



VALUE ADDED SERVICES CLASS LICENSE GRANTED TO

(“Licensee”)

Commercial Registration No. (“...”)

**BY THE TELECOMMUNICATIONS REGULATORY AUTHORITY
UNDER THE LEGISLATIVE DECREE 48 OF 2002 WITH RESPECT
TO TELECOMMUNICATIONS**

Document number: ...

Date of issue: ...

Approved by the General Director of the TRA

Philip Marnick

**VALUE ADDED SERVICES CLASS LICENSE GRANTED
BY THE TELECOMMUNICATIONS REGULATORY AUTHORITY**

1. GRANT OF LICENSE

- 1.1 The Telecommunications Regulatory Authority (the “**Regulator**”) hereby grants this License, under the Telecommunications Law promulgated by Legislative Decree No. 48 of 2002 (“the Telecommunications Law”), to whoever has satisfied the procedure and requirements for such a grant (the “**licensee**”) by virtue of which the Regulator authorizes the Licensee to provide the telecommunications 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) A reference to significant market power or dominant position shall be a reference to such power or position, as the case may be, for the relevant market as determined by the Regulator from time to time.
 - (c) 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;

“Call” includes any communication conveying voice and data:

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

“Control” means, as applied to any person, the possession, directly or indirectly, of the power to direct or cause the direction of the management of that person, whether through ownership, voting or other means and **“controlling”** and **“controlled”** shall be construed accordingly;

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

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

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

“Internet” means an integrated computer network through which machines used by users are connected to each other by means of the TCP/IP family of protocols;

“Lawful Access Regulation” means Resolution No. (8) of 2009 promulgating the Regulation requiring Licensees to implement Lawful Access, as may be amended from time to time;

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

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

“Public voice services” means real time, two way voice calls provided between members of the public;

“Schedule of Fees Regulation” means Resolution No. (7) of 2017 promulgating the Schedule of Fees Regulation, as may be amended from time to time;

“Value added services” means enhanced or value added telecommunications data and/or voice services (other than public voice services) that act on the format, content, code or protocol of information in order to provide the user with additional or different information or that involve subscriber interaction with stored information, including computer and data processing services, data information and exchange services, credit card verification services but excluding those transmission services to or over the internet. that require an internet service provider license; and

“Voice over IP” means a telecommunications service provided by a set of facilities that manage the delivery of public voice services using the internet protocol.

3. LICENSED SERVICES

- 3.1 The Licensee is authorised on a non-exclusive basis to provide Value added services in the Licensed area; provided, however, the licensee may not offer public voice services, nor may it actively facilitate by the use of its telecommunications network the offer by a third party of such a service, unless and until such time as it is granted the relevant license in accordance with the Telecommunications Law, in which case such service must be provided in accordance with the terms of that license.
- 3.2 The Licensee may, with the prior written approval of the Regulator, provide any licensed service through an affiliate or sub-contract the provision of any Licensed services to another person; provided, however, that the Licensee shall continue to be

fully liable for any obligation arising in relation to the provision of such Licensed service. 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. TELECOMMUNICATIONS FACILITIES AND NETWORKS

4.1 The Licensee shall have the right, for the purpose of providing licensed services, to access the telecommunications facilities of public telecommunications operators in accordance with section 57(e) of the Telecommunications Law and the terms of any license granted to any such operator pursuant to sections 25 and 80(a) of the Telecommunications Law.

4.2 The licensee shall have the right to access any Fixed Telecommunications Infrastructure Network in line with any agreements entered into with any holder of a Fixed Telecommunications Infrastructure Network License.

5. RELATIONS WITH SUBSCRIBERS

5.1 Without derogating from section 55 and section 56 of the Telecommunications Law, the Licensee shall publish a code of practice on subscriber 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 Licensed services.

5.2 The Licensee shall prepare an initial draft of the code of practice on subscriber affairs and submit it for review by the Regulator within three (3) months of the Effective date.

5.3 The code of practice on subscriber affairs shall contain guidelines on the following issues:

- (a) complaints;
- (b) dispute settlement;
- (c) location of customer service departments;

- (d) quality of service;
- (e) provision of ancillary services;
- (f) other matters dealt with in the terms of service of the standard subscriber agreement referred to in section 5.5; and
- (g) guidelines on service termination.

5.4 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 subscriber affairs, and on the progress made in implementing the guidelines.

5.5 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 licensee may submit a different standard subscriber agreement for use by similarly situated subscribers of a specific category, provided that all such categories shall be objectively justified and do not result in undue discrimination. 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.

5.6 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.

6. INTERFERENCE AND TECHNICAL STANDARDS

6.1 The Licensee shall comply with relevant regulations and technical specifications issued by the Regulator in order to ensure that the provision of the Licensed services and the telecommunications facilities of the Licensee do not unduly interfere with

telecommunications services and telecommunications networks provided by other licensed operators.

7. PRIVACY AND CONFIDENTIALITY

- 7.1 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.
- 7.2 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 7.1 are being met.
- 7.3 The Licensee shall not use or allow to be used any apparatus which is capable of recording, monitoring, or intruding into calls unless it complies with applicable law.

