

REPUBLIC OF PERU



Ministerio
de Transportes
y Comunicaciones



ProInversión

Agencia de Promoción de la Inversión Privada - Perú

Initial Contract Version

Single Concession Contract for the provision of Public Telecommunication Services and Assignment at the national level of the frequency range 2,300 - 2,330 MHz

May 2021

Important: This is an unofficial translation. In the case of divergence between the English and Spanish text, the version in Spanish shall prevail.

Table of contents

BACKGROUND:	6
CLAUSE 1: DEFINITIONS	8
CLAUSE 2: PURPOSE OF THE CONTRACT	15
2.1. Purpose	15
2.2. Essential Conditions attributed to the Concessionaire	15
CLAUSE 3: REPRESENTATIONS OF THE CONCESSIONAIRE AND THE GRANTOR	16
3.1. Representations of the Concessionaire	6
3.2. Representations of the Grantor	17
CLAUSE 4: OBLIGATIONS PRIOR TO THE ENTRY INTO FORCE OF THE CONCESSION	18
4.1. Obligations to be fulfilled by the Concessionaire as of the Closing Date	18
4.2. Obligations to be fulfilled by the Grantor as of the Closing Date	19
4.3. Entry into force of the Contract	20
CLAUSE 5: SCOPE OF THE CONCESSION	20
5.1. Granted Service	20
5.2. Concession Area	20
5.3. Non-Exclusivity of Granted Service	20
5.4. Exclusive use of the Band	21
CLAUSE 6: TERM OF CONCESSION	21
6.1. Term of Concession	21
6.2. Renewal of the Term of Concession	21
6.3. Procedure for the Renewal of the Term of Concession	22
6.4. Decision on Renewal	23
6.5. Principles governing the renewal procedure	25
6.6. Preeminence of Supreme Decree No. 008-2021-MTC	25
6.7. Suspension of the Term of Concession	25
CLAUSE 7: DUTIES, FEES AND OTHER PAYMENT OBLIGATIONS	27
7.1. Scope of Payment	27
CLAUSE 8: OBLIGATIONS AND RIGHTS OF THE CONCESSIONAIRE	27
8.1. General Obligations	27
8.2. Commencement of the Provision of SERVICE GRANTED	28
8.3. Mandatory Investment Commitments	30
8.4. Coverage Plan and Usage Goals of the BAND	30
8.5. Technical Project	30
8.6. Quality Requirements of the SERVICE GRANTED	31
8.7. Inspection Procedure and Control Requirements	31
8.8. Provision of the REGISTERED SERVICE(S)	31
8.9. Compliance with Terms of Use	32
8.10. Obligations in cases of Emergencies, Crises or States of Exceptions	32
8.11. Telecommunications Privacy and Personal Data Protection	33
8.12. Requirements for Subscriber Support	34
8.13. Cooperation with other Public Telecommunication Service Providers	35
8.14. Obligation not to cause interference and not to use second-use telecommunications equipment	35
8.15. Archiving and Reporting Requirements	35
8.16. Knowledge transfer and technical capacity	35

8.17. External Plant Safety.....	36
8.18. Payment Obligations	36
8.19. Mortgage on the Concession Right.....	36
8.20. Extrajudicial foreclosure	37
8.21. Applicable Tax Regime	39
8.22. Obligation to Disseminate and Publicize Business Plans	39
8.23. Obligation to provide access and interconnection to Rural Mobile Infrastructure Operators...	39
8.24. Technology.....	39
CLAUSE 9: GENERAL RATE REGIME.....	39
CLAUSE 10: INTERCONNECTION	40
CLAUSE 11: COMPETITION RULES	40
11.1. General Provisions.....	40
11.2. General Prohibition on Cross-Subsidization.....	40
11.3. Applicable regulations on Separate Accounting.....	40
11.4. No Discriminatory Treatment	40
11.5. Supervision and Compliance	41
CLAUSE 12: GUARANTEES	41
12.1. Delivery of the Performance Bond of the Concession Contract	41
CLAUSE 13: INTERNATIONAL OBLIGATIONS.....	43
13.1. International Rating of the Concessionaire	43
CLAUSE 14: AUTHORIZATIONS, PERMITS AND LICENSES	43
14.1. Approval of Equipment and Terminal Devices	43
14.2. Granting of Permits	43
14.3. Other Permits and Licenses.....	43
14.4. Technical Inspections.....	43
CLAUSE 15: FORCED EASEMENTS AND EXPROPRIATIONS.....	44
CLAUSE 16: USE OF RADIO SPECTRUM	44
CLAUSE 17: LIMITATIONS REGARDING ASSIGNMENT OF CONCESSION, CONTRACTUAL POSITION; TRANSFER OF CONTROL.....	44
17.1. Transfer limitations and others	44
17.2. Transfer of Control	45
17.3. Subcontracting and Resale	46
CLAUSE 18: EXPIRATION OF THE CONCESSION	46
18.1. Expiration of the Concession	46
18.2. Termination of the Contract.....	46
18.3. General Procedure for Termination of Contract	48
18.4. Grounds exempted from the General Procedure for Termination	49
18.5. Consequences of the expiration of the Concession	49
18.6. Cancellation of Registration	50
CLAUSE 19: ADMINISTRATIVE PENALTIES AND SANCTIONS.....	50
19.1. Independence of Penalties from any Administrative Sanctions.....	50
19.2. Non-compliance subject to administrative sanction	50
19.3. Non-compliance subject to penalties.....	51
19.4. Procedure for the Application of Penalties	53

19.5. Damages.....	53
19.6. Destination of Payments for Penalties	54
19.7. Guarantee of payment of Administrative Penalties and Sanctions.....	54
CLAUSE 20: SETTLEMENT OF DISPUTE.....	54
20.1. Applicable Laws and Provisions.....	54
20.2. Disputes between the parties.....	54
20.3. Disputes with Other Service Providers.....	56
20.4. Dispute Resolution Board	56
CLAUSE 21: RULES OF INTERPRETATION	57
CLAUSE 22: FINAL PROVISIONS	58
22.1. Currency of the Contract	58
22.2. Notices	58
22.3. Waiver.....	59
22.4. Partial Disability.....	59
22.5. Amendments to the Contract	59
22.6. Automatic Adequacy of Contract.....	60
22.7. Public Deed	60
CLAUSE 23: ANTI-CORRUPTION CLAUSE.....	60
23.1. Anti-corruption clause	60
ANNEXES	
ANNEX No. 1 TO THE CONTRACT:	
LETTER OF GUARANTEE OF PERFORMANCE BOND FOR THE BAND CONTRACT	
APPENDIX No. 1 TO ANNEX No. 1 OF THE CONTRACT:	
SAMPLE LETTER OF GUARANTEE OF PERFORMANCE BOND FOR THE BAND CONTRACT	
ANNEX No. 2 TO THE CONTRACT	
LIST OF THE CONCESSIONAIRE'S MAIN PARTNERS	
ANNEX No. 3 TO THE CONTRACT	
LIST OF PARENT COMPANIES OF THE CONCESSIONAIRE'S MAIN PARTNERS	
ANNEX No. 4 OF THE CONTRACT	
COVERAGE PLAN FOR THE BAND	
ANNEX No. 5 TO THE CONTRACT	
TECHNICAL PROPOSAL OF THE BAND	
ANNEX No. 6 TO THE CONTRACT	
TECHNICAL PROJECT	
APPENDIX No. 1 TO ANNEX No. 6 TO THE CONTRACT	
INFORMATION REQUIRED FOR THE TECHNICAL PROJECT	
ANNEX No. 7 TO THE CONTRACT	
TECHNICAL SPECIFICATIONS OF THE MANDATORY INVESTMENT COMMITMENT FOR THE 2.3 GHZ BAND	
Implementation of a 4G MOBILE NETWORK	

APPENDIX No. 1 TO ANNEX No. 7 TO THE CONCESSION CONTRACT

LIST OF BENEFICIARY COMMUNITIES FROM THE MANDATORY INVESTMENT COMMITMENT
FOR THE 2.3 GHZ BAND
Implementation of a 4G MOBILE NETWORK

APPENDIX No. 2 TO ANNEX No. 7 TO THE CONCESSION CONTRACT

LIST OF REPLACEMENT COMMUNITIES OF THE MANDATORY INVESTMENT COMMITMENT
FOR THE 2.3 GHZ BAND
Implementation of a 4G MOBILE NETWORK

APPENDIX No. 3 TO ANNEX No. 7 TO THE CONCESSION CONTRACT

Referential flow chart of the TECHNICAL SPECIFICATIONS for the First year and applicable also for
the Second year

Single Concession Contract for the provision of Public Telecommunication Services and Assignment at the national level of the frequency range 2,300 - 2,330 MHz

It is hereby stated, the Single Concession Contract for the provision of Public Telecommunications Services, hereinafter referred to as "the Contract", entered into by the State of the Republic of Peru, through the Ministry of Transport and Communications, domiciled at Jirón Zorritos No. 1203, Lima 1, hereinafter referred to as "the Grantor", represented by [*], and, on the other hand, [*] hereinafter referred to as "the Concessionaire".

BACKGROUND:

- a) The Ministry of Transportation and Communications, pursuant to the power conferred by paragraph 3 of Article 75 of the Telecommunications Law, grants concessions for the provision of Public Telecommunications Services. Likewise, the MTC, in accordance with the provisions of the Telecommunications Law and its General Regulations, dictates the general policy of the sector, the fundamental technical plans, assigns and monitors the radio spectrum, among other functions. The General Directorate of Communications Programs and Projects (DGPPC, for its acronym in Spanish), is a line body of the communications subsector of the MTC, which has the functions set forth in Supreme Decree No. 021-2018-MTC and its amendments.
- b) Article 57 of the Unique Ordered Text of the Telecommunications Law, approved by Supreme Decree No. 013-93-TCC, establishes that the radio spectrum is a natural resource of limited dimensions that is part of the national heritage, whose use and granting of use to individuals must be carried out under the conditions set forth in the aforementioned Law; and its General Regulations, the Unique Ordered Text of the General Regulations of the Telecommunications Law, approved by Supreme Decree No. 020-2007-MTC, provides in Article 199 that the Ministry of Transport and Communications is responsible for the administration, allocation, assignment, control and, in general, all matters concerning the radio spectrum.
- c) Article 123 of the aforementioned General Regulations establishes that the granting of the concession and the corresponding spectrum assignments shall be made by public bidding process, when so indicated in the National Frequency Allocation Plan – PNAF, for its acronym in Spanish. Also, under Article 159, a resolution of the head of the MTC may, in specific cases, entrust another entity to conduct the public bidding process and award the successful bid.
- d) Ministerial Resolution No. 187-2005-MTC/03 approved the National Frequency Allocation Plan - PNAF, a technical regulatory document containing the frequency allocation tables and the classification of radio spectrum uses.
- e) Legislative Decree No. 1362, published on July 23, 2018, approved the Legislative Decree that regulates the Private Investment Promotion through Public-Private Partnerships and Projects in Assets.
- f) Supreme Decree No. 240-2018-EF, published on October 30, 2018, approved the Regulations of Legislative Decree No. 1362 - Legislative Decree that

regulates the Private Investment Promotion through Public-Private Partnerships and Projects in Assets.

- g) By Ministerial Resolution No. 157-2019-MTC/01.03 dated March 07, 2019, the Table of Frequency Allocations of the National Frequency Allocation Plan (PNAF) was modified and, also, the Public Bidding for the provision of public telecommunications services in certain bands was arranged, in accordance with the following detail:

“Article 3.- Public Bidding

To hold a Public Bidding process to grant the single concession for the provision of public telecommunication services and assignment at the national level of the frequency range 1750 - 1780 MHz and 2150 - 2180 MHz, and the frequency range 2300 - 2330 MHz, according to the channeling determined by the Ministry of Transportation and Communications, and in accordance with the conditions established in the Bidding Terms of said bidding process.

The Private Investment Promotion Agency - PROINVERSIÓN is entrusted with the conduction of the Public Bidding described in the preceding paragraph and the awarding of the successful bid.

The Vice Ministry of Communications, through the competent line agencies, carries out the technical, economic and legal coordination with PROINVERSIÓN, regarding the Public Bidding in reference.”

- h) By Viceministerial Resolution N°183-2019-MTC/03 dated March 07, 2019, was amended the channeling of 2,300 - 2400 MHz Band.
- i) By Ministerial Resolution No. 637-2019-MTC/01 dated August 19, 2019, the modification of the Multiannual Investment Report in Public-Private Partnerships of the Ministry of Transportation and Communications 2017 was approved, incorporating the Projects in Assets: 1,750 - 1,780 MHz and 2,150 - 2,180 MHz Bands and 2,300 - 2,330 MHz Band.
- j) By CD PROINVERSIÓN Agreement No. 96-2020-CD dated February 05, 2020, the incorporation of the Projects for 1,750 - 1,780 MHz and 2,150 - 2,180 MHz Bands and 2,300 - 2,330 MHz Band to the Private Investment Promotion Process was approved, establishing that the modality of private investment promotion will be a single concession contract, in accordance with the provisions of subparagraph 2 of paragraph 49.2 of article 49 of Legislative Decree No. 1362, according to what is indicated in the Evaluation Reports prepared by the Ministry of Transport and Communications in accordance with the provisions of article 144 of the Regulations of Legislative Decree No. 1362.
- k) Through Resolution of, the Agreement, adopted by the Special Committee for Investment in Transportation and Communications Projects in its session of was ratified, through which the Bidding Terms were approved and the corresponding call for bids was published. Said call for bid was published on of in PROINVERSIÓN 's institutional portal and in the Official Gazette "El Peruano".
- l) By dated the final version of the Contract was approved.
- m) On the Special Committee for Investment in Transportation and Communications Projects awarded the Successful Bid to

By virtue of the foregoing background, the Parties agree to enter into this Agreement in accordance with the following terms and conditions:

CLAUSE 1: DEFINITIONS

Any reference in this CONTRACT to the terms "Clause", "Annex" or "Appendix" shall be understood to mean clauses, annexes and appendices of this CONTRACT, respectively, unless expressly indicated to the contrary.

The terms that appear in capital letters and that are not expressly defined otherwise in the CONCESSION CONTRACT, correspond to definitions contained in the APPLICABLE LAWS AND PROVISIONS, or to terms defined in the BIDDING TERMS, or to terms that are commonly used in capital letters. Expressions in the singular include, where appropriate, the plural and vice versa.

All time references should be understood to be made to Peruvian time.

Any mention of a specific GOVERNMENTAL AUTHORITY shall be understood to refer to it, to whoever succeeds it or to whoever it designates to perform the acts referred to in this CONTRACT or in the APPLICABLE LAWS AND PROVISIONS.

In this CONTRACT, the following terms shall have the following meanings:

- 1.1. **SUBSCRIBER:** Any individual or legal ENTITY who has entered into a contract for the provision of PUBLIC TELECOMMUNICATIONS SERVICES with the CONCESSIONAIRE, regardless of the payment method contracted.
- 1.2. **CERTIFICATE OF ACCEPTANCE:** This is a document that certifies compliance with the MANDATORY INVESTMENT COMMITMENTS in accordance with the TECHNICAL SPECIFICATIONS, which shall be signed by each BENEFICIARY COMMUNITY in accordance with paragraph 16 of the TECHNICAL SPECIFICATIONS.
- 1.3. **SUCCESSFUL BIDDER:** It is one of the Qualified Bidders that, according to the statement made by the PROINVERSIÓN COMMITTEE, has submitted the best TECHNICAL PROPOSAL in the BID, under the terms and conditions established in the BIDDING TERMS and therefore has been the winner of the BID.
- 1.4. **CONCESSION AREA:** This is the territory of Peru where the provision of the PUBLIC TELECOMMUNICATIONS SERVICE granted in CONCESSION is allowed, in accordance with the provisions of the CONTRACT.
- 1.5. **ASSIGNMENT:** This is the administrative action by which the State, through the MTC, grants a PERSON the right to use and commercially exploit a certain portion of the radio spectrum, within a certain geographic area, for the provision of PUBLIC TELECOMMUNICATIONS SERVICES, in accordance with the provisions of the National Frequency Allocation Plan.
- 1.6. **GOVERNMENTAL AUTHORITY:** It is the national, regional, departmental, provincial or municipal official, body or institution that, pursuant to law, exercises executive, legislative or judicial powers, or that belongs to any of the aforementioned governments, authorities or institutions, with jurisdiction over the PERSONS or matters in question.

- 1.7. **BAND:** This refers to the 30 MHz of the frequency range 2,300-2330 MHz
- 1.8. **LOCAL NATIONAL BANKS or LOCAL NATIONAL INSURANCE COMPANIES:** These are the entities authorized to issue letters of guarantee for the purposes of this BID and which are listed in Appendix No. 1 of Annex No. 2 of the BIDDING TERMS.
- 1.9. **FIRST-CLASS INTERNATIONAL BANKS:** The entities authorized to issue letters of guarantee for the purposes of this invitation to BID and which are listed in Appendix No. 2 of Annex No. 2 of the BIDDING TERMS are as follows.
- 1.10. **BIDDING TERMS:** This is the document, including its Forms, Annexes, Appendices and Official Letters, subject to the terms of the BID and constituting an integral part of this CONTRACT.
- 1.11. **PROINVERSIÓN COMMITTEE:** It is the PROINVERSIÓN Special Committee for Investments in Transportation and Communications Projects, whose members were appointed by PROINVERSIÓN Agreement No. 65-1-2018-CD, recomposed by PROINVERSIÓN Agreements No. 70-1-2018-CD, No. 71-1-2018-CD, No. 88-2-2019-CD and No. 92-4-2019-CD, which performs an independent review of the projects in assets and, specifically, of the BID.
- 1.12. **MANDATORY INVESTMENT COMMITMENTS:** These are the mandatory commitments for the purpose of providing PUBLIC TELECOMMUNICATIONS SERVICES that the CONCESSIONAIRE must implement in accordance with the TECHNICAL SPECIFICATIONS of this CONTRACT.
- 1.13. **GRANTOR:** It is the Peruvian State, acting through the MTC.
- 1.14. **CONCESSION:** It is the right granted by the State to the CONCESSIONAIRE to provide PUBLIC TELECOMMUNICATIONS SERVICES, under the terms set forth in Article 47 of the Unique Ordered Text of the TELECOMMUNICATIONS LAW and Article 159 of its GENERAL REGULATIONS.
- 1.15. **CONCESSIONAIRE or CONCESSION COMPANY:** It is the legal entity or legal entities constituted by the SUCCESSFUL BIDDER or the SUCCESSFUL BIDDER itself that enters into the CONCESSION CONTRACT with the GRANTOR.
- 1.16. **TERMS OF USE:** This is the Unique Ordered Text of the Terms of Use of Public Telecommunications Services, approved by Resolution of the Board of Directors No. 138-2012-CD/OSIPTEL or regulation that replaces it.
- 1.17. **CONCESSION CONTRACT OR CONTRACT:** This is the present contract, including its annexes.
- 1.18. **CONTROL OF TECHNICAL OPERATIONS:** It is the control of the technical and operative aspects, in charge of the OPERATOR in the CONCESSIONAIRE.
- 1.19. **EFFECTIVE CONTROL:** A PERSON has effective control of another PERSON or is subject to common control with such other PERSON when:
- a) It has more than 50 percent (50%) of the voting power at the General Shareholders' or Partners' Meeting or other equivalent body, through

direct ownership of the securities representing the Capital Stock or, indirectly, by means of usufruct, pledge, trust, syndication and similar agreements or any other legal act; or,

- b) Directly or indirectly has the power to appoint or remove the majority of the members of the Board of Directors or equivalent body, which allows it to control or exercise the majority of the votes in the sessions of the Board of Directors or equivalent bodies, or to govern the operating or financial policies under a regulation or contract, whatever its modality; or,
- c) By any other contractual or non-contractual mechanism or circumstance, effectively controls the decision-making power in the other company.

In addition to the above, and whenever applicable for the purpose of determining the EFFECTIVE CONTROL, the provisions of the special rules on linkage and economic group approved by SBS Resolution No. 5780-2015-SBS and SMV Resolution No. 019-2015-SMV-01 (Approving Regulations on Indirect Ownership, Linkage and Economic Groups) and its amendments or rules that replace them, shall be taken into account.

- 1.20. **DAYS:** These are working days, i.e. days that are not Saturdays, Sundays or holidays in the city of Lima or in the regions, including those days that are not working days for the public administration at the national level.

All time references shall be understood to be made to Peruvian time in the twenty-four (24) hour system.

- 1.21. **CALENDAR DAYS:** Every day, including Saturdays, Sundays and holidays.

- 1.22. **DGPPC:** General Directorate of Communications Programs and Projects of the MTC.

- 1.23. **DOLLAR or U.S. DOLLAR or US\$:** The currency or monetary sign that is legal tender in the United States of America.

- 1.24. **AFFILIATED COMPANY:** A company shall be considered an affiliate of another company if EFFECTIVE CONTROL of such companies is exercised by the same PARENT COMPANY.

- 1.25. **PARENT COMPANY:** It is a company that has the EFFECTIVE CONTROL of another company. This definition also includes a company that has EFFECTIVE CONTROL of a PARENT COMPANY, as the latter has been defined, and so on.

- 1.26. **SUBSIDIARY COMPANY:** It is a company whose EFFECTIVE CONTROL is exercised by a PARENT COMPANY. It is also considered in this definition a company in which the EFFECTIVE CONTROL is exercised by a SUBSIDIARY COMPANY, as the latter has been defined, and so forth.

- 1.27. **RELATED COMPANIES:** This is any AFFILIATE COMPANY, PARENT COMPANY or SUBSIDIARY COMPANY, among which the existence of a relationship is presumed, in any of the following cases:

- a) When they are part of the same economic group.
- b) When the same guarantee backs the obligations of both, or when more than 50% of the obligations of one of them are guaranteed by the other, and the other is not a company of the financial system.

- c) When more than 50% of the obligations of one legal entity are receivables of the other, and the other is not a company of the financial system.
- d) When a legal person has, directly or indirectly, a participation in the capital stock of another legal person that allows it to have a presence on its Board of Directors.
- e) When one third or more of the members of the Board of Directors or managers of one of them are directors, managers or workers of the other.

The SMV Resolution No. 019-2015-SMV-01 (Approving the Regulation of Indirect Ownership, Linkage and Economic Groups) is applicable.

1.28. **FINANCIAL INSTITUTIONS:** They are:

- a) Banking and insurance companies defined in accordance with Law No. 26702, General Law of the Financial and Insurance System and Organic Law of the Superintendency of Banking and Insurance.
- b) FIRST-CLASS INTERNATIONAL BANKS referred to in Annex No. 2 of the Bidding Terms.
- c) The international financial institutions, listed in Annex No. 2 of the Bidding Terms.

1.29. **TECHNICAL SPECIFICATIONS:** It is the document that establishes the minimum conditions to comply with the MANDATORY INVESTMENT COMMITMENT subject to the award of the BAND. The TECHNICAL SPECIFICATIONS are defined in Annex No. 7 of this CONTRACT.

1.30. **CLOSING DATE:** This is the day, place and time when compliance with the Closure Events mentioned in paragraph 24.3 of the Bidding Terms and in paragraphs 4.1 and 4.2 of Clause Four of this CONTRACT is verified. Thus, it is the date of the execution of the CONCESSION CONTRACT.

1.31. **DATE OF COMMENCEMENT OF OPERATIONS:** This is the date on which the CONCESSIONAIRE will begin to provide the REGISTERED SERVICE, which must occur within a maximum period of twelve (12) months after the CLOSING DATE, in accordance with the provisions of the CONCESSION CONTRACT, and must communicate in writing the DATE OF COMMENCEMENT OF OPERATIONS to the MTC and OSIPTEL. The communication must be made within a maximum term of fifteen (15) DAYS of the occurrence of such event.

1.32. **PERFORMANCE BOND OF THE CONCESSION CONTRACT:** It is the joint and several, irrevocable, unconditional, without benefit of excussion or division and of automatic performance bond of the CONCESSIONAIRE in favor of the MTC, to guarantee: (i) the fulfillment of each and every one of the obligations that correspond to the CONCESSIONAIRE according to the CONCESSION CONTRACT and (ii) the correct and timely fulfillment of the obligations in charge of the CONCESSIONAIRE established by virtue of the provisions contained in Legislative Decree No. 1362 and its Regulations. This bond is included as Annex No. 1 of the CONTRACT.

1.33. **EVALUATION REPORT:** This is the report to be prepared by OSIPTEL in accordance with the Evaluation Methodology in the Concession renewal procedure, in accordance with the provisions of Clause 6 of this CONTRACT and in accordance with Supreme Decree No. 008-2021-MTC and the rules that modify, replace or substitute it.

- 1.34. **TELECOMMUNICATIONS LAW:** This is the Unified Ordered Text of the Telecommunications Law, approved by Supreme Decree No. 013-93-TCC of April 28th, 1993, including its respective amendments or any regulation that replaces or substitutes it.
- 1.35. **APPLICABLE LAWS AND REGULATIONS:** It is the set of legal provisions that regulate or directly or indirectly affect the CONCESSION CONTRACT. They include the Political Constitution of Peru, the rules with legal rank, the supreme decrees, the regulations, directives and resolutions as well as any other rules that according to the legal system of the Republic of Peru is applicable, which shall be of mandatory observance for the PARTIES. They include the rules indicated in paragraphs 1 and 5 of the BIDDING TERMS, as well as any others that may be applicable for the provision of the PUBLIC TELECOMMUNICATIONS SERVICE that is the object of the CONCESSION.
- Likewise, they also include any modification that the referred rules or provisions may have, as well as the rules that may be issued in the Communications Sector.
- 1.36. **SPECIAL PUBLIC BIDDING or BID:** It is the Special Public Bidding conducted by PROINVERSIÓN, regulated by the BIDDING TERMS and through which the Successful Bid was granted to the CONCESSIONAIRE.
- 1.37. **BENEFICIARY COMMUNITIES:** The geographical areas of population being considered to receive MOBILE SERVICES (defined as such in the TECHNICAL SPECIFICATIONS) using 4G LTE-A or higher technology as part of the obligations of the CONCESSION CONTRACT.
- 1.38. **LTE-A (Long Term Evolution – Advance):** Standard for high-speed mobile wireless communications as of Release 10 - 3GPP.
- 1.39. **USAGE GOALS:** Radio spectrum usage goals shall be understood as the minimum values of efficient and effective use of the assigned radio spectrum, in such a way that the actual use of the resource is verified. Notwithstanding the provisions set forth in this CONTRACT, the provisions of Ministerial Resolution No. 234-2019-MTC/01.03, as well as the rule that modifies or replaces it, shall apply.
- 1.40. **EVALUATION METHODOLOGY:** Method to evaluate compliance with the obligations of the CONCESSIONAIRE for the renewal of the CONCESSION, as approved by Supreme Decree No. 008-2021-MTC or rule that modifies, replaces or substitutes it.
- 1.41. **MTC:** It is the Ministry of Transportation and Communications.
- 1.42. **OPERATOR:** It is the Bidder or, in case of Consortium, one of its members, which has complied with the prequalification requirements according to the BIDDING TERMS, and will be in charge of providing the PUBLIC TELECOMMUNICATIONS SERVICES through the BAND.
- 1.43. **OSIPTEL:** It is the Supervisory Agency for Private Investment in Telecommunications.
- 1.44. **PARTY:** It is, as the case may be, the GRANTOR or the CONCESSIONAIRE.

