

PAKISTAN TELECOMMUNICATION AUTHORITY PTA

Headquarters, F-5/1 Islamabad, Pakistan

(www.pta.gov.pk)

License No. LDI-LDI (AJK&GB)-----

Dated:

LONG DISTANCE INTERNATIONAL (LDI) LICENSE ISSUED UNDER SECTION 5 OF THE AZAD JAMMU AND KASHMIR COUNCIL ADAPTATION OF PAKISTAN TELECOMMUNICATION (RE-ORGANIZATION) ACT, 2005 AND GILGIT-BALTISTAN COUNCIL ADAPTATION OF LAWS ACT, 2012.

The Pakistan Telecommunication Authority ("Authority") hereby grants a non-exclusive license

to _____ (the "Licensee") to provide the Licensed Services in Azad Jammu and Kashmir/ Gilgit Baltistan and to establish, maintain and operate a Telecommunication System, subject to the terms and conditions contained herein.

For and on behalf of the Authority,

DIRECTOR GENERAL (LICENSING)

For and on behalf of

TABLE OF CONTENTS

ARTICLE I - GRANT OF LICENCE.1

1.1 SCOPE OF THE LICENCE..... 1

1.2 EFFECTIVE DATE AND TERM OF THE LICENCE----- 2

ARTICLE 2 - RIGHTS OF THE LICENSEE4

2.1 NUMBERS AND SHORT CODES..... 4

2.2 INTERNATIONAL FACILITIES..... 4

2.3 NO IMMEDIATE REQUIREMENTS TO PROVIDE CERTAIN SERVICES4

2.4 NUMBER PORTABILITY..... 4

ARTICLES 3 - OBLIGATIONS OF THE LICENSEE4

3.1 COMPLIANCE WITH LAW 4

3.2 NETWORK ROLL-OUT 5

3.3 SECURITY FOR PERFORMANCE 6

3.4 UNIVERSAL SERVICE FUND CONTRIBUTION..... 6

3.5 ALTERATION OF NET WORK..... 6

ARTICLE 4 - FEES 7

4.1 PAYMENT OF FEES..... 7

4.2 GENERAL CONDITIONS CONCERNING FEES..... 7

ARTICLES 5 - RADIO FREQUENCY SPECTRUM 8

5.1 RADIO FREQUENCY SPECTRUM ASSIGNED TO THE LICENSEE..... 9

5.2 USE OF SPECTRUM 9

5.3 REASSIGNMENT OF FREQUENCIES 9

5.4 RADIO APPARATUS..... 10

ARTICLE 6 - GENERAL CONDITIONS..... 10

6.1 OPERATION OF LICENSED SERVICES..... 10

6.2 DISCONTINUATION OF SERVICES..... 11

6.3 MONITORING..... 11

6.4 INFORMATION..... 11

6.5 QUALITY OF SERVICE 11

6.6 INSPECTION..... 12

6.7 NATIONAL SECURITY..... 12

6.8 CALL RECORDS..... 12

6.9 NETWORK STANDARDS AND NETWORK SECURITY..... 13

6.10 TYPE APPROVAL OF TERMINAL EQUIPMENT 13

6.11 COMMENCEMENT CERTIFICATE..... 13

6.12 INTERNATIONAL TELEPHONY SERVICE 13

ARTICLE 7 - RELATIONS WITH CUSTOMERS	14
7.1 STANDARD CONTRACT OF SERVICE	14
7.2 CONTENTS OF THE STANDARD CONTRACT OF SERVICE	14
7.3 COMPLAINT SYSTEM	15
7.4 CONTENT AND FORMAT OF BILLS.....	15
7.5 CODE OF COMMERCIAL PRACTICE.....	16
7.6 PRIVACY OF COMMUNICATIONS	16
7.7 CONFIDENTIALITY OF CUSTOMER INFORMATION.....	16
7.8 HARASSING, OFFENSIVE OR ILLEGAL CALLS	17
ARTICLES 8 - TARIFFS	17
8.1 NO REGULATION OF PRICES.....	17
8.2 PRICE REGULATION OF OPERATORS WITH SMP.....	17
8.3 PUBLICATION OF TARIFFS, NOTIFICATIONS AND DISPLAY OF INFORMATION	18
ARTICLE 9 - RELATIONS WITH OTHER OPERATORS	18
9.1 INTERCONNECTION.....	18
ARTICLE 10 - INFRACTIONS AND SANCTIONS	18
10.1 SANCTIONS FOR VIOLATIONS OF THE LICENCE.....	18
ARTICLE 11 - TERMINATION AND AMENDMENT	19
11.1 TERMINATION OF THE LICENCE	19
11.2 AMENDMENT	19
ARTICLE12- GENERAL	19
12.1 NO LIABILITY BY THE AUTHORITY	19
12.2 FORCE MAJEURE	19
12.3 COMMUNICATION WITH THE LICENSEE.....	19
12.4 ASSIGNMENT OF RIGHTS	20
ARTICLE13 - INTERPRETATION AND DEFINITIONS	20
13.1 INTERPRETATION.....	20
13.2 DEFINITIONS	20
APPENDIX 1 - RADIO FREQUENCY SPECTRUM ASSIGNMENT, TERMS AND CONDITIONS	24
1.1 RADIO FREQUENCY SPECTRUM ASSIGNED TO LICENSEE	24

1.2	RADIO FREQUENCY SPECTRUM PERFORMANCE REQUIREMENTS	24
1.3	FEEES RELATED TO RADIO FREQUENCY SPECTRUM.....	24
APPENDIX 2 - QUALITY OF SERVICE STANDARDS		25
1.1	QUALITY OF SERVICE	25
1.2	MONITORING OF SERVICE PROVISION AND SERVICE QUALITY	25

ARTICLE 1 - GRANT OF LICENCE

1.1. SCOPE OF THE LICENCE

1.1.1. This License authorizes the Licensee:

- (a) To provide the Licensed Services, and
- (b) To establish, maintain and operate its Telecommunication System.

1.1.2. The Licensee shall provide the following Mandatory Services:

- (a) Long Distance and International Public Voice Telephone Services, and
- (b) Such other Telecommunication Services as the Authority may by Regulations require.

