

PAKISTAN TELECOMMUNICATION AUTHORITY

PTA Headquarters Building F-5/1 Islamabad, Pakistan

(www.pta.gov.pk)

Licence No. TIP - _____

Dated: _____

TELECOMMUNICATION INFRASTRUCTURE PROVIDER (TIP) LICENCE ISSUED UNDER SECTION 5 OF THE AZAD JUMMU AND KASHMIR COUNCIL ADAPTATION OF PAKISTAN TELECOMMUNICATION (RE-ORGANIZATION) ACT, 2005 NORTHERN AREAS TELECOMMUNICATION (RE-ORGANIZATION) (ADAPTATION AND ENFORCEMENT) ORDER, 2006 READ WITH SECTION 21 OF THE PAKISTAN TELECOMMUNICATION (RE-ORGANIZATION)(AMENDMENT) ACT, 2006 OF THE PAKISTAN TELECOMMUNICATION (RE-ORGANIZATION) ACT, 1996

The Pakistan Telecommunication Authority (“Authority”) hereby grants a non-exclusive licence

to: [insert name ,address]

_____ (the “Licensee”)

to provide the licensed Services in Azad Jammu & Kashmir and Northern Areas to establish, maintain, lease, rent and sale Telecom Infrastructure Facilities, subject to the terms and conditions contained in this licence.

For and on behalf of the Authority,

DIRECTOR GENERAL (Wireline)

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ARTICLE 1 - LICENCE

1.1 SCOPE OF THE LICENCE

- 1.1.1. This License authorizes the licensee to establish and maintain the following Telecom Infrastructure Facilities to lease, rent out or sell end to end links to Telecom Operators licensed by PTA on mutually agreed terms strictly keeping in view their license conditions:
- 1.1.2. Earth stations & Satellite Hub;
- 1.1.3. Optic fibre cables;
- 1.1.4. Radio communications links;
- 1.1.5. Towers, poles, ducts and pits used in conjunction with other infrastructure facilities; and
- 1.1.6. Such other Telecommunication infrastructure as the Authority may, by Regulation, require.
- 1.1.7. The licensee shall not provide any telecommunication/ broadcasting service not authorized in this license:

1.2 EFFECTIVE DATE AND TERM OF THE LICENCE

- 1.2.1. This Licence shall come into force on the effective date and shall be valid for a term of 20 (twenty) years.
- 1.2.2. If the Licensee wishes to renew the Licence at the expiration of the initial term, it shall submit to the Authority a written request to renew the License at least 30 months prior to the expiration of the initial term.
- 1.2.3. Within 3 months after the receipt of the Licensee's notice pursuant to section 1.2.2, the Authority shall either
- 1.2.4. Renew the Licence on such terms and conditions as are consistent with the policy of the Azad Jammu & Kashmir Council and Administration of Northern Areas at that time, to come into effect at the conclusion of the initial term, or
- 1.2.5. Give written notice to the Licensee stating that the Authority may not renew the Licence and provide reasons thereof, which may include the Licensee's repeated, grave or continuing violations of the terms and conditions of this Licence, the Act, Rules or Regulations during the initial term of the Licence. The Licensee shall be given 60 days to make written representations in response to the Authority's show cause notice. Within 30 days after the conclusion of such 60 day period, the Authority shall hold a hearing at which the Licensee may make representations in response the Authority's show cause notice. The Licensee may, as part of its representations,

indicate the further licence conditions it is prepared to accept to reduce the likelihood of continued or further violations of the terms and conditions of this Licence, the Act, Rules or Regulations. Following such hearing, the Authority shall, within 15 days, give its determination either

- 1.2.6. that the Authority has determined not to renew the Licence at the expiration of the initial term, and provide its reasons for making such a determination, or
- 1.2.7. to renew the Licence on such terms and conditions as are consistent with the policy of the Federal Government at that time, to come into effect at the conclusion of the initial term, or
- 1.2.8. to renew the Licence on such terms and conditions as are consistent with the policy of the Azad Jammu & Kashmir Council and Administration of Northern Areas at that time, to come into effect at the conclusion of the initial term, and including such additional terms as the Authority considers appropriate to reduce the likelihood of continued or further violations of the terms and conditions of this Licence, the Act, Rules or Regulations.
- 1.2.9. Within 30 days after receiving notice of the Authority's determination to renew the Licence pursuant to section 1.2.3(b) (iii), the Licensee shall notify the Authority either accepting or rejecting the renewal. If the Licensee fails to notify the Authority within the 30 day period, or if the Licensee notifies the Authority rejecting the renewal, this Licence shall expire at the conclusion of the initial term. If the Licensee notifies the Authority accepting the renewal, this Licence shall expire at the conclusion of the initial term and the renewed licence shall take effect thereafter.

