

PRIVATE & CONFIDENTIAL

1 July 2004

**INFRASTRUCTURE PROVIDER FOR THE TELECOMMUNICATION
INDUSTRY (InTi) LICENCE
GRANTED TO**

[LICENSEE'S NAME]

UNDER SECTION 5 OF THE TELECOMMUNICATIONS ORDER, 2001

ON [DATE]



**AUTHORITY FOR INFO-COMMUNICATIONS TECHNOLOGY
INDUSTRY OF BRUNEI DARUSSALAM (AiTi)**

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**AUTHORITY FOR INFO-COMMUNICATIONS TECHNOLOGY
INDUSTRY OF BRUNEI DARUSSALAM (AiTi)**

**INFRASTRUCTURE PROVIDER FOR TELECOMMUNICATION
INDUSTRY (InTi) LICENCE**

**GRANTED BY THE AUTHORITY FOR INFO-COMMUNICATIONS TECHNOLOGY
INDUSTRY OF BRUNEI DARUSSALAM (AiTi)**

**UNDER SECTION 5 OF THE
TELECOMMUNICATIONS ORDER, 2001**

The Authority for Info-communications Technology Industry of Brunei Darussalam (hereinafter referred to as “AiTi”), in exercise of the powers conferred on it under Section 5 of the Telecommunications Order 2001 (hereinafter referred to as the “Order”), hereby grants to **[insert licensee name]** (hereinafter referred to as the “Licensee”) a licence to establish, install and maintain the telecommunication infrastructure (hereinafter referred to as the “Infrastructure”) and a right to use radio frequency spectrum which has been allocated to the Licensee by AiTi (hereinafter referred to as the “Allocated Frequency Spectrum”) for the purposes of operating the Infrastructure **[include if licence issued with spectrum right]** as specified in **Schedule A**, subject to the general terms and conditions set out in **Schedule B**, and the specific terms and conditions set out in **Schedule C**.

Issued on [date]

by

**CHIEF EXECUTIVE
AUTHORITY FOR INFO-COMMUNICATIONS TECHNOLOGY INDUSTRY
OF BRUNEI DARUSSALAM**

Schedule A

PART I

Description of the Telecommunication Infrastructure to be provided by [Licensee name]

1. *Category of Licence*

The Licensee is granted a licence to provide the following:

- Public Broadcasting Infrastructure
- Special Purpose Infrastructure

2. *Infrastructure*

The infrastructure to be established by the Licensee shall be as stated in the Licensee's Licence Application on **[date]**.

3. *Technical Summary*

The Licensee's network shall comprise **[insert technical summary]**.

The Licensee's network components is as follows:

[insert technical network diagram]

PART II

Description of Prohibited Infrastructure and Services for [Licensee name]

1. *Prohibited Infrastructure*

Nil.

2. *Prohibited Services*

Nil.

PART III

Description of Allocated Frequency Spectrum for [Licensee name]

1. *Allocated Frequency Spectrum*

The Allocated Frequency Spectrum means:

[insert frequency bands allocated]

2. *Purpose*

The Allocated Frequency Spectrum shall be used for the purposes of operating the Infrastructure.

Schedule B

TERMS AND CONDITIONS OF THE INFRASTRUCTURE PROVIDER FOR THE TELECOMMUNICATION INDUSTRY (InTi) LICENCE

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**TERMS AND CONDITIONS OF THE INFRASTRUCTURE PROVIDER FOR THE
TELECOMMUNICATION INDUSTRY (InTi) LICENCE**

1 THE LICENCE

1.1 Period

1.1.1 The Licence comes into force on **[date]** and shall be valid for a period of **20 years**, unless suspended or cancelled by AiTi in accordance with Clause 2.4 or 2.5, or terminated by the Licensee in accordance with Clause 2.6.

1.1.2 The Licence may be further renewed for such period as AiTi thinks fit and subject to such terms and conditions as may be specified by AiTi under Section 5 of the Order.