1.1.3. This License does not authorize the following:

- (a) the provision of Basic Public Telephone Access Service;
- (b) Distribution of radio or television programming by means of a cable television transmission system;
- (c) Broadcasting of radio or television programming;
- (d) Mobile Communication Service;
- (e) Limited Mobility Communication Service;
- (f) the establishment, maintenance or operation of a Telecommunications System to provide any Telecommunication Service that is not authorized in this License;
- (g) the establishment, maintenance or operation of a terrestrial transmission facility linking Azad Jammu and Kashmir/Gilgit-Baltistan with another country except Pakistan, including without limitation a microwave or fiber optic cable transmission facility linking Azad Jammu and Kashmir/Gilgit-Baltistan without prior approval of the Authority, except that, for greater certainty, the Licensee is permitted to establish, maintain and operate an international submarine cable and/or satellite transmission facility linking Azad Jammu and Kashmir/Gilgit-Baltistan with, and enabling connectivity with, multiple countries, and
- (h) Such other activities or Telecommunication services as the Authority may, by Regulation(s), prohibit.

1.1.4. The Licensee shall not provide any Telecommunication Service or establish, maintain or operate any Telecommunication System that is not authorized in this License, except pursuant to a separate license or other proper authorization from the Authority.

1.1.5. The Licensee shall notify the Authority at the time that the Licensee begins to offer a new

category of Licensed Services not previously offered by the Licensee. In its notice, the Licensee shall describe the new category of Licensed Services and the expected date that they will begin to be offered commercially by the Licensee.

- 1.1.6. Upon being informed by the Authority that an Operator's license from the Authority to provide a Telecommunication Service or to establish, maintain and operate a Telecommunication System, is suspended or terminated, the Licensee shall as promptly as practical in the circumstances, disconnect its Telecommunication System from the Telecommunication System of that Operator, and discontinue using the Telecommunication Service of that Operator, until such time as the Authority informs the Licensee that the Operator's license from the Authority is restored or renewed.
- 1.1.7. For greater certainty, a Licensee that implements carrier pre selection or call-by-call routing with SCO is authorized under this License to provide Public Voice Telephone Services that, if such services were provided by SCO, would constitute NWD calls as specified in SCO's call routing tables. An NWD call is, in general, a domestic call to a geographic telephone number where the origin and the destination of the call are not in the same Local Calling Area.
- 1.1.8. The Licensee is not authorized under this License to directly connect its transmission facility to the terminal equipment at a customer location in order to provide the customer with Long Distance and International Public Voice Telephone Services. However, the Licensee is authorized under this License to directly connect the Licensee's transmission facility with terminal equipment at a customer location in order to provide the customer with a Private Circuit between the customer's location in Azad Jammu and Kashmir/Gilgit-Baltistan and another location of the customer that is located (a) more than 15 kilometers from the first location, (b) in a different Region from the first location, or (c) outside Azad Jammu and Kashmir/Gilgit-Baltistan. For greater certainty, the Licensee shall not authorize or permit a customer to use, whether directly or indirectly, a Private Circuit to access the Public Switched Network inside or outside Azad Jammu and Kashmir/Gilgit-Baltistan, unless the prior approval of the Authority is obtained.
- 1.1.9. For greater certainty, where the Licensee provides prepaid Long Distance and International Public Voice Telephone Services that are accessed by the customer dialing a 800 or other similar non-geographic number, the Licensee may terminate the call on behalf of the customer at any location in Azad Jammu and Kashmir/Gilgit-Baltistan.
- 1.1.10. Notwithstanding sections 1.1.3(d), the Licensee is permitted to provide GMPCS Service, provided that the Licensee first obtains authorization from the Authority to provide such GMPCS Service, and provided further that the Licensee complies with such terms and conditions as the Authority may decide.

1.2. EFFECTIVE DATE AND TERM OF THE LICENCE

- 1.2.1. This License 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 License 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:
- (a) Renew the License on such terms and conditions as are consistent with the policy of the Azad Jammu and Kashmir/Gilgit-Baltistan Council at that time, to come into effect at the conclusion of the initial term, or
 - (b) Give a written notice to the Licensee stating that the Authority may not renew the License and provide reasons thereof, which may include the Licensee's repeated, grave or continuing violations of the terms and conditions of this License, the Act, Rules or Regulations during the initial term of the License. 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 license conditions it is prepared to accept to reduce the likelihood of continued or further violations of the terms and conditions of this License, the Act, Rules or Regulations. Following such hearing, the Authority shall, within 15 days, give its determination either:
 - (i). That the Authority has determined not to renew the License at the expiration of the initial term, and provide its reasons for making such a determination, or
 - (ii). To renew the License on such terms and conditions as are consistent with the policy of the Azad Jammu and Kashmir/Gilgit-Baltistan Council at that time, to come into effect at the conclusion of the initial term, or
 - (iii). To renew the License on such terms and conditions as are consistent with the policy of the Azad Jammu and Kashmir/Gilgit-Baltistan Council 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 License, the Act, Rules or Regulations.
- 1.2.4. Within 30 days after receiving notice of the Authority's determination to renew the License 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 days period, or if the Licensee notifies the Authority rejecting the renewal, this License shall expire at the conclusion of the initial term. If the Licensee notifies the Authority accepting the renewal, this License shall expire at the conclusion of the initial term and the renewed license shall take effect thereafter.

ARTICLE 2 - RIGHTS OF THE LICENSEE

2.1 NUMBERS AND SHORT CODES

- 2.1.1 The Licensee has the right to request non-geographic numbers, as well as applicable short codes, in accordance with the national numbering plan developed by the Authority, for use in the provision of the Licensed Services in Azad Jammu and Kashmir/Gilgit-Baltistan.

2.2 INTERNATIONAL FACILITIES

- 2.2.1 The Licensee has the right to obtain access to submarine cable systems, subject to reaching agreement with the operators of such systems, and to install earth stations for use with space station transmission facilities orbiting the earth space, subject to reaching agreement with the operators of such facilities.

2.3 NO IMMEDIATE REQUIREMENTS TO PROVIDE CERTAIN SERVICES

- 2.3.1 If the Authority determines, pursuant to the Rules, 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, space and collocation in switching centers or other similar facilities for use by other Operators.

2.4 NUMBER PORTABILITY

- 2.4.1 The Licensee is not required to make available number portability (for non-geographic numbers) to its customers or other Operators unless and until the Authority, by Regulation, so requires.

ARTICLES 3 - OBLIGATIONS OF THE LICENSEE

3.1. COMPLIANCE WITH LAW

- 3.1.1. This License 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 License, 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 operate its Telecommunication System to provide the Licensed Services, in compliance with the laws of Azad Jammu and Kashmir/Gilgit-Baltistan.
- 3.1.3. The Licensee shall at all-time 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. The Licensee shall comply with all orders,

determinations, directions and decisions of the Authority.

