

Draft – 12 November 2006 V.3

**INDIVIDUAL NATIONAL FIXED WIRELESS
TELECOMMUNICATIONS LICENSE GRANTED TO**

[NAME OF LICENSEE]

Commercial Registration No. [•]

**BY THE TELECOMMUNICATIONS REGULATORY AUTHORITY
UNDER SECTION 25 AND SECTION 29 OF THE LEGISLATIVE
DECREE 48 OF 2002 WITH RESPECT TO TELECOMMUNICATIONS**

Document Number: [•] Version [•]

Date of Issue: [•]

**INDIVIDUAL NATIONAL FIXED WIRELESS TELECOMMUNICATIONS
LICENSE GRANTED TO [NAME OF LICENSEE] BY THE
TELECOMMUNICATIONS REGULATORY AUTHORITY**

1. GRANT OF LICENSE

1.1 The Telecommunications Regulatory Authority (the “**Regulator**”) hereby grants [NAME OF LICENSEE] Registration number [X] (the “**licensee**”) this license under section 25 and section 29 of the Telecommunication Law promulgated by Legislative Decree No. 48 of 2002, by virtue of which the licensee is authorized to install, operate and manage a national fixed wireless network described herein and to provide the telecommunications services in the licensed area set out herein (the “**license**”).

1.2 This license shall be subject to the provisions herein stated, the Telecommunications Law and any regulations issued thereunder.

2. DEFINITIONS

2.1 For the purposes of this license:

- (a) a meaning or definition provided for any word, phrase or expression under the Telecommunications Law shall also be applicable to such word, phrase or expression in this license, unless the context requires otherwise;
- (b) a reference to a section is, unless otherwise stated, a reference to a section of this license; and
- (c) the following terms and expressions shall have the following meanings unless the context requires otherwise:

“**Affiliate**” means, as used with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with, that person. In the case where one

person owns, directly or indirectly, 50% or more of the share capital, voting rights, securities or other ownership interest of another person, both such persons shall be deemed an affiliate;

“Basic data service” means a telecommunications service that consists of the conveyance of messages, but excluding:

- (a) any additional service having been provided in respect of the conveyance of those messages;
- (b) any deliberate removal or addition to the information content of those messages;
- (c) basic voice services;
- (d) a mobile telecommunications service; and
- (e) any service involving broadcasting.

“Basic voice service” means a telecommunications service, involving the transmission of two-way speech, but excluding:

- (a) any additional service having been provided in respect of the two-way speech conversation;
- (b) any deliberate removal or addition to the information content of that two-way speech conversation;
- (c) a mobile telecommunications service; and
- (d) basic data services.

“Call” includes any origination or communication conveying voice and data:

- (a) whether between persons and persons, things and things or persons and things;

- (b) whether in the form of speech, music or other sounds;
- (c) whether in the form of data;
- (d) whether in the form of text;
- (e) whether in the form of visual images (animated or otherwise);
- (f) whether in the form of signals; and
- (g) whether in any combination of the foregoing forms;

“Commercial launch date” means the first date on which the licensee offers licensed services to fixed wireless subscribers on a commercial basis. For the avoidance of doubt, where the licensee is offering a licensed service on a trial basis and is not charging for that service, such offering shall not constitute the commercial launch date;

“Control” means, as applied to any person, the possession, directly or indirectly, of the power to direct or cause the direction of the management of that person, whether through ownership, voting, securities or other means and **“controlling”** and **“controlled”** shall be construed accordingly;

“Effective date” means the date referred to in section 25.1;

“Emergency organization” means in respect of any locality, the relevant competent body such as public police, fire, ambulance and coastguard services for that locality;

“Fixed wireless equipment” means any appliance, apparatus or accessory connected to a national fixed wireless network of the licensee to enable reception and transmission of services authorized by this license (and **“fixed wireless terminal equipment”** shall be construed accordingly);

“Fixed wireless subscriber” means any subscriber for the licensed services;

“Force majeure” means any event beyond the reasonable control of the licensee, including but not limited to fire, storm earthquake, flood or other extreme weather conditions, acts of God, lightning, war, military operations, acts of terrorism or riot;

“Frequency license” is the license referred to in section 18.1 of this license which is granted by the Regulator to the licensee for the purposes of providing the licensed services over its national fixed wireless network;

“International telecommunications service” means the provision of telecommunications services between the Kingdom of Bahrain and countries or territories outside the Kingdom of Bahrain, or *vice versa*;

“Internet” means integrated computer networks through which users are connected to each other by means of the TCP/IP family of protocols;

“Licensed area” means the territory of the Kingdom of Bahrain;

“Licensed services” means all telecommunications services described in section 3.1 of this document;

“Mobile telecommunications service” means any radiocommunications service the functionality of which enables continued use of applications of such service across boundaries between the different areas of radio coverage pursuant to such service with an imperceptible interruption or no interruption of such services and which, for the avoidance of doubt, includes a handover process between elements of its network but does not include a nomadic wireless service;

“National fixed telecommunications network” means a public telecommunications network which facilitates the conveyance by whatever means of signals between network termination points at fixed locations within the licensed area but which does not comprise any telecommunications equipment for the provision of a mobile telecommunication service;

“National fixed telecommunications service” means any basic data service or basic voice service other than an international telecommunications service;

