

Broadcasting Satellite Transmission Services Licence

Licence No 2/2011 (6)

Pursuant to the provisions of the Federal Law by Decree No (3) of 2003 Regarding the Organisation of the Telecommunication Sector and its amendments, this Broadcasting Satellite Transmission Services Licence is granted to **Al Maisan Satellite Communications Company** for the period of ten years with effect from 8 August 2011 to 8 August 2021 to provide the Telecommunications Services specified in this Licence within the United Arab Emirates subject to the conditions of this Licence, the provisions of the Federal Law by Decree No (3) of 2003, its amendments, the Regulatory Framework, and all other applicable laws and regulations in the United Arab Emirates.

SIGNED by

Mohamed Al Ghanim

Director General

The Telecommunications Regulatory Authority

Date: 8 August 2011

Article (1)

Definitions

- 1.1 In implementing the conditions of this Licence, the following terms shall have the meanings given to them here unless the context requires otherwise. Any term used in this Licence and not defined herein shall have the meaning ascribed to it in the *Federal Law by Decree No. (3) of 2003* and its amendments. Words denoting reference to persons shall include natural and legal persons.
- 1.1.1 **Affiliate** means in relation to the Licensee, any other juridical entity directly or indirectly controlling or controlled by the Licensee, or under direct or indirect common control with the Licensee;
- 1.1.2 **Audience** means a person including a Customer who receives Broadcasting Satellite Transmission Services without further transmitting it to any other person.
- 1.1.3 **Authority** means the General Authority for Regulating the Telecommunications Sector;
- 1.1.4 **Broadcasting Code** means the code on broadcasting standards or any other regulatory instrument regulating the nature or provision of Content, issued by a competent authority in the State, as amended from time to time;
- 1.1.5 **Broadcasting Satellite Transmission Services** means the uplink and downlink of signals between Satellites and Earth Stations, or Telecommunications Apparatus, which signals are used predominantly for the delivery or control of Content, and excludes communications for real-time two way voice telephony and data-communications not related to the control or delivery of the subject audio, video or audio-visual material;
- 1.1.6 **Change in Control** means any transaction, sale, contract, recapitalisation or other reorganisation or merger that results in a change in Control of the Licensee, including any transaction or series of transactions taking place after the date of this Licence as a result of which the holders of the voting securities or equity interests in the capital of the company immediately after its

establishment, hold less than a majority of the voting power or equity interest in the Licensee after the relevant transaction or series of transactions, as the case may be;

- 1.1.7 **Channel** means a compilation of Programmes;
- 1.1.8 **Channel Provider** means a person making a Channel available for broadcasting within the State;
- 1.1.9 **Companies Law** means the Commercial Companies Law, Federal Law No. (8) of 1984 Regarding Commercial Companies, and the amending laws thereof;
- 1.1.10 **Content** means any information including audio material, video material and audio-visual material such as live or previously recorded performances including, but not limited to, documentaries and news briefings, films, radio and television material for entertainment or education or both transmitted, relayed or distributed;
- 1.1.11 **Control** means the ultimate ownership of more than 50% of the voting interests in any person and/or the ability to control in fact the business and affairs of that person whether by ownership, contract, or otherwise;
- 1.1.12 **Customer** means any person who has entered into a contract with the Licensee to receive the Licensed Services;
- 1.1.13 **Earth Station** means an apparatus or multiple apparatus located on the Earth's surface and intended and used for communication with one or more Satellites;
- 1.1.14 **Emergency Call** means a call made to designated emergency numbers such as police, fire, ambulance or other emergency services designated by the Authority;
- 1.1.15 **End User** means any person including a Customer who receives Licensed Services from the Licensee;
- 1.1.16 **Executive Order** means the Executive Order issued pursuant to the Federal Law by Decree No. 3 of 2003, as may be amended or replaced from time to time;

- 1.1.17 **Frequency Spectrum Authorisation** means an authorisation which permits the use of specific radio frequencies subject to terms and conditions as stipulated by the Authority;
- 1.1.18 **Licence** means this document, as may be amended or replaced from time to time;
- 1.1.19 **Licensed Services** means the Public Telecommunications Services described in Article 4;
- 1.1.20 **Licensee** means the person described on page 1 of this Licence;
- 1.1.21 **Other Licensed Operators** or **Another Licensed Operator** means entities other than the Licensee which are licensed pursuant to the provisions of the Federal Law by Decree No. (3) of 2003, its amendments and Executive Order;
- 1.1.22 **Programme** means a single item of Content within a schedule or catalogue established by a Channel Provider, the primary purpose of which is to entertain, educate or to inform an Audience, including sponsorship or advertising matters, whether or not of a commercial nature;
- 1.1.23 **Regulatory Framework** means the regulatory instruments issued by the Authority from time to time including any revisions or amendments made to them;
- 1.1.24 **Satellite** means an apparatus located inside or outside the Earth's atmosphere which exchanges communications with Earth Stations and/or other Satellites;
- 1.1.25 **State** means the United Arab Emirates;
- 1.1.26 **Telecommunications Apparatus** means apparatus made or adapted for use in transmitting, receiving, or conveying any of the Licensed Services through the Licensed Network; and
- 1.1.27 **Telecommunications Satellite Network** means a Telecommunications Network consisting only of:
- Satellites;
 - Earth Stations;

- network operation centres;
- associated backhaul capacity; and
- associated terrestrial facilities, or

one or more of these network elements; but does not include a Telecommunications Network consisting only of terrestrial transmission capacity and associated terrestrial facilities.