- 1.45. **PARTIES:** They are, jointly, the GRANTOR and the CONCESSIONAIRE.
- 1.46. **MINIMUM PARTICIPATION:** It is the fifty-one percent (51%) of the Capital Stock with voting rights in the CONCESSIONAIRE that the OPERATOR must have, and such percentage must be maintained from the date of incorporation of the CONCESSIONAIRE and during the term of CONCESSION.
- 1.47. **PERSON:** Any natural or juridical person, national or foreign, that can perform legal acts and assume obligations in Peru.
- 1.48. **PERÚ:** The Republic of Peru, including any division or political subdivision thereof.
- 1.49. **COVERAGE PLAN:** This is the proposal for coverage of the PUBLIC TELECOMMUNICATIONS SERVICES linked to the spectrum awarded and the respective investments for the exploitation of the Radioelectric Spectrum (which does not include the MANDATORY INVESTMENT COMMITMENTS), which the CONCESSIONAIRE undertakes to submit to the MTC three (03) months after the CLOSING DATE, as part of the TECHNICAL PROJECT. The COVERAGE PLAN is contained in Annex No. 4 of this CONTRACT. For all purposes, the COVERAGE PLAN shall be considered as indicated in the Glossary of the GENERAL REGULATIONS.
- 1.50. **TERM OF CONCESSION:** It is the term indicated in Clause 6.1 of this CONTRACT.
- 1.51. **TECHNICAL PROPOSAL:** It is the unconditional, irrevocable and unilateral declaration of intent made by the CONCESSIONAIRE in Envelope No. 2 and Envelope No. 3 of the BID. Based on this proposal, the successful bid was awarded in the BID.
- 1.52. **TECHNICAL PROJECT:** This is the document to be submitted by the CONCESSIONAIRE to the MTC, within three (03) months following the CLOSING DATE. It contains the COVERAGE PLAN, the USAGE GOALS, and the development of the MANDATORY INVESTMENT COMMITMENTS assumed in the TECHNICAL PROPOSAL, as well as the technical details for the operation of the BAND.
- 1.53. **REGISTER:** The Registry of Public Telecommunication Services, referred to in Article 155 and subsequent articles of the GENERAL REGULATIONS.
- 1.54. **GENERAL REGULATIONS:** This is the Unified Ordered Text of the General Regulations of the Telecommunications Law, approved by Supreme Decree No. 020-2007-MTC, including its respective amendments, as well as any regulation that replaces or substitutes it.
- 1.55. **COVERAGE REGULATIONS:** The Regulations for the Supervision of Coverage of Mobile and Fixed Public Telecommunications Services with Wireless Access, approved on September 26th, 2013, by Resolution No. 135-2013-CD/OSIPTEL, including its respective amendments, as well as the regulation that replaces or substitutes it.
- 1.56. **QUALITY OF SERVICES REGULATION:** The General Regulation on the Quality of Public Telecommunications Services approved by Resolution No.

123-2014-CD/OSIPTEL, including its respective amendments, as well as the regulation that replaces or substitutes it.

- 1.57. **OSIPTEL REGULATIONS:** General Regulations of the Supervisory Agency for Private Investment in Telecommunications - OSIPTEL, approved by Supreme Decree N° 008-2001-PCM and its amendments.
- 1.58. **SERVICE GRANTED:** The PUBLIC TELECOMMUNICATIONS SERVICE to be provided by the CONCESSIONAIRE through the BAND and described in Clause 5.1 of this CONTRACT.
- 1.59. **PUBLIC TELECOMMUNICATIONS SERVICE(S):** Public Telecommunications Services, available to the general public, which may be provided by the CONCESSIONAIRE within the framework of the TELECOMMUNICATIONS LAW and other APPLICABLE LAWS AND PROVISIONS.
- 1.60. **REGISTERED SERVICE(S):** It is the GRANTED SERVICE entered in the respective REGISTRY or others that the CONCESSIONAIRE may enter in the REGISTRY in the future.
- 1.61. **MAIN PARTNER(S):** Any PERSON who directly or indirectly owns or holds, under any title or modality, ten percent (10%) or more of the capital stock of the CONCESSIONAIRE, the OPERATOR or the members of the Consortium, as the case may be.
- 1.62. **RATE:** The price paid by the USER or SUBSCRIBER for using a PUBLIC TELECOMMUNICATIONS SERVICE.
- 1.63. **USER(S):** PERSON who, on a temporary or permanent basis, has access to or is a SUBSCRIBER of any PUBLIC TELECOMMUNICATIONS SERVICE.
- 1.64. **MINIMUM SPEED:** It is the minimum data transfer rate that the USERS' terminal equipment will transmit or receive in the areas with coverage. It is measured in bits per second (bps).

CLAUSE 2: PURPOSE OF THE CONTRACT

2.1. Purpose

The purpose of this CONTRACT is to grant to the CONCESSIONAIRE the CONCESSION to provide the GRANTED SERVICE, within the CONCESSION AREA, subject to the terms and conditions detailed below and in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS and, consequently, to assign the radio spectrum corresponding to the frequency range 2,300-2330 MHz to the CONCESSIONAIRE.

The CONCESSIONAIRE shall have the exclusive use of the frequency range 2,300 – 2,330 MHz at the national level, during the TERM OF CONCESSION, subject to compliance with the terms of this CONTRACT and the APPLICABLE LAWS AND PROVISIONS.

The CONCESSION is granted under the modality of Projects in Assets, which is developed under the applicable legal framework of Article 49 of Legislative Decree No. 1362, or rule that modifies or substitutes it.

2.2. Essential Conditions attributed to the Concessionaire

For all purposes of this Contract, the following are considered as essential conditions attributed to the CONCESSIONAIRE:

- a) Respect for competition rules and interconnection regulations, insofar as they affect or may affect the rights of other companies providing PUBLIC TELECOMMUNICATIONS SERVICES or of SUBSCRIBERS and USERS.
- b) Submission to the fundamental principles of equity, equal access, network neutrality and non-discrimination established in the APPLICABLE LAWS AND PROVISIONS, especially in the TELECOMMUNICATIONS LAW and its GENERAL REGULATIONS.
- c) Compliance with the regulations governing the quality and coverage of PUBLIC TELECOMMUNICATIONS SERVICES in urban and rural communities issued by OSIPTEL, within the framework of its competence, including the COVERAGE REGULATIONS and QUALITY OF SERVICE REGULATIONS.
- d) Compliance with each of the commitments assumed by the CONCESSIONAIRE in its TECHNICAL PROPOSAL and TECHNICAL PROJECT.
- e) The observance of the obligation to provide access and interconnection to its network deployed to provide the GRANTED SERVICE in favor of the Rural Mobile Infrastructure Operators that request it, according to the applicable regulations (Law 30083 - Law that establishes measures to strengthen competition in the mobile public services market, and its regulations approved by Supreme Decree No. 004-2015-MTC).
- f) The observance of the obligation to provide access and interconnection to its BAND in favor of the Mobile Virtual Network Operators (MVNO) that request it, according to the applicable regulations (Law 30083 - Law that establishes measures to strengthen competition in the mobile public services market, and its regulation approved by Supreme Decree No. 004-2015-MTC).
- g) The observance of the obligation set forth in paragraph 8.24 regarding the technology to be implemented during the TERM OF CONCESSION.
- h) Compliance with the principle of continuity in the provision of the REGISTERED SERVICES in accordance with the regulations in force and the TERMS OF USE.
- i) Compliance with the regulations on ceilings for the ASSIGNMENT of the radioelectric spectrum.
- j) Commitment not to interfere with the radioelectric interference of operators that provide PUBLIC TELECOMMUNICATIONS SERVICES in radioelectric spectrum frequencies adjacent to the BAND.
- k) Those which, due to their relevance and transcendence, are considered as such in the TELECOMMUNICATIONS LAW or its GENERAL REGULATIONS.

CLAUSE 3: REPRESENTATIONS OF THE CONCESSIONAIRE AND THE GRANTOR

3.1. Representations of the Concessionaire

The CONCESSIONAIRE guarantees to the GRANTOR, on the CLOSING DATE, the truthfulness of the statements contained in this Clause:

- a) That the Articles of Incorporation, including the bylaws of the CONCESSIONAIRE, are in accordance with the requirements of the BIDDING TERMS.
- b) That the CONCESSIONAIRE is duly authorized and capable of assuming the obligations corresponding to it as a consequence of the execution of this CONTRACT, in all the circumstances in which such authorization is necessary, due to the nature of its activities or the ownership, lease or operation of its assets, except in those cases in which the lack of such authorization does not have a material adverse effect on the business or operations established in this instrument, having complied with all the necessary requirements to execute this CONTRACT and with the commitments contemplated herein.
- c) That it is not necessary the performance of other acts or procedures by the CONCESSIONAIRE to authorize the subscription and performance of its obligations under this CONTRACT.
- d) That neither the CONCESSIONAIRE, nor the OPERATOR, nor any of its MAIN PARTNERS have any legal impediment to contract with the Peruvian State. Likewise, neither the CONCESSIONAIRE, nor the OPERATOR, nor any of its MAIN PARTNERS have impediments or are subject to restrictions (by contractual, judicial, legislative or other means) to assume and comply with the obligations arising from the BIDDING TERMS or this CONTRACT.
- e) That it expressly, unconditionally and irrevocably waives any diplomatic claim for controversies or conflicts that may arise from this CONTRACT; waiver that also applies to the OPERATOR in case it is different from the CONCESSIONAIRE.
- f) The CONCESSIONAIRE shall be domiciled in the city of Lima or in the Constitutional Province of Callao. Both it and the OPERATOR and, if applicable, its RELATED COMPANIES are duly incorporated and validly existing companies under the laws of the country or place of their incorporation and are duly authorized and able to assume obligations for the exercise of commercial activities, in all jurisdictions where such authorization is necessary, both for the nature of their activities and for the ownership, lease or operation of their assets, except in those jurisdictions where the lack of such authorization will not have a material adverse effect on their business or operations.
- g) That in the event of having an OPERATOR with a legal personality different from the CONCESSIONAIRE, the OPERATOR shall have CONTROL OF TECHNICAL OPERATIONS of the CONCESSIONAIRE.
- h) That Annex No. 2 and Annex No. 3 of this CONTRACT include a list of all THECONCESSIONAIRE'S MAIN PARTNERS and the OPERATOR, as well as information about the shareholding of each MAIN PARTNER, respectively; and that this list, in case of any change, shall be updated and made known to the GRANTOR through the submission of Annex No. 2 and Annex No. 3 within twenty (20) days after the change is made.

- i) That there is no falsehood or inaccuracy, regarding the information to be known or should be known, in relation to any of the documents submitted, both by the successful bidder, the CONCESSIONAIRE or OPERATOR, and any of its RELATED COMPANIES, in relation to the SPECIAL PUBLIC BIDDING.

3.2. Representations of the Grantor

The GRANTOR guarantees to the CONCESSIONAIRE, as of the CLOSING DATE, the truthfulness and accuracy of the following representations:

- a) That the MTC is duly authorized, according to the APPLICABLE LAWS AND PROVISIONS, to act on behalf of the GRANTOR in this CONTRACT. Likewise, that the signature, delivery and performance by the GRANTOR of the commitments contemplated herein are within its powers, are in accordance with the APPLICABLE LAWS AND PROVISIONS and have been duly authorized by the GOVERNMENTAL AUTHORITY. That no other action or proceeding by the GRANTOR or any other governmental entity is necessary to authorize the execution of this CONTRACT or for the performance of the obligations of the GRANTOR contemplated herein. Likewise, that the GRANTOR or its representatives signing this CONTRACT are duly authorized for this purpose.
- b) That all the administrative actions, requirements, demands and obligations necessary to enter into this CONTRACT and to give due compliance to its stipulations have been complied with. That among them is to grant the CONCESSION to the CONCESSIONAIRE, provided that it complies with the requirements established in the APPLICABLE LAWS AND PROVISIONS for said effect, which are included in the BIDDING TERMS.
- c) That there are no laws in force that prevent the GRANTOR from complying with its obligations under this CONTRACT. Likewise, that there are no actions, lawsuits, litigations or procedures, in course or imminent, before a jurisdictional body, arbitration court or GOVERNMENTAL AUTHORITY, that prohibit, oppose or, in any way, prevent the GRANTOR from signing or complying with the terms of the CONTRACT.
- d) That, the GRANTOR guarantees to the CONCESSIONAIRE that: (i) no third party has any right over the assigned BAND, and that (ii) in case interferences are verified after the beginning of the provision of the REGISTERED SERVICE, it will participate in the solution of the same within the framework of its competences.

CLAUSE 4: OBLIGATIONS PRIOR TO THE ENTRY INTO FORCE OF THE CONCESSION

4.1. Obligations to be fulfilled by the Concessionaire as of the Closing Date

The CONCESSIONAIRE, as of the CLOSING DATE, is subject to compliance with the following obligations:

- a) The proportional payment of the annual fee for the use of the radio spectrum for the SERVICE GRANTED in accordance with the GENERAL REGULATIONS.
- b) Payment of the Expenses for the process of the SPECIAL PUBLIC BIDDING to PROINVERSIÓN, in accordance with the terms set forth in paragraph 24.3 of the BIDDING TERMS.

- c) The delivery of the certified copy of the public deed of its incorporation and by-laws, with the certificate of its registration, in order to evidence that: (i) it is a company validly incorporated according to the laws of the Republic of Peru, (ii) it has adopted one of the corporate forms regulated by the General Corporation Law, and that its corporate purpose allows the rendering of PUBLIC TELECOMMUNICATIONS SERVICES; and (iii) in case the OPERATOR is different from the CONCESSIONAIRE, the MINIMUM PARTICIPATION of the OPERATOR is contemplated, and the limitation to the free transfer of such minimum participation, among others.
- d) The term of duration of the CONCESSIONAIRE must be at least twenty-two (22) years. If for any reason the CONCESSION is extended, the CONCESSIONAIRE undertakes to extend the term of duration of the company for an additional term equal to that of the extension. In the event that the CONCESSIONAIRE adopts agreements for the reduction of its term for a period shorter than the term of this CONCESSION CONTRACT, it shall be terminated by operation of law.
- e) The Capital Stock shall be subscribed and paid in accordance with the provisions of the General Corporations Law, without prejudice to the following paragraph.
- f) The CONCESSIONAIRE must have fully subscribed the capital indicated above and must have paid in cash at least twenty-five percent (25%) of the nominal value of all the shares of said capital stock. The balance shall be paid before the end of the fifth year of the CONCESSION counted from the date of execution of this CONTRACT and shall be evidenced by a legalized photocopy of the accounting entry signed by the general manager of the CONCESSIONAIRE.
- g) Delivery of a legalized copy of the documents stating that its competent internal bodies have approved this CONTRACT.
- h) Delivery of the powers of attorney duly registered in the Public Registries of Lima, of the legal representatives of the CONCESSIONAIRE and the OPERATOR that sign this CONTRACT.
- i) Accreditation by the CONCESSIONAIRE of the ratification of all the acts performed and documents subscribed by its Legal Representatives, especially the subscription of this CONCESSION CONTRACT and any other right or obligation that corresponds to it according to the BIDDING TERMS, the CONCESSION CONTRACT or the APPLICABLE LAWS AND PROVISIONS.
- j) Submission of its Affidavit, as well as those of its MAIN PARTNERS in which they indicate that they own shares or participations with voting rights, representing a percentage equal to or higher than ten percent (10%) of its capital stock, that they are not prevented from contracting with the Peruvian State nor are they subject to the limitations established in Legislative Decree No. 1362 and its Regulations approved by Supreme Decree No. 240-2018-EF.

In the event that, after the execution of this CONTRACT, the falsity of the aforementioned statement is proven, this CONTRACT shall be terminated, and the execution of the PERFORMANCE BOND OF THE CONCESSION CONTRACT referred to in paragraph 12.1 of Clause Twelve shall proceed in accordance with the provisions contained in paragraph 18.3 of Clause Eighteen.

- k) Delivery of the PERFORMANCE BOND OF THE CONCESSION CONTRACT, according to the model established in Appendix No. 1 of Annex No. 1 of the CONTRACT.
- l) Execution of this CONTRACT by the Legal Representative(s) of the CONCESSIONAIRE.
- m) The filing fee of the Economic and Financial Model to the GRANTOR.

4.2. Obligations to be fulfilled by the Grantor as of the Closing Date

Prior to or concurrently with the CLOSING DATE, the GRANTOR shall:

- a) Submit a certified copy of the Ministerial Resolution granting the CONCESSION, a copy of the Directorial Resolution for registration of the SERVICE GRANTED in the REGISTRY and a copy of the Directorial Resolution of BAND ASSIGNMENT.
- b) Sign this CONTRACT and deliver a copy to the CONCESSIONAIRE, duly dated.

4.3. Entry into force of the Contract

This Contract shall become effective on the CLOSING DATE, provided that each and every one of the requirements set forth in Clauses 4.1 and 4.2 above and 24.3 of the BIDDING TERMS are met. Otherwise, it shall occur upon execution of the certificate of CLOSING DATE.

CLAUSE 5: SCOPE OF THE CONCESSION

5.1. Granted Service

Within the framework of this CONTRACT, the initial provision of the Personal Communications Service (PCS) is foreseen for the fulfillment of the COVERAGE PLAN. The GRANTED SERVICE may also be used by the CONCESSIONAIRE to comply with the TECHNICAL PROPOSAL. The GRANTED SERVICE is regulated in the GENERAL REGULATIONS of the TELECOMMUNICATIONS LAW, approved by Supreme Decree No. 020-2007-MTC as amended.

For the provision of other PUBLIC TELECOMMUNICATIONS SERVICES other than those considered in the preceding paragraph, the CONCESSIONAIRE must first be registered in the REGISTRY of the Ministry of Transport and Communications.

The CONCESSIONAIRE shall provide the GRANTED SERVICE using the technology set forth in paragraph 8.24 of this CONTRACT.

The GRANTED SERVICE shall be provided by the CONCESSIONAIRE in accordance with the terms and conditions set forth in paragraph 2.2 of the BIDDING TERMS, the provisions of this CONTRACT and the APPLICABLE LAWS AND PROVISIONS, using its own infrastructure or that of third parties.

5.2. Concession Area

The CONCESSION AREA for the provision of the GRANTED SERVICE is the territory of the Republic of Peru.

5.3. Non-Exclusivity of Granted Service

The CONCESSION granted does not give exclusivity to the CONCESSIONAIRE to provide the GRANTED SERVICE within the CONCESSION AREA.

In case the provision of the GRANTED SERVICES involves an additional area to those contemplated in the COVERAGE PLAN, the CONCESSIONAIRE shall communicate to the GRANTOR and OSIPTEL, the provision of the service in such area up to (30) DAYS after the beginning of operations.

5.4. Exclusive use of the Band

The CONCESSIONAIRE has the right to use the BAND at the national level on an exclusive basis for the provision of the GRANTED SERVICE within the framework of this CONTRACT and the APPLICABLE LAWS AND PROVISIONS.

Pursuant to Article 208 of the GENERAL REGULATIONS, this right shall be subject to the services referred to being included in the allocation established in the National Frequency Allocation Plan and also to the corresponding registration in the MTC's REGISTRY.

CLAUSE 6: TERM OF CONCESSION

6.1. Term of Concession

Unless the CONCESSION is terminated early or extended in accordance with the provisions of this CONTRACT, the term for which the CONCESSION is granted is twenty (20) years, counted as of the CLOSING DATE.

6.2. Renewal of the Term of Concession

The CONCESSIONAIRE'S request for the renewal of the term of CONCESSION is subject to the rules for the renewal of concession contracts in the communications sector issued by the GRANTOR, in force at the time the request is made.

The renewal of the term of CONCESSION, whether it is a total or gradual renewal, is subject to the GRANTOR and the CONCESSIONAIRE agreeing new terms and conditions that may include new investment commitments to those provided for in this CONTRACT, in accordance with the provisions of subparagraph c) of paragraph 6.4 of this Clause as well as Supreme Decree No. 008-2021-MTC or the rule that modifies, replaces or substitutes it. For such purposes, the GRANTOR may agree on the renewal of the TERM OF CONCESSION at the request of the CONCESSIONAIRE, which may choose the most convenient mechanism in accordance with the following:

- a) Total Renewal: For an additional term of twenty (20) years counted as of the termination of the TERM OF CONCESSION, in which case the application shall be submitted no later than one (1) year prior to the expiration of the CONCESSION; or
- b) Gradual Renewal: For periods of up to five (5) additional and successive years to the TERM OF CONCESSION without the total of the periods of gradual

renewal exceeding twenty (20) years. The application for gradual renewal shall be submitted six (6) months before the end of the first five (5) year period. This gradual renewal mechanism may only be chosen within the first five-year period of the CONTRACT and within the aforementioned term. The first five-year period shall be counted from the CLOSING DATE.

The term for the attention of the renewal request fixed by the GRANTOR in accordance with the APPLICABLE LAWS AND PROVISIONS (TUPA), shall be counted as from the DAY following the expiration of any of the terms indicated in paragraphs a) and b) above.

Once the CONCESSIONAIRE has opted for a renewal mechanism, it may not use the alternative one.

If the CONCESSIONAIRE submits the renewal application after the expiration of such deadlines, the CONCESSIONAIRE shall not renew the application as untimely.

To request the renewal of the TERM OF CONCESSION, the CONCESSIONAIRE, without prejudice of complying with the requirements established in Supreme Decree No. 008-2021-MTC and the respective regulations that modify, replace or substitute it, must:

- i. have complied with all the payment obligations referred to in Clause 8.18 of this CONTRACT as well as the provisions of Supreme Decree No. 008-2021-MTC or the rule that modifies, replaces or substitutes it.
- ii. have complied with all its tax obligations, in accordance with the provisions of Clause 8.21 of this CONTRACT.

6.3. Procedure for the Renewal of the Term of Concession

- a) The GRANTOR, before making a decision regarding the renewal request and within thirty (30) CALENDAR DAYS of its submission, shall notify the CONCESSIONAIRE to proceed with the publication of the extract of its renewal request in the Official Gazette "El Peruano" and in a national daily newspaper, indicating the term during which the persons with a legitimate interest, may formulate in writing their comments or objections, regarding the requested renewal; such term shall not be longer than thirty (30) DAYS computed as from the date of publication of the notice. Likewise, the GRANTOR shall notify the CONCESSIONAIRE and OSIPTEL, indicating:
 - i. That it has received the renewal application;
 - ii. That the term during which OSIPTEL shall send to the GRANTOR and to the CONCESSIONAIRE the EVALUATION REPORT referred to in subparagraph b) below, shall not be less than thirty (30) nor more than sixty (60) CALENDAR DAYS from the date of publication of the notice.
- b) EVALUATION REPORT. The GRANTOR shall request OSIPTEL, its EVALUATION REPORT, to make a pronouncement on the degree of compliance with the obligations of THE CONCESSIONAIRE, during the previous five (5) year period, or during the TERM OF CONCESSION, depending on whether it has requested gradual or total renewal, respectively. The obligations subject to evaluation shall be those set forth in Supreme Decree No. 008-2021-MTC and the regulations that modify, replace or substitute it.
- c) The evaluation of compliance with these obligations will be carried out by OSIPTEL, using the corresponding Evaluation Methodology in accordance with

the provisions of Supreme Decree No. 008-2021-MTC and the regulations that modify, replace or substitute it:

- i. OSIPTEL shall send its EVALUATION REPORT to the GRANTOR and to the CONCESSIONAIRE within the term established in the notice of the GRANTOR pursuant to subparagraph a) of this Clause.
 - ii. Notified of the EVALUATION REPORT, the CONCESSIONAIRE may submit to the GRANTOR its objections, discharges, comments or any other information it considers relevant, within a term of twenty (20) CALENDAR DAYS, counted as from the referred notice.
- d) The GRANTOR shall take a decision regarding the renewal of the TERM OF CONCESSION within the following thirty (30) CALENDAR DAYS, counted as from the expiration of the term referred to in the preceding paragraph. Exceptionally, such term may be extended by the GRANTOR for thirty (30) CALENDAR DAYS, if additional actions have been taken that justify it.

6.4. Decision on Renewal

- a) Gradual Renewal: The GRANTOR, based, among others, on the EVALUATION REPORT submitted by OSIPTEL and, if applicable, based on the comments or objections formulated in writing or in the public hearing held for such purpose, may decide to:
- i. Renew the TERM OF CONCESSION for an additional period of five (5) years, provided that the CONCESSIONAIRE has fully complied with its legal and contractual obligations or that, despite the existence of non-compliances, they do not justify the partial or total denial of the renewal.
 - ii. Renew the TERM OF CONCESSION, for a period of less than five (5) years, if the CONCESSIONAIRE has incurred in non-compliance with its legal or contractual obligations, to a degree that does not justify the total denial of the renewal of the CONCESSION, but only the partial denial.
 - iii. Not to renew the TERM OF CONCESSION, due to the CONCESSIONAIRE'S repeated non-compliance with its legal or contractual obligations, or due to the existence of sufficient indications that it will not be able to comply with them in the future, or because the CONCESSIONAIRE has not accepted the new terms and conditions for the renewal set forth by the GRANTOR.

The determination of non-compliance shall be made using the corresponding Evaluation Methodology in accordance with the provisions of Supreme Decree No. 008-2021-MTC and the regulations that modify, replace or substitute it.

The GRANTOR, before issuing the resolution regarding the inappropriateness of the requested renewal, shall notify the CONCESSIONAIRE the facts or legal reasons that support its decision so that, within a term of thirty (30) CALENDAR DAYS as of its notice, the CONCESSIONAIRE may present the arguments or pleadings it deems convenient and provide the additional evidence it deems necessary.

- b) Total Long-Term Renewal: The GRANTOR, based on the EVALUATION REPORT submitted by OSIPTEL, and if applicable, based on the comments or

objections formulated in writing or in the public hearing held for such purpose, may decide for the following reasons:

- i. To renew the TERM OF CONCESSION for an additional period of twenty (20) years, provided that the CONCESSIONAIRE has fully complied with its legal and contractual obligations to the entire satisfaction of the GRANTOR or that, despite the existence of non-compliances, they do not justify the partial or total refusal to renew.
- ii. To renew the TERM OF CONCESSION for a period of less than twenty (20) years, if the CONCESSIONAIRE has incurred in non-compliance with its legal or contractual obligations, to a degree that does not justify the total refusal of the renewal, but the partial refusal of the renewal.
- iii. Not to renew the TERM OF CONCESSION due to the repeated non-compliance of the CONCESSIONAIRE with its legal or contractual obligations, or due to the existence of sufficient indications that allow to reasonably affirm that it will not be able to comply with them in the future, or because the CONCESSIONAIRE has not accepted the new terms and conditions for the renewal set forth by the GRANTOR.

The determination of non-compliance shall be made using the corresponding Evaluation Methodology in accordance with the provisions of Supreme Decree No. 008-2021-MTC and the regulations that modify, replace or substitute it.

The GRANTOR, before issuing the resolution regarding the inappropriateness of the requested renewal, shall notify the CONCESSIONAIRE of the facts or arguments that support its decision so that, within thirty (30) CALENDAR DAYS, as of said notice, the CONCESSIONAIRE may present the facts or arguments that it deems convenient and provide the additional evidence that it deems necessary.

- c) In any case, the GRANTOR'S decision to renew the TERM OF CONCESSION shall be subject to the CONCESSIONAIRE and the GRANTOR agreeing on the new terms and conditions of the CONTRACT, in the aspects they deem necessary and pertinent. These terms and conditions may include, after a new valuation of the BAND, cash payments, investment commitments and other obligations of the CONCESSIONAIRE in favor of the Peruvian State or third parties, among others. The extension of the term is made through the subscription of an addendum and in accordance with the provisions of Supreme Decree No. 008-2021-MTC or rule that modifies, replaces or substitutes it.
- d) If the TERM OF CONCESSION expires while the renewal request submitted by the CONCESSIONAIRE is being processed, the CONCESSION shall remain in force until such request is resolved. The GRANTOR shall not make any pecuniary recognition or of any other nature for the provision of the SERVICE GRANTED under this paragraph.
- e) If the TERM OF CONCESSION is not extended, the GRANTOR may not offer the same CONCESSION to a third party under more favorable conditions than those previously offered to the CONCESSIONAIRE.
- f) Notwithstanding the foregoing, the CONCESSIONAIRE is entitled to participate in any tender, bidding or process carried out by the GRANTOR in order to select a new concessionaire.