3.2. NETWORK ROLL-OUT

- 3.2.1. The Licensee shall establish at least one Network Connection Point in each of any three Regions (Mirpur, Muzaffarabad & Gilgit-Baltistan) and commence the provision of Mandatory Services in each such Region within twelve (12) months from the Effective Date. Thereafter, the Licensee shall maintain Network Connection Points with appropriate functionality and adequate capacity in all such Regions for the term of this License.
- 3.2.2. The Licensee shall establish at least one Network Connection Point in each of any two (2) Regions and commence the provision of Mandatory Services in each such Region within twenty-four (24) months from the Effective Date. Thereafter, the licensee shall maintain Network Connection Points with appropriate functionality and adequate capacity in all such Regions for the term of this license.
- 3.2.3. The Licensee shall establish Network Connection Points in all three Regions and commence the provision of Mandatory Services in all Regions within thirty six (36) months from the Effective Date. Thereafter, the licensee shall maintain Network Connection Points with appropriate functionality and adequate capacity in all Regions, and all additional Regions that the Authority may designate from time to time, for the term of this license.
- 3.2.4. By not later than the deadline indicated below, the Licensee shall own, as part of its Telecommunication System, the following proportion of the transmission facilities located in Pakistan that connect Licensee's switching offices in Pakistan to the Network Connection Points referred to in sections 3.2.1, 3.2.2 and 3.2.3.

S. No.	Deadline (Months from Effective Date)	Network Obligations
1	12	Roll-out of Network connection point as detailed in 3.2.1, transmission facility at this point may be arranged on leased basis.
2	24	Roll-out of Network connection point as detailed in 3.2.2, transmission facility at this point may be arranged on leased basis
3	36	Roll-out of Network connection point as detailed in 3.2.3, transmission facility at this point may be arranged on leased basis
4	48	The licensee shall roll out its own optical fiber network/wireless transport network in TR-3 covering atleast 100km of geographical area within four years from the effective date of grant of license.
5	60	The licensee shall roll out its own optical fiber network/wireless transport network in any of telecom regions of AJK & GB covering atleast 200km of geographical area within five years from the effective date of grant of license.

3.3. SECURITY FOR PERFORMANCE

3.3.1. As continuing security for the performance of Licensee's obligations in sections 3.2. herein, the Licensee shall deliver to the Authority an irrevocable standby letter of credit acceptable to the Authority of US \$ 50,000 that will be reduced refunded as per schedule defined in the following Table:

S. No.	Release of performance guarantee
1	10,000\$ of the Performance bond shall be released subject to fulfillment of roll-out obligation as mentioned in S. No.1 of table 3.2.4 and resubmission of remaining proportion of performance guarantee to PTA.
2	10,000\$ of the Performance bond shall be released subject to fulfillment of roll-out obligation as mentioned in S. No.2 of table 3.2.4 and resubmission of remaining proportion of performance guarantee to PTA.
3	10,000\$ of the Performance bond shall be released subject to fulfillment of roll-out obligation as mentioned in S. No.3 of table 3.2.4 and resubmission of remaining proportion of performance guarantee to PTA.
4	10,000\$ of the Performance bond shall be released subject to fulfillment of roll-out obligation as mentioned in S. No.4 of table 3.2.4 and resubmission of remaining proportion of performance guarantee to PTA.
5	10,000\$ of the Performance bond shall be released subject to fulfillment of roll-out obligation as mentioned in S. No.5 of table 3.2.4.

3.4. UNIVERSAL SERVICE FUND CONTRIBUTION

3.4.1. The Licensee shall pay a Universal Service Fund (USF) Contribution, an amount equivalent to 2% of the Licensee's Annual Gross Revenue from Licensed Services for the relevant Financial Year, minus inter-operator costs and related PTA/FAB mandated payments. In the case of PTA/FAB mandated payments including contributions, this deduction will be allowed only if these amounts have actually been paid and not on an accrual basis. However, payment of Initial License Fee, Initial Spectrum Fee, any amount paid/payable to foreign carriers, leased line charges, collection charges, Late Payment Additional Fee, penalties and other expenses imposed by the Authority, if any shall not be deducted from the Gross Revenue.

3.4.2. The Licensee shall be eligible to apply for subsidy from the Universal Service Fund in order to cover rural, unserved and underserved areas as per Rules / Regulations, to be notified from time to time, for utilization of Universal Service Fund.

3.5. ALTERATION OF NETWORK

3.5.1. 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 Telecommunication System.

ARTICLE 4-FEES

4.1 PAYMENT OF FEES

- 4.1.1. The Licensee shall pay the following initial fees to the Authority prior to the Effective Date:
- (a) As initial license fees, US \$ 20,000/- or equivalent in Pak Rupees, and
 - (b) As initial spectrum fees, the amount specified in Appendix 1 annexed hereto.
- 4.1.2. The Licensee shall pay the following annual regulatory fees to the Authority:
- (a) The Licensee shall pay the Annual License Fee (ALF) to the Authority in an amount equivalent to 0.5% of the Licensee's Annual Gross Revenue from Licensed Services for the relevant Financial Year, minus inter-operator costs and related PTA/FAB mandated payments. In the case of PTA/FAB mandated payments including contributions, this deduction will be allowed only if these amounts have actually been paid and not on an accrual basis. However, payment of initial License Fee, Initial Spectrum Fee, any amount paid/payable to foreign carriers, leased line charges, collection charges, Late Payment Additional Fee, penalties and other expenses imposed by the Authority, if any, shall not be deducted from the Gross Revenue.
 - (b) The amount of the annual fees referred to in Appendix 1 annexed hereto, and
 - (c) The Licensee shall pay the amount for all the number(s) allocated to it, in accordance with Numbering Plan Regulations issued by the Authority from time to time.
- 4.1.3. 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 including, without limitation, under the Access Promotion Rules, 2004.

4.2 GENERAL CONDITIONS CONCERNING FEES

- 4.2.1. The Licensee shall pay all annual fees to the Authority and make contributions to the Funds within 120 days of the end of the Financial Year to which such fees relate
- 4.2.2. The Licensee shall make USF contribution within 120 days of the end of the Financial Year to which such contributions relate.
- 4.2.3. In addition to any other remedies available to the Authority, late payment of any amounts due under this license, including the initial license fee, initial spectrum fee, and all regulatory fees, USF contributions and charges 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 due date until paid.
- 4.2.4. The Licensee shall annually submit to the Authority its annual audited financial statements, auditors' certificate, other information in the form and manner as may be required, to the satisfaction of Authority, in support of its calculations of all regulatory

fees, contributions and charges payable pursuant to article 4 and article 3.4 of this License, within 120 days of the end of financial year to which such fee relate.