“National fixed wireless network” means a national fixed telecommunications network utilizing fixed wireless access technology established or to be established under and in accordance with this license by the licensee comprising radiocommunication stations, radiocommunication equipment and the use of radio frequency spectrum to establish radio links between a radiocommunication station and the locations of fixed wireless subscribers within the licensed area (whether using point-to-point or point-to-multi-point technologies);

“Nomadic wireless services” means any basic data services or basic voice services provided by means of any national fixed wireless network of the licensee where access to the national fixed wireless network by any fixed wireless subscriber for the purpose of obtaining a basic data service or basic voice service cannot be switched from one fixed access point in that national fixed wireless network to another during the duration of any call;

“Operator assistance service” means a telecommunications service by means of which a fixed wireless subscriber may, at any time, request assistance to be connected to another person connected to a telecommunications network in the Kingdom of Bahrain which is capable of providing basic voice services;

“Public emergency call service” means a telecommunications service by means of which any member of the public may, at any time and without incurring any charge or use any coin or other token, communicate with any of the emergency organizations for the purpose of notifying such organization of an emergency;

“Resale services” means licensed end-to-end retail telecommunications services offered to its subscribers by a licensed operator that are, subject to section 58 of the Telecommunications Law, purchased from the licensee by another licensed operator (which for the avoidance of doubt can be the holder of any other license issued by the Regulator) for on-sale by such operator to end-users or other licensed operators, either alone or, together

with such additional services as the other licensed operators may provide. For the avoidance of doubt, resale services shall exclude licensed services involving interconnection with the licensee's national fixed wireless network;

“Structural separation” for the purposes of this license includes the division of an integrated telecommunications business of a licensee into two or more separate legal entities so that each entity independently performs distinct licensed telecommunications activities and owns and has day-to-day control of the assets and operational capabilities, including employees, by means of which such activities are carried out;

“Telegraph service” means the transmission of telegraph signals via a national fixed telecommunications network;

“Telex service” means a service which is provided for the purposes of text communication only by directly transmitting text messages between terminal equipment connected to a national fixed telecommunications network; and

“Value added services” means enhanced or value added telecommunications data and/or voice services that act on the format, content, code or protocol of information in order to provide the user with additional or different information or that involve subscriber interaction with stored information, including computer and data processing services, data information and exchange services, credit card verification services but excluding those transmission services to or over the internet that require an internet service provider license.

3. LICENSED NETWORKS AND SERVICES

3.1 The licensee is authorized, on a non-exclusive basis, to provide by means of a national fixed wireless network the following services in the licensed area:

- (a) national fixed telecommunications services;
- (b) nomadic wireless services;

- (c) telegraph services; and
- (d) telex services.

3.2 The licensee is authorized to connect its national fixed wireless network to:

- (a) any telecommunications network operated under a telecommunications license; and
- (b) any telecommunications equipment approved for connection in accordance with section 38 of the Telecommunications Law and any regulations issued pursuant to the Telecommunications Law.

3.3 The licensee will not use or intentionally allow the use of any of its national fixed wireless network for the provision of any mobile telecommunications service.

3.4 The licensee shall not implement any technology that is intended to provide the ability or facilitate the use of any terminal equipment of any fixed wireless subscriber to receive, use or provide mobile telecommunications services utilizing any national fixed wireless network of the licensee.

3.5 The licensee shall at its own cost, on request by the Regulator, demonstrate fully to the satisfaction of the Regulator that its national fixed wireless network is not providing any mobile telecommunications service.

3.6 The licensee shall ensure that any equipment installed by the licensee in its national fixed wireless network or provided by the licensee to or for users is not capable of being used for providing, transmitting or receiving mobile telecommunications services, except only to the extent necessary to facilitate interconnection of the licensee's national fixed wireless network with the mobile telecommunications network of a mobile telecommunications services provider. Further, the licensee shall

not give any approval to or permit the use by any other person of any equipment which it is not itself authorized to use or provide under this license.

- 3.7 The licensee may, with the prior written approval of the Regulator, provide any or all of the licensed services through an affiliate or sub-contract the provision of any or all of the licensed services to another person provided, however, that the licensee shall continue to be fully liable for any obligation arising in relation to the provision of such licensed services. The Regulator may revoke its approval at any time by providing reasonable advance notice to the licensee in writing. The prior written approval of the Regulator shall not be required if such affiliate is and remains wholly-owned by the licensee, provided always that the Regulator shall be notified of such arrangement.

4. COVERAGE REQUIREMENTS, COMMERCIAL LAUNCH AND SUBSCRIBER CONNECTION

- 4.1 Using its national fixed wireless network, the licensee shall:

(a) within 18 months of the effective date of this license provide radio coverage of at least 40% of the population in the licensed area;

(b) within 30 months of the effective date of this license provide provide radio coverage of at least 65% of the population in the licensed area; and.

(c) within 48 months of the effective date of this license provide radio coverage of at least 95% of the population in the licensed area.

- 4.2 The licensee shall ensure that the commercial launch date is no later than 18 months from the effective date.

- 4.3 The licensee must provide the licensed services to any person that requests services offered on a commercial basis (the “**Requested Services**”), subject to the licensee

having an objective reason for not being in a position to offer the Requested Services to that person. The licensee must provide the Regulator and the person that requested the Requested Services with a written statement outlining the objective reason/s why it cannot provide those services. The Regulator may issue an order to the licensee to connect the person that requested the Requested Services if the Regulator is not satisfied that the licensee has objective reasons to not connect that person. The licensee shall not be required to provide the Requested Services where in the Regulator's view it is not reasonable to require the licensee to provide the Requested Services.

