

ANNEX C

FORM OF CLASS LICENCE FOR TELECOMMUNICATIONS SERVICES – CONSOLIDATED TERMS

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FORM OF CLASS LICENCE FOR TELECOMMUNICATIONS SERVICES

GENERAL TERMS

1 GRANT OF LICENCE

- 1.1 The Telecommunications Regulatory Authority (the “**Authority**”) hereby grants this licence, under Articles 25 and 32 of the Telecommunication Law promulgated by Legislative Decree No. 48 of 2002, to whoever has satisfied the procedure and requirements for such a grant (the “**Licensee**”) by virtue of which the Authority authorises the Licensee to provide the Licensed Services described herein in the Licensed Area set out herein (the “**Licence**”).
- 1.2 This Licence shall be subject to the provisions herein stated, the Telecommunications Law and any and any Applicable Legal Instruments.

2 INTERPRETATION AND DEFINITIONS

- 2.1 For the purposes of this Licence:
- (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 Licence, unless the word, phrase or expression is defined in this Licence or the context requires otherwise.
 - (b) Headings and titles are provided for convenience, and shall not limit or otherwise affect the interpretation of the provisions of this Licence.
 - (c) A reference to significant market power, dominance or a dominant position shall be a reference to such power, dominance or position, as the case may be, for the relevant market as determined by the Authority from time to time.
 - (d) The applicable Schedules form part of the Licence.
 - (e) A definition provided in an applicable Schedule to this Licence shall prevail over any conflicting definition set out in the General Terms.
 - (f) A definition provided in an applicable Service Schedule to this Licence shall prevail over any conflicting definition set out in the General Terms and any other Schedule applicable to the Licensed Services.
- 2.2 The following terms and expressions shall have the following meanings in this Licence 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;

“**Applicable Legal Instrument**” means a legal instrument that is promulgated by the Authority in accordance with Article 3 subsection (c) of the Telecommunications Law,

including any amendments or new legal instruments that may be adopted by the Authority from time to time;

“Basic Voice Service” means a telecommunications service involving the transmission of two-way real-time speech, excluding:

- (a) any additional service having been provided in respect of the real-time two-way speech conversation;
- (b) any deliberate removal or addition to the information content of that real-time two-way speech conversation; and
- (c) mobile radiocommunications;

“Call” includes any communication conveying voice or data, whether:

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

“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 or other means and **“Controlling”** and **“Controlled”** shall be construed accordingly;

“Effective Date” means the date referred to in section 14.1;

“Force Majeure” means any cause affecting the performance by the Licensee of any obligation hereunder arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control including (but without limiting the generality thereof), fire, flood, inclement weather, terrorism or any disaster or an industrial dispute (other than relating to the Licensee's own workforce) affecting the provision of Licensed Services. Force Majeure excludes any obligations a Licensee has pursuant to governmental or States' acts or regulations or changes thereof. Any act, event, omission, happening or non-happening only will be considered Force Majeure if it is not attributable to the wilful act, neglect or failure to take reasonable precautions of the Licensee, its officers, contractors, sub-contractors, agents, servants or employees;

“General Terms” means the general terms of this Licence, excluding the Schedules;

“Internet Access Services” means services provided to the public to access the internet, and thereby providing connectivity to virtually all end points of the internet, irrespective of the network technology and Terminal Equipment used;

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

“Licensed Services” means the telecommunications services, networks and/or facilities described in section 2 of the applicable Service Schedule;

“Schedule” means a schedule to this Licence;

“Service Schedule” means a Schedule forming part of this Licence which sets out the specific terms and conditions relating to a telecommunications service, network and/or facility;

“Subscriber” means any person that is a party to a contract with the Licensee for the provision of the Licensed Services; and

“Terminal Equipment” means any appliance, apparatus or accessory connected to a telecommunications network to enable reception and transmission of telecommunications services.

3 AFFILIATES AND SUB-CONTRACTING

- 3.1 The Licensee may, with the prior written approval of the Authority, provide any of the Licensed Services through an Affiliate or sub-contract the provision of any 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 Authority may revoke its approval at any time by providing reasonable advance notice to the Licensee in writing. The prior written approval of the Authority shall not be required if such Affiliate is and remains wholly-owned by the Licensee, provided always that the Authority shall be notified in writing of such arrangement.

