# Terms and Conditions for Domestic Leased Lines

September 1, 2018

Sejong Telecom, Inc.

# **Chapter I General Provisions**

#### Article 1 (Purpose)

The purpose of these Terms and Conditions is to set out the terms of use and matters concerning the price and so forth for the domestic leased line service (hereinafter referred to as the "service") provided by Sejong Telecom Inc. (hereinafter referred to as the "Company") and other matters necessary for the use of such service, pursuant to the Telecommunications Business Act and the Enforcement Decree thereof.

#### Article 2 (Reporting and Modification of the Terms and Conditions)

- ① These Terms and Conditions have been reported to the Minister of Science and ICT under the Telecommunications Business Act.
- (2) The Company modify these Terms and Conditions by reporting thereof to the Minister of Science and ICT

#### **Article 3 (Application of Matters not Specified, etc.)**

- ① Matters not specified in these Terms and Conditions will be governed by the pertinent laws and regulations.
- ② In principle, any revised Terms and Conditions will be applied to customers who enter into an agreement subsequent to the revision, without being retroactively applied to customers who had entered into an agreement prior to the revision.

#### **Article 4 (Terminology)**

The terms used in these Terms and Conditions are defined as follows:

- 1. Telecommunication equipment: Machines, instruments, and lines for telecommunications, and other equipment necessary thereof (hereinafter referred to as the "equipment")
- 2. Leased line: A line directly connected between two points desired by a user without going through a switching network
- 3. Lease agreement: An agreement entered into with the Company to use a leased line (hereinafter referred to as the "service agreement").
- 4. Applicant: A party who has applied to sign a lease agreement with the Company;
- 5. User: A party who has signed a lease agreement with the Company and is liable to make a payment;
- 6. Cancellation: The action of a user canceling the service agreement before the leased line becomes activated:
- 7. Termination: The action of a user terminating the service agreement after the leased line becomes activated;
- 8. Joint use: The joint use of a single leased line by two or more people;
- 9. Use by others: The action of mediating another person's communication by using a leased line or otherwise providing a leased line for the others to use;
- 10. Interconnection: The action of connecting the leased line to another telecommunications line or connecting it by other means;
- 11. Mixed-use: The action of using two or more communications methods for one leased line at the same time (split use) or using two or more communications methods interchangeably (crossover use)
- 12. Local service area and semi-local service area: An area with equipment that allows a telecommunication service provider that offers domestic telephone services to enter into an agreement for an application filed to subscribe to telephone services is referred to as the local service area, while an area that may accept a subscription application on the condition that the applicant bears part of the cost arising from the equipment necessary for telephone subscription is referred to as the semi-local service area.
- 13. Uniform service area: An area with the same telephone service area
- 14. Office service area: If both sides of a leased line are installed within the same uniform service area, it is the area that has designated a section that accommodates leased lines for each telephone switching office, while in the event where terminal equipment installed on both sides of a leased

- line is set up within the same telephone office's service area, it is within the office service area and any other area is classified into the area between office service areas.
- 15. Terminal equipment: Equipment installed at the terminal of the line to be used for telecommunications
- 16. Data circuit-terminating equipment (DCE): A device that sits between the data terminal equipment (DTE) and a data transmission circuit to convert signals, and couple the terminal equipment into the line, or activation thereof.
- 17. Activation: Completing the Company's installation under the customer's user agreement for a leased service and ensuring mutual stability, reliability, and compatibility between terminal equipment to enable the customer's current business to use the Company's service. The Company may bill the charge for the service provided.

#### **Article 5 (Types of services)**

The services provided by the Company are as follows:

- 1. General lease service
- 2. TV broadcasting lease service

## **Chapter II Agreement**

#### Section I General lease service

#### Article 6 (Classification of the general leased service)

- ① The service is classified as follows according to the service section.
  - 1. Local line: Where terminal equipment installed on both sides of a leased line is set up in the same service area. It is classified into the uniform service area and office service area.
  - 2. Toll line: A leased line installed in a toll section that does not constitute a local line
- (2) It is classified as follows according to the service period:
  - 1. Short-term use: Using a leased line for less than one month (excluding Article 7 subparagraphs 2 and 3)
  - 2. Long-term use: Using a leased line for more than one month

#### Article 7 (Types and standards of general leased lines)

The Company provides the following types and standards of leased lines to users:

# ① Local only

Types	Standards	Content
	2400bps line	A leased line capable of transmitting data up to 2400 bits per second
1. Low speed Line	4800bps line	A leased line capable of transmitting data up to 4800 bits per second
Line	9600bps line	A leased line capable of transmitting data up to 9600 bits per second
	56Kbps line	A leased line capable of transmitting data or voice up to 56 kilobits per second
	64Kbps line	A leased line capable of transmitting data or voice up to 64 kilobits per second
	128Kbps line	A leased line capable of transmitting data or voice up to 128 kilobits per second
	192Kbps line	A leased line capable of transmitting data or voice up to 192 kilobits per second
2.	256Kbps line	A leased line capable of transmitting data or voice up to 256 kilobits per second
Middle/high- speed	384Kbps line	A leased line capable of transmitting data or voice up to 384 kilobits per second
Line	448Kbps line	A leased line capable of transmitting data or voice up to 448 kilobits per second
	512Kbps line	A leased line capable of transmitting data or voice up to 512 kilobits per second
	768Kbps line	A leased line capable of transmitting data or voice up to 768 kilobits per second
	1Mbps line	A leased line capable of transmitting data or voice up to 1 megabit per second
	1.544Mbps line	A leased line capable of transmitting data or voice up to 1.544 megabit per second
	2.048Mbps line	A leased line capable of transmitting data or voice up to 2.048 megabit per second
	4Mbps line	A leased line capable of transmitting data or voice up to 4 megabit per second
	5Mbps line	A leased line capable of transmitting data or voice up to 5 megabit per second
	6Mbps line	A leased line capable of transmitting data or voice up to 6 megabit per second
3. Ultra high	8Mbps line	A leased line capable of transmitting data or voice up to 8 megabit per second
speed Line	10Mbps line	A leased line capable of transmitting data or voice up to 10 megabit per second
Line	20Mbps line	A leased line capable of transmitting data or voice up to 20 megabit per second
	30Mbps line	A leased line capable of transmitting data or voice up to 30 megabit per second
	45Mbps line	A leased line capable of transmitting data or voice up to 45 megabit per second
	50Mbps line	A leased line capable of transmitting data or voice up to 50 megabit per second

Types	Standards	Content
	100Mbps line	A leased line capable of transmitting data or voice up to 100 megabit per second
	155Mbps line	A leased line capable of transmitting data or voice up to 155 megabit per second
	622Mbps line	A leased line capable of transmitting data or voice at up to 622 megabits per second
	1Gbps line	A leased line capable of transmitting data or voice up to 1 gigabit per second
	2.5Gbps line	A leased line capable of transmitting data or voice up to 2.5 gigabit per second

<sup>\* 4</sup>M, 5M, 6M, 8M, 10M, 20M, 30M, 50M, and 100M are provided via Ethernet.

