



هيئة
تنظيم
الاتصالات
Telecommunications
Regulatory
Authority

**FREQUENCY LICENSE (MOBILE) GRANTED TO MTC VODAFONE
(BAHRAIN) B.S.C. (c) BY THE TELECOMMUNICATIONS
REGULATORY AUTHORITY UNDER SECTION 44 OF THE
LEGISLATIVE DECREE 48 OF 2002 WITH RESPECT TO
TELECOMMUNICATIONS**

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FREQUENCY LICENSE (MOBILE) GRANTED TO MTC VODAFONE (BAHRAIN) B.S.C. (c) BY THE TELECOMMUNICATIONS REGULATORY AUTHORITY

1. GRANT OF LICENSE

- 1.1 The Telecommunications Regulatory Authority (the “**Regulator**”) under section 80(e) of the Legislative Decree No. 48 of 2002 with respect to Telecommunications (the “**Telecommunications Law**”) hereby grants this license (the “**frequency license**”) by which the Regulator assigns to MTC Vodafone (Bahrain) B.S.C. (the “**licensee**”) the radio frequency spectrum described in Column 1 of Schedule A (the “**Assigned Radio Frequency Spectrum**”) for the sole purpose of providing the licensed services as defined in its Mobile Telecommunications License (the “**operating license**”).
- 1.2 The licensee shall not use the Assigned Radio Frequency Spectrum unless the operating license of the licensee is valid and current.
- 1.3 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) 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;

“**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 ownership interest, whether by control or otherwise and “**controlling**” and “**controlled**” shall be construed accordingly;

“**Effective date**” means the date referred to in section 12.1;

“**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, failure or shortage of power supplies, lightning, war, military operations, acts of terrorism or riot; and

“**Licensed area**” means the territory of the Kingdom of Bahrain.

3. EXERCISE OF RIGHTS; SUBCONTRACTING

3.1 Without prejudice to section 50.1 and 50.2 of the Telecommunications Law and subject to section 7 of this license, the licensee may, with the prior written approval of the Regulator, exercise its rights under this frequency license through an affiliate or sub-contract to another person; provided, however, that the licensee shall remain the effective user of the Assigned Radio Frequency Spectrum continue to be fully liable for any obligation arising in relation to the provision of any such licensed activity. 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. USE OF RADIO FREQUENCY SPECTRUM

4.1 Without derogating from section 49 of the Telecommunications Law, the licensee shall take all necessary steps to ensure that the use of the Assigned Radio Frequency Spectrum is safe and does not cause harmful interference to the other existing radiocommunications stations and telecommunications networks operating in the same area or radio frequency band and in other areas or radio frequency bands.

- 4.2 The licensee shall take all appropriate measures to ensure that its operating licenses and the radiocommunications stations and equipment comprised therein are adequately protected from interference that may be caused by radiocommunications stations and telecommunications networks operating in the same area or radio frequency band or in other areas or radio frequency bands.
- 4.3 The licensee shall co-operate with the Regulator for the purposes of assisting the Regulator in coordinating and managing the efficient use of radio frequencies in relation to neighbouring countries, including but not limited to the provision of information to the Regulator, and the reduction of emission levels of radiocommunication stations.
- 4.4 Subject to applicable law and this section 4, the use of any part of the Assigned Radio Frequency Spectrum for the purposes of managing harmful interference (including the provisioning for a guard band(s)) shall be at the discretion of the licensee.
- 4.5 Without derogating from the provisions of section 47 of the Telecommunications Law, where required for the efficient use of radio frequency spectrum in the licensed area, the licensee shall migrate in accordance with requirements specified by the Regulator, from time to time, in relation thereto, by way of regulation.

5. INTEROPERABILITY AND TECHNICAL STANDARDS

- 5.1 The licensee shall comply with relevant regulations and technical specifications issued by the Regulator in order to ensure interoperability of the licensed services (as defined in the operating license) and its telecommunications facilities with telecommunications services and telecommunications networks provided by other licensees to the extent technically feasible.