- g) The CONCESSIONAIRE shall continue to provide the REGISTERED SERVICE, under the same terms and conditions agreed in this CONTRACT, in case the TERM OF CONCESSION is not extended, for a term to be indicated by the GRANTOR in due time.

6.5. Principles governing the renewal procedure

The renewal procedure shall be subject to the principles regulated in the APPLICABLE LAWS AND PROVISIONS, and especially in Law No. 27444, General Administrative Procedure Law, Supreme Decree No. 020-98-MTC (Approving the policy guidelines for the opening of the Peruvian telecommunications market) and its amendments, as well as Supreme Decree No. 008-2021-MTC and the regulations that modify, replace or substitute it.

6.6. Preeminence of Supreme Decree No. 008-2021-MTC.

It is expressly established that in the event of any contradiction between the renewal procedure established in this CONTRACT as well as the provisions contained in Clauses 6.2 to 6.4 and Supreme Decree No. 008-2021-MTC, or the regulations that modify, replace or substitute it, the latter shall prevail.

6.7. Suspension of the Term of Concession

6.7.1. The term of CONCESSION may be suspended at the request of any of the PARTIES, if one or more of the following events occur:

- a) Any act of external war or civil war (declared or undeclared), state of siege, invasion, armed conflict, blockade, revolution, riot, insurrection, civil commotion or acts of terrorism, which prevents the CONCESSIONAIRE from executing the works necessary to implement the COVERAGE PLAN or the provision of the GRANTED SERVICE.
- b) Any strike or work stoppage by workers who do not have a labor or commercial relationship with the CONCESSIONAIRE, which prevents it from completing, within the contractual term, the execution of the works necessary to implement the COVERAGE PLAN or the provision of the GRANTED SERVICE.
- c) Any protest, act of violence or force carried out by community, social, union or political organizations, or large-scale public demonstrations that directly affect the provision of the GRANTED SERVICE for reasons beyond the control of the CONCESSIONAIRE, which are not attributable to the Concessionaire and which are beyond the reasonable control of the Concessionaire.
- d) Any earthquake, tidal wave, flood, drought, fire, explosion, or any meteorological or hydrological phenomenon, provided that it directly affects all or part of the works necessary to implement the COVERAGE PLAN or the provision of the GRANTED SERVICE.
- e) Any epidemic, contamination, plague or similar event that prevents or limits the CONCESSIONAIRE from providing the GRANTED SERVICE or the implementation of the COVERAGE PLAN in a normal manner.

- f) The possible total or partial destruction, with no possibility of recovery, of the works and goods necessary to implement the COVERAGE PLAN or the provision of the GRANTED SERVICE, such that such event prevents the CONCESSIONAIRE from complying with its obligations under this CONTRACT for a period of more than thirty (30) CALENDAR DAYS.
- g) Any other fortuitous event or force majeure, as defined in Article 1315° of the Peruvian Civil Code, that prevents the execution of the works necessary to implement the TECHNICAL PROJECT or the provision of the GRANTED SERVICE, including damage to the CONCESSIONAIRE'S facilities, due to causes not attributable to the CONCESSIONAIRE and provided that it has acted with due diligence, which make it impossible to provide the services under the CONCESSION.

6.7.2. In the event of one or more of the aforementioned events, any of the PARTIES may invoke the suspension of the TERM OF CONCESSION, by means of a communication addressed to the other PARTY, within the fifteen (15) DAYS following the occurrence of the event on which the request is based.

If the CONCESSIONAIRE is the one who invokes the suspension of the TERM OF CONCESSION, the GRANTOR shall pronounce, after a binding and obligatory opinion from OSIPTEL, within twenty (20) DAYS from the date it received the request for suspension. In case of discrepancy, the PARTIES may resort to the dispute resolution mechanisms contemplated in Clause 20 of this CONTRACT.

OSIPTEL's opinion referred to in the preceding paragraph shall be issued within ten (10) DAYS of receiving the suspension request.

If field verifications are required to prove the occurrence of the invoked situation, the term for the GRANTOR's and OSIPTEL's pronouncement shall be extended for seven (07) additional DAYS, respectively.

- 6.7.3. The approval of the request for suspension shall result in: (i) the suspension of the TERM OF CONCESSION and its extension for a period equivalent to that of the suspension; and, (ii) the suspension of the rights and obligations of the PARTIES, during the term of the suspension.
- 6.7.4. If the suspension of the TERM OF CONCESSION as a consequence of the occurrence of any of the events indicated in paragraph 6.7.1 above, exceeds eighteen (18) months, the CONCESSION shall expire in accordance with the provisions of subparagraph 18.1 (d) of paragraph (18.1) of Clause Eighteen.
- 6.7.5. However, if twelve (12) continuous months have elapsed without such events having been overcome, the CONCESSIONAIRE shall be entitled to request the expiration of the CONCESSION, in accordance with subparagraph b) of paragraph 18.1 of Clause Eighteen of this CONTRACT.
- 6.7.6. In the event of damage to the CONCESSIONAIRE's facilities, the CONCESSIONAIRE shall be obliged to repair or rebuild them, according to a schedule and a work plan proposed by the CONCESSIONAIRE itself and approved by the GRANTOR.
- 6.7.7. Notwithstanding the provisions of paragraph 6.7.2, the CONCESSIONAIRE shall inform the GRANTOR in writing about the occurrence of any of the events stated

in paragraph 6.7.1, within fifteen (15) DAYS from the occurrence or knowledge of the event, as the case may be, stating the scope and estimated period of restriction of the performance of its obligations and proving the occurrence of the indicated events.

- 6.7.8. The CONCESSIONAIRE shall make its best efforts to resume the performance of its obligations as soon as possible.

CLAUSE 7: DUTIES, FEES AND OTHER PAYMENT OBLIGATIONS

7.1. Scope of Payment

The CONCESSIONAIRE is obliged to make the payments that, in accordance with the APPLICABLE LAWS AND PROVISIONS, correspond to it for royalties, canons, commercial exploitation fees, regulatory contributions, contributions to the Telecommunications Investment Fund or other concepts derived from other concessions, authorizations or, in general, from the current or future provision of other PUBLIC TELECOMMUNICATIONS SERVICES, which it performs.

CLAUSE 8: OBLIGATIONS AND RIGHTS OF THE CONCESSIONAIRE

8.1. General Obligations

The obligations of the CONCESSIONAIRE are all those derived from the text of this CONTRACT, those established in the TELECOMMUNICATIONS LAW and its GENERAL REGULATIONS, and in the APPLICABLE LAWS AND PROVISIONS.

The CONCESSIONAIRE is obliged to inform the GRANTOR and OSIPTEL of any change in Annexes No. 2 and No. 3, within thirty (30) DAYS of such change, taking into account the restrictions established in paragraph 17.2 of Clause 17 of this CONTRACT.

Likewise, the GRANTOR, upon duly grounded request of the CONCESSIONAIRE, may suspend one or more obligations foreseen in the present CONTRACT, including the attention of any of the communities foreseen in its ENVELOPES No. 2 and No. 3 in case it is verified, to the GRANTOR'S satisfaction, the existence of a fortuitous event or force majeure or a third party event according to the provisions of the Peruvian Civil Code, which prevents the CONCESSIONAIRE from complying with its obligation, without requiring a contractual amendment or addendum. In such cases, the suspension of the obligation shall be temporary and shall last as long as the event of fortuitous event and force majeure or third party fact that generates it persists.

The GRANTOR shall be in charge of the supervision and control of the compliance of the following obligations of the CONCESSIONAIRE:

- a) Implementation of the MANDATORY INVESTMENT COMMITMENTS in accordance with the TECHNICAL SPECIFICATIONS, which shall be verified with the subscription of the respective CERTIFICATES OF ACCEPTANCE.
- b) Technological updating at least every three (3) years in accordance with the TECHNICAL SPECIFICATIONS.
- c) Compliance with the provisional service quality indicators established in the TECHNICAL SPECIFICATIONS, until a quality supervision regulation applicable to rural populated centers is issued.
- d) Compliance with the USAGE GOALS contained in its TECHNICAL PROJECT.

- e) COMMENCEMENT OF THE PROVISION OF SERVICES GRANTED within the term established in Clause 8.2 of this CONTRACT.
- f) Other obligations within the framework of its responsibilities and this CONTRACT.

OSIPTEL will be in charge of supervising and monitoring compliance with the following obligations of the CONCESSIONAIRE:

- a) Compliance with the MINIMUM SPEED for the MANDATORY INVESTMENT COMMITMENTS established in the TECHNICAL SPECIFICATIONS.
- b) Compliance with the rules that regulate the coverage of PUBLIC TELECOMMUNICATIONS SERVICES in urban and rural communities issued by OSIPTEL, within the framework of its competence.
- c) Allowing the interconnection of other PUBLIC TELECOMMUNICATIONS SERVICES, in accordance with the provisions of Clause 10.
- d) Compliance with the COVERAGE PLAN contained in its TECHNICAL PROJECT.
- e) Compliance with the rules that regulate the quality in the rendering of the PUBLIC TELECOMMUNICATIONS SERVICES, within the framework of its competence.
- f) Providing the REGISTERED SERVICES to the USERS, in accordance with the TERMS OF USE approved or approved in the future by OSIPTEL and other applicable regulations.
- g) Other obligations within the framework of its competencies and of this CONTRACT.

8.2. Commencement of the Provision of the SERVICE GRANTED

The CONCESSIONAIRE is obliged to commence the provision of the GRANTED SERVICE within a maximum term that shall not exceed twelve (12) months, counted from the CLOSING DATE.

The CONCESSIONAIRE shall also communicate in writing the DATE OF COMMENCEMENT OF OPERATIONS.

This term is not subject to extension, except for the occurrence of:

- a) Any of the events set forth in Clause 6, paragraph 6.7.1 above and in accordance with the procedure established for the suspension of the TERM OF CONCESSION, set forth in paragraph 6.7 of Clause Six of this CONTRACT; or
- b) When the interconnection is not operative due to causes not attributable to the CONCESSIONAIRE; or
- c) For any delay incurred by the CONCESSIONAIRE in obtaining the permits, authorizations, licenses and other enabling titles that are necessary to begin the provision of the GRANTED SERVICE, provided that the CONCESSIONAIRE has complied with the requirements established in the APPLICABLE LAWS AND PROVISIONS for such purpose.

However, it is the CONCESSIONAIRE'S responsibility to initiate the corresponding negotiations for interconnection with due anticipation, in order to comply with the provision of the GRANTED SERVICE, within the term established in this clause.

For the purposes of this CONTRACT, it is understood that the provision of the GRANTED SERVICE begins when the following conditions are met:

- a) With the installation, operation and administration of such service in at least one district of the CONCESSION AREA; and,
- b) If the CONCESSIONAIRE is able to originate and receive data in at least one district of the CONCESSION AREA, using the technology set forth in paragraph 8.24 of the CONTRACT; and,
- c) If the aforementioned service is available to the general public and is offered as such, concurrently through points of sale and advertisements, in at least one district of the CONCESSION AREA.

The CONCESSIONAIRE shall communicate in writing to the MTC and OSIPTEL, the DATE OF COMMENCEMENT OF OPERATIONS for the provision of the GRANTED SERVICE, within a maximum period of fifteen (15) DAYS of the occurrence of such event.

The CONCESSIONAIRE may, after the CLOSING DATE and before the approval of the TECHNICAL PROJECT, carry out technical tests, which shall not be considered as the beginning of the provision of the GRANTED SERVICE. To this end, it shall carry out the necessary actions to avoid or reduce interference with other services.

8.2.1. Technical Tests of the Band's operability

The CONCESSIONAIRE is obliged to submit to the GRANTOR, within a maximum period of one (01) month from the CLOSING DATE, a proposed schedule that contemplates the minimum technical parameters and the respective values that it considers would make it feasible to operate the BAND to provide the GRANTED SERVICE, based on the technology(ies) it plans to use.

8.3. Mandatory Investment Commitments

The CONCESSIONAIRE undertakes to fully comply with the MANDATORY INVESTMENT COMMITMENTS assumed in the BID, in accordance with the TECHNICAL SPECIFICATIONS contained in Annex No. 7 of this CONTRACT, which in turn shall be developed in the TECHNICAL PROJECT.

The supervision of the MANDATORY INVESTMENT COMMITMENTS and the commissioning of the service, according to the TECHNICAL SPECIFICATIONS, shall be in charge of the GRANTOR.

8.4. Coverage Plan and Usage Goals of the BAND

The CONCESSIONAIRE undertakes to comply with the COVERAGE PLAN and with the USAGE GOALS contained in its TECHNICAL PROJECT.

The CONCESSIONAIRE shall submit to the GRANTOR and OSIPTEL, within the first quarter of each year, the information regarding the progress of the COVERAGE PLAN of the REGISTERED SERVICES established for the previous year.

The CONCESSIONAIRE is obliged to comply with the COVERAGE PLAN contained in Annex No. 4, using the BAND, being able to use its own, leased or shared infrastructure.

It may only use shared or leased infrastructure for base stations that are not used to comply with the MANDATORY INVESTMENT COMMITMENTS.

In the event that the provision of the REGISTERED SERVICE involves an additional district to those contemplated in the COVERAGE PLAN, the CONCESSIONAIRE shall communicate to the GRANTOR and OSIPTEL, the provision of the service in such district up to (30) Days after the start of operations.

OSIPTEL is responsible for the supervision and control of the compliance with the COVERAGE PLAN using the BAND. The supervision and oversight process will be carried out in accordance with the Coverage Regulation approved by OSIPTEL (Resolution of the Board of Directors No. 135-2013-CD/OSIPTEL and the rules that modify, replace or substitute Regulations for the Supervision of Coverage of Mobile and Fixed Public Telecommunications Services with Wireless Access).

8.5. Technical Project

Within three (03) months from the CLOSING DATE, the CONCESSIONAIRE shall submit to the GRANTOR the TECHNICAL PROJECT for the SERVICE GRANTED under this CONTRACT. The information required for the elaboration of the TECHNICAL PROJECT is specified in Annex No. 6.

If necessary, the approval of the TECHNICAL PROJECT also includes the granting of authorizations, permits and licenses, registers, among others, at the GRANTOR's expense, necessary for the provision of the GRANTED SERVICE in accordance with the COVERAGE PLAN, as well as for the implementation of the MANDATORY INVESTMENT COMMITMENTS in accordance with the TECHNICAL PROPOSAL.

Said document shall contain the proposal for the execution of the COVERAGE PLAN submitted, the information necessary to verify compliance with the USAGE GOALS of the Allocated Spectrum in accordance with the APPLICABLE LAWS AND PROVISIONS, as well as the proposal for the implementation of the MANDATORY INVESTMENT COMMITMENTS.

The GRANTOR has a term of up to two (02) months for the approval of the TECHNICAL PROJECT counted from the submission of the same by the CONCESSIONAIRE. Within such term, it shall formulate and communicate to the CONCESSIONAIRE the observations to such project, including the observations to the authorizations, permits and licenses requested. If there are observations, the same shall be corrected by the CONCESSIONAIRE within fifteen (15) DAYS from the notice of the observations. The GRANTOR has a term of fifteen (15) DAYS to pronounce itself on the correction of the observations made by the CONCESSIONAIRE.

The TECHNICAL PROJECT may be modified, with the prior approval of the GRANTOR in accordance with the APPLICABLE LAWS AND PROVISIONS.

The TECHNICAL PROJECT must be updated in accordance with the provisions of paragraph 16.6.3 of the TECHNICAL SPECIFICATIONS and submitted within a maximum term of ten (10) CALENDAR DAYS counted from the maximum term for the COMMENCEMENT OF THE PROVISION OF SERVICES for the First Year and for the Second Year, in accordance with paragraph 4.6 of the TECHNICAL SPECIFICATIONS. The GRANTOR shall approve or, in its absence, shall make known its observations within a maximum term of ten (10) DAYS as of the reception of the updated TECHNICAL PROJECT. In case of issuing observations, these shall be corrected by the CONCESSIONAIRE, within the term granted for such purpose by the GRANTOR.

8.6. Quality Requirements of the SERVICE GRANTED

In accordance with the APPLICABLE LAWS AND PROVISIONS, the CONCESSIONAIRE is obliged to abide by the regulations issued or to be issued in the future by OSIPTEL (Resolution of the Board of Directors No. 123-2014-CD/OSIPTEL and amendments: Approving the General Quality Regulations for the Supervision of Mobile and Fixed Public Telecommunications Services, among others).

8.7. Inspection Procedure and Control Requirements

From the day after the CLOSING DATE, the CONCESSIONAIRE shall comply with the information requirements and inspection procedures established or to be established by the GRANTOR and OSIPTEL in order to supervise compliance with the obligations set forth in this CONTRACT, within the framework of its competences.

8.8. Provision of the REGISTERED SERVICE(S)

- a) Service Obligation. The CONCESSIONAIRE shall provide the REGISTERED SERVICES in the CONCESSION AREA, in accordance with the terms of this CONTRACT and the APPLICABLE LAWS AND PROVISIONS.
- b) Continuity of Service. The CONCESSIONAIRE must comply with the provision of the REGISTERED SERVICES, in a continuous and uninterrupted manner, except for the provisions of paragraph 6.7 of this CONTRACT. The CONCESSIONAIRE (i) may not stop providing the REGISTERED SERVICES and (ii) may not reduce the provision of the same.
- c) The CONCESSIONAIRE shall provide the REGISTERED SERVICES, observing the rules on terms of use and quality of service issued or to be issued in the future by OSIPTEL, within the framework of its competences.

8.9. Compliance with Terms of Use

The CONCESSIONAIRE shall provide the REGISTERED SERVICES to the USERS, in accordance with the terms of use approved or approved in the future by OSIPTEL and other applicable regulations.

8.10. Obligations in cases of Emergencies, Crises or States of Exceptions

The CONCESSIONAIRE shall observe and comply with the applicable provisions of the General Regulatory Framework of the Emergency Communications System, approved by Supreme Decree No. 051-2010-MTC and related regulations. Notwithstanding the foregoing, and in addition, the CONCESSIONAIRE undertakes the following obligations:

- a) Emergency in relation to natural disasters: In the event of a local, regional or national emergency or crisis situation, such as earthquakes, floods, or other similar events, which require special attention from the CONCESSIONAIRE, it will provide the necessary REGISTERED SERVICES, giving priority to the support actions leading to the solution of the emergency situation. To this effect, the CONCESSIONAIRE shall comply with the actions foreseen by the Emergency Communications System, and shall coordinate and follow the instructions of THE GRANTOR.

Likewise, the CONCESSIONAIRE, upon the imminent or actual occurrence of an emergency situation or local, regional or national crisis, such as earthquakes, floods or other similar events, in order to guarantee an effective implementation, operation and maintenance of the Emergency Early Warning Messaging System - SISMATE, must comply with the obligations, responsibilities and burdens established in Law No. 30472 that provides for the implementation, operation and maintenance of SISMATE, its Regulation, approved by Supreme Decree No. 019- 2016-MTC and other complementary rules issued by the GRANTOR or replacing it.

- b) National Security Emergency: In case the emergency is related to national security aspects, the CONCESSIONAIRE shall arrange with the competent body, in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS and shall provide the REGISTERED SERVICES in accordance with the instructions of the GRANTOR or of the competent authority indicated by the latter at the time.

Likewise, in case of emergency related to National Security in order to guarantee an effective implementation, operation and maintenance of the Emergency Early Warning Messaging System - SISMATE, it must comply with the obligations, responsibilities and burdens established in Law No. 30472 that provides for the implementation, operation and maintenance of SISMATE, its Regulation, approved by Supreme Decree No. 019-2016-MTC and the other complementary rules issued by the GRANTOR or replacing it.

- c) States of Exception contemplated in the Constitution and declared in accordance with the law: The CONCESSIONAIRE shall give priority to the transmission of voice and data necessary for the means of communication of the National Defense System and the Civil Defense System. In the event of foreign war, the National Security and Defense Council, through the Joint Command of the Armed Forces, may assume direct control of the telecommunications services, as well as dictate operational provisions. In order to meet such requirements, the CONCESSIONAIRE may suspend or restrict part of the REGISTERED SERVICES, in prior coordination with the GRANTOR and the aforementioned National Defense and Civil Defense systems.
- d) Malicious communications: The CONCESSIONAIRE shall comply with the obligations derived from the Legislative Decree that sanctions the making of malicious communications to emergency, urgency or information centers - Legislative Decree No. 1277 and its Regulations approved by Supreme Decree No. 013-2017-MTC or regulations that modify, replace or substitute them.

8.11. Telecommunications Privacy and Personal Data Protection

- a) Obligation to Safeguard Telecommunications Privacy and Personal Data Protection. The CONCESSIONAIRE shall establish reasonable measures and procedures to safeguard the secrecy of telecommunications and maintain the confidentiality of SUBSCRIBER'S or USER'S personal information. The CONCESSIONAIRE shall be subject to the provisions contained in Ministerial Resolution No. 111-2009-MTC/03, as amended and related regulations. Likewise, it shall send the GRANTOR an annual report on the measures and procedures it has established, and shall submit such report on February 15th of each year, starting the year after the beginning of the provision of each REGISTERED SERVICE.

- b) Scope of the Obligation of Secrecy and Personal Data Protection. The CONCESSIONAIRE shall safeguard the privacy of telecommunications and maintain the confidentiality of personal information relating to its USERS obtained in the course of its business, except (i) the prior express written consent of SUBSCRIBER or USER, or (ii) a specific court order. Likewise, it shall be subject to the provisions contained in Ministerial Resolution No. 111-2009-MTC/03, and any rules that may replace or complement it.

It includes the obligations set forth in Legislative Decree No. 1182 published on July 27th, 2015, a rule that regulates the use of data derived from telecommunications for the identification, location and geolocation of communications equipment, as well as the provisions of Law No. 29733, Personal Data Protection Law.

- c) National Security. The CONCESSIONAIRE shall comply with the provisions of the APPLICABLE LAWS AND PROVISIONS and the GENERAL REGULATIONS to safeguard the privacy of telecommunications, in the interest of national security.
- d) Compliance Measures. The CONCESSIONAIRE shall comply with the inspection procedures, as well as, with the information requirements established or to be established by the GRANTOR, in relation to the measures contained in paragraphs (a), (b) and (c) above. If the GRANTOR considers that the CONCESSIONAIRE does not comply with the obligation to safeguard the secrecy of telecommunications or does not maintain the confidentiality of the personal information related to its SUBSCRIBERS, or if the GRANTOR considers that the measures or procedures instituted by the CONCESSIONAIRE are insufficient, the GRANTOR shall grant a reasonable period of time to the CONCESSIONAIRE to improve the measures adopted, after which, if the inadequacy of such measures persists, the GRANTOR may establish appropriate measures and procedures. These measures shall be applicable without prejudice to the GRANTOR's right to impose administrative sanctions for non-compliance with the rules for safeguarding the privacy of telecommunications or for the protection of personal information.
- e) The provisions in paragraphs (a), (b) and (c) above do not limit the fulfillment of the information requirements by the GRANTOR and OSIPTEL in order to comply, according to its competences, with its inspection and supervision functions.

8.12. Requirements for Subscriber Support

- a) General Provision. The CONCESSIONAIRE shall establish and maintain free and efficient information and assistance services to its SUBSCRIBER and USERS, through at least two (02) toll-free telephone numbers, in order to guide and assist them in the acquittal of queries, attention to complaints and failure reports. Likewise, such support must be provided through a Web portal. The conditions of these supporting services shall be subject to the regulations set forth in the TERMS OF USE.
- b) Settlement of Claims and Disputes. The CONCESSIONAIRE shall establish an efficient procedure for the resolution of complaints and disputes with SUBSCRIBERS and USERS, in accordance with the provisions contained in the TELECOMMUNICATIONS LAW and its GENERAL REGULATIONS, OSIPTEL's Regulations and other regulations approved by OSIPTEL.

- c) Minimum Attendance Requirements. The CONCESSIONAIRE shall provide at least the following assistance services to the USERS:
 - i. Access to established or to be established emergency public services, free of charge, from all SUBSCRIBER'S terminal equipment.
 - ii. Access to any other assistance service that the CONCESSIONAIRE is obliged to provide, in compliance with the APPLICABLE LAWS AND PROVISIONS that so provide, provided that the provision of such assistance service is in the public interest.

8.13. Cooperation with other Public Telecommunication Service Providers

The CONCESSIONAIRE is obliged to cooperate with other providers of the PUBLIC TELECOMMUNICATION SERVICE to the extent required by APPLICABLE LAWS AND PROVISIONS.

The CONCESSIONAIRE is entitled to receive reciprocal treatment in its relations with other operators, in accordance with the provisions of this Clause.

In particular, the CONCESSIONAIRE shall allow the interconnection of other PUBLIC TELECOMMUNICATIONS SERVICES, in accordance with the provisions of Clause 10.

8.14. Obligation not to cause interference and not to use second-use telecommunications equipment.

The CONCESSIONAIRE is obliged not to cause interference to other concessionaires of the PUBLIC TELECOMMUNICATION SERVICES. In this regard, it shall adopt adequate technical measures, such as the calibration of its equipment, the use of band-pass filters if necessary, transmission power control, sectioning of the radiant system, in the installation of a base station, in order to avoid the emission or reception of spurious signals or electromagnetic noise, which may affect the provision of the GRANTED SERVICE or third parties, among other measures.

On the other hand, it will not be able to install equipment and/or devices of second use, except in cases of internal transfers or in those cases in which the GRANTOR authorizes it by means of a resolution of the competent organ.

8.15. Archiving and Reporting Requirements

The CONCESSIONAIRE shall establish and maintain adequate records to allow the supervision and compliance with the terms of this CONTRACT.

The GRANTOR and OSIPTEL, each in matters within its competence, may request the CONCESSIONAIRE to submit periodic reports, statistics and other data regarding its activities and operations, which shall be complied with within the requested terms. Notwithstanding the foregoing, the CONCESSIONAIRE shall submit the information requested by these agencies to analyze or resolve specific cases, as well as the information that must be submitted to OSIPTEL in compliance with regulatory provisions without the need for prior request.

The GRANTOR and OSIPTEL will be able to publish the information received, with the exception of the confidential information, qualified with such character, according to the legal rules of the matter.

The GRANTOR and OSIPTEL shall have the right to inspect or instruct authorized third parties to review the files, archives and other data of the CONCESSIONAIRE, in order to monitor and enforce the terms of this CONTRACT.

8.16. Knowledge transfer and technical capacity

During the first three (3) years of this CONTRACT, the CONCESSIONAIRE undertakes to acquire technical knowledge that guarantees the Peruvian State an adequate provision of the GRANTED SERVICE during the term of CONCESSION and the fulfillment of each and every one of the obligations assumed by it in this CONTRACT; For this purpose, in the event that the OPERATOR has a different legal personality than the CONCESSIONAIRE, the latter will sign technology and knowledge transfer agreements that allow unlimited and irrevocable access to all technology, trademarks, patents, know-how, and other technical and industrial property aspects, including modifications to future versions of software and hardware that improve the quality of the GRANTED SERVICE.

The transfer of technical information may be carried out through technology transfer contracts that involve the payment of royalties. Notwithstanding the provisions of Clause 8.7, the OPERATOR may establish that only the CONCESSIONAIRE shall have knowledge of and free access to the technical information provided.

8.17. External Plant Safety

The CONCESSIONAIRE declares that it is aware of the obligation to observe the technical and legal provisions to maintain and safeguard the safety of the external plant.

Furthermore, the CONCESSIONAIRE declares that it is aware of its obligation to comply with the technical and legal provisions of the Electricity Sub-Sector regarding electrical safety and risks, including the National Electricity Code (Ministerial Resolution No. 214-2011-MEM-DM), as well as the APPLICABLE LAWS AND PROVISIONS to installations that require physical means for the provision of the GRANTED SERVICE.