# ② Local only

Types	Standards	Content
1 7 1	2400bps line	A leased line capable of transmitting data up to 2400 bits per second
1. Low speed Line	4800bps line	A leased line capable of transmitting data up to 4800 bits per second
Eme	9600bps line	A leased line capable of transmitting data up to 9600 bits per second
	56Kbps line	A leased line capable of transmitting data or voice up to 56 kilobits per second
	64Kbps line	A leased line capable of transmitting data or voice up to 64 kilobits per second
	128Kbps line	A leased line capable of transmitting data or voice up to 128 kilobits per second
	192Kbps line	A leased line capable of transmitting data or voice up to 192 kilobits per second
2. Middle/high-	256Kbps line	A leased line capable of transmitting data or voice up to 256 kilobits per second
speed Line	384Kbps line	A leased line capable of transmitting data or voice up to 384 kilobits per second
	512Kbps line	A leased line capable of transmitting data or voice up to 512 kilobits per second
	768Kbps line	A leased line capable of transmitting data or voice up to 768 kilobits per second
	1.024Mbps line	A leased line capable of transmitting data or voice up to 1.024 megabit per second
	1.544Mbps line	A leased line capable of transmitting data or voice up to 1.544 megabit per second
	2.048Mbps line	A leased line capable of transmitting data or voice up to 2.048 megabit per second
	5Mbps line	A leased line capable of transmitting data or voice up to 5 megabit per second
3. Ultra high speed	10Mbps line	A leased line capable of transmitting data or voice up to 10 megabit per second
Line	20Mbps line	A leased line capable of transmitting data or voice up to 20 megabit per second

Types	Standards	Content
	30Mbps line	A leased line capable of transmitting data or voice up to 30 megabit per second
	45Mbps line	A leased line capable of transmitting data or voice up to 45 megabit per second
	100Mbps line	A leased line capable of transmitting data or voice up to 100 megabit per second
	155Mbps line	A leased line capable of transmitting data or voice up to 155 megabit per second
	622Mbps line	A leased line capable of transmitting data or voice at up to 622 megabits per second
	1Gbps line	A leased line capable of transmitting data or voice up to 1 gigabit per second
	2.5Gbps line	A leased line capable of transmitting data or voice up to 2.5 gigabit per second

\* 5M, 10M, 20M, 30M, and 100M are provided via Ethernet.

- ③ In addition to the services specified under paragraphs 1 and 2, the user may be able to use additional services as announced by the Company.
- 4 All matters such as terms of use and charges for additional services will be subject to a separate agreement with the Company.

#### **Article 8 (Types of communication methods)**

The types of communication methods available for leased lines are as follows:

- 1. Non-voice communication such as data transmission
- 2. Voice communication such as telephone
- 3. Fax transmission
- 4. Video transmission
- 5. Photo transmission
- 6. Other communication methods that are deemed to cause no business or technical difficulty for the Company.

#### Article 9 (General leased service area)

The service is available throughout the country.

#### **Article 10 (Unit of a general service agreement)**

The service agreement is entered into for each line, and if the same party is liable to make a payment, he/she may apply for two or more lines with a single application.

#### **Article 11 (Application)**

If a user wishes to use a leased line service, he/she must submit the following documents to the Company:

- 1. Application (prescribed form);
- 2. A copy of the business license (resident registration card for an individual) of the party liable to make a payment;
- 3. Other documents requested by the Company.

#### **Article 12 (Agreement)**

- ① The Company enters into an agreement in the order of receipt of the application for the service agreement. However, if the Company deems it particularly necessary for the public interest, it may take precedence over other applications.
- ② If the telecommunication equipment is limited, the Company may sign an agreement on the condition that the applicant bears all or part of the cost or materials necessary for the installation.
- 3 In relation to the application for high-speed and ultra-high-speed digital lines referred to as under Article

- 7, the Company may enter into an agreement on the condition that the applicant bears the cost of equipment such as the routes where powers and cables are installed (internal pipeline, bit, conduit, duct, etc.) necessary for the installation of high-speed and ultra-high-speed digital equipment within the premises or building where high-speed and ultra-high-speed digital equipment is installed.
- 4 The applicant must provide the necessary place to install the Company's equipment free of charge in the premises or building where the leased line is to be installed.
- (5) The Company will notify the applicant of the following matters upon the conclusion of an agreement in connection with a service application.
  - 1. Scheduled date of activation;
  - 2. Matters on charges, etc.;
  - 3. Matters on the operation inspection;
  - 4. Matters concerning the protection of rights and interests of users and duties thereof, etc.;
  - 5. Other matters deemed necessary by the Company.

#### **Article 13 (Limitation of agreements)**

- ① The Company does not sign an agreement for an application filed under another person's name or attached with false documents.
- ② If the application for service agreement falls under any of the following, the Company will put the agreement on hold until the cause is removed.
  - 1. Where there is business or technical difficulties or lack of equipment;
  - 2. Where the place of installation is a building that does not conform to the installation standards of intercommunication equipment set out under pertinent statutes;
  - 3. Where the party liable to make a payment is in arrear with the charges;
  - 4. Where there is no seal or signature of the chief executive office or the authorizer of an authority;
  - 5. Where the party is registered as a credit delinquent under the Credit Information Use and Protection Act;
  - 6. Where there are other important causes.
- ③ In principle, when the agreement is restricted pursuant to the provisions under paragraphs 1 or 2, the Company will notify the applicant thereof immediately.

#### **Article 14 (Application for joint use)**

- 1) Two or more of the following parties are allowed to jointly use a single leased line:
  - 1. Institutions that offer state services or public services such as state institutions, local governments, government-invested institutions, research institutes, educational institutions, and medical institutions;
  - 2. Institutions that engage in media, broadcasting, and publishing-related businesses such as the press, broadcasting companies, telecommunications service providers, and those registered under the Act on the Registration of Periodicals;
  - 3. Parties associated with each other's business such as the company prescribed under the Commercial Act, a company that owned the shares of the other party, and a company in the business relations with the other party;
  - 4. Financial institutions such as those prescribed under the laws and regulations on the banking business and management of foreign exchange, Korea Financial Telecommunications & Clearings Institute, and member banks;
  - 5. Parties who engage in the economic activities or reside within a certain area such as an industrial complex, residential complex, and commercial area;
  - 6. Parties who have a business relationship with those prescribed above.
- ② Where the parties wish to jointly use a leased line, it is necessary to select one representative among those who wish to use the line jointly and submit an application consigned by joint users to the Company. In this case, the representative will serve as the party liable to make a payment.

#### Article 15 (Proof of joint use relationship)

1 If the Company determines that there is an ineligible party among the joint users, it may notify the

representative thereof and request documents to demonstrate the joint use.

② In response to the request under Paragraph 1, the representative may either submit the documents to the Company directly within 30 days or appoint one certified public accountant designated by the Minister of Science and ICT to demonstrate thereof.

#### **Article 16 (Application for use by others)**

A user is allowed to mediate the communication of others using a leased line or provide the leased line for the communication of others under the following circumstances, in which case, he/she must submit an application to the Company. The same will apply when the user wishes to modify it.

- 1. Where it is necessary to prevent a disaster, rescue, maintain transportation, communication, and electricity supply, or order under the state of national emergency;
- 2. Where a military institution, police institution, firefighting institution, disaster response institution, or telecommunication public office uses the line with others for public business;
- 3. Where it is necessary for a special telecommunications business operator to engage in a business;
- 4. Other circumstances in which the Minister of Science and ICT deems it necessary for the public interest.

#### Article 17 (Application of value-added telecommunication business operators to use a leased line)

- ① If the applicant is a value-added telecommunications business operator under the Telecommunications Business Act, he/she must apply to use a leased line to the Company with a copy of the registration certificate from the Minister of Science and ICT. The same will apply when the user wishes to modify it.
- ② The telecommunication services that are available under the provisions of Paragraph 1 are as prescribed in Article 3 of the Enforcement Rule of the Telecommunications Business Act.

#### **Article 18 (Application for interconnection)**

- ① A user may interconnect a leased line with another leased line under the following circumstances:
  - 1. Interconnection with a leased line constituting the use by the same person;
  - 2. Interconnection with a leased line constituting a joint-use;
  - 3. Any other circumstances deemed necessary for interconnection by the Company.
- 2) A user may connect a leased line with a public network under the following circumstances:
  - 1. Between a leased line and the public data communication network;
  - 2. Between a local or toll line and public telephone networks (provided that, except for local and toll lines that are used interconnected with a international leased line, or a toll line interconnected with a public telephone network simultaneously on both ends);
  - 3. Where it is necessary for a special telecommunications business operator to engage in a business.
- ③ In the events of Paragraphs 1 or 2, the user must submit an application for interconnection with the following matters specified to the Company.
  - 1. A place to connect from;
  - 2. Interconnection method and connection diagram;
  - 3. Other matters deemed necessary by the Company.
- 4 The Company does not guarantee the transmission quality for all communications for any connection established under the provisions of Paragraphs 1 or 2.