For the purposes of 1.1.27, “associated backhaul capacity” and “associated terrestrial facilities” means backhaul capacity and terrestrial facilities necessary to carry, and only used to carry, communications (including communications related to telemetry) to and from Earth Stations for the purposes of up-linking and down-linking those communications to Satellites.

Article (2)

Coming into Force and Compliance

- 2.1 This Licence shall come into force on the date of its issuance by the Authority until its expiry date as set out in the Licence.
- 2.2 If the Licensee wishes to renew the term of this Licence, it shall apply for renewal to the Authority not less than 180 days before the expiry of the initial term of the Licence. The Authority shall consider the Licensee’s application for renewal and, if the Licensee has complied in all material respects with the terms of this Licence, shall grant a renewal of the term of this licence for a further period of 10 years from the date of expiry of the initial term.
- 2.3 The Licensee shall at all times comply with the terms of this Licence, the relevant provisions of the Regulatory Framework, the Frequency Spectrum Authorisation, and all the relevant laws of the State as may be amended from time to time.

Article (3)
Not Used

Article (4)
Licensed Services

- 4.1 The Licensee is authorised to provide Broadcasting Satellite Transmission Services in the State, but only by means of one or more Telecommunications Satellite Networks.
- 4.2 The Licensee shall comply with the Broadcasting Code.
- 4.3 Where the competent authority with statutory responsibility for regulation of Content in the State determines that any Content which is transmitted or received by the Licensee is unacceptable on the grounds that it is a breach of the Broadcasting Code, the Authority may serve notice on the Licensee, requiring the Licensee to cease the broadcasting of the Programme or the Channel as the case may be. Service of such a notice shall require the Licensee to secure that, within the time period specified by the Authority, such Programme or Channel, as the case may be, is not carried by the Licensee.

Article (5)
Fees

- 5.1 The Licensee shall pay an Annual Licence fee of AED 100,000.
- 5.2 The Annual Licence fee shall be paid in full on each anniversary date of the Licence.
- 5.3 The Licensee shall pay an Acquisition fee of AED 100,000 before being issued with a licence.
- 5.4 The Licensee shall pay Frequency Spectrum Authorisation fees and numbering fees as required by the Authority.

Article (6)
Not Used

Article (7)
Commencement of Service

The Licensee shall provide the Licensed Services on a commercial basis within a time-frame specified by the Authority from the date of commencement of this Licence.

Article (8)
Ownership and Control

- 8.1 The Licensee shall be a UAE incorporated juridical entity established and in good standing under the Companies Law and all other laws of the State and their amendments from time to time.
- 8.2 Any Change in Control of the Licensee shall require the prior written consent of the Authority.
- 8.3 The ownership of the Licence may not be transferred without the prior written consent of the Authority and until and unless all outstanding fees have been paid to the Authority.
- 8.4 The Licensee may subcontract the provision of any or all of the Licensed Services to an Affiliate or another person (or otherwise arrange for those activities to be conducted by the Affiliate or another person on its behalf), with prior written approval of the Authority, provided that the Licensee shall continue to be fully liable for any obligations set out in this Licence or imposed on the Licensee pursuant to the Regulatory Framework, whether in relation to the provision of the Licensed Services or otherwise. If the Affiliate is and remains wholly owned by the Licensee, the prior written approval of the Authority shall not be required, provided that the Authority is notified of such arrangements.

Article (9)

General Obligations

- 9.1 The Licensee shall:
- 9.1.1 comply with all localisation policies in the State;
 - 9.1.2 comply with the laws, policies or directions for foreign investment in the capital of the company;
 - 9.1.3 notify the Authority of shareholding in the company or any merger, change or restructuring to the capital of the company;
 - 9.1.4 maintain its books of account and financial statements in accordance with the accounting standards and principles generally applied in the State;
 - 9.1.5 ensure that its books of account are audited annually by an independent firm of auditors registered in the State;
 - 9.1.6 submit 5 certified copies of its annual financial statements to the Authority within 4 months of the end of each financial year; and
 - 9.1.7 preserve its financial records and books of account for a period of 10 years after the end of each financial year.
- 9.2 The Licensee's financial year for purposes of maintaining its accounts shall start in January and end in December each year.
- 9.3 The Licensee shall provide any information to the Authority on request that may be required by the Authority for the performance of its functions, and in the manner directed by the Authority. This information may include any document, accounts, records, commercial agreements entered into with Customers or other information specified by the TRA in its request.

Article (10)
Inspection and Monitoring

The Licensee shall permit the Authority or its authorised agent to have access to any premises of the Licensee and to inspect any Telecommunications Apparatus or documents including accounts or other records at any time to ensure compliance with the provisions of the Licence and the Federal Law by Decree No. (3), its amendments, Executive Order and the Regulatory Framework.