- 4.2.5. If the Licensee disputes any outstanding amounts due under this License as decided by the Authority, the Licensee shall either deposit 50% of the disputed amount in an escrow account opened by the Authority and on terms specified by the Authority or furnish unconditional and continuing bank guarantee, to the satisfaction of the Authority, in favor of the Authority equal to 50% of the disputed amount. Upon resolution of dispute, the amount deposited in escrow account shall accordingly be paid to the Authority or refunded to the Licensee along with bank profit accrued thereon during the period amount deposited in escrow account. In case of bank guarantee, the same shall accordingly be encashed or returned to the Licensee.

Late Payment Additional Fee (LPAF) shall not apply to the extent of amount deposited in escrow account, however, in case of submission of Bank Guarantee, LPAF shall continue to apply on total outstanding dues from due date till date of payment.

- 4.2.6. This License shall be suspended / terminated in accordance with the law or Rules or Regulations, in case the Licensee fails to make the payment of any outstanding dues i.e. annual fees, contributions, charges, late payment additional fee, penalties etc. on due dates.
- 4.2.7. USF Contribution shall be deposited in designated accounts.

ARTICLES 5- RADIO FREQUENCY SPECTRUM

5.1 RADIO FREQUENCY SPECTRUM ASSIGNED TO THE LICENSEE

- 5.1.1. From the Effective Date, the radio frequency spectrum described in Appendix 1 is assigned to the Licensee. In relation to the radio frequency spectrum so assigned to the Licensee, the Licensee shall comply with the terms and conditions of this License, and any technical parameters, terms and conditions appearing in Appendix 1.
- 5.1.2. Notwithstanding section 1.2, the assignment of radio frequency spectrum to the Licensee shall terminate upon the expiry of a period of 20 years from the Effective Date, unless earlier terminated pursuant to this license or pursuant to the requirements of law.
- 5.1.3. Upon the expiry of the period of 20 years referred to in section 5.1.2, the assignment of radio frequency spectrum to the Licensee may be extended for a period of time, and on such terms and conditions, as are consistent with the policy of the Federal Government at that time. However, neither the Board nor the Authority shall be under an obligation to affect such an extension.
- 5.1.4. Upon termination of the assignment to the Licensee of radio frequency spectrum, the Licensee shall cease using any apparatus or device that emits or receives any radio communication in the band of that radio frequency spectrum, and shall cause its customers to discontinue using any such apparatus or device.

5.2 US E OF SPEC TRUM

5.2.1. The Licensee shall comply with the following terms and conditions relating to radio frequency spectrum assigned to the Licensee:

- (a) The Licensee shall report to the Board such information as the Board may require concerning the assigned radio frequency spectrum and its use.
- (b) The Licensee shall only use the assigned radio frequency spectrum in its own operations, and it shall not lease, sub-license, allocate, assign or otherwise make available the use of the assigned radio frequency spectrum to another Operator.
- (c) If, in the opinion of the Board, the Licensee is not efficiently using the full capacity of the assigned radio frequency spectrum, the Licensee shall, upon request of the Board, share use of assigned radio frequency spectrum with one or more other Operators designated by the Board on terms and conditions as the Board may designate. Where the assignment of radio frequency spectrum to the Licensee has occurred pursuant to an auction in which the Licensee paid in respect of initial fees hereunder and referred to in Appendix 1, more than the minimum reserved amount for the right to the assignment of the radio frequency spectrum, the Licensee will not be required to comply with the foregoing provision of this clause (c) during an initial term of 10 (ten) years after the assignment of the radio frequency spectrum to Licensee.
- (d) The Board shall have the right, exercisable at any time, to terminate the assignment to the Licensee of the radio frequency spectrum described in Appendix 1 if the Board determines that the Licensee is not complying with the requirements applicable to such radio frequency spectrum and which are set forth in section 1.2 and 1.3 of Appendix 2. Upon such termination by the Board, any rights granted to the Licensee hereunder to use the radio frequency spectrum shall also terminate.
- (e) The Licensee shall use assigned radio frequency spectrum in compliance with all national, regional, intergovernmental and international arrangements in effect from time to time, and all directions from the Board, that are designed or intended to reduce radio interference among service providers.
- (f) At all times, the Licensee shall implement all commercially reasonable measures to optimize the efficiency and effectiveness of its use of the radio frequency spectrum assigned to it.

5.3 REASSIGNMENT OF FREQUENCIES

5.3.1 The Board may, in order to comply with international radio frequency spectrum co-ordination requirements, ITU assignments or reassignments, or generally in the course of regulating the radio frequency spectrum in the best interests of Azad Jammu and Kashmir/Gilgit-Baltistan, reassign radio frequency spectrum assigned to the Licensee or require the Licensee to surrender the assignment of radio frequency spectrum assigned to it and which is not reasonably required for the continued operation of the Licensed

Services. In such cases, the Licensee shall be entitled to consult with the Board before any such action is taken and the Licensee shall be entitled to reasonable time and, where applicable, the assignment of appropriate alternative radio frequency spectrum, to permit the Licensee to carry on its business without unreasonable costs or disruptions.

5.3.2 If, pursuant to section 5.3.1, the Board requires that the Licensee change the radio frequency spectrum assigned to it, or surrender its rights in respect of radio frequency spectrum assigned to it, and the Board re-assigns the radio frequency spectrum to another Operator within three years after the date established by the Board as the last date that the Licensee may use any apparatus or device that emits or receives any radio communication in the band of the radio frequency spectrum, the Board shall require the other Operator to compensate the Licensee for

- (a) its reasonable costs incurred as a result of such change or surrender, as determined by the Board, and
- (b) for radio frequency spectrum referred to in Appendix 1, the fraction of the initial fees referred to in Appendix 1 in respect of the re-assigned radio frequency spectrum, where the fraction is calculated by the following formula: $(20 - TT)$ divided by 20, where TT is the period of time, expressed in years, between the Effective Date and the date established by the Authority as the last date on which the Licensee may use any apparatus or device that emits or receives any radio communication in the band of the radio frequency spectrum.

5.3.3 At such time as the Licensee changes or surrenders radio frequency spectrum, or is required by the Board to do so, pursuant to this section 5.3, the assignment by the Board of the radio frequency spectrum to the Licensee shall terminate. Upon such termination by the Board, any rights granted to the Licensee hereunder to use the radio frequency spectrum shall also terminate.

5.4 RADIO APPARATUS

5.4.1. The Licensee shall operate radio communication apparatus and devices in compliance with all requirements of the Board pertaining to emissions, frequencies of operation, technical characteristics, power and aerial characteristics.

