

IOH and Nokia Team - Schedule 10	Document No.	: IOH-FA-03-2022
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Pricing, Payment and Invoicing Terms & Conditions	Prepared by	: FA Team

Section 10.1.B

Payment Terms and Invoicing for RAN

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1. PAYMENT TERMS FOR RAN EXPANSION

- 1.1. Payments shall be made by Purchaser to Contractor in Indonesian Rupiah within 45 (forty-five) days from receipt of invoice compliant to Article 4 of this Schedule10 (Pricing, Payment and Invoicing Terms & Conditions).
- 1.2. RAN Hardware (including Power Cabinet System, RAN RF Ancillaries and Antennas refer to Volume III, Schedule 13 - Technical SOC's, System & Product Requirements and Description) delivered by the Contractor, the Contractor shall have the right to invoice the Purchaser:
 - a. 50% of the delivered part of Purchase Order Prices upon Delivery Acceptance proofed by Goods Acceptance Certificate (GAC) issued by Purchaser.
 - b. 15% of the delivered part of Purchase Order Prices upon Single Site Acceptance proofed by Single Site Acceptance Certificate (SSAC) issued by Purchaser.
 - c. 25% of the delivered part of Purchase Order Price upon Preliminary Acceptance proofed by Preliminary Acceptance Certificate (PAC) issued by Purchaser.
 - d. 10% of the delivered part of Purchase Order Price upon Final Acceptance proofed by Final Acceptance Certificate (FAC) issued by Purchaser.

In the event the project gets delayed for more than 6 (six) months upon the GAC issuance for reasons attributable solely by Purchaser or by Force Majeure, Contractor shall have the right to invoice the remaining 50% (fifty percent) of the Purchase Order Prices of the relevant delivered Hardware (including Power Cabinet System, RAN RF Ancillaries and Antennas) and Software which is embedded to the Hardware.

1.3. RAN Software Deliverables

1.3.1 RAN All Inclusive Software Model (AISM)

- a. The Purchaser shall issue an annual PO for the AISM at the beginning of the calendar year (within the month of January) referring to the agreed and signed AISM Baseline Forecast Certificate, where this certificate made to cover all the number of the physical sites that are on-air, have passed PAC and following the agreed RAN software methodology as defined in Article 4 (Price SOC's) of Section 10.1.A of this Schedule.
- b. The Contractor shall have the right to invoice Purchaser on a quarterly basis in arears based on the quarterly value of the agreed and signed Baseline Forecast Certificate.
- c. Every end of quarter, the actual On Air Sites shall be calculated and compared with the quarterly forecast On Air Sites of AISM Baseline Forecast Certificate set out in AISM Reading Certificate. Based on the signed AISM Reading Certificate, the delta of each quarter will be settled on the next year PO.

1.3.2 RAN Software Pay As You Use (PAYU), the Contractor shall have the right to invoice Purchaser on a quarterly basis in arears for the consumed incremental capacity on PAYU basis for the following software deliverables:

- a. PAYU capacity licenses where applicable
- b. IoT active narrowband devices
- c. IoT active wideband devices

However, both Parties has to measure and validate the quarterly software incremental capacity licenses measurements as per the agreed methodology as defined in Article 4 (Price SOC's) of Section 10.1.A of this Schedule. For clarity for every invoice, Contractor shall submit PAYU Reading Certificate signed by both Parties as supporting document to replace Acceptance Certificate.

1.4. RAN Implementation Services delivered by the Contractor, the Contractor shall have the right to invoice Purchaser:

- a. 30% (thirty percent) of the delivered part of Purchase Order Prices upon Single Site Acceptance proofed by Single Site Acceptance Certificate (SSAC) issued by Purchaser.