#### Article 19 (Application to connect with the private branch exchange)

- ① If a user intends to connect the leased line to the private branch exchange (the user and the telephone subscriber to the private branch exchange must be the same person) installed within the same premises, he/she must submit a connection application with the following documents attached:
  - 1. Connection method and connection diagram;
  - 2. Unconnected equipment diagram with the public switched telephone network (PSTN)
- ② A user is not allowed to connect the leased line to the private branch exchange that accommodates extension telephones used by others. However, this will not be the case for national agencies or local governments among those under Article 15 Paragraph 1 subparagraph 1.
- 3 When both ends of a toll leased line used as the communication method under Article 8 subparagraph

2&3 are connected to the private branch exchange, either end must be equipped with a device that is not connected to the public telephone network. However, this will not be the case with special telecommunication business operators.

#### Article 20 (Application for mixed-use)

- ① A user may be entitled to mixed-use with one leased line for 2 or more communication methods.
- (2) Where a user intends to resort to mixed-use of a leased line under Paragraph 1 above, he/she must bear the cost of installing the equipment necessary for the mixed-use.

#### Section II TV broadcasting lease service

#### **Article 21 (Use of the TV broadcasting leased service)**

The TV broadcasting leased service is available for either public TV network, broadcasting on the public TV network by a local broadcasting station and broadcast relay of a public service provider.

#### Article 22 (Time/period of the TV broadcasting leased service)

The TV broadcasting leased service is provided for a set period of one year or longer, and the user can initiate his/her service at a set time for a certain period during the day. The service is available at a minimum of 2 hours and the user can sign an agreement for every hour.

#### Article 23 (Standards of the TV broadcasting leased service)

The standards of the TV broadcasting leased service provided by the Company to users are as follows:

- 1. A leased line capable of transmitting video images of up to 45 megabits per second for 45Mbps line and the audio included therein;
- 2. A leased line capable of transmitting video images of up to 155 megabits per second for 155Mbps line and the audio included therein;

#### Article 24 (Contract unit for the TV broadcasting leased service)

The contract for the TV broadcasting leased service is entered into for each one-way line.

#### Article 25 (Areas where the TV broadcasting leased service is available)

The areas where the TV broadcasting service is available will be designated and announced by the Company.

#### Article 26 (Places that deal with the TV broadcasting service)

The Company's head office handles the TV broadcasting leased service, and if the Company ever launches a branch, the details thereof will be announced.

#### **Article 27 (Application)**

An applicant who wishes to use the TV broadcasting leased service must submit the following documents to the Company:

- 1. Application (prescribed form);
- 2. A copy of the business license (resident registration card for an individual) of the party liable to make a payment;
- 3. Other documents requested by the Company.

#### **Article 28 (Agreement)**

- ① The Company enters into agreements in the order of receipt of applications for the TV broadcasting leased service. However, if the Company deems it particularly necessary for the public interest, it may take precedence over other applications.
- ② If the telecommunication equipment is limited, the Company may sign an agreement on the condition that the applicant bears the cost or materials necessary for the installation.
- ③ For the Company to install TV broadcasting leased equipment in the premises or building where the TV broadcasting leased line is installed, it may enter into an agreement on the condition that the applicant bears the cost of necessary equipment such as power supply and pipelines.
- 4 As for the divergence service and inserted relay service, a service agreement may be entered into according to a separate agreement between the user and the Company.

#### **Article 29 (Limitation of agreements)**

- ① If the application falls under any of the following subparagraphs, the Company will put the agreement on hold and notify the applicant until the cause is removed:
  - 1. Where someone's else's name is used or false documents are attached;
  - 2. Where the place of installation is a building that does not conform to the installation standards of intercommunication equipment set out under pertinent statutes;
  - 3. Where the party liable to make a payment is in arrear with the charges;
  - 4. Where there is business or technical difficulties or lack of equipment;
  - 5. Where there is no seal or signature of the chief executive officer or the authorizer of an authority;
  - 6. Where there are other important causes.
- ② The Company will enter into the agreement as soon as the cause that put the agreement on hold in Paragraph 1 is removed.

# **Chapter III Installation and activation**

#### Article 30 (Installation of terminal equipment, etc.)

- ① User's terminal equipment and data circuit-terminating equipment (DSU, CSU, CODEC, etc., hereinafter referred to as the "terminal equipment, etc.") must be installed by the user. However, if the user wishes, the Company may provide terminal equipment, etc. on the condition that the contracting party bears the cost thereof.
- 2 The places where terminal equipment can be installed are as follows:
  - 1. User's address, place of residence, or place of business;
  - 2. Places necessary for pollution prevention, disaster prevention, traffic control, medical care, and airport management;
  - 3. Places necessary for the performance of police work or firefighting work;
  - 4. Other places deemed necessary by the Company.
- ③ Terminal equipment, etc. installed in accordance with Paragraph 1 must be standard products such as the types of products approved as telecommunications equipment under the Framework Act on Telecommunications and must be installed in compliance with the technical standards set out under the pertinent laws and regulations as well as the standards set out by the Company.
- 4 If the Company deems it necessary to improve the quality of the service, it may install a line test equipment in the user's facility.

#### Article 31 (Maintenance of repair of the terminal equipment, etc.)

- ① The user is solely responsible for the maintenance and repair of the user's terminal equipment, etc. However, if the Company deems it necessary, this may not apply to minor matters.
- ② Where a user maintains and repairs terminal equipment under the provisions of Paragraph 1, or changes the terminal equipment, etc. subject to the provisions under Article 49, the technical standards stipulated by pertinent laws and regulations must be observed.

#### Article 32 (Activation of a leased line)

- ① The Company will activate a leased line within 60 days from the date on which an agreement is entered into for an application in the absence of any special business or technical difficulties. However, if the applicant has filed an application with the desired activation date, and the activation is available on the said date, the agreement will be entered into with the date as the date of activation.
- ② If the applicant wishes to postpone the scheduled activation date already designated due to his/her circumstances, he/she must file an application with the Company at least 5 days prior to the originally scheduled date of activation.
- ③ The activation date postponed at the request of the applicant must be within 30 days from the originally scheduled activation date, and the leased line will be deemed to have been activated from the day immediately following the deadline. However, this will not be the case where there is a delay due to compelling circumstances accepted by the Company.

4 If the Company fails to activate the line within 60 days from the date on which an agreement was entered into for an application or until the desired date of activation, it will notify the applicant of the reasons thereof and the reset date of activation in writing.

#### Article 33 (Operational check of the leased line)

In accordance with the provisions under Article 30, the Company may, if necessary, conduct operational checks after the activation of the leased line to make sure that the terminal equipment, etc. (excluding private branch exchange) installed by the user comply with the technical standards set out under pertinent laws and regulations.

# Chapter IV Service provision and use

#### Article 34 (Company's duties)

- ① The Company enables users to use the service on the desired activation date he/she has applied for, unless under special circumstances.
- ② The Company must provide the service continuously and stably without any interruption in accordance with the Terms and Conditions. However, in the event of natural disasters, national emergencies, or other compelling circumstances, the service for users may be restricted when necessary to secure essential means of communications.
- ③ In the event of a failure during the service provision, the Company must, in good faith, responsibility recover, and maintain and repair installed equipment promptly.
- 4 The Company is barred from disclosing or distributing customer information acquired in connection with the service provision to others without the user's prior consent, and from using such information for commercial gains. However, if a related state agency, the Korea Communications Commission, the Korea Communications Standards Commission, or the has made a request for investigative purposes or the Korea Internet & Security Agency has made a request for investigative purposes, or if the user is in arrears with his/her service charge during the period set by the Company and thus his/her information is provided to the credit information operator or the public credit registry, this will not be the case.
- ⑤ Before providing the information on the fees unpaid by a user to credit information companies under Article 15 of the Credit Information Use and Protection Act, the Company will notify the user him/herself (excluding corporation customers) of the fact that the information on the fees unpaid will be provided.