8.18. Payment Obligations

The CONCESSIONAIRE shall comply with the payment of all duties, commercial exploitation fees, royalty payments, contributions, inputs and any other amount established by the APPLICABLE LAWS AND PROVISIONS.

8.19. Mortgage on the Concession Right

Once the period indicated in paragraph 17.1 of Clause 17 has elapsed, the CONCESSIONAIRE is entitled to grant a mortgage of its right of CONCESSION, in accordance with the provisions of Articles 885, subparagraph 7, and 1097 of the Civil Code and the APPLICABLE LAWS AND PROVISIONS. The request for authorization of the constitution of the mortgage, the constitution of the guarantee and its respective extrajudicial execution shall be governed by the following procedure:

8.19.1. The CONCESSIONAIRE may constitute a mortgage on its right to CONCESSION, provided that it has the prior approval of the GRANTOR, and with OSIPTEL's favorable opinion. For such purpose, the CONCESSIONAIRE shall submit a written request for authorization to the GRANTOR, with a copy to OSIPTEL, together with the draft mortgage agreement and its respective annexes.

- 8.19.2. OSIPTEL shall issue an opinion within ten (10) DAYS following the date of receipt of the authorization request submitted by the CONCESSIONAIRE and shall forward it to the GRANTOR. The GRANTOR shall issue an opinion within fifteen (15) DAYS counted as of the expiration of the term for OSIPTEL to issue an opinion. The request shall be denied if it has not foreseen that the CONCESSION may only be transferred to whoever complies with the prequalification requirements set forth in the BIDDING TERMS, as well as with the requirements set forth in the GENERAL REGULATIONS for the present case.
- 8.19.3. Once the request has been submitted with the requirements established in this clause, and twenty-five (25) DAYS have elapsed without the GRANTOR having made a decision or, having requested an extension for an equal period, without the GRANTOR having made no decision either, it shall be understood that the CONCESSIONEE'S request has been authorized by the GRANTOR, provided that OSIPTEL has issued a favorable opinion within the term established in the preceding paragraph.

8.20. Extrajudicial foreclosure

The execution of the mortgage shall require the favorable opinion of the GRANTOR so that the concession right can only be transferred in favor of whoever complies, at least, with the requirements established in the BIDDING TERMS of the promotion process, as established in paragraph 26.2 of Legislative Decree No. 1362 as amended, and shall be done following the principles and mechanisms established for the execution of the mortgage in the present Clause, execution procedure that shall be included in the corresponding mortgage contract.

The foreclosure procedure of the CONCESSION shall be carried out under the direction of the GRANTOR and with the participation of OSIPTEL, and shall be mandatorily governed by the following rules:

- 8.20.1. The decision of the creditor(s) to exercise its right to foreclose the CONCESSION granted in its favor, and the breach of obligations in which the CONCESSIONAIRE would have incurred that motivate such decision shall be communicated in writing to the GRANTOR, OSIPTEL and the CONCESSIONAIRE, in a reliable manner, and no less than fifteen (15) DAYS prior to the exercise of any action or adaptation of measures that may directly or indirectly jeopardize the CONCESSION. Within such term, the GRANTOR shall issue its favorable opinion to the foreclosure of the mortgage.
- 8.20.2. From that moment on, after the favorable opinion of the GRANTOR and confirmed the default, (i) the GRANTOR may not declare the termination of the CONTRACT and shall be obliged to immediately start the necessary arrangements with OSIPTEL and with the creditor(s), in order to appoint the legal person that, according to the same terms provided in the CONCESSION CONTRACT and with a remuneration to be agreed with the creditor(s) without the payment of such remuneration being totally or partially assumed by the GRANTOR, shall act as controller and shall be temporarily in charge of the operation of the CONCESSION, during the time required for the replacement of the CONCESSIONAIRE referred to in the following points and, (ii) no act of the CONCESSIONAIRE may suspend the foreclosure procedure, and may not carry out acts other than the payment of the unfulfilled obligations, which may hinder or prevent the foreclosure of the mortgage. The CONCESSIONAIRE unconditionally, irrevocably and expressly agrees and undertakes, under liability,

not to file any action, lawsuit, complaint, request or petition for precautionary measures of any kind that may have the purpose of affecting, interrupting, suspending, hindering, impeding, preventing or enervating the legal effects and the application of the foreclosure procedure established in this Clause, as well as the appointment of the controller and of the new CONCESSIONAIRE.

- 8.20.3. For such purposes, OSIPTEL or the creditor(s) may propose to the GRANTOR qualified operators, who comply with the parameters established in the BIDDING TERMS to be a concessionaire. The best qualified operator will be appointed as controller by the GRANTOR and will be in charge of temporarily operating the CONCESSION in such capacity. From that moment on, the controller will replace the CONCESSIONAIRE, so that the transfer to a new CONCESSIONAIRE is carried out in the most efficient way possible, the transfer in favor of the controller will be executed by the GRANTOR within the maximum term of thirty (30) CALENDAR DAYS.
- 8.20.4. The controller shall be liable for any action or omission that prevents, delays or hinders the transfer of the CONCESSION to the new CONCESSIONAIRE, as well as for the damages that this may cause to the GRANTOR, the creditors, the USERS and/or third parties.
- 8.20.5. Once the CONCESSION is under the temporary operation of the controller, the GRANTOR and OSIPTEL shall coordinate with the creditor(s), the full text of the call and the Bidding Terms of the selection procedure of the new CONCESSIONAIRE, respecting the substantial guidelines contained in the BIDDING TERMS, especially those concerning the general characteristics of the CONCESSION, the TECHNICAL PROPOSAL, the conditions and requirements that were established for the operator that was part of the CONCESSIONAIRE, respectively. These BIDDING TERMS must be approved by the GRANTOR with the favorable opinion of OSIPTEL, who will issue it within a term no longer than ten (10) CALENDAR DAYS.
- 8.20.6. Once the text of the call and the bidding terms of the selection procedure for the transfer of the CONCESSION have been approved, the GRANTOR, in coordination with OSIPTEL, shall proceed with the established procedure. The awarding of the successful bid shall not occur later than one hundred and eighty (180) CALENDAR DAYS counted from the moment in which the GRANTOR was informed of the decision to foreclose, unless, according to the circumstances of the case, the processing of such procedure requires a longer term, in which case the extension determined by the GRANTOR shall be applied.
- 8.20.7. On successful bid awarding, as established in the text of the BIDDING TERMS approved by the GRANTOR, as well as the provisions of this Clause, said action shall be communicated in writing both to the financial controller and to the creditor(s). From the indicated moment, the controller shall be obliged to initiate the coordination of the case, with the purpose that the transition of the operation of the CONCESSION is carried out in the most efficient way possible. The definitive substitution of the CONCESSIONAIRE by the successful bidder shall be completed within a term not to exceed thirty (30) CALENDAR DAYS counted as of the date on which the successful bid was awarded, under the exclusive responsibility of the latter with respect to the matters within its competence.
- 8.20.8. According to the procedure previously established, the successful bidder shall be recognized by the GRANTOR as the new CONCESSIONAIRE. For such purposes, the new Concessionaire shall fully replace the original

CONCESSIONAIRE in its contractual position, being subject to the terms of the initial CONTRACT, for its remaining term of validity. The GRANTOR hereby expressly and irrevocably agrees to the assignment of the contractual position of the first CONCESSIONAIRE, according to the terms stipulated in this clause. Consequently, the new Concessionaire shall have the same rights conferred in the present CONTRACT and shall assume the same obligations of the present CONTRACT.

8.21. Applicable Tax Regime

The CONCESSIONAIRE is subject to the applicable national, regional and municipal tax legislation, and must comply with all tax obligations corresponding to the exercise of its activity.

Furthermore, the CONCESSIONAIRE may access the tax benefits granted by the regulations, provided that it complies with the procedures, requirements and conditions set forth therein.

8.22. Obligation to Disseminate and Publicize Business Plans

Whenever the advertising of the CONCESSIONAIRE mentions or alludes to any type of speed, in the media and commercial advertising used to promote the sale, information regarding speed must be included in the terms established in the applicable regulations. This obligation does not exempt the CONCESSIONAIRE from complying with the provisions of Resolution No. 060-2000-CD/OSIPTEL and its amendments.

8.23. Obligation to provide access and interconnection to Rural Mobile Infrastructure Operators

The CONCESSIONAIRE undertakes to provide access and interconnection to Rural Mobile Infrastructure Operators and Mobile Virtual Network Operators authorized by the MTC upon request, in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS.

8.24. Technology

The CONCESSIONAIRE shall provide PUBLIC TELECOMMUNICATIONS SERVICES in the BAND using at least LTE-A technology. Notwithstanding the foregoing, the CONCESSIONAIRE may use other granted frequency bands in order to comply with the MANDATORY INVESTMENT COMMITMENTS, in accordance with the provisions set forth in the TECHNICAL SPECIFICATIONS.

CLAUSE 9: GENERAL RATE REGIME

The CONCESSIONAIRE undertakes to establish the RATES for the REGISTERED SERVICE in strict accordance with the regulations issued or to be issued by OSIPTEL. In this sense, the CONCESSIONAIRE may freely establish the rates for the telecommunication services it provides, as long as they comply with the tariff system established by OSIPTEL. The General Rate Regime is regulated by Resolution N° 060-2000-CD/OSIPTEL (General Rate Regulation) and its amendments.

Depending on the type of service and in the event that the rates established by the CONCESSIONAIRE for the provision of the REGISTERED SERVICE are higher than

those established by OSIPTEL, the CONCESSIONAIRE will be obliged to comply with the measures dictated by OSIPTEL in each specific case.

CLAUSE 10: INTERCONNECTION

The CONCESSIONAIRE has, during the TERM OF CONCESSION, the right and obligation to interconnect with other PUBLIC TELECOMMUNICATION SERVICE networks, in accordance with this CONTRACT, the Fundamental Technical Signaling Plan and other Fundamental Technical Plans of the National Telecommunications Plan, the principles of neutrality, non-discrimination and equality of access and the terms and conditions agreed between the operators and the provisions of the APPLICABLE LAWS AND PROVISIONS.

CLAUSE 11: COMPETITION RULES

11.1. General Provisions

The CONCESSIONAIRE undertakes not to carry out, directly or indirectly, acts or behaviors of abuse of dominant position or collusive practices that restrict, prevent or distort free competition, as well as acts or behaviors that violate fair competition in the market.

Without prejudice to the contractual penalties, the infringement of this clause shall be sanctioned in accordance with the applicable special legislation.

11.2. General Prohibition on Cross-Subsidization

The CONCESSIONAIRE undertakes not to cross-subsidize among the different PUBLIC TELECOMMUNICATIONS SERVICES it provides, taking into account the provisions of the sectorial and free competition regulations.

11.3. Applicable regulations on separate accounting

The CONCESSIONAIRE shall be subject to the specific provisions on separate accounting issued by the competent authority, in accordance with the APPLICABLE LAWS AND PROVISIONS.

11.4. No Discriminatory Treatment

In the provision of the GRANTED SERVICE, the CONCESSIONAIRE shall not discriminate or have unjustified preference in favor of other providers of PUBLIC TELECOMMUNICATIONS SERVICES, considering the provisions of free competition rules.

Pursuant to the foregoing, the CONCESSIONAIRE shall not be discriminated against or unjustifiably preferred by other operators of PUBLIC TELECOMMUNICATIONS SERVICES.

11.5. Supervision and Compliance

The GRANTOR and OSIPTEL shall have the right to request the CONCESSIONAIRE to submit periodic reports, statistics and any other information, which shall be complied with by the CONCESSIONAIRE within the requested terms, as well as to inspect, themselves

or through third parties, the facilities of the CONCESSIONAIRE, its files and records and other data and to request any other additional information in order to supervise and enforce the terms of this Clause. OSIPTTEL shall have the right to adopt corrective, precautionary, preventive and sanctioning measures, in the form of resolutions and mandates, in accordance with the APPLICABLE LAWS AND PROVISIONS.

The CONCESSIONAIRE shall provide, free of charge, remote access in reading mode so that the operations management systems can be viewed from OSIPTTEL's and the GRANTOR's premises.

The OSS systems shall include network and service management systems such as fault management, performance, configuration, provisioning and any other system that allows monitoring and supervision of the availability, quality and performance of the GRANTED SERVICES, taking into account what is indicated in the series M.3000 recommendations of the Tax Units. The set of platforms, applications, protocols and/or processes corresponding to the OSS systems to be used by the CONCESSIONAIRE, as well as the modality of free remote access to these systems, shall be submitted for OSIPTTEL's approval no less than sixty (60) DAYS prior to the DATE OF COMMENCEMENT OF OPERATIONS. OSIPTTEL shall issue its decision within a term no longer than thirty (30) working days counted from the date of its submission.

CLAUSE 12: GUARANTEES

12.1. Delivery of the Performance Bond of the Concession Contract

- a) In order to guarantee compliance with each and every one of the obligations of the CONCESSIONAIRE, including the payment of penalties and administrative sanctions, set forth in this CONTRACT; the CONCESSIONAIRE shall deliver to the GRANTOR on the CLOSING DATE, a PERFORMANCE BOND OF THE CONCESSION CONTRACT, which shall be unconditional, irrevocable, without benefit of excussion or division and of automatic performance, which shall be attached as Annex No. 1, which shall remain in force, by virtue of its successive renewals, from the CLOSING DATE until the first quarter following the expiration of the TERM OF CONCESSION.

The PERFORMANCE BOND OF THE CONCESSION CONTRACT shall be issued for an amount equivalent to Fourteen Million United States Dollars (US\$ 14,000,000.00) and shall be maintained for such amount from the CLOSING DATE until compliance with the deployment of the MANDATORY INVESTMENT COMMITMENTS is evidenced to the GRANTOR'S satisfaction. Thereafter, and until the first quarter following the expiration of the TERM OF CONCESSION, the CONCESSIONAIRE may request the reduction, in accordance with the following paragraph, of the PERFORMANCE BOND OF THE CONCESSION CONTRACT.

Compliance with the MANDATORY INVESTMENT COMMITMENTS is evidenced by the execution of the CERTIFICATE OF ACCEPTANCE of the total number of BENEFICIARY COMMUNITIES. After such compliance, the CONCESSIONAIRE may request the reduction of 70% of the initial amount of the PERFORMANCE BOND OF THE CONCESSION CONTRACT, given the fulfillment of the deployment of the MANDATORY INVESTMENT COMMITMENT "Implementation of 4G Networks".

- b) If the damages caused by the breach of the terms and conditions of this CONTRACT by the CONCESSIONAIRE exceed the amount of the

PERFORMANCE BOND OF THE CONCESSION CONTRACT, the GRANTOR may enforce such guarantee without prejudice to its right to take the necessary actions to collect other damages.

- c) The PERFORMANCE BOND OF THE CONCESSION CONTRACT may be executed by the GRANTOR in whole or in part, once a breach of all or any of the obligations of the CONTRACT has been identified, provided that such breach has not been remedied by the CONCESSIONAIRE within the terms granted for such purpose. Exceptions to this provision are those non-compliances that generate the termination of the CONTRACT as provided in Clause 18.2, in which case the GRANTOR shall proceed to the automatic execution of the guarantee. In the event of partial execution of the PERFORMANCE BOND OF THE CONCESSION, the CONCESSIONAIRE shall restore the PERFORMANCE BOND to the amount set forth in subparagraph a) of paragraph 12.1 of this Clause. If the CONCESSIONAIRE does not return the PERFORMANCE BOND OF THE CONCESSION CONTRACT in the amount and under the conditions set forth above, within twenty (20) CALENDAR DAYS from the date on which the partial performance thereof took place, the GRANTOR, by written notice to that effect, shall declare the CONTRACT terminated and the CONCESSION expired as of the date of such notice.
- d) If the PERFORMANCE BOND OF THE CONCESSION CONTRACT is issued for a term shorter than the fulfillment of the COVERAGE PLAN or the deployment of the MANDATORY INVESTMENT COMMITMENTS, the CONCESSIONAIRE shall submit to the GRANTOR the renewal of the guarantee before its expiration. Otherwise, the GRANTOR, in order to preserve the guarantee, may request its execution, even if there is no non-compliance other than the non-renewal of the guarantee. In the previous case, if the CONCESSIONAIRE complies with the correct renewal of the PERFORMANCE BOND OF THE CONCESSION CONTRACT, the GRANTOR shall immediately return to the CONCESSIONAIRE the amount executed. If the CONCESSIONAIRE does not renew the PERFORMANCE BOND OF THE CONCESSION CONTRACT in the amount and under the conditions indicated above, within twenty (20) CALENDAR DAYS from the date on which the execution thereof took place, the GRANTOR, by means of a written communication to that effect, shall declare the CONTRACT terminated and the CONCESSION expired on the date of such notice.
- e) The GRANTOR may execute the guarantee referred to in this Clause, in case the CONCESSIONAIRE fails to comply with its obligations under this CONTRACT. Before the execution of the guarantee, the GRANTOR shall send a simple written communication to the CONCESSIONAIRE, stating the non-compliance it has incurred and its intention to execute the guarantee.
- f) The guarantee shall have a minimum annual term and shall be renewed annually during the term established in subparagraph a) of this Clause.

CLAUSE 13: INTERNATIONAL OBLIGATIONS

13.1. International Rating of the Concessionaire

The CONCESSIONAIRE shall be a recognized operating agency within the meaning of the Annex to the Constitution of the International Telecommunication Union and may participate in the Sectors of the Union in accordance with Article 19 (No. 229 and subsequent) of the International Telecommunication Convention, Geneva 1992.

CLAUSE 14: AUTHORIZATIONS, PERMITS AND LICENSES

14.1. Approval of Equipment and Terminal Devices

The CONCESSIONAIRE shall obtain the necessary approval certificates for the sale, lease, distribution, use and operation of telecommunications equipment and terminal devices, in accordance with the TELECOMMUNICATIONS LAW and its GENERAL REGULATIONS, the Specific Regulations for the Approval of Telecommunications Equipment and Devices, approved by Supreme Decree No. 001-2006-MTC, in accordance with the APPLICABLE LAWS AND PROVISIONS.

14.2. Granting of Permits

The MTC is empowered to verify, in accordance with the APPLICABLE LAWS AND PROVISIONS: (i) that the equipment and devices installed have the respective approval certificates, (ii) the conformity of the installation thereof and to adopt the corresponding measures and actions, and (iii) the correct standardization and approval of telecommunications equipment and devices.

14.3. Other Permits and Licenses

The CONCESSIONAIRE shall obtain from the GOVERNMENTAL AUTHORITIES, the necessary licenses and permits, including construction permits and other than telecommunications permits, to build, implement, modify and remove facilities and constructions, for the provision of the GRANTED SERVICE, in accordance with the APPLICABLE LAWS AND PROVISIONS.

14.4. Technical Inspections

In order to verify compliance with the characteristics and technical standards of operation set forth in this CONTRACT and in the APPLICABLE LAWS AND PROVISIONS, the MTC and OSIPTEL may carry out the necessary technical inspections themselves or through third parties, within the scope of their competencies, at the beginning of the service provision and whenever they deem it convenient.

CLAUSE 15: FORCED EASEMENTS AND EXPROPRIATIONS

At the request, duly grounded, of the CONCESSIONAIRE and for reasons of necessity and public utility, the GRANTOR shall make the necessary arrangements with the competent authorities in order to impose forced easements or expropriations on the land or real estate of private property or use that are necessary for the CONCESSIONAIRE to adequately comply with the obligations assumed by this CONTRACT. The imposition of easements and expropriations referred to in this Clause shall be executed in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS.

The payment of the appraisal and compensation, in the case of expropriation and easement, shall be borne by the CONCESSIONAIRE.

CLAUSE 16: USE OF RADIO SPECTRUM

The GRANTED SERVICE will be provided using the BAND at the national level. The CONCESSIONAIRE declares that it knows and accepts that the radio spectrum is part

of the Nation's patrimony. The GRANTOR is the entity that, in accordance with the provisions of the TELECOMMUNICATIONS LAW and its GENERAL REGULATIONS, is in charge of the administration, control and ASSIGNMENT of the radio spectrum. The CONCESSIONAIRE undertakes to adopt the necessary measures to guarantee the efficient use and exploitation of the radio spectrum.

The CONCESSIONAIRE submits to the powers and competences of the GRANTOR for the administration, allocation and assignment of frequencies, and control of the radio spectrum included in the methodology for the measurement of the efficient use of the radio spectrum, frequency rearrangement, the secondary market, the guidelines for the leasing or sharing of frequencies and/or any other applicable regulation.

The CONCESSIONAIRE is obliged to comply with the USAGE GOALS approved by the GRANTOR, in accordance with the GENERAL REGULATIONS and other applicable regulations.

In the cases authorized by the APPLICABLE LAWS AND PROVISIONS, when there are excesses in the radio spectrum assignment ceilings, or the GRANTOR considers the need to rearrange frequencies of a band, the GRANTOR shall be entitled to revert the radio spectrum or start the rearrangement of frequencies of the BAND.

CLAUSE 17: LIMITATIONS REGARDING ASSIGNMENT OF CONCESSION, CONTRACTUAL POSITION; TRANSFER OF CONTROL

17.1. Transfer limitations and others

The CONCESSIONAIRE may not transfer, nor make any assignment of the contractual position, assignment of obligations, encumber, lease, usufruct, totally or partially, under any title, its right to the CONCESSION and/or to the ASSIGNMENT of spectrum made by virtue of this CONTRACT and/or the preceding SPECIAL PUBLIC BIDDING, and/or the rights, interests or obligations arising therefrom or from the REGISTRY, within the first five (5) years of the term of CONCESSION, counted from the CLOSING DATE, under penalty of termination of the granted concession.

After said term, the CONCESSIONAIRE may carry out the aforementioned actions of disposal, with the prior written authorization of the GRANTOR, as well as with the prior opinion of OSIPTEL. OSIPTEL shall issue the aforementioned opinion, within the scope of its competence, within ten (10) DAYS of receiving the request. Such authorization shall not be denied without just and reasonable cause, in accordance with the provisions of the Policy Guidelines for the Opening of the Telecommunications Market, approved by Supreme Decree No. 020-98-MTC and provided that the new holder complies, at least, with the prequalification requirements set forth in the BIDDING TERMS. Likewise, it shall be subject to the rules set forth in the GENERAL REGULATIONS.

Notwithstanding the above, the provisions of Supreme Decree No. 015-2019-MTC and other APPLICABLE LAWS AND PROVISIONS shall apply to spectrum leasing.

17.2. Transfer of Control

a) Equity Participation and Transfer Limitation

During the first five (5) years of the term of CONCESSION, counted as from the CLOSING DATE, the OPERATOR shall maintain the ownership of at least fifty-

one percent (51%) of the shares or participations representing the capital stock and with voting rights of the CONCESSIONAIRE.

After the end of the period of restriction to the transfer of shares or participations, the GRANTOR may authorize the transfer of shares of the OPERATOR's MINIMUM PARTICIPATION in the CONCESSIONAIRE, at the request of the latter, to another OPERATOR that meets the same technical and financial requirements and complies with the conditions demanded in the BID.

b) Control of Technical Operations

During the first five (5) years of the CONCESSION, counted as from the CLOSING DATE, the CONCESSIONAIRE shall ensure that the OPERATOR exercises CONTROL OF TECHNICAL OPERATIONS of the CONCESSIONAIRE.

Within the framework of the definitions of CONTROL OF TECHNICAL OPERATIONS, EFFECTIVE CONTROL and MINIMUM PARTICIPATION established in the present document, if any event of non-compliance with the obligations and limitations indicated in this subparagraph occurs, it shall be considered a cause for termination of the CONTRACT and the GRANTOR shall be entitled to revert the CONCESSION.

The provisions set forth in subparagraphs a) and b) above shall not apply in the event that the status of SUCCESSFUL BIDDER, CONCESSIONAIRE and OPERATOR converge in the same legal entity that had concessions granted in Peru for a PUBLIC TELECOMMUNICATION SERVICE prior to this BID. In such cases, the provisions of Clause 17.1 shall apply.

17.3. Subcontracting and Resale

The CONCESSIONAIRE, with the prior written approval of the GRANTOR, may subcontract with third parties the execution of any or all of the activities included in the provision of the GRANTED SERVICE, subject matter of the CONCESSION, anywhere within the CONCESSION AREA, under the same conditions stipulated in this CONCESSION CONTRACT.

The CONCESSIONAIRE may, without prior authorization from the GRANTOR, subcontract administrative activities related to the provision of the GRANTED SERVICE, such as logistics services, collections, commercial attention to SUBSCRIBERS and USERS, among others of the same nature, as well as the installation, maintenance and provision of infrastructure.

Subcontracting does not exempt the CONCESSIONAIRE from complying with the obligations established in this CONTRACT, nor those established in the applicable rules.

CLAUSE 18: EXPIRATION OF THE CONCESSION

18.1. Expiration of the Concession

The CONCESSION shall expire and, therefore, cease to have effect, in any of the following cases:

- a) Upon expiration of the TERM OF CONCESSION established in Clause 6.1, unless such term has been renewed pursuant to Clause 6.2.

- b) By agreement of the PARTIES, executed in writing.
- c) By termination in accordance with the grounds set forth in Clause 18.2.
- d) Due to the impossibility of continuing to provide the REGISTERED SERVICES, in accordance with the provisions of Clause 6.7.4 of this Contract.
- e) By application of Clause 23 of this CONTRACT, there being no possibility of remedy with respect to the breach of the same.

18.2. Termination of the Contract

The termination shall render the CONTRACT null and void due to the existence of any cause supervening its conclusion. The GRANTOR will evaluate the grounds for termination considering the applicable regulatory framework. The causes are the following:

- a) If the CONCESSIONAIRE incurs in any of the grounds for termination set forth in the GENERAL REGULATIONS;
- b) Accumulating an amount of penalties imposed by subparagraphs a), b), d) or e) of paragraph 19.3 of Clause 19 of this CONTRACT, equivalent to or greater than 5,700 Tax Units;
- c) Failure to comply with the COMMENCEMENT OF THE PROVISION OF SERVICES foreseen in the TECHNICAL SPECIFICATIONS for the MANDATORY INVESTMENT COMMITMENTS in accordance with the following:
 - i. In at least 20% of the BENEFICIARY COMMUNITIES of said MANDATORY INVESTMENT COMMITMENTS assumed in the TECHNICAL PROPOSAL and in the TECHNICAL PROJECT for the First Year as detailed in Appendix No. 1 of Annex No. 7;
 - ii. In at least 20% of the BENEFICIARY COMMUNITIES of said MANDATORY INVESTMENT COMMITMENTS assumed in the TECHNICAL PROPOSAL and in the TECHNICAL PROJECT for the Second Year as detailed in Appendix No. 1 of Annex No. 7;

Any of the non-compliances shall be evidenced by the SUPERVISION REPORT referred to in paragraph 16.6.8 of the TECHNICAL SPECIFICATIONS.

- d) Suspension, without prior authorization from the GRANTOR, of the provision of the services set forth in the TECHNICAL SPECIFICATIONS, when such services are provided with the BAND or frequencies different from the BAND, for the MANDATORY INVESTMENT COMMITMENTS in any of the BENEFICIARY COMMUNITIES of such MANDATORY INVESTMENT COMMITMENTS assumed in the TECHNICAL PROPOSAL and in the TECHNICAL PROJECT;
- e) If the CONCESSIONAIRE breaches any of the Essential Conditions established in subparagraphs a), b), e), f) and g) of Clause 2.2.