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- b. 55% (fifty percent) of the delivered part of Purchase Order Prices upon Preliminary Acceptance proofed by Preliminary Acceptance Certificate (PAC) issued by Purchaser.
 - c. 15% (fifteen percent) of the delivered part of Purchase Order Prices upon Final Acceptance proofed by Final Acceptance Certificate (FAC) issued by Purchaser.
- 1.5. RAN Training Services delivered by the Contractor, the Contractor shall have the right to invoice Purchaser 100% (one hundred percent) of the delivered part of Purchase Order Prices upon the training completion proofed by Training Delivery Report signed by both Parties.
- 1.6. RAN Support Services delivered by the Contractor, the Contractor shall have the right to invoice Purchaser on a quarterly basis in arrears based on the actual quantity upon network support services acceptance proved by Support Service Acceptance Certificate issued by Purchaser. The invoice shall account for physical sites that satisfy all of the following conditions:
 - a. sites that are on air,
 - b. sites that have passed PAC,
 - c. sites that are out of the warranty period agreed under this Agreement.
- 1.7. RAN Hardware Deliverables on Delivery Only Undertaking, the Contractor shall have the right to invoice Purchaser 100% (one hundred percent) of the delivered part of Purchase Order Price upon Delivery Acceptance proofed by Goods Acceptance Certificate (GAC) issued by Purchaser.
- 1.8. RAN Network Engineering Implementation Services
 - a. For non-recurrent in nature activity such as software implementation services, spectrum refarming services etc, Contractor shall have the right to invoice the Purchaser 100% (one hundred percent) of the related PO Price upon issuance of Network Engineering Services Delivery Report signed by Purchaser.
 - b. For recurrent in nature (and time based) activity such as network optimization services, Contractor shall have the right to invoice Purchaser 100% (one hundred percent) of the quarterly PO Price on a quarterly basis in arrears upon issuance of Network Engineering Services Delivery Report signed by Purchaser unless otherwise agreed between the Parties.
- 1.9. For avoidance of doubt,
 - a. PAC shall be achieved upon Cluster Acceptance if applicable and for cases where Cluster Acceptance is not applicable PAC shall be upon Single Site Acceptance (SSA) as per the RAN Acceptance Procedure defined in Volume III, Schedule 17 (Acceptance Procedure and Critical Milestones).
 - b. The RAN IoT initial start-up fee and AYCE fees shall all follow the payment terms set out in Sub Article 1.2 above.

2. **PAYMENT TERMS FOR RAN INTEGRATION**

- 2.1. Payments shall be made by Purchaser to Contractor in Indonesian Rupiah within 45 (forty-five) days from receipt of invoice compliant to Article 4 of this Schedule 10 (Pricing, Payment and Invoicing Terms & Conditions).
- 2.2. RAN Hardware (including Power Cabinet System, RAN RF Ancillaries and Antennas refer to Volume III, Schedule 13 - Technical SOC's, System & Product Requirements and Description) delivered by the Contractor, the Contractor shall have the right to invoice the Purchaser:
 - a. 50% of the delivered part of Purchase Order Prices upon Delivery Acceptance proofed by Goods Acceptance Certificate (GAC) issued by Purchaser.
 - b. 15% of the delivered part of Purchase Order Prices upon Single Site Acceptance proofed by Single Site Acceptance Certificate (SSAC) issued by Purchaser.
 - c. 25% of the delivered part of Purchase Order Price upon Cluster Acceptance proofed by Preliminary Acceptance Certificate (PAC) issued by Purchaser.
 - d. 10% of the delivered part of Purchase Order Price upon Cluster Optimization proofed by Final Acceptance Certificate (FAC) issued by Purchaser.

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In the event the project gets delayed for more than 6 (six) months upon the GAC issuance for reasons attributable solely by Purchaser or by Force Majeure, Contractor shall have the right to invoice the remaining 50% (fifty percent) of the Purchase Order Prices of the relevant delivered Hardware (including Power Cabinet System, RAN RF Ancillaries and Antennas) and Software which is embedded to the Hardware.

