



**Telecommunications Regulatory Authority
Sultanate of Oman**

**LICENSE GRANTED BY ROYAL DECREE
PURSUANT TO THE ROYAL DECREE ON
TELECOMMUNICATIONS**

TO Omani Qatari Telecommunications Company S.A.O.C

**FOR THE INSTALLATION, OPERATION,
MAINTENANCE AND EXPLOITATION OF
A MOBILE PUBLIC TELECOMMUNICATIONS SYSTEM**



Telecommunications Regulatory Authority Sultanate of Oman

PART I – DEFINITIONS AND GENERAL PROVISIONS

ARTICLE (1) Definitions

In this Licence and its annexes, the following terms shall have the following meanings:

1. "**The Minister**" means the Minister of Transport and Communications;
2. "**The Authority**" means the Telecommunications Regulatory Authority set out in the Telecommunications Regulatory Act;
3. "**International Telecommunications Operator**" means any telecommunications operator in another country or territory who is authorised to run an international Telecommunications System for the provision of Telecommunications Services;
4. "**International Correspondent Agreements**" means any written agreement, in whatever form, between the Licensee and another International Telecommunications Operator for the termination or transit of international calls;
5. "**Affiliate**" means any natural or juristic person directly or indirectly controlled by another natural or juristic person;
6. "**Control**" means direct or indirect power to direct or cause the direction of the management of a natural or juristic person, whether through ownership of shares, voting, securities, partnership or other ownership interest, from whatever source;
7. "**Effective Date**" means the operative date of the Royal Decree issuing this License;
8. "**Licensed Area**" means the territory of the Sultanate of Oman as described in Annex A;
9. "**Licensed Operator**" means any natural or juristic person licensed to operate a Public Telecommunications System under Para 1 of Article 21 of the Telecommunications Regulatory Act;
10. "**Service Provider**" means any natural or juristic person licensed to provide Additional Public Telecommunications services under Para 2 and 3 of Article 21 of the Telecommunications Regulatory Act;
11. "**Licensee Gross Revenues**" means all revenues realised by the Licensee during a year resulting from selling or leasing Licensed Services including all revenues from the supply of any Licensed Services, or payments receivable by the Licensee from other Licensed Operators or Service Providers (for interconnection or Access Services), all revenues or payments receivable from resellers of the Licensed



Telecommunications Regulatory Authority Sultanate of Oman

Services after deducting cost of Interconnection paid to other Licensed Operators, but excluding selling and leasing of Terminal Equipment;

12. **"Terminal Equipment"** means any appliance, apparatus, or accessory located on or installed at any Customer's premises and connected to the Public Telecommunications System to enable reception and / or transmission of Telecommunications Services;
13. **"Cellular Mobile Services"** means a Telecommunications Service permitting the emission, transmission or reception of radio electronic impulses within the designated bandwidth by Radiocommunications via a cellular Telecommunications System to subscribers capable of moving including a Telecommunications Service involving the transmission of two-way real-time speech or a facsimile transmission but excludes Third Generation Mobile Services;
14. **"Global Mobile Personal Communications Services"** means a Telecommunications Service permitting the emission, transmission or reception of radio electronic impulses within the designated bandwidth by Radiocommunications via a satellite Telecommunications System to moving subscribers;
15. **"International Telecommunications Services"** means the provision of Telecommunications Services between Sultanate of Oman and other countries;
16. **"Private International Telecommunications Services"** means those Telecommunications Services connecting a Telecommunications System in the Sultanate with an outside Telecommunications System with or without the provision of Telecommunications Services via this system to other countries;
17. **"Private Telecommunications Services"** means those Telecommunications Services provided to a natural or juristic person or to a number of persons with common ownership for their own purposes but to exclude Telecommunications Services provided to a third party for a direct or indirect compensation;
18. **"Information Service"** means a service providing a capability for generating, acquiring, storing, transforming, processing, retrieving, utilising or making available any information via a Telecommunications System;
19. **"Calling Card Service"** means a service whereby the Licensee provides Beneficiaries with a debit, prepaid or credit card for the charging or payment of Telecommunications Services;
20. **"Value Added Services"** means value added Telecommunications Services other than Information Services;
21. **"Resale Services"** means Telecommunications Services purchased from the Licensee by a Service Provider and made available to a Beneficiary, together with such additional services as the Service Provider may provide;



Telecommunications Regulatory Authority Sultanate of Oman

22. **"Satellite Telecommunications Service"** means a Telecommunications Service provided through connections from earth stations to the INTELSAT, INMARSAT, ARABSAT or other public or private satellite Telecommunications System (but excludes Global Mobile Personal Communications Service);
23. **"Satellite"** means an earth orbiting Telecommunications apparatus;
24. **"Third Generation Mobile Services"** means third generation mobile communications systems capable of providing an enhanced range of multimedia services[; including, by way of illustration, UMTS standard services as promoted by the UMTS Forum]; and
25. **"Force Majeure"** means any action outside of the control of the Licensee that can not be anticipated or avoided.

ARTICLE (2)

Scope

This Licence has been granted to Omani Qatari Telecommunications Company S.A.O.C to install, operate, maintain and exploit Basic Public Mobile Telecommunications Systems and to provide Telecommunications Services in accordance with the Terms and Conditions set out in this Licence.

ARTICLE (3)

Connection

The Licensee is authorised to connect the Licensed Systems to:

- 1 Any Telecommunications System licensed in accordance with Article 21 of the Telecommunications Regulatory Act;
- 2 Any Telecommunications Equipment approved for interconnection in accordance with Articles 8(6), 51(6) or 51(8) of the Telecommunications Regulatory Act or applicable Regulations, or other technical specifications identified or approved by the Authority.

ARTICLE (4)

Royalties and Licence Fees

- 1 The Licensee shall pay to the government of the Sultanate of Oman a Royalty of (12%) of the Licensee Gross Revenues each year during the License Term, with each annual Royalty calculated on the basis of revenues realised through 31 December of the relevant year and paid before 30 January of the following year. The Royalty shall be proportionately calculated with respect to the first year of this license.
- 2 The Licensee shall pay the license fees determined by the Authority pursuant to Condition 28 of Part II of this License.



Telecommunications Regulatory Authority Sultanate of Oman

ARTICLE (5)

Duration

This Licence is granted for a period of fifteen (15) years as of the Effective Date.

ARTICLE (6)

Modification

- 1 The Authority and the Licensee may agree in writing to modify the License.
- 2 In accordance with the exigencies of public interest, the Authority may at any time modify the License provided that:
 - a) Five years have elapsed since the Effective Date.
 - b) Three years separate between each modification.
 - c) The Licensee is given a written notice one year prior to the proposed modification.
 - d) Full consultation is made with the Licensee during such year.

ARTICLE (7)

Termination

The Authority may by a justified decision terminate the Licence or any rights granted hereunder in their entirety with respect to particular services in accordance with Article 24 of the Telecommunications Regulatory Act.

ARTICLE (8)

Expiration

- 1 The Licence terminates upon expiry of the Licence Term if it is not renewed in accordance with the Telecommunications Regulatory Act.
- 2 It also terminates if the Licensee is dissolved, or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors or due to any other similar reason.

