

**FORM OF INDIVIDUAL LICENSE FOR NATIONAL FIXED SERVICES TO BE
GRANTED TO THE BAHRAIN TELECOMMUNICATIONS COMPANY (B.S.C.) BY THE
TELECOMMUNICATIONS REGULATORY AUTHORITY**

1. GRANT OF LICENSE

- 1.1 The Telecommunications Regulatory Authority (the “**Regulator**”) hereby grants the Bahrain Telecommunications Company B.S.C) (the “**licensee**”) this License, under section 80(e) 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 the national fixed telecommunications network, and to provide the telecommunication services, described herein 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. 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, 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) two-way real-time speech; and
- (d) mobile radiocommunications;

“**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**” include communications conveying voice and data;

“**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 27.1;

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

“**Free-phone services**” means an automated reversed charge mechanism whereby a caller pays nothing while the person receiving such calls bears all costs;

“**International telecommunications services**” means the provision of telecommunications services between the Kingdom of Bahrain and other countries;

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

“**Licensed services**” means all telecommunications services described in section 3.1;

“**National fixed telecommunications network**” means a public telecommunications network which facilitates the conveyance by whatever means, including, but not limited to, fixed wireless technology, of signals between network termination points at fixed locations within the licensed area but which does not comprise any telecommunications equipment designed or adapted for use for mobile radiocommunications;

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

“**Operator assistance service**” means a telecommunications service by means of which a member of the public may, at any time, request to be connected to another person by means of terminal equipment which is lawfully connected to a national fixed telecommunications network and which is capable of transmitting and receiving unrestricted two-way voice telephony 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, by means of any terminal equipment which is lawfully connected to a national fixed telecommunications network and which is capable of transmitting and receiving unrestricted two-way voice telephony services, communicate with any of the emergency organisations for the purpose of notifying such organization of an emergency;

“**Public payphone**” means a telephone, including telephone kiosks, that is available to the general public for the use of telecommunications services, the means of payment for which is coins or other means;

“**Resale services**” means telecommunications services purchased from the licensee by another licensed operator and made available to any user, together with such additional services as the licensed operator may provide;

“**Structural separation**” means 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

“**Terminal equipment**” means any appliance, apparatus or accessory connected to the public telecommunications network to enable reception and transmission of telecommunications services.

3. LICENSED NETWORKS AND SERVICES

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

- (a) national fixed telecommunications services;
- (b) public payphone services;
- (c) telegraph services; and
- (d) telex services.

3.2 The licensee is authorised to connect its national fixed telecommunications 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 shall provide distress, emergency and safety telecommunications services for shipping in accordance with the Radio Regulations of the International Telecommunication Union, as agreed with the competent public authorities. If requested in writing by either the licensee or such public authority following a reasonable period of time in which terms for the provision of such services cannot be agreed, the Regulator may determine suitable for the provision of such services.

3.4 The licensee may, with the prior written approval of the Regulator, provide any 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. UNIVERSAL SERVICE

4.1 For as long as the licensee is a public telecommunication operator with significant market power, it shall on request provide basic public telephone services (as this term is defined in Chapter XIV of the Telecommunications Law) on a non-discriminatory basis to every person anywhere within the licensed area via a public telecommunications network at its prevailing standard rates. Such services shall be provided in accordance with the quality of service requirements specified in section 10.

5. PUBLIC PAYPHONE SERVICES

5.1 The licensee shall ensure that the following telecommunications services are accessible at all public payphones forming part of its national fixed telecommunications network:

- (a) basic voice services;
- (b) directory information services;
- (c) public emergency call services;
- (d) free-phone services; and
- (e) operator assistance services.

5.2 All public payphones provided by the licensee shall display a notice specifying:

- (a) the minimum charge for connection, call charge information and permissible methods of payment;
- (b) the location of the public payphone;
- (c) a statement that emergency calls can be made without charge, whether by the use of coin or otherwise;
- (d) a statement as to whether or not incoming calls can be received; and
- (e) contact information in the event of service complaints.

5.3 The licensee shall be responsible for the installation, maintenance and prompt repair of its public payphones.

5.4 The licensee shall within three (3) months of the effective date provide the Regulator with a list of locations of all public payphones and update such list on an ongoing basis, but in any event at least semi-annually thereafter.