2.3. RAN Software Deliverables

2.3.1. RAN All Inclusive Software Model (AISM)

- The Purchaser shall issue an annual PO for the AISM at the beginning of the calendar year (within the month of January) referring to the agreed and signed AISM Baseline Forecast Certificate, where this certificate made to cover all the number of the physical sites that are on-air, have passed PAC and following the agreed RAN software methodology as defined in Article 4 (Price SOCs) of Section 10.1 of this Schedule.
- The Contractor shall have the right to invoice Purchaser on a quarterly basis in arrears based on the quarterly value of the agreed and signed Baseline Forecast Certificate.
- Every end of quarter, the actual On Air Sites shall be calculated and compared with the quarterly forecast On Air Sites of AISM Baseline Forecast Certificate set out in AISM Reading Certificate. Based on the signed AISM Reading Certificate, the delta of each quarter will be settled on the next year PO.
- Ex-H3I sites which already integrated to Indosat network will be counted on the quarterly AISM calculation after PAC.

2.3.2. RAN Software Pay As You Use (PAYU), the Contractor shall have the right to invoice Purchaser on a quarterly basis in arrears for the consumed incremental capacity on PAYU basis for the following software deliverables:

- PAYU capacity licenses where applicable
 - IoT active narrowband devices
 - IoT active wideband devices
- However, both Parties has to measure and validate the quarterly software incremental capacity licenses measurements as per the agreed methodology as defined in Article 4 (Price SOCs) of Section 10.1.A of this Schedule. For clarity for every invoice, Contractor shall submit PAYU Reading Certificate signed by both Parties as supporting document to replace Acceptance Certificate.
- Ex-H3I sites which already integrated to Purchaser Network will be counted on the quarterly PAYU calculation.

2.4. RAN Implementation Services delivered by the Contractor, the Contractor shall have the right to invoice Purchaser:

- 30% (thirty percent) of the delivered part of Purchase Order Prices upon Single Site Acceptance proofed by Single Site Acceptance Certificate (SSAC) issued by Purchaser.
- 55% (fifty percent) of the delivered part of Purchase Order Prices upon Cluster Acceptance proofed by Preliminary Acceptance Certificate (PAC) issued by Purchaser.
- 15% (fifteen percent) of the delivered part of Purchase Order Prices upon Cluster Optimization proofed by Final Acceptance Certificate (FAC) issued by Purchaser.

2.5. RAN Training Services delivered by the Contractor, the Contractor shall have the right to invoice Purchaser 100% (one hundred percent) of the delivered part of Purchase Order Prices upon the training completion proofed by Training Delivery Report signed by both Parties.

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2.6. RAN Support Services delivered by the Contractor, the Contractor shall have the right to invoice Purchaser on a quarterly basis in arrears based on the annual Purchase Order issued by Purchaser upon network support services acceptance proved by Support Service Acceptance Certificate issued by Purchaser. Warranty scheme TSS for Integration Phase sites will be categorized as follow:

- a. Existing site integrated to MOCN
 - i. Warranty for existing IM3 sites integrated to MOCN will follow warranty status of the site (in-warranty or out of warranty) based on Indosat SSA contract after PAC.
 - ii. Warranty for existing H3I sites integrated to MOCN will follow out of warranty scheme based on Indosat SSA contract after PAC.
- b. Swap site or Modernized site integrated to MOCN
 - i. Swap site or modernize site using New System module HW (SM) and Radio module HW (RFM) will follow out of warranty TSS scheme based on Indosat contract after PAC.
 - ii. Swap site or modernize site using redeployment of old System module (SM) and/or Radio module (RFM) will follow out of warranty TSS scheme based on Indosat contract after PAC.
- c. New site integrated to MOCN
 - i. New site with New Module will follow in warranty TSS scheme based on Indosat contract after PAC.
 - ii. New site using redeployment of old System module (SM) and/or Radio module (RFM) will follow out of warranty TSS scheme based on Indosat contract after PAC.

2.7. RAN Hardware Deliverables on Delivery Only Undertaking, the Contractor shall have the right to invoice Purchaser 100% (one hundred percent) of the delivered part of Purchase Order Price upon Delivery Acceptance proofed by Goods Acceptance Certificate (GAC) issued by Purchaser.