ARTICLE 6 – GENERAL CONDITIONS

6.1 OPERATION OF LICENSED SERVICES

6.1.1. The Licensee shall ensure that its Telecommunication System and the Licensed Services do not cause any damage to, or interference with, any Telecommunication System or Telecommunications Services of any other Operator.

6.1.2. Licensee shall conduct its operations and shall establish its Telecommunication System in a manner so that it is not a safety *hazard* and is not in contravention of any law, rule or regulation.

6.2 DISCONTINUATION OF SERVICES

- 6.2.1. The Licensee shall not discontinue providing a category of Licensed Services unless (a) the Licensee gives the Authority and affected customers at least 90 days prior written notice of such discontinuation, and (b) Authority's prior written approval to such discontinuation is obtained.

6.3 MONITORING

- 6.3.1 The Licensee shall provide, at its own cost, suitable equipment at premises designated by the Authority, in order to monitor the communications for the purpose of national security; measure and record traffic; call detail records; and quality of service in a manner specified by the Authority. The Licensee shall provide the Authority/concerned security agencies with access to such equipment, and the information generated by such equipment.

6.4 INFORMATION

- 6.4.1 The Licensee shall furnish to the Authority such information as the Authority may request regarding the Licensee's network plan, network and terminal standards, links 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.
- 6.4.2 The Licensee shall maintain such 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.
- 6.4.3 The Licensee shall maintain financial records and books of accounts in accordance with the laws of Azad Jammu and Kashmir/Gilgit-Baltistan. The Licensee shall submit audited (if available) or certified financial statements, including at a minimum 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.
- 6.4.4 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.

6.5 QUALITY OF SERVICE

- 6.5.1 The Licensee shall at all times meet or exceed the quality of service standards described in Appendix 2 and such other quality of service standards as the Authority may, by Regulation, require. The Licensee shall maintain records of its performance in meeting these qualities of service standards, and shall 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.

6.5.2 The Authority may carry out tests on the quality of the Licensed Services and the Licensee's Telecommunication System and the Licensee shall extend full co-operation and assistance for the purpose including provision of test instruments and equipment.

6.6 INSPECTION

6.6.1 The Licensee shall allow inspection of any premises by an authorized representative of the Authority or the Board at any time and furnish to the representative such information as may be required by such representative.

6.7 NATIONAL SECURITY

6.7.1. 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 and Kashmir/Gilgit-Baltistan.

6.7.2. It shall be open to the Authority to restrict licensee from operating in any sensitive area defined by the Federal Government of Pakistan from the National security angle.

6.7.3. The Licensee shall not transfer the following to any person or place outside Pakistan including AJK & GB.

(a) Any accounting information relating to subscriber (except for billing); and

(b) User information/ data.

6.7.4. No local/long distance traffic (mobile and fixed line) destined for Pakistan and AJK & GB shall be hauled outside Pakistan and AJK & GB.

6.7.5. No remote access shall be provided to any person/place outside Pakistan including AJK & GB for any maintenance/repairs/databases/facility.

6.7.6. 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 take place across the LOC.

6.7.7. No ciphering equipment or software shall be used by the service provider or user without prior approval of the Authority.

6.7.8. All equipment shall be "Legal Interception (LI)" compliant.

6.8 CALL RECORDS

6.8.1. The Licensee shall maintain call records including called and calling numbers, date, duration, time and location details, with regard to the communications made on the Licensed System for a period of at least one year for scrutiny by or as directed by the Authority or required by security agencies under law.

6.8.2. The licensee shall record/store data session logs/info along with IP address for one year for scrutiny by or as directed by the Authority or required by security agencies under law.

6.9 NETWORK STANDARDS AND NETWORK SECURITY

- 6.9.1. The Licensee shall use any type of network equipment, including circuit and/or packet switches that meet the relevant ITU or other telecommunication standards recognized by the Authority.
- 6.9.2. The Licensee shall ensure that its network is at all times interoperable and inter-connectable 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 to its network to maintain such interoperability and inter-connectivity with the networks of other Operators.
- 6.9.3. The Licensee shall ensure that Telecommunication Systems and Telecommunication Services at all times fulfils the traits of Confidentiality, Integrity and Availability, as per standards recommended by ITU-T and NIST.
- 6.9.4. The Licensee shall ensure deployment of state-of-the-art equipment/solutions, in an effort of adopting defensive measures, for securing and protecting its Telecommunication Systems, network data and Telecommunication Services from accidental and malicious cyber risks/ threats.

6.10 TYPE APPROVAL OF TERMINAL EQUIPMENT

- 6.10.1. The Licensee shall not install or connect, or permit the installation or connection of, any Terminal Equipment unless the Terminal Equipment is type approved, or otherwise permitted by the Authority. 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.

6.11 COMMENCEMENT CERTIFICATE

- 6.11.1. The Licensee shall not provide any Licensed Services to customers, or accept any payment from customers in respect of Licensed Services to be provided by the Licensee, until the Licensee has obtained from the Authority a commencement certificate evidencing that the Authority is satisfied that the Licensee has established its Telecommunication System, and is able to provide the Licensed Services including Mandatory Services, in accordance with the description in the Licensee's application for this License previously submitted to the Authority and at a level of quality and reliability that is consistent with international industry best practices.
- 6.11.2. The Licensee shall give 30 days prior written notice to the Authority of the date on which the Licensee intends to commence providing Mandatory Services to customers. The Licensee shall cooperate with the Authority in its investigation of its Telecommunication System and the Licensed Services in connection with the issuance by the Authority of a commencement certificate.

6.12 INTERNATIONAL TELEPHONY SERVICE

- 6.12.1. The Licensee shall not, without the prior approval of the Authority, give effect to any agreement or arrangement respecting International Telephony Service, whether oral or written, with a service provider that originates or terminates, or arranges for the

origination or termination of, International Telephony Service outside of Azad Jammu and Kashmir/Gilgit-Baltistan.

- 6.12.2. The Licensee shall not translate, alter or delete the telephone number or other identification associated with the calling party of an International Telephony Service call.
- 6.12.3. The Licensee shall not translate, alter or delete the signaling 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.
- 6.12.4. The Licensee shall not assist, or cooperate with, any person to violate section 6.12.2 or 6.12.3.
- 6.12.5. The licensee shall ensure that switching hub shall be located within Pakistan, Azad Jammu and Kashmir/Gilgit-Baltistan for routing of traffic and no international telephony traffic shall be sent to any switching hub locate outside Pakistan to be routed there-from.