ARTICLE 2 - RIGHTS OF THE LICENSEE

2.1 INTERNATIONAL INFRASTRUCTURE FACILITIES

- 2.1.1 The Licensee may install earth stations and satellite hubs for use with space station transmission/ reception facilities orbiting the earth, subject to reaching agreement with the operators of such facilities. The licensee may establish terrestrial transmission facility linking Azad Jammu & Kashmir and Northern Areas with another country, including without limitation a microwave or fibre optic cable and satellite transmission facility linking Azad Jammu & Kashmir and Northern Areas and enabling connectivity with multiple countries with prior written approval of the Authority.

2.2 SHARING OF CERTAIN FACILITIES ESTABLISHED BY SMP

- 2.2.1. If the Authority determines that a Licensee possesses SMP in a relevant market, the Licensee shall comply with orders of the Authority that are intended to promote competition in respect of that relevant market or markets ancillary thereto, including without limitation orders to provide access to its ducts, poles, towers, or other similar facilities for use by licensed telecom Infrastructure Facility Providers.

ARTICLE 3 - OBLIGATIONS OF THE LICENSEE

3.1 COMPLIANCE WITH LAW

- 3.1.1. This Licence is subject to the terms and conditions contained herein and to the Act, Rules and Regulations respectively. In the event of any conflict or inconsistency between the provisions of this Licence, and the provisions of the Act, Rules or Regulations, the provisions of the Act, Rules and Regulations shall prevail.
- 3.1.2. The Licensee shall establish, and maintain its Licensed Telecom Infrastructure as per clause 1.1.1, in compliance with the laws of Azad Jammu & Kashmir and Northern Areas .
- 3.1.3. The Licensee shall at all times co-operate with the Authority and its authorized representatives in the exercise of the powers, functions and responsibilities assigned to the Authority under the Act.
- 3.1.4. The licensee shall comply with all orders, determinations, directions and decisions of the Authority.

3.2 ESTABLISHMENT OF INFRASTRUCTURE

- 3.2.1. The Licensee shall establish its infrastructure in accordance with the plan submitted by the Licensee with the initial application form.

3.3 ALTERATION OF INFRASTRUCTURE

- 3.3.1. The Licensee shall, within such reasonable time and in such manner as may be directed by the Authority, and at its own expense, alter the course, depth, position or mode of attachment of any apparatus forming part of its Infrastructure Facility.

ARTICLE 4 - FEES

4.1 PAYMENT OF FEES

- 4.1.1. The Licensee shall pay the following fees to the Authority prior to the Effective Date:
- 4.1.2. As initial licence fees, US \$ 4000 or equivalent Pak Rupees, and
- 4.1.3. Spectrum fee as applicable under PTA/FAB Regulations/Policies
- 4.1.4. The Licensee shall pay the following annual regulatory fees to the Authority:
- 4.1.5. Calculated on the basis of 0.5% (or such lesser amount as the Authority may, by Regulations, determine) of the Licensee's annual gross revenue from Licensed

Infrastructure Facilities for the most recently completed Financial Year of the Licensee minus inter-operator payments and related PTA/FAB mandated payments. However initial license fee and initial spectrum fee shall not be deducted from the gross revenue.

- 4.1.6. In addition to the fees payable hereunder, the Licensee shall pay to the Authority, all fees required to be paid under the Act, Rules and Regulations.

4.2 GENERAL CONDITIONS CONCERNING FEES

- 4.2.1. The Licensee shall pay all annual fees to the Authority within 60 days of the end of the Financial Year to which such fees relate.
- 4.2.2. In addition to any other remedies available to the Authority, late payment of fees shall incur an additional fee calculated at the rate of 2% per month on the outstanding amount, for each, month or part thereof from the date due until the paid.
- 4.2.3. The licensees shall annually submit to the Authority audited financial statements in support of its calculations of annual fees payable pursuant to clauses 4.1.1 & 4.1.2 of this license. The Authority shall have the right to audit such statements at any time.