Article (11)
Standard of Conduct

The Licensee shall not use or knowingly permit the use of the Licensed Services for any purpose that violates the Federal Law by Decree No. (3) of 2003 and its amendments or any other applicable laws or the Regulatory Framework. The Licensee shall endeavour to take all reasonable action to ensure that the Licensed Services are not used for any such purposes.

Article (12)
Application for Frequencies and Numbers

The Licensee shall apply to the Authority for Frequency Spectrum Authorisations and number authorisations in accordance with the Regulatory Framework and shall comply with the terms of any authorisations issued.

Article (13)
Relationship with Customers

The Licensee shall in its dealings with Customers, act promptly and in a transparent manner. The Licensee shall not unduly discriminate against similarly situated End Users and shall generally deal with End Users in accordance with the Regulatory Framework.

Article (14) Dispute Resolution

Where a dispute remains unresolved between the Licensee and Other Licensed Operators or between the Licensee and a Customer or where a complaint is referred directly to the Authority, the Authority may resolve the matter in accordance with the Federal Law by Decree No. (3) of 2003, its amendments, Executive Order and the Regulatory Framework. In all cases the Licensee shall cooperate fully with the Authority for the resolution of disputes.

Article (15) Implementation of Charges, Conditions and Provisions of Public Telecommunications Services

In accordance with the Regulatory Framework, the Licensee shall make publicly available the charges for its Licensed Services and terms and conditions on which Licensed Services are provided.

Article (16) Not Used

Article (17) Continuity of Service

- 17.1 The Licensee shall not intentionally interrupt the provision of the Licensed Services without first notifying the Authority in writing and giving reasonable notice to Customers. The notice shall indicate the time during which the interruption will take place.
- 17.2 The Licensee shall not cease to provide Licensed Services without the express written approval of the Authority.

Article (18)
Not Used

Article (19)
Competition

The Licensee shall comply with the rules regarding anti-competitive conduct as set out in the Regulatory Framework.

Article (20)
Public Emergency, Public Interest, Safety and National Security

- 20.1 The Licensee shall comply with any directions as the Authority or other competent authorities may issue in case of public emergency on matters relating to the activities or the ownership of the Licensee.
- 20.2 The Licensee shall comply with any directions as the Authority or other competent authorities may issue from time to time on matters relating to public interest, safety and/or national security.
- 20.3 The Licensee shall comply with any direction from the Authority or any competent authority requiring it to allow any authorised person by the Authority or any competent authority to assume full or partial control of the Licensed Services. Any such direction shall be in writing.

Article (21)
Access to Land

- 21.1 The Licensee shall have access to and use of public and private land in accordance with the provisions of the Federal Law by Decree No. (3) of 2003, its amendments, Executive Order and Regulatory Framework.

- 21.2 The Licensee shall comply with the directions of the Authority or any other competent authority in relation to the protection of the environment.

Article (22)

Amendment of Licence

- 22.1 Any application by the Licensee for an amendment to the Licence shall be made in writing to the Authority and state the following:
- 22.1.1 the particular conditions which are requested to be amended; and
 - 22.1.2 the reasons for the application.
- 22.2 The Authority shall consider the request and may seek further information if necessary before deciding whether:
- 22.2.1 to amend the Licence;
 - 22.2.2 not to amend the Licence; or
 - 22.2.3 to amend the Licence but with modifications.
- 22.3 If the Authority initiates an amendment of the Licence, it shall do so by way of the following process:
- 22.3.1 draft notice of proposed amendment (which may include a variation, revocation or addition to the conditions of the Licence) and reason for amendment to be given by the Authority to the Licensee; and
 - 22.3.2 the Licensee shall be given a reasonable time to respond.
- 22.4 The Authority shall consider the response of the Licensee before deciding whether:
- 22.4.1 to amend the Licence;
 - 22.4.2 not to amend the Licence; or
 - 22.4.3 to amend the Licence but with modifications.

Article (23)

Breach and Penalties

- 23.1 The Licensee shall be subject to penalties (including fines) as provided in the Federal Law by Decree No. (3), its amendments and Executive Order, or the Regulatory Framework, if the Licensee fails to comply with any of the following:
- 23.1.1 any obligation under the Federal Law by Decree No. (3) of 2003, its amendments and the Executive Order;
 - 23.1.2 any obligation within the provisions of the Licence; or
 - 23.1.3 any obligation contained in the Regulatory Framework.

Article (24)

Force Majeure

- 24.1 The Licensee shall not be in breach of any condition of this Licence if its failure to perform results directly from force majeure. Force majeure shall not include the insolvency of the Licensee, or the inability of the Licensee to meet its debts or other financial obligations.
- 24.2 The Licensee shall notify the Authority immediately on the occurrence of any event of force majeure giving the anticipated effects of the force majeure and the expected duration, and steps to be taken by the Licensee to mitigate the effects if possible.

Article (25)

Language

The Arabic language version of the Licence is the binding version. However an official English language version has been prepared for guidance and assistance in interpretation of the Arabic language version.