ARTICLE (9)

Compliance

- 1 The Licensee shall, in addition to complying with the Conditions identified in this License, comply with the provisions of the Telecommunications Regulatory Act and Regulations, and all relevant decisions, orders and guidelines of the Authority.
- 2 The Licensee shall make 40% of its shares available for public subscription in Muscat Securities Market within five years of the Effective Date.
- 3 Without violating the obligation of the Licensee's Executive President to execute the terms and conditions of this License, the Licensee shall, where necessary, designate a senior manager not below the grade of senior managers of the Authority to liaise with the Authority and follow up the full implementation of its decisions.



Telecommunications Regulatory Authority Sultanate of Oman

ARTICLE (10) **Notices**

All notices required to be given to the Licensee by the Regulatory Authority shall be satisfied by serving the document by post or by hand on the Licensee at the Licensee's registered office and their receipt shall be acknowledged.

PART II – CONDITIONS

1 LICENSED SERVICES

- 1.1 The Licensee is authorized to provide the following services on a non-exclusive basis in the Licensed Area by means of the Licensed Systems. However, no other license for basic public mobile telecommunications services will be issued for the first three and half years of the Effective Date.
 1. Cellular Mobile Services;
 2. Calling Card Services;
 3. Information Services;
 4. Value Added Services.
- 1.2 The Licensee shall be entitled to provide Third Generation Mobile Services provided that the operation of such services starts within 12 months of the Effective Date. The Licensee shall apply for the allocation of frequency spectrum in accordance with the terms and conditions applicable at the time of submitting the application. In case of failure to start such services within 12 months, the Licensee may apply for a separate license for them in accordance with the terms and conditions applicable at the time of submitting the application.
- 1.3 The Licensee may, with the prior approval of the Regulatory Authority, provide through a separate subsidiary or Affiliate or sub-contract any or all of the Licensed Services. In any of these cases, the Licensee shall not provide such services by itself.

2 NETWORK COVERAGE

The Licensee shall comply with the System and Service Expansion Requirements set out in Annex C.

3 PROVISION OF PUBLIC EMERGENCY CALL SERVICES



Telecommunications Regulatory Authority Sultanate of Oman

- 3.1 The Licensee shall provide access to emergency services within the Licensed Area free of charge to the public.
- 3.2 The Licensee shall ensure that 9999 or such number as is designated by the Regulatory Authority as the public emergency call number is continuously available without restriction.
- 3.3 The Licensee may restrict the Public Emergency Call Service to be provided under this Condition, in respect of any emergency organization licensed to provide police, fire, ambulance or coastguard services to the extent agreed by the Government Authority responsible for that emergency organization or, in the absence of such agreement, to such extent as may be authorized by the Regulatory Authority.

4 Provision of Directory Information Services

Subject to the Beneficiary's request not to provide information in relation to him, the Licensee shall:

- 4.1 Provide directory information services upon request to a Beneficiary against a reasonable tariff as approved by the Regulatory Authority.
- 4.2 Allow any other Licensed Operator access to the Licensee's directory information, in such form as may reasonably be determined by the Licensee, on reasonable and fair terms as approved by the Regulatory Authority including reimbursement of the Licensee's direct costs reasonably incurred in granting access provided that:
 - 4.2.1 The Licensed Operator undertakes to use the information only to provide directory information services (provided it does not provide its customers with any services in respect of any Beneficiary who has requested the Licensee to keep his information confidential), or routing of calls;
 - 4.2.2 The Licensed Operator provides access to the Licensee to its own directory information on a similar basis as set out in 4.2; and
 - 4.2.3 The provision by the Licensee of the information is not unlawful.



Telecommunications Regulatory Authority Sultanate of Oman

- 4.3 Use all reasonable efforts to supply Customer(s) upon request with information relating to directory information services available in any other country to which the Licensee provides Telecommunications Services, against a reasonable tariff as approved by the Regulatory Authority.

5 PROVISION OF ACCESS TO OPERATOR ASSISTANCE SERVICES

The Licensee shall provide an operator-assisted voice telephony service to any Beneficiary upon request against a reasonable tariff as approved by the Regulatory Authority.

6 PUBLIC EMERGENCIES AND NATIONAL SECURITY

- 6.1 The Licensee shall undertake to provide at its own expense all the technical capabilities, including equipment, systems and programmes in its Telecommunications network that allow access to its network by the security authorities to meet national security requirements. The provision of service shall coincide with the provision of the required technical capabilities subject to the technological advancement in accordance with all the decisions issued by the Regulatory Authority within the limits of the provisions of the applicable laws. If the technical capabilities of the security authorities are affected by any change in the equipment, systems and programmes in the Licensee's Telecommunications network, the Licensee shall incur the cost borne by the security authorities in providing such necessary technical capabilities.
- 6.2 In the event of a situation of a natural catastrophe or exceptional public emergencies, the Minister may call the entire Telecommunications services and networks of the Licensee and all its employees in charge of the operation and the maintenance of such services and networks in order to overcome the emergency. The Licensee shall submit to the Regulatory Authority its emergency plan that the Licensee will follow within twelve (12) months of the Effective Date, and shall update the Emergency Plan upon request from the Regulatory Authority.
- 6.3 In the event that the emergency or crisis is related to aspects of national security, the Licensee shall co-ordinate with the competent entity indicated by the Regulatory Authority and shall implement the Emergency Plan and otherwise act in accordance with the instructions of the Regulatory Authority.

7 INTERNATIONAL SERVICES

- 7.1 The Licensee shall undertake to provide International Telecommunications Services by means of the facilities and services provided to the Licensee by another Licensed Operator authorized to enter into agreements with International Telecommunications Operators. The Licensee shall not enter into International Correspondent Agreements.
- 7.2 Authorizing the Licensee to provide Cellular Mobile Services does not include the provision of Global Mobile Personal Communications Services using its own Satellite Telecommunications



Telecommunications Regulatory Authority Sultanate of Oman

System. Any provision of such service shall be on the basis of Resale Agreement to be made by the Licensee with a Licensed Operator authorized to provide such services.

- 7.3 The Licensee shall provide the Regulatory Authority with the information it requests to assist the Authority in fulfilling its obligations in respect of any international telecommunications body.