#### Article 35 (User's duties)

- ① A user must use the indoor facilities installed by the Company with the duty of care as is required of good managers.
- ② A user is obliged to pay the charge set under these Terms and Conditions jointly and severally with the party liable to make a payment in return for the service.
- ③ A user must not move, remove, change, disassemble, or connect other line equipment to the facilities under Paragraph 1 without the approval of the Company. However, this will not be the case where it is necessary to protect the facilities due to natural disasters or other emergencies.
- 4 In the event of any loss or damage to the equipment, the user must bear the cost of replacement, repair, and construction thereof.
- ⑤ If there is any modification to the address or phone number provided in the application, the user must immediately notify the Company.
- ⑥ A user must comply with the provisions under the Terms of Use and pertinent laws and regulations.

#### Article 36 (Succession of the user status)

Where a cause arises for the succession of the status held by the user due to inheritance, merger, split, business transfer, or the like, the contracting party must submit to the Company a copy of his/her business license (for corporations only) and pertinent documents required to demonstrate the succession of position, within 1 month from the date on which the cause arises.

#### **Article 37 (Extension of the TV broadcasting leased service)**

① If the user extends the period of use of the service, he/she must apply for an extension to the Company.

② The Company may not approve the application in Paragraph 1 if there is a technical or business impediment.

# Chapter V Modification, cancellation, and termination of the agreement

#### Article 38 (Modification and renewal of the agreement)

- ① If the user wishes to modify any of the terms and conditions in Paragraphs 2 through 5 of the lease agreement, he/she must fill out a modification application and submit it to the Company.
- 2) At the time of application for the modification to the service agreement;
  - 1. Modification to the trade name, name, address, and business license number of the user or the party liable to make a payment;
  - 2. Modification to the co-user or representative;
  - 3. Modification to the service items and standards;
  - 4. Modification to the installation location;
    - A. Modification to the installation location in the same premises: Modification to the installation location of the terminal equipment in the same premises;
    - B. Modification to the installation location to a different premise: Modification to the installation location of the terminal equipment to different premises;
  - 5. Modification to the period of use (including the modification from short-term use to long-term use)
- 3 At the time of application for modification to the TV broadcasting lease agreement;
  - 1. Modification to the trade name, name, address, and business license number of the user or the party liable to make a payment;
  - 2. Year, month, day, and time of the day the service use is expected to start and end (however, modification to the time is applied at the modification application of the TV broadcasting lease agreement)
  - 3. Modification to the installation location;
    - A. Modification to the installation location in the same premises: Modification to the installation location of the terminal equipment in the same premises;
    - B. Modification to the installation location to a different premise: Modification to the installation location of the terminal equipment to different premises;
  - 4. Other matters deemed by the Company to cause no impediment to the business affairs.
- 4 If a new service agreement is not entered into at least 30 days prior to the expiration of the previous service agreement, the service agreement will be deemed to have been renewed under the same terms and conditions, and period as the previous service agreement.
- (5) Paragraph 4 will not apply to the following circumstances:
  - 1. If the period is specified by a separate agreement;
  - 2. If the contents of the service have been modified;
  - 3. If part of the service has been abolished;
  - 4. If part of the service has been prohibited or abolished by pertinent laws and regulations, the Korea Communications Commission, etc.

#### Article 39 (Restriction on the modification to the agreement terms and conditions)

The Company may restrict the application in the provisions of Article 38 in the circumstances that fall under Article 13 Paragraph 2, Article 29 Paragraph 1, and Article 40 Paragraph 1.

#### Article 40 (Suspension, temporary suspension and resumption of the service provision)

- ① The Company may suspend providing the service during a set period of up to 30 days if the user falls under any of the following circumstances:
  - 1. Where the user has relocated, demolished, modified, or disassembled the equipment or connected other line devices, etc. to the equipment thereof without obtaining the approval of the Company;
  - 2. Where all or part of the TV broadcasting leased service is used for other purposes or sold or rented

to another party;

- 3. Where the charge is not paid within 30 days from the due date thereof.
- ② If the Company intends to suspend providing the service under the provisions of Paragraph 1, it must notify the user at least 7 days prior to the set date of suspension, specifying the reason and period thereof.
- ③ If a user who has been notified under the provisions of Paragraph 2 has any objection to the notice of service suspension, he/she may file an objection within 7 days from the date of receipt of the notice. The Company will postpone the service suspension until the confirmation of the contents of the objection is completed and will notify the user of the result thereof.
- Where the cause for service suspension has been removed, the Company will resume providing the service without delay.
- (5) If a user wishes to temporarily suspend the service use due to reasons that he/she does not need the service for a certain period of time, he/she must notify the reasons and period thereof to the Company.
- (6) The period of suspension under paragraph 5 must be at least 1 month, but cannot exceed 2 months, unless under extenuating circumstances recognized by the Company.
- (7) If the user wishes to resume the service during the period of the suspended service, he/she must file an application therefor to the Company.
- (8) The Company will automatically resume the service when the period of suspension set by the user in Paragraph 5 comes to an end.
- 9 The Company will notify the user when the suspended service is resumed.
- (ii) When the service is suspended, a charge equivalent to 1/2 of the monthly charge must be paid.

#### Article 41 (Cancellation and termination of the general service agreement )

- ① If a user wishes to cancel the service agreement, he/she must submit a cancellation application to the Company at least 10 days prior to the scheduled activation date. In this case, the cancellation charge set out under [Attached Table 1] must be paid.
- ② If a user wishes to terminate the service agreement after the service is provided, he/she must submit the termination application to the Company 30 days prior to the date of termination.
- ③ Once it is verified that the application falls under the provisions of Article 13 (Limitation of agreements) Paragraph 1, the Company may cancel or terminate the service agreement.
- 4 After the service is suspended under the provisions in Article 40 Paragraphs 1 and 2, if the user fails to remove the case of suspension within the period of suspension notified by the Company, the Company may terminate the service agreement.
- (5) If the service is canceled during the term of a long-term agreement that benefits the user of a rate discount, or the service is terminated under Paragraph 4, the discount refund specified in [Attached Table 1] must be paid. However, in case of conversion to a similar service provided by the Company, a discount refund will not be charged.
- (6) If the Company intends to cancel or terminate the service agreement pursuant to the provisions of paragraphs 3 and 4, it must notify the user of its intention at least 10 days in advance and give the user an opportunity to offer his/her statement of opinion, and the Company may cancel or terminate the agreement unless under extenuating circumstances. However, in the event under Article 40 (1) 3, the agreement may be terminated after the user is notified of the payment without giving him/her the opportunity to provide a statement of opinion.

#### Article 42 (Cancellation and termination of the agreement the TV broadcasting lease agreement)

- ① If a user intends to cancel or terminate a video and TV broadcasting lease agreement, he/she must submit an application for cancellation or termination of the agreement to the Company.
- ② The Company may terminate the TV broadcasting lease agreement if the user falls under any of the following circumstances:
  - 1. Where the service use has been suspended more than 3 times a year;
  - 2. Where the cause for suspension has not been removed within the period of suspension after the

service was suspended under Article 40.

③ If a user wishes to cancel or terminate the TV broadcasting lease agreement, he/she must notify the Company of the cancellation and termination of the agreement at least one month in advance, and the cancellation and termination of the agreement will become effective by paying the line usage fee for the remaining period.

