 In case of arbitration:

39.2.1. Arbitration must take place in Mexico City and shall be conducted in Spanish in accordance with the Rules of [] (the "Rules") by an arbitration panel designated under such Rules.

39.2.2. The arbitration must be conducted by a panel of three (3) arbitrators, one of which must be appointed by Agency and another one by Developer. The third arbitrator, who will preside the panel, must be appointed by the arbitrators appointed by the Parties. In case the arbitrators appointed by the Parties do not appoint a third arbitrator within thirty (30) days from the date the written notice to appoint said arbitrator was sent by any of the Parties, the Parties agree that, by request of any of the Parties, [] may appoint the third arbitrator.

39.2.3. Arbitrators must decide by majority rule on each matter submitted to them in writing. Their rulings will be final and indisputable. Arbitrators will not have the power to award compensation on punitive damages or any other damages unless expressly authorized under the terms and conditions of this Agreement.

39.2.4. The Parties shall divide equally the costs of the arbitrators. Each Party will be responsible for its own costs and the advisors' fees and expenses incurred in relation with the arbitration procedures under this Agreement.

39.2.5. The existence of a dispute, and all information related to or disclosed by any of the Parties in connection to the arbitration of any dispute related to this Agreement, must be treated by the Parties, their representatives and the arbitration panel as confidential information and no disclosure may be made by any of the Parties or the arbitration panel without prior written authorization from the Party that had disclosed such information in relation with the arbitration procedures.

39.2.6. In case any of the Parties fail to comply with the arbitrators' ruling, a lawsuit may be filed before any court with jurisdiction over the Parties or their assets, to enforce the arbitration award, or the intervention from such court may be requested in order to legally acknowledge the award and determine an injunction to enforce it, as appropriate.

39.2.7. The following shall not be subject to arbitration:

39.2.7.1 Revocation of the Concession or of the Authorizations, as well as other acts of authority from the SCT or other authorities.

39.2.7.2 Rescission or early termination of the Agreement.

39.2.8. Precautionary Measures. Either Party may, at any time, request preliminary or temporary precautionary measures, including the specific compliance with or suspension of the arbitration, before the competent court in case of threat of an immediate and

irreparable damage to said Party due to the actions or omissions of the other Party; in the understanding that, however, the request for final measures must be awarded by arbitration.

39.2.9. The arbitration procedure is *stricti juris*.

39.2.10. The governing laws will be the Mexican federal laws.

39.2.11. The award will be mandatory and definitive for both Parties.

PRELIMINARY

This Agreement is signed in triplicate in Mexico City, Federal District, by Agency, Developer and Telecomm, on the ___ of _____ of two thousand sixteen.

Agency

Developer

“ _____ ”

For: _____

GENERAL DIRECTOR

“ _____ ”

For: _____

REPRESENTATIVE

Telecomm

For:

GENERAL DIRECTOR

Signature page

This page is part of the PUBLIC-PRIVATE PARTNERSHIP AGREEMENT MADE AND ENTERED INTO ON THE ONE HAND, BY THE DECENTRALIZED PUBLIC AGENCY “PROMOTOR DE INVERSIONES EN TELECOMUNICACIONES OPRITEL”, HEREBY REPRESENTED BY ITS GENERAL DIRECTOR, _____ AND TELECOMUNICACIONES DE MÉXICO, HEREBY REPRESENTED BY ITS GENERAL DIRECTOR, _____ AND, ON THE OTHER HAND, THE SPECIAL PURPOSE CORPORATION “ _____”, REPRESENTED BY _____.

ANNEX 1
INVITATION TO BID

THE INVITATION PUBLISHED AT THE TIME WILL BE
ADDED HERE

PRELIMINARY

ANNEX 2
BIDDING PROCESS RULES

THE BIDDING PROCESS RULES PUBLISHED AT THE
TIME WILL BE ADDED HERE

PRELIMINARY

ANNEX 3
RULING OF THE BIDDING PROCESS

THE RULING OF THE BIDDING PROCESS PUBLISHED AT
THE TIME WILL BE ADDED HERE

PRELIMINARY

ANNEX 4
INCORPORATION OF THE SPECIAL PURPOSE COMPANY
(DEVELOPER)