ARTICLE 7 - RELATIONS WITH CUSTOMERS

7.1. STANDARD CONTRACT OF SERVICE

- 7.1.1. The Licensee shall prepare a standard contract of service for use with individual customers. The Licensee shall file the standard contract, and amendments thereto from time to time, with the Authority for its approval. The Authority shall approve the standard contract if it contains the terms and conditions described in section 7.2.1, and it contains terms and conditions that are not unduly burdensome.
- 7.1.2. The standard contract, as approved by the Authority, shall apply to all individual customers that obtain Long Distance and International Public Voice Telephone Services from the Licensee.
- 7.1.3. Prior to providing Long Distance and International Public Voice Telephone Services to individual customers, the Licensee shall enter into a contract with such individual customers in accordance with the standard form contract approved by the Authority.
- 7.1.4. Upon application by the Licensee, the Authority may waive compliance by the Licensee with the provisions of section 7.1.3 herein subject to such terms and conditions as the Authority may require.
- 7.1.5. The Licensee may enter into agreements with corporate customers for the provision of Licensed Services on terms that are negotiated between the Licensee and such customers.

7.2. CONTENTS OF THE STANDARD CONTRACT OF SERVICE

The standard contact shall include, at a minimum, the following terms and conditions:

- (a) 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 customer within a three (3) month period,

- (b) Pricing or mechanisms by which prices are determined;
- (c) Privacy of Communications;
- (d) Confidentiality of customer information;
- (e) Refunds or other rebates for service problems or over-billing;
- (f) Payment terms, including any applicable interest or administration charges;
- (g) Minimum contract period; and
- (h) Customer and Licensee rights of termination.

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 customers of Licensed Services.
- 7.3.2. The Licensee shall make all reasonable efforts to resolve customer complaints or disputes without delay and without recourse to the Authority.
- 7.3.3. If a dispute is filed with the Authority in connection with any dispute between the Licensee and a customer regarding any activity that is the subject of this License, the Authority may settle the dispute. Without prejudice to the appeal rights established in section 7 of the Act, the Licensee shall abide by decision of the Authority.

7.4. CONTENT AND FORMAT OF BILLS

- 7.4.1. The Licensee may determine the contents and format of its bills to customers provided that:
 - (a) in relation to a customer, the bill reflects the types of service and the units for which charges are made including, at a minimum (but only to the extent requested by the customer), the starting time of each connection, the number called and the duration and number of units for each call; and
 - (b) the licensee retains in its records information sufficient:
 - (i). To identify for customers the basis of the amount charged for use of its telecommunication services; and
 - (ii). To provide the Authority with an independent quality assurance that the billing process complies with the requirements set out above.
- 7.4.2. The Licensee shall maintain appropriate billing processes to enable the Licensee to comply with the billing requirements in this section 7.4.

7.5. CODE OF COMMERCIAL PRACTICE

- 7.5.1. 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:
- (a) A commitment to take steps to remedy service interruptions as soon as reasonably possible and to provide reasonable credits to customers for lengthy outages;
 - (b) Protection of the privacy of information transmitted over the Telecommunication System;
 - (c) Maintenance by Licensee of the confidentiality of customer information;
 - (d) Procedures for resolving complaints between Licensee and customers; and
 - (e) Availability to customers of information concerning their accounts with the Licensee.

7.6. PRIVACY OF COMMUNICATIONS

- 7.6.1. The Licensee shall not monitor or disclose the contents of any communication conveyed over its telecommunications network except to the extent necessary for the purpose of maintaining or repairing any part of the Telecommunication System or monitoring the Licensee's quality of service, or except as required by law.
- 7.6.2. The Licensee shall take reasonable measures to safeguard its Telecommunication System from unauthorized interception of communication carried on the Telecommunication System,

7.7. CONFIDENTIALITY OF CUSTOMER INFORMATION

- 7.7.1. Except as permitted below, the Licensee shall take all reasonable measures to prevent information about its customers, including information about their business, other than directory information, from being disclosed to third parties, including the Licensee's own subsidiaries, affiliates and associated companies, except information which is required:
- (a) For the process of collection of debts owed to the Licensee;
 - (b) By another Operator in relation to the provision of services to the customer, and provided that the information is disclosed in confidence to that Operator;
 - (c) By the Licensee's auditors for the purpose of auditing the Licensee's accounts; or
 - (d) For the prevention or detection of crime or the apprehension or prosecution of offenders or as may otherwise be authorized by or under any law of Pakistan.
- 7.7.2. A Licensee shall be permitted to disclose confidential information about a customer

where the Licensee has clearly explained to a customer (a) the nature of the information to be disclosed, (b) the recipients of the information to be disclosed and (c) The purpose for the disclosure, and the customer has provided Licensee with consent to such disclosure.

7.8. HARASSING, OFFENSIVE OR ILLEGAL CALLS

- 7.8.1. The Licensee shall take all reasonable steps to track and locate the source of harassing, offensive, unsolicited, fraudulent or unlawful communication. For that purpose:
- (a) Any customer of the Licensee may request that the Authority or other duly authorized authority in Azad Jammu and Kashmir/Gilgit-Baltistan authorize a Licensee to monitor calls to the customer's telephone.
 - (b) The Authority or other duly authorized authority in Azad Jammu and Kashmir/Gilgit-Baltistan may direct a Licensee to monitor calls to and from the said customer's telephone.
 - (c) The Licensee shall provide to the Authority the information resulting from the monitoring of the call to and from the customer's telephone, including the telephone numbers that are the source of harassing, offensive, unsolicited, fraudulent or unlawful communication and the dates of occurrence of such communication and their frequency.
 - (d) The Authority may undertake any appropriate action to protect the public from harassing, offensive, unsolicited, fraudulent or unlawful communication and, if necessary, refer the matter to the competent authorities for further action.
 - (e) The Licensee shall suspend or terminate service to any customer that is the source of harassing, offensive, unsolicited, fraudulent or unlawful communication.

ARTICLE 8 – TARIFFS

8.1. NO REGULATION OF PRICES

- 8.1.1. Except as otherwise provided in this License or as required by law, the Licensee is free to set prices for the Licensed Services as it may deem fit.
- 8.1.2. If the Authority determines that the Licensee's prices for any Licensed Services are unfair and unreasonable to individual customers, the Authority may regulate Licensee's prices, terms and conditions for those Licensed Services. The Licensee shall comply with the Authority's orders and determinations relating to the Licensee's prices, terms and conditions for those Licensed Services.

8.2. PRICE REGULATION OF OPERATORS 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

Services where the Licensee possesses SMP and any Licensed Services 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 Services.