- 4.4 Without derogating from section 57(e) of the Telecommunications Law, but subject to any regulation regarding the sharing of telecommunications facilities and section 17.2, the licensee shall ensure that coverage is primarily provided through its national fixed wireless network.
- 4.5 Without derogating from section 35 of the Telecommunications Law and any right of the Regulator generally, the licensee shall be liable for the payment to the Regulator, on demand, of the following penalties for failure to meet the following obligations under this license:

License Provision	Penalty
Section 4.1(a) – 40% population coverage within 18 months of the effective date.	BD 10,000 for every late month or any part thereof, up to a maximum of BD 120,000.
Section 4.1(b) – 65% population coverage within 30 months of the effective date.	BD 10,000 for every late month or any part thereof, up to a maximum of BD 120,000.
Section 4.1(c) – 95% population coverage within 48 months of the effective date.	BD 10,000 for every late month or any part thereof.
Section 4.2 – failure to launch and offer licensed services on a commercial basis within the deadline stipulated in section 4.2.	BD 10,000 for every late month or any part thereof, up to a maximum of BD 120,000 and, at the sole discretion of the Regulator, revocation of license per section 35 of the Telecommunications Law if licensed services are not launched and offered on a commercial basis within 12 months from the deadline stipulated in section 4.2 of this license

5. PROVISION OF PUBLIC EMERGENCY CALL SERVICE

- 5.1 The licensee shall ensure, by means of its national fixed wireless network, that any end-user using fixed wireless equipment connected to the licensee’s national fixed wireless network shall have access to a public emergency call service.

5.2 The licensee shall ensure that “999”, “112” and any other numbers as are designated by the Regulator from time to time as public emergency call service numbers are continuously available without restriction so that any end-user connected to the licensee’s national fixed wireless network dialing such number is provided with a public emergency call service at any time.

6. PROVISION OF DIRECTORY INFORMATION SERVICES

6.1 The licensee shall provide directory information services upon request to its fixed wireless subscribers. The licensee shall update directory information used for its directory information service promptly and shall provide directory information services upon request to any end-user connected to the licensee’s national fixed wireless network, and the tariff, if any, charged therefore shall be approved in writing in advance by the Regulator. The obligation to provide directory information services shall not apply in respect of any fixed wireless subscriber who has requested the licensee not to include its subscriber information in any directory information service.

6.2 The licensee shall provide any licensed operator access to the licensee’s directory information on request, in such form as may be determined by the Regulator, on reasonable, fair and non-discriminatory terms, including reimbursement of the licensee’s direct costs reasonably incurred in granting access, provided that:

- (a) the licensed operator undertakes to use the information only to provide directory information services or for the routing of calls;
- (b) the licensed operator undertakes that it will not give its subscribers directory information services in respect of any of the licensee’s subscribers who has requested the licensee not to provide such information as part of such service;
- (c) the licensed operator provides access to the licensee to its own directory information on a similar basis or if the licensed operator is not yet fully

operational, provides reasonable undertakings to provide such information;
and

- (d) the provision by the licensee to the licensed operator of the information is not unlawful.

7. PROVISION OF OPERATOR ASSISTANCE SERVICES

- 7.1 The licensee shall provide, or provide access to, operator assistance services to its fixed wireless subscribers, upon request, by means of its national fixed wireless network.
- 7.2 The tariff, if any, charged by the licensee for operator assistance services shall be approved by the Regulator.

8. RELATIONS WITH SUBSCRIBERS

- 8.1 Without derogating from section 55 and section 56 of the Telecommunications Law, the licensee shall publish a code of practice on subscriber affairs approved in writing by the Regulator, giving guidance to the licensee's fixed wireless subscribers in respect of any disputes and complaints relating to the provision by the licensee of the licensed services.
- 8.2 The licensee shall prepare an initial draft of the code of practice on subscriber affairs and submit it for review by the Regulator within three (3) months of the effective date.
- 8.3 The code of practice on subscriber affairs shall contain guidelines on the following issues:
 - (a) complaints;
 - (b) dispute settlement;

- (c) location of customer service departments;
- (d) quality of service;
- (e) provision of ancillary services;
- (f) other matters dealt with in the terms of service of the standard subscriber agreement referred to in section 8.5; and
- (g) guidelines on service termination.

8.4 After approval of the code of practice by the Regulator, the licensee shall report to the Regulator on an annual basis (within one (1) month of the end of the licensee's accounting period) on the performance of the licensee in meeting the guidelines set out in the code of practice on subscriber affairs, and on the progress made in implementing the guidelines.

8.5 At least two (2) months prior to the commercial launch date, the licensee shall submit to the Regulator for its review a standard agreement containing the terms for the provision of licensed services to fixed wireless subscribers (the "**standard subscriber agreement**"). The licensee may submit a different standard subscriber agreement for use by similarly situated fixed wireless subscribers of a specific category, provided that all such categories shall be objectively justified and do not result in undue discrimination. The Regulator may raise objections and require the introduction of such modifications as the Regulator deems necessary. If no objections are raised or modifications are required by the Regulator within thirty (30) days of the submission of such form, such form may be used by the licensee.