8 BENEFICIARY OBLIGATIONS

- 8.1 The Licensee shall establish and maintain an efficient information and beneficiary service system to assist Customers with queries relating to the Licensed Services, including directory assistance.
- 8.2 The Licensee shall provide equal opportunity for access to the same type and quality of Licensed Services to all Beneficiaries in the Licensed Area at the same tariff, limiting variations in available, appropriate or required technologies to serve specific categories of Customers.
- 8.3 The Licensee shall, provide at least twelve (12) months written notice to the Regulatory Authority:
- (a) Regarding any termination of an existing Licensed Service; or
 - (b) Any change to a Licensed Service which would render any Customer equipment obsolete, or otherwise render a Licensed Service inaccessible by Customers. As part of its written notification the Licensee shall identify appropriate service transition and customer migration arrangements, and shall comply with any related requirements imposed by the Regulatory Authority in accordance with Condition 1.1.
- 8.4 Within three (3) months following the Effective Date, the Licensee shall submit to the Regulatory Authority for its approval a form of standard customer agreement containing the terms and conditions for the provision of Licensed Services to Customers (the "Standard Customer Agreement").
- 8.5 The Standard Customer Agreement form shall become effective if the Regulatory Authority did not object to it within thirty (30) working days of its receipt or on a later date specified for its execution. If the Regulatory Authority has objected to the Standard Customer Agreement form during such period, the Regulatory Authority shall notify the Licensee in writing of the reasons for this objection and the Licensee shall accordingly modify the Customer Agreement form and present it to the Regulatory Authority within fifteen (15) working days of its receipt of such objection. This shall be applicable to the modified Standard Customer agreement form.
- 8.6 The Licensee may from time to time modify the Standard Customer Agreement. This modification shall be subject to Condition 8.5.



Telecommunications Regulatory Authority Sultanate of Oman

- 8.7 The Licensee shall notify all Customers of the terms and conditions of the Standard Customer Agreement and any modifications thereto and shall thereafter provide Licensed Services based upon the Standard Customer Agreement.
- 8.8 The Licensee shall, no later than three (3) months after the Effective Date, prepare a regulation containing efficient procedures for the resolution of disputes with Customers in respect of the provision of Telecommunications Services. The Regulatory Authority shall determine the method to be followed for the publication of this regulation or its perusal and the Licensee shall resolve disputes promptly and in accordance with this regulation and any decisions, orders or guidelines published by the Regulatory Authority.
- 8.9 The licensee shall undertake to refund the amounts due to customers or others during the term specified by the Regulatory Authority in the event of cancellation, non-renewal of the License or cessation of the provision of any Licensed Service.

9 Quality of Service Requirements

- 9.1 The Licensee shall meet the quality of service requirements set forth in Annex B (the "**Quality of Service Requirements**") failing which, the Licensee shall be subject to the penalties determined by the Regulatory Authority in accordance with the Executive Regulation of the Telecommunications Regulatory Act.
- 9.2 Subject to Condition (26) the Licensee shall ensure that it maintains information records in a form to be agreed with the Regulatory Authority within six (6) months of the Effective Date for the purposes of satisfying the Regulatory Authority that the Licensee is meeting the Quality of Service Requirements. The Licensee shall also comply with any special information disclosure or reporting requirements set out in Annex B and the publication of the performance indicators of Quality of Service in the media.

10 Provision of Maintenance Services

- 10.1 The Licensee shall ensure the provision of maintenance services, on the reasonable request of any Beneficiary to whom it provides any Licensed Services, in respect of both the Licensed System, and approved Telecommunications Equipment supplied by the Licensee and which is under that Beneficiary's control.
- 10.2 Condition 10.1 shall not apply in the following circumstances:
1. In relation to any relevant system or apparatus which is beyond economic repair or to the extent that the necessary components are no longer available; or



Telecommunications Regulatory Authority Sultanate of Oman

2. In the event that it is not, in the Regulatory Authority's view, reasonable to require the Licensee to provide the service requested by means of the Licensed Systems in the particular circumstances, including, but not limited to circumstances:
 - (a) Beyond the Licensee's control;
 - (b) Where the provision of the service would expose any person engaged in its provision to undue risk to health or safety; or
 - (c) Where it is not reasonably practicable.

11 Interruptions to the Licensed Services

- 11.1 The Licensee shall not intentionally interrupt the operation of the Licensed Systems (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 notified the Regulatory Authority in writing and having provided reasonable advance notice to Beneficiaries affected by such interruption or suspension.
- 11.2 Condition 11.1 shall not apply if:
 1. The interruption or suspension is due to an emergency, such as an event of Force Majeure; or
 2. The interruption or suspension is to a Licensed Service supplied by the Licensee to a Beneficiary whose Telecommunications System is endangering the integrity of the Licensed Systems.

12 Charges, Terms and Conditions

- 12.1 The Licensee shall file, in a form to be agreed with the Regulatory Authority within three (3) months of the Effective Date, the charges and the terms and conditions upon which it proposes to offer the Licensed Services at least thirty (30) working days prior to the date on which it is proposing they are to come into effect.
- 12.2 The Regulatory Authority must approve or disapprove the charges, terms and conditions of the Licensed Services set out in Condition (12.1) within fifteen (15) working days from the date on which they were filed with the Regulatory Authority. The Regulatory Authority may disapprove the proposed charges, terms and conditions only if the calculations contain mathematical errors or the charges, terms and conditions violate the Telecommunications (Pricing Control) Regulations, or are unfair or unreasonable or violate applicable laws and Regulations or the License Conditions.



Telecommunications Regulatory Authority Sultanate of Oman

- 12.3 In the event the Regulatory Authority disapproves the charges, terms and conditions of the Licensed Services, it shall notify the Licensee of its disapproval and state its objections within fifteen (15) working days. Within fifteen (15) working days of receipt of the Regulatory Authority's notice of disapproval, the Licensee may submit revised charges, terms and conditions for approval by the Regulatory Authority.
- 12.4 If the Regulatory Authority has not notified the Licensee of its objections and disapproval within fifteen (15) working days, the proposed charges, terms and conditions shall take effect on the earlier of the expiry of the fifteen working day period or the effective date proposed by the Licensee.

13 Provision of Access Services

- 13.1 The Licensee shall provide access to the Licensed Systems on the reasonable request of any Service Provider or Licensed Operator (the "Access Services").
- 13.2 Access Services shall be provided in accordance with the applicable recommendations of the International Telecommunication Union and other international entities, and all applicable decisions, orders and guidelines published by the Regulatory Authority.
- 13.3 The Licensee shall provide the Access Services within a maximum period of three (3) months from the date of request. In the event that the two parties do not conclude an agreement for the requested Access Services within three months, the matters in dispute shall be referred to the Regulatory Authority.
- 13.4 The Licensee shall not be required to provide Access Services where in the Regulatory Authority's view it is not reasonable to require the Licensee to provide Access Services including, but not limited to the following circumstances:
- (1) Where it is beyond the Licensee's control;
 - (2) Where it would cause or would be likely to cause danger, damage or injury to any person or to any property;
 - (3) Where it would cause damage or otherwise interfere with the running of the Licensed Systems or the provision over those Licensed Systems of Telecommunications Services; or
 - (4) Where it is not reasonably practicable.

14 Provision of Services for Resale

- 14.1 Subject to any Regulations on interconnection, the Licensee shall, within thirty (30) working days of a reasonable request by a Service Provider, enter with the Service Provider into an agreement with reasonable terms and conditions including terms and conditions in relation to charges to



Telecommunications Regulatory Authority Sultanate of Oman

provide such Telecommunications Services as are reasonably requested to enable that Service Provider to provide Resale Services.

- 14.2 The Licensee shall not be required to enter into an agreement under Condition 14.1 above where to do so would, in its reasonable opinion and with the agreement of the Regulatory Authority:
- (1) Cause or would be likely to cause danger, damage or injury to any person or to any property;
 - (2) Cause damage or otherwise interfere with the running of the Licensed Systems or delay the provision over those Licensed Systems of Telecommunications Services; or
 - (3) Not be reasonably practicable in light of any of the Conditions of this License or would be inappropriate on a technical or economic basis.