6. RADIOCOMMUNICATIONS EQUIPMENT

- 6.1 The licensee shall ensure that the radiocommunications equipment comprised in any of its radiocommunications stations:

- (a) at all times complies with all applicable emission standards and technical specifications or requirements specified by the Regulator, from time to time, in relation thereto; and
 - (b) is designed and constructed, used and maintained so as not to cause any undue interference even when in use in compliance with the Telecommunications Law and its regulations.
- 6.2 The licensee shall ensure that the operating licenses and the radiocommunications stations and equipment comprised therein that are operated within the Assigned Radio Frequency Spectrum are not used for unlawful purposes or misused in any way where the licensee has knowledge or should reasonably have knowledge of such use or misuse.
- 6.3 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 frequency license together with any other relevant license and comply with such terms.
- 7. NO RADIO FREQUENCY SPECTRUM TRADING**
- 7.1 The licensee shall not, except with the prior written approval of the Regulator, assign, transfer, trade, sell or otherwise dispose of the whole or any part of the rights, privileges, duties and/or obligations under this frequency license to any person or persons.
- 8. RADIO FREQUENCY SPECTRUM SHARING**
- 8.1 The licensee shall not, except with the prior written approval of the Regulator or in accordance with section 3, authorise any person or persons to operate a radiocommunications station and/or telecommunications network within the Assigned Radio Frequency Spectrum.

9. ANTI-COMPETITIVE PRACTICES

9.1 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) not engage in anti-competitive cross-subsidization;
- (b) not abuse its dominant position;
- (c) not enter into 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 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) 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 service; and
- (g) not (whether in respect of the tariffs 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.

10. REQUIREMENT TO PROVIDE INFORMATION AND INSPECTION

10.1 Without derogating from section 53 and 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.

- 10.2 Without derogating from section 77 of the Telecommunications Law, the licensee shall permit a person authorised 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 this frequency license, or investigating sources of harmful radiocommunications interference.

11. FREQUENCY LICENSE FEES

- 11.1 The annual frequency license fee shall be the amount specified in Column 2 of Schedule A.
- 11.2 The applicable frequency license fee shall payable to the Regulator in dinars:
- (a) for the period from the effective date until the end of the year in which this license is issued, on a pro rata basis for such period, within thirty (30) days of the effective date; and
 - (b) annually in advance no later than 31 January of each year thereafter.

12. DURATION AND RENEWAL

- 12.1 The effective date for this frequency license is April 22, 2003 (the “**effective date**”). This license shall be valid for a term of fifteen (15) years.
- 12.2 The Regulator shall renew this frequency license upon request by the licensee for additional terms of up to ten (10) years upon expiration of the current license term subject to such terms and conditions as may be specified by the Regulator in its absolute discretion, provided that the operating license is renewed for the same term

and the licensee is not, and has not been, in material breach of this frequency license or the operating license.

- 12.3 This frequency license shall be valid for as long as the operating license is effective, unless this frequency license is modified, revoked or terminated in accordance with section 13 below.

13. MODIFICATION, REVOCATION AND TERMINATION

- 13.1 Without derogating from section 51 of the Telecommunications Law, this frequency license may be modified in any of the following ways at any time:

- (a) 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 conditions 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.

- 13.2 The Regulator may revoke this frequency license in accordance with section 51 of the Telecommunications Law. The Regulator's authority in this respect includes its right to revoke the frequency license if the operating license is terminated or revoked.

- 13.3 This frequency license shall terminate automatically upon the expiry of its term if it is not renewed in accordance with section 12.2 above.

14. FORCE MAJEURE

- 14.1 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 as soon as practicable after it becomes aware or reasonable should become aware of such force majeure.
- 14.2 The Regulator shall suspend those obligations referred to under section 14.1 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 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.

15. DISPUTE RESOLUTION

- 15.1 All disputes between the licensee and the Regulator arising out of this license shall be resolved in accordance with the provisions of Chapter XVI of the Telecommunications Law.
- 15.2 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 VII of the Civil and Commercial Procedural Law of 1971, the provisions of sections 67 to 71 of the Telecommunications Law shall apply *mutatis mutandis*.

16. NOTICES

- 16.1 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 addresses:
- (a) If sent to the Regulator: PO Box 10353, Manama, Kingdom of Bahrain.



(b) If sent to the licensee: PO Box 266, Manama, Kingdom of Bahrain.

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

SCHEDULE A

**ASSIGNMENT OF RADIO FREQUENCY SPECTRUM
(MOBILE)**

1. The Assigned Radio Frequency Spectrum means, unless otherwise specified below, the radio frequency band(s) consisting of the range of radio frequencies between the upper and lower frequency limits of the radio frequency bands specified in the table below:

Column 1				Column 2	
Frequency or range	Unit	Channel bandwidth in kHz	Specific restrictions and conditions	Number of channels	Price per channel in BD
				Total Charge	

Microwave:

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--	--	--	--	--	--	--	--

				Total Charge	

Note: The number of microwave links stated above will be re-evaluated annually, at the beginning of the year, and will be adjusted to reflect the actual number in use and forecasts presented by the licensee. Where two or more microwave links share the same frequency, that frequency is entered multiple times in the table above – charges are levied on a per link basis.

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