1.2 Fees

1.2.1 The Licensee shall pay the granting fee of **[B\$xx,xxx]** within 2 weeks of the grant of the Licence. The failure of the Licensee to pay the granting fee shall constitute a breach that may result in the suspension or cancellation of this Licence in accordance with Clause 2.4 of this Licence. **[to include only if there is an applicable granting or bid fee]**

1.2.2 The Licensee shall pay to AiTi a periodic licence fee on a regular basis, that is 1.5%, or such other percentage as may be determined and notified by AiTi, of the audited periodic gross turnover (“PGTO”) based on the provision of the Infrastructure [and the use of the Allocated Frequency Spectrum] **[include if licence issued with spectrum right]**, subject to a minimum of B\$100,000.00 per year. The PGTO shall be computed based on the turnover of the Licensee for all businesses, operations and other activities related to the provision of the licensed or licensable Infrastructure [and the use of the Allocated Frequency Spectrum] **[include if licence issued with spectrum right]**, irrespective of and not discounting any revenue sharing, joint venture or other arrangements that the Licensee may have with other third parties or related companies.

1.2.3 The periodic licence fee shall be payable in advance based on the PGTO for the preceding period’s actual PGTO.

1.2.4 The periodic licence fee shall be payable on a 6 monthly basis, so as to provide 2 annual instalments, unless otherwise determined and notified in advance by AiTi. The first periodic fee shall be payable on the 31st of January of each year, and the second periodic fee shall be payable on the 31st of July of that same year.

1.2.5 The fee shall be calculated based on the PGTO of licensed and licensable activities of the last six monthly financial accounts. Where the annual financial accounting period of the licensee finishes in the immediate 6 monthly period ending 30 November, then those accounts shall be used to calculate the first

periodic fee for that period, and if not, then the nearest 6 monthly financial accounts prior to 30 November shall be used. The second periodic fee shall be based on the PGTO of the nearest annual or 6 monthly financial accounts of the licensee ending on or before 31 May of the preceding 6 monthly period.

1.2.6 The financial accounts used for the above calculations shall be audited on at least an annual basis and a copy thereof shall be provided to AiTi at the time the periodic licence fee is payable. Where the audited financial accounts show an under reporting of PGTO to that used at the time a prior periodic fee was payable, then an additional balancing fee amount shall be payable by the licensee so as to make up such shortfall. This balancing fee amount shall be payable in conjunction with the periodic fee at the first time the audited financial accounts reveal it at either of the 6 monthly periods.

1.2.7 All fees collected by AiTi shall be forfeited by AiTi if the licence is cancelled or suspended during the term of the licence, or if the Licensee withdraws its acceptance of the Licence after approval for the Licence has been granted by AiTi.

1.2.8 Where there is late payment of licence fees, the Licensee shall be charged interest based on the prime interest rate as published by the Brunei Association of Banks. Interest shall be charged for the period beginning on the due date of the payment and ending on the date of its receipt in full by AiTi. Interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a 365-day year.

1.2.9 For the avoidance of doubt, the Licensee shall continue to be subject to its obligations under the Licence and shall not be released from such obligations by reason of any late payment of licence fees.

1.3 Non-Transferable

1.3.1 The Licensee shall not assign, transfer, sublet or otherwise dispose of its rights, duties, liabilities, obligations and privileges under this Licence to any person or persons except with the prior written approval of AiTi.

1.3.2 Any such approval shall be given subject to terms and conditions, which AiTi at its sole discretion may impose.

1.4 Variation

1.4.1 AiTi may vary or amend any of the terms of this Licence pursuant to Section 7 of the Order.

1.5 Warranty

1.5.1 The Licensee acknowledges that this Licence was granted on the basis of the application submitted by the Licensee. The Licensee hereby represents and

warrants that it has complied with the rules and procedures that have been stipulated by AiTi in relation to the application for this Licence, that the Licensee has not been involved in any act or omission of any act constituting a breach of the rules and procedures stipulated by AiTi, and that the Licensee has met and satisfied all requirements that AiTi has stated as a prerequisite to the Licence application. The Licensee further warrants that all the information submitted in the application for the Licence are true, accurate and complete.

- 1.5.2 The Licensee acknowledges and agrees that in the event that AiTi determines that the Licensee has breached any of the rules and procedures in relation to the application to this licence, AiTi shall be entitled to cancel or suspend this Licence or any part thereof in accordance with Clauses 2.4 or 2.5 of this Licence.