The GRANTOR, in order to be able to adopt its decision regarding the non-compliance with the Essential Conditions established in subparagraphs a), b), e), f) and g) of Clause 2.2 of this CONTRACT, shall request OSIPTEL's non-binding

opinion, which must be sent to the GRANTOR within twenty (20) DAYS of being requested. In case OSIPTEL has not issued the indicated report at the expiration of the term, the GRANTOR may adopt its decision regardless of it;

- f) If the CONCESSIONAIRE breaches the provisions of Clause 8.18 of the present CONTRACT; within the framework of the provisions of the GENERAL REGULATIONS;
- g) If the CONCESSIONAIRE does not renew the PERFORMANCE BOND OF THE CONCESSION CONTRACT in a timely manner, in accordance with Clause 12 of this CONTRACT;
- h) If the CONCESSIONAIRE has been declared in liquidation or dissolution;
- i) If it is proven that any of the representations contained in Clause 3.1 have been false or inaccurate, from the moment they were expressed;
- j) If the CONCESSIONAIRE assigns, in whole or in part, the rights, interests or obligations assumed by this CONTRACT, without observing the provisions of Clause 17 of this CONTRACT;
- k) If the CONCESSIONAIRE fails to submit the TECHNICAL PROJECT to the GRANTOR within the term established in Clause 8.5. of this CONTRACT, or if it fails, for imputable cause, to submit the correction of each of the observations formulated by the GRANTOR, within the term established in Clause 8.5 of the CONTRACT;
- l) If the CONCESSIONAIRE does not comply with the USAGE GOALS of Spectrum and, as a consequence, the total reversion of the BAND is produced;
- m) If after the CONTRACT has been subscribed, the falsity of the declaration detailed in subparagraph j) of paragraph 4.1 of Clause Four of the CONTRACT is demonstrated;
- n) By decision of the GRANTOR: for duly founded reasons of public interest, the GRANTOR may terminate the CONCESSION by means of a Ministerial Resolution. The date of termination of the CONCESSION set by the GRANTOR cannot be less than six (06) months counted from the date of issuance of the Ministerial Resolution declaring the CONTRACT terminated;
- o) For non-compliance with the obligation to revert the radio spectrum that exceeds the established ceilings, in accordance with the applicable provisions of the MTC and subparagraph i) of Clause 2.2 of this CONTRACT;
- p) Failure to comply with the obligations established in this CONTRACT under penalty of express termination;
- q) Failure of the CONCESSIONAIRE to pay the special fee to the Telecommunications Investment Fund - FITEL administered by PRONATEL, and the contribution to OSIPTEL for two (2) consecutive years.
- r) If applicable, the OPERATOR reduces its participation in the capital stock of the CONCESSIONAIRE below the MINIMUM PARTICIPATION, before the fifth year as from the CLOSING DATE, or if upon expiration of such term it reduces such

MINIMUM PARTICIPATION without having the prior authorization referred to in Clause 17.2.

In the cases indicated above, the analysis and procedure for termination of the contract shall be subject to the provisions of the TELECOMMUNICATIONS LAW and the GENERAL REGULATIONS. If these rules do not establish a contractual termination procedure, the general procedure indicated in Clauses 18.3 and 18.4 shall apply.

18.3. General Procedure for Termination of Contract

The termination of the CONTRACT pursuant to Clause 18.2, shall be formalized by means of a resolution issued by the GRANTOR, using the following procedure:

- a) Notice. Before issuing the resolution that declares the CONTRACT terminated pursuant to paragraph 18.2, the GRANTOR shall give the CONCESSIONAIRE a term of no less than thirty (30) CALENDAR DAYS to remedy the cause that supports the termination, under penalty of initiating the termination process. Once this requirement is fulfilled, if the correction is not made, a notice shall be published in the Official Gazette "El Peruano" and a notice shall be sent to the CONCESSIONAIRE and OSIPTEL indicating:
 - i. That it is proposed to issue a resolution, establishing its scope and effects;
 - ii. The reasons for which it is proposed to issue such resolution;
 - iii. The period of time during which the CONCESSIONAIRE or third PARTIES with an interest may submit written comments or objections to the proposed resolution. Such period shall not be less than thirty (30) CALENDAR DAYS, as of the date of publication of the notice;
 - iv. OSIPTEL shall send to the GRANTOR and the CONCESSIONAIRE its report and opinion on the proposed resolution, within a period that may not be less than thirty (30) CALENDAR DAYS as of the date of publication of the notice; and
 - v. The date, place and time for the hearing in which the CONCESSIONAIRE, OSIPTEL and any third party with a legitimate interest may submit comments or objections. Said date shall not be less than thirty (30) CALENDAR DAYS counted as of the expiration of the term to submit comments or objections in writing.

In the event of a resolution by application of subparagraph n) of paragraph 18.2, the notice for the correction referred to in this paragraph shall not be required and the procedure shall begin with the publication of the notice in the official Gazette El Peruano.

- b) Hearing and Resolution. On the date determined in the notice, the GRANTOR shall conduct a public hearing during which the CONCESSIONAIRE, OSIPTEL and those third parties who have legitimate interest and who have submitted comments or objections that the GRANTOR has previously qualified as relevant, shall have the right to be heard. The GRANTOR'S resolution shall be issued no later than sixty (60) CALENDAR DAYS after the public hearing.

18.4. Grounds exempted from the General Procedure for Termination

The General Procedure for Termination of Contract set forth in paragraph 18.3 shall not apply to the grounds set forth in subparagraphs b), c), f), g), h), i), l), m), o), q) and r) of paragraph 18.2 of this CONTRACT.

In the grounds set forth in subparagraphs b), c), h), i), l) and m) of paragraph 18.2 of this CONTRACT, the provisions of Article 1430° of the Civil Code shall apply, at the time the GRANTOR notifies the CONCESSIONAIRE that it wishes to enforce the termination clause.

In the grounds set forth in subparagraphs f), g), o), q) and r) of paragraph 18.2 of this CONTRACT, the provisions of articles 1428° and 1429° of the Civil Code shall apply.

18.5. Consequences of the expiration of the Concession

The expiration of the CONCESSION operates automatically without requiring any subsequent act or declaration to that effect. As a consequence of the expiration, the CONCESSION, this CONTRACT and the corresponding records shall not be effective; likewise, the expiration process shall be subject to the provisions of the APPLICABLE LAWS AND PROVISIONS.

In case of expiration of the CONCESSION and if it were necessary to guarantee the continuity of the service, the CONCESSIONAIRE undertakes to continue providing the REGISTERED SERVICES, under the same terms and conditions set forth in this CONTRACT, for a term to be duly indicated by the GRANTOR. In no case, this term may be less than the period elapsed from the subscription of the new Concession Contract and ASSIGNMENT of the BAND resulting from the contest, bidding or process summoned by the GRANTOR, until the DATE OF COMMENCEMENT OF OPERATIONS of the new CONCESSIONAIRE.

The GRANTOR shall not make any indemnification or pecuniary recognition or of any other nature to the CONCESSIONAIRE neither in case of expiration of the CONCESSION nor for the rendering of the REGISTERED SERVICES during the term indicated in the previous paragraph.

18.6. Cancellation of Registration

Cancellation of registration for each REGISTERED SERVICE is subject to the provisions of Article 158 of the GENERAL REGULATIONS.

CLAUSE 19: ADMINISTRATIVE PENALTIES AND SANCTIONS

19.1. Independence of Penalties from any Administrative Sanctions

The CONCESSIONAIRE is solely responsible for the fulfillment of each and every one of the obligations established in this CONTRACT, including those performed by third parties on its behalf.

The administrative sanctions established in the TELECOMMUNICATIONS LAW and its GENERAL REGULATIONS to be applied by the GRANTOR or those applied by OSIPTEL shall be applied independently of the penalties for non-compliance agreed upon in this CONCESSION CONTRACT in accordance with the provisions of article 133 of the GENERAL REGULATIONS.

The administrative penalties may be challenged by means of the contentious-administrative process established in Law No. 27584, its Unique Ordered Text approved

by Supreme Decree No. 013-2008-JUS, or any regulation that may replace it. In the case of conventional penalties, the imposition thereof may only be challenged through arbitration, in accordance with the provisions of Clause 20 of this CONTRACT.

19.2. Non-compliance subject to administrative sanction

The following non-compliances are subject to an administrative infraction punishable by penalty:

a) Non-compliance with Usage Goals

Failure to comply with the USAGE GOALS established according to the APPLICABLE LAWS AND PROVISIONS will be duly sanctioned by the GRANTOR, in accordance with the APPLICABLE LAWS AND PROVISIONS.

b) Non-compliance with the Coverage Plan

Failure to comply with the Coverage Plan set forth in paragraph 8.4 of Clause Eight shall be sanctioned by OSIPTEL, in accordance with the provisions of its sanction regulations.

c) Non-compliance with Quality of Service Requirements

Failure to comply with the Quality of Service Requirements shall be sanctioned by OSIPTEL, in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS and in accordance with the provisions of paragraph 8.6 of this CONTRACT.

d) Failure to provide information to Users and Subscribers

Failure to provide information to USERS and SUBSCRIBERS will be sanctioned by OSIPTEL, in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS.

e) Non-compliance with the Terms of Use

Failure to comply with the TERMS OF USE will be sanctioned by OSIPTEL, in accordance with the provisions of the APPLICABLE LAWS AND PROVISIONS, including, as applicable, OSIPTEL's user regulations.

f) Non-compliance with the Essential Conditions

The non-fulfillment of the Essential Conditions foreseen in subparagraphs e) and f) of paragraph 2.2 of Clause Two shall be sanctioned by the GRANTOR, in accordance with the provisions of its sanction regulations, as applicable.

g) Other non-compliances foreseen in the Applicable Laws and Provisions

Failure to comply with the obligations classified as an administrative infraction in the APPLICABLE LAWS AND PROVISIONS.

19.3. Non-compliance subject to penalties

The non-compliances of subparagraphs a), b) and c) are evidenced by the SUPERVISION REPORT with observations.

The penalties are applied regardless of the obligation of the CONCESSIONAIRE to correct the observations noted in the corresponding SUPERVISION REPORT.

a) Non-compliance with MINIMUM SPEED for MANDATORY INVESTMENT COMMITMENTS

Failure to comply with the MINIMUM SPEED will be penalized by the GRANTOR, after OSIPTEL's supervision report, as follows:

- i. First non-compliance, for each beneficiary community considered in Appendix No. 1 of Annex No. 7: two (02) Tax Units.
- ii. Second non-compliance in the same beneficiary community, twelve (12) months after the supervision that determined the first non-compliance: eight (08) Tax Units.
- iii. Subsequent non-compliances, in the same beneficiary community after twelve (12) months from the date of the supervision that determined the second non-compliance: fifteen (15) Tax Units for each non-compliance.

b) Non-compliance with MANDATORY INVESTMENT COMMITMENTS

Failure to comply with the MANDATORY INVESTMENT COMMITMENT "Implementation of 4G Network" assumed in the TECHNICAL PROPOSAL and TECHNICAL PROJECT, shall be penalized by the GRANTOR, subject to a Supervision Report, in accordance with the following:

- i. First non-compliance: 15 Tax Units for each BENEFICIARY COMMUNITY considered in Appendix No. 1 of Annex No. 7 in which the COMMENCEMENT OF THE PROVISION OF SERVICES has not been given in the BENEFICIARY COMMUNITIES in accordance with the definitions, conditions and terms established in the TECHNICAL SPECIFICATIONS and TECHNICAL PROPOSAL.
- ii. Second non-compliance, counted from six (06) months after the supervision that determined the first non-compliance in the same BENEFICIARY COMMUNITY: 75 Tax Units for each BENEFICIARY COMMUNITY considered in Appendix No. 1 of Annex No. 7 in which the COMMENCEMENT OF THE PROVISION OF SERVICES has not been given in the BENEFICIARY COMMUNITIES in accordance with the definitions, conditions and terms established in the TECHNICAL SPECIFICATIONS and TECHNICAL PROPOSAL.
- iii. Subsequent non-compliances, counted as of six (06) months after the supervision that determined the last non-compliance in the same BENEFICIARY COMMUNITY: 150 Tax Units for each BENEFICIARY COMMUNITY considered in Appendix No. 1 of Annex No. 7 in which the COMMENCEMENT OF THE PROVISION OF SERVICES has not occurred in the BENEFICIARY COMMUNITIES in accordance with the definitions, conditions and deadlines established in the TECHNICAL SPECIFICATIONS and TECHNICAL PROPOSAL.

c) Penalty for Termination of Contract

If the GRANTOR terminates the CONTRACT for any of the causes set forth in Clause 18.2, with the exception of the one contained in subparagraph n) of said paragraph and Clause 23, the CONCESSIONAIRE shall pay a penalty equivalent to Ten Million and 00/100 American Dollars (US\$ 10'000,000.00).

In the event of cancellation of the registration in the REGISTRY of PUBLIC TELECOMMUNICATIONS SERVICES of an additional service to the Personal Communications Service, due to non-compliance by the CONCESSIONAIRE with the COMMENCEMENT OF THE PROVISION OF SERVICES, the provisions set forth in paragraph 22.02 of Clause 22 of the standard contract approved by Ministerial Resolution No. 568-2007-MTC/03 shall be applied.

In the event the CONCESSIONAIRE breaches the obligations set forth in the CONTRACT, or the TELECOMMUNICATIONS LAW or the GENERAL REGULATIONS, which would give rise to the termination of the CONTRACT, the penalty will be applied automatically and without the need for a remedy procedure, the disqualification to subscribe with the MTC a new Sole Concession Contract for the provision of PUBLIC TELECOMMUNICATIONS SERVICES for a period of two (2) years as from the date of notice of the termination of the CONTRACT, whether or not due to a cause of full right.

d) Failure to pay the capital stock liability dividend

Partial compliance with the payment of the capital stock liability dividend provided for in subparagraph f) paragraph 4.1 of Clause Four, shall be penalized by the MTC at the rate of 7.9% of the balance of the capital stock for each year in which liability dividends remain, as from the beginning of the sixth year of the CLOSING DATE of the CONCESSION CONTRACT.

e) Non-compliance with radio spectrum cap regulations

- i. If the CONCESSIONAIRE exceeds the maximum term for the reversion of the radio spectrum due to a cause attributable to it, it will be penalized with 2.1% of the amount of the PERFORMANCE BOND OF THE CONCESSION CONTRACT.
- ii. If the CONCESSIONAIRE, after the maximum term of reversion, continues to use totally or partially the radio spectrum, it will be penalized with 2.1% of the amount of the PERFORMANCE BOND OF THE CONCESSION CONTRACT for each month in excess of the maximum term of reversion.

19.4. Procedure for the Application of Penalties

Before imposing any of the contractual penalties set forth in this section, the GRANTOR shall notify the CONCESSIONAIRE in writing stating: (i) the reasons for the imposition of the penalty or the non-compliance with the notice of default, if applicable; and (ii) the period of time during which the CONCESSIONAIRE may submit its written rejection, such period shall not be less than thirty (30) CALENDAR DAYS from the date of the notice. Upon expiration of this term, with or without the respective disclaimer, the GRANTOR shall impose, if applicable, the corresponding penalty, supporting in writing the reasons for which it has been imposed.

19.5. Damages

The penalties indicated in the previous paragraphs of Clause Nineteen, shall be applied without prejudice to the obligation of the CONCESSIONAIRE to eventually respond for the direct damages caused to the GRANTOR, resulting from its non-compliance, in accordance with the provisions of the Civil Code.

19.6. Destination of Payments for Penalties

The amounts derived from penalties will be paid to the MTC and the amounts derived from administrative sanctions will be paid to the entity that imposed the administrative sanction.

19.7. Guarantee of payment of Administrative Penalties and Sanctions

Failure to pay any of the penalties for breach of the CONCESSIONAIRE'S obligations under this CONTRACT or for any of the administrative infractions set forth in this clause shall be covered by the PERFORMANCE BOND OF THE CONCESSION CONTRACT provided for in Clause Twelve.

CLAUSE 20: SETTLEMENT OF DISPUTES

20.1. Applicable Laws and Provisions

The PARTIES have negotiated, drafted and executed the CONTRACT in accordance with the APPLICABLE LAWS AND PROVISIONS included in paragraph 5 of the BIDDING TERMS. Therefore, they express that the content, execution, conflicts and other consequences arising therefrom shall be governed by the aforementioned regulations, which the PARTIES declare to know and abide by.

Consequently, the CONCESSIONAIRE irrevocably and unconditionally waives any diplomatic claim in relation to this CONTRACT.

20.2. Disputes between the parties

- a) Any controversy arising in relation to the execution of this CONTRACT, including its interpretation and any aspect related to its existence, validity or termination, with the exception of those matters related to the exercise of attributions or functions of the GOVERNMENTAL AUTHORITIES, shall be amicably resolved by the PARTIES within a direct agreement, within ninety (90) CALENDAR DAYS counted from the date that one PARTY communicates to the other, in writing, the existence of the conflict of uncertainty of legal relevance.

The request for the initiation of direct dealing must include a description of the dispute and its due substantiation, as well as be accompanied by all the corresponding means of evidence. The agreements adopted by the PARTIES during the direct dealing procedure shall be recorded in the respective record(s). The term referred to in the preceding paragraph may be modified by joint decision of the PARTIES, according to the circumstances of each dispute. Such agreement shall be in writing.

In the event that the PARTIES do not reach a satisfactory agreement, they shall unconditionally submit to legal arbitration, in the case of Non-Technical Disputes. In case of Technical Disputes, they shall be submitted to conscientious arbitration. The rules for both types of arbitration are as follows. Disputes on

matters of free disposal of the PARTIES may be submitted to arbitration, in accordance with the provisions of Article 2 of Legislative Decree No. 1071.

If the PARTIES do not agree, within the direct dealing period, as to whether the dispute or controversy is a Non-Technical Dispute or a Technical Dispute, or whether the dispute has Technical Dispute and Non-Technical Dispute components, in this case, such dispute or uncertainty shall be considered as a Non-Technical Dispute and shall be resolved in accordance with legal arbitration.

- b) The rules of procedure applicable to the arbitration shall be those of the national arbitration center chosen by the PARTIES, as provided in this clause, and to whose rules they unconditionally submit, with Legislative Decree No. 1071, General Arbitration Law, including its amending, extending and related rules or any other that may replace it, being of supplementary application. The arbitrators shall be empowered to fill any gap with respect to the aforementioned regulations.
- c) The arbitration shall take place in the city of Lima and shall be conducted in Spanish. Disputes shall be settled in accordance with applicable Peruvian law.
- d) The arbitration shall be conducted by a panel of three (3) arbitrators, each PARTY shall appoint one arbitrator. The third arbitrator, who shall preside over the Tribunal, shall be appointed by agreement of the other two arbitrators selected by the PARTIES. If one of the PARTIES fails to appoint its arbitrator within ten (10) DAYS from the notice of the request for appointment, it shall be deemed to have waived its right and, accordingly, the arbitrator shall be appointed by the chosen arbitration center, at the request of any of the PARTIES. If the two appointed arbitrators fail to agree on the appointment of the third arbitrator, within ten (10) CALENDAR DAYS from the date of appointment of the second arbitrator, the third arbitrator shall be appointed, at the request of either PARTY, by the chosen arbitration center.
- e) The PARTIES agree that the award rendered by the Arbitral Tribunal shall be final and not subject to appeal and shall be res judicata. Consequently, the PARTIES waive the right to appeal, cassation or any other recourse against the arbitration award and declare that the award shall be binding, final and immediately enforceable, except in the case of the grounds stipulated in Articles 62 and 63 of Legislative Decree No. 1071, as applicable.
- f) All expenses incurred in the resolution of the dispute submitted to arbitration, including the fees of the arbitrators participating in the resolution thereof, shall be borne by the losing party. The same rule shall apply in the event that the DEFENDANT or counterclaimant accepts or recognizes the claim of the plaintiff or counterclaimant. The costs shall also be borne by the plaintiff or counterclaimant who withdraws the claim. If the proceeding ends without a decision on the merits of the claims, due to settlement or conciliation, the aforementioned expenses shall be borne equally by the plaintiff and the defendant. Likewise, in the event that the award is partially in favor of the positions of the PARTIES, the Arbitral Tribunal shall decide on the distribution of such costs. Costs and expenses such as counsel fees, internal costs or other costs attributable to an individual PARTY are excluded from the provisions of this clause.

Notwithstanding the provisions of the preceding paragraphs, the PARTIES may agree to submit their disputes to an arbitration center other than the National and International Arbitration Center of the Lima Chamber of Commerce. In the

absence of agreement between the PARTIES, the arbitration shall be submitted to the National and International Arbitration Center of the Lima Chamber of Commerce.

- g) The provisions set forth in this clause and in the APPLICABLE LAWS AND PROVISIONS, Arbitration and its procedures, eligible institutions, terms and conditions, are not applicable in the case of international investment disputes pursuant to the provisions of Law No. 28933, Law that establishes the System of Coordination and State Response in International Investment Disputes.
- h) The decisions of OSIPTEL or other entities that are issued in execution of their administrative competencies attributed by express rule, whose claim is through administrative channels, cannot be submitted to the dispute resolution mechanisms established in this clause.
- i) In cases other than those established in (h) above, the arbitrators are obliged to allow OSIPTEL to participate in the arbitration proceedings in which decisions and matters related to OSIPTEL's competence are being discussed. In these cases, OSIPTEL must act under the principle of autonomy established in Law No. 27332, the Unique Ordered Text of the TELECOMMUNICATIONS LAW, and Law No. 27336, Law on the Development of the Functions and Powers of OSIPTEL.

20.3. Disputes with Other Service Providers

All disputes arising with other operators of PUBLIC TELECOMMUNICATIONS SERVICES and that deal with non-arbitrable matters or whose resolution is the exclusive competence of OSIPTEL, shall be submitted to the procedure established in the General Regulations of OSIPTEL for the Solution of Disputes between OSIPTEL Companies or rules that modify, substitute or complement them.

With respect to other matters or those that may be submitted to arbitration, the CONCESSIONAIRE expressly declares in advance its willingness to submit to arbitration any controversy arising between it and another operator of PUBLIC TELECOMMUNICATIONS SERVICES, under the same terms expressed in the preceding Clause. In the event that the other operators of the PUBLIC TELECOMMUNICATIONS SERVICES do not accept arbitration, the rules contained in OSIPTEL's Regulations and in OSIPTEL's General Regulations for the Settlement of Disputes between OSIPTEL Companies or rules that modify, replace or complement them shall apply.

20.4. Dispute Resolution Board

Notwithstanding the provisions of this Clause, during the direct dealing stage, at the request of any of the PARTIES, they may submit their disputes to a Dispute Resolution Board, issuing a binding and enforceable decision, without prejudice to the right to resort to arbitration, unless otherwise agreed between the parties. In case of recourse to arbitration, the decision adopted is considered as a precedent in the arbitration process.

This procedure does not apply in the case of disputes to which the dispute resolution mechanisms and procedures referred to in Law No. 28933, Law that establishes the System of Coordination and State Response in International Investment Disputes, or those provided for in international treaties that bind the Peruvian State, are applicable.

The Dispute Resolution Board may be constituted at any time after the execution of the contract, in order to additionally develop functions of acquittal of queries and issuance of recommendations regarding issues and/or questions requested by the PARTIES of this CONTRACT.

The Dispute Resolution Board is made up of three (03) experts who are appointed by the PARTIES directly or by delegation to a Center or Institution that administers alternative dispute resolution mechanisms.

The members of the Dispute Resolution Board perform their activities in an impartial and independent manner, and may be of a nationality other than that of the PARTIES.

CLAUSE 21: RULES OF INTERPRETATION

This CONTRACT is subject to the following rules of interpretation:

- a) In case of divergence in the interpretation of this CONTRACT, the PARTIES shall follow the following order of priority to resolve said situation:
 1. The CONTRACT;
 2. Official Letters; and
 3. The BIDDING TERMS.
- b) This CONTRACT shall be interpreted according to its own Clauses, the Official Letters, the BIDDING TERMS and the APPLICABLE LAWS AND PROVISIONS.
- c) The Annexes to this CONTRACT form an integral part of the same.
- d) The CONTRACT is entered into in Spanish language only. In the event of any difference between the translation of the CONTRACT and this one, the text of the CONTRACT in Spanish shall prevail. Translations of this CONTRACT shall not be considered for purposes of interpretation.
- e) The terms established shall be computed in days, months or years as appropriate.
- f) The headings contained in the CONTRACT are for identification purposes only and shall not be considered as part of the CONTRACT, to limit or expand its contents or to determine the rights or obligations of the PARTIES.
- g) The terms in singular shall consider the same terms in plural and vice versa. Terms in the masculine shall consider the feminine and vice versa.
- h) The use of the disjunction "or" in an enumeration shall be construed as including exclusively any of the elements of such enumeration.
- i) The use of the conjunction "and" in an enumeration shall be construed as including all the elements of such enumeration or list.

CLAUSE 22: FINAL PROVISIONS

22.1. Currency of the Contract

Pursuant to Article 1237 of the Peruvian Civil Code, each and every payment provided for in this Contract, with the exception of the fees and duties referred to in Clause 7, which shall be made in the currency of legal tender in Peru, shall be made in US Dollars, hereinafter referred to as the "Currency of the Contract".

- a) Conversion of the Currency of the CONTRACT. If for any reason the Government or an administrative or judicial authority issues a provision, order or judgment related to this CONTRACT, ordering the payment of sums in a currency other than the Currency of the CONTRACT, the PARTY benefited by such order or judgment, immediately after receiving the totality of the payments provided for in the corresponding order or judgment and converting them into the Currency of the CONTRACT, shall be entitled to receive the sums, in the Currency of the CONTRACT, as may be necessary to compensate for the loss resulting from the devaluation of the currency in which the order or award was expressed against the Currency of the CONTRACT, between the date of the respective order or award and the effective date of payment.
- b) Exchange Rate. For the purposes of this Clause, the conversion of sums into the Currency of the CONTRACT shall be made at the selling exchange rate published by the Superintendency of Banking and Insurance and AFP in the Official Gazette "El Peruano", on the day on which the respective payment is made.

22.2. Notices

Unless otherwise provided in the CONTRACT itself, all notices, summons, petitions, demands and other communications due or permitted under this CONTRACT, shall be in writing and shall be considered validly made if made via electronic mailbox of the GRANTOR.

Likewise, in case it is not possible to make the notice via electronic mailbox, the physical notices shall be considered valid if they have the respective acknowledgment of receipt or if they are sent by e-mail, courier or fax, once its reception is verified by means of evidence or confirmation of complete transmission issued by the system of the addressee of the respective communication, to the following addresses:

If addressed to the GRANTOR:

Name: Ministry of Transportation and Communications
Address: Jr. Zorritos N° 1203, Lima 1
Attention: General Directorate of Communications Programs and Projects
Facsimile: 615-7824
E-mail:@mtc.gob.pe

If it is addressed to the CONCESSIONAIRE:

Name:
Address:
Attention:
Facsimile:
E-mail:@.....

If addressed to OSIPTEL:

Name: Supervisory Agency for Private Investment in
Telecommunications, OSIPTEL
Address: Calle de la Prosa 136, San Borja, Lima
Attention: General Management
Facsimile: 4751816
E-mail address:@osiptel.gob.pe

If addressed to the OPERATOR:

Name:
Address:
Attention:
Facsimile:
E-mail:@.....

Or to any other address or person designated in writing by the PARTIES.

22.3. Waiver

The waiver of rights under this CONTRACT shall only be effective if made in writing and with due notice to the other PARTY. If at any time one of the PARTIES waives or ceases to exercise a specific right set forth in this CONTRACT, such conduct shall not be considered as a permanent waiver to enforce the same or any other right during the entire term of this CONTRACT.

Amendments and clarifications to this CONTRACT, including those that the CONCESSIONAIRE may propose at the suggestion of the financial institutions, shall only be valid if they are agreed in writing and signed by representatives with sufficient power of attorney of the PARTIES and comply with the relevant requirements of the APPLICABLE LAWS AND PROVISIONS.

22.4. Partial Disability

If any term or provision of this CONTRACT is held invalid or unenforceable by any competent authority or PERSON, such invalidity shall be construed narrowly and shall not affect the validity of any other provision of this CONTRACT.