5.5 The licensee shall obtain the prior written approval of the Regulator if it wishes to withdraw any public payphone from service. If such approval is obtained, the licensee shall display a notice to that effect at the public payphone concerned not less than sixty (60) days before service is withdrawn.

6. PROVISION OF PUBLIC EMERGENCY CALL SERVICE

6.1 The licensee shall provide by means of its national fixed telecommunications network public emergency call service.

6.2 The licensee shall ensure that “999” or such other numbers as are designated by the Regulator as public emergency call service numbers are continuously available without restriction so that any member of the public dialling such number is provided with a public emergency call service at any time.

7. PROVISION OF DIRECTORY INFORMATION SERVICES

7.1 The licensee shall provide or make available, free of charge, printed directories in both the Arabic and English languages upon request to its subscribers, the form and content of which may be determined by the Regulator from time to time. Such directories shall include at a minimum the name and telephone number of each of the licensee’s subscribers and those of other licensed operators (other than subscribers who have requested the licensee not to publish such information in relation to him), a list of national and international dialing codes and the then current tariffs for licensed services.

7.2 The licensee shall provide directory information services upon request to its subscribers, and the tariff, if any, charged therefor shall be approved in writing in advance by the Regulator. The obligation to provide directory information shall not apply in respect of any subscriber who has requested the licensee not to provide directory information in relation to such subscriber.

7.3 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 and fair 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 subscriber who has requested the licensee not to provide such information in relation to such subscriber;

(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.

7.4 The licensee shall use all reasonable efforts to provide its subscribers, upon request, with access to directory information services available in other countries to which the licensee routes calls. Any tariff charged for access to such services shall be subject to the prior written approval of the Regulator.

8. PROVISION OF OPERATOR ASSISTANCE SERVICES

8.1 The licensee shall provide, or provide access to, operator assistance service to users, upon request, by means of its national fixed telecommunications network.

8.2 The tariff, if any, charged by the licensee for the operator assistance service referred to under section 8.1 above shall be subject to the prior written approval of the Regulator.

9. RELATIONS WITH SUBSCRIBERS

- 9.1 Without derogating from section 55 and section 56 of the Telecommunications Law, the licensee shall publish a code of practice for subscribers affairs approved in writing by the Regulator, giving guidance to the licensee's subscribers in respect of any disputes and complaints relating to the provision by the licensee of the services.
- 9.2 The licensee shall prepare an initial draft of the code of practice on subscribers affairs and submit it for review by the Regulator within three (3) months of the effective date.
- 9.3 The code of practice on subscribers 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 9.5; and
 - (g) guidelines on service termination.
- 9.4 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 subscribers affairs, and on the progress made in implementing the guidelines.
- 9.5 Within three (3) months of the effective date, the licensee shall submit to the Regulator for its review a form of standard agreement containing the terms for the provision of licensed

services to subscribers (the “**standard subscriber agreement**”). The Regulator may raise objections and require the introduction of such modifications as the Regulator deems necessary. If no objections are raised or modifications required by the Regulator within thirty (30) days of the submission of such form, such form may be used by the licensee.

9.6 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 requires such modification in order to safeguard the interests of subscribers.

10. QUALITY OF SERVICE REQUIREMENTS

10.1 The licensee shall meet the quality of service requirements determined from time to time by the Regulator pursuant to a regulation (the “**quality of service requirements**”).

10.2 The licensee shall ensure that it maintains information records in a form to be approved by the Regulator within six (6) months of the effective date for the purpose 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.

11. INTERRUPTIONS TO THE LICENSED SERVICES

11.1 The licensee shall not intentionally interrupt the operation of its national fixed telecommunications network (or any part thereof) in the normal course of business, nor may it in the normal course of business suspend the provision of any type of licensed service without having first obtained the prior written approval of the Regulator and provided reasonable advance notice to persons to be affected by such interruption or suspension.

12. TARIFFS OF LICENSED SERVICES

12.1 The licensee’s tariffs for the provision of licensed services shall be subject to section 58 of the Telecommunications Law and any regulation made thereunder.

12.2 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 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.

12.3 If the licensee wishes subsequently to change the tariffs for a licensed service, it must file the proposed change with the Regulator at least forty-five (45) days prior to the date on which it is proposing that the change is to come into effect.