1.6 Structure

- 1.6.1 The Licensee shall be a corporate entity incorporated in Brunei Darussalam or a Brunei Darussalam government department. Where the Licensee is a joint venture vehicle between a local and a foreign party, or where one or more foreign parties control or hold any shares conferring voting rights (whether directly or indirectly) in the Licensee, then the foreign party must not have majority vote or control of the Licensee. A foreign party is deemed to have a majority vote or have control of a Licensee if:

- (a) the foreign party has the power or right (whether directly or indirectly through one or more other persons or entities, and whether alone or together with one or more other foreign parties) to appoint or remove the majority of the directors of the Licensee or otherwise controls or has the power or right to determine the composition of the board of directors of the Licensee; “control” in this context refers to the ability or power to exercise a significant influence over the composition of the board of directors of the Licensee;
- (b) the foreign party possesses, controls or has the right to exercise (whether directly or indirectly through one or more other persons or entities and whether alone or together with one or more other foreign parties) more than half of the voting power at a general meeting or board meeting of the Licensee; “control” in this context refers to the ability or power to exercise a significant influence over the voting at a general meeting or board meeting of the Licensee; or
- (c) if the foreign party holds or owns or has an interest in (whether directly or indirectly through one or more other persons or entities and whether alone or together with one or more other foreign parties) more than half of the issued share capital of the Licensee (including preference and other shares as long as such shares confer voting rights); “interest” in this context includes any beneficial or equitable interest or ownership, or interest conferred as a result of any instrument of trust.

- 1.6.2 A “foreign party” includes:

- (a) in the case of an individual, anyone who is not a Brunei Darussalam citizen; and

- (b) in the case of a company, partnership, unincorporated body or association, body corporate or other entity, any such company, partnership, unincorporated body or association, body corporate or other entity (whether established or incorporated in or outside Brunei Darussalam) which is ultimately owned (whether partially or wholly) or controlled, by one or more persons who are not Brunei Darussalam citizens or by one or more entities incorporated or established outside Brunei Darussalam. “Control” in this context refers to the ability or power to exercise a significant influence over management and decision-making.

1.6.3 Where the Licensee changes its corporate structure in breach of this Clause 1.6, it shall be deemed a breach of the Licence.

1.7 Geographical Coverage

1.7.1 The geographical area in which the Licensee is permitted to use the Allocated Frequency Spectrum for the purposes of operating the Infrastructure in Brunei Darussalam and its territorial waters up to [100] km from the coast line.

2 DIRECTIONS AND ENFORCEMENT

2.1 Direction by AiTi

2.1.1 The Licensee shall strictly and without any undue delay comply with any directions, which AiTi may from time to time issue in the exercise of its powers, functions or duties under Section 27 of the Order, in this Licence, or under any other applicable written law in force in Brunei Darussalam.

2.1.2 AiTi may, by notice in writing to the Licensee amend, vary or revoke wholly or in part any directions given by it pursuant to Clause 2.1.1, and the Licensee shall, at its own expense, comply with such amended, varied or revoked direction accordingly.

2.1.3 Unless otherwise expressly specified, the Licensee shall safeguard the secrecy of all directions given by AiTi. The Licensee shall not during the currency and after the expiry, termination or cancellation of the Licence disclose or permit the disclosure of any of the said directions to any person not authorised to receive the same without the prior written consent of the Chief Executive of AiTi. The Licensee shall further take all reasonable precautions in dealing with the said directions so as to prevent any unauthorised persons from having access to the same.

2.1.4 AiTi or officers authorised by AiTi shall have the right of access at all times to all of the Licensee’s premises to conduct inspection of all facilities, equipment and plants.

2.2 Dispute Resolution

- 2.2.1 Subject to Clause 2.2.3, in the event that the Licensee fails to reach an agreement with other telecommunication licensees on matters relating to the requirements of the Order, this Licence, codes of practice, directions or advisory guidelines that may be issued from time to time by AiTi under Sections 26, 27 or 28 of the Order, the dispute shall be referred to and determined by AiTi whose decision shall be binding on all parties concerned. AiTi shall have the discretion to make its decision on the basis of national or public interest, and not on a commercial basis.
- 2.2.2 AiTi reserves the right to levy a fee for work undertaken in this respect.
- 2.2.3 If the Licensee is aggrieved by any decision or direction of AiTi under this Clause 2.2, the Licensee may appeal to the Minister in accordance with Sections 27(4) and 72 of the Order.

2.3 Codes of Practice

- 2.3.1 The Licensee shall comply with all applicable codes of practice, and any additional or supplemental guidelines that AiTi may issue from time to time, in accordance with Sections 26 and 28 of the Order.

2.4 Penalty for Breach

- 2.4.1 Where the Licensee breaches any licence condition, AiTi may impose a financial penalty on the Licensee in accordance with Section 8 or any other relevant section of the Order.
- 2.4.2 AiTi may at any time suspend or cancel the Licence for the breach of any condition in this Licence, or in default of payment or any consideration payable hereunder.
- 2.4.3 AiTi reserves the right to publish at any time information concerning any enforcement actions taken against and/or penalties imposed on the Licensee.