4.3 RESEARCH AND DEVELOPMENT FUND CONTRIBUTION

- 4.3.1. In any Financial Year of the Licensee, the Licensee shall make a contribution to the Research and Development Fund established by the Federal Government in the amount calculated on the basis of 1% of the Licensee's annual gross revenue from infrastructure provision for the most recently completed Financial Year of the Licensee minus inter-operator payments and related PTA/ FAB mandated payments. However initial license fee and initial spectrum fee shall not be deducted from the gross revenue.

4.4 UNIVERSAL SERVICE FUND CONTRIBUTION

- 4.4.1. In addition to the contribution under 4.3.1, the Licensee shall contribute to the Universal Service Fund in an amount calculated on the basis of 1.5% (or such lesser amount as determined by the Rules) of the Licensee's annual gross revenue from infrastructure provision for the most recently completed Financial Year of the Licensee minus inter-operator payments and related PTA/ FAB mandated payments. However initial license fee and initial spectrum fee shall not be deducted from the gross revenue.
- 4.4.2. The Licensee shall make all contributions referred to in sections 4.3.1 and 4.4.1 within 90 days of the end of the Financial Year to which such contributions relate.

ARTICLE 5 - RADIO FREQUENCY SPECTRUM

5.1 RADIO FREQUENCY SPECTRUM ALLOCATION

- 5.1.1 PTA /FAB Regulations and policies shall apply for allocation/assignment, use, re-assignment of radio frequency.
- 5.1.2 The licensee shall abide by prevalent Government orders, instructions & directions on the subject like Satellite Communications, VSAT Communications etc in case of provision of Infrastructure Facilities involving satellite media.

ARTICLE 6 - GENERAL CONDITIONS

6.1 OPERATION OF INFRASTRUCTURE FACILITY

- 6.1.1. The Licensee shall ensure that its Infrastructure Facility does not cause any damage to, or interference with, any Infrastructure Facility or Telecommunications Service of any other licensed Infrastructure Facility Provider or licensed telecom service provider.
- 6.1.2. Licensee shall conduct its operations and shall establish its Infrastructure Facility in a manner so that it is not a safety hazard and is not in contravention of any law, rule or regulation.
- 6.1.3. The licensee shall provide Infrastructure Facilities to other licensed telecom service providers and licensed Infrastructure Facility Providers without discrimination and on uniform terms and conditions unless otherwise directed by the Authority.
- 6.1.4. Subject to condition 6.1.3, the licensee shall; ensure a continuous availability of high quality infrastructure facilities to other licensed telecom service providers and Infrastructure Facility Providers at all times.
- 6.1.5. Upon being informed by the Authority that a telecom service provider's licence from the Authority had been suspended or terminated, the Licensee shall as promptly as practical in the circumstances, disconnect its Infrastructure Facility from the Telecommunication System of that telecom service provider, and discontinue providing the Infrastructure Facility to that Operator, until such time as the Authority informs the Licensee that the Telecom Service Provider's licence from the Authority has been restored or renewed.
- 6.1.6. The location of all the components of Infrastructure Facility within the territory of Azad Jammu & Kashmir and Northern Areas shall be in conformity with the plans approved by the Authority and other government agencies (if required) and the cable shall be moved or shifted by the licensee at its own cost if needed in the public interest, security, defence.

- 6.1.7. The licensee shall not cross subsidise the business under the licence through financial resources acquired by him through other licences held by it in Azad Jammu & Kashmir and Northern Areas , or by any person controlling it, controlled by it, or under direct or indirect common control with it. This clause is aimed at preventing any anti-competitive behaviour in the market.
- 6.1.8. The licensee shall make its own arrangements for obtaining right of way from concerned agencies and public bodies.