8.6 Any modifications to such agreement also are subject to the foregoing provisions. In addition, the Regulator may subsequently order the introduction of any modification

to such agreement after it becomes aware of any fact or circumstance which, in its view, requires such modification in order to safeguard the interests of subscribers.

9. QUALITY OF SERVICE REQUIREMENTS

- 9.1 The licensee shall provide the licensed services and ensure the operation of its national fixed wireless network twenty-four hours per day, seven days per week, subject to the other provisions of this section 9 and any other regulation issued by the Regulator for this purpose.
- 9.2 The national fixed wireless network shall, averaged over any ninety (90) day period:
- (a) maintain a busy hour call completion rate for all calls made over the national fixed wireless network of at least 95%; and
 - (b) be capable of providing the following at least 98% of the time:
 - (i) licensed services to its fixed wireless subscribers; and
 - (ii) interconnection and access services to licensed operators with whom the licensee has interconnection or access agreements.
- 9.3 The licensee shall implement any measures required by the Regulator to achieve service quality levels that are either in accordance with recognized international standards or are specified by the Regulator.
- 9.4 The licensee shall implement any measures (including installation of equipment and adoption of procedures) necessary to ensure compliance with recognized international telecommunications standards, in particular those set by the International Telecommunications Union, especially in relation to availability rates, end-to-end error rates, time limits for the satisfaction of service requests, and the efficiency and the speed of network maintenance.

9.5 The licensee shall ensure that it maintains information records in a form to be approved by the Regulator within two (2) months of the commercial launch date for the purposes of satisfying the Regulator that the licensee is meeting the quality of service requirements and the licensee shall provide quarterly updates to the Regulator concerning such requirements.

10. INTERRUPTIONS TO THE LICENSED SERVICES

10.1 The licensee shall not through any negligent act or omission interrupt or suspend the operation of its national fixed wireless network (or any part thereof) or the provision of any type of licensed service in the normal course of business.

10.2 The licensee may not it in the normal course of business intentionally interrupt or suspend the operation of its national fixed wireless network (or any part thereof) or the provision of any type of licensed service without having first obtained the approval of the Regulator in writing (including approval of a scheduled service outage plan) and provided reasonable advance notice to persons to be affected by such interruption or suspension.

10.3 The licensee may suspend or interrupt the operation of its national fixed wireless network (or part thereof) without prior notice, but only for the shortest period practicable under the circumstances, where:

- (a) it has been directed to suspend or interrupt service by a Court, regulator or other relevant authority;
- (b) it is necessary to do so in order to prevent imminent risk of danger, damage or injury to persons or property (including the security or integrity of any telecommunications network).

11. TARIFFS FOR LICENSED SERVICES

11.1 Without derogating from section 58 of the Telecommunications Law, if and for so long as the licensee is an Operator with Significant Market Power or is dominant in the relevant market and/or any related telecommunications market (including but not limited to any national fixed telecommunications network market):

- (a) the licensee's tariffs for the provision of licensed services shall be subject to section 58(a) of the Telecommunications Law and any regulation made thereunder;
- (b) within three (3) months of the effective date, the licensee shall file, in a form to be agreed with the Regulator, the tariffs and the terms upon which it proposes to offer the licensed services to its subscribers and others in accordance with this license. Until such tariffs and terms have been approved in accordance with this license, the licensee's prevailing tariffs and terms shall remain in effect;
- (c) if the licensee wishes subsequently to change the tariffs for a licensed service or introduce a new licensed service, it must, unless otherwise directed by the Regulator, file the proposed change or the terms and tariffs of the new licensed service with the Regulator at least forty-five (45) days prior to the date on which it is proposing that the change or new service is to come into effect;
- (d) the Regulator must approve or disapprove in writing the terms and tariffs of the licensed services within thirty (30) days from the date on which they are filed with the Regulator and in the case of disapproval, it shall notify the licensee of such disapproval stating the reasons therefore within such period;
- (e) the Regulator may disapprove the proposed tariffs only if:

- (i) the calculations are incomplete, lack sufficient supporting documents or contain mathematical errors; or
 - (ii) the terms or tariffs violate any other provision of this license, any regulation on tariff controls or any applicable law;
- (f) if the Regulator has grounds to disapprove any terms and tariffs pursuant to the provisions of section 11.1(e)(i) or (ii), it may approve the terms and tariffs subject to conditions that address those grounds for disapproval. If these conditions are fulfilled by the licensee by the date set out in the Regulator's conditional approval, then the terms and tariffs will be deemed to be approved, subject to the conditions, for the purposes of sections 11.1(b) and (d), otherwise the terms and tariffs shall be deemed to be disapproved for the purposes of section 11.1(d); and
- (g) if the Regulator disapproves the tariffs filed in accordance with section 11.1(b) or 11.1(c), the licensee may re-file the tariffs for that licensed service with the Regulator in which case the procedure specified in section 11.1(d) shall apply.
- 11.2 The licensee's tariffs for the provision of licensed services shall be subject to section 58(b) of the Telecommunications Law and any regulation made thereunder.
- 11.3 The licensee shall ensure that it publishes in accordance with the standard subscriber agreement and keeps updated a list of applicable retail terms and tariffs, and makes that list available on its website, at its place of business, and to any person who requests a copy.

