

For Immediate Release

Public Announcement on Fair Usage Policy

Hong Kong, 12 February 2010 - CSL Limited prides itself on being the market leader. We work hard to maintain this position by constantly looking to bring new and exciting technological innovations to the people of Hong Kong. An example of this is Next G, our mobile broadband network which is internationally acknowledged as one of the very best mobile broadband networks in the world.

We launched Next G on 30 March 2009, and were the first operator in the world to launch an All-IP 21 Mbps wireless network.

We were also, the first wireless operator in the world to have launched speed-based pricing for unlimited wireless broadband.

We are also the first operator in Asia to have launched a 4G LTE commercial trial on a live network.

We were the first operator in Hong Kong to have launched a progressive Fair Usage Policy that is flexible enough to distinguish types of use and which is applied distinctly to each customer.

Why do we have a Fair Usage Policy?

As a responsible network provider, we want all our customers to get the best service possible from their wireless broadband, with world-class network performance and experience. That means speedy downloads for all users.

To ensure that our network is running smoothly and optimised, we look at the way our customers use our network so that adjustments can be made to ensure that during the term of their service and beyond all customers get the best experience possible. What we found was that a small percentage of users were effectively using a disproportionate percentage of the total data being used on the network through the use of bandwidth intensive non-time sensitive applications.



According to our statistics only a small number of individuals are abusing the network. At the moment these serious abusers are approximately 5% of our customers - these very high bandwidth users use more than 50% of the bandwidth consumed. Although we have the network with the fastest typical speeds and the most capacity of any wireless network in Hong Kong, we have to manage our network for the long term to ensure we provide a sustainable quality broadband service to all our customers for the term of their service and beyond.

The way that we protect customers in the long term from this abuse is through our Fair Usage Policy (policy). Our policy is aimed at stopping these few users from abusing the network and more importantly from abusing their fellow users.

Recently we amended our fair usage policy to make it more transparent and easy to understand, in doing so we set usage levels that we believed were appropriate to ensure that our customers were protected.

Additionally, in keeping with our policy of transparency, we are the only network operator in the market who has acknowledged the enforcement of our fair usage policy, despite the fact that such action is common practice by mobile network operators. What we have tried to do that is different is to let the customer know how this can affect them. We encourage other operators to do the same.

We have led this market for over 25 years and we believe that a central part of that success has been the fact that we have always listened to our customers and put our customers at the heart of everything we do.

In running our business, we are also very mindful of regulators, local authorities other industry groups and business partners that could be affected by an improper use of the Internet.

Freedom of use of the internet does not come without responsibility for everyone involved, Government authorities, Telecom operators and customers alike.

We have recently observed an upsurge of potentially illegitimate use of peer-to-peer applications by a few customers. These applications that enable file sharing and the users that misuse those applications for illegal music and video downloads are at the heart of today's disputes on Intellectual Property copyright infringement and theft worldwide.

At CSL, we deplore Intellectual Property theft, and are resolute to ensure that we are not seen as complicit in the malpractices of a few abusers of the Internet, who disregard



the basic and fundamental principles of Intellectual Property and the laws that are designed to protect it.

This is also why we have a Fair Usage Policy, and ask everyone involved to act responsibly and not espouse the views of the few who engage in malpractices that are in breach of the Law.

You spoke

Nothing has changed and that's why we have heard what our customers have said about our policy and that's why we are moving to adjust it; we have also received widespread support for the rationale behind the policy because it is essentially aimed at promoting a proper online experience for all over the long term, not just a few, but what has concerned people is the levels at which the policy is wrongly perceived to have become active.

We listened

Effective immediately, our policy

http://one2free.hkcsl.com/jsp/o2f_next_g/charges_and_subscription/fair_usage_policy_ eng.htm has been amended. The key features of the policy are:

- Only abusers who may impact the experience of all our customers by using a very high amount of bandwidth will be affected by our policy. At the moment approximately 5% percent of customers are very high bandwidth users;
- We ask that customers don't engage in activity that breach's another person's rights, including copyright or other intellectual property rights; and
- Most importantly, we ask that customers don't engage in activity online that adversely impacts the enjoyment of the service by other users.

What does this mean to you?

Effectively, unless a customer is one of the small percentage of very high bandwidth users, they will not experience any degradation of service; they will continue to enjoy



the benefits of being a customer of Hong Kong's number one mobile broadband network with unmatched speed and unrivalled coverage.

We will continue to manage our network to ensure that in the long term, during busy periods, the service is not affected by customers who use bandwidth intensive, non-time-sensitive applications. This makes sure that the service doesn't get blocked up with people using more than their fair share - which means a lot fewer traffic jams throughout the term of the service and beyond.

If customers have any questions about this policy please contact our customer service hotline on 25123123 (one2free) or 2888 1010 (1010).

About CSL

CSL is Hong Kong's first and leading mobile network operator. It is also the first mobile company in Hong Kong to employ a distinctive market segmentation strategy and it uses leading-edge technologies to provide customer-focused services through segmented brands: 1010, one2free and New World Mobility.

It operates Next G, a world-class GSM / WCDMA network through which it offers comprehensive post and pre-paid mobile services to both local and international customers. CSL is also the leading roaming operator in Hong Kong to provide unmatched international multi-media connectivity with over 470 mobile operators around the world. For more information, please visit www.hkcsl.com. CSL is a subsidiary of Telstra Corporation Limited, Australia's leading telecommunications and information services company (www.telstra.com).

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