# **Chapter VI Charges**

#### Article 43 (Classification of charges, etc.)

- (1) The types of charges that users who use the lease service must pay are as follows:
  - 1. Installation fee: A fee payable for installation or relocation expenses when a lease agreement or a modification agreement for the application to move the location of installation has been signed;
  - 2. Line usage fee: A fee payable in exchange for using the leased line;
  - 3. Equipment usage fee: A fee payable for terminal equipment, etc. provided by the Company;
  - 4. Cancellation fee: A fee payable in exchange for the preparation if the service is canceled prior to the activation date after the service agreement has been approved.
  - 5. Discount refund: A fee payable if the long-term agreement with a rate discount is terminated before its expiration.
- ② The rate, application standards, and applicable parties of the fees under the provisions of Paragraph 1 match those in the [Attached Table 1].

#### Article 44 (Long-term usage fee)

- 1 The long-term usage fees are as follows:
  - 1. Installation fee: If a user has signed a service agreement or an agreement to modify the location of installation for a leased line, this fee is charged once.
  - 2. Line usage fee: The monthly usage fee is calculated for the period starting from the 1st day to the last day of each month, and if the activation date, modification date, or termination date falls in the middle of the relevant billing month, the usage fee is calculated based on the number of days during which the service is used (hereinafter referred to as "pro-rata calculation"). In this case, the termination date will not be included in the number of service days, and the date of activation/modification will be included in the number of service days.
- ② If a long-term user terminates the service agreement within one month from the date of activation, the short-term service fee will be applied subject to the provisions of Article 45.

#### Article 45 (Short-term usage fee)

Among the fees, the short-term usage fee is calculated as follows:

- 1. Installation fee: This is same as the Installation fee of the long-term usage fee.
- 2. Line usage fee: On the first day, 20% of the long-term usage fee is applied, while from the second day onwards, 3.33% (1/30) of the long-term monthly usage fee will be applied every one day. In this case, if the amount exceeds the monthly long-term usage fee, it will be calculated by applying the monthly amount of the long-term usage fee.

#### Article 46 (TV broadcasting lease service usage fee)

The TV broadcasting lease service usage fee is calculated as follows:

- 1. The fee for video images only will be billed based on days, months, and years.
- 2. The TV broadcasting lease service will be billed based on hours, days, months, and years.
- 3. The monthly fee in subparagraph 1 will be calculated with the number of service days when the service period is less than one month, and the service termination date will not be added to the number of service days.
- 4. For the annual fee under subparagraph 1, if the service period is less than one year, the user must pay the line usage fee for the remaining period.

#### Article 47 (Pro-rata calculation of fees, etc.)

① When calculating the monthly fee, etc., the amount obtained by dividing the monthly fee, etc. by the number of days in the billing month is used as the monthly fee, etc. on a pro-rata basis.

- ② In the pro-rata calculation under Paragraph 1, even if the day is less than 24 hours, it will be counted as one day.
- ③ If the monthly fee for the lease service changes in the middle of the billing month, it will be calculated on a pro-rata basis for the monthly fee depending on the number of days until the day immediately preceding the billing month.

#### Article 48 (Reduction of fees, etc.)

- ① The Company may exempt the lease service fee, etc. under the following circumstances:
  - 1. Where a facility has been destroyed due to a national emergency or natural disaster, the Installation fee for changing the installation location of the terminal equipment;
  - 2. Where the service becomes unavailable or the service use has been suspended due to the reasons attributable to the Company.
- (2) The Company may reduce or exempt the fees under the following subparagraphs:
  - 1. Where the Company recognizes that it is a leased line for business management and general civil complaints used by an institution that directly instructs and supervises public communication services;
  - 2. Where a leased line is for the national communication for the instruction of military, public security, or national security agency;
  - 3. Where a leased line is provided by the Company as it is necessary for military operations during wartime;
  - 4. Where a leased line is necessary to promote the use and widespread distribution of information& communications;
  - 5. Where Company deems it necessary for the management of the postal service;
  - 6. Charges for the communication of leased lines of organizations dedicated to the prevention of risks to human life and property or relief from disasters, etc.
- 3 The specific parties eligible for reduction or exemption, reduction rate, and application standards according to the provisions of Paragraph 2 match those in the [Attached Table 1].
- ④ In the application of the reduction rate, if a party falls under multiple parties eligible for the reduction, a higher reduction rate will apply.

#### Article 49 (Discounts of rates, etc.)

- (1) The Company reduces rates as in the [Attached Table 1].
- ② Discounts will be applied only for long-term use, and discounts will not be applied to users who receive reductions in rates, etc. under the provisions of Article 48.

#### Article 50 (Return of fees, etc.)

- ① The Company will return the fees paid or reduce the fees in the circumstances that fall under Articles 60 and 61.
- ② In the event of overpayment or mistaken payment of fees, the Company will return the overpaid or mistakenly paid fees.
- ③ If the fee to be returned or reduced by the Company is a monthly fee, and if the user agrees or does not respond to the Company's notification of return, the Company may offset the amount equivalent thereto from the fee, etc. that newly arises.
- 4 Where a user who is entitled to receive a refund or reduction in fees falls into arrears, the Company may deduct the unpaid fee from the amount to be returned, etc. first before making the refund.

#### Article 51 (Party liable to make a payment)

- ① The service user will be the party liable to make a payment. However, if two or more customers jointly use a leased line, one representative among them will be the party liable to make a payment.
- ② Notwithstanding the provisions under Paragraph 1 above, the value-added telecommunication business operator must be the party liable to make a payment for the user, and the user who receives the service cannot become the party liable to make a payment.

#### Article 52 (Payment due dates for fees, etc.)

The payment due dates for leased lines are as follows:

- 1. Fees payable until the last day of the service month;
  - A. Fees payable for the service (long-term use);
  - B. Fees for the TV broadcasting lease service;
  - C. Equipment usage fee;
- 2. Fees payable on the date designated by the Company;
  - A. Fees for short-term use:
  - B. Installation fee and facility cost to be borne by the user;
  - C. Where the service agreement was terminated or the service provision was suspended in the middle of the billing month, the fees until the billing month or any unpaid fees, etc.
  - D. Prorated fees, etc.

#### Article 53 (Request for the payment of fees, etc.)

- ① In principle, the Company will send bills for payment of fees, etc. to reach the party liable to make a payment at least 7 days prior to the payment due date.
- ② If the Company is unable to prove that the payment bill pursuant to the provisions of Paragraph 1 has been served on the party liable to make a payment, his/her family members, or agents, the Company cannot impose additional dues for non-payment of fees or enforce other unfavorable dispositions. However, this will not be the case for fees that require payment on a regular basis.
- (3) If two or more users are jointly and severally liable to pay the fees, only one of them will be billed.

#### Article 54 (Duty to pay fees, etc.)

- ① Where the party liable to make a payment receives a bill for payment, he/she must pay the fee by the due date specified on the bill.
- ② Even if the service has been suspended pursuant to Article 40 Paragraph 1, the user still must pay the fee during the period in which the service is suspended.
- (3) Where the user wishes to modify the installation location under Article 38, he/she must pay the Installation fee according to Article 43.
- 4 Paragraph 3 will not apply where no construction is required for the use of the equipment already installed.
- (5) In accordance with the provisions of Article 15, those who jointly use the leased line will be jointly and severally liable to pay the fees.

#### Article 55 (Special cases for the payment of fees)

If a party liable to make a payment constitutes a state agency, a local government, a foreign institution in Korea, or a party recognized by the Company, he/she may be entitled to the lump-sum payment by a higher institution (refers to the lump-sum payment by a higher institution, the main place of business, or the office).

#### Article 56 (Extinctive prescription of the payment duty)

The duty to pay service charges, etc. will be extinct if a payment request is not sent within 6 months from the due date of payment. However, this will not be the case for fees that have been illegally evaded or that are required to be paid on a regular basis.

#### Article 57 (Objection)

- ① The party liable to make a payment who has any objection to the charge billed must file an objection to the Company within one year from the date of payment.
- ② The Company will investigate the feasibility of the objection filed under Paragraph 1 and notify the result thereof to the party liable to make a payment or his/her representative in writing or by telephone within 10 days of the receipt of the objection.
- 3 If the Company is unable to notify the result of the objection within the period specified in Paragraph 2 due to compelling circumstances, it will notify the party liable to make a payment or his/her agent of the

reasons and the re-designated period for processing thereof.