THE ARTICLES OF INCORPORATION OF THE SPECIAL
PURPOSE COMPANY CREATED WILL BE ADDED HERE

PRELIMINARY

ANNEX 5
AMOUNT OF FEES/COMMISSION FOR THE FINANCIAL AGENT AND ACCOUNT
NUMBER

THIS DATA WILL ADDED HERE

PRELIMINARY

ANNEX 6
COPY OF THE WHOLESALER CONCESSION

WHOLESALE CONCESSION AWARDED BY IFT TO THE
WINNING BIDDER WILL BE ADDED HERE

PRELIMINARY

ANNEX 7
COPY OF THE SPECTRUM CONCESSION

SPECTRUM CONCESSION GRANTED BY IFT TO THE
AGENCY WILL BE ADDED HERE

PRELIMINARY

ANNEX 8
COPY OF TELECOMM'S CONCESSION

THE WHOLESALE CONCESSION GRANTED BY THE IFT
TO TELECOMM, DUE TO THE TRANSFER OF THE
GRANTING FROM CFE TO THIS DECENTRALIZED
AGENCY WILL BE ADDED HERE

PRELIMINARY

ANNEX 9

COPY OF THE CFE-TELECOMM AGREEMENT ON UNRESTRICTED-USE OF OPTICAL
FIBER

THE CONTRACT SUBSCRIBED BETWEEN CFE AND
TELECOMM WILL BE ADDED HERE

PRELIMINARY

ANNEX 10
FEATURES, ROUTES, TERMS OF USE AND OTHER TERMS AND
CONDITIONS APPLICABLE TO THE USE AND MAINTENANCE OF ONE (1)
PAIR OF DARK FIBER OPTIC STRANDS OF THE BACKBONE NETWORK

The pair of dark fiber optic strands referred to in this exhibit, has approximately 30,000 kilometers installed throughout Mexico, interconnecting the "Carrier Hotels" listed below.

The Developer will have access to 115 "Points of Presence" in order to establish interconnection points or nodes for the housing of telecommunications equipment owned by Developer or by a third party.

The Developer may agree with the CFE different or additional demarcation points from the "Points of Presence ", to deploy the necessary infrastructure to illuminate two strands of dark fiber.

The list of the localities where the 115 "Points of Presence" of the CFE are located is presented:

	Hotel	Latitude	Longitude	City	Federal States
1	HOTEL LA PAZ	24° 9'	110° 18'	LA PAZ	BAJA CALIFORNIA SUR
2	HOTEL CABO SAN LUCAS	22° 54'	109° 55'	LOS CABOS	BAJA CALIFORNIA SUR
3	HOTEL ROSARITO	32° 22'	117° 3'	ROSARITO	BAJA CALIFORNIA
4	HOTEL ENSENADA	31° 52'	116° 36'	ENSENADA	BAJA CALIFORNIA
5	HOTEL TIJUANA	32° 30'	117° 2'	TIJUANA	BAJA CALIFORNIA
6	HOTEL TECATE	32° 34'	116° 36'	TIJUANA	BAJA CALIFORNIA
7	HOTEL NOGALES	31° 18'	110° 57'	NOGALES	SONORA
8	HOTEL AGUAPRIETA	31° 18'	109° 33'	AUGA PRIETA	SONORA
9	HOTEL CATORCA	30° 43'	112° 9'	CABORCA	SONORA
10	HOTEL HERMOSILLO	29° 4'	111° 1'	HERMOSILLO	SONORA
11	HOTEL NACOSARI	30° 22'	109° 40'	NACOSARI	SONORA
12	HOTEL GUAYMAS	27° 55'	110° 53'	GUAYMAS	SONORA

