



Ministry of Information and
Communications
NUKU'ALOFA, TONGA

Ref: ORG 4/9

23 September 2010

Mr. Timote Katoanga
Managing Director
Tonga Communications Corporation
Nuku'alofa

T.C.C.	
24 SEP 2010	

CIP ✓

Dear Timote

Re: Government Levy on Settlement Rates

I wish to reemphasize and reconfirm the agreement reached between the Ministry and the two carriers at the meeting held on 8 June 2010, relating to Government levy on settlement rates. You will recall that the agreement was based on the following lines:

1. The Ministry recognizing the need to give full effect for the administration of the Communications Act 2000 has set no minimum settlement rate (access rate) for inbound telephone calls into Tonga, effective as from 1st April 2010, thereby allowing it to be set by TCC (and the other carrier) according to the prevailing market condition at the time.
2. All parties have agreed that TCC (and the other carrier) will each pay to the Ministry USD 5.1 cents for each minute of incoming international calls that terminate in their respective networks. Such payment will be made within 30 days of the end of each month.

As with this agreement, there shall be no increase in the standard retail price for international telephone calls originating in Tonga because of this arrangement, and similarly, there shall be no increase to the licence fees or any fees or levies introduced for TCC (and the other carrier) while the said agreement is in place. The agreement took effect from 1 April, 2010.

Yours sincerely

Paula P. Ma'u

Secretary for Information and Communications