12.4 The Regulator must approve or disapprove the 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 therefor within such period. The Regulator may disapprove the proposed tariffs only if:

(a) the calculations are incomplete, lack sufficient supporting documents or contain mathematical errors; or

(b) the tariffs violate any other provision of this license, any regulation on tariff controls or any applicable law.

12.5 If the Regulator disapproves the tariffs filed in accordance with section 12.2 or 12.3, the licensee may re-file the tariffs for that licensed service with the Regulator in which case the procedure specified in section 12.4 shall apply.

13. PROVISION OF ACCESS

13.1 Subject to section 13.3, for as long as the licensee is a public telecommunications operator in a dominant position, the licensee shall provide access to its national fixed telecommunications network on the reasonable request of any licensed operator in accordance with section 57 of the Telecommunications Law. 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.

13.2 The licensee shall provide the 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.

13.3 The licensee shall not be required to provide 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.

13.4 The Regulator may determine all tariffs to be made for the provision by the licensee of access. In determining such tariffs the Regulator shall 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 acquirer of access services does not pay for network components or facilities that it does not require; and

(b) in all cases reasonable and, with respect to similarly situated users, non-discriminatory.

14. PROVISION OF SERVICES FOR RESALE

14.1 Subject to any regulations on interconnection and to the provisions of this section 14, the licensee shall, within six (6) weeks of a request by a 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.

14.2 The licensee shall not be required to enter into an agreement under section 14.1 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 telecommunications network or the provision of telecommunications services over such network.

14.3 The licensee shall ensure that the agreement referred to in section 14.1 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.

15. INTERCONNECTION WITH OTHER PUBLIC TELECOMMUNICATIONS OPERATORS

15.1 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.

16. CONNECTION POINTS

16.1 The licensee shall establish a connection point at the subscriber's premises that shall constitute the boundary of its network. The licensee shall permit a subscriber to connect any cabling owned by that subscriber at that subscriber's premises provided it is in compliance with applicable regulations.

17. BILLING

17.1 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.

17.2 The licensee shall, no later than six (6) months from the effective date, establish a procedure to ensure the accuracy of its billing system in accordance with section 17.1 above which must

be submitted for prior written approval to the Regulator within four (4) months from the effective date. The Regulator shall issue its decision with respect to such procedure within two (2) months of such submission.

17.3 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 purposes of this license retain all records for at least two (2) years from the date on which they came into being.

17.4 For the purpose of giving the Regulator assurance from time to time that the billing process meets the requirements of section 17.1, the licensee shall:

- (a) furnish the Regulator with any information it requires;
- (b) on reasonable notice, allow the Regulator (or any person authorised by the Regulator) access to any relevant premises of the licensee; and
- (c) on reasonable notice, allow the Regulator (or any person authorised by the Regulator) to examine or test the whole or any part of the billing process.

17.5 The licensee shall, no later than twelve (12) months from the effective date, provide itemised billing information to any 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 itemised billing information, any such charge is subject to the prior written approval of the Regulator.

18. NUMBERING

18.1 Until such time as the national numbering plan is finalized, the licensee shall obtain the prior written approval for the blocks of numbers it uses, and thereafter 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 numbers as it may reasonably require; and

(b) such specific 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.

18.2 The licensee shall prepare a numbering plan for the 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 a new numbering plan or to take such other reasonable remedial action which does not cause undue inconvenience to the licensee's subscribers, as may be necessary to ensure consistency.

18.3 The licensee shall install, maintain and adjust its national fixed telecommunications 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.

18.4 The licensee may, where necessary and with the Regulator's prior written approval, levy reasonable tariffs in relation to allocation of numbers to its subscribers, but shall not be entitled to transfer or sell numbers to other licensed operators other than in accordance with the national numbering plan and following written approval from the Regulator.

18.5 Where required for the efficient use of numbers, the Regulator may require the licensee to return individual numbers or blocks of numbers.

18.6 Without derogating from section 40(2) of the Telecommunications Law, if directed by the Regulator, 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 utilisation of number portability.

18.7 Before issuing any direction for the purpose of section 18.6, the Regulator shall consult with the licensee, the relevant qualifying operators and interested parties and shall take into account all representations made.

18.8 Until such time as the Licensee offers the facility of number portability on request to any of its 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 basic voice 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.