8. ANTI-COMPETITIVE PRACTICES

- 8.1 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-subsidisation;
 - (b) if applicable, as determined by the Regulator, not abuse its dominant position;
 - (c) if it has significant market power, not enter into exclusive arrangements with third parties for the location of its facilities that are required to provide any of the licensed services;
 - (d) not enter into any agreements, arrangements or undertakings with any person, including any supplier of services that compete with any of the Licensed services, which have as their objective or cause the fixing of prices or other restraint on competition;

- (e) not use information obtained from competitors if the objective or effect of such use is anti-competitive;
- (f) make available to other licensed operators on a timely basis technical information about essential facilities and other commercially relevant information that is necessary for them to provide telecommunications services; 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.

9. ACCOUNTING REQUIREMENTS

- 9.1 The Licensee shall present in written form regulatory accounts for the licensed telecommunications activities in accordance with the applicable regulations.
- 9.2 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.
- 9.3 If the Licensee fails to comply with its obligations under sub-sections 1 and 2 above 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 separation within a period to be determined by the Regulator.

10. REQUIREMENT TO PROVIDE INFORMATION AND INSPECTION

- 10.1 Without derogating from section 53 and 77 of the Telecommunications Law, the Licensee is required to maintain such information as will enable the Regulator to carry out its functions under the Telecommunications Law in such manner as the Regulator may from time to time request. The Regulator shall have the right to request the Licensee to submit periodic reports, statistics and other data as well as request additional information in order to effectively supervise and enforce the terms of this license, the provisions of the Telecommunications Law and the regulations issued thereunder.

- 10.2 The Licensee shall notify the Regulator in writing before it provides any new kind of licensed service.

11. LICENSE FEES

- 11.1 The initial license fee for the period from the effective date until the end of the calendar year in which the license is awarded shall be BD1,000.
- 11.2 The annual license fee payable in respect of each subsequent year shall be levied in accordance with the Schedule of Fees Regulation (and any subsequent amendments thereof).

12. DURATION AND RENEWAL

- 12.1 The Effective date of this license is ... (the “**effective date**”). This license shall be valid for a term of fifteen (15) years.
- 12.2 Upon expiration of the current license term the licensee may apply to the Regulator pursuant to section 33 of the Telecommunications Law for an additional term of ten (10) years.

13. MODIFICATION, REVOCATION AND TERMINATION

- 13.1 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:
 - given the licensee six (6) months written notice of the proposed modification; and
 - consulted with the licensee;

- (c) an order of modification by the Regulator in accordance with section 35 of the Telecommunications Law;
- (d) a determination of the Regulator that such modification(s) is / are necessary to comply with the Telecommunications Law.

13.2 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.

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

14. FORCE MAJEURE

14.1 If the licensee is prevented from performing any of its obligations under this license because of Force Majeure the licensee shall notify the Regulator of the obligations it is prevented from performing as soon as practicable after it becomes aware or reasonably should become aware of such Force Majeure.

14.2 The Regulator shall suspend the obligations referred to under section 14.1 and the licensee will not be liable to perform those obligations, for so long as the Force Majeure continues, only if and to the extent that the inability to perform could not have been prevented by taking steps specifically required under the law or this license or other reasonable precautions and the inability cannot reasonably be circumvented by the licensee at its expense through the use of alternate sources, work-around plans or other means.

15. DISPUTE RESOLUTION

- 15.1 All disputes between the licensee and the Regulator arising out of this license shall be resolved in accordance with the provisions of Chapter XVI of the Telecommunications Law.
- 15.2 The courts of the Kingdom of Bahrain shall have jurisdiction over disputes between the licensee and other licensees in connection with telecommunications activities which they are licensed to conduct, provided, however, that a party to such dispute may require the dispute to be referred to arbitration, in which case, unless the parties agree otherwise and provided that such agreement is not contrary to Chapter VII of the Civil and Commercial Procedural Law of 1971, the provisions of sections 67 to 71 of the Telecommunications Law shall apply *mutatis mutandis*.

16. COMPLIANCE

- 16.1 Without prejudice to the Regulator's power under the Telecommunications Law and/or any other regulatory instruments, if the licensee fails to comply with its obligations under this license, the Regulator may take such action as it deems necessary and appropriate in accordance with the provisions of Article 3(c), 35 and/or 65 of the Telecommunications Law (as appropriate).

17. NOTICES

- 17.1 All notices from the licensee to the Regulator and vice versa shall be in writing and sent either by email or by registered mail.
- 17.2 Where a notice is sent by email, it shall be sent to the following addresses and shall be deemed to be received 2 hours after the time sent (as recorded on the device from which the sender sent the email), unless the sender receives an automated message that the email has not been delivered:
- (a) If sent to the Regulator: licensing@tra.org.bh
 - (b) If sent to the licensee: ...
- 17.3 Where a notice is sent by registered mail, it shall be sent with acknowledgement of delivery to the following addresses:

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

(b) If sent to the licensee: ...

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

Acceptance by: **LICENSEE**

Name:

Designation:

Date:

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