④ Where the fee, etc. have been reduced as a result of the feasibility study results for the objection under the provisions in Paragraph 2 and the fee, etc. has already been paid, the Company may pay the refund to the party liable to make a payment or offset the fee from that of the following month. In this case, if the fee has not been paid yet, the payment due date will be re-designated within 10 days and a payment bill will be sent to the party liable to make a payment.

#### Article 58 (Imposition of additional dues)

- ① If the user fails to pay the fee (excluding Installation fee and user-borne facility fee) by the payment due date specified in the bill, he/she will be liable to pay an amount equivalent to 2/100 of the fee multiplied by the number of months in arrears as additional dues.
- ② The additional dues pursuant to the provisions under Paragraph 1 will be charged in addition to the fees in arrears from the day following the date on which the payment due date expires. However, if the party liable to make a payment for fees, etc. is a diplomatic office in Korea or a United Nations agency, no additional dues will be imposed.

#### Article 59 (Collection of evaded fees, etc.)

- ① The Company may collect evaded fees, etc. under the following circumstances:
  - 1. Where the fee, etc. have been evaded by connecting other lines or equipment to the service facility without obtaining approval;
  - 2. Where the fee, etc. have been evaded by modifying the installation location of the service facility without obtaining approval;
  - 3. Where the fee, etc. have been evaded in violation of the provisions under these Terms and Conditions.
- ② Where the fee, etc. have been evaded under the provisions in Paragraph 1, the amount equivalent to twice the amount evaded will be charged.
- 3 Where the fee evaded is charged pursuant to the provisions of Paragraph 1, the reason must be clearly provided.
- 4 The provisions under Articles 53 and 54 apply mutatis mutandis to the collection of evaded fees, etc. under the provisions of Paragraph 1.

# **Chapter VII Customer support**

# Article 60 (Return of the fees and compensation for damages arising from a failure during the general use of a general leased line)

- ① In the event where a user becomes unable to use a leased line due to reasons such as failure that are not attributable to the user, and the line has remained unavailable for use for three hours or longer continuously from the moment in which he/she notified the Company or the Company became aware of the unavailability, the Company will return the line usage fee equivalent to the hours of the failure at the request of the user.
- ② In this case, if the failure prolongs over 12 hours, it is regarded as one day (24 hours) and the line usage fee for one day will be returned, and even if the hours of failure exceed 24 hours, the amount will be returned for every 12 hours.
- ③ In the event where a failure occurs due to reasons not attributable to the user during the use of a leased line provided by the Company, and as a result, the user sustains damage as he/she has not been able to use the service continuously for 24 hours or longer from the moment in which he/she notified or let the Company become aware of the failure, the Company will provide compensation in consultation with the user for the amount not exceeding three times the fee for the corresponding period. However, if the failure is caused by a reason not attributable to the Company, the compensation will not be paid.

# Article 61 (Reduction of the fees and compensation for damages arising from a failure during the use of the TV broadcasting lease service)

① In the event that a user becomes unable to use the TV broadcasting lease service for reasons not attributable thereto, if the user has not been able to use the TV broadcasting lease service continuously

for 10 minutes or longer from the moment in which he/she notified the Company or the Company became aware of the failure, the Company will reduce the line usage fee corresponding to the relevant hours of failure at the request of the user.

② In the event where a failure occurs due to reasons not attributable to the user during the use of the TV broadcasting lease service provided by the Company, and as a result, the user sustains damage as he/she has not been able to use the service continuously for 24 hours or longer from the moment in which he/she notified or let the Company become aware of the failure, the Company will provide compensation in consultation with the user for the amount not exceeding three times the fee for the corresponding period. However, if the failure is caused by a reason not attributable to the Company, the compensation will not be paid.

#### Article 62 (Force majeure)

Notwithstanding the provisions under Articles 50, 60, and 61 above, the Company will not be liable to refund fees or compensate for damages in any of the following circumstances:

- ① Where the failure is caused by force majeure events, such as war, disaster, natural disaster, or a national emergency equivalent thereto;
- ② Where the Company has notified in advance of a communication failure due to reasons such as communication network-related construction;
- 3 Where there has been an intentional act or negligence on the part of the user.

# **Chapter VIII Advisory committee system**

#### **Article 63 (Significance)**

The Company may run an advisory committee system in which advisory committee members are appointed from among the pool of customers to receive advice so as to identify the current status of the overall service provided by the Company and to seek the direction for improvement.

#### Article 64 (Appointment of advisory committee members)

The Company may appoint customers who have used the service provided by the Company for 6 months or longer or signed a service agreement with the Company and fulfills the standards under the "Attached Table 2" as the advisory committee members. In this case, the customer will serve for the period of one year, which may be extended.

#### **Article 65 (Duties of advisory committee members)**

Advisory committee members are required to provide information on all matters pertaining to the use of services provided by the Company from time to time, offer sincere advice when requested to provide advice in this regard and offer their suggestions for the improvement and development measures for the overall services of the Company.

#### **Article 66 (Treatment of advisory committee members)**

The Company may supply the advisory committee members with a discount on the line usage fee used thereby as referred to in the "Attached Table 2."

# **Chapter IX Customer suggestion system**

#### **Article 67 (Customer suggestion)**

Customers are entitled to submit their suggestions in writing for efficient services and improvement of the line quality of the Company, and if the suggestions are deemed beneficial, they may be subject to rewards.

#### Addendum

#### **Article 1 (Effective Date)**

These Terms and Conditions will enter into force on September 1, 2010.

#### Addendum

#### **Article 1 (Effective Date)**

These Terms and Conditions will enter into force on May 1, 2013.

#### Addendum

#### **Article 1 (Effective Date)**

These Terms and Conditions will enter into force on April 10, 2015.

#### Addendum

#### **Article 1 (Effective Date)**

These Terms and Conditions will enter into force on April 16, 2015.

#### Addendum

#### **Article 1 (Effective Date)**

These Terms and Conditions will enter into force on September 1, 2018.

# [Attached Table 1] Service charge

- A, Rates for general leased lines
  - 1. Service charge for a line (unit: KRW/month, excluding VAT)
    - $\ensuremath{\ensuremath{\mathbb{1}}}$  Toll only

Classificati	2400bps	4800bps	9600bps	56/64Kbps	128Kbps	192Kbps	256Kbps
on							
- 10Km	81,900	106,400	122,800	210,000	245,000	315,000	420,000
~30Km	144,500	187,800	216,700	370,500	432,200	555,700	741,000
~50Km	201,800	262,300	302,700	517,500	603,800	776,300	1,035,100
~ 100Km	321,700	418,200	482,500	824,900	962,500	1,237,500	1,650,100
~ 200 Km	394,100	512,300	591,100	1,010,610	1,179,000	1,515,900	2,021,200
~ 300 Km	441,700	574,200	662,500	1,132,875	1,321,600	1,699,200	2,265,700
~ 400 Km	476,900	619,900	715,300	1,809,900	1,427,000	1,834,800	2,446,400
400Km ~	500,800	651,000	751,200	1,938,000	1,498,500	1,926,600	2,568,900

Classificati	384Kbps	448Kbps	512Kbps	768Kbps	1Mbps	1.544Mbps	2.048Mbps
on							
~ 10Km	490,100	524,000	563,700	663,300	751,000	935,280	1,246,900
~30Km	864,500	926,000	994,500	1,170,000	1,325,000	1,649,700	2,199,600
~50Km	1,207,600	1,293,000	1,389,200	1,634,400	1,850,000	2,304,500	3,072,600
~ 100Km	1,925,100	2,062,000	2,214,600	2,605,500	2,950,000	3,673,800	4,898,300
~ 200 Km	2,358,000	2,526,000	2,712,600	3,191,400	3,614,000	4,499,900	5,998,900
~ 300 Km	2,643,300	2,831,000	3,040,800	3,577,500	4,050,000	5,044,300	6,725,700
~ 400 Km	2,854,100	3,057,000	3,283,300	3,862,800	4,373,000	5,446,500	7,262,000
400Km ~	2,997,100	3,210,000	3,447,800	4,056,300	4,592,000	5,719,400	7,625,700