12. PROVISION OF ACCESS

- 12.1 Subject to section 12.3, if and for so long as the Regulator determines the licensee to be a public telecommunications operator in a dominant position:

- (a) the licensee shall provide access to its national fixed wireless network on the reasonable request of any licensed operator in accordance with section 57 of the Telecommunications Law; and
 - (b) access shall be provided in a manner that is non-discriminatory and at a point or level within such network that is determined by the Regulator to be technically feasible and consistent with the most efficient delivery of telecommunications services to the ultimate consumer of such services.
- 12.2 The licensee shall provide access within a maximum period from the date of request as shall from time to time be determined by the Regulator or set forth in the regulations.
- 12.3 The licensee shall not be required to provide such access where in the Regulator's view it is not reasonable to require the licensee to provide access, including, but not limited to, where it would expose any person engaged in provision of the access to undue risk to health or safety.
- 12.4 The Regulator may determine all tariffs to be made for the provision by the licensee of access. In determining such tariffs the Regulator may consider international benchmark charging levels for a similar service and conditions prevailing within the licensed area, including scale, but, in any event, shall ensure that such tariffs are:
- (a) cost oriented and sufficiently unbundled so that the seeker of access services does not pay for network components or facilities that it does not require; and
 - (b) in all cases fair and reasonable and, with respect to similarly situated users, non-discriminatory.

13. PROVISION OF SERVICES FOR RESALE

- 13.1 Subject to any regulations on interconnection and access and to the provisions of this section 13, the licensee shall, if the licensee is in a dominant position, within six (6) weeks of a request by any other licensed operator, enter into a written agreement with the licensed operator to provide such licensed services as are reasonably requested to enable that licensed operator to provide resale services. Where the licensee and such licensed operator cannot agree the terms of such agreement within such period of time, either party may refer the matter to the Regulator in writing for determination of such terms within thirty (30) days from referral.
- 13.2 The licensee shall not be required to enter into an agreement under section 13.1 where to do so would, in its reasonable opinion and with the agreement of the Regulator:
- (a) cause or would be likely to cause danger, damage or injury to any person or to any property; or
 - (b) interfere with the operation of its national fixed wireless network or the provision of telecommunications services over such network.
- 13.3 The licensee shall ensure that the agreement referred to in section 13.1 above is offered on terms and in accordance with tariffs approved or determined by the Regulator and shall provide the Regulator with a copy of each such agreement within three (3) days of its signing.

14. INTERCONNECTION WITH OTHER PUBLIC TELECOMMUNICATIONS OPERATORS

- 14.1 If and for as long as the licensee is a public telecommunications operator in a dominant position, it shall provide interconnection to other public telecommunications operators in accordance with section 57 of the Telecommunications Law.

15. BILLING

- 15.1 The licensee shall upon issuing any bill in respect of any licensed service ensure that every amount stated as due in the bill is no higher than the amount that represents the true extent of any such service lawfully provided by the licensee to the fixed wireless subscriber in question.
- 15.2 The licensee shall, no later than three (3) months after the commercial launch date, establish a procedure to ensure the accuracy of its billing network in accordance with section 15.1 above which must be submitted for prior written approval to the Regulator no more than two (2) months after the commercial launch date. The Regulator shall issue its decision with respect to such procedure within one (1) month of such submission.
- 15.3 The licensee shall keep such records as may be necessary or may be determined by the Regulator to be necessary for the purpose of satisfying the Regulator that the billing process has the characteristics required above and the licensee shall for the purposes of this license retain all records for at least two (2) years from the date on which they came into being.
- 15.4 For the purpose of giving the Regulator assurance from time to time that the billing process meets the requirements of section 15.1, the licensee shall:
- (a) furnish the Regulator with any information it requires;
 - (b) on reasonable notice, allow the Regulator (or any person authorized by the Regulator) access to any relevant premises of the licensee during normal business hours; and
 - (c) on reasonable notice, allow the Regulator (or any person authorized by the Regulator) to examine or test the whole or any part of the billing process.

15.5 The licensee shall, no later than the commercial launch date, provide itemized billing information to any fixed wireless subscriber upon request in respect of the tariffs for any telecommunications services provided to such subscriber. If the Regulator permits the licensee to charge for itemized billing information, any such charge is subject to the prior written approval of the Regulator.

16. NUMBERING

16.1 The Regulator shall, at the request of the licensee from time to time and in accordance with the national numbering plan, allocate to it:

- (a) such quantity of codes and numbers as it may reasonably require; and
- (b) such specific codes and numbers as it may request for such purposes as the Regulator may approve and which the Regulator is satisfied are not required for other purposes.

16.2 The licensee shall prepare a numbering plan for the codes and numbers allocated to it by the Regulator in accordance with the national numbering plan for written approval by the Regulator. The licensee shall furnish details of its numbering plan to the Regulator and keep the Regulator informed of material changes to its numbering plan as they occur. If the licensee's numbering plan is not consistent with the national numbering plan, the Regulator may direct the licensee to adopt and furnish the Regulator for its written approval with a new numbering plan or to take such other reasonable remedial action which does not cause undue inconvenience to the licensee's fixed wireless subscribers, as may be necessary to ensure consistency.