4 LICENSEE OBLIGATIONS

- 4.1 The Licensee shall comply with:

- (a) the Telecommunications Law and all decisions, determinations, resolutions, regulations and orders issued by the Authority, and any other Applicable Legal Instruments; and
- (b) any other applicable laws of the Kingdom of Bahrain,

including any amendments or new legal instruments that may be adopted from time to time.

- 4.2 Any non-compliance with the obligations referred to in section 4.1 above may be considered as non-compliance with this Licence.

5 RELATIONS WITH SUBSCRIBERS

- 5.1 Without derogating from Articles 55 and 56 of the Telecommunications Law and any Applicable Legal Instruments, the Licensee shall publish on its website and comply with a code of practice for subscriber affairs approved by the Authority, giving guidance to the Licensee's Subscribers in respect of any disputes and complaints relating to the provision by the Licensee of the Licensed Services.
- 5.2 The Licensee shall conduct itself in accordance with a code of practice on subscriber affairs approved by the Authority. 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 **Error! Reference source not found.**; and
 - (g) guidelines on service termination.
- 5.3 The Licensee shall report to the Authority 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.
- 5.4 The Licensee shall provide its telecommunications services pursuant to a standard form of agreement containing the terms for the provision of Licensed Services to Subscribers (the "**Standard Subscriber Agreement**") which has been reviewed by the Authority. The Authority may raise objections and require the introduction of such modifications as the Authority deems necessary. If no objections are raised or modifications required by the Authority within thirty (30) days of the submission of such form, such form may be used by the Licensee.
- 5.5 Any proposed modifications to the Standard Subscriber Agreement must also be submitted to the Authority in advance for its review prior to taking effect. The Authority may raise objections and require the introduction of such further modifications as the Authority deems necessary. If no objections are raised or further modifications required by the Authority within thirty (30) days of the submission of such form, the proposed modifications may be adopted by the Licensee.
- 5.6 The Authority may subsequently order the introduction of any modification to such agreement after it becomes aware of any fact or circumstance which requires such modification in order to safeguard the interests of Subscribers.

6 BILLING

- 6.1 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 Subscriber in question.
- 6.2 The Licensee shall take all necessary measures to ensure the accuracy of its bills and its billing processes and systems in accordance with procedures that have been approved in writing by the Authority or any relevant Applicable Legal Instruments.
- 6.3 The Licensee shall keep such records as may be necessary (including as required under any Applicable Legal Instruments), or may be determined by the Authority to be necessary, for the purpose of satisfying the Authority that the billing process has the characteristics required above, and the Licensee shall for the purposes of this Licence retain all billing records for at least two (2) years from the date on which they came into being.
- 6.4 For the purpose of giving the Authority assurance from time to time that the billing process meets the requirements of section 6.1, the Licensee shall:
- (a) furnish the Authority with any information it requires;
 - (b) on reasonable notice, allow the Authority (or any person authorised by the Authority) access to any relevant premises of the Licensee during normal business hours; and
 - (c) on reasonable notice, allow the Authority (or any person authorised by the Authority) to examine or test the whole or any part of the billing process.
- 6.5 The Licensee shall, provide itemised billing information to any Subscriber upon request, or as may be required by the Authority, in respect of the tariffs for any Licensed Services provided to such Subscriber. If the Authority permits the Licensee to charge for itemised billing information, any such charge is subject to the prior written approval of the Authority.

7 INTEROPERABILITY AND TECHNICAL STANDARDS

- 7.1 The Licensee shall comply with relevant Applicable Legal Instruments and technical specifications issued by the Authority in order to ensure interoperability of the Licensed Services and the telecommunications facilities of the Licensee with telecommunications services and telecommunications networks provided by other licensed operators to the extent technically feasible.

8 PRIVACY, SECURITY AND CONFIDENTIALITY

- 8.1 The Licensee shall 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. The Licensee shall establish and implement procedures for maintaining privacy and confidentiality of such information subject to any requirement under law.

- 8.2 The Licensee shall maintain sufficient information on its privacy and confidentiality procedures to satisfy the Authority, at its reasonable request, that the requirements of section 8.1 are being met.
- 8.3 Subject to any related provisions in the:
- (a) Consumer Protection Regulation issued by the Authority and as amended from time to time; and
 - (b) the privacy laws of the Kingdom of Bahrain, including Law No. 30 of 2018 with respect to Personal Data Protection (Data Protection Law) and any successor legislation,

the Licensee shall not disclose information of a customer except with the consent of the customer, which form of consent shall be approved by the Authority, except for the prevention or detection of crime or the apprehension or prosecution of offenders or except as may be authorised by or under any law.