15 Third-Party Service Provision

- 15.1 The Licensee shall permit any Licensed Operator to connect its licensed Telecommunications System to the Licensed Systems so as to enable such Licensed Operator to provide Telecommunications Services by means of the Licensed Systems.
- 15.2 Condition 15.1 shall not be applicable if it is not, in the Regulatory Authority's view, reasonable to require the Licensee to provide such services, including, but not limited to the following circumstances:
- (1) where it is beyond the Licensee's control;
 - (2) where it would cause or would be likely to cause danger, damage or injury to any person or to any property;
 - (3) where it would cause damage or otherwise interfere with the running of the Licensed Systems or delay the provision over those Licensed Systems of Telecommunications Services; or
 - (4) Not be reasonably practicable in light of any of the Conditions of this License or would be inappropriate on a technical or economic basis.

16 Interconnection

16.1 Interconnection Agreements

- 16.1.1 The Licensee shall, within three (3) months of a request by another Licensed Operator, enter into an agreement with such Operator in accordance with the limits and controls set out in Condition 16.1.3 to connect to the Licensed Systems the Telecommunications System run by the Licensed Operator at technically feasible points of connection and



Telecommunications Regulatory Authority Sultanate of Oman

provide such other Telecommunications Services as are reasonably necessary in order for the Licensed Operator to provide Telecommunication Services to its Beneficiaries.

In the event that the two parties do not conclude an agreement within the specified period, the matters in dispute shall be referred to the Regulatory Authority for resolution in accordance with Condition 16.3.

16.1.2 Condition 16.1.1 shall not be applicable where to do so would, in a reasonable opinion and with the agreement of the Regulatory Authority:

- (1) Be contrary to the Telecommunications Regulatory Act, other applicable law or Regulations or decisions, orders or guidelines issued by the Regulatory Authority;
- (2) Cause or would be likely to cause danger, damage or injury to any person or to any property;
- (3) Cause damage or otherwise interfere with the running of the Licensed Systems or delay the provision over the Licensed Systems of Telecommunications Services; or
- (4) Not be reasonably practicable in light of the Conditions of this License or would be inappropriate on a technical or economic basis.

16.1.3 The Licensee shall ensure that any agreement offered in response to a request made under Condition 16.1.1 shall be transparent, non-discriminatory and objective and be suited to reasonable terms and conditions and shall include the following:

- a. the method required to establish and maintain connections;
- b. the number of points of connection to be established;
- c. access to necessary premises or lands for use in support of interconnection;
- d. the dates or periods for which interconnection is required;
- e. the transmission capacity necessary to permit effective interconnection;
- f. the form in which signals must be transmitted (including numbering and signalling methods) and any special provisions required to maintain acceptable signal quality;
- g. provisions for contingencies by the parties as a result of the interconnection; and
- h. provisions required for payment of charges and rates.
- i. maintaining service quality levels between end to end points including remedy to failures in meeting service levels and system maintenance.
- j. billing settlement procedures.



Telecommunications Regulatory Authority Sultanate of Oman

- k. procedures for request, forecast, provision, inspection, testing and traffic management.
 - l. transmitting signal of calling number identification.
 - m. number shifting procedures.
 - n. provision of network data and dealing with such data and their confidentiality.
 - o. formal dispute settlement procedures.
- 16.1.4 Any agreement made in accordance with Condition 16.1.1 shall not be valid unless it was forwarded by the Licensee to the Authority to obtain its approval. The Authority shall take its decision within three (3) months of receiving the Agreement. If the Agreement is agreeable to the Authority, it shall notify the Licensee in writing and in the event of rejecting the Agreement it shall notify the Licensee of the justified rejection decision and the Licensee shall modify the Agreement in accordance with the decision.
- 16.1.5 In case of any modification of the Agreement, it shall not be valid unless it is forwarded to the Authority for approval. The Authority shall take its decision within thirty (30) working days and inform the Licensee in writing. The Licensee shall make the required modification in order to comply with the Authority's decision.
- 16.1.6 The Licensee shall provide to the Regulatory Authority all such technical, operational and accounting information as the Regulatory Authority may reasonably require in order to ensure that the requirements of this Condition are met. The Regulatory Authority shall ensure that any information provided to it in accordance with this Condition which is expressed to be confidential is maintained as such.
- 16.1.7 The Regulatory Authority shall from time to time publish adequate and up to date information on interconnection agreements between Licensed Operators. Where the Licensee has entered into an interconnection agreement with another Licensed Operator, the Licensee shall make that agreement publicly available to all Licensed Operators.
- 16.1.8 The Licensee shall comply with any decisions, orders and guidelines published by the Regulatory Authority regarding the sharing of facilities or infrastructures by other Licensed Operators in relation to the Public telecommunications Network.

16.2 Principles for Interconnection Rates

- 16.2.1 The Licensee shall ensure that the charges to be made for the provision by it of Telecommunications Services in accordance with Condition 16.1.1 above, shall be cost-oriented and fully justified, such charges to be calculated based on a reasonable



Telecommunications Regulatory Authority Sultanate of Oman

assessment of the costs associated with establishing interconnection and of providing the telecommunication services requested by a Licensed Operator.

16.2.2 In establishing rates and charges for interconnection, the Licensee shall adhere to the following principles:

- a. The charges for interconnection service and facilities should in all cases be reasonable and, with respect to similarly situated users, non-discriminatory;
- b. The charges for each type of service requiring interconnection shall be such that they ensure the Licensee a reasonable return, taking into account the Licensee's costs of operating the Licensed System and providing the Licensed Services;
- c. The terms of interconnection should be designed to prevent uneconomic or non-cost based bypass of the Licensed Systems by other Telecommunications Systems, including by providing for interconnection which is sufficiently unbundled so that the interconnecting operator is not required to pay for services or facilities that it does not require;
- d. The division of revenues from traffic carried between the Licensed Systems and the Telecommunications System operated by the Licensed Operator requesting interconnection should take account of the relative use made of each of the interconnecting operators' plant and equipment by the service in question;
- e. Long-run incremental cost (LRIC) estimates shall be used as the initial basis for calculation of the costs of interconnection and universal service stipulated in Condition 3 of the Fixed Public Telecommunications System License issued by the Royal Decree No. 20/2004 after two (2) years of the Effective Date;
- f. Where the charges for interconnection are to be based on the standard charges for the provision of a similar service to the Licensee's Beneficiaries, those charges should be adjusted to take account of any cost savings associated with providing service to the Licensed Operator requesting interconnection; and
- g. The Licensee may not impose any delay penalties except in accordance with the Conditions of the Agreement set out in Condition 16.1.1 and after obtaining the Authority's approval.

16.3 Resolution of Interconnection Disputes

16.3.1 Without violating the regulations issued in accordance with Article 46 of the Telecommunications Regulatory Act, if an agreement cannot be reached according to



Telecommunications Regulatory Authority Sultanate of Oman

Condition 16.1.1 within three (3) months, the Licensee or the Licensed Operator may refer the matter to the Regulatory Authority. The Regulatory Authority shall make such determination, including the imposition of reasonable terms and conditions, as it considers necessary in all the circumstances within six (6) months of the reference, such determination to be final.