	Hotel	Latitude	Longitude	City	Federal States
13	HOTEL NAVOJOA	27° 4'	109° 26'	NAVOJOA	SONORA
14	HOTEL OBREGON	27° 29'	109° 55'	OBREGON	SONORA
15	HOTEL LOS MOCHIS	25° 47'	108° 59'	AHOME	SINALOA
16	HOTEL TOPOLOBAMPO	25° 31'	109° 3'	AHOME	SINALOA
17	HOTEL CULIACAN	24° 48'	107° 24'	CULIACAN	SINALOA
18	HOTEL GUAMUCHIL	25° 26'	108° 4'	SALVADOR ALVARADO	SINALOA
19	HOTEL MAZATLAN	23° 14'	106° 25'	MAZATLAN	SINALOA
20	HOTEL JUÁREZ	31° 43'	106° 28'	JUAREZ	CHIHUAHUA
21	HOTEL NUEVO CASAS GRANDES	30° 25'	107° 54'	NUEVO CASAS GRANDES	CHIHUAHUA
22	HOTEL CHIHUAHUA	28° 38'	106° 3'	CHIHUAHUA	CHIHUAHUA
23	HOTEL CUAUHTÉMOC	28° 24'	106° 50'	CUAUHTÉMOC	CHIHUAHUA
24	HOTEL TORREÓN	25° 33'	103° 28'	GÓMEZ PALACIO	DURANGO
25	HOTEL DURANGO	24° 2'	104° 38'	DURANGO	DURANGO
26	HOTEL MONTERREY	25° 36'	100° 16'	MONTERREY	NUEVO LEON
27	HOTEL CIUDAD ACUÑA	29° 19'	100° 58'	CIUDAD ACUÑA	COAHUILA
28	HOTEL CADEREYTA	25° 35'	100° 0'	CADEREYTA JIMENEZ	NUEVO LEON
29	HOTEL LINARES	24° 50'	99° 34'	LINARES	NUEVO LEON
30	HOTEL MONTEMORELOS	25° 11'	99° 49'	MONTEMORELOS	NUEVO LEON
31	HOTEL MATAMOROS	25° 52'	97° 29'	MATAMOROS	TAMAULIPAS
32	HOTEL MONCLOVA	26° 55'	101° 25'	MONCLOVA	COAHUILA
33	HOTEL NUEVO LAREDO	27° 27'	99° 29'	NUEVO LAREDO	TAMAULIPAS
34	HOTEL PIEDRAS NEGRAS	28° 41'	100° 32'	PIEDRAS NEGRAS	COAHUILA
35	HOTEL REYNOSA	26° 5'	98° 17'	REYNOSA	TAMAULIPAS
36	HOTEL SALTILLO	25° 27'	100° 55'	SALTILLO	COAHUILA
37	HOTEL VICTORIA	23° 45'	99° 7'	VICTORIA	TAMAULIPAS
38	HOTEL SABINAS	27° 50'	101° 7'	SABINAS	COAHUILA
39	HOTEL MONTERREY (CASETA CONF.)	25° 36'	100° 16'	MONTERREY	NUEVO LEON
40	HOTEL AGUASCALIENTES	21° 53'	102° 16'	AGUASCALIENTES	AGUASCALIENTES
41	HOTEL SAN JUAN DE LOS LAGOS	21° 15'	102° 18'	SAN JUAN DE LOS LAGOS	JALISCO
42	HOTEL LEON	21° 4'	101° 40'	LEON	GUANAJUATO

	Hotel	Latitude	Longitude	City	Federal States
43	HOTEL SAN FRANCISCO DEL RINCON	21° 1'	101° 52'	SAN FRANCISCO DEL RINCON	GUANAJUATO
44	HOTEL FRESNILLO	23° 9'	102° 51'	FRESNILLO	ZACATECAS
45	HOTEL ZACATECAS	22° 46'	102° 34'	ZACATECAS	ZACATECAS
46	HOTEL GUANAJUATO	21° 0'	101° 14'	GUANAJUATO	GUANAJUATO
47	HOTEL COLIMA	19° 16'	103° 46'	VILLA DE ALVAREZ	COLIMA
48	HOTEL MANZANILLO	19° 4'	104° 16'	MANZANILLO	COLIMA
49	HOTEL SALAHUA	19° 7'	104° 20'	MANZANILLO	COLIMA
50	HOTEL OCOTLAN	20° 20'	102° 47'	PONCITLAN	JALISCO
51	HOTEL TEPATITLAN	20° 48'	102° 47'	TEPATITLAN	JALISCO
52	HOTEL TELECOM GUADALAJARA	20° 36'	103° 25'	ZAPOPAN	JALISCO
53	HOTEL TELECOM CIUDAD GUZMAN	19° 42'	103° 29'	CIUDAD GUZMAN	JALISCO
54	HOTEL LAZARO CARDENAS	17° 58'	102° 12'	LAZARO CARDENAS	MICHOACAN
55	HOTEL CIUDAD HIDALGO	19° 41'	100° 31'	CIUDAD HIDALGO	MICHOACAN
56	HOTEL URUAPAN	19° 23'	102° 3'	URUAPAN	MICHOACAN
57	HOTEL ZAMORA	19° 58'	102° 17'	ZAMORA	MICHOACAN
58	HOTEL ZITACUARO	19° 25'	100° 20'	ZITACUARO	MICHOACAN
59	HOTEL MORELIA	19° 43'	101° 11'	MORELIA	MICHOACAN
60	HOTEL ZINAPECUARO	19° 51'	100° 49'	ZINAPECUARO	MICHOACAN
61	HOTEL TANGANCICUARO	19° 52'	102° 11'	TANGANCICUARO	MICHOACAN
62	HOTEL PUREPERO	19° 55'	102° 1'	PUREPERO	MICHOACAN
63	HOTEL TEPIC	21° 30'	104° 52'	TEPIC	NAYARIT
64	HOTEL PUERTO VALLARTA	20° 37'	105° 13'	PUERTO VALLARTA	JALISCO
65	HOTEL SAN LUIS POTOSI	22° 8'	100° 59'	SAN LUIS POTOSI	SAN LUIS POTOSI
66	HOTEL CUAUTLA	18° 50'	98° 55'	CUAUTLA	MORELOS
67	HOTEL YAUTEPEC	18° 50'	98° 59'	CUAUTLA	MORELOS
68	HOTEL CUERNAVACA	18° 50'	99° 12'	TEMIXCO	MORELOS
69	HOTEL QUERÉTARO	20° 38'	100° 26'	QUERÉTARO	QUERETARO
70	HOTEL SAN MIGUEL DE ALLENDE	20° 55'	100° 44'	SAN MIGUEL DE ALLENDE	GUANAJUATO
71	HOTEL SAN LUIS DE LA PAZ	21° 17'	100° 38'	SAN LUIS DE LA PAZ	GUANAJUATO
72	HOTEL CELAYA	20° 31'	100° 48'	CELAYA	GUANAJUATO
73	HOTEL SALAMANCA	20° 32'	101° 13'	SALAMANCA	GUANAJUATO