2.5 Suspension or Cancellation

- 2.5.1 AiTi may, in any of the events specified in Section 8 of the Order, by notice in writing given to the Licensee, suspend or cancel the Licence in whole or in part, or impose a fine of such amounts as AiTi thinks fit.

2.6 Termination

- 2.6.1 In the event that the Licensee desires to terminate the Licence or any of the Infrastructure it provides, the Licensee shall seek AiTi's written approval at least twelve (12) months in advance. If the Licensee intends to terminate all the Infrastructure it provides under the Licence, the Licensee shall be deemed as intending to terminate the Licence.

2.6.2 No termination shall take effect until AiTi's written approval is obtained under Clause 2.6.1.

2.6.3 In the event of a termination, AiTi reserves the right to issue directions to the Licensee regarding the take over of the Infrastructure of the Licensee, and for action to be taken to migrate the customers of the Licensee to another licensee.

2.7 Rights upon Termination, Suspension or Cancellation

2.7.1 Any termination, suspension or cancellation of the Licence shall be without prejudice to the rights and remedies which may accrue to the Licensee or AiTi under the Licence or any written law in force in Brunei Darussalam as at the date of termination except that the Licensee shall not have the right to seek a refund of the licence fee or any other fee paid in advance, whether in whole or in part.

2.8 Exceptions and Limitations

2.8.1 The Licensee shall not be held to have failed to comply with its obligations in this Licence if and to the extent that AiTi is satisfied that it is prevented from complying with those obligations for the following reasons:

- (a) malfunction or failure of any equipment where AiTi determines that reasonable measures were taken beforehand to prevent such malfunction or failure; or
- (b) the act or omission of any national authority, local authority or international organisation; or
- (c) any other factor, which, in the opinion of AiTi is beyond the Licensee's reasonable control and which notwithstanding the exercise by it of reasonable diligence and foresight, the Licensee was unable to prevent or overcome,

provided that the Licensee shall use all reasonable endeavours to resolve with all reasonable speed any factor preventing the compliance with its obligations and the Licensee shall immediately resume the performance of its obligations as soon as the factor which prevented such compliance is resolved.

2.8.2 Where the Licensee is a designated public telecommunication licensee under the Order, the exclusion of liability set out in Section 73 of the Order shall also apply.

2.9 International Obligations

2.9.1 The Licensee shall exercise its rights and powers and perform its duties and obligations under this Licence in a manner that is consistent with the Government of Brunei Darussalam's obligations under any Convention, Agreement, Arrangement or Treaty to which Brunei Darussalam is or shall become a party to.

- 2.9.2 AiTi shall notify the Licensee from time to time of any such Convention, Agreement, Arrangement or Treaty to which Clause 2.9.1 applies for its compliance.

3 ROLLOUT

3.1 Description

- 3.1.1 The Licensee shall establish, install and maintain in proper working order and in accordance with international standards as may be specified by AiTi from time to time the Infrastructure [**in place**] as described in **Part I of Schedule A**. The Licensee shall not make changes to the Infrastructure, or operate or provide any new infrastructure not described in **Part I of Schedule A** except with the prior written approval of AiTi.
- 3.1.2 Where the Licensee wishes to introduce a new infrastructure or make changes to any existing infrastructure, the Licensee shall provide AiTi with such technical and/or non-technical information in writing as may be required by AiTi within such period as may be specified by AiTi. Any approval given by AiTi under this Clause shall be subject to such terms and conditions that AiTi may, in its sole discretion, impose.
- 3.1.3 Notwithstanding Clause 3.1.1, the Licensee shall not establish install or provide any infrastructure or services that are described in **Part II of Schedule A**, or as stipulated in any applicable code of practice, direction or advisory guidelines that AiTi may issue from time to time under Sections 26, 27 or 28 of the Order. The provision of any such prohibited infrastructure or services by the Licensee, or the contravention of any applicable code of practice, direction or advisory guideline stipulating such prohibition, shall constitute a breach of this Licence that may subject the Licensee to enforcement actions being taken by AiTi against the Licensee. AiTi shall have the discretion to amend **Part II of Schedule A** from time to time without reference to the Licensee.