- 16.3.2 Where a dispute arises between the parties under the agreement or in relation to a related matter, either party may refer the matter to the Regulatory Authority for determination in accordance with Condition 16.3.1.
- 16.3.3 The party referring any matter to the Regulatory Authority shall provide all the necessary information to the Regulatory Authority so as to enable it to determine the nature of the matter being referred. The other party may make such submissions in relation to the matter being referred as he considers necessary. The Regulatory Authority may require the provision of further information from either party and may specify the period of time within which such information must be provided. The Regulatory Authority shall notify the parties in writing of its determination. The Licensee shall do whatever is necessary to give effect to the determination.

16.4 Other Obligations

- 16.4.1 The Licensee shall co-operate with other Licensed Operators or Service Providers providing services which are the same or similar to the Licensed Services to establish and maintain technical and billing arrangements to permit Customers to use their terminal equipment in the service areas of those other Licensed Operators or Service Providers and in particular the rural areas that are economically unfeasible. The Licensee shall comply with any relevant decisions, orders or guidelines published by the Regulatory Authority regarding such roaming services. The Licensee shall participate in relevant international associations that have as their objective the facilitation of roaming services between operators of compatible services.
- 16.4.2 In addition to complying with the obligations defined in the Telecommunications Regulatory Act and the applicable Regulations and relevant decisions, orders and guidelines published by the Regulatory Authority, the Licensee shall comply with any decisions, orders or guidelines issued by the Authority regarding the sharing of telecommunications facilities or related structures by Licensed Operators.

17 INTEROPERABILITY AND TECHNICAL STANDARDS

- 17.1 The Licensee shall comply with any Regulations, technical specifications and rules issued by the Regulatory Authority as are applicable and appropriate in order to ensure interoperability of the Licensed Services and Licensed Systems with Telecommunications Services and Telecommunications Systems provided by other Licensed Operators to the extent technically and economically feasible.



Telecommunications Regulatory Authority Sultanate of Oman

- 17.2 The Licensee shall ensure that all the equipment comprised in (and connected to) the Licensed Systems and used in the provision of the Licensed Services is approved in accordance with Articles 8(6), 51(6) or 51(8) of the Telecommunications Regulatory Act or applicable Regulations, or otherwise complies with technical specifications identified or approved by the Regulatory Authority.

18 Billing

- 18.1 The Licensee shall not render any bill in respect of any Licensed Service unless every amount stated as due in the bill represents the real value of the service provided.
- 18.2 The Licensee shall, no later than three (3) months from the Effective Date, establish a procedure to ensure the accuracy of its billing system in accordance with Condition 18.1 above which must be submitted for prior approval to the Regulatory Authority before its implementation.
- 18.3 The Licensee shall keep such records as may be necessary or may be determined by the Regulatory Authority to be necessary for the purpose of satisfying the Regulatory Authority that the billing process has the characteristics required in the procedure set out in Condition 18.2, and shall retain billing records for at least two (2) years from the date on which they came into being.
- 18.4 The Licensee shall furnish the Regulatory Authority from time to time with any information it reasonably requires for the purpose of giving the Regulatory Authority an independent quality assurance that the billing process meets the requirements of billing and shall allow any person authorized by the Regulatory Authority access to any relevant premises of the Licensee to examine or test the whole or any part of the billing process.
- 18.5 The Licensee shall, no later than one month from the Effective Date, provide itemized billing information to any Beneficiary upon request in respect of the charges for any Telecommunications Services provided to such Beneficiary, for a reasonable tariff as approved by the Regulatory Authority.

19 Numbering

- 19.1 The Licensee shall comply with the Numbering Plan and all related decisions, orders or guidelines published by the Regulatory Authority.
- 19.2 The Licensee shall not relinquish numbers to other Licensed Operators unless in accordance with the applicable Numbering Plan and after obtaining the Regulatory Authority's approval.



Telecommunications Regulatory Authority Sultanate of Oman

- 19.4 The Regulatory Authority will make reasonable endeavors to provide advance notice of any required re-allocation of numbers or other significant change in the Numbering Plan, and will manage the Numbering Plan with the objective of minimizing disruption to the Licensee or Beneficiaries and the Regulatory Authority may charge administration fees in connection with its administration of the Numbering Plan in accordance with Article 11.6.D of the Telecommunications Regulatory Act.
- 19.5 The numbers allocated by the Regulatory Authority to the Licensee, and the individual numbers allocated by the Licensee to Beneficiaries, remain part of a public property and no ownership or other proprietary right is conveyed when an allocation is made.
- 19.6 The Licensee shall co-operate with other Licensed Operators in the specification and development of number portability to allow Beneficiaries to change to another Licensed Operator or Service Provider without a change of number.

20 Radiocommunications and frequency allocation

The Regulatory Authority shall allocate from time to time to the Licensee such radio frequencies or frequency bands under a Radio License as is necessary and to the extent consistent with the National Frequency Plan, in the reasonable opinion of the Regulatory Authority, to enable the Licensee to exercise its rights and to perform its obligations hereunder provided that the Licensee shall comply with the following:

- 1 The Licensee shall ensure that the Radiocommunications Equipment comprised in its Radio Stations is designed and constructed, used and maintained, so as not to cause any undue interference when in use.
- 2 The Licensee shall not permit any person to use the Radiocommunications Equipment comprised in its Radio Stations unless the person is under the control of, and authorized by, the Licensee.
- 3 The Licensee shall ensure that all persons using the Radiocommunications Equipment comprised in its Radio Stations are made aware of the terms of this License and comply with them.
- 4 The Licensee shall permit a person authorized by the Regulatory Authority to have access to its Radio Stations and to inspect or test its Radiocommunications Equipment at any reasonable time or when an emergency situation exists, at any time, for the purpose of verifying compliance with the terms of the License, or investigating sources of radio interference.
- 5 The Licensee shall restrict the operation of, or close down and cease to operate, its Radio Station or any of its Radiocommunications Equipment immediately in accordance with the demand of a person authorized by the Regulatory Authority in accordance with Article (35) of the Telecommunications Regulatory Act and for the period specified in the demand in case of the Licensee's violation of any Condition of the Radio License or violation of Article 9(4) & (5) and Article 30 of the Telecommunications Regulatory Act.



Telecommunications Regulatory Authority Sultanate of Oman

21 Employees obligations

- 21.1 The Licensee shall take all reasonable steps to train Omani nationals to man positions at all levels in the Licensee's administrative and technical organization structure and to achieve the percentage of Omanisation set out in Annex D. The Regulatory Authority may impose a penalty in the event of non-compliance to such percentage. Such penalty shall not be less than the fine determined by the competent authority.
- 21.2 The Licensee may recruit foreign experts for the installation, operation, maintenance and exploitation of the Telecommunications Systems and provision of Licensed Services in accordance with the relative rules, regulations and decisions provided that the Authority is furnished with the resume of each one of them for approval prior to recruitment. The Licensee shall reduce the number of such experts according to a timetable agreed upon with the Authority.