22.5. Amendments to the Contract

The PARTIES may agree in writing to modify this CONTRACT by means of the execution of addenda; the procedure for their approval and execution shall be subject to the provisions of the TELECOMMUNICATIONS LAW, the GENERAL REGULATIONS and other APPLICABLE LAWS AND PROVISIONS. The GRANTOR shall inform OSIPTEL of the modifications to the CONTRACT within ten (10) DAYS after the addenda have been subscribed.

22.6. Automatic Adequacy of Contract

The PARTIES declare that the CONTRACT shall automatically and as a matter of law comply with the general regulations issued and to be issued by the Peruvian State.

22.7. Public Deed

Upon request of any of the PARTIES, this CONTRACT shall be executed in Public Deed. The cost of the notarization shall be borne by the CONCESSIONAIRE.

CLAUSE 23: ANTI-CORRUPTION CLAUSE

23.1. Anti-corruption clause

The CONCESSIONAIRE declares that neither it, nor its shareholders, partners or AFFILIATED COMPANIES, nor any of their respective directors, officers, employees, or any of their advisors, representatives or agents, have paid, offered, attempted to pay or offer, or will attempt to pay or offer in the future any illegal payment or commission to any authority related to the Award of the Successful bid of the Bid, the CONCESSION or the execution of this CONTRACT.

It is expressly established that in the event that it is verified that any of the natural or legal persons mentioned in the preceding paragraph have been convicted by means of a final or enforceable judgment or have admitted and/or acknowledged the commission of any of the crimes typified in Section IV of Chapter II of Title XVIII of the Criminal Code, or equivalent crimes in the event that they have been committed in other countries, before any national or foreign competent authority, in connection with the execution of this CONTRACT, the CONCESSION or the Award of the successful bid in the SPECIAL PUBLIC BIDDING, the CONTRACT is hereby terminated by operation of law and the CONCESSIONAIRE shall pay to the GRANTOR a penalty equivalent to Seventeen Million American Dollars (US\$ 17,000,000.00), without prejudice to the execution of the PERFORMANCE BOND OF THE CONCESSION CONTRACT.

For the determination of the economic linkage referred to in the first paragraph, the provisions of SMV Resolution No. 019-2015-SMV/01 shall apply.

In witness whereof, the PARTIES have signed and delivered five (5) equal copies of this CONTRACT, on....., 20.....

Grantor: Ministry of Transportation and Communications

Name:

Title:

Signature of the Grantor's Representative:

Concessionaire:

Name:

Position:

Signature of the Concessionaire's Representative:

Operator:

Name:

Title:

Signature of the Operator's Representative:

Successful bidder:

Name:

Title:

Signature of the successful bidder's representative:

**ANNEX No. 1 TO THE CONTRACT:
LETTER OF GUARANTEE OF PERFORMANCE BOND FOR THE BAND
CONTRACT**

(To be included on the Closing Date)

**APPENDIX No. 1 TO ANNEX No. 1 TO THE CONTRACT:
SAMPLE LETTER OF GUARANTEE OF PERFORMANCE BOND FOR THE BAND
CONTRACT.**

Lima, 20.....

Sirs
Ministry of Transportation and Communications - MTC

Ref.: Letter of Guarantee No.....
Expiration:.....

Dear Sirs:

We, hereby and at the request of our clients, (name of the legal entity) (hereinafter "the CONCESSIONAIRE"), constitute this irrevocable, unconditional and automatic performance bond, without benefit of excussion or division, up to the amount of in favor of the MTC to guarantee the correct and timely compliance with each and every one of the obligations of the CONCESSIONAIRE derived from the execution of the Single Concession for the provision of Public Telecommunication Services and Assignment at the national level of the frequency range 2,300 – 2330 MHz (hereinafter "the Contract").

This bond shall also guarantee the correct and timely compliance with the obligations of the Concessionaire established under the provisions contained in Legislative Decree No. 1362, Legislative Decree of the Framework for the Private Investment Promotion through Public-Private Partnerships and Projects in Assets, its Regulations, approved by Supreme Decree No. 240-2018-EF, and its amendments or rules that replace them.

In order to honor this bond in its favor, it shall be sufficient to request through a notary public of the MTC. Payment shall be made within 24 hours following your request at our offices located at

Any delay on our part in honoring it will accrue interest at the LIBOR rate plus a spread of 3% per annum. The LIBOR rate shall be the rate established by the daily Cable Reuter received in Lima at 11:00 a.m. and interest shall accrue from the date on which performance is demanded until the effective date of payment.

Our obligations under this bond shall not be affected by any dispute between you and our customers.

This bond shall be effective from 20....., until20....., inclusive.

Sincerely,

Signature.....
Name
Entity

ANNEX No. 2 TO THE CONTRACT
LIST OF THE CONCESSIONAIRE'S MAIN PARTNERS

1. General Data
 - a. Name:
 - b. Place of constitution:
 - c. Date of constitution:
 - d. Registered office:
 - e. Registration information, if applicable:
2. Capital stock:
3. Shares or capital shares of the Concessionaire
 - a. Number:
 - b. Class:
 - c. Nominal value:
 - d. Percentage of capital stock of the Concession:

ANNEX No. 3 TO THE CONTRACT
LIST OF PARENT COMPANIES OF THE CONCESSIONAIRE'S MAIN PARTNERS

1. General Data
 - a. Name:
 - b. Place of constitution:
 - c. Date of constitution:
 - d. Registered office:
 - e. Registration information, if applicable:
2. Capital stock:
3. Shares or capital shares of the Concessionaire
 - a. Direct participation:
 - (i) Number of shares, participations or capital shares:
.....
 - (ii) Nominal value of each share, participation or capital share:
.....
 - b. Indirect participation
 - (i) Number of shares, participations or capital shares:
.....
 - (ii) Nominal value of each share, participation or capital share:
.....
 - (iii) Related companies through which the interest is held:
.....

**ANNEX No. 4 OF THE CONTRACT
COVERAGE PLAN FOR THE BAND**

(To be submitted within the TECHNICAL PROJECT)

Districts	Year				
	1	2	3	4	5
No. of Districts (annual)					
No. of Districts (accumulated)					

**ANNEX No. 5 TO THE CONTRACT
TECHNICAL PROPOSAL OF THE BAND**

(To be included on the CLOSING DATE)

**ANNEX No. 6 TO THE CONTRACT
TECHNICAL PROJECT**

(To be included once approved by THE GRANTOR)

**APPENDIX No. 1 TO ANNEX No. 6 TO THE CONTRACT
INFORMATION REQUIRED FOR THE TECHNICAL PROJECT**

REGARDING THE OPERATION OF THE BAND

- I. Coverage Plan (Annex No. 4 of the Contract).
- II. Detailed description of the technical and operational characteristics of the system to be installed, including:
 - a) Technology to be used
 - b) Description and operation of the system to be implemented
 - c) Switching, transport, access and network management system, specifying its operation and equipment to be used, specifying quantity, brand, model and functions of each equipment in the aforementioned systems
 - d) Connectivity diagram of the equipment to be used in the systems to be implemented.
 - e) Location of switching centers
 - f) Attach technical characteristics of the equipment to be used.
 - g) Complete the technical information annexes published on the MTC's web page, according to the service to be provided, as appropriate. It is also recommended to attach the files in MSWORD and/or EXCELL format.
- III. Timelines and schedules for equipment installation and service start-up

REGARDING THE IMPLEMENTATION OF THE MANDATORY INVESTMENT COMMITMENT "IMPLEMENTATION OF 4G NETWORKS".

- I. Network Architecture of the technical solution for the implementation of the Mobile Network
 - a) EPC: Elements involved in the solution and interconnections with other networks and service platforms, indicating the solution adopted to provide MOBILE TELEPHONE SERVICE services.
 - b) MOBILE NETWORK: Base Station components, RF Equipment, type of infrastructure to support the radiant system, power system, Protection and Security systems.
 - c) BACKHAUL: describe general aspects of the links comprising it, clarifying whether it is supported by its own infrastructure, third-party infrastructure or whether the service will be leased to a broadband transport operator or a satellite services operator.
 - d) Network Operation Center: its location, the platforms for the management of the Mobile Network, OSS operation support systems and other platforms must be specified.
 - e) MAINTENANCE CENTERS: indicate the location of the CMs by region, detail the resources available to each CM (personnel, equipment, tools, access to the NOC, etc.)
- II. Detailed description of the technical and operational characteristics of the systems to be installed, including:
 - a) In RF equipment, brand and model of hardware and software version to be used, as well as the precise use of the BAND or other spectrum block and the bandwidth of the carrier(s) to be implemented.

- b) EPC, BACKHAUL, Radio Access and Network Management System, specifying its operation and equipment to be used, quantity, software version and functions that each equipment fulfills in the mentioned systems.
 - c) Connectivity diagram of the equipment to be used in the systems to be implemented.
 - d) Location of EPC.
 - e) Attach technical characteristics of the equipment to be used.
 - f) Complete the technical information annexes published on the MTC website, according to the service to be provided, as appropriate. It is also recommended to attach the files in MSWORD and/or EXCELL format.
- III. Dimensioning and Pre-Design of the systems to be installed based on the studies and cabinet analysis, as well as the field information gathered by the CONCESSIONAIRE:
- a) Mobile Network: Estimate of the coverage area demonstrating compliance with the Coverage Regulation and the speed established in paragraph 6.1 of the TECHNICAL SPECIFICATIONS, in each BENEFICIARY COMMUNITY. Antenna location height, in the case of sectorial antennas, azimuth and inclination information must be included. Type and dimensioning of the power system.
 - b) BACKHAUL: It must include the analysis of the budgets of the links that make up the BACKHAUL in order to comply with the characteristics of the means of transport indicated in section 9.2.2.3 of the TECHNICAL SPECIFICATIONS.
- IV. Timelines and schedules for the installation of equipment and commencement of the provision of the MANDATORY INVESTMENT COMMITMENTS.
- a) Installation and commissioning.
 - b) Realization of TEST PROTOCOL.
 - c) Commissioning.
- V. In addition, the CONCESSIONAIRE shall submit in its TECHNICAL PROJECT the following documentation:
- a) Submission of general models of the TESTING PROTOCOLS.
 - b) Submission of general models of the ACCEPTANCE PROTOCOLS for Base Stations and MOBILE SERVICES.
 - c) Submission of models of installation and commissioning progress reports.
 - d) Proposal of justification for the use of another band.
 - e) Proposal to justify the use of a Base Station for more than one BENEFICIARY COMMUNITY.
 - f) Proposal of the TERM OF DISTANCE for each BENEFICIARY COMMUNITY.
 - g) Submission of the Preventive and Corrective Maintenance Plan, which shall be reviewed by the GRANTOR, considering the following:
 - i. Format of the Annual Preventive Maintenance Plan Report by Base Station.
 - ii. Format of the Annual Corrective Maintenance Plan Report. The report format must reflect compliance with the protocol for attention and escalation of incidents, with special emphasis on critical events (as defined in the General Quality Regulation).
 - iii. Format of the annual report of the KPI monitoring of the system's performance. The report format must reflect the actions that guarantee

the coverage and quality of the service, as established in the TECHNICAL SPECIFICATIONS.

USAGE GOALS

- I. For the development of this section, the provisions of RM 234-2019-MTC/01.03 shall apply.

INVESTMENT

- I. Indicate the Investment Projection, broken down between COVERAGE PLAN and MANDATORY INVESTMENT COMMITMENTS.

Note: Those radio stations located within the obstacle limiting surfaces of an airport or aerodrome are subject to legal restrictions to the property, therefore they will also require authorization from the Directorate General of Air Transport (DGTA), as established by the Civil Aeronautics Law and Regulations. In the same sense, radioelectric stations that require a permit granted by the National Service of Natural Areas Protected by the State - SERNANP, in the case that the installation is carried out in a natural protected area, will require a permit from the National Service of Natural Areas Protected by the State - SERNANP, in the case that the installation is carried out in a natural protected area.

ANNEX No. 7 TO THE CONTRACT
TECHNICAL SPECIFICATIONS OF THE MANDATORY INVESTMENT
COMMITMENT FOR THE 2.3 GHZ BAND
Implementation of a 4G MOBILE NETWORK

1. OBJECTIVE

The purpose of this document is to establish the minimum conditions for the design, implementation, equipment, quality of service, maintenance and training¹ of the MOBILE NETWORK in the BENEFICIARY COMMUNITIES detailed in Appendix No. 1 to Annex No. 7 to the CONTRACT.

2. PURPOSE

The CONCESSIONAIRE shall provide MOBILE SERVICES using 4G LTE-A or higher technology to users in the BENEFICIARY COMMUNITIES in accordance with the minimum conditions set forth herein, as part of the Mandatory Investment Commitment acquired by the award of the Project "2,300 – 2,330 MHz Band" in the respective Private Investment Promotion Process.

3. SCOPE

Provide the coverage of the MOBILE SERVICES using 4G LTE-A technology or higher in the BENEFICIARY COMMUNITIES indicated in Appendix No. 1 to Annex No. 7 to the CONTRACT, within a maximum term of two years and report to OSIPTEL such coverage.

Design, implement, equip, operate and maintain the MOBILE NETWORK in accordance with the regulations in force, good practices and 3GPP recommendations.

Comply with current regulations or those issued by OSIPTEL on coverage and quality of MOBILE SERVICES using 4G LTE-A technology or higher in the BENEFICIARY COMMUNITIES.

The MOBILE NETWORK or higher must comply at least with the recommendations of the 3GPP Revision 10 (Release 10) standard.

In case any BENEFICIARY COMMUNITY has mobile service (2G, 3G or 4G) at the date of the beginning of the implementation of the MOBILE NETWORK, the CONCESSIONAIRE shall replace it with a new alternative location from the list in Appendix No. 2 to Annex No. 7 to the CONTRACT. To do so, it must be previously authorized by the DGPPC.

In case it is not possible to implement the MOBILE NETWORK due to rejection of the population or environmental impact, the CONCESSIONAIRE may take a new alternative location from the list in Appendix No. 2 of Annex No. 7 of the CONTRACT. Such replacement must be previously authorized by the DGPPC. The alternative location selected must have an assigned score equal to or higher than that of the replaced location, being possible to replace a location with two or more communities, as long as the sum of the scores assigned to the latter is equal to or higher than the score assigned to the location to be replaced.

¹ The CONCESSIONAIRE must provide training to the technical personnel provided by the MTC.

4. GENERAL ASPECTS

- 4.1. The CONCESSIONAIRE undertakes to provide the MOBILE SERVICE through an access network with 4G LTE-A or higher technology (hereinafter referred to as the MOBILE NETWORK).
- 4.2. The TECHNICAL SPECIFICATIONS detailed in this Annex refer to the MOBILE SERVICES using 4G LTE-A or higher technology to be provided in the BENEFICIARY COMMUNITIES indicated in Appendix No. 1 to Annex No. 7 to the CONTRACT and basically specify the design, implementation, equipment, operation and maintenance of the MOBILE NETWORK.
- 4.3. The CONCESSIONAIRE must meet the demand for MOBILE SERVICES using 4G LTE-A technology or higher from natural or legal, public or private persons. By demand, it is understood a greater number of connections and/or requirement of higher transmission speeds with respect to those designed at the beginning of the implementation of the service.
- 4.4. The CONCESSIONAIRE shall build, implement, install, operate and maintain the infrastructure and equipment necessary to provide MOBILE SERVICES using 4G LTE-A or higher technology. The downlink and Uplink speeds must be related to the bandwidth (BW) to be used as specified in the 3GPP.
- 4.5. The CONCESSIONAIRE must comply at least with the recommendations of the 3GPP Revision 10 (Release 10) standard, as indicated in the technical documents in Table 1:

Table 1. 3GPP Technical Documents

Specification index	Description of contents
TS 36.1XX	Equipment requirements: Terminals, base stations, and repeaters.
TS 36.2XX	Physical layer.
TS 36.3XX	Layer 2 and 3: Medium Access control, radio link control, and resource control.
TS 36.4XX	Infrastructure communications (UTRAN = UTRA Network) including base stations and mobile management entities.
TS 36.5XX	Conformance testing.

- 4.6. Maximum time limit for the start of services

The maximum term for the COMMENCEMENT OF THE PROVISION OF SERVICES in each BENEFICIARY COMMUNITY shall not exceed two (02) years from the CLOSING DATE. The CONCESSIONAIRE shall comply with the maximum terms submitted in the Technical Proposal, in accordance with the following chart:

1 year from the Closing Date	2 years from the Closing Date
Beneficiary Communities indicated in the Technical Proposal for the First Year	Beneficiary Communities indicated in the Technical Proposal for the First Year

In case the CONCESSIONAIRE has inconveniences in obtaining environmental authorizations or social conflicts that are supported by the reports of public

awareness activities, the DGPPC will evaluate the extension of the deadline for the implementation of the MOBILE NETWORK and, if necessary, it will replace such location; these inconveniences and conflicts must be communicated to the DGPPC three (3) months prior to the final date of the implementation period for the BENEFICIARY COMMUNITIES of the first year and in the same way for the BENEFICIARY COMMUNITIES of the following year.

5. SERVICES

- 5.1. The CONCESSIONAIRE must provide the users of the BENEFICIARY COMMUNITIES with the MOBILE SERVICES using 4G LTE-A technology or higher with the technology called Fourth Generation Networks (hereinafter 4G) Long Term Evolution Advanced (hereinafter LTE-A) at least, in the awarded BAND or in any other band that the CONCESSIONAIRE has or could be awarded.
- 5.2. The CONCESSIONAIRE must justify the BAND in which it will provide the MOBILE SERVICES using 4G LTE-A technology or higher, in accordance with the established deadlines.
- 5.3. The CONCESSIONAIRE shall guarantee a periodic technological update at least every three (3) years as from the CLOSING DATE. Such update could be software version upgrades of the current Release, change of Release version and/or change or addition of hardware based on the evaluation of the operability of functionalities by THE CONCESSIONAIRE at each Base Station. Based on this, the technological update will be carried out in order to install new network functionalities that will allow an improvement in the performance of the service in terms of capacity, quality and coverage so that the MOBILE SERVICE does not become obsolescent with the advance of technology. Such upgrades must be performed prior communication to the DGPPC; once the upgrade has been performed, the CONCESSIONAIRE must submit a report to the DGPPC attaching the respective technical audit indicating the date on which the upgrade was performed.
- 5.4. The CONCESSIONAIRE shall ensure for MOBILE SERVICES using 4G LTE-A technology or higher, compliance with the Service Availability Indicator (DS) of the General Regulation on Quality of Telecommunications Services in force or coming into force, and which are supervised by OSIPTEL, where applicable.

6. MINIMUM SPEED

- 6.1. The required data transfer rate for measurements within the network coverage area per user shall exhibit at least the following QoS values:

Transfer rate	
Downlink	Uplink
6 Mbps	1 Mbps

- 6.2. The measurements referred to in the previous paragraph must be taken at the points used by OSIPTEL to verify coverage in the BENEFICIARY COMMUNITY, in accordance with the Regulations for Coverage Supervision in force.

6.3. For the supervision of the Quality of Service by OSIPTEL, the MINIMUM SPEED shall be considered as that established in paragraph 6.1 and its updates, and shall be applied as of the date of the COMMENCEMENT OF THE PROVISION OF SERVICES in each BENEFICIARY COMMUNITY during the TERM OF CONCESSION CONTRACT, unless there is a Quality Regulation that regulates the Minimum Speed in force or enters into force.

6.4. The Minimum Transfer Rate indicated in section 6.1 shall be increased as the technological update indicated in paragraph 5.3 is carried out. The GRANTOR shall inform OSIPTEL so that it is taken into account in the supervision.

7. MOBILE COVERAGE

7.1. The CONCESSIONAIRE must comply with the regulations in force or regulations determined by OSIPTEL to measure the Coverage of the MOBILE SERVICES using 4G LTE-A technology or higher, during the term of CONCESSION CONTRACT.

7.2. The Coverage of the MOBILE SERVICES using 4G LTE-A technology or higher shall be supervised by OSIPTEL in accordance with its regulations in force.

7.3. In order to consider that the CONCESSIONAIRE complies with the MOBILE SERVICES Coverage using 4G LTE-A technology or higher in the BENEFICIARY COMMUNITIES, it must comply with OSIPTEL's regulations in force and is supervised by said agency.

7.4. The CONCESSIONAIRE must provide the MOBILE SERVICE using 4G LTE-A technology or higher with at least one BASE STATION to the BENEFICIARY COMMUNITIES established in the BIDDING TERMS for this MANDATORY INVESTMENT COMMITMENT, complying with OSIPTEL's Quality and Coverage regulations in force.

8. QUALITY OF SERVICE

8.1. The CONCESSIONAIRE must comply with the regulations in force or regulations determined by OSIPTEL to measure the Quality of the MOBILE SERVICES using 4G LTE-A technology or higher, during the period of validity of the CONCESSION CONTRACT.

In addition, consider the indicators that are measured with periodicities established by OSIPTEL, according to the Directive Council Resolution No. 123-2014-CD/OSIPTEL or the one in force at the date of the implementation of the Mandatory Investment Commitment.

8.2. The CONCESSIONAIRE must permanently monitor its Quality Indicators (hereinafter KPIs), in order to verify the adequate operation of each BASE STATION.

8.3. The CONCESSIONAIRE shall be subject to the regulations in force or regulations determined by OSIPTEL for the Quality of Service, during the term of CONCESSION CONTRACT.

8.4. Until a regulation is issued for the supervision of the quality of Mobile Internet Access services for rural populated centers, the CONCESSIONAIRE must

comply with the following provisional quality indicator in the area of coverage of the BENEFICIARY COMMUNITIES:

Table No. 2. Provisional Indicator of Mobile Internet Access Service - Rural Populated Centers

Provisional indicator and parameter applicable to Internet Access Service:	Target Value
Minimum Speed Compliance (CVM)	>= 70%

*Minimum Speed as established in the CONCESSION CONTRACT.

Measurements will be performed outdoors and static, at any time and day of the week, excluding measurements affected by acts of God or force majeure or maintenance windows previously informed to the DGPPC.

- 8.5. The provisional CVM indicator will be calculated according to the following formula:

Formula No. 1. Calculation of the provisional CVM indicator

Minimum Speed Compliance
Definition: The percentage of measurements (TTD) of downlink and uplink speeds that meet the minimum speed.

$$\text{CVM} = \frac{\text{Number of TTD measurements} \geq 100\% \text{ of the minimum speed}}{\text{Total TTD measurements}} \times 100$$

Where, TTD is the Data Transfer Rate.

- 8.6. Until a regulation is issued to supervise the quality of Public Telecommunication Services for rural populated centers, the target values of the provisional indicators of Availability of MOBILE SERVICES applicable to each BENEFICIARY COMMUNITY located in rural areas are as follows:

Table 3. Provisional Service Availability Indicators

Service	Target Value
Mobile Phone Service	≥96%
Mobile Internet Access Service	≥96%

- 8.7. The calculation of the provisional indicators of Availability of the MOBILE SERVICES will be made in accordance with the Availability formula (DS) of Annex No. 3 of the General Regulation on Quality of Telecommunications Services, which will be applied to each BENEFICIARY COMMUNITY located in rural areas.
- 8.8. Likewise, the evaluation of the provisional availability indicators, reports and accreditation of service interruptions will be carried out, as applicable, in accordance with the provisions of OSIPTEL's Quality Regulations for Telecommunication Services.
- 8.9. Considering that the BENEFICIARY COMMUNITIES are located in areas of difficult access, the TERM OF DISTANCE will be taken into account for the calculation of the provisional Availability indicators, provided that it is demonstrated that in order to resolve the incident it has been necessary to travel from the MAINTENANCE CENTER to the affected BENEFICIARY COMMUNITY. The CONCESSIONAIRE shall propose in its TECHNICAL PROJECT the travel times for each BENEFICIARY COMMUNITY based on the location of the MAINTENANCE CENTERS, subject to approval by the GRANTOR.

- 8.10. The provisional indicators of quality and availability referred to in this section shall cease to have effect once a Regulation on Quality of Public Telecommunication Services applicable to rural populated Centers enters into force, and the CONCESSIONAIRE shall comply with such regulation.

9. MINIMUM TECHNICAL REQUIREMENTS

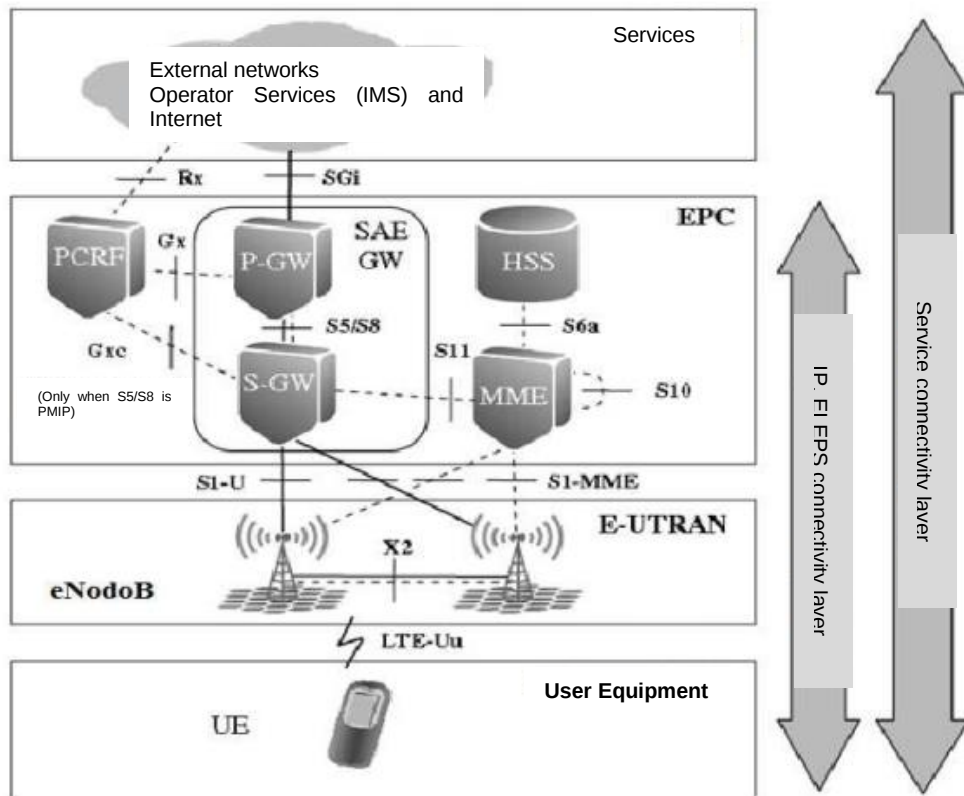
9.1. General Considerations for the implementation of the MOBILE NETWORK

- 9.1.1. The BASE STATIONS shall comply with the greenfield type, as defined in Supreme Decree No. 004-2019-MTC, which amends several articles and Annex 2 of the Regulations of Law No. 29022, Law for the Strengthening of the Expansion of Telecommunications Infrastructure, approved by Supreme Decree No. 003-2015-MTC.
- 9.1.2. The CONCESSIONAIRE shall submit to the DGPPC the schedule of visits and field studies in printed format and in electronic format (prepared in project management software coordinated with the DGPPC), within thirty (30) CALENDAR DAYS, counted from the CLOSING DATE in order to comply with the commitment to deliver the deployment.
- 9.1.3. The CONCESSIONAIRE is obliged to carry out directly or through third parties the field studies, which will allow obtaining information of each place where each BASE STATION will be installed.
- 9.1.4. The CONCESSIONAIRE shall report monthly to the DGPPC the progress obtained from the visits made within the framework of the elaboration of the FIELD STUDIES and such reports shall be submitted to the DGPPC until completing the activities set forth in the schedule indicated in point 9.1.1.
- 9.1.5. The CONCESSIONAIRE must submit the construction and implementation schedule of the visited sites attached to the monthly FIELD STUDIES report. In addition, said report must contain at least the following information:
- Start and end date of the activities corresponding to the design, construction, installation, commissioning stage.
 - Weekly detail of the installations and commissioning tests of the BASE STATIONS by BENEFICIARY COMMUNITIES.
- 9.1.6. Likewise, the CONCESSIONAIRE undertakes to inform the DGPPC, duly documented, of the existence of any event or circumstance that prevents or delays the installations associated with the visited BENEFICIARY COMMUNITIES.
- 9.1.7. The CONCESSIONAIRE undertakes to provide the necessary interconnection so that its subscribers may communicate with the subscribers of other telecommunications networks and vice versa.
- 9.2. Technical considerations for the dimensioning of the MOBILE NETWORK.
- 9.2.1. The CONCESSIONAIRE must use as a basis the standards of the 3GPP organization, which is in charge of producing specifications and technical reports for mobile networks with 4G LTE-A technology. The minimum general characteristics that must be met are as follows:

- The network architecture must be fully based to support IP Protocol based traffic with end-to-end Quality of Service (QoS).
- The minimum downlink peak data rates must be based on the Bandwidth to be used according to 3GPP standards.
- The latency in the user plane refers to the one-way transit time of a packet from the time it is available at the IP layer in the terminal to the availability of this packet at the Network layer of a Node in the MOBILE ACCESS NETWORK radio, or vice versa, this round-trip latency shall be less than 10 ms and in the control plane shall be less than 50 ms, i.e. to pass from the unavailable state (idle) to the active state in this time.
- Voice services offered over the IP network.
- Access method: LTE-A/FDD, in case the BAND is used.
- Modulation types supported: QPSK, 16QAM, 64QAM.
- Channel bandwidth flexibility.
- Transmit and receive diversity, spatial multiplexing and diversity with MIMO techniques.
- Interconnection: interconnection with 3GPP and other non-3GPP systems must be guaranteed. Multimode terminals must support handover to and from upstream networks, as well as intersystem measurements. The handover interruption time between different technologies should be less than 300 ms for real-time services and less than 500 ms for non-real-time services.