Classificati	4Mbps	5Mbps	6Mbps	8Mbps	10Mbps	20Mbps	30Mbps
on							
~ 10Km	2,162,000	2,620,000	2,844,000	3,293,000	3,742,000	4,990,000	6,238,000
~30Km	3,813,000	4,620,000	5,016,000	5,808,000	6,600,000	8,801,000	11,001,000
~50Km	5,325,000	6,452,000	7,005,000	8,111,000	9,217,000	12,289,000	15,361,000
~ 100Km	8,488,000	10,284,000	11,165,000	12,928,000	14,691,000	19,588,000	24,485,000
~ 200 Km	10,395,000	12,594,000	13,673,000	15,832,000	17,991,000	23,989,000	29,986,000
~ 300 Km	11,651,000	14,115,000	15,325,000	17,745,000	20,165,000	26,886,000	33,609,000
~ 400 Km	12,581,000	15,242,000	16,549,000	19,162,000	21,775,000	29,033,000	36,292,000
400Km ~	13,209,000	16,003,000	17,375,000	20,118,000	22,861,000	30,482,000	38,104,000

Classificati	45Mbps	50Mbps	100Mbps	155Mbps	622Mbps	1Gbps	2.5Gbps
0.11							
~ 10Km	9,352,500	10,391,000	11,627,000	18,705,100	23,345,000	23,345,000	32,683,000
~30Km	16,497,000	18,330,000	20,506,000	32,994,000	41,170,000	41,170,000	57,638,000
~50Km	23,045,000	25,605,000	28,636,000	46,090,000	57,489,000	57,489,000	80,485,000
~ 100Km	36,737,500	40,819,000	45,641,000	73,475,100	91,630,000	91,630,000	128,283,000
~ 200 Km	44,998,700	49,998,000	55,896,000	89,997,500	112,218,000	112,218,000	157,106,000
~ 300 Km	50,442,700	56,047,000	62,648,000	100,885,400	125,775,000	125,775,000	176,085,000
~ 400 Km	54,465,400	60,517,000	67,650,000	108,930,900	135,816,000	135,816,000	190,143,000
400Km ~	57,193,800	63,548,000	71,027,000	114,387,600	142,594,000	142,594,000	199,632,000

#### $\ensuremath{\,\times\,} 4M,$ 5M, 6M, 8M, 10M, 20M, 30M, 50M, and 100M are provided via Ethernet.

Classification		2400bps	4800bps	9600bps	56Kbps	64Kbps	128Kbps
In the office service area		43,700	56,700	65,500	131,000	131,000	144,800
0 1 1 1	Stage 1 (1 - 6Km)	49,400	64,200	74,100	148,100	148,100	163,800
Outside the office service area	Stage 2 (7 - 12Km)	51,300	66,600	76,900	153,800	153,800	170,000
Service area	Stage 3 (13Km -)	53,200	69,200	79,700	159,400	159,400	176,300

Classification		192Kbps	256Kbps	384Kbps	512Kbps	768Kbps	1.024Mbps
In the office service area		186,100	246,000	287,000	341,900	398,500	469,500
0 (1 4	Stage 1 (1 - 6Km)	210,500	278,000	324,400	386,600	450,500	530,700
Outside the office service area	Stage 2 (7 - 12Km)	218,500	288,700	336,900	401,400	467,800	551,200
Service area	Stage 3 (13Km -)	226,700	299,400	349,300	416,300	485,100	571,600

Classification		1.544Mbps	2.048Mbps	5Mbps	10Mbps	20Mbps	30Mbps
In the office service area		586,900	745,200	1,589,000	2,013,000	2,858,000	3,523,000
0 (1 4	Stage 1 (1 - 6Km)	663,400	842,400	1,798,000	2,278,000	3,235,000	3,987,000
Outside the office service area	Stage 2 (7 - 12Km)	689,000	874,800	1,866,000	2,364,000	3,357,000	4,137,000
service area	Stage 3 (13Km -)	714,500	907,200	1,939,000	2,456,000	4,990,000	4,298,000

Classification		45Mbps	100Mbps	155Mbps	622Mbps	1Gbps	2.5Gbps
In the office service area		5,030,000	6,794,000	10,060,000	14,335,000	14,335,000	20,371,000
Outside the	Stage 1 (1 - 6Km)	5,686,000	7,688,000	11,373,000	16,206,000	16,206,000	23,029,000
	Stage 2 (7 - 12Km)	5,904,000	7,977,000	11,809,000	16,827,000	16,827,000	23,912,000
Service area	Stage 3 (13Km -)	6,123,000	8,289,000	12,247,000	17,451,000	17,451,000	24,799,000

 $<sup>\</sup>times$  5M, 10M, 20M, 30M, and 100M are provided via Ethernet.

#### 2. Installation fee (one-time cost for new installation and modification, excluding VAT)

Classification	Charge		Note	
Classification	New Installation modification			
64Kbps or less	KRW 56,000/line	KRW 28,000/party		
Above 64Kbps	KRW 200,000/line	KRW 100,000/party	D 1 (1.11)	
4M,5M,6M,8M	KRW 500,000/line	KRW 250,000/party	<ul> <li>Based on the 1-line with 4-wire system</li> </ul>	
10M, 20M, 30M	KRW 1,000,000/line	KRW 500,000/party	with 4-wife system	
45Mbps or more	KRW 1,600,000/line	KRW 800,000/party		

#### 3. Equipment rental fee (unit: KRW/month, excluding VAT)

Classification	Equipment name	Unit	Charge
Data	DSU	Unit	5,000 KRW/month
circuit-terminating	CSU / FDSU	Unit	10,000 KRW/month
equipment			

<sup>\*</sup> Any equipment other than those above will be available for rent under separate standards.

#### 4. Rate discount

#### 1) Long-term contract discount

Contract term	Applicable discount rate	Note
One-year agreement	5% discount on service charge applied	If the agreement is terminated before
Three-year agreement	10% discount on service charge applied	the expiry of the term thereof, a
Five-year agreement	15% discount on service charge applied	discount refund will be charged.

<sup>\*</sup> It is not possible to reduce the term of the agreement, and when the term of the agreement is to be modified to extend, a new discount rate will be applied from the first day of the month following the modification. The customers who benefit from reduced rates will not be subject to discounts.

#### 2) Discount for multiple lines

- When the same contracting party uses more than 5 toll lines: 5% discount rate
- When the same contracting party uses more than 10 toll lines: 10% discount rate
  - Discount application standards
  - A. Usage fee for the service in use (excluding installation fee and equipment rental fee)
  - B. Discounts are applied to the number of lines as of the 1st of each month, and discounts are not applied to customers who benefit from reduced rates.

#### 3) Discount for large payers

Monthly fee	Discount rate	Note
More than 5 million KRW and less than 10 million KRW	1%	
More than 10 million KRW and less than 30 million KRW	2%	
More than 30 million KRW and less than 50 million KRW	3%	Based on the monthly line service
More than 50 million KRW and less than 100 million KRW	5%	charge
More than 100 million KRW and less than 300 million KRW	7%	
300 million KRW or larger	8%	

#### **X** Application standards

- Discounts are not applied to customers who receive discounted rates.
- Additional discounts are available if a user meets the application standards for other discount systems.
- Separate the local line usage fee and the toll line usage fee and apply each applicable discount rate
- The discount is applied to the monthly fee billed.