22 Privacy and Confidentiality

- 22.1 The Licensee shall use all reasonable endeavors 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 confidentiality of such information subject to any requirement under law.
- 22.2 The Licensee shall maintain sufficient information on its confidentiality procedures to satisfy the Regulatory Authority, at its reasonable request, that the requirements of Condition 22.1 are being met.
- 22.3 The Licensee shall not use or allow to be used any apparatus comprised in the Licensed Systems which is capable of recording, silently monitoring, or intruding into live speech telephone calls or data transmitted over the network unless it is in accordance with the Law and the stipulated procedures and after obtaining approval of the Security Authorities.
- 22.4 The Licensee may request the Security Authorities to record calls based on a Beneficiary's request to prove that the Beneficiary has made the call or for operational reasons after obtaining the Beneficiary's approval. The Licensee shall in either cases notify the Beneficiary whose calls are to be recorded, and shall maintain a record of the means by which the Beneficiaries have been informed that the call is to be or may be recorded. The Licensee shall furnish to the Regulatory Authority such information on request.

23 Prohibition of unfair cross-subsidies

- 23.1 The Licensee shall not unfairly cross-subsidize or unfairly subsidize its Businesses or those of its Affiliates in relation to the provision of:



Telecommunications Regulatory Authority Sultanate of Oman

- a) Cellular Mobile Services including Third Generation Mobile Services in accordance with Condition 1.2;
 - b) Information Services;
 - c) Calling Card Service;
 - d) Value Added Services;
 - e) The sale, lease and maintenance of Terminal Equipment.
- 23.2 The Licensee shall maintain such records as are necessary in order to evidence material transfers between the Businesses set out in Condition 23.1.
- 23.3 Where it appears to the Regulatory Authority that the Licensee has violated Condition 23.1, it shall take such steps as the Regulatory Authority may direct in order to remedy the situation while considering whether any cross-subsidy has been made for the purpose of satisfying any obligation imposed by it under this License.

24 Undue discrimination and anti-competitive practices

- 24.1 The Licensee shall not (whether in respect of the rates or other terms and conditions applied or otherwise) show undue preference to, or exercise undue discrimination against, particular persons or persons of any class or description as respects the provision of the Licensed Services. The Licensee may be deemed to have shown such undue discrimination if it unfairly favors to a material extent a business carried on by it in relation to the provision of the Licensed Services so as to place at a significant competitive disadvantage persons competing with that business.
- 24.2 The Licensee shall not engage in any other anti-competitive practices and, in particular, shall not:
- 1 abuse any dominant position in any Telecommunications Service market;
 - 2 enter into agreements with any other Licensed Operator or Service Provider which have as their purpose or effect the fixing of prices, allocation of Beneficiaries or specific service markets or other improper restraint on competition; or
 - 3 use information provided by other Licensed Operators or Service Providers for anti-competitive purposes.
- 24.3 Any question relating to whether any act done or course of conduct is contrary to this Condition shall be determined by the Regulatory Authority and the measures deemed necessary to remedy this situation shall be taken by it.

25 ACCOUNTING REQUIREMENTS



Telecommunications Regulatory Authority Sultanate of Oman

- 25.1 Within five (5) months of the end of each fiscal year of the Licensee, the Licensee shall deliver to the Regulatory Authority the audited balance sheet of the Licensee as at the end of such fiscal year and the related statements of operations, equity and cash flows of Licensee, in each case accompanied by a report thereon of independent auditors stating that such financial statements fairly present the financial position of the Licensee at the dates indicated and were prepared in accordance with accounting principles generally accepted in the Sultanate of Oman.
- 25.2 The Licensee shall submit to the Regulatory Authority within three (3) months of the Effective Date a proposal for an accounting system which allows the recording of investments, expenses and revenues in accordance with accounting principles generally accepted in the Sultanate of Oman. In particular, such accounting systems shall identify cost elements in sufficient detail so that cost-based interconnection prices can be established. The Regulatory Authority shall approve or disapprove the proposed accounting system within three (3) months of its submission.
- 25.3 The Regulatory Authority may, in case of disapproval of the accounting system under Condition 25.2 or, if the Regulatory Authority considers during the License Term that a modification is reasonably required, propose modifications or order the Licensee to adopt a prescribed accounting system within a reasonable time period.
- 25.4 The Regulatory Authority may request the Licensee to submit other accounting information it may require in order to effectively supervise and enforce the terms of this License and the Licensee shall provide such information within a reasonable period of time determined by the Regulatory Authority.
- 25.5 If the Licensee fails to comply with its obligations under Condition 25.2 above or if the accounting system established by the Licensee fails to achieve the objectives set forth in that subsection; and the Regulatory Authority deems it necessary and appropriate to supervise compliance with the provisions of Condition 23, it may order the Licensee to provide certain Licensed Services through a separate division or divisions, a separate branch or branches or a separate subsidiary or subsidiaries.

26 REQUIREMENT TO PROVIDE INFORMATION

- 26.1 The Licensee is required to maintain and provide such information in such manner and at such times as the Regulatory Authority may request. The Regulatory Authority shall have the right to request the Licensee to submit periodic reports, statistics.
- 26.2 In making a request for information, the Regulatory Authority will ensure that no undue burden is imposed on the Licensee in procuring and furnishing such information, unless the Regulatory Authority considers such information is essential to enable it to exercise its duties and functions under the Telecommunications Regulatory Act.



Telecommunications Regulatory Authority Sultanate of Oman

26.3 The Licensee shall provide the Regulatory Authority or its authorized representatives with access, at any time, to all equipment, facilities, books and records of the Licensee relevant to the performance of this License.

27 PRE-NOTIFICATION OF CHANGE IN SHAREHOLDING

27.1 The Licensee shall notify the Regulatory Authority of any acquisition of shares by or change in shareholding of any person only if, by reason of that acquisition or change, the total number of shares in that Relevant Company held by that person together with any shares known by the Licensee to be held by any nominee or trustee for that person immediately after the change or acquisition exceeds:

- 1 5 per cent;
- 2 10 per cent;
- 3 20 per cent;
- 4 33.3 per cent;
- 5 50 per cent; or
- 6 66.6 per cent,

27.2 In any case referred to in Condition 27.1, notification shall be given by a date which is thirty (30) working days prior to the taking effect of such change or acquisition.

27.3 Within thirty (30) working days of each anniversary of the Effective Date, the Licensee shall notify the Regulatory Authority of the name of each shareholder of each Relevant Company, and the total number of shares held by each such person as at the date of the relevant anniversary of the Effective Date where the "Relevant Company" means the Licensee or any natural or juristic person with more than 50 per cent of the Licensee's shareholding.

28 LICENCE FEES

The Licensee shall pay to the Regulatory Authority the following fees:

- a) Fees for issuing the License for the first time amounting to RO 40.000.000. This amount shall be payable to the Regulatory Authority soon upon issuing the Royal Decree. Where no payment is made within seven days of issuing this Decree, the License shall be annulled by the force of Law and without any need to take further action in this regard.
- b) The licensee's share in the annual fee that does not exceed the amount of operating costs and the projected expenses of each fiscal year to the Authority according to its estimated budget for the coming year. The Licensee shall be notified of this share before the end of October each year. The applicable annual license fee shall be paid to the Regulatory Authority within thirty (30) days of the Effective Date; and annually in advance no later than 1st of January of each year thereafter.