	Hotel	Latitude	Longitude	City	Federal States
74	HOTEL SAN JUAN DEL RIO	20° 23'	99° 59'	SAN JUAN DEL RÍO	QUERETARO
75	HOTEL PEDRO ESCOBEDO	20° 27'	100° 7'	PEDRO ESCOBEDO	QUERETARO
76	HOTEL SALVATIERRA	20° 12'	100° 53'	SALVATIERRA	GUANAJUATO
77	HOTEL IXTAPALUCA	19° 32'	98° 50'	TEXCOCO	ESTADO DE MEXICO
78	HOTEL VALLE DE BRAVO	19° 13'	100° 8'	VALLE DE BRAVO	ESTADO DE MEXICO
79	HOTEL TOLUCA	19° 16'	99° 37'	TOLUCA	ESTADO DE MEXICO
80	HOTEL PUEBLA	19° 1'	98° 14'	PUEBLA	PUEBLA
81	HOTEL TLAXCALA	19° 21'	98° 11'	YAUHQUEMEHCAN	TLAXCALA
82	HOTEL ZOCAC	19° 29'	98° 2'	TETLA DE LA SOLIDARIDAD	TLAXCALA
83	HOTEL TECAMACHALCO	18° 52'	97° 42'	TECAMACHALCO	PUEBLA
84	HOTEL ACAPULCO	16° 51''	99° 54''	ACAPULCO	GUERRERO
85	HOTEL CHILPANCINGO	17° 32''	99° 30''	CHILPANCINGO	GUERRERO
86	HOTEL TULA	20° 2'	99° 16'	TULA	HIDALGO
87	HOTEL TELECOM MEXICO	19° 20'	99° 8'	COYOACAN	D.F.
88	HOTEL COLORINES	19° 10'	100° 13'	VALLE DE BRAVO	ESTADO DE MEXICO
89	TAMUIN	22° 2'	98° 50'	TAMUÍN	SAN LUIS POTOSI
90	TAMPICO	22° 15'	97° 52'	TAMPICO	TAMAULIPAS
91	VALLES	21° 58'	98° 59'	CIUDAD VALLES	SAN LUIS POTOSI
92	TAMAZUNCHALE	21° 15'	98° 46'	TAMAZUNCHALE	SAN LUIS POTOSI
93	CORDOBA	18° 53'	96° 57'	CORDOBA	VERACRUZ
94	XALAPA	19° 34'	96° 55'	XALAPA	VERACRUZ
95	TEZIUTLAN	19° 48'	97° 21'	TEZIUTLAN	PUEBLA
96	TEMASCAL	18° 14'	96° 24'	SAN MIGUEL SOYALTEPEC	OAXACA
97	TUXTEPEC	18° 4'	96° 8'	TUXTEPEC	OAXACA
98	TIERRA BLANCA	18° 27'	96° 21'	TIERRA BLANCA	VERACRUZ
99	VERACRUZ	19° 9'	96° 14'	VERACRUZ	VERACRUZ
100	MINATITLAN	17° 59'	94° 34'	MINATITLAN	VERACRUZ
101	COATZACOALCOS	18° 8'	94° 28'	COATZACOAL	VERACRUZ