6.2 DISCONTINUATION OF FACILITIES

- 6.2.1. The licensee shall not discontinue, terminate or wind up its Infrastructure Facilities without prior approval of the Authority unless
- 6.2.2. The Licensee shall give at least 90 days prior written notice of such discontinuation to the licensed telecom service providers and other licensed Infrastructure Facility Providers utilizing it's Facility under intimation to the Authority, and
- 6.2.3. Authority's prior written approval to such discontinuation is obtained.
- 6.2.4. The licensee shall serve a twelve (12) months' notice prior to winding up its Infrastructure Facilities after settlement of all claims, obligations and accounts with other licensed telecom service providers and licensed Infrastructure Facility Providers and the Authority.

6.3 MONITORING / INSPECTION

- 6.3.1. In commercial agreement the Licensee shall ensure suitable equipment at premises designated by the Authority, in order to measure and record traffic and quality of service in a manner specified by the Authority. The Licensee shall ensure the Authority with access to such equipment, and the information generated by such equipment.
- 6.3.2. The Authority or its authorised representative shall have free access to the premises/ places where equipment is installed for the purpose of inspection to ascertain that the performance is in accordance with the terms and conditions of the licence.
- 6.3.3. The Licensee shall allow inspection of any premises by any representative authorised by the Authority at any time and furnish to the representative such information as may be required by such representative.

6.4 INFORMATION

- 6.4.1. The Licensee shall submit the complete description of the Network Plan and complete technical details of Infrastructure Facilities alongwith specification of equipment to be connected including a detailed map, within 120 days after issuance of the license;

- 6.4.2. The Licensee shall furnish to the Authority such information as the Authority may request regarding the Licensee's network plan, network and terminal equipment standards, links established/ utilized, financial information, costs and accounts or any such other information as the Authority may from time to time require in connection with its responsibilities.
- 6.4.3. The Licensee shall maintain independent accounts for the Infrastructure Facilities and other books and records as the Authority may require. The Authority shall give the licensee a reasonable period of time, not to exceed 120 days, to implement appropriate routines and systems to comply with any such requirements imposed by the Authority. Upon request by the Authority, the Licensee shall make its books and records available for inspection by the Authority.
- 6.4.4. The Licensee shall maintain financial records and books of accounts in accordance with the laws of Pakistan. The Licensee shall submit audited (if available) or certified financial statements, including statements of profit and loss and assets and liabilities, to the Authority within 120 days of the closing date of Financial Year of the Licensee.
- 6.4.5. The Authority shall take reasonable steps to maintain the confidentiality of information in writing that is disclosed to it by the Licensee and which is clearly indicated as confidential, except that the Authority may disclose information where the Authority determines that the public interest in disclosure outweighs the Licensee's interest in maintaining the confidentiality of such information.
- 6.4.6. The licensee shall provide complete information about its foreign business partner (if any) and provide a copy of the Articles and Memorandum of Association alongwith details of its directors and shareholders and such information shall be provided within 180 (one hundred eighty) days of the issue of this licence. Authority must also be informed of any subsequent change in directors or shareholders of the licensee.

6.5 QUALITY OF INFRASTRUCTURE

- 6.5.1. The licensee shall:
- 6.5.2. Install its Infrastructure Facilities using state-of-the-art technology and shall provide the Infrastructure facilities as per ITU and other international standards.
- 6.5.3. At all times meet or exceed the quality of networks standards described in Appendix 1 and such other quality of networks standards as the Authority may, by Regulation, require. The Licensee shall maintain records of its performance in meeting the quality of networks standards, and submit them to the Authority on a monthly basis in such format as the Authority may require. The Licensee shall maintain supporting records for inspection and technical audit as and when required by the Authority. The Licensee shall maintain all such records for a period of three years.

- 6.5.4. The Authority may carry out tests on the quality of the Infrastructure Facilities and the Licensee shall extend full co-operation and assistance for the purpose including provision of test manuals and instruments/ equipment.

6.6 NATIONAL SECURITY

- 6.6.1 The Licensee shall comply with the national security and other requirements of section 54 of the Act and any other national security requirements under the law of Azad Jammu & Kashmir and Northern Areas and that of Pakistan.
- 6.6.2 It shall be open to the Authority to restrict the Licensee from operating in any sensitive area defined by the Federal Government of Pakistan from the national security angle.
- 6.6.3 The Licensee shall not transfer the following to any person or place outside Pakistan including AJ&K, NA:-
- (a) any accounting information relating to subscriber (except for billing); and
 - (b) user information/ data.
- 6.6.4 No remote access shall be provided to any person/place outside Pakistan including AJ&K and NAs for any maintenance/repairs/databases/facility.
- 6.6.5 The transceivers shall be installed in such a way that signal strength of the signal fades away along the Line of Control (LoC) and no communication takes place across the LoC.