Telecommunications Regulatory Authority Sultanate of Oman

In case of delay, the Licensee shall incur a proportion for each day of delay equal to the annual interest on loans of commercial banks as published from time to time by the Central Bank of Oman. This proportion shall be reduced according to the fees imposed by the Authority on other Licensees in accordance with Article 11(6A) of the Telecommunications Regulatory Act.

29 PRIORITY RIGHTS

Subject to Article 47 of the Telecommunications Regulatory Act, the Licensee shall have priority rights in respect of installing the Licensed System on public rights-of-way, in or on buildings and other property, and in respect of similar works necessary for the provision of the Licensed Services.

30 TRANSFERS OF RIGHTS OR OBLIGATIONS

- 30.1 The Licensee may not assign or otherwise transfer the Licensed Services to another person without the prior written approval of the Regulatory Authority.
- 30.2 Any natural or juristic person that becomes a duly authorized successor or assign to the Licensee through affiliation, assignment, transfer of control, merger, liquidation, reorganization or otherwise, shall, as a condition to such succession or assignment, be required to execute such documents as the Regulatory Authority deems appropriate .

31 DISPUTES

The Authority may consider the disputes that arise between the Licensee and the Licensed, the other Service Providers or Beneficiaries and resolve them in accordance with the Telecommunications Regulatory Act and the applicable laws. The decisions of the Authority shall be binding to all parties and the Authority may with the agreement of the parties to the dispute refer the dispute to arbitration.

32 PENALTIES

- 32.1 In addition to any specific penalties or consequences set out in this License or under the Telecommunications Regulatory Act or the applicable laws or Regulations, if the Licensee fails to remedy any damage resulting from non-compliance with any requirement of this License, the Regulatory Authority may impose a penalty not exceeding double the costs necessary to remedying the default
- 32.2 The Authority shall deliver written notice identifying the specific default to be remedied by the Licensee. The Licensee shall have fifteen (15) working days to propose a specific plan for remedying the identified default within an identified time period. The Authority may approve the plan and notify the Licensee to implement it.



Telecommunications Regulatory Authority Sultanate of Oman

- 32.3 If the plan was not approved by the Authority, or if the Licensee fails to implement the plan within the specified period, a penalty shall be imposed on the Licensee according to Condition 32.1.

ANNEX A – LICENSED AREA

The Licensed Area shall be the whole of the Sultanate of Oman, other than areas subject to an existing exclusive concession in the Effective Date unless authorized by the concession holders.



**Telecommunications Regulatory Authority
Sultanate of Oman**

ANNEX B – QUALITY OF SERVICE REQUIREMENTS

1. The Licensee shall comply with the following service quality requirements:

Service	Quality Requirement	Deadline
Percentage of mobile calls dropped	Less than 1.3%	[Effective date+1 year]
	Less than 1.1%	[Effective date+2 years]
	Less than 1.1%	[Effective date+3 years]
	Less than 0.9%	[Effective date+4 years]
	Less than 0.8%	[Effective date+5 years]
Percentage of calls blocked due to congestion of the network	Less than 3.6%	[Effective date+1 year]
	Less than 2.5%	[Effective date+2 years]
	Less than 1.8%	[Effective date+3 years]
	Less than 1.5%	[Effective date+4 years]
	Less than 1.1%	[Effective date+5 years]
Percentage of billing complaints resolved within 20 working days	More than 96%	[Effective date+1 year]
	More than 96%	[Effective date+2 years]
	More than 96%	[Effective date+3 years]
	More than 96%	[Effective date+4 years]
	More than 96%	[Effective date+5 years]

2. The Licensee shall be deemed not to be in breach of the quality of service obligations set out in this Annex B where any breach results from any reduction in quality caused by interconnection of the Licensee's Licensed Systems with the Telecommunications System of any other Licensed Operator.



**Telecommunications Regulatory Authority
Sultanate of Oman**

ANNEX C – SYSTEM AND SERVICE EXPANSION

1st

SYSTEM EXPANSION

1. The Licensee shall undertake to develop the Licensed Services commercially in such manner as to ensure that demand for its services is met in a timely and efficient fashion and in accordance with internationally recognized standards.
2. The Licensee shall ensure that the telecommunications systems and equipment it is using are capable of meeting the service demand without breaching the quality of service requirements given in Annex B.
3. If the quality of service requirements is not being met due to insufficiency of the system, the Licensee shall be required to expand the system to meet quality of service requirements.
4. The Licensee shall ensure that the system is not overloaded to the extent exceeding its system's capacity as specified by its manufacturer. If the system exceeds the recommended capacity, then the Licensee shall expand the system accordingly.
5. Roaming shall not be allowed in Muscat Governorate Area as defined by the Royal Decree No. 6/1991.

2nd

SERVICE EXPANSION

- 1) Phases shall be determined by the expansion and coverage tables in accordance with the following:

Phase One (0) by the end of 6 months of the Effective Date
Phase One (1A) by the end of 12 months of the Effective Date
Phase One (1B) by the end of 18 months of the Effective Date
Phase Two (2) by the end of 24 months of the Effective Date
Phase Three (3) by the end of 36 months of the Effective Date
Phase Four (4) by the end of 48 months of the Effective Date
Phase Five (5) by the end of 60 months of the Effective Date

- 2) The Licensee shall comply with service expansion in accordance with the expansion tables and the maps signed by it.
- 3) The Licensee shall comply with service coverage in accordance with the coverage tables the maps signed by it.
- 4) The said tables and maps shall form an integral part of this Annex.
- 5) Roaming facilities in coverage areas shall be withdrawn by the end of each phase.



Telecommunications Regulatory Authority Sultanate of Oman

ANNEX D OMANISATION

The Licensee shall endeavor to achieve the initial Omanisation percentages specified at the beginning of service up to the end of the first six months and shall undertake to realize the total Omanisation percentages for each phase as given in this annex.