16.3 The licensee shall install, maintain and adjust its national fixed wireless network so that such network routes messages and otherwise operates in accordance with the licensee's numbering plan and the national numbering plan. The licensee shall not use numbers other than those allocated to it from the national numbering plan.

- 16.4 The licensee may, where necessary and with the Regulator's prior written approval, levy reasonable tariffs in relation to allocation of codes or numbers to its fixed wireless subscribers, but shall not be entitled to transfer or sell codes or numbers to other licensed operators other than in accordance with the national numbering plan and following written approval from the Regulator.
- 16.5 Where required for the efficient use of codes and numbers, the Regulator may require the licensee to return individual codes or numbers or blocks of codes or numbers.
- 16.6 Without derogating from sections 40(2) of the Telecommunications Law, if directed by the Regulator or required by a regulation, the licensee shall provide number portability to any qualifying operator on tariffs and terms to be determined by the Regulator so as to enable the efficient implementation and utilization of number portability.
- 16.7 Before issuing any direction for the purpose of section 16.6, the Regulator shall consult with the licensee, the relevant qualifying operators and interested parties and shall take into account all representations made.
- 16.8 Until such time as the licensee offers the facility of number portability on request to any of its fixed wireless subscribers, the licensee shall ensure that, with regard to any such subscriber, for a reasonable period after that subscriber has changed to a different supplier of national fixed telecommunications services either a telephone call to that subscriber's previous number can be re-routed to his or her new number for a reasonable fee, or callers are given an indication of that subscriber's new number without charge.
- 16.9 In this section “**qualifying operator**” means a public telecommunications operator holding a license to operate a national fixed telecommunications network or a national fixed wireless network that:

- (a) has notified the licensee in writing that it requests the provision of number portability in relation to such public telecommunications operator's network from the licensee specifying the type or types and extent of number portability so requested; and
- (b) is able and willing to provide the same type or types and extent of number portability in relation to its network to the licensee on reasonable terms and in accordance with any specifications published from time to time by the Regulator intended to enable the efficient implementation and utilization of number portability.

17. ACCESS TO LAND AND SHARING OF FACILITIES

17.1 The licensee shall be entitled to use all public and private properties in accordance with the provisions of Chapter 13 of the Telecommunications Law.

17.2 The licensee is permitted to enter into agreements with other licensed operators:

- (a) to share the installation and operation of any fixed wireless equipment comprised in a base station within a national fixed wireless network of the licensee; or
- (b) to share the installation and operation of any radiocommunications station of any other licensed operator,

subject to obtaining the prior written approval of the Regulator.

17.3 The Regulator shall give its approval pursuant to section 17.2 if, in its discretion, it is satisfied that:

- (a) each party substantively retains its own network identity from both a commercial and technical perspective;

- (b) the efficiency and environmental benefits of any such sharing will be realized without any exchange or provision of any proprietary technology or any confidential information between the licensee and such other licensed operator except to the extent necessary to achieve such benefits; and
- (c) there shall be no infringement of section 21.

**18. RADIOCOMMUNICATIONS AND FREQUENCY ALLOCATION;
INTEROPERATOR FREQUENCY DISPUTE RESOLUTION**

- 18.1 The licensee shall use only such radiocommunications frequencies or frequency bands for the provision of such licensed services as shall have been authorized by means of a frequency license granted to the licensee under section 44 of the Telecommunications Law.
- 18.2 The licensee shall ensure that the radiocommunications equipment comprised in any of its radiocommunications stations is designed and constructed, used and maintained, so as not to cause any undue interference even when in use in compliance with the rules from time to time established by the Regulator and any other properly authorized body.
- 18.3 The licensee shall ensure that its provision of services under this license comprise a spectrum mask recognized by international standards bodies to avoid any undue interference with the services provided by duly licensed operators.
- 18.4 The licensee shall not permit or suffer any person to use its radiocommunications equipment comprised in any of its radiocommunications stations unless the person is under the control of, and authorized by, the licensee.

- 18.5 The licensee shall ensure that all persons using its radiocommunications equipment comprised in any of its radiocommunications stations are made aware of the relevant terms of this license and other applicable license and comply with such terms.
- 18.6 Without derogating from section 77 of the Telecommunications Law, the licensee shall permit any person authorized by the Regulator to have access to any of its radiocommunications stations and to inspect or test its radiocommunications equipment at any reasonable time, or whenever an emergency situation exists at any time, for the purpose of verifying compliance with the terms of the license, the provisions of the Telecommunications Law and regulations issued thereunder or for the purpose of investigating sources of radiocommunications interference
- 18.7 Without derogating from the licensee's ultimate rights under section 28.2 the licensee shall first take all reasonably necessary steps to ensure that any spectrum interference is resolved amicably intra parties as soon as practically possible. The licensee shall notify the Authority as soon as practicable after it becomes aware of any spectrum interference, and shall keep the Authority informed of any steps taken to resolve the interference and the results obtained thereafter.
- 18.8 Where spectrum interference problems have not been resolved amicably between the licensee and the other party or parties within a reasonable time and in any event no more than 15 days from the detection and notification of the interference to the other party or parties, either the licensee or the other party or parties may refer the matter to the Authority.
- 18.9 Without prejudice to section 72 of the Telecommunications Law, the Authority shall investigate the matter and issue a decision, determination or order with respect thereto.
- 18.10 The Authority may direct the licensee to take action as may be necessary to resolve interference as soon as possible.