- 8.4 The Licensee shall not use information provided by its customers or obtained in the course of provision of service to its customers other than for and in relation to the provision by the Licensee of the service.
- 8.5 The Licensee shall not use or allow to be used any apparatus which is capable of recording, silently monitoring, or intruding into Calls unless it complies with applicable law.
- 8.6 Without prejudice to any laws or Applicable Legal Instruments regarding lawful access, the Licensee shall take all appropriate and proportionate technical and organisational measures to manage the risks posed to the security of Licensed Services and networks. These risks shall include, without limitation, national security, asset security, information security, organisational security and physical security. Having regard to the state of the art, those measures shall ensure a level of security appropriate to the risk presented. In particular, measures shall be taken to prevent and minimise the impact of security incidents on users and on other licensed networks and services.

9 QUALITY OF SERVICE REQUIREMENTS

- 9.1 The Licensee shall meet the quality of service requirements determined from time to time by the Authority pursuant to any Applicable Legal Instruments (the “**Quality of Service Requirements**”).
- 9.2 The Licensee shall ensure that it maintains information records for the purpose of satisfying the Authority that the Licensee is meeting the Quality of Service Requirements.
- 9.3 The Authority may carry out tests on the quality of the Licensed Services and the Licensee shall extend full co-operation and assistance for the purpose of such audits, including the provision of relevant information and facilitating access to premises and equipment as appropriate.

10 ACCOUNTING REQUIREMENTS

- 10.1 The Licensee shall comply with any Applicable Legal Instruments relating to accounting requirements. If the Licensee has significant market power in a relevant market, the Authority may order the Licensee to also set up and maintain a cost accounting system enabling the costing of each individual service.
- 10.2 The Authority may request the Licensee to submit other accounting information it may require in order to effectively supervise and enforce the terms of this Licence and the provisions of the Telecommunications Law and any Applicable Legal Instruments.

11 REQUIREMENT TO PROVIDE INFORMATION

- 11.1 Without derogating from Articles 53 and 77 of the Telecommunications Law, the Licensee is required to maintain such information as will enable the Authority to carry out its functions under the Telecommunications Law in such manner as the Authority may from time to time request. The Authority 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 Licence, the provisions of the Telecommunications Law and any Applicable Legal Instruments.

12 COOPERATION AND SUPPORT

- 12.1 The Licensee shall cooperate with any request for technical support from the Authority and shall endeavour to make available such experienced personnel as necessary to prepare for or participate in national, regional and international meetings and conventions relating to policies, regulations, treaties and standards relevant to the telecommunications sector.

13 LICENCE FEES

- 13.1 The Licensee must pay the applicable fees in accordance with the Schedule of Fees Regulation as amended from time to time and in accordance with any related or successor Applicable Legal Instruments.

14 DURATION AND RENEWAL

- 14.1 The Effective Date of this Licence is [●] (the “**Effective Date**”). This Licence shall be valid for a term of [fifteen (15)] years.
- 14.2 Upon expiration of the current Licence term, the Licensee may apply to the Authority pursuant to Article 33 of the Telecommunications Law for an additional term of ten (10) years.

15 MODIFICATION, REVOCATION AND TERMINATION

- 15.1 The Licence may be modified and revoked in accordance with Articles 34 and 35 of the Telecommunications Law. The Authority may, in particular, revoke the Licence if the Licensee is dissolved, or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors.

- 15.2 The Licence shall terminate automatically upon the expiry of its term if it is not renewed in accordance with section 14.2 above.

16 FORCE MAJEURE

- 16.1 If the Licensee is prevented from performing any of its obligations under this Licence because of Force Majeure, the Licensee shall notify the Authority of the obligations it is prevented from performing as soon as practicable after it becomes aware of such Force Majeure.

- 16.2 The Authority may suspend those obligations referred to under section 16.1 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 the law or this Licence 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.

17 DISPUTE RESOLUTION

- 17.1 All disputes between the Licensee and the Authority arising out of this Licence shall be resolved in accordance with the provisions of Chapter 16 of the Telecommunications Law.

- 17.2 Subject to the relevant provisions of the Telecommunications Law that allow disputes to be referred to the Authority, 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 VII of the Civil and Commercial Procedural Law of 1971, the provisions of Articles 67 to 71 of the Telecommunications Law shall apply *mutatis mutandis*.

18 COMPLIANCE

- 18.1 The Authority may exercise its inspection and supervision powers under Article 77 of the Telecommunications Law for the purposes of verifying compliance with the terms of this Licence.