6.7 NETWORK STANDARDS

- 6.7.1. The Licensee shall use any type of network equipment that meets the relevant ITU, IETF, and ETSI, ISO or other telecommunication standards recognized by the Authority.
- 6.7.2. The Licensee shall ensure that its Infrastructure is at all times interoperable and interconnectable with the networks of other Operators. If the Licensee implements any new equipment or protocols in its network, the Licensee shall bear the cost of any modifications in its Infrastructure required to maintain such interoperability and interconnectability with the Infrastructure of other licensed Infrastructure Facility Providers and licensed telecom service providers.
- 6.7.3. The licensee shall ensure that the interface tests shall be carried out by mutual agreement with the licensed telecom operators.

6.8 TYPE APPROVAL OF TERMINAL EQUIPMENT

- 6.8.1. The Licensee shall not install, or permit the installation of, any Terminal Equipment in its Infrastructure Facility which is not (a) type approved, or otherwise permitted by the Authority, or (b) type approved by a recognized telecommunications equipment type

approval agency or a recognized telecommunications equipment testing laboratory in a member country of the Organization of Economic Cooperation and Development (OECD). The Licensee shall not install or connect, or permit the installation or connection of, any Terminal Equipment or type of Terminal Equipment prohibited by the Authority.

6.9 COMMENCEMENT CERTIFICATE

- 6.9.1. The Licensee shall not provide any Infrastructure Facility to licensed telecom operators, or accept any payment from such operators in respect of Infrastructure Facilities to be provided by the Licensee, until:
- 6.9.2. the Licensee has obtained from the Authority a commencement certificate evidencing that the Authority is satisfied that the Licensee has established its Telecommunication Infrastructure Facilities, and
- 6.9.3. The Authority is satisfied that the licensee is able to provide the Infrastructure Facilities, in accordance with the description in the Licensee's application for this Licence previously submitted to the Authority and at a level of quality and reliability that is consistent with international industry best practices.
- 6.9.4. The licensee shall, on completion of installation of Infrastructure Facilities notify in writing to the Authority for inspection of the Infra structure Facilities for bringing the Infrastructure Facility including landing station into operation and the Authority, within thirty days of the above mentioned notification shall inspect the Infrastructure Facilities, and if the Infrastructure Facilities conform to the submitted design parameters, the Authority shall authorise the commencement of the service under this licence.
- 6.9.5. The Licensee shall cooperate with the Authority in its investigation of its Infrastructure Facilities in connection with the issuance of a commencement certificate. The licensee shall notify to the Authority in writing the precise location at which the Facilities will be installed or submarine cables will land in Pakistan and such notice shall be given not later than 90 days prior to commencing installation of the Infrastructure as authorised under the license.
- 6.9.6. The Licensee shall give 30 days prior written notice to the Authority of the date on which the Licensee intends to commence providing infrastructure facilities to licensed telecom operators.

6.10 INTERNATIONAL CONNECTIVITY

- 6.10.1. The Licensee is not authorised under this license to provide international connectivity direct to the end users. However, the licensee shall provide only interface facility to the licensed LDI operators through satellite earth station or submarine cable system.

- 6.10.2. The Licensee shall not assist or otherwise translate, alter or delete the telephone number or other identification associated with the calling party of an International Telephony Service call.
- 6.10.3. The Licensee shall not assist or otherwise translate, alter or delete the signalling or other data associated with an International Telephony Service call to disguise the identification of the service provider of the calling party or the identification of the country of origin of the call.
- 6.10.4. The Licensee shall not assist, or cooperate with, any person to violate section 6.10.1 or 6.10.2.