	Hotel	Latitude	Longitude	City	Federal States
				COS	
102	HOTEL TAPACHULA	14° 52'	92° 17'	TAPACHULA	CHIAPAS
103	HOTEL TUXTLA	16° 45'	93° 11'	TUXTLA GUTIERREZ	CHIAPAS
104	HOTEL JUCHITAN	16° 26'	95° 1'	CARRETERA PANAMERICA NA KM 821 C.P. 70000	OAXACA
105	HOTEL SALINA CRUZ	16° 11'	95° 11'	CALLE LA VENTOSA S/N ESQUINA MANUEL AVILA CAMACHO BARRIO BENITO JUAREZ	OAXACA
106	HOTEL OAXACA	17° 3'	96° 43'	OAXACA	OAXACA
107	HOTEL VILLAHERMOSA	18° 0'	92° 55'	CENTRO	TABASCO
108	HOTEL MÉRIDA	21° 0'	-89° 38'	Mérida	Yucatán
109	HOTEL CANCUN	21° 9'	-86° 49'	Benito Juárez	Quintana Roo
110	HOTEL PLAYA DEL CARMEN	20° 37'	-87° 4'	Solidaridad	Quintana Roo
111	HOTEL COZUMEL	20° 30'	-86° 57'	Cozumel	Quintana Roo
112	HOTEL CHETUMAL	18° 31'	-88° 19'	Othón P. Blanco	Quintana Roo
113	HOTEL CAMPECHE	19° 49'	-90° 32'	Campeche	Campeche
114	HOTEL CALKINÍ	17° 59'	-92° 57'	Calkiní	Campeche
115	HOTEL CHAMPOTÓN	19° 19'	-90° 43'	Champotón	Campeche

ANNEX 11

CERTIFIED COPY OF THE PUBLIC DEED THAT CONTAINS THE POWER OF
ATTORNEY OF THE PERSON APPEARING AS THE REPRESENTATIVE OF
DEVELOPER AT THE SIGNING OF THIS CONTRACT.

THE CORRESPONDING DOCUMENTS WILL BE ADDED
HERE

PRELIMINARY

ANNEX 12
MARGINAL REFERENCE CAPITAL EXPENDITURES.

Marginal Reference Capital Expenditures will be determined as follows:

(a) Offered Coverage	Marginal Reference Capital Expenditures
More than 85.00% and up to 86.00%	462,602,746
More than 86.00% and up to 87.00%	1,232,152,528
More than 87.00% and up to 88.00%	2,596,864,518
More than 88.00% and up to 89.00%	4,844,953,893
More than 89.00% and up to 90.00%	8,264,635,825
More than 90.00% and up to 91.00%	13,144,125,491
More than 91.00% and up to 92.00%	19,771,638,064
More than 92.00% and up to 93.00%	24,584,832,872
More than 93.00% and up to 94.00%	30,689,390,601
More than 94.00% and up to 95.00%	32,796,511,560
More than 95.00% and up to 96.00%	38,245,430,791
More than 96.00% and up to 97.00%	47,413,072,984
More than 97.00% and up to 98.00%	58,352,436,722
More than 98.00% and up to 99.00%	71,223,641,545
More than 99.00% and up to 100.00%	86,186,806,996

ANNEX 13
CONDITIONS FOR ACCESS, USE AND EXPLOITATION OF THE
PAIR OF STRANDS ON THE BACKBONE NETWORK.

THE TERMS AND CONDITIONS AGREED BETWEEN CFE
AND TELECOMM FOR THAT PURPOSE WILL BE ADDED
HERE

PRELIMINARY

ANNEX 14
COPY OF THE CFE MAINTENANCE AGREEMENT

THE AGREEMENT SIGNED BETWEEN CFE AND
TELECOMM FOR THAT PURPOSE WILL BE ADDED HERE

PRELIMINARY

ANNEX 15
MINIMUM TECHNICAL SPECIFICATIONS OF THE RED COMPARTIDA

The Developer must ensure the compliance with at least the set of technical requirements herein provided for the design, implementation, operation and expansion of the *Red Compartida*, notwithstanding the general provisions that it must observe as a telecommunication service provider in terms of the LFTR and other applicable provisions.

1. Minimum Features.

The *Red Compartida* must operate under principles of sharing all of its infrastructure and the disaggregated sale of all of its services and capacities. It must be designed and deployed based on 4G mobile technology and must provide advanced voice, data and other possible services through the 4G technology. Moreover, the *Red Compartida* must have the necessary configurations to provide voice interface services for existing mobile networks.

The *Red Compartida* must support applications such as multicast transmission services, services based on geographic location, services requiring traffic priority policies from their Clients, short messaging services (SMS), multimedia messaging services (MMS), emergency and security services, transfer and reception of videos, videoconferences and other common applications for mobile networks. It must support at all times the latest commercial versions of fixed and mobile wireless devices.

It must have functionalities and capacities to render the services offered by the networks of its own Clients and guarantee compliance with the level of quality of the services to End Users. All agreements needed to maintain the quality of the services shall be managed by the Developer and its Clients. The Developer shall comply with the guidelines set by the IFT on quality of mobile and fixed services, at any time.