2.8. RAN Network Engineering Implementation Services

- a. For non-recurrent in nature activity such as software implementation services, spectrum refarming services etc, Contractor shall have the right to invoice the Purchaser 100% (one hundred percent) of the related PO Price upon issuance of Network Engineering Services Delivery Report signed by Purchaser.
- b. For recurrent in nature (and time based) activity such as network optimization services, Contractor shall have the right to invoice Purchaser 100% (one hundred percent) of the quarterly PO Price on a quarterly basis in arrears upon issuance of Network Engineering Services Delivery Report signed by Purchaser unless otherwise agreed between the Parties.

2.9. For avoidance of doubt,

- a. PAC shall be achieved upon Cluster Acceptance as per MOCN Cluster Acceptance defined in Volume IV, Schedule 17 (Acceptance Procedure and Critical Milestones). MOCN Cluster size shall consist of 10 Sites up to 50 Sites. Number of clusters will be agreed during Kick-Off Meeting.
- b. The RAN IoT initial start-up fee and AYCE fees shall all follow the payment terms set out in Sub Article 1.2 above.

3. INVOICING

Format and Delivery of Invoices

3.1 Each invoice must:

- a. separately state the Prices for each category of Deliverables and Taxes; and
- b. include the following information:
 - i. Contractor's name;
 - ii. invoice date;
 - iii. project name;
 - iv. amount in IDR;
 - v. period of payment;
 - vi. Contractor's bank account number and details;

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- vii. amount of Tax (if applicable);
- viii. original documents evidencing the acceptance of Work(s) as appropriate to which the invoice relates; and
- ix. copy of Tax receipts (if applicable).
- c. Contractor must deliver each invoice to Purchaser for the attention of: Expenses Accounting Division PT INDOSAT Tbk, delivered with the complete and correct required documents, comprising as follows:
 - i. Original Invoice;
 - ii. Copy of Purchase Order;
 - iii. Complete and correct original Tax Invoice in accordance prevailing Indonesian tax rules and regulation;
 - iv. Original of the relevant Certificate(s) issued and signed by the authorized representatives of Purchaser and Contractor, as evidence required for each payment stage; and
 - v. Copy of the relevant Performance Bond/Parent Company Guarantee (if any).
- 3.2 Upon payment of an invoice, Contractor will promptly provide Purchaser with a copy of relevant Tax receipts (if applicable) relevant to amounts in such an invoice.

4 EXCHANGE RATE MECHANISM

- 4.1 In the event the regulation require PO and payments shall be quoted in IDR currency, then:
 - a. The base prices as stated in section 10.1 of this Schedule 10 (Pricing, Payment and Invoicing Terms & Conditions) is in IDR based on the certain assumption of USD-IDR exchange rate as stated therein. The Parties agree to recalculate the PO Price into IDR using the JISDOR on the day of the issuance of the PO by the Purchaser.
 - b. Contractor shall invoice the Purchaser based on the PO Price issued by Purchaser to Contractor and Purchaser pay such invoice accordingly.
 - c. The actual payment for invoices mentioned above shall be made based on the JISDOR rate on payment date ("Actual Value").
 - d. Parties agree to have quarterly reconciliation meeting to discuss the Actual Value.
 - e. Based on the reconciliation result, Parties agree with the following:
 - i. In the event Purchaser made less payment to the Contractor, the Purchaser shall issue a PO in order for Contractor to be able to invoice Purchaser.
 - ii. In the event Purchaser made over payment to Contractor, the Contractor shall issue to the Purchaser a credit note within 5 (five) working days from the date of the signed quarterly reconciliation result. In case Contractor's outstanding payments are not sufficient enough for the deduction, Contractor shall transfer such amount agreed in reconciliation result to Purchaser within 7 (seven) calendar days from the notice issued by Purchaser or Purchaser will require Nokia Global Guarantee Centre to pay according to the notice.
- 4.2 In the event that the defined mechanism for exchange rate mechanism at any point in time cannot be applied due to current or future regulations, both Parties shall mutually agree on a new exchange rate mechanism.
- 4.3 In the event that BI Regulation No. 17/3/PBI/2015 dated 1 March 2015 is later suspended or the Purchaser is awarded by BI an exemption for the use of foreign currency within the Territory of the Republic of Indonesia, this Article shall be no longer valid.

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