ARTICLE 7 - RELATIONS WITH OTHER LICENSEES

7.1 STANDARD FACILITY PROVISION AGREEMENT

- 7.1.1. The Licensee shall prepare a standard facility provision agreement for use with individual licensed operators. The Licensee shall file the standard facility provision agreement, and amendments thereto from time to time, with the Authority for its approval. The Authority shall approve the standard facility provision agreement if it contains the terms and conditions described in clause 7.2 and it contains terms and conditions that are not unduly burdensome.
- 7.1.2. The standard facility provision agreement, as approved by the Authority, shall apply to all individual licensed telecom operators who will acquire telecom infrastructure facilities from the Licensee.

7.2 CONTENTS OF THE STANDARD FACILITY PROVISION AGREEMENT

- 7.2.1. The standard facility provision agreement shall include, at a minimum, the following terms and conditions:
- 7.2.2. Deposits and alternative methods of providing security for payment where reasonably required, provided that in no circumstances may such deposits or security exceed the charges reasonably anticipated to be incurred by the licensed telecom operator within a three (3) month period,
- 7.2.3. Pricing or mechanisms by which prices are determined,
- 7.2.4. Privacy of Communications,
- 7.2.5. Confidentiality of licensed telecom operators information,
- 7.2.6. Refunds or other rebates for system failure /over charging,

7.2.7. Payment terms, including any applicable mark-up/ surcharge etc., and

7.2.8. Minimum contract period

7.3 COMPLAINT SYSTEM

7.3.1. The Licensee shall establish an efficient and easy-to-use system to promptly receive process and respond to complaints, claims or suggestions by the licensed telecom operators using its infrastructure facilities.

7.3.2. The Licensee shall make all reasonable efforts to resolve licensed telecom operators complaints or disputes without delay and without recourse to the Authority.

7.3.3. If a complaint is filed with the Authority in connection with any dispute between the Licensee and a licensed telecom operator regarding any activity that is the subject of this Licence, the Authority may settle the dispute. Without prejudice to the appeal and revision rights established in section 7 of the Act, both the parties shall abide by any resulting decision of the Authority.

7.4 CODE OF COMMERCIAL PRACTICE

7.4.1. The Licensee shall publish within six months of the Effective Date, a code of commercial practices approved by the Authority. Once approved by the Authority, the code of commercial practice shall be binding on the Licensee. The code of practice shall include, at a minimum, provisions covering the following issues:

7.4.2. A commitment to take steps to remedy service interruptions/system failures as soon as reasonably possible and to provide reasonable credits to the licensed telecom operators for lengthy outages,

7.4.3. Protection of the privacy of information transmitted over the Telecommunication infrastructure of the licensee,

7.4.4. Maintenance by Licensee of the confidentiality of licensed telecom operators information,

7.4.5. Procedures for resolving complaints between Licensee and licensed telecom operators, and

7.4.6. Availability to licensed telecom operators of the information concerning their accounts with the Licensee.

7.5 PRIVACY OF COMMUNICATIONS

7.5.1. The Licensee shall not monitor or disclose the contents of any communication conveyed over its Infrastructure Facility except to the extent necessary for the purpose of maintaining or repairing any part of the Infrastructure Facility or monitoring the Licensee's quality of service, or otherwise as required by law.

- 7.5.2. The Licensee shall take reasonable measures to safeguard its Infrastructure Facility from unauthorized interception of communication carried on the Infrastructure Facility.

7.6 USE OF ENCRYPTION DEVICES

- 7.6.1. The licensee shall not connect any encryption device or any software to its network without seeking the prior approval of the Authority.

7.7 INTERCONNECTION

- 7.7.1. Interconnection between the Infrastructure Facility of the Licensee and the Infrastructure Facilities of other licensed telecom service providers and licensed Infrastructure Facility Providers shall be governed by the Interconnection Rules.

- 7.7.2. The Infrastructure Facility is deemed to be a Connectable System for the purposes of the Interconnection Rules.

ARTICLE 8 - TARIFFS

8.1 NO REGULATION OF PRICES

- 8.1.1. Except as otherwise provided in this Licence or as required by law, the Licensee is free to set prices for the telecom infrastructure facilities as it may deem fit.

- 8.1.2. If the Authority determines that the Licensee's prices for any telecom Infrastructure Facility are unfair and unreasonable to the licensed telecom service providers and licensed Infrastructure Facility Providers using the facilities provided by the licensee, the Authority may regulate Licensee's prices, terms and conditions for those Licensed Infrastructure Facilities. The Licensee shall comply with the Authority's orders and determinations relating to the Licensee's prices, terms and conditions for those Licensed Infrastructure Facilities as authorised under this license.