The Developer shall, at all times during its operation, comply with, among other provisions, the following:

- The Federal Telecommunications and Broadcasting Act, published in the DOF on July 14, 2014 and any further amendment thereof.
- The Main Numbering Technical Plan (*Plan Técnico Fundamental de Numeración*), published in the DOF on June 21, 1996, and any further amendment or supplement thereof.
- The Main Signaling Technical Plan (*Plan Técnico Fundamental de Señalización*), published in the DOF on June 21, 1996, and any further amendment or supplement thereof.
- Local Service Rules, published in the DOF on October 23, 1997, and any further amendment or supplement thereof.

- Main Interconnection and Interoperability Technical Plan (*Plan Técnico Fundamental de Interconexión e Interoperabilidad*), published in the DOF on February 10, 2009, and any further amendment or supplement thereof.
- Decree whereby the Plenary Session of the IFT issued the Technical Standard IFT-006-2015: Telecommunications-Interface-Part of signaling system message transfer through common channels, and its subsequent amendments or supplements.
- DECREE whereby the Plenary Session of the Federal Telecommunications Institute issued the Numeric Portability Rules and amends the Main Numbering Technical Plan, the Main Signaling Technical Plan and the operational specifications for the portability implantation of geographical and non-geographical numbers published in the DOF on November 12, 2014, and its subsequent amendments or supplements.
- DECREE whereby the Plenary Session of the Federal Telecommunications Institute established the provisions that must be complied with by concessionaires rendering public telecommunication services through public telecommunication networks, derived from the obligation to abstain from making National long distance call charges to users for calls made to any national destination as from January 1st, 2015, published in the DOF on December 24, 2014.
- Decree whereby the Plenary Session of the Federal Telecommunications Institute establishes the minimum technical conditions for Interconnection between concessionaires who operate public telecommunication networks, published in the DOF on December 31, 2014, and its subsequent amendments or supplements.
- Decree whereby the Plenary Session of the Federal Telecommunications Institute defines the interconnection points to the public telecommunication network of the Preponderant Economic Agent, published in the DOF on February 17, 2015, and its subsequent amendments or supplements.
- Any other legal standard, whether regulatory or administrative, that apply to concessionaires of public telecommunication networks, radioelectric spectrum broadband concessionaires or concessionaires who operate public wholesale telecommunication networks, issued by the Federal Telecommunications Institute, the Ministry of Communications and Transportation or any other authority with regards to the provision of telecommunication services.

2. Access network and transportation network.

The Developer shall be responsible for providing and procuring the means of transfer and the access network required for the Provision of Services. Likewise, it must ensure the transportation capacity, towers and equipment, whether with its own means or subleased to other vendors to support trustworthy connections

among all the components of the network, including links between radio-bases and fixed or mobile terminals.

3 Central network services management.

The Developer shall be responsible for providing all core network equipment necessary to guarantee reliability of the services as well as interconnection with other public telecommunication services.

4 Installation of radio-bases and sites.

The Developer shall be responsible for the acquisition, lease and deployment of all sites, network planning and equipment and installation costs. This includes, among others, civil works, installation of towers, equipment and installation of transmission links between the radio-bases or presence sites and the operation, energy and energy backup system center(s).

Space sharing schemes in existing towers, as well as other infrastructure sharing options shall be accepted, in order to reduce costs and optimize the business plan and the deployment schedule of the *Red Compartida*.

5. Use of the radioelectric spectrum.

The *Red Compartida* shall use the APT700 MHz segmentation from the 3GPP standardization as recommended by segmentation A5 ITU - RM1036 and ensure compatibility with the other current and future devices available worldwide for such segmentation.

6. Traffic and service quality management.

The *Red Compartida* shall be a platform that provides broadband services to other concessionaires and licensees in terms of the LFTR to render telecommunication services, some of which could focus on specialized vertical markets such as public safety, civil protection, health, transportation, etc.

The *Red Compartida* must submit to the quality guidelines issued by the IFT and to any other general provision regarding the quality of telecommunication services issued from time to time by said Institute.

The design of the *Red Compartida* must incorporate the facilities and functionalities of service quality and dynamic traffic prioritization that must be available independently to attend to the needs of services that due to their nature require specific functionalities (public safety, disaster prevention, etc.).

7. Minimum up-link and down-link speed.

The minimum up-link and down-link speed, at the edge of the Coverage, which must be offered by the *Red Compartida* both in Major Locations as well as in Minor Locations is of 1 megabit per second (Mbps) and 4 Mbps respectively.

8. Interconnection and Interoperability of the Red Compartida.

The Developer of the *Red Compartida* must ensure that it will adopt an open network architecture design to guarantee interconnection and interoperability of the network with the other Concessionaires.