9.2.2. The CONCESSIONAIRE must take as a reference the MOBILE NETWORK architecture based on 3GPP/SAE, at least considering the LTE-A standard. This architecture must be composed by the combined architecture of the E-UTRAN (Evolved UMTS Terrestrial Radio Access Network) and the EPC (Evolved Packet Core) at least according to Figure 1 below:

Figure 1. 4G network architecture



Where the division of Architecture in four main domains can be appreciated:

- UE user equipment.
- E-UTRAN access network infrastructure called base station.
- An Evolved Packet Core (EPC) installed in an infrastructure called CENTRAL.
- A service domain installed in the CENTRAL.

Where the UE, E-UTRAN and EPC together represent the connectivity layer of the IP protocol where the Evolved Packet Core (EPC) has as its main function to provide IP-based connectivity.

9.2.2.1. Evolved Packet Core (EPC), the equipment must have the capacity, performance and scale to handle the data processing and signaling requirements of the MOBILE NETWORK to be implemented during its operation. The EPC must be composed of the following functional entities:

- The SAE-GW Service gateway and portal.
- The MME (mobility management entity).
- The HSS (Home Subscriber Server).
- The PCRF (Policy Rules and Charging Function) server.

9.2.2.1.1. SAE - GW, shall be composed of S-GW/P-GW network elements, which is the hardware platform on which the network gateway software platform runs. The S-GW and P-GW will provide user plane connectivity between the radio access network and external data networks, such as the Internet.

The main functions of the S-GW will be:

- Routing of data packets.
- Forwarding.
- Anchor point reference during mobility.

The main functions of the P-GW will be:

- Assignment of IP addresses to users.
- Policy control.
- Support for charging platforms.

9.2.2.1.2. MME - Mobility Management Entity, is a network hardware element on which the network server software platform runs. It is in charge of providing the control plane functionalities over the EPC network. Its functions will be:

- User authentication.
- Generation of temporary identities and assignment to UEs.
- Handling of signaling during handovers.
- Data bearer management

9.2.2.1.3. HSS (Domestic subscriber server)

The HSS (Home Subscriber Server) is responsible for storing and updating when necessary the database that will contain all the user's subscription information, including (the list is not exhaustive):

- User identification and addressing: this corresponds to the IMSI (International Mobile Subscriber Identity) and MSISDN (Mobile Subscriber ISDN Number) or cell phone number.
- User profile information: this includes service subscription statuses and quality of service information subscribed by the user (such as the maximum allowed bit rate or allowed traffic class).

The AuC part of the HSS is responsible for generating security information from the user's identity keys. The security information will be used mainly for:

- Network terminal mutual authentication.
- Radio path encryption and integrity protection, to ensure that data and signaling transmitted between the network and the terminal are not eavesdropped on or tampered with.

9.2.2.1.4. PCRF server (Policy and function of loading rules)

The PCRF server must manage the service policy and send QoS configuration information for each user session and accounting rule information. The PCRF server combines functionalities for the following two Nodes:

- The policy decision function (PDF).
- The loading rules function. (CRF).

The PDF is the network entity where policy decisions will be made. As the IMS session is set up, SIP signaling containing media requirements is exchanged between the endpoint and the P-CSCF. At some point in the session establishment process, the PDF will receive those requirements from the P-CSCF and make decisions based on the rules of the network operator, such as:

- Allow or reject the media request.
- Use of new or existing PDP context for an incoming media request.
- Checking the assignment of new resources against the maximum authorized.

The role of the CRF will be to provide operator-defined charging rules applicable to each service data stream. The CRF selects the relevant charging rules based on the information provided by the P-CSCF, such as the Application Identifier, the Transmission Type (audio, video, etc.), the Application Data Rate, etc.

9.2.2.1.5. IMS (IP Multimedia Subsystem) is a set of specifications for offering multimedia services through the IP protocol. This makes it possible to incorporate all types of services, such as voice, multimedia and data, on a platform accessible through any medium with an Internet connection (fixed or mobile).

The IMS network should be considered for implementation because it is the technology used to provide VoIP call service over a 4G LTE-A or higher network, as it is IMS that recognizes the need for special network conditions necessary to support voice traffic. The 4G LTE-A or higher network receives instructions from the IMS network using Session Initiation Protocol (SIP) as the signaling protocol to establish call connections with the appropriate QoS. With VoLTE, IMS directs 4G to establish the desired QoS environment and initiates the voice call. IMS also notifies 4G when the call is terminated, and directs 4G to close the special environment for voice.

9.2.2.2. E-UTRAN (Evolved UTRAN), is the part of the network that must be in charge of all the functions related to the radio interface and the control of the mobiles. Its main component is the eNode-B (Evolved Node-B), which is the only functional element of the MOBILE NETWORK as it is a hybrid of base station and Controller.

The eNode-B must channel transmit and receive communications to the UE mobile terminal. The eNode-B must handle LTE-A radio technology and additionally manage the traditional functionalities of a radio network controller. Among its functions should be:

- Radio resource management.
- Admission control.
- User data scheduling.
- Control signaling and data encryption.
- Radio bearer management.
- Handover management.
- Broadcast information transmission.
- Coverage: the area of the cells can go up to 3Km with degradation afterwards.

Quality of service characteristics.

The equipment must have the following characteristics to control the quality of service:

9.2.2.2.1. Baseband:

- Accessibility statistics monitoring.
- Monitoring of traffic statistics.
- Retention statistics monitoring.
- Ability to run signaling traces for monitoring information flows in the control plane.
- Real-time monitoring of alarms and events.

9.2.2.2.2. Radio:

- Noise statistics monitoring.
- Monitoring of power consumption statistics.
- Real-time interference statistics monitoring.
- External noise and/or interference measurement capability.
- Measurement of IP flows where packet loss or improper queuing issues can be identified according to QoS policy.

9.2.2.3. Characteristics of the means of transport (Backhaul)

It is the means of interconnection of the MOBILE NETWORK to the Network Core, it must have:

- High availability.
- Low latency.
- Low rate of lost frames.
- Redundancy; must be built with redundancy and restoration times between 50 and 100 ms in case of failures.

It is usually broken down into two parts:

- Aggregation network: High capacity metropolitan network, can be composed of carrier ethernet, MPLS, etc.
- Last mile: Final linking of Base Stations can be point to point or with concentration and can use PON, GPON or microwave or Satellite.

9.3. Considerations for the engineering of the MOBILE NETWORK

9.3.1. The CONCESSIONAIRE shall design the MOBILE NETWORK for the location of the BASE STATIONS in each locality or in a dominant point from where coverage can be provided to the BENEFICIARY COMMUNITY, provided that it does not fail to comply with the provisions of paragraphs 6, 7 and 8 of this Annex.

9.3.2 Notwithstanding the above, the CONCESSIONAIRE, based on its engineering studies, may exceptionally propose in its TECHNICAL PROJECT the use of a BASE STATION to provide coverage to more than one BENEFICIARY COMMUNITY, provided that it complies with Regulations for the Coverage of Public Services of OSIPTEL in force and the provisions of these TECHNICAL SPECIFICATIONS in items 6, 7 and 8. In any case, the number of BASE STATIONS to be deployed may not be less than the minimum number of mandatory communities established in the BIDDING TERMS for this MANDATORY INVESTMENT COMMITMENT.

9.3.3. The CONCESSIONAIRE is responsible for carrying out the cabinet design of the location of each dominant point where the BASE STATION will be deployed

and, based on this, to carry out the field studies, collection of primary and secondary information and others that allow it to validate the construction of the necessary infrastructure.

- 9.3.4. During the OPERATION PERIOD, the CONCESSIONAIRE is responsible for having sufficient capacity to support the demand for services arising in the BENEFICIARY COMMUNITIES.
- 9.3.5. The CONCESSIONAIRE is responsible for sizing and deploying fiber optic, radio or satellite links as a means of transport to interconnect the BASE STATIONS with the CENTRAL. In the case of using wireless links, it shall guarantee the quality of service stipulated in section 8 of this Annex. Likewise, if it is a wired link, it shall guarantee that the optical fiber and the associated equipment for these links shall comply with international standards and shall be installed in accordance with good industry practices and manufacturers' recommendations. The fiber optic cable must withstand the environmental conditions of each region and consider the maximum applicable mechanical loads. In any case, the deployment cost of these three alternatives, as well as the eventual costs for the installation of its own poles or for the use of third party infrastructure shall be entirely assumed by the CONCESSIONAIRE without any additional recognition or payment by the DGPPC for this reason.
- 9.3.6. Any part, element or device necessary for the correct installation and operation of the subsystems of the MOBILE NETWORK, in accordance with the requirements and design of the networks, shall be considered included in the implementation, even if not expressly indicated or described in this Annex.
- 9.3.7. The equipment of the MOBILE NETWORK to be used to provide services to the BENEFICIARY COMMUNITIES must be new, whose purchase must be accredited with documents issued by the suppliers and must comply with the 3GPP technical recommendations.
- 9.3.8. The specifications and conditions not expressly established in these TECHNICAL SPECIFICATIONS are governed by the rules and regulations in force.
- 9.3.9. The documents submitted by the CONCESSIONAIRE to the DGPPC have the value of an Affidavit.
- 9.3.10. In case the CONCESSIONAIRE partially subcontracts certain functions associated with the implementation, the CONCESSIONAIRE maintains all responsibility for the implementation of the MOBILE NETWORK. The DGPPC reserves the right to request pertinent information related to the BAND bidding in order to perform functions within its competence.
- 9.3.11. The CONCESSIONAIRE, at the request of the DGPPC and at the time the latter may require, shall submit the information of its subcontractors related to the execution for the provision of the services to the BENEFICIARY COMMUNITIES.
- 9.3.12. In the event that THE CONCESSIONAIRE determines that it is not feasible to provide coverage to a BENEFICIARY COMMUNITY due to conditions beyond its responsibility, such as problems in obtaining environmental authorizations or social conflicts that are supported by the reports of public awareness activities, these must be communicated to the DGPPC for evaluation. If the report is

validated by the DGPPC, the BENEFICIARY COMMUNITY will be replaced by others listed in Appendix No. 2 of Annex No. 7 of the CONTRACT. The location or communities selected for replacement must have an assigned score equal to or higher than that of the replaced location.

- 9.3.13. The CONCESSIONAIRE is responsible for complying with the national regulations for installation, testing, documentation, materials, operation and maintenance, including the following (non-exhaustive list):

Ministry of Energy and Mines – Perú:

- a. National Electricity Code-Supply 2011 and its amendments.
- b. National Electricity Code-Use 2006 and its amendments.
- c. DGE Standard - Graphic Symbols in Electricity.

Ministry of Housing, Construction and Sanitation - Perú:

- a. National Building Regulations.

National Quality Institute (INACAL):

- a. Peruvian Technical Standards.

In addition, the CONCESSIONAIRE undertakes to comply, in a supplementary manner and as applicable, with international standards issued by organizations such as (non-exhaustive list) ITU-T International Telecommunications Union, TIA / EIA Telecommunications Industry Association & Electronic Industries Alliance, IEC International Electrotechnical Commission, ASTM International, in particular, those indicated below:

TIA/ EIA (Telecommunications Industry Association & Electronic Industries Alliance):

- a. TIA / EIA 222F / 222G Structural Standards for steel antenna towers and antenna.
- b. TIA-942: Telecommunications Infrastructure Standard for Data Centers ACI-318-08 (Building Code requirements for Structural Concrete).

9.4. Considerations for the implementation of the BASE STATIONS

- 9.4.1. The CONCESSIONAIRE is responsible for selecting the site, building and equipping the BASE STATIONS and undertakes to bear all the associated costs for their implementation. However, it shall ensure that the land on which the BASE STATIONS are to be located shall have at least pedestrian access and shall not be located in areas at risk of flooding and/or landslides.
- 9.4.2. For the construction of the Base Station infrastructure, the CONCESSIONAIRE shall comply with the provisions of Law No. 29022, as amended, for the expansion of telecommunications infrastructure, which shall be audited when it has started operations.
- 9.4.3. The CONCESSIONAIRE is responsible for the design, supply of materials and installation of the necessary protection elements for the implementation of the infrastructure of the BASE STATIONS, as well as the corresponding maintenance. Said protection includes the implementation of a SPAT designed for a maximum value of five (05) Ohms.

- 9.4.4. The CONCESSIONAIRE must guarantee that the height of the metallic structures is adequate to achieve the radioelectric links to the communities to be benefited.
- 9.4.5. The CONCESSIONAIRE is obliged to implement metallic structures and maintain them in operative conditions during the term of CONCESSION CONTRACT.
- 9.4.6. Power System:
- The CONCESSIONAIRE is responsible for designing, installing, operating and maintaining a power system for each BASE STATION with a minimum autonomy of energy support in case of commercial supply failure, which allows it to comply with the Service Availability Indicator supervised by OSIPTEL.
 - The CONCESSIONAIRE shall consider that the BASE STATION must have:
 - AC Power Panel with input for Generator Set.
 - An overvoltage and transient protective device (SPD type 1).
 - A Rectifier with a battery bank with a minimum autonomy that allows it to comply with the Service Availability Indicator supervised by OSIPTEL.
- 9.4.7. In order to ensure the quality of service to be provided by each eNode-B to be implemented, the following Quality Indicators established in 3GPP TS 32.425, shown in Tables 4 and 5, respectively, are to be achieved on average during Initial Tuning:

Table 4. Quality of Service Indicators

Service KPI	Unit	Target	Detail
Cell Availability	[%]	98%	Service availability
RACH Stp Completion SR	[%]	98%	Network Access Attempt Completion Rate at RACH level
Total E-UTRAN RRC conn stp SR	[%]	98%	Network Access Attempt Completion Rate at RRC level
Intra eNB HO SR total	[%]	98%	Intra eNB Mobility Success Ratio
Avg PDCP cell thp DL	[kbit/s]	>=5000	Average Thp Down Link at PDCP level

Source: In-house

Table 5. Propagation Parameter Indicators

Propagation Parameters	Unit	Target	Detail
RSRP	dBm	>-95	Receiving power of the eNB reference signal
RSRQ	dB	>-14	eNB reference signal quality
SINR	dB	>12	Signal to interferers plus noise ratio

Source: In-house

- 9.5. Network Operation Center (hereinafter referred to as NOC)
- 9.5.1. The CONCESSIONAIRE shall have a Network Operation Center (hereinafter referred to as NOC) with an adequate configuration to perform network monitoring, management and administration functions, and to ensure compliance with the operability of the MOBILE NETWORK within the service quality parameters supervised by OSIPTEL.
- 9.5.2. All active equipment, whether or not located in staffed sites, must be capable of being controlled and managed from the NOC. This includes configuration and

upgrade processes, without the need for a technician to be physically present at the site and must operate 24x7x365.

- 9.6. Basic characteristics of the implementation of the infrastructure for the provision of MOBILE SERVICES using 4G technology or higher.
- 9.6.1. The CONCESSIONAIRE must have a site where the CENTRAL, the Network Operation Center (NOC) and the necessary platforms for the deployment of the MOBILE NETWORK are located, each one of them with the respective power backup to comply with the service availability indicators supervised by OSIPTEL.
- 9.6.2. The CONCESSIONAIRE, for the deployment of the energy and means of transmission of the MOBILE NETWORK, shall be responsible for the legal sanitation, construction and implementation of the necessary infrastructure such as poles or ducts or the other alternative is to negotiate and contract with third parties the use of the infrastructure available under its responsibility during the term of CONCESSION CONTRACT.
- 9.6.3. The deployment of the infrastructure for the BASE STATIONS must be based on the "Law for the Strengthening of the Expansion of Telecommunications Infrastructure, Law No. 29022" and its amendments and related regulations, whose purpose establishes a special and temporary regime to implement the type of infrastructure necessary for the provision of public telecommunications services throughout the national territory, especially in rural areas.

Before executing this Mandatory Investment Commitment at each point, all sectorial, regional, municipal or general administrative permits required to install on public or private property the necessary infrastructure for the provision of public telecommunications services must be considered, which are subject to an administrative procedure of automatic approval, and a public works work plan must be submitted, in accordance with the conditions, procedures and requirements established in the regulatory or complementary rules of the Law. Within the framework of their competences, these entities carry out the necessary control tasks to ensure the correct execution of the works that affect or use public roads. The authenticity of the declarations, documents and information provided by the parties involved will be subsequently verified randomly by the entity that granted the corresponding permit, and in case of falsity, it will be declared null and void and penalties will be imposed.

10. OPERATION AND MAINTENANCE

- 10.1. The CONCESSIONAIRE is responsible for the maintenance and operation of all the equipment of the MOBILE NETWORK.
- 10.2. The operation and maintenance activities of this Mandatory Investment Commitment for the BAND will be carried out by the CONCESSIONAIRE at its own cost and risk, since the assets of such BAND will not revert to the State.
- 10.3. The CONCESSIONAIRE is also responsible for the maintenance for the continuous operation of the Electrical Connection systems, the infrastructure and the Protection and Security systems that are contemplated as part of the BASE STATION.

- 10.4. In the event of service interruption due to technological upgrades or preventive maintenance activities, the CONCESSIONAIRE shall inform in accordance with the procedure established by OSIPTEL in Article 9 of Title II of the General Quality Regulations for Public Telecommunications Services or the regulations in force of said Agency.

11. TRAINING

- 11.1. Training for MTC personnel as part of the commitment to be assumed by the CONCESSIONAIRE.

- 11.1.1. The CONCESSIONAIRE shall provide training courses on the technological solution proposed for the MOBILE NETWORK in accordance with the following Table No. 6 to MTC personnel in Peru and in the country where the main equipment's parent factory is located.

- 11.1.2. The CONCESSIONAIRE shall submit to the DGPPC the content and detailed schedule of these courses before the end of the fourth month after the signing of the CONCESSION CONTRACT. The DGPPC reserves the right to observe the proposal and modify it without altering the time assigned to each course, within fifteen (15) CALENDAR DAYS of receipt of the proposal.

Table 6. Distribution of Training Topics

Courses	At the parent plant	Duration (days / hours)	In Peru	Duration (hours)
Core and MOBILE NETWORK Architecture	X	1 / 8	X	12
Core and MOBILE NETWORK Design and Sizing	X	2 / 16		
Optimization and Quality of Service (QoS) of MOBILE NETWORK	X	2 / 16	X	12
Network Commissioning and Operation	X	2 / 16	X	12
Network Operation and Maintenance	X	2 / 16	X	12
Basic 4G LTE-A or higher Features and Algorithms			X	12
4G LTE-A or higher Performance Enhancement			X	12

Considering the number of hours of training in the parent factory of seventy-two (72) hours, the number of days of this training is at least ten (10) working days.

The courses given by the CONCESSIONAIRE'S personnel in Peru will have the purpose of providing the participants, in addition to the theoretical aspects of the topics, with field visits, details and technical considerations of the design and engineering of the implementation of the Mandatory Investment Commitment.

The CONCESSIONAIRE shall ensure that the persons who give the training courses have an updated certification granted by the manufacturer, as well as that they are part of the personnel responsible for the design or implementation of the engineering of the Mandatory Investment Commitment.

- 11.1.3. With respect to the training courses indicated in paragraph 11.1.1 above, it is specified as follows:

- The BIDDER, together with the information required in paragraph 11.1.2, shall indicate the minimum professional profile required for these courses.
- The number of participants for the training given in the country of the parent plant shall be a minimum of nine (9) persons. Training in Peru shall be for a minimum of twenty (20) persons.
- The courses given in the country where the parent factory is located shall be carried out during the first year of the CONCESSION CONTRACT. In the case of the courses dictated in Peru, they will be held after the one dictated outside the country, both must be dictated before the beginning of the commercial commissioning of the first BASE STATION.
- The CONCESSIONAIRE shall bear all the costs involved in the training at the parent factory (lodging, food, transportation, departure taxes, instructors, materials, supporting documents necessary for visa processing, travel insurance, etc.), as well as the corresponding costs for the training in Peru.
- At the end of the courses, training certificates will be issued to the participants indicating at least the name of the course, a brief description of its content, date of completion (start and end date) and duration in hours. The training does not give rise to any disbursement for these concepts on the part of the DGPPC or the designated participants, in such sense, the CONCESSIONAIRE assumes all costs related to the training to the personnel designated by the DGPPC.
- The CONCESSIONAIRE undertakes to provide the necessary documentation that accredits the completion of the training at the parent factory so that the personnel designated by the DGPPC can process the corresponding visas and permits.

12. SUPPLIER PROFILE AND REQUIRED PERSONNEL

- 12.1. For the implementation of the MOBILE NETWORK, the CONCESSIONAIRE should have in its portfolio important international telecommunications providers that have experience in providing LTE-A or higher wireless technology solutions for operating companies either in the country or in other countries.
- 12.2. The CONCESSIONAIRE should consider that the implementation of this Mandatory Investment Commitment contemplates the following work processes: Design of the MOBILE NETWORK, Search, Infrastructure Sanitation and construction, Sanitation and implementation of Electrical Connection, implementation of radiant systems, RF equipment, power equipment, Backhaul transport means, last mile transmission.
- 12.3. Based on the different work processes, the CONCESSIONAIRE may have only one (1) supplier responsible for all the works or duly proven specialist suppliers for each subdivision of work, but the final responsibility lies with the CONCESSIONAIRE, which integrates all the works.
- 12.4. The acquisition of LTE-A or higher wireless technology equipment must be made from internationally recognized companies and the equipment must be approved by the MTC and must comply with 3GPP standards.
- 12.5. The CONCESSIONAIRE is responsible for specifying in the TECHNICAL PROJECT the guarantees of the equipment and materials that will be part of this commitment and must have spare parts in order to mitigate failures and therefore meet the Service Availability times.

13. TEST PROTOCOL

13.1. The CONCESSIONAIRE must deliver to the DGPPC the TEST PROTOCOLS carried out during the commissioning for the SUPERVISION and final acceptance of the commitment of each of the BASE STATIONS:

- Installation, Commissioning and Initial Tuning Tests.
- Site Optimization Testing.

13.2. Prior to the performance of the Tests, the CONCESSIONAIRE must submit to the DGPPC a Checklist format of the parameters of the Test Protocols for the Commissioning of the first BASE STATION, such protocols are: i) Installation, Commissioning and Initial Tuning Test Protocols, and ii) Site Optimization Test Protocol, within a maximum term of ten (10) months from the CLOSING DATE and prior to the implementation of the first BASE STATION. The DGPPC must evaluate it within a maximum period of ten (10) working days thereafter, and in case of observation it must be corrected by the CONCESSIONAIRE, within the term granted for such purpose by the DGPPC.

After the approval of the Test Protocol Checklist, the CONCESSIONAIRE shall run the Tests, the results of which shall be submitted to the DGPPC within the term established in paragraph 16.4.

13.3. Installation Testing Protocol, Commissioning and Initial Tuning

The Commissioning status and Initial Tuning process, known as Initial-Tuning, must be carried out so that the eNodeBs are monitored through different radio frequency management processes in order to detect inconsistencies prior to the commercial distribution of the service. It will be delivered by the CONCESSIONAIRE to the DGPPC during the supervision stage.

In order to verify the proper operation of the BASE STATION, the following field test will be performed:

- Voice test in 10 geographically distributed points in each location to be covered, these must comply with OSIPTEL regulations.
- Minimum data uplink and downlink speed tests at 10 geographically distributed points in each location to be covered, these must comply with the provisions of section 6.1 of this document or take into account OSIPTEL's Quality Regulations in force.
- Handover tests between sectors of the same BASE STATION and with neighboring BASE STATIONS.

13.4. Site Optimization Testing Protocol

Site Optimization will start after Initial Tuning and should last until the optimal parameters stipulated in Tables 2 and 3 are obtained and should be reflected in the reports to be submitted later as part of the acceptance and should include:

- Definition of Cluster.
- Definition of routes for the Drive Test.
- Drive Test KPI results.
- Coverage plotting.

- Throughput plotting.
- RF database of the final cluster.
- Fault identification and analysis.
- RF Parameter Change Proposal Tracking and implementation.
- Change Request.

14. EASEMENTS

- 14.1. The CONCESSIONAIRE shall take the necessary steps before the competent authorities and the respective natural persons to establish easements that allow the implementation of the BASE STATIONS.
- 14.2. The easements shall be executed in accordance with the regulations in force on the matter.

15. TECHNICAL AND REGULATORY GUIDELINES FOR ENVIRONMENTAL MANAGEMENT OF TELECOMMUNICATIONS PROJECTS

- 15.1. Considering that some of the BENEFICIARY COMMUNITIES may be located in areas subject to the Environmental Impact Assessment System (SEIA), the CONCESSIONAIRE shall prepare the technical environmental studies and carry out the necessary steps to obtain the Environmental Certification for each of the interventions of its investment program, which are included in the List of Projects subject to the SEIA, or which, as a result of a preliminary assessment, it is determined that they may cause significant negative environmental impacts.
- 15.2. The CONCESSIONAIRE must submit a request for classification of the MANDATORY INVESTMENT COMMITMENT, in accordance with the TUPA procedures established by the Competent Authority (DGPRC-MTC or the one authorized by law for said procedure), and the Preliminary Evaluation Document (EVAP), which must contain the proposal for classification of the MANDATORY INVESTMENT COMMITMENT. Said classification shall be ratified or modified after evaluation by the Competent Authority.
- 15.3. According to the classification assigned to the MANDATORY INVESTMENT COMMITMENT, the CONCESSIONAIRE shall follow the guidelines established by the SEIA Law and the Competent Authority.