19. INTEROPERABILITY AND TECHNICAL STANDARDS

19.1 The licensee shall comply with relevant regulations and any technical specifications issued by the Regulator in order to ensure interoperability of the licensed services and its national fixed wireless network with telecommunications services and telecommunications networks provided by other licensed operators to the extent technically feasible.

20. PRIVACY AND CONFIDENTIALITY

20.1 The licensee shall use all reasonable endeavors to ensure the privacy and confidentiality of information and business secrets obtained in the course of its business from any person to whom it provides the licensed services by establishing and implementing procedures for maintaining privacy and confidentiality of such information subject to any requirement under law.

20.2 The licensee shall maintain sufficient information on its privacy and confidentiality procedures to satisfy the Regulator, at its reasonable request, that the requirements of section 20.1 are being met.

20.3 The licensee shall not use or allow to be used any apparatus comprised in the national fixed wireless network which is capable of recording, silently monitoring, or intruding into calls unless it is required by any applicable law or legal order.

20.4 The licensee shall take all reasonable steps to ensure that the provision of the licensed services and the operation of and information transmitted through the national fixed wireless network is secure.

21. ANTI-COMPETITIVE PRACTICES

21.1 Without derogating from section 65 of the Telecommunications Law, the licensee shall not, alone or together with others, engage in or continue or knowingly acquiesce in any anti-competitive practices and, in particular, the licensee shall:

- (a) insofar as the licensee shall be in a dominant position in a relevant market, not engage in anti-competitive cross-subsidization of the licensed services;
- (b) if applicable, not abuse any dominant position;
- (c) subject to section 17.2, not enter into anticompetitive exclusive arrangements with third parties for the location of its facilities that are required to provide any of the licensed services;
- (d) not enter into any agreements, arrangements or undertakings with any person, including any supplier of services that compete with any of the licensed services, which have as their objective or which cause the fixing of prices or other restraint on competition;
- (e) not use information obtained from competitors if the objective or effect of such use is anti-competitive;
- (f) to the extent required by applicable law and this license, make available to other licensed operators on a timely basis technical information about essential facilities and other commercially relevant information that is necessary for them to provide telecommunications services; and
- (g) not (whether in respect of the tariffs, charges or other terms applied or otherwise) show undue discrimination against particular persons or persons of any class or description as respects the provision of any licensed service.

22. ACCOUNTING REQUIREMENTS

- 22.1 The licensee shall present in written form regulatory accounts for the licensed telecommunications activities in accordance with the applicable regulations.
- 22.2 The Regulator may request the licensee to submit other accounting information it may require in order to effectively supervise and enforce the terms of this license and the provisions of the Telecommunications Law.
- 22.3 If the licensee fails to comply with its obligations under sections 22.1 and 22.2 above or if the accounting system presented by the licensee fails to achieve the objectives set forth in these subsections and the Regulator deems it necessary and appropriate in accordance with the provisions of section 3(c) of the Telecommunications Law, it may order the licensee to implement structural separation within a period to be determined by the Regulator.

23. REQUIREMENT TO PROVIDE INFORMATION AND INSPECTION

- 23.1 Without derogating from section 53 and section 77 of the Telecommunications Law, the licensee is required to maintain such information as will enable the Regulator to carry out its functions under the Telecommunications Law in such manner as the Regulator may from time to time request. The Regulator shall have the right to request the licensee to submit periodic reports, statistics and other data as well as request additional information in order to effectively supervise and enforce the terms of this license, the provisions of the Telecommunications Law and the regulations issued thereunder.

24. LICENSE FEES

- 24.1 The initial license fee for the period from the effective date until the end of the Gregorian calendar year of the effective date shall be the sum bid by the licensee in the auction for this license.
- 24.2 The initial license fee shall be paid in the following manner:
- (a) at a date no later than 22 February 2007, by the TRA drawing upon a bank guarantee provided to the TRA by the licensee prior to the granting of this license for the purposes of payment 50% of the initial license fee; and
 - (b) at a date being no later than 20 days of the commencement of the next Gregorian calendar year that this license is granted, by the TRA drawing upon a second bank guarantee provided to the TRA by the licensee prior to the granting of this license for the purposes of payment of the remaining 50% of the initial license fee.
- 24.3 The annual renewal license fee for each subsequent calendar year or as the case may be part of calendar year shall be one percent (1%) of the gross annual turnover of the licensee attributable to the licensed services, payable in advance using the gross annual turnover of the previous year and adjusted for any change when the gross annual turnover for the current year becomes available. The method of payment outlined at section 24.2 of this license does not derogate from the licensee's obligations to make payment of its annual renewal license fee in accordance with this section 24.3 for any proceeding year.
- 24.4 The applicable license fee shall be paid to the Regulator in Bahraini Dinars:
- (a) in accordance with section 24.2 with respect to the initial license fee; and
 - (b) annually in advance no later than 31 January of each calendar year thereafter.

25. DURATION AND RENEWAL

25.1 The effective date of this license is *[insert date]* (the “**effective date**”). This license shall be valid for a term of fifteen (15) years.

25.2 The Regulator shall renew the license upon request by the licensee for additional terms of ten (10) years upon expiration of the current license term, provided that the licensee is not, and has not been, in material breach of the license (in which case, the Regulator may veto renewal in accordance with section 30 of the Telecommunications Law).