The Developer of the *Red Compartida* must guarantee that all fixed or mobile wireless terminals that make use of the services provided by the network may be

fully and unequivocally identified through the IMSI and/or PLMN codes. To such end, it procure those codes on its own account and offer them to the Clients.

The *Red Compartida* must have its own numbering to provide it as Wholesale Telecommunication Services to Clients. However, the latter shall not be bound to hire such service from the Developer. To such end, it must procure such numbering on its own account and offer it to the Clients.

The Developer of the *Red Compartida* shall commit to offer the roaming service to users of other concessionaires and operators, both national and foreign, for which it must enter into the commercial and service quality agreements required.

9. Reliability and recovery.

The Core equipment must have total redundancy, including geographical, in order to guarantee the operational capacity in the event of failure of any of the Cores and must be located in safe facilities.

The *Red Compartida* must be equipped with energy support systems capable of maintaining the operational systems for at least 72 hours without feed from the electrical network.

10. Safety and security.

The Developer of the *Red Compartida* shall be responsible for establishing, implementing, operating, monitoring, reviewing, maintaining and permanently upgrading an information security management system (ISMS), as defined, at least within the following standards ISO/IEC currently in force or any replacement standard:

- ISO/IEC 27001:2013, Information Technologies – Safety techniques – Information security management systems – Requirements;
- ISO/IEC 27001:2013, Information Technologies – Safety techniques – Code of practices for information safety controls;
- ISO/IEC 27001:2013 Information Technologies – Safety techniques – Information safety management guidelines for telecommunication entities, based on standard ISO/IEC 27002.
- ISO/IEC 15408:2009 Information Technologies – Safety techniques – Guidelines – Evaluation criteria for information safety for the evaluation of information safety products, including components of the telecommunication network.

Moreover, the *Red Compartida* must at least comply with the safety requirements E.408, E.409, X.805 and X.1051 of the Telecommunication Standardization Sector of the International Telecommunications Unit (ITU-T).

11. Operation support systems and business support systems (OSS/BSS).

The *Red Compartida* must have business support systems (BSS), redundant and reliable to generate detailed information on the operations, use, collection records and other business requirements of the network. Likewise, it must have operation support systems (OSS), redundant and reliable that may operate with all equipment used by the Developer of the *Red Compartida*, notwithstanding its manufacturer.

The Developer must offer in a disaggregate manner the capacity of its OSS and BSS systems to any client that requires it.

12. Technological upgrade

The Developer must implement and offer his Costumers the next generation of mobile service technology (5G) in the *Red Compartida* pursuant to the following conditions:

- In all of the Major Cities *in the Coverage of Shared Network*: Within a maximum term of 3 (three) years after any other mobile operator commercially offers services through said 5G technology to 50% of the Country's aggregate population.
- In all of the Minor Locations *in the Coverage of Shared Network*: Within a maximum term of 5 (five) years after any other mobile operator commercially offers services through said 5G technology to 50% of the Country's aggregate population.

13. Monitoring and Verification.

The Inviting Entity, on its own behalf or through third parties, withholds the right to monitor and approve the execution and developing of the Project.

The foregoing, notwithstanding the verification authority that correspond to the IFT in accordance with its powers.

ANNEX 16
METHODOLOGY TO PERFORM MEASUREMENTS TO VERIFY COMPLIANCE WITH
THE MINIMUM COVERAGE REQUIRED

In order to evaluate the compliance with the coverage targets of the *Red Compartida*, on an annual basis, as from the commencement of operations, and at the Time of Measurement and thereafter, the Developer must deliver to the Agency, at least sixty (60) calendar days prior to the date of the corresponding target, the Coverage maps, being understood as the geographical area in which the *Red Compartida* offers Wholesale Telecommunication Services and in which edge an up-link speed of at least 1 (one) megabit per second and a down-link speed of at least four (4) megabit per second, in peak hours, may be measured.

Additionally, and in order for the Agency to take into account the components of the *Red Compartida* at the time of evaluating the above-mentioned compliance, the Developer must provide the following information:

- Number of radio-bases, radio-base controlling equipment, central or routing equipment and connections with the “core” of the network.
- Diagram of the network including all of its elements.
- Geographical location of each radio-base, radio-base controlling equipment, central or routing equipment and source and destination of the connections with the “core” of the network.
- Average daily, weekly and monthly traffic in each radio-base (in megabits per second).
- Peak hours pursuant to the reported traffic.

Based on the required information, the Agency shall implement a simple random sample based on the statistic model described below.

METHODOLOGY

Base Hypothesis

The evaluation methodology is based on the premise that not all users require the service at the same time and therefore measurements are individual and independent events. This means that the *Red Compartida* is designed as a loss system, that is, if any resource of the network is occupied, it shall not necessarily be available for a specific user.