8.2 PRICE REGULATION OF INFRASTRUCTURE FACILITY PROVIDERS WITH SMP

- 8.2.1. If the Authority determines that the Licensee possesses SMP in a relevant market, the Authority may regulate Licensee's prices, terms and conditions, for those Licensed Infrastructure Facilities where the Licensee possesses SMP and any Licensed Infrastructure Facilities incidental thereto as determined by the Authority. The method of regulation shall be determined by the Authority, subject to compliance with any applicable provisions of the Rules and Regulations, and may include a requirement for

prior Authority approval of any price, term or condition, or the maximum or minimum price, or both, for the Licensed Infrastructure Facilities.

8.3 PUBLICATION OF TARRIFS, NOTIFICATIONS AND DISPLAY OF INFORMATION

8.3.1. The licensee shall comply with all requirements regarding publication of prices, terms and conditions, notifications and display of information as established by the Authority from time to time.

ARTICLE 9 - TERMINATION AND AMENDMENT

9.1 TERMINATION OF THE LICENCE

9.1.1. The Licence shall remain in force until it is terminated by one of the following events:

9.1.2. The term of the Licence expires without renewal,

9.1.3. The Licensee agrees to the termination of this Licence, or

9.1.4. The Licence is suspended, terminated or revoked in accordance with the Act, Rules or Regulations, or the provisions of this Licence.

9.2 AMENDMENT

9.2.1. This Licence may be amended by written agreement between the Licensee and Authority, or pursuant to the provisions of the Act, Rules and regulations made there under.

ARTICLE 10 - GENERAL

10.1 NO LIABILITY BY THE AUTHORITY

10.1.1. Without prejudice to the rights of the Licensee under section 7 of the Act, no suit, prosecution or other legal proceeding shall lie against the Authority or the Board, any member or employee of the Authority the Board in respect of anything done or intended to be done by the Authority the Board in the good faith exercise of its powers.

10.2 FORCE MAJEURE

10.2.1. Not with standing anything contrary to the one contained in this Licence, if the Licensee shall be rendered unable to carry out the whole or any parts of its obligations under this Licence for any reason beyond the control of the Licensee, including but not limited, to acts of God, strikes, war, riots etc, then the performance of obligations of

the licensee as it is affected by such cause shall be excused during the continuance of any inability so caused, provided that the Licensee has taken all appropriate precautions and reasonable measures to fulfil its obligation and that it shall within 14 days of its first occurrence notify to the Authority the same and cause of such inability and its effects to remove such cause and remedy its consequences.

10.3 COMMUNICATION WITH THE LICENSEE

- 10.3.1. The Licensee shall maintain on file with the Authority a current address for the Licensee, including telephone number, fax number and email address, and the name and title of a contact person, for the purposes of receiving communications from the Authority. Any notice or other communication to the Licensee permitted under this Licence may be given by hand delivering the same, or by mail, facsimile, or electronic mail addressed to the Licensee at its most recent address on file with the Authority.

10.4 ASSIGNMENT OF RIGHTS

- 10.4.1. This License shall be personal to the licensee and shall not be assigned, sub-licensed to, transferred, directly or indirectly or held on trust any person, without the prior written approval of the Authority.

ARTICLE 11 - DEFINITIONS

- 11.1.1. Unless the context otherwise requires, capitalized words and expressions in this Licence that are not otherwise defined in this Licence, shall be defined in the same manner as these words and expressions are defined in the Act and the Rule.
- 11.1.2. Unless the context otherwise requires, the following terms used in this Licence shall have the meanings indicated below:
- 11.1.3. "**Act**" means The Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 2005 read with Pakistan Telecommunication (Re-organization)(Amendment) Act, 2006 and includes any amendments thereto from time to time.
- 11.1.4. "**Authority**" means the Pakistan Telecommunication Authority established under section 3 of the Pakistan Telecommunication (Re-organization)(Amendment) Act, 2006 and empowered under provisions of the Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 2005 for the purposes of licensing in Azad Jammu and Kashmir and Northern Areas.
- 11.1.5. "**Bandwidth**" means a measure of the capacity of a communications channel. It is the range of frequencies, expressed in hertz (Hz), that can pass over a given communications channel. The higher a channel's bandwidth, the more information it can carry.
- 11.1.6. "**Cable**" Transmission medium of copper wire or optical fibre wrapped in a protective cover.