8.3. PUBLICATION OF TARIFFS, 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 - RELATIONS WITH OTHER OPERATORS

9.1. INTERCONNECTION

- 9.1.1. Interconnection between the Telecommunication System of the Licensee and the Telecommunication Systems of other Operators is governed by the Interconnection Rules.
- 9.1.2. The Telecommunication System is deemed to be a Connectable System for the purposes of the Interconnection Guideline 2004.
- 9.1.3. The Licensee shall comply with the Access Promotion Rules 2005, including without limitation any requirement to make payments to another Operator in respect of International Telephony Service carried by the Licensee and terminated on the Telecommunication System of the other Operator.

ARTICLE 10 - INFRACTIONS AND SANCTIONS

10.1. SANCTIONS FOR VIOLATIONS OF THE LICENCE

- 10.1.1. In addition to the sanctions available under the Act, if the Authority determines that the Licensee has violated a provision of this License or the Act, Rules or Regulations, the Authority may by order impose one or more of the following sanctions, which the Licensee shall promptly comply with:
- (a) The Authority may issue an order to the Licensee requiring the Licensee to cease any continuation of the violation,
 - (b) The Authority may require the Licensee to remedy the effects of the violation, in a manner determined by the Authority,
 - (c) The Licensee shall issue a public apology for its violation, in wording acceptable to the Authority, that the Licensee arranges to have prominently published, at its cost, in a newspaper of general circulation for two (2)

consecutive days,

- (d) The Authority may suspend one or more of the rights granted to Licensee under the License, for so long as the Authority considers appropriate in the circumstances.

ARTICLE 11 - TERMINATION AND AMENDMENT

11.1. TERMINATION OF THE LICENCE

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

- (a) The term of the License expires without renewal;
- (b) The Licensee agrees to the termination of this License; or
- (c) The License is suspended, terminated or revoked in accordance with the Act, Rules or Regulations, or the provisions of this License.

11.2. AMENDMENT

11.2.1. This License may be amended by written agreement between the Licensee and Authority, or pursuant to the revisions of the Act and the Rules.

ARTICLE 12 – GENERAL

12.1. NO LIABILITY BY THE AUTHORITY

12.1.1. 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.

12.2. FORCE MAJEURE

12.2.1. Notwithstanding anything contrary to the one contained in this License, if the Licensee shall be rendered unable to carry out the whole or an parts of its obligations under this License 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 license as it is affected by such cause shall be excused during the continuance of an inability so caused, provided that the Licensee has taken all appropriate precautions and reasonable measures to fulfill 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.

12.3. COMMUNICATION WITH THE LICENSEE

12.3.1. 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 License 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.

12.4. ASSIGNMENT OF RIGHTS

12.4.1. This License granted under the Act and rules shall be personal to the licensee.

ARTICLE 13- INTERPRETATION AND DEFINITIONS

13.1. INTERPRETATION

13.1.1. In this License, words importing the singular shall include the plural and vice versa.

13.1.2. Words denoting persons shall include body corporate and unincorporated associations of persons and *vice versa*.

13.1.3. The headings in this License shall not affect its interpretation.

13.1.4. Any reference, express or implied, to any legislation (including rules and regulations issued pursuant to that legislation) includes references to that legislation (and rules and regulations) as it may be amended or modified from time to time.

13.2. DEFINITIONS

13.2.1. Unless the context otherwise requires, capitalized words and expressions in this License that are not otherwise defined in this License, shall be defined in the same manner as these words and expressions are defined in the Act and the Rules.

13.2.2. Unless the context otherwise requires, the following terms used in this License shall have the meanings indicated below:

- (a) **"Act"** means the Azad Jammu and Kashmir council Adaptation of Pakistan Telecommunication (Re-organization) Act 2005 and Gilgit-Baltistan Council Adaptation of Laws Act, 2012 read with Pakistan Telecommunication (Re-organization) Act, 1996 and includes any amendments thereto from time to time.
- (b) **"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, 1996 for the purposes of licensing in Azad Jammu and Kashmir/Gilgit-Baltistan.
- (c) **"Availability"** means ensuring timely and reliable access to and use of information.
- (d) **"Basic Public Telephone Access Service"** means a Local Loop Telecommunication Service providing access to the Public Switched Network and

comprised of technical features which permit the establishing of a telephony channel capable of allowing users to make and receive local, long distance and international real time voice telephone calls.

- (e) **"Board"** means the Frequency Allocation Board, empowered under provisions of Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 1996 for the purposes of the said Act or any successor thereto.
- (f) **"Confidentiality"** means preserving authorized restrictions on information access and disclosure, including means for protecting personal privacy and proprietary information.
- (g) **"Critical Data"** means data related to the Licensee, its users/customers which is retained by the Licensee and such information which is critical for the operations, confidentiality and security of the Licensed Systems including voice/data communication of its users/customers being handled by the Licensee.
- (h) **"Critical Infrastructure"** means telecommunication equipment/assets whether physical or virtual, which are vital for the provision of the Licensed Services and for storing, processing and transferring Critical Data.
- (i) **"Effective Date"** means the date on which this License is issued by the Authority.
- (j) **"Financial Year"** means the period of twelve (12) months from July 1st to June 30th in respect of which the Licensee is required to make up its Annual Report and Audited Accounts.
- (k) **"Free phone Service"** means the service of routing a telephone call with a non-geographic number, with no charge to the calling party.
- (l) **"GMPCS Service"** or **"Global Mobile Personal Communications Service"** means the provision of Telecommunication services directly to end users from a constellation of satellites and through the use of mobile Terminal Equipment.
- (m) **"Integrity"** means guarding against improper information modification or destruction, and includes ensuring information non-repudiation and authenticity.
- (n) **"Interconnection Guidelines"** mean the Interconnection Guidelines, 2004.
- (o) **"ITU"** means the International Telecommunications Union.
- (p) **"License"** means this License, the terms and conditions applicable thereto, and any amendments thereto.
- (q) **"Licensed Services"** means all Mandatory Services and other Telecommunication Services not prohibited under this license.
- (r) **"Local Loop"** means a communication channel, provided with or without a pair of wire(s), from a switching center to a customer's telephone or other Terminal Equipment.

