



National Carrier Licence

Granted by

Nigerian Communications Commission to

Under Section 12 of Act No. 75 of 1992

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LICENCE NO. NCL/ / GRANTED TO

TO PROVIDE AND OPERATE PUBLIC SWITCHED
TELECOMMUNICATIONS NETWORK EMPLOYING CABLE,
RADIO OR SATELLITE AND CARRIER SERVICES
UNDER SECTION 12 OF ACT NO.75 OF 1992.

THE LICENCE

1. The Nigerian Communications Commission (hereinafter referred to as “**the Commission**”) being a body corporate with perpetual succession and a seal, established by Section 1 of Act No.75 of 1992 (hereinafter referred to as “**the Act**”) and in exercise of the powers conferred on it by Section 12 of the Act hereby grants to -----
----- (hereinafter referred to as “**the Licensed Carrier**” and where the context so admits shall include Successors or Assigns) a Licence, for the period specified in paragraph 2, subject to the Conditions set out in Schedules 1, 2 and 3 and to revocation as provided for in Condition 39 to this Licence, to provide and operate Public Switched Telecommunications Network and Carrier services (hereinafter referred to as the “**licensed undertaking**”) as determined by the Commission.
2. This Licence shall enter into force on _____ and shall be of Twenty Years' duration in the first instance.
3. Subject to paragraph 4, this Licence shall be automatically renewed upon the expiry of the tenure hereof and remain valid for a further period of Fifteen Years unless the Licensed Carrier has given written notice to the Commission, at least Twelve Months before the expiry date hereof, of its intention not to renew the Licence.
4. The automatic renewal of the Licence in the manner provided in paragraph 3 shall be subject to the payment, within six months before the expiry date of the Licence, of such Licence fees as the Commission shall specify. The renewal shall also be upon such

modified terms and conditions as the Commission may determine and subject to the provisions of the Act, WTA and Regulations.

5. This Licence is valid for the provision and operation of the services specified in Condition 42 to this Licence within Nigeria.

ENGR ERNEST C A NDUKWE
EXECUTIVE VICE CHAIRMAN

DEFINITIONS AND INTERPRETATION

1. In these Conditions, unless the context otherwise requires, the expressions shall have the following meanings:

“Act” or “NCC Act”	Nigerian Communications Commission Act No. 75 of 1992 as amended by the Nigerian Communications Commission (Amendment) Act No. 30 of 1998 or, as the context so admits, any succeeding legislation thereto.
“Associate”	A subsidiary of or, another body corporate controlled by, the Licensed Carrier and carrying on business in Nigeria.
