



## Satellite Services Licence

Licence No 1/2010 (2)

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 Satellite Services Licence is granted to **Al Yah Satellite Communications Company** for the period of ten years with effect from 28 February 2010 to 28 February 2020 to install, operate and manage the Public Telecommunications Network and 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: 28 February 2010

## **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 undefined term here 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. **Authority** means the General Authority for Regulating the Telecommunications Sector;
- 1.1.2. **Change in Control** means any transaction, sale, contract, recapitalisation or other reorganization 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;
- 1.1.3. **Companies Law** means the Commercial Companies Law, Federal Law No. (8) of 1984 Regarding Commercial Companies, and the amending laws thereof;
- 1.1.4. **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;
- 1.1.5. **Customer** means any person who has entered into a contract with the Licensee to receive the Licensed Services;
- 1.1.6. **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;

- 1.1.7. **Emergency Call** means a call made to designated emergency numbers such as police, fire, ambulance or other emergency services designated by the Authority;
- 1.1.8. **End User** means any person including a Customer who receives Licensed Services from the Licensee;
- 1.1.9. **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;
- 1.1.10. **Frequency Spectrum Authorisation** means an authorisation which permits the use of radio frequency subject to terms and conditions as stipulated by the Authority;
- 1.1.11. **Licence** means this document, as may be amended or replaced from time to time;
- 1.1.12. **Licensed Network** means the Public Telecommunications Network described in Articles 3.1 and 3.2;
- 1.1.13. **Licensed Services** means the Telecommunications Services described in Article 4;
- 1.1.14. **Licensee** means the person described on page 1 of this Licence;
- 1.1.15. **Other Licensed Operators** 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;
- 1.1.16. **Regulatory Framework** means the regulations, decisions, directives, regulatory policies, guidelines, recommendations and procedures made by the Authority from time to time including any revisions or amendments made to them;
- 1.1.17. **Satellite** means an apparatus located in the Earth's atmosphere which exchanges communications with Earth Stations and other satellites for the purposes of carrying telecommunications or broadcasting;

- 1.1.18. **State** means the United Arab Emirates;
- 1.1.19. **Telecommunications Apparatus** means apparatus made or adapted for use in transmitting, receiving, or conveying any of the Licensed Services through the Licensed Network; and
- 1.1.20. **Terminal** means the equipment used by End Users to access the Licensed Services.

## **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 Regulatory Framework, the Frequency Spectrum Authorisation, and all the relevant laws of the State.

## **Article (3)**

### **Licensed Network**

- 3.1 The Licensee may install, operate, and manage a Public Telecommunications Network comprising:
  - 3.1.1 one or more Satellites;
  - 3.1.2 one or more Earth Stations; and

- 3.1.3 related terrestrial facilities located within the State, for the purpose of connecting Earth Stations, command units and control facilities, for provision of the Licensed Services.
- 3.2 The Licensee shall notify and obtain the approval of the Authority prior to making significant modifications or additions to the Licensed Network or to any stored commands or protocols contained in it. In this regard, the Licensee is required to provide the Authority with such information as is necessary or requested by the Authority about the modifications or additions and their purpose and effect.
- 3.3 The Licensed Network, including all Telecommunications Apparatus, shall conform to the technical specifications for networks and equipment including for the use of radio frequency, as may be set out in the Regulatory Framework.
- 3.4 The Licensee shall obtain all necessary licences and permits as may be required to build, modify, and remove any construction in accordance with the relevant laws in the State.

## **Article (4)**

### **Licensed Services**

- 4.1 The Licensee is authorized to provide Telecommunications Services in the State by means only of the Licensed Network, and only to the following entities:
- 4.1.1 Al Yah Advanced Satellite Communications Services;
- 4.1.2 Star Satellite Communications Company; and
- 4.1.3 any other entity approved by the Authority,
- (referred to in this Licence as the “**Licensee’s Customers**”).
- 4.2 Notwithstanding Article 4.1, the Licensee may lease terrestrial capacity or facilities from another Licensee (“**Leased Capacity**”), only for the purposes of carrying the traffic of any of the Licensee’s Customers from a Point of Presence in the State to an Earth Station, PROVIDED THAT:

- 4.2.1 the Licensee must sell the use of that Leased Capacity to the Licensee's Customers, on no more favourable prices or terms and conditions than the Licensee's Customers could acquire them from those other Licensees; and
- 4.2.2 the Licensee must ensure that the Licensee's Customers do not sell the use of that Leased Capacity to any third party, at more favourable prices or terms and conditions than that third party could acquire that Leased Capacity from those other Licensees.

## **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 Application fee of AED 10,000 with the submission of a duly completed application form.
- 5.4 The Licensee shall pay an Acquisition fee of AED 100,000 before being issued with a licence.
- 5.5 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 commission the Licensed Network and provide the Licensed Services on a commercial basis within a time 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.

## **Article (9)**

### **General Obligations**

- 9.1 The Licensee shall:
  - 9.1.1 comply with all localization 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 authorized 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 License 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 Network or 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 Network and 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)**

### **Not Used**

## **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 customer disputes.

## **Article (15)**

### **Not Used**

## **Article (16)**

### **Emergency Services and CLI**

- 16.1 The Licensee shall provide an Emergency Call service in accordance with the Regulatory Framework.
- 16.2 The Licensee shall, as set out in the Regulatory Framework comply with any requirements by the Authority to transmit Caller Line Identification (CLI) and shall co-operate with Other Licensed Operators to enable them to transmit CLI as required in that direction, guideline or rule.

## **Article (17)**

### **Continuity of Service**

- 17.1 The Licensee shall not intentionally interrupt the operation of the Licensed Network or 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)**

### **Interconnection and Access**

Interconnection of the Licensed Network to networks of Other Licensed Operators and resolution of interconnection disputes shall be governed by the Federal Law by Decree No. (3) of 2003, its Executive Order and the Regulatory Framework.

## **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 work or 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. The Licensee shall maintain calling party/called party details and subscriber information in accordance with any measures issued by any competent authority responsible for public interest, safety and national security. The Licensee also undertakes to install at its own expense any equipment required to allow access to its Licensed Network and/or the retrieval and storage of data for reasons of public interest, safety and national security. This obligation shall extend to the provisioning of the facilities terminating at the premises of a competent authority and shall be provided without charges of any kind. Furthermore, the Licensee shall not undertake to provide any services which do not meet the requirements of any competent authority responsible for public interest, safety and national security.
- 20.3 The Licensee shall comply with any direction from the Authority or any competent authority requiring it to allow any authorized person by the Authority or any competent authority to assume full or partial control of the Licensed Services and/or the Licensed Network. 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 License**

- 22.1 Every request for an amendment to the Licence by a Licensee shall be made by an application in writing and state the following:
- 22.1.1 the particular conditions which are requested to be amended; and
  - 22.1.2 the reasons for the request.
- 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 License, 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 as provided in the Federal Law by Decree No. (3), its amendments and Executive Order, 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 a shortage of funding or the illiquidity of the Licensee.

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.