Given the dynamic behavior of traffic during the day and that the integration of peak hours of all radio-bases depends of the geographical area where there is Coverage, measurements may be performed between 8 and 20 hours, from Monday to Friday, allowing the establishment of specific hours in accordance with the traffic information provided by the Developer.

Analysis statistic unit

For purposes of this Coverage measurement methodology, the analysis unit is defined as follows:

- Coverage.- It is the geographic area in which the *Red Compartida* offers Wholesale Telecommunication Services and on which edge an up-link speed of at least 1 (one) megabit per second and a down-link speed of at least four (4) megabit per second, in peak hours, may be measured.
- Time.- Field tests shall be performed within the test window from 8 to 20 hours of any day of the week between Monday and Friday or on specified hours pursuant to the traffic information provided by the Developer.
- Analysis Period.- The analysis period for the evaluation shall be of thirty (30) calendar days.
- Sample Unit.- An up-link speed of at least 1 (one) megabit per second and a down-link speed of at least four (4) megabit per second, in peak hours at the edge of the Coverage.

Sample Size Determination

To determine a size of the initial sample we will start from a simple random sample, and from the demands of precision and reliability required for the measurement of the Coverage, expressed in general terms by:

$$\Pr [| p - P | \leq d] \geq 1 - \alpha$$

Where:

P = value of the actual interest percentage or proportion,

p = percentage or proportion deemed by the survey,

d = maximum acceptable difference between the actual value, P, and its estimate, p, resulting from the survey

$1 - \alpha$ = reliability required in the precision, that is, the probability for the specification expressed with d to occur.

The above formula and the precision and reliability demands lead to the following expression for the initial estimate of the size of the sample:

$$\frac{n}{1 - n/N} \geq k^2 * P * (1 - P) / d^2$$

Where:

n : size of the sample

N : size of the universe (if $N > 100,000$ then $(1 - n/N) = 1$)

k : level of reliability

P : actual value of the interest percentage to be estimated (0.05 in this case)

d : desired precision in the estimation (0.01 in this case)

Where k is determined based on the required reliability (the value specified for $1 - \alpha$, which for this case shall be of 95%).

The size of the sample required for different values of P and d is shown in the below chart.

[SIZE OF SAMPLE REQUIRED FOR A SIMPLE RANDOM SAMPLING WITHOUT REPLACEMENT:
PRECISION / RELIABILITY 95% / $k = 1.96$]

TAMAÑO DE MUESTRA REQUERIDO PARA
UN MUESTREO ALEATORIO SIMPLE SIN REEMPLAZO

PRECISIÓN	CONFIANZA 95%			k =1.96	
d	P				
	0.02	0.03	0.04	0.05	0.06
0.0020	18,824	27,948	36,879	45,619	54,167
0.0030	8,366	12,421	16,391	20,275	24,074
0.0045	3,718	5,521	7,285	9,011	10,700
0.0050	3,012	4,472	5,901	7,299	8,667
0.0100	753	1,118	1,475	1,825	2,167
0.0150	335	497	656	811	963

For measuring the compliance with the Coverage by the Developer, a level of reliability of 95% with a 1% precision is required, therefore, pursuant to the chart set forth above, a simple size of at least 1,825 for the measurements is required, proportionally allocated in the Coverage reported by the Developer nationwide.

Fieldwork Logic

In order to evaluate the Coverage of the *Red Compartida* and reflect as best as possible the behavior and distribution of traffic, each area under study may divide itself into geographical areas. The amount of radio-bases in each area is transparent to the sample process, so that even when the zoning allows us to know the particular level of service, the data obtain reflect the level of compliance of the *Red Compartida* with the entire Coverage declared by the Developer.

Review Conditions

The procedure proposed in this Exhibit may be adjusted both in its statistic definition as well as in its field logic, if agreed upon by the parties, upon the express request to include other components in the tests, such as voice call measurements and other conditions that need to be measured in the future.

Notwithstanding the provisions in this Exhibit, the Developer must comply with all those obligations derived from the Wholesale Concession, those established by the IFT in telecommunication service matters and all those provided in the PPP Contract.

PRELIMINARY

ANNEX 17
TRUST AGREEMENT MODEL

IT WILL BE ADDED HERE AT THE TIME OF PUBLICATION
OF THE BIDDING RULES

PRELIMINARY

ANNEX 18
GUIDELINES FOR PROFIT CALCULATION

To define the Developer's profits that shall be shared with the Agency, international best accounting practices will be used.

In this case, profits means the taxable income under the Income Tax Act, except for those set out in sections IX , X and XI of article 18 of this Act, or those replacing them.

PRELIMINARY