

Resolution No. (8) of 2005

**Regarding Awarding Etisalat License and the Approval of Establishing
a Public Joint Stock Company**

The Supreme Committee for the Supervision of the Telecommunications Sector,

having cognizance the Federal Law by Decree No. (3) of 2003, regarding the Organization of the Telecommunications Sector and its amendments, and

The Decision of the Supreme Committee for the Supervision of the Telecommunications Sector No. (3) of 2004 and its amendments on issuing the Executive Order of Federal Law by Decree No. (3) of 2003, and

based on the presentation of the General Authority for Regulating the Telecommunication Sector and the approval of the Supreme Committee for the Supervision of the Telecommunications Sector,
it has been decided to:

Article One

Grant by direct Award the second license to a public joint stock company to build, operate, manage a Public Telecommunications Network, provide Telecommunication Services, as defined in the Federal Law by Decree No. 3 of 2003 regarding the Organization of the Telecommunications Sector, and to undertake all the Regulated Activities (hereinafter shall refer to as "COMPANY")

The said Company shall have juridical personality with a capital of AED (4) millions. The Company shall be owned by the Federal Government and the Emirates Telecommunication & Technology Company, a limited liability company. The Company shares shall be allotted according to the agreement between the founders, provided that 20% of the shares shall be offered in Initial Public Offering.

Article Two

In accordance with the preceding article, the Supreme committee approves the establishment of the Company as a Telecommunications Company to build, operate and manage a Public Telecommunication Network, to provide Telecommunication Services as defined in the Federal Law by Decree No. 3 of 2003 regarding the Organization of the Telecommunications Sector and to undertake all the Regulated Activities, provided that the Company shall be registered in the concerned authorities.

Article Three

Approve and accredit the appended Memorandum of Association and the Bylaw of the Company.

Article Four

The General Authority for Regulating the Telecommunication Sector shall be designated to prepare the draft license terms pursuant to this resolution and shall submit it to the Supreme Committee for approval and issuance within 60 days from the date of this resolution. The said terms shall cover all the sides that organize the practices of the Company and its activities including the following:

1. Provisions related to Spectrum;
2. Provisions related to fees including but not limited to: Licence Acquisition Fee, the Annual Fee that the licensee shall settle and any other fees specified in the license which shall be all settled to the General Authority for Regulating the Telecommunication Sector.
3. Provisions related to fines which considered as one of the license terms and an undertaking to the Federal Law be Decree No. (3) of 2003.

The instances to impose the said fines shall be only in cases of violating the provisions of the law or the Executive Order or the Regulatory Framework without any prejudice to the provisions of the Federal Law by Decree No. (3) of 2003 and its Executive Order, provided that the accrued Fines shall be considered as an income to the General Authority for Regulating the Telecommunication Sector.

Article Five

The Company shall sign the approved license terms as issued by the Supreme Committee in accordance with the provisions of article (4) of this resolution which shall adhere thereto, provided that the Company shall undertake its duties and activities according to the license and its terms.

Article Six

This resolution shall be effective from the date of its issuance and shall be published in the Official Gazette.

Sultan Bin Saeed Al Mansouri

Chairman of the Supreme Committee for the Supervision of the Telecommunications Sector

Issued in Abu Dhabi on 24/9/2005