Level	6 months from Effective Date	12 months from Effective Date	18 months from Effective Date	24 months from Effective Date	36 months from Effective Date	48 months from Effective Date	60 months from Effective Date
Executive Officer	Total: 6 Omani: 1 Share: 17%	Total: 6 Omani: 1 Share: 17%	Total: 6 Omani: 1 Share: 17%	Total: 6 Omani: 2 Share: 33%	Total: 6 Omani: 2 Share: 33%	Total: 6 Omani: 3 Share: 50%	Total: 6 Omani: 3 Share: 50%
Director	Total: 8 Omani: 0 Share: 0%	Total: 8 Omani: 1 Share: 13%	Total: 8 Omani: 1 Share: 13%	Total: 8 Omani: 3 Share: 37%	Total: 8 Omani: 4 Share: 50%	Total: 8 Omani: 4 Share: 50%	Total: 8 Omani: 4 Share: 50%
Department Head	Total: 10 Omani: 3 Share: 30%	Total: 10 Omani: 4 Share: 40%	Total: 10 Omani: 5 Share: 50%	Total: 10 Omani: 6 Share: 60%	Total: 10 Omani: 7 Share: 70%	Total: 10 Omani: 7 Share: 70%	Total: 10 Omani: 7 Share: 70%
Section Head	Total: 3 Omani: 2 Share: 67%	Total: 7 Omani: 4 Share: 57%	Total: 10 Omani: 6 Share: 60%	Total: 26 Omani: 18 Share: 69%	Total: 34 Omani: 26 Share: 75%	Total: 38 Omani: 29 Share: 77%	Total: 40 Omani: 35 Share: 87%
Professional	Total: 76 Omani: 30 Share: 39%	Total: 86 Omani: 42 Share: 48%	Total: 96 Omani: 59 Share: 61%	Total: 143 Omani: 112 Share: 78%	Total: 165 Omani: 144 Share: 87%	Total: 177 Omani: 158 Share: 90%	Total: 182 Omani: 166 Share: 91%
Support Staff	Total: 71 Omani: 54 Share: 76%	Total: 81 Omani: 61 Share: 76%	Total: 91 Omani: 75 Share: 82%	Total: 136 Omani: 114 Share: 84%	Total: 158 Omani: 145 Share: 92%	Total: 170 Omani: 158 Share: 94%	Total: 175 Omani: 164 Share: 94%
Total	Total: 174 Omani: 90 Share: 52%	Total: 197 Omani: 112 Share: 57%	Total: 221 Omani: 148 Share: 67%	Total: 329 Omani: 254 Share: 77%	Total: 382 Omani: 328 Share: 86%	Total: 409 Omani: 359 Share: 88%	Total: 421 Omani: 379 Share: 90%

Where any of the total Omanisation percentages for each phase after the first six months has not been achieved, a fine as estimated by the TRA shall be imposed as per Condition 21.1.



Telecommunications Regulatory Authority Sultanate of Oman

ANNEX E

Provision of Training and Tools for TRA Staff

1) The Licensee shall take all the necessary steps to enable the Regulatory Authority's employees to participate in training courses ranging from basic to advanced topics that are arranged by the Licensee and/ or the other parties dealing with the Licensee in the field of Mobile Services which cover the following training areas:

A. Network planning and optimization including:

- Coverage planning
- Capacity planning
- Frequency planning

B. Analysis of network statistics.

C. UMTS technology.

2) The Licensee shall bear the cost of training a maximum of 2 of the Regulatory Authority's employees for each of the course areas set out in Clause 1 above, the timing and date for which will be mutually agreed. The training shall place locally or overseas before the end of 18 months of the Effective Date. The training course for each participant shall be between 2 to 4 weeks depending upon available courses for each topic. The detailed plan will be agreed during the implementation of the project.

3) The licensee shall provide, at its own cost, to the Regulatory Authority a complete set of Drive test tools as described below:

- Ericsson TEMS investigator 5.X or equivalent tool, which shall be GPRS capable and support AMR to enable the Regulatory Authority's technical team investigate radio network quality and specific customer complaints.
- Access to the Licensee's test mobile processing tools such as Actix, TEMS DeskCat or equivalent to furnish the Regulatory Authority with the highest level of data visibility. One Client license will be installed at the Regulatory Authority's premises, if such remote access is supported by the tool. The Regulatory Authority will meet the cost of providing the leased line access to the test mobile processing tool only.

The Licensee shall provide the Regulatory Authority's employees training on how to use Abis trace optimization tools such as Nettek's Ocean/ Compass/ Tektronix or similar tools that will be used by the Licensee to enable the Regulatory Authority to identify specific network problems. The Licensee shall install at the Regulatory Authority's premises a terminal with remote capability to access the Licensee's optimization tools to help the Regulatory Authority's engineers to undertake network monitoring. Costs in relation to the training and the



Telecommunications Regulatory Authority Sultanate of Oman

provisioning and the installation of the terminal shall be borne by the Licensee. Such training may be on-the-job-training provided by the tool vendors.

4) The Licensee shall incur the costs of the provisioning and the installation of an OMC terminal at the Authority's premises to enable the Authority's personnel to analyze Network KPI statistics.

5) The Licensee shall ensure that the equipment set out in this Annex is operational at the time of provisioning which shall be no later than the commencement of commercial operation, provided that the tools are commercially available at that time.



Telecommunications Regulatory Authority Sultanate of Oman

ANNEX F

Additional Commitments

Without prejudice to the terms and conditions of this License, the Licensee shall meet the commitments set out in the tender documents submitted and shall, without violating the tender documents or this License, meet the following additional commitments:

- 1) To install one MSC with sufficient capacity in Salalah in Phase 1.
- 2) To ensure that its links will have adequate redundancy where the Licensee does not have leased lines from Omantel or another Operator.
- 3) To deploy a microwave based backbone network that will be of 1+1 redundancy, unless redundancy is ensured by the use of a Leased Line and to build a ring for the backbone network, further enhancing the redundancy.
- 4) To establish a concept based on ring topology for the base stations, where and when feasible. This will facilitate full microwave transmission redundancy of the base stations, superior to plain 1+1 redundancy. Where such ring topology is not feasible and only two base stations are in chain (Star/ Chain Topology), the Licensee may use 1+0 configuration, subject to consistency with committed Quality of Service Requirements.
- 5) To open spare maintenance centers in Muscat, Salalah, Nizwa and Sohar on commencement of services.
- 6) To activate 3G in one year's time from the Effective Date, for all major cities including Muscat, Sohar, Nizwa, Salalah and Sur.

The Regulatory Authority will allocate the Frequency Spectrum in accordance with the actual needs of the Licensee to operate 3G network in addition to the open unprotected WiFi spectrum proposed in the Licensee's bid, provided that the Licensee has paid the utilization fees as per the applicable rules and regulations.



**Telecommunications Regulatory Authority
Sultanate of Oman**

ANNEX (G)

OBLIGATIONS OF (TDC) COMPANY

This annex sets out an undertaking given by TDC A/S to the Regulatory Authority about its participation in Nawras.

1. TDC A/S a company registered in Denmark (under registration No.: CVR 14773908) confirms that upon acceptance of (Nawras) as a Licensee, shall own 14% of its shares, within one year of making such shares available for public subscription or within six years of issuing the License, whichever is earlier.
2. Notwithstanding paragraph 1, TDC may, after obtaining TRA approval transfer its shares at any time in part or in whole to another telecommunications operator, provided such operator has no less operational capability than TDC in establishing and operating mobile companies.
3. TDC A/S shall not be obliged either directly or indirectly to own its shares in Nawras if; (i) there is a force majeure situation affecting Nawras (ii) the license of Nawras is revoked and / or (iii) TDC A/S is in an insolvency situation.
4. The Licensee shall guarantee TDC A/S in fulfilling this commitment. Any breach of the above mentioned commitment by TDC shall be considered substantive breach of the terms and conditions of the License that results in penalizing the Licensee with the appropriate legal penalty in accordance with Article 24 of the Act, in addition to compensation.