- 18.2 Without prejudice to the Authority's powers under the Telecommunications Law and/or any other Applicable Legal Instruments, if the Licensee fails to comply with its obligations under this Licence, the Authority may take such action as it deems necessary and appropriate in accordance with the provisions of Article 3(c), 35 and/or 65 of the Telecommunications Law (as appropriate).

19 NOTICES

- 19.1 All notices from the Licensee to the Authority shall be in writing and sent:
- (a) by registered mail with acknowledgement of delivery to the following addresses:

[insert address of Authority]; or

- (b) electronically via an application approved by the Authority for the secure exchange of emails and electronic documents.

19.2 All notices to be sent by the Authority to the Licensee shall be satisfied if sent:

- (a) by registered mail with acknowledgement of delivery to the address provided by the Licensee in its Licence application; or
- (b) electronically via an application approved by the Authority for the secure exchange of emails and electronic documents.

19.3 Where the subject of the notice concerns the entire class of the Licensees, the Authority may instead publish the notice in the official gazette or such other manner that ensures that such notice is brought to the knowledge of the Licensees.

19.4 The Authority may change the address in section 19.1(a) provided it shall make announcement to such effect in the official gazette, or by any other manner that ensures that such change is brought to the knowledge of the Licensee, at least fifteen (15) days before such change takes effect.

19.5 The Licensee may change the address provided in its Licence application, by notifying the Authority at least fifteen (15) days before such change takes effect.

SCHEDULE S1 – INTERNET ACCESS SERVICES

1 APPLICABLE TERMS

1.1 The applicable terms of this Licence are set out in:

- (a) this Service Schedule;
- (b) the General Terms; and
- (c) Schedule T1 (Service Availability).

2 LICENSED SERVICES

2.1 The Licensee is authorised on a non-exclusive basis to provide Internet Access Services in the Licensed Area; provided, however, the Licensee may not offer a Basic Voice Service between the Kingdom of Bahrain and other countries, nor may it facilitate the offer by a third party of such a service, unless and until such time as it is granted the appropriate Individual Licence in accordance with the Telecommunications Law.

SCHEDULE S2 – VALUE ADDED SERVICES

1 APPLICABLE TERMS AND DEFINITIONS

1.1 The applicable terms of this Licence are set out in:

- (a) this Service Schedule; and
- (b) the General Terms.

1.2 For the purposes of this Schedule, the following definitions shall apply:

“Value Added Services” means enhanced or value added telecommunications data and/or voice services (other than Public 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 a Licence for Internet Access Services.

2 LICENSED SERVICES

2.1 The Licensee is authorised, on a non-exclusive basis, to provide Value Added Services in the Licensed Area.

SCHEDULE T1 – SERVICE AVAILABILITY

1 DEFINITIONS

1.1 For the purposes of this Schedule, the following definitions shall apply:

“Emergency Organisation” means in respect of any locality, the relevant competent body responsible for public police, fire, ambulance and coastguard services for that locality.

2 AVAILABILITY AND INTERRUPTIONS TO THE LICENSED SERVICES

2.1 The Licensee shall take all necessary measures to ensure the fullest possible availability of its Licensed Services it is authorised to provide in the event of catastrophic network breakdown or in cases of Force Majeure. in respect of any locality, the relevant competent body responsible for public police, fire, ambulance and coastguard services for that locality

2.2 The Licensee shall:

(a) on the request of and in consultation with:

- i. the authorities responsible for Emergency Organisations; and
- ii. such government departments as the Authority may direct for the purposes of this provision,

make arrangements for the provision or rapid restoration of such telecommunications services as are practicable and may be reasonably required in disasters (including in any major incident having a significant effect on the general public); and

(b) implement those arrangements in so far as is reasonable and practicable to do so,

provided that the Licensee may:

- (c) recover the costs incurred in making or implementing any such arrangements; or
- (d) make the implementation of any such arrangements conditional upon being indemnified by the authority or government department for whom the arrangements are to be implemented for all costs incurred as a consequence of the implementation.

2.3 The Licensee shall not intentionally in the normal course of business suspend or interrupt the provision of any type of Licensed Service without having first obtained the prior written approval of the Authority (except for any scheduled service outage) and provided reasonable advance notice to persons to be affected by such interruption or suspension. In the case of any scheduled service outage, the Licensee must provide reasonable advance notice to persons affected by the outage.

2.4 The Licensee may suspend or interrupt the provision of its Licensed Services 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; or
- (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).