3.2 Operation

- 3.2.1 The Licensee shall ensure that the Infrastructure and equipment comprised therein are operated within the Allocated Frequency Spectrum for the purposes described in **Part III of Schedule A**, and shall at all times comply with all applicable emission standards and technical specifications or requirements that AiTi may from time to time specify. The Licensee shall not operate outside the Allocated Frequency Spectrum, or use it for purposes not described in **Part III of Schedule A** except with the prior written approval of AiTi.
- 3.2.2 The Licensee shall ensure that the Infrastructure and equipment comprised therein that are operated within the Allocated Frequency Spectrum are not used for any unlawful purpose or misused in any way.

- 3.2.3 Notwithstanding Clauses 3.1.1 and 3.2.1, the Licensee shall not use the Allocated Frequency Spectrum for any purpose or activities that are described in **Part II of Schedule A**, or as stipulated in any applicable code of practice, direction or advisory guidelines that AiTi may issue from time to time under Sections 26, 27 or 28 of the Order. The use of the Allocated Frequency Spectrum for any such prohibited purpose or activity or the contravention of any applicable code of practice, direction or advisory guideline stipulated such prohibition, shall constitute a breach of this Licence that may subject the Licensee to enforcement actions being taken by AiTi against the Licensee.
- 3.2.4 The Licensee shall obtain AiTi's prior written approval before making any change to the location, equipment, frequencies, emissions, power, polarisation, aerial characteristics and other technical parameters of any part of the Infrastructure or its equipment.
- 3.2.5 The Licensee shall ensure that the height of the transmitter antenna of a radio-communication station working in the Infrastructure shall not exceed **[50]** metres above mean sea level (AMSL). Where justified, AiTi may grant conditional approval for the Licensee to exceed the prescribed height provided that the Licensee shall take all necessary steps at its own cost, to ensure that the Infrastructure will not cause interference to or receive interference from other telecommunication systems operating within or outside of Brunei Darussalam.
- 3.2.6 The Licensee shall be responsible for obtaining any other required authorisations or approvals from the appropriate regulatory agencies in Brunei Darussalam with respect to the erecting of any physical structure as part of the Licensee's Infrastructure, notwithstanding any approvals that may be granted by AiTi under Clause 3.2.5 above.

3.3 Commitment

- 3.3.1 Without prejudice to any of the Licensee's obligations under this Licence, the Licensee shall abide with its proposals on network rollout, range of infrastructure, quality of service standards, pricing and service provisioning schemes and any other commitments as submitted to AiTi in its licence application.

3.4 Equipment Approval

- 3.4.1 Prior to the operation of the Infrastructure, the Licensee shall in accordance with section 9 of the Order, submit for AiTi's written approval all telecommunication infrastructure, technology and any telecommunication equipment which is part of the Infrastructure or which is to be connected to the Infrastructure.
- 3.4.2 The Licensee shall seek AiTi's prior written approval from time to time for any other telecommunication equipment (including any new technology or change in any technology deployed) to be used in the operation of the Infrastructure or which is to be connected to the Infrastructure for which the approval has not been granted under Section 9 of the Order, whether such other equipment is in addition to or intended replace the existing equipment or parts thereof.

- 3.4.3 The Licensee shall not undertake or participate in the business of production or provision of any telecommunications equipment without the prior written approval of AiTi.
- 3.4.4 Where the Licensee is called upon to carry out any tests or assessment of any telecommunications equipment for or by any person, such tests shall be carried out only with the prior written consent of AiTi and without prejudice to the provisions of Section 7 of this Licence.
- 3.4.5 The Licensee shall take all reasonable steps to ensure that no information with respect to such telecommunications equipment that has been obtained in the course of or for the purpose of any such test or assessment, shall be disclosed to any person including the Licensee's employees, except:
- (a) With the consent of AiTi or the producer or supplier of that equipment; or
 - (b) To the extent necessary to enable the Licensee to carry out any such test or assessment and report on it to the person for whom it was carried out.
- 3.4.6 No person engaged in any such test or assessment shall (except to the extent agreed by AiTi) be answerable, in any way, which requires the disclosure of the information referred to in clause 3.4.5, to anyone engaged in the activities of providing telecommunication services or supply of telecommunication equipment.

3.5 Universal Service Fund

- 3.5.1 The Licensee shall contribute towards the Universal Service Provision Fund as provided for under Section 60 of the Order in a manner as directed by AiTi.