#### 4) Discount for direct debit (abolished from May 1, 2013)

- An additional discount of 1% of the amount paid by the due date is available for customers who have applied direct debit as the method of payment for the next month
- May 1, 2013 Automatic payment users are applied with the same discount benefits while maintaining the payment method

- 5) Reservation discount
  - Discounted lines: 56/64Kbps or higher toll lines
  - How to benefit from the discount
    - A. Application filed one year before the desired activation date: 10% discount for 1 year after activation
    - B. Application filed two years before the desired activation date: 10% discount for 2 year after activation
  - At the time of application, the user is required to submit a reservation application and prepay 10% of the line usage fee for the first month. Even if the user does not use the facility thereafter, the prepayments will not be returned.
  - Discounts are not applied to customers who benefit from discounted rates
- 6) Discount on high-speed long-distance lines
  - Discounted lines: Toll lines at 56/64Kbps 2.048Mbps
  - How the discount is applied: Discount rate is applied based on the linear distance per section in use
  - The standard of distance in use and discount rate by section
    - A. Distance in use by section: 1% discount for 51Km 100Km
    - B. Distance in use by section: 2% discount for 101Km 200Km
    - C. Distance in use by section: 3% discount for a distance exceeding 201km
  - Discounts are applied based on the distance in use per section as of the 1st of each month
  - Discounts are not applied to customers who benefit from discounted rates
- 7) Discount for high-speed backup lines
  - How the discount is applied: To maintain the stability of the high-speed line, a grade T1 or higher backup line applied for the same section
  - How to benefit from the discount

A. local line: 40% off B. Toll line: 50% off

- 8) Double discount applied
  - Double discount is allowed for discounts for direct debit, discounts for long-term agreements, discounts for multiple lines, high-value user discounts, reservation discounts, and high-speed longdistance line discounts.
- 5. Cancellation fee: 10% of monthly usage fee for the line under the agreement
- 6. Discount refund: Applicable where the term of the agreement subject to discounted rate has not expired
  - O Application standards: (Monthly fee before discount \* number of service months) \* (discount rate for the term under the contract discount rate for the period of service)
  - O Monthly usage fee includes line usage fee and equipment rental fee
  - O If the service is terminated in the middle of the billing month: If the number of days during which the service is used in the terminated month constitutes 15 or more, it is included in the number of months during which the service is used.

### 7. Fee reduction table

Institutions and lines subject to reduction or exemption	Applied standards	Parties entitled to a reduced rate	Reduction rate
Civil air defense and firefighting agencies, flood control, and disaster response agencies	Organizations in charge of preventing risks to human life and property and disaster relief	Fees for	
Military agencies (including the 8th US Army), Security Service for Cheongwadae (Blue House) and Prime Minister's Office, National Intelligence Service and security agencies	For lines used by the military and security agencies and national instruction communication lines used for national security and protection	telephone leased lines	
Leased lines for business management and operation pertaining to the management of the postal service	If it is necessary in connection with the management of the postal service		
Participants in the pilot programs recognized by the Minister of Science and ICT	A party who participates in a pilot program promoted by a state agency or a common carrier for the spread of information culture, introduction of new technologies, new services, or advancement of telecommunications networks		30%
A party recognized by the Minister of Science and ICT as a non-profit corporation established for education and training pertaining to information and communication	Where a corporation established for activating information use, spreading information culture, and education and training pertaining to information and communication uses a leased line to fulfill such purposes	Toll line usage fee	3070
A leased line pertaining to the national infrastructure information network business set out by the Network Coordination Committee	Act on Expansion of Dissemination and Promotion of Information and Communications  Among the national infructure information network programs promoted according to the master plan under Article 4, where a public agency or the like that partakes in the business promoted by the Network Coordination Committee pursuant to Article 6 of the same Act uses the line for the promotion of the program as well as early stabilization and efficient operation of the network built  However, the period of reduction or exemption will be three years from the date of application set out by the Network Coordination Committee.		
If necessary, in connection with education informatization	A leased line for academic management and operation at educational institutions recognized by the Ministry of Education		

The service is provided in compliance with the terms and conditions for the high-speed national information and communications network service	An organization which may use the high-speed national information and communications network service pursuant to the provisions under Article 28 of the Framework Act on National Informatization		
Common carrier	For a line provided for local facilities	Local only line usage fee	5%

#### A. TV broadcasting only

1. usage fee (unit: KRW/month, excluding VAT)

Classification			Rate			
Classification		45Mbps	45Mbps		155Mbps	
Minimum hours of use	Minimum usage fee (for each terminal)		426,000 month	per	762,000 month	per
(2 hours)	Accumulative fee (every 10km)		25,000 month	per	45,000 month	per
Monthly overtime	Overtime usage fee (for each terminal)	1-5 hours 6-10 hours 11 hours or more	200,000 month 170,000 month 150,000 month	per per	350,000 month 300,000 month 270,000 month	per per per
(every hour)	Accumulative fee (every 10km)	1-5 hours 6-10 hours 11 hours or more	12,000 month 11,000 month 10,000 month	per per	21,000 month 20,000 month 18,000 month	per per
Overtime use on a Overtime usage fee (based or		pased on 1 terminal)	13,000 per	hour	23,000 per	hour
specific day (every 1 hour)	Accumulative fee (ev	ery 10km)	900 per ho	900 per hour 1,600 per hou		nour

#### \* How the fees are calculated

- 2 hours at minimum
  - Minimum usage fee: based on 2 hours for 1 direction and 1 terminal
  - Calculation of accumulative fees: Calculated for every 10km as the distance between terminal stations (10km=1 accumulation)
- O Monthly overtime use: Applied for any use exceeding the minimum of 2 hours (every day)
  - Minimum usage fee: based on 1 hour for 1 direction and 1 terminal
  - However, if the service is used less than 30 minutes in the last hour, 1/2 of the hourly rate is applied, and if it is more than 30 minutes, the hourly rate is applied.
  - Calculation of accumulative fees: Calculated for every 10km as the distance between terminal stations (10km=1 accumulation)
- O Excessive use on a specific day (every 1 hour): Applied for any use on a specific day, not every day
  - It is based on one terminal in one direction and is calculated per hour.
  - The calculation of the accumulative fees is the same as above
- O The wired section is the sum of the actual distances of the cables.
- 2. Installation fee (one-time cost for new installation and modification, excluding VAT)

Classification	Applied standards	Rate
Based on 1 terminal	For new installation, extended installation, and installation modification outside the premises	970,000 KRW

premises
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#### 3. Equipment usage fee (excluding VAT)

Classification	Rate	Note
TV terminal equipment (per line per	KRW 246,000 per	Pro-rata calculation for a premature
terminal)	month	termination

#### 4. Discount system

- 1) Discount on multiple lines in the same section
  - Application: Where the terminal equipment is installed in the same section, applied depending on the number of lines.
  - Applied to each party liable to make a payment

Classification	Rate	Discount rate
	3 to 10 lines at 45 Mbps 11 to 20 lines at 45 Mbps	10%
Multi-line discount	21 to 30 lines at 45 Mbps	20% 30%
for the same section	31 to 40 lines at 45 Mbps	40%
	41 to 50 lines at 45 Mbps	50%
	51 lines or more at 45Mbps	Extra

- 2) Discount for direct debit (abolished from May 1, 2013)
  - An additional discount of 1% of the amount paid by the due date is available for customers who have applied direct debit as the method of payment for the next month (double application available for a multi-line discount for the same section)
  - On May 1, 2013, automatic payment users are subject to the same discount benefits while maintaining the same payment method

# [Attached Table 2] Discount Standard Table for Advisory Committee Members

Classification	Description
1. Eligibility	○ Customers who use 5 lines or more or pay 10 million KRW or more for their monthly line usage fee
2. Discount application standards	<ul> <li>Customers who submit improvements and suggestions for communication quality and service system, etc.</li> <li>Customers who offer analysis data on the operation status of the line in use.</li> </ul>
3. Applicable discount rate	○ Up to 10% of the line usage fee