18.9 In this section “**qualifying operator**” means a public telecommunications operator holding a national fixed services license that (a) has notified the licensee in writing that it requests the provision of number portability in relation to such public telecommunications operator's national fixed telecommunications network from the licensee specifying the type or types and extent of number portability (in terms of geographic area or type of service or tariff band applicable to the relevant telephone number, as the case may be) so requested, and (b) is able and willing to provide the same type or types and extent of number portability in relation to its national fixed telecommunications 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 utilisation of number portability.

19. ACCESS TO LAND

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

20. RADIOCOMMUNICATIONS AND FREQUENCY ALLOCATION

20.1 The licensee may apply to the Regulator for the right to use telecommunications frequencies or frequency bands in accordance with a frequency license to be granted under section 44 of the Telecommunications Law.

20.2 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.

20.3 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 authorised by, the licensee.

20.4 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 any other applicable license and comply with such terms.

20.5 Without derogating from section 77 of the Telecommunications Law, the licensee shall permit any 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 the license, the provisions of the Telecommunications Law and regulations issued thereunder or for the purpose of investigating sources of radiocommunications interference.

21. INTEROPERABILITY AND TECHNICAL STANDARDS

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

22. PRIVACY AND CONFIDENTIALITY

22.1 The licensee shall use all reasonable endeavours 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 reasonable procedures for maintaining privacy and confidentiality of such information subject to any requirement under law.

22.2 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 22.1 are being met.

22.3 The licensee shall not use or allow to be used any apparatus comprised in the national fixed telecommunications network which is capable of recording, monitoring, or intruding into calls unless it complies with applicable law.

23. ANTI-COMPETITIVE PRACTICES

23.1 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 telecommunication 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.

24. ACCOUNTING REQUIREMENTS

24.1 Within six (6) months of the effective date and on an ongoing basis, the licensee shall in a manner to be approved in writing in advance by the Regulator, keep, draw up, submit to independent audit by an external auditor approved by the Regulator and present in written form, separate accounts for licensed telecommunications activities, to the extent that would be required if the licensed telecommunications activities in question were carried out by legally independent companies, so as to identify all elements of cost and revenue, with the basis of their calculation and the detailed attribution methods used, related to such licensed telecommunications activities, and the accounts shall include an itemised breakdown of fixed assets.

24.2 The Regulator may require 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 and regulations issued thereunder.

24.3 If the licensee fails to comply with its obligations under section 24.1 or 24.2 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.

25. REQUIREMENT TO PROVIDE INFORMATION AND INSPECTION

25.1 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.

26. LICENSE FEES

26.1 The annual license fee for the initial year of the license from the effective date shall be BD [●].

26.2 The annual license fee for each subsequent year shall be [●]% 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 increase when the gross annual turnover for the current year becomes available.

26.3 The applicable annual license fee shall be paid to the Regulator in dinars:

(a) within thirty (30) days of the effective date, for the period from the effective date up to the end of the calendar year during which the license is awarded, to be calculated on a pro rate basis; and

(b) annually in advance no later than 31 January of each year thereafter.

27. DURATION AND RENEWAL

27.1 The effective date for this license is [●] (the “**effective date**”) and is valid for a term of fifteen (15) years.

27.2 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).

28. MODIFICATION, REVOCATION AND TERMINATION

28.1 The 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 licence consistent with terms being imposed generally in respect of all licences 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) an order of modification by the Regulator in accordance with section 35 of the Telecommunications Law.

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

- (a) Written agreement between the Regulator and the licensee.
- (b) An order of revocation by the Regulator in accordance with section 35 of the Telecommunications Law.
- (c) If the licensee is dissolved, or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors.

28.3 The license shall automatically terminate upon the expiry of its term if it is not renewed in accordance with section 27.2 above.

29. FORCE MAJEURE

29.1 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 of such force majeure.

29.2 The Regulator may suspend those obligations referred to under section 29.1 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.

30. DISPUTE RESOLUTION

30.1 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.

30.2 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 such parties agree otherwise and provided that such agreement is not contrary to Chapter VII of the Civil & Commercial Procedural Law of 1971, the provisions of sections 67 to 71 of the Telecommunications Law shall apply *mutatis mutandis*.

31. NOTICES

31.1 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:

If sent to the Regulator: [*insert address*]

If sent to the licensee: [*insert address*].

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