- (s) **“Limited Mobility Communication Service”** means a Mobile Communication Service that satisfies all of the following conditions (a) it follows the numbering plan established by the Authority for the Public Fixed Switched Network, (b) in which customers cannot authenticate or use their Terminal Equipment with a Telecommunication System of another Licensee, (c) in which a Customer’s Terminal Equipment may obtain access to the Mobile Communication Service using a single pre-defined network base station, and (d) it is restricted to one Telecommunication region as determined by the Authority.
- (t) **“Long Distance”** means end to end communication between points (a) that are located in different Regions (b) such other distance apart as the Authority may, by Regulation, specify.
- (u) **“Long Distance and International”** means Long Distance and end to end communication between points that are located in Azad Jammu and Kashmir/Gilgit-Baltistan with points that are located outside of Azad Jammu and Kashmir/Gilgit-Baltistan.
- (v) **“Mandatory Services”** means the Telecommunication Services that the Licensee must provide under this License, and which are described in section 1.1.2 herein.
- (w) **“Mobile Communication Service”** means a wireless-based Telecommunication Service where the Terminal Equipment maybe connected to the Telecommunication System by wireless means and used while in motion.
- (x) **“Network Connection Point”** is a location at which other Operators can send to or receive from the License voice or data traffic originated by or destined for the Licensee’s customers.
- (y) **“Network Termination Point”** means any point of termination on a Telecommunication System at which Terminal Equipment may be connected.
- (z) **“NIST”** means National Institute of Standards and Technology.
- (aa) **“Operator”** means any person authorized by a license issued by the Authority to provide Telecommunication Services of any kind or to establish, maintain and operate a Telecommunication System
- (bb) **“Premium Rate Service”** means the service of routing a telephone call with a non-geographic number, with a premium rate charged to the calling party, subject to Regulations.
- (cc) **“Private Circuit”** means a telecommunication service that provides for transmission capacity for dedicated circuits between specific locations and does not enable the user to control the switching functions.
- (dd) **“Public Voice Telephone Services”** means the commercial provision to the public of the transmission and switching of voice in real time between public switched Network Termination Points, enabling any user to use equipment

connected to such a Network Termination Point to communicate with a user connected to another Network Termination Point.

- (ee) **"Region"** means a telecommunication region as determined by the Authority.
- (ff) **"Regulations"** mean all or any Regulations including Pakistan Telecommunications Authority (Functions & Powers) Regulations, 2006 issued by the Authority from time to time under Pakistan Telecommunication (Re-organization) Act, 1996 and adapted by Azad Jammu and Kashmir Council under the provisions of the Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 2005 and Gilgit-Baltistan under the provision of Gilgit-Baltistan Council Adaptation of Laws Act, 2012.
- (gg) **"Rules"** means all or any rules including Pakistan Telecommunication Rules, 2000 issued by the Federal Government of Pakistan under Pakistan Telecommunication (Re-organization) Act, 1996 and duly adapted by Azad Jammu and Kashmir Council under the provisions of the Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 2005 and Gilgit-Baltistan under the provision of Gilgit-Baltistan Council Adaptation of Laws Act, 2012.
- (hh) **"SMP"** means significant market power as that term defined in the Rules.

APPENDIX 1 - RADIO FREQUENCY SPECTRUM ASSIGNMENT, TERMS AND CONDITIONS

1.1. RADIO FREQUENCY SPECTRUM ASSIGNED TO LICENSEE

- 1.1.1. Subject to the terms and conditions of this License, the Licensee is assigned the following radio frequency spectrum for use in providing the Licensed Services in the following locations:

[Not Applicable]

1.2. RADIO FREQUENCY SPECTRUM PERFORMANCE REQUIREMENTS

- 1.2.1. Prior to 18 (eighteen) months from the Effective Date the Licensee shall establish, maintain and operate in each location identified in section 1.1.1 of this Appendix 1, as part of its Telecommunication System, the links and radio base stations that operate on the radio frequency spectrum assigned to Licensee and described in this Appendix 1.
- 1.2.2. The assignment to Licensee of radio frequency spectrum with respect to a link or radio base station pursuant to this License shall terminate if at any time the Licensee ceases to use the link or radio base station on a continuous basis as part of its Telecommunication System.

1.3. FEES RELATED TO RADIO FREQUENCY SPECTRUM

- 1.3.1. In addition to any other fees payable by the Licensee under the License, the Licensee shall pay an initial fee to the Authority in the amount of:
[Not Applicable]
- 1.3.2. In addition to any other fees payable by the Licensee under the License, the Licensee shall pay an annual fee to the Authority in the amount of:
[Not Applicable]
- 1.3.3. The annual fees in section 1.3.2 above are subject to revision at any time and from time to time in accordance with the provisions of rules or regulations that may come into effect concerning fees and other charges for radio frequency spectrum.

APPENDIX 2 -QUALITYOF SERVICE STANDARDS

1.1 QUALITY OF SERVICE

- 1.1.1 The Licensee shall take reasonable and prudent measures to ensure that its Telecommunication System and Licensed Services are available and operate properly at all times.
- 1.1.2 Any fault in any component of its Telecommunication System or Licensed Service shall be repaired as early as possible.
- 1.1.3 During each calendar month, Licensee shall meet or exceed the following quality of service standards (except for causes not attributable to another Operator or a service provider that provides telecommunications services outside of Pakistan):

Quality of Service Indicator	Standard
(a) Maximum call failure rate, where call failure means the failure to establish a connection with a called number, whether or not the called party answers	4. 1% for national long-distance calls 6.5% for incoming International calls 4.1% for outgoing International calls
(b) Billing errors	0.2 per 100 bills issued

1.2 MONITORING OF SERVICE PROVISION AND SERVICE QUALITY

- 1.2.1. The Licensee shall furnish the Authority with quarterly reports (and any special ad hoc reports within a reasonable time following a request by the Authority) set out for network expansion and service quality as described in this License. To assist in its evaluation, of the Licensee's compliance with network expansion and service quality targets, the Authority or its authorized representative may inspect the installation and services of the Licensee, and the Licensee shall give the Authority or its authorized representative access to its physical facility and records. 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.
- 1.2.2. The Licensee shall provide, at its own cost, state-of-the-art system(s) (equipment hardware, firmware, software) at premises designated by the Authority and ensure its upgrading, updating, security and safety in best possible, in order to measure and record traffic, billing, call detail records, IP data records, voice over IP, grey traffic analysis and mitigation, network threat detection, malware analysis, critical information protection, web analysis, web content filtering, IP consumer trend and OTT applications visibility and quality of service in a manner specified by the Authority. The Licensee shall provide the Authority with access to such system, and the information generated by such system/equipment, and shall extend full co-operation and assistance to the Authority in connection with the Authority's exercise of these service provision and

quality monitoring. The Licensee shall also be obliged to appear before the Authority, when called upon to do so, to answer any query on these matters put by the Authority.

- 1.2.3. The Authority shall have the full right to visit, inspect any premises or facility including hardware and software of the Licensee.