16. SUPERVISION FOR FINAL ACCEPTANCE OF THE COMMITMENT (hereinafter SUPERVISION)

- 16.1. In order to verify that the CONCESSIONAIRE has complied with the implementation of the MOBILE SERVICE in each BENEFICIARY COMMUNITY of the MANDATORY INVESTMENT COMMITMENT, the MTC or its designee must carry out SUPERVISION.
- 16.2. For acceptance of the BASE STATION, the MTC will verify that it is operational as indicated in section 13 and that the equipment and infrastructure are installed in accordance with current regulations on the installation of telecommunications infrastructure Law 29022 and its amendments, as well as complying with that indicated in paragraph 9.3.13 on the installation standards that must be reflected in the installation manuals of the RF equipment and energy suppliers.
- 16.3. The MTC shall carry out the SUPERVISION, being the CONCESSIONAIRE'S obligation to participate in said activity.

16.4. The CONCESSIONAIRE must submit to the MTC the results of the Test Protocols established in paragraph 13.1 for the BENEFICIARY COMMUNITIES before the maximum deadline for the COMMENCEMENT OF THE PROVISION OF SERVICES for the First Year and for the Second Year, according to paragraph 4.6.

16.5. The CONCESSIONAIRE shall submit its proposed ACCEPTANCE PROTOCOL to the MTC within ten (10) months from the CLOSING DATE, for its review, opinion or, if applicable, approval. The GRANTOR shall approve or, in its absence, shall make known its observations, inclusion requests, modification of additional tests within ten (10) working days from the receipt of the CONCESSIONAIRE'S ACCEPTANCE PROTOCOL proposal, and in case of observations, they must be corrected by the CONCESSIONAIRE, within the term granted for such purpose by the DGPPC.

16.6. The ACCEPTANCE PROTOCOL must contain the following:

16.6.1. Regarding the Base Station Infrastructure and equipment.

- Detailed inventory and verification of the Infrastructure in accordance with the Base Station design drawings.
- Detailed inventory of RF, Transmissions and Radiant System equipment.
- Inventory and testing of the AC and DC Power System.
- Grounding System (SPAT) inventory and measurement.
- Safety System inventory and testing.

16.6.2. Regarding Field Service

In order to verify compliance with the coverage and provisional quality indicators of the Mobile Service in each BENEFICIARY COMMUNITY, a field test will be conducted which will consist of the following:

- Voice tests at the points established by OSIPTEL, in case they are not available, they will be geographically distributed at least in the 10 most important points of each locality.
- Minimum uplink and downlink speed data tests at the points established by OSIPTEL, in case they are not available, they will be geographically distributed at least in the 10 most important points of each locality, these must comply with the Minimum Speed stipulated in section 6.1 of this document.
- Handover tests between sectors of the same BASE STATION and with neighboring BASE STATIONS, if applicable.
- Drive Test along the main streets of the BENEFICIARY COMMUNITY until the edge of the coverage polygon is determined.

16.6.3. Once the updated TECHNICAL PROJECT referred to in paragraph 8.5 of the CONTRACT has been approved and provided that the ACCEPTANCE PROTOCOL has been approved, SUPERVISION begins.

THE TECHNICAL PROJECT updated with the engineering studies that led to the final design of the BASE STATION must be delivered in physical document and electronic files (in software version coordinated with the MTC), containing the following:

- The Inventory with the description of all the equipment that is part of the network (Datasheet and manuals) accompanied by photos of the infrastructure and detailed equipment, as well as panoramic views of the whole.
 - Network diagram of physical and logical interconnection between the Base Station, the Transport Medium and the CENTRAL.
 - Characteristics and physical properties of the infrastructures.
 - AC, DC wiring and power diagram and Protection System.
 - Georeferenced location in WGS84 geographic coordinates (degrees with five decimal places). In digital format all location information shall be submitted in .kmz file format.
 - Sanitation file containing copies of the plans, contracts and Municipal authorizations, DGAC, Certificates of Non-existence of Archaeological Remains - CIRA and others obtained.
 - The CONCESSIONAIRE will send to the MTC an electronic file in a spreadsheet containing all the tabulated fields with technical information of each BENEFICIARY COMMUNITY that will be coordinated with the MTC, as part of the approval of the CERTIFICATE OF ACCEPTANCE format.
- 16.6.4. During the SUPERVISION visits, the MTC prepares the CERTIFICATES OF SUPERVISION, which must be signed by a representative of the SUPERVISION and the CONCESSIONAIRE. Failure to sign the CERTIFICATES OF SUPERVISION does not invalidate their content.
- 16.6.5. The MTC shall prepare the SUPERVISION REPORT corresponding to the BENEFICIARY COMMUNITY within 30 CALENDAR DAYS after the respective visit and shall notify the CONCESSIONAIRE. In the event that non-compliance is verified in the CERTIFICATES OF SUPERVISION, the SUPERVISION REPORT shall serve as the basis for the imposition of the corresponding penalties, in accordance with Clause 19 of the CONTRACT.
- 16.6.6. If no observations are indicated in the SUPERVISION REPORT, the CERTIFICATES OF SUPERVISION shall be executed within a maximum term of sixty (60) working days as of the notice of the SUPERVISION REPORT to the CONCESSIONAIRE.
- 16.6.7. If observations are indicated in the SUPERVISION REPORT, the CONCESSIONAIRE is obliged to remove such observations within thirty (30) CALENDAR DAYS from the notice, such term may be extended at the CONCESSIONAIRE's substantiated request, before the expiration of the initial term. In case the CONCESSIONAIRE does not comply with the lifting of the observations, the MTC is empowered to reiterate the observations, for which it may grant an additional term. If the MTC determines that the observations have been corrected, the CERTIFICATE OF ACCEPTANCE shall be signed within a maximum period of sixty (60) working days as of the correction of the observations.
- 16.6.8. In the event the MTC determines that the observations mentioned in the preceding paragraph have not been remedied, the MTC will proceed to prepare the SUPERVISION REPORT, which will be notified to the CONCESSIONAIRE. The SUPERVISION REPORT referred to in this section serves as the basis for determining the cause established in subparagraph c) of paragraph 18.2 of Clause 18 of the CONTRACT.

- 16.6.9. Each CERTIFICATE OF ACCEPTANCE must be filled out with complete information and must be signed and countersigned by a representative of THE CONCESSIONAIRE and by a representative in charge of SUPERVISION, by means of this act, the signatories certify compliance with the obligations.
- 16.6.10. The CERTIFICATE OF ACCEPTANCE signed by the PARTIES does not invalidate the right of the MTC to claim for defects, flaws, hidden defects or non-compliance not noticed at the time of its execution. This provision is complemented with the provisions of articles 1484^o and following of the Civil Code and with the Quality Assurance established in paragraph 12.5 of THIS DOCUMENT.
- 16.6.11. The CERTIFICATES OF SUPERVISION, SUPERVISION REPORTS and CERTIFICATES OF ACCEPTANCE shall be prepared for each BENEFICIARY COMMUNITY.
- 16.6.12. Annex No. 1 is a reference flow chart of some of the provisions contained in these TECHNICAL SPECIFICATIONS, which is intended to guide the CONCESSIONAIRE.

17. DEFINITIONS

- 17.1. BENEFICIARY COMMUNITIES: They are the geographic areas of population that are being considered to receive MOBILE SERVICES using 4G LTE-A technology or higher as part of the implementation obligations of the MANDATORY INVESTMENT COMMITMENTS of the CONCESSION CONTRACT.
- 17.2. FIELD STUDIES: It is the process that allows obtaining data of the geographic areas where the Mandatory Investment Commitment is to be developed, in order to evaluate them and based on this make the decisions and strategies to develop the same.
- 17.3. BASE STATION: Location where the radiant system and the eNodeB equipment will be installed, including functionalities that involve hardware and software to optimize the performance of the radio interface that enables to enter the network with IP protocol, allowing it to be an end-to-end "all IP" architecture.
- 17.4. MOBILE NETWORK: Set of BASE STATIONS that will be interconnected to a CENTRAL by means of a transmission medium.
- 17.5. OPERATION PERIOD: Period of time between the COMMENCEMENT OF THE PROVISION OF SERVICES and the termination of the period of CONCESSION CONTRACT.
- 17.6. COMMENCEMENT OF THE PROVISION OF SERVICES: The date on which the implementation of the MANDATORY INVESTMENT COMMITMENTS has been completed in the BENEFICIARY COMMUNITIES and these have MOBILE SERVICES using 4G LTE-A technology or higher, as communicated by the CONCESSIONAIRE to OSIPTEL and the GRANTOR.
- 17.7. CENTRAL: Location where equipment and platforms will be installed to differentiate voice and data traffic to be routed to external networks under the subscriber's IMS profile.

- 17.8. **MOBILE SERVICES** using 4G LTE-A or higher technology: It is the fourth generation or higher of mobile communication systems that provides high network capacity, connectivity through heterogeneous networks, access to mobile broadband and high quality of service that allows adequate support for multimedia applications such as high-speed data traffic, VoIP, VoLTE, mobile TV, videoconferencing, network gaming, etc.
- 17.9. **SPAT: Grounding System.**
- 17.10. **LTE-A:** Stands for LTE-Advanced. It is a standard for 4G (fourth generation) mobile communication that is one generation beyond LTE (Long Term Evolution).
- 17.11. **MANDATORY INVESTMENT COMMITMENT:** Refers to the obligation that THE CONCESSIONAIRE acquires to provide the Mobile Service using LTE-A technology to the BENEFICIARY COMMUNITIES.
- 17.12. **CONCESSIONAIRE:** It is the legal entity or entities constituted by the SUCCESSFUL BIDDER or SUCCESSFUL BIDDERS, or the SUCCESSFUL BIDDER itself that enters into the CONCESSION CONTRACT with the GRANTOR.
- 17.13. **SUPERVISION:** Field visit to validate and approve the compliance of the MANDATORY INVESTMENT COMMITMENT by THE CONCESSIONAIRE.
- 17.14. **TECHNICAL PROJECT:** It is the document to be submitted by the CONCESSIONAIRE to the GRANTOR, within the three (03) months following the CLOSING DATE. It contains the COVERAGE PLAN, the USAGE GOALS, and the development of the MANDATORY INVESTMENT COMMITMENTS assumed in the TECHNICAL PROPOSAL.
- 17.15. **MTC:** Ministry of Transportation and Communications.
- 17.16. **GRANTOR:** The Peruvian State, acting through the MTC.
- 17.17. **DGPPC:** General Directorate of Communications Programs and Projects of the MTC. Part of the GRANTOR in charge of the technical part of the process.
- 17.18. **CLOSING DATE:** It is the day, place and time in which the compliance of the Closing Events mentioned in paragraph 24.3 of the BIDDING TERMS and in paragraphs 4.1 and 4.2 of Clause Four of this CONTRACT is verified. Thus, it is the date of the execution of the CONCESSION CONTRACT.
- 17.19. **BIDDING TERMS:** The document, including its Forms, Annexes, Appendices and Official Letters, under the terms of which the BID was carried out and which is an integral part of this CONTRACT.
- 17.20. **CONCESSION CONTRACT:** It is the legal document by which the CONCESSION will be entered into between the SUCCESSFUL BIDDER and the GRANTOR.
- 17.21. **CALENDAR DAYS:** All days, including Saturdays, Sundays and holidays.
- 17.22. **BAND:** It refers to 30 MHz of the frequency range 2,300 - 2,330 MHz

- 17.23. ACCEPTANCE PROTOCOL: It is the set of documents based on which the MTC will carry out the SUPERVISION, as established in paragraph 16.
- 17.24. TEST PROTOCOL: It is the set of documents submitted by the CONCESSIONAIRE containing the tests established in paragraph 13, the results of which shall be submitted by the CONCESSIONAIRE to the DGPPC.
- 17.25. CERTIFICATES OF SUPERVISION: Document containing the facts verified during the SUPERVISION, which supports the SUPERVISION REPORT.
- 17.26. SUPERVISION REPORT: it is the report prepared by the GRANTOR for each BENEFICIARY COMMUNITY in which the compliance or non-compliance in the implementation and operability of the MANDATORY INVESTMENT COMMITMENTS will be verified.

APPENDIX No. 1 TO ANNEX No. 7 TO THE CONCESSION CONTRACT
LIST OF BENEFICIARY COMMUNITIES FROM THE MANDATORY INVESTMENT
COMMITMENT FOR THE 2.3 GHZ BAND
Implementation of a 4G MOBILE NETWORK

Nº	UBIGEO	Beneficiary communities	Region	Province	District	Community score (P)	Year 1 (*)	Year 2 (*)
1	0603010015	LLANGUAT	CAJAMARCA	CELENDIN	CELENDIN	2.0		
2	0603010056	MALCAT	CAJAMARCA	CELENDIN	CELENDIN	2.0		
3	0604010003	PAMPAGRANDE	CAJAMARCA	CHOTA	CHOTA	2.0		
4	0604010056	PAMPA LA LAGUNA	CAJAMARCA	CHOTA	CHOTA	2.0		
5	0604070022	MAMARURIBAMBA BAJO	CAJAMARCA	CHOTA	COCHABAMBA	2.0		
6	0604110057	POTRERILLO	CAJAMARCA	CHOTA	LLAMA	2.0		
7	0604110067	CARRIZAL	CAJAMARCA	CHOTA	LLAMA	2.0		
8	0606140005	RINCONADA DE MIRAFLORES	CAJAMARCA	CUTERVO	SOCOTA	2.0		
9	0606140006	QUIJOS MIRADOR	CAJAMARCA	CUTERVO	SOCOTA	2.0		
10	0606140008	PAMPA DE LA RIOJA	CAJAMARCA	CUTERVO	SOCOTA	2.0		
11	0606140010	CHISIGLE	CAJAMARCA	CUTERVO	SOCOTA	2.0		
12	0606140011	NUEVO ORIENTE	CAJAMARCA	CUTERVO	SOCOTA	2.0		
13	0606140024	LA PROVIDENCIA	CAJAMARCA	CUTERVO	SOCOTA	2.0		
14	0606140035	SANTA ELENA	CAJAMARCA	CUTERVO	SOCOTA	2.0		
15	0606140038	CHURUMAYO ALTO	CAJAMARCA	CUTERVO	SOCOTA	2.0		
16	0607010035	SUGAR MAYO	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
17	0607010090	LA FLORIDA	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
18	0607010092	PATAHUASI	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
19	0607010094	QUENGO RIO BAJO	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
20	0607010095	MIRAFLORES EL TAMBO	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
21	0607010096	TAMBILLO BAJO	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
22	0607010100	TUCO ALTO	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
23	0607010138	YERBA BUENA	CAJAMARCA	HUALGAYOC	BAMBAMARCA	2.0		
24	0607020004	PERLAMAYO CAPILLA	CAJAMARCA	HUALGAYOC	CHUGUR	2.0		
25	0608030004	MIRAFLORES	CAJAMARCA	JAEN	CHONTALI	2.0		
26	0608030005	LOS GENTILES	CAJAMARCA	JAEN	CHONTALI	2.0		
27	0608030007	RUMISAPA	CAJAMARCA	JAEN	CHONTALI	2.0		
28	0608030008	AGUA AZUL	CAJAMARCA	JAEN	CHONTALI	2.0		
29	0608030023	LAS PIÑAS	CAJAMARCA	JAEN	CHONTALI	2.0		
30	0608030025	CALABOZO	CAJAMARCA	JAEN	CHONTALI	2.0		
31	0608030032	TRONCO PAMPA	CAJAMARCA	JAEN	CHONTALI	2.0		
32	0608030033	TABACAL	CAJAMARCA	JAEN	CHONTALI	2.0		
33	0608030034	HUAYACAN	CAJAMARCA	JAEN	CHONTALI	2.0		
34	0608030035	SANTA ROSA	CAJAMARCA	JAEN	CHONTALI	2.0		
35	0608030039	TURURE	CAJAMARCA	JAEN	CHONTALI	2.0		
36	0608060027	EL LAUREL	CAJAMARCA	JAEN	LAS PIRIAS	2.0		
37	0608060034	SAN MIGUEL	CAJAMARCA	JAEN	LAS PIRIAS	2.0		
38	0608070012	TAMBILLO	CAJAMARCA	JAEN	POMAHUACA	2.0		
39	0608070013	LANCHEMA	CAJAMARCA	JAEN	POMAHUACA	2.0		
40	0608070026	SONDOR	CAJAMARCA	JAEN	POMAHUACA	2.0		
41	0608070027	YAMBOLON	CAJAMARCA	JAEN	POMAHUACA	2.0		
42	0608070029	PATACON	CAJAMARCA	JAEN	POMAHUACA	2.0		
43	0608070033	SAN ANTONIO	CAJAMARCA	JAEN	POMAHUACA	2.0		

Nº	UBIGEO	Beneficiary communities	Region	Province	District	Community score (P)	Year 1 (*)	Year 2 (*)
44	0608070039	MORERILLO	CAJAMARCA	JAEN	POMAHUACA	2.0		
45	0608070068	PAMPA COLORADA	CAJAMARCA	JAEN	POMAHUACA	2.0		
46	0608110002	LA UNION	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
47	0608110013	SAN MIGUEL	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
48	0608110017	BUENOS AIRES LA LAGUNA	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
49	0608110019	EL PROGRESO	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
50	0608110023	ANGASH	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
51	0608110025	HUARANGILLO	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
52	0608110026	VALLE LA PRIMAVERA	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
53	0608110035	SAN ANTONIO	CAJAMARCA	JAEN	SAN JOSE DEL ALTO	2.0		
54	0609020016	LA PALMA	CAJAMARCA	SAN IGNACIO	CHIRINOS	2.0		
55	0611070008	SAN ANTONIO DE OJOS	CAJAMARCA	SAN MIGUEL	LLAPA	2.0		
56	0611090018	LANCHEZ	CAJAMARCA	SAN MIGUEL	NIEPOS	2.0		
57	2001110013	MONTE DE LOS OLIVOS	PIURA	PIURA	LAS LOMAS	2.0		
58	2001110014	TONGAL	PIURA	PIURA	LAS LOMAS	2.0		
59	2001110021	EL SAUCE	PIURA	PIURA	LAS LOMAS	2.0		
60	2001110022	PUEBLO NUEVO EL SAUCE	PIURA	PIURA	LAS LOMAS	2.0		
61	2001110063	SAN FRANCISCO DE PAMPA ELERA ALTO	PIURA	PIURA	LAS LOMAS	2.0		
62	2001110077	LA MENTA ALTA	PIURA	PIURA	LAS LOMAS	2.0		
63	2001140029	MIRAFLORES BAJO	PIURA	PIURA	TAMBO GRANDE	2.0		
64	2001140038	HUALTACO III EL PORVENIR	PIURA	PIURA	TAMBO GRANDE	2.0		
65	2001140056	TOTAL ALTO	PIURA	PIURA	TAMBO GRANDE	2.0		
66	2001140141	EL CARMEN	PIURA	PIURA	TAMBO GRANDE	2.0		
67	2001140148	CASARANA	PIURA	PIURA	TAMBO GRANDE	2.0		
68	2001140152	JUAN VELASCO ALVARADO	PIURA	PIURA	TAMBO GRANDE	2.0		
69	2001140202	SANTA CATALINA	PIURA	PIURA	TAMBO GRANDE	2.0		
70	2002060003	VEGA DEL PUNTO	PIURA	AYABACA	PACAIPAMPA	2.0		
71	2002060012	NANGAY DE MATALACAS	PIURA	AYABACA	PACAIPAMPA	2.0		
72	2002060013	MARAY DE MATALACAS	PIURA	AYABACA	PACAIPAMPA	2.0		
73	2002060019	PAREDONES	PIURA	AYABACA	PACAIPAMPA	2.0		
74	2002060021	ARANZA	PIURA	AYABACA	PACAIPAMPA	2.0		
75	2002060022	TAILIN	PIURA	AYABACA	PACAIPAMPA	2.0		
76	2002060025	LAGUNAS DE SAN PABLO	PIURA	AYABACA	PACAIPAMPA	2.0		
77	2002060027	NUEVA ALIANZA	PIURA	AYABACA	PACAIPAMPA	2.0		
78	2002060028	LA CRIA SAN PABLO	PIURA	AYABACA	PACAIPAMPA	2.0		
79	2002060029	LIVIN DE SAN PABLO	PIURA	AYABACA	PACAIPAMPA	2.0		
80	2002060030	EL PUERTO	PIURA	AYABACA	PACAIPAMPA	2.0		
81	2002060034	PORTACHUELO DE MATALACAS	PIURA	AYABACA	PACAIPAMPA	2.0		
82	2002060036	NUEVA ESPERANZA	PIURA	AYABACA	PACAIPAMPA	2.0		
83	2002060037	CAMINO REAL	PIURA	AYABACA	PACAIPAMPA	2.0		
84	2002060038	FRANCISCO BOLOGNESI	PIURA	AYABACA	PACAIPAMPA	2.0		
85	2002060040	SAN LUIS	PIURA	AYABACA	PACAIPAMPA	2.0		
86	2002060042	VILCAS	PIURA	AYABACA	PACAIPAMPA	2.0		
87	2002060046	TAUMA	PIURA	AYABACA	PACAIPAMPA	2.0		
88	2002060050	SAN JUAN DE CACHIAO	PIURA	AYABACA	PACAIPAMPA	2.0		
89	2002060052	LIVIN DE CURILCAS (EL ROYO)	PIURA	AYABACA	PACAIPAMPA	2.0		
90	2002060053	MARAY DE CURILCAS	PIURA	AYABACA	PACAIPAMPA	2.0		
91	2002060055	CUMBICUS BAJO	PIURA	AYABACA	PACAIPAMPA	2.0		

N°	UBIGEO	Beneficiary communities	Region	Province	District	Community score (P)	Year 1 (*)	Year 2 (*)
92	2002060056	RAMADAS VILCAS	PIURA	AYABACA	PACAIPAMPA	2.0		
93	2002060057	SAN LAZARO	PIURA	AYABACA	PACAIPAMPA	2.0		
94	2002060058	CERRO PINTADO	PIURA	AYABACA	PACAIPAMPA	2.0		
95	2002060068	MEJICO	PIURA	AYABACA	PACAIPAMPA	2.0		
96	2002060070	BELLAVISTA DE CACHIAO	PIURA	AYABACA	PACAIPAMPA	2.0		
97	2002060071	EL PALMO	PIURA	AYABACA	PACAIPAMPA	2.0		
98	2002060074	MIRAFLORES	PIURA	AYABACA	PACAIPAMPA	2.0		
99	2002060076	LETREROS-TUCAQUE	PIURA	AYABACA	PACAIPAMPA	2.0		
100	2002060080	LUCUMO	PIURA	AYABACA	PACAIPAMPA	2.0		
101	2002060087	SAN FRANCISCO	PIURA	AYABACA	PACAIPAMPA	2.0		
102	2002060088	SANTA CRUZ	PIURA	AYABACA	PACAIPAMPA	2.0		
103	2002060089	MEMBRILLO	PIURA	AYABACA	PACAIPAMPA	2.0		
104	2002060093	TINGOS	PIURA	AYABACA	PACAIPAMPA	2.0		
105	2002060096	ALTAMISA	PIURA	AYABACA	PACAIPAMPA	2.0		
106	2002060098	CHULUCANITAS	PIURA	AYABACA	PACAIPAMPA	2.0		
107	2002060120	NUEVO FLORECER	PIURA	AYABACA	PACAIPAMPA	2.0		
108	2002060123	MANGAS DE CACHIAO	PIURA	AYABACA	PACAIPAMPA	2.0		
109	2002070002	LA SAUCHA	PIURA	AYABACA	PAIMAS	2.0		
110	2003010003	QUINUA	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
111	2003010004	LA RAMADA DEL INCA	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
112	2003010005	PASAPAMPA	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
113	2003010009	HUAMANY	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
114	2003010011	CORDOVA	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
115	2003010020	BOTONAL	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
116	2003010023	LOS LIRIOS	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
117	2003010025	MATARA	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
118	2003010066	PARIMARCA ALTO	PIURA	HUANCABAMBA	HUANCABAMBA	2.0		
119	2003060012	LUCUMO DE CARHUANCHO	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
120	2003060013	TALLAPAMPA	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
121	2003060026	HUAYABO	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
122	2003060027	SANTA ANA	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
123	2003060028	GASPAR	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
124	2003060030	LA LIMA	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
125	2003060031	ÑANGAY	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
126	2003060034	CALANGLA	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
127	2003060035	SANTA CRUZ	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
128	2003060037	PIZARRUME	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
129	2003060038	EL HIGUERON	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
130	2003060040	LUCUMO HUASIMAL	PIURA	HUANCABAMBA	SAN MIGUEL DE EL FAIQUE	2.0		
131	2003080022	CUSMILAN	PIURA	HUANCABAMBA	SONDORILLO	2.0		
132	2003080023	RODRIGUEZ DE MENDOZA	PIURA	HUANCABAMBA	SONDORILLO	2.0		
133	2003080024	LA LIMA	PIURA	HUANCABAMBA	SONDORILLO	2.0		
134	2003080029	TIERRA NEGRA	PIURA	HUANCABAMBA	SONDORILLO	2.0		
135	2003080030	NUEVO BOLOGNESI	PIURA	HUANCABAMBA	SONDORILLO	2.0		

N°	UBIGEO	Beneficiary communities	Region	Province	District	Community score (P)	Year 1 (*)	Year 2 (*)
136	2003080034	CUSE	PIURA	HUANCABAMBA	SONDORILLO	2.0		
137	2004030005	EL PALMO	PIURA	MORROPON	CHALACO	2.0		
138	2004030010	CABUYAL	PIURA	MORROPON	CHALACO	2.0		
139	2004030026	CARPINTEROS	PIURA	MORROPON	CHALACO	2.0		
140	2004030029	PORTACHUELO	PIURA	MORROPON	CHALACO	2.0		
141	2004030032	LOS LUCUMOS (LUCUMOS)	PIURA	MORROPON	CHALACO	2.0		
142	2004030035	JUAN VELASCO	PIURA	MORROPON	CHALACO	2.0		
143	2004030042	PEDREGAL	PIURA	MORROPON	CHALACO	2.0		
144	2004030045	JOSE OLAYA	PIURA	MORROPON	CHALACO	2.0		
145	2004030051	LA RINCONADA	PIURA	MORROPON	CHALACO	2.0		
146	2004050021	CHISCA BLANCA	PIURA	MORROPON	MORROPON	2.0		
147	2004060019	HUALCAS	PIURA	MORROPON	SALITRAL	2.0		
148	2004090002	SAN JACINTO	PIURA	MORROPON	SANTO DOMINGO	2.0		
149	2004090003	SIMIRIS	PIURA	MORROPON	SANTO DOMINGO	2.0		
150	2004090018	HUACAS	PIURA	MORROPON	SANTO DOMINGO	2.0		
151	2004090035	ÑOMA	PIURA	MORROPON	SANTO DOMINGO	2.0		
152	2004090043	JACANACAS	PIURA	MORROPON	SANTO DOMINGO	2.0		
153	2004090047	BOTIJAS	PIURA	MORROPON	SANTO DOMINGO	2.0		
154	2006010017	SAN PEDRO SAN PABLO (SOMATE ALTO)	PIURA	SULLANA	SULLANA	2.0		
155	2006010034	EL VEINTISEIS SOMATE ALTO	PIURA	SULLANA	SULLANA	2.0		
156	2006050063	SAMAN CHICO	PIURA	SULLANA	MARCAVELICA	2.0		
		(...)						
n		(El listado se completará para la Fecha de Cierre, con las localidades que sean elegidas por el Adjudicatario dentro de la Licitación)						

(*) Year of implementation, counted from the Closing Date.

APPENDIX No. 2 TO ANNEX No. 7 TO THE CONCESSION CONTRACT
LIST OF REPLACEMENT COMMUNITIES OF THE MANDATORY INVESTMENT
COMMITMENT FOR 2.3 GHZ BAND
Implementation of a 4G MOBILE NETWORK

(List to be included on the Closing Date)

APPENDIX No. 3 TO ANNEX No. 7 TO THE CONCESSION CONTRACT
Referential flow chart of the TECHNICAL SPECIFICATIONS for the First year and applicable also for the Second year.