4 RESOURCE

4.1 Frequency Spectrum

- 4.1.1 The Licensee shall take all necessary steps to ensure that the use the Allocated Frequency Spectrum for the purposes provided under this Licence is safe and does not cause interference to other existing radio-communication networks operating in the same band or in other bands. The Licensee shall also take appropriate measures to ensure that its Infrastructure is adequately protected from interference that may be caused by networks operating in the same band or in other bands.
- 4.1.2 All telecommunication equipment used by the Licensee shall be type approved to conform to the radio and telecommunication equipment standards that may be specified by AiTi from time to time.
- 4.1.3 The Licensee shall co-operate with AiTi for the purposes of assisting AiTi in coordinating and managing the use of radio frequencies in relation to

neighbouring countries, including but not limited to, the provision of information to AiTi and the reduction of emission levels of any radio-communication station and network comprised in the Infrastructure.

- 4.1.4 Subject to the Order, the AiTi Order, and this Clause 4.1.4, the use of any part of the Allocated Frequency Spectrum for the purposes of managing interference (including the provision for one or more guard bands) shall be at the discretion of the Licensee.

4.2 Disuse

- 4.2.1 If AiTi determines that the Licensee has not utilised the Allocated Frequency Spectrum for a continuous period of 2 years, AiTi shall have the right to cancel this Licence and recover the Allocated Frequency Spectrum without any obligation to refund any fees that have been paid by the Licensee to AiTi.

5 COOPERATION

5.1 Civil and Public Bodies

- 5.1.1 The Licensee shall co-operate with the relevant Government ministries, departments, statutory boards or official agencies (the “Emergency Organisations”) in all ways possible for the provision of national security and emergency services.
- 5.1.2 The Licensee shall, where directed by AiTi, participate in any emergency activities or preparations thereof in collaboration with the relevant Emergency Organisations, in accordance with the written law in Brunei Darussalam.
- 5.1.3 The Licensee shall, after consultation with the relevant Emergency Organisations, make plans and other arrangements for the provision or, as the case may be, the rapid restoration of Infrastructure as are practicable and may be reasonably required in national emergencies. The Licensee shall, on the request by any such person as is designated for the purpose in the relevant plans or arrangements, implement those plans or arrangements in so far as it is reasonable and practicable to do so.
- 5.1.4 Nothing in this Clause shall preclude the Licensee from:
- (a) Recovering the costs which it incurs in making or implementing any such plans or arrangements from those on behalf of or in consultation with whom the plans or arrangements are made; or
 - (b) Making the implementation of any plan or arrangement conditional upon the person or persons for which or on whose behalf that plan or arrangement is to be implemented indemnifying the Licensee for all costs incurred as a consequence of the implementation.

5.1.5 Nothing in this Clause shall restrain the person or persons referred to in Clause 5.1.4(a) or (b) from the right to obtain the services referred to in this Clause on a competitive basis.

5.1.6 Without prejudice to any other obligation under this Licence, the Licensee shall, when notified of any fault or failure of a part of the Infrastructure which causes any interruption, suspension or restriction of the telecommunication services, provide to the relevant Emergency Organisations priority fault repair service with a view to restoring those Infrastructure as swiftly as practicable and with priority, as far as reasonably practicable, over fault repair services provided by the Licensee to other persons. Such priority fault repair services shall mean a service consisting in such repair, maintenance or adjustment of the Infrastructure as is necessary to restore and maintain a sufficient service, and shall be available for 24 hours a day or for such lesser periods of each day as may be agreed between the Licensee and the person requiring its provision.

5.2 Access

5.2.1 The Licensee shall provide to any person licensed by AiTi to provide telecommunication services in Brunei Darussalam, means of access to the Infrastructure.

5.2.2 The Licensee may, with the prior written approval of AiTi, impose an access charge upon any person licensed by AiTi to provide telecommunication services in Brunei Darussalam in connection with the use of the Infrastructure.

5.2.3 The Licensee shall comply with AiTi's Access and Interconnection Framework, and any codes of practice, directions or advisory guidelines that AiTi may, from time to time, issue to the Licensee under Sections 26, 27 or 28 of the Order, and shall submit to AiTi on a quarterly basis all access agreements entered into with other licensees.

5.3 Interconnection

5.3.1 The Licensee shall connect to the Infrastructure on request and at appropriate connection points, which it shall provide for this purpose:

- (c) any equipment approved or exempted from approval by AiTi for connection to the Infrastructure; and
- (d) any public or private telecommunication infrastructure approved or licensed by AiTi which infrastructure also meet any other requirements, AiTi may from time to time impose.