- 11.1.7. **“Connection”** means the physical interfacing of the licensee’s equipment at the with systems and equipment of other licensed service operators for the effective transmission of data from the former to the later or vice versa;
- 11.1.8. **“Duct Space”** means space for a pipe, tube or any other unit necessary for conveying cables from one point to another;
- 11.1.9. **“Effective Date”** means the date that this Licence is issued by the Authority and appearing on the first page of this Licence, which date shall be 30 days after the Authority receives from the Licensee all initial fees described in this licence.
- 11.1.10. **“Fiber Optic Cable”** means a transmission medium in which modulated light wave signals generated by laser or LED, are propagated along a typically glass or plastic medium, and then demodulated to electrical signals by a light-sensitive receiver. It is Characterized by high bandwidth, small physical volume and immunity from electromagnetic interference and radiation
- 11.1.11. **“Gross Revenue”** means turnover or gross income from licensed operations as shown in invoices and bills and as defined in fourth and fifth schedule to Companies Ordinance, 1984;
- 11.1.12. **“Licence”** means an authorization granted by the Authority to establish, and maintain telecom Infrastructure, lease, rent out and sell end to end bandwidth i.e. digital transmission capacity capable to carry a message, Fiber optic cable, duct space, tower;
- 11.1.13. **"Licensed Operators"** means the telecommunication operators who have been licenced by the Authority under the Act;
- 11.1.14. **“Person”** means any individual, partnership, firm, organization, association, joint stock company, limited company, joint venture, trust or corporation;
- 11.1.15. **“Public Switched Network”** means the telecommunication network, consisting of a fully interconnected and integrated system of various means of transmission and switching, utilized to provide basic telephone service and other telecommunication services to the general public;
- 11.1.16. **“Terminal Equipment”** means equipment which is directly or indirectly connected to any Network Termination Point and which is used directly by users in order to access Telecommunications Services;
- 11.1.17. **“Telecom Infrastructure facility”** means provision of physical infrastructure which would be utilized by other licensed telecom operators for providing various services. The infrastructure setup by the licensee would be in addition to the infrastructure already setup by various licensed telecom operators;
- 11.1.18. **“Telecommunication System”** means any electrical, electro-magnetic, electronic, optical or optio-electronic system for the emission, conveyance, switching or reception of any intelligence within or into, or from, Pakistan, whether or not that intelligence is

subjected to re-arrangement, computation or any other process in the course of operation of the system, and includes a cable transmission system, a cable television transmission system and terminal equipment; and

- 11.1.19. **“Tower”** means a structure taller than its diameter; can stand alone or be attached to a larger building;
- 11.1.20. **“Encryption”** is the process of transforming [information](#) to make it unreadable to anyone except those possessing special knowledge.

APPENDIX 1– QUALITY OF NETWORKS STANDARDS

- 1.1.1. The Licensee shall take reasonable and prudent measures to ensure that its Infrastructure Facilities are available and operate properly at all times. Any fault in any component of its Infrastructure Facility shall be repaired as early as possible.
- 1.1.2. The Licensee shall ensure that its Infrastructure Facility does not hinder in anyway, meeting or exceeding of the quality of service standards imposed on the licensed telecom service providers and other licensed Infrastructure Facility Pro making use of its Infrastructure Facility.
- 1.1.3. The licensee shall adhere to any quality of service standards prescribed by the Authority for the licensee at any later time.
- 1.1.4. The Authority may carry out performance tests and evaluate Quality of service parameters in licensees Infrastructure Facility at any time during the tenure of the license. The licensee shall provide ingress, equipment and any other support necessary for carrying out such tests.
- 1.1.5. The licensee shall ensure that at least ninety nine per cent (99%) of the total system remains functional round the clock and shall further ensure that appropriate measures are adopted to minimise the facility downtime and sufficient backup mechanisms are available to licensed telecom service providers and licensed Infrastructure Facility Providers operators in case of fault, such complaints shall be attended to and rectified promptly and up to specified grade Infrastructure Facility;