26. MODIFICATION, REVOCATION AND TERMINATION

26.1 The license may be modified in any of the following ways at any time:

- (a) by written agreement between the Regulator and the licensee;
- (b) by the Regulator if the Regulator determines that such modification is necessary to make the conditions of the license consistent with terms being imposed generally in respect of all licenses issued in the same category, for the purpose of ensuring fair competition between licensees in that category or to the extent necessitated by technological development, provided that the Regulator shall have:
 - (i) given the licensee six (6) months written notice of the proposed modification; and
 - (ii) consulted with the licensee;
- (c) by an order of modification made by the Regulator in any order issued by it in accordance with section 35 of the Telecommunications Law.

26.2 The license may be revoked in any of the following ways at any time:

- (a) by written agreement between the Regulator and the licensee;
- (b) by an order of revocation by the Regulator in accordance with section 35 of the Telecommunications Law;
- (c) by an order of revocation by the Regulator if the licensee has made any material misstatement, or omitted to make a material statement, of fact or intention in the auction process prior to the grant of this license;
- (d) by an order of the Regulator if the licensee is dissolved, or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors; or
- (e) automatically if the licensee is adjudged bankrupt by a competent court or ceases its commercial activity.

26.3 The license shall automatically terminate upon the expiry of its term if it is not renewed in accordance with section 25.2 above.

26.4 If for any reason the licensee's frequency license referred to in section 18.1 of this license expire, be terminated or is revoked then this license shall also be deemed to have expired, be terminated or be revoked.

27. FORCE MAJEURE

27.1 If the licensee is prevented from performing any of its obligations under this license because of force majeure the licensee shall notify the Regulator of the obligations it is prevented from performing and the reason why as soon as practicable after it becomes aware or reasonably should become aware of such force majeure.

27.2 The Regulator shall suspend those obligations referred to under section 27.1 and the licensee will not be liable to perform those obligations, for so long as the force

majeure continues, only if and to the extent that the inability to perform could not have been prevented by taking steps specifically required under this license or other reasonable precautions and the inability cannot reasonably be circumvented by the licensee at its expense through the use of alternate sources, work-around plans or other means.

28. DISPUTE RESOLUTION

28.1 All disputes between the licensee and the Regulator arising out of this license shall be resolved in accordance with the provisions of Chapter 16 of the Telecommunications Law.

28.2 The courts of the Kingdom of Bahrain shall have jurisdiction over disputes between the licensee and other licensees in connection with telecommunications activities which they are licensed to conduct, provided, however, that a party to such dispute may require the dispute to be referred to arbitration, in which case, unless the parties agree otherwise and provided that such agreement is not contrary to Chapter 7 of the Civil & Commercial Procedural Law of 1971, the provisions of sections 67 to 71 of the Telecommunications Law shall apply *mutatis mutandis*.

29. NOTICES

29.1 All notices from the licensee to the Regulator and vice versa shall be in writing and sent by registered mail with acknowledgement of delivery to the following address:

If sent to the Regulator: PO Box 10353, Manama, Kingdom of Bahrain

If sent to the licensee: [*Licensee's registered address*], Kingdom of Bahrain.

29.2 Either party may change his above address by notifying the other party in writing at least fifteen (15) days before such change takes effect.

Signed by [•]

General Director of the Telecommunications Regulatory Authority

[insert date]

DRAFT

TABLE OF CONTENTS

	PAGE
1. GRANT OF LICENSE	1
2. DEFINITIONS.....	1
3. LICENSED NETWORKS AND SERVICES	6
4. COVERAGE REQUIREMENTS, COMMERCIAL LAUNCH AND SUBSCRIBER CONNECTION.....	8
5. PROVISION OF PUBLIC EMERGENCY CALL SERVICE.....	8
6. PROVISION OF DIRECTORY INFORMATION SERVICES	8
7. PROVISION OF OPERATOR ASSISTANCE SERVICES.....	8
8. RELATIONS WITH SUBSCRIBERS	8
9. QUALITY OF SERVICE REQUIREMENTS	8
10. INTERRUPTIONS TO THE LICENSED SERVICES.....	8
11. TARIFFS FOR LICENSED SERVICES	8
12. PROVISION OF ACCESS	8
13. PROVISION OF SERVICES FOR RESALE	8
14. INTERCONNECTION WITH OTHER PUBLIC TELECOMMUNICATIONS OPERATORS	8
15. BILLING.....	8
16. NUMBERING	8
17. ACCESS TO LAND AND SHARING OF FACILITIES	8
18. RADIOCOMMUNICATIONS AND FREQUENCY ALLOCATION; INTEROPERATOR FREQUENCY DISPUTE RESOLUTION	8
19. INTEROPERABILITY AND TECHNICAL STANDARDS	8
20. PRIVACY AND CONFIDENTIALITY	8
21. ANTI-COMPETITIVE PRACTICES	8
22. ACCOUNTING REQUIREMENTS	8
23. REQUIREMENT TO PROVIDE INFORMATION AND INSPECTION	8
24. LICENSE FEES.....	8
25. DURATION AND RENEWAL	8
26. MODIFICATION, REVOCATION AND TERMINATION.....	8
27. FORCE MAJEURE	8
28. DISPUTE RESOLUTION	8
29. NOTICES.....	8

DRAFT