5.3.2 Notwithstanding Clause 5.3.1, the Licensee shall cease to connect or refuse to connect to the Infrastructure any equipment or system that:

- (a) has not been approved, licensed or exempted from approval or licensing by AiTi;

- (b) no longer meets the requirements for approval or licensing by AiTi, in respect of which AiTi has issued a notice to that effect to the person who has under his control such equipment or system; or
- (c) in the opinion of AiTi is liable to cause the death of, or personal injury to, any person engaged in operating the Infrastructure or any connected equipment or system, or materially impair the quality of any telecommunication service provided by means of any licensed system, or damage the property of the Licensee.

5.3.3 The terms and conditions for the connection of equipment or systems to the Infrastructure of the Licensee shall be determined by agreement between the Licensee and the owner or operator of the equipment or system except in so far as the conditions are prescribed in the Order or in this Licence. In the event that the parties cannot reach an agreement, the matter shall be determined by AiTi whose decision shall be final. Such agreement shall not contain any restrictive provision unless before the agreement is made, AiTi has expressly consented to the inclusion of such a provision.

5.3.4 The Licensee shall permit any person who is licensed to operate a system that is connected to the Infrastructure under a licence that authorises him to provide telecommunication services to others, to provide such services while the systems are connected.

5.3.5 The Licensee shall not impose technical or other conditions or employ any arrangements for the connection of equipment or systems to the Infrastructure other than those set by AiTi. In particular, the Licensee shall not, except where AiTi is satisfied that it is reasonable, exercise any Intellectual Property Rights that it owns or is licensed to use in a manner that prevents or inhibits the connection of approved equipment or systems to the Infrastructure. In this Clause, "Intellectual Property Rights" means, without prejudice to its generality, the rights to patents, trade marks, designs, know-how and copyright.

5.3.6 The Licensee shall comply with AiTi's Access and Interconnection Framework, and any codes of practice, directions or advisory guidelines that AiTi may, from time to time, issue to the Licensee under Sections 26, 27 or 28 of the Order, and shall submit to AiTi on a quarterly basis all interconnection agreements entered into with other licensees.

5.4 Emergency Activities

5.4.1 The Licensee shall, where required by AiTi, participate in any emergency activity or preparation thereof in collaboration with other relevant agencies, organisations and Government ministries and departments, in accordance with the written law in force in Brunei Darussalam.

6 ACCOUNTABILITY

6.1 Accounting Separation

- 6.1.1 The Licensee shall comply with AiTi's codes of practice, directions and advisory guidelines that may be issued from time to time under Section 26, 27 or 28 of the Order in relation to Accounting Separation.

6.2 Provision of Information to AiTi

- 6.2.1 The Licensee shall provide AiTi with any documents or information within its knowledge, custody or control that AiTi may by notice or direction require for the exercise of its functions and duties under the Order. This includes providing annual and such other reporting as stipulated in **Schedule D**, and as may be amended by AiTi from time to time. The Licensee hereby undertakes to AiTi that any such document or information provided to AiTi shall be true, accurate and complete.
- 6.2.2 In order to monitor the Licensee's compliance with the conditions of this Licence, AiTi may also direct the Licensee to arrange at the Licensee's own cost a separate and independent audit of its activities. The Licensee shall, at AiTi's request, submit the audited accounts and reports prepared under this condition to AiTi for its inspection and verification.
- 6.2.3 The Licensee shall notify AiTi regarding any change in the ownership, shareholding and management arrangements of the Licensee (including but not limited to any change in the appointment of the Chairman, Chief Executive Officer, or Directors and other Management Officers) provided to AiTi in its application for the Licence.
- 6.2.4 The Licensee shall notify AiTi of any joint venture, association, contract or arrangement with a third party that the Licensee enters into within 7 days after the entry into such joint venture, association, contract or arrangement, and furnish AiTi with any supporting documents that AiTi may request for.
- 6.2.5 The Licensee shall keep in strict confidence any documents or information so required by AiTi pursuant to Clause 6.2 as well as the fact that AiTi has requested such documents and/or information.
- 6.2.6 AiTi may use and disclose any such document or information provided to AiTi pursuant to Clause 6.2 as AiTi deems fit. Where AiTi proposes to disclose information obtained pursuant to Clause 6.2 and AiTi considers that the disclosure would result in the release of information concerning the business or commercial or financial affairs of the Licensee which disclosure would or could reasonably be expected to adversely affect the Licensee's lawful business or commercial or financial affairs, AiTi will give the Licensee a reasonable opportunity to make representations on the proposed disclosure before AiTi makes a final decision whether or not to disclose the information.

7 PRACTICES

7.1 Spectrum Trading

- 7.1.1 The Licensee shall not assign, transfer, trade, deal with or otherwise dispose of the whole or any part of the rights, privileges, duties and/or obligations under this Licence to any person or persons, except:
- (a) with the prior written approval of AiTi; and
 - (b) in accordance with the Order, the AiTi Order and the rules and procedures relating to spectrum trading published that may be published by AiTi from time to time.
- 7.1.2 Any such written approval may be given subject to such conditions that AiTi may in its sole discretion impose.
- 7.1.3 No assignment, transfer, trading, dealing or disposal with the whole or any part of the rights, privileges, duties and/or obligations under this Licence shall take effect until the conditions in Clause 7.1.1 are satisfied.
- 7.1.4 The Licensee shall provide AiTi such information about the assignment, transfer, dealing or disposal under Clause 7.1.1 as AiTi may require for the purposes of giving its approval under Clause 7.1.1(a). The Licensee shall also ensure that such other party to the said assignment, transfer, dealing or disposal to provide AiTi with information that AiTi may require.

7.2 Spectrum Sharing

- 7.2.1 The Licensee shall not authorise any person or persons to operate a radio-communication station and/or network within the Allocated Frequency Spectrum except in accordance with the Order, the AiTi Order and the rules and procedures relating to spectrum sharing that may be published by AiTi from time to time. The Licensee will at all times remain liable for the acts, omissions, defaults and neglects of such persons as if they were the acts, omissions, defaults and neglects of the Licensee.

7.3 Consumer Interest

- 7.3.1 The Licensee shall give due consideration to any matter which relates to its Infrastructure and which the subject of a representation is made to the Licensee by a body recognised by AiTi as representing the interest of consumers and other users of such Infrastructure.
- 7.3.2 The Licensee shall, if requested by AiTi or if it sees fit, furnish to AiTi particulars of any matter considered by the Licensee under this Clause or a digest of activities undertaken in any period in pursuance of this Clause.

8 GENERAL

8.1 Interpretation

8.1.1 In this Licence, unless the context otherwise requires:

- (a) Words importing the singular or plural shall be deemed to include the plural or singular respectively, and words importing one gender include the other gender and vice versa;
- (b) The headings to the provisions of this Licence are for convenience of reference only and are not part of this Licence and shall not in any way affect the interpretation thereof;
- (c) Unless the context otherwise requires, any word or expression used in this Licence shall have the same meaning as it has in the Order;
- (d) Any reference in this Licence to the Order or the AiTi Order shall include any re-enactment and amendment thereof and any regulations made thereunder;
- (e) Any reference in this Licence to any regulations made under the Order shall include any regulations made under the Order and AiTi Order and their predecessors until such regulations are revoked or repealed by subsidiary legislation made under the Order;
- (f) Any reference in this Licence to a person shall be deemed to include natural and legal persons;
- (g) Any reference to monetary amounts in this Licence shall be deemed to be denominated in Brunei Dollars; and
- (h) Any reference to any codes of practice, directive, advisory guidelines, framework or any other rule, document or written instrument promulgated by AiTi shall include any amendment thereof.

8.2 Compliance

8.2.1 The Licensee shall observe and comply with the Order, the AiTi Order, the International Telecommunication Convention and any other treaty or convention to which Brunei Darussalam is a party, and such other applicable written law in force in Brunei Darussalam.

8.2.2 Nothing in this Licence shall be taken as discharging the Licensee from its obligations to obtain any other licences, permits or approvals that may be required under any written law in force in Brunei Darussalam.

8.3 Governing Law

8.3.1 This Licence shall be governed by and construed according to the laws of Brunei Darussalam.

8.4 Service of Notices

8.4.1 All notices under this Licence shall be in writing and shall be deemed to have been given if sent by hand or pre-paid post or by facsimile to the Licensee's registered address as lodged in the Companies Registry.

8.5 Severability

8.5.1 Every Clause and part thereof shall be construed as a separate and severable provision so that if any Clause and part thereof is held invalid, unenforceable or illegal for any reason, the remainder of the Licence shall remain in full force in every respect.

Schedule C

Specific Terms and Conditions

Schedule D

Information to be Provided to AiTi

The following information shall be provided to AiTi on a regular basis:

Annually

- Annual report and audited accounts
- Turnover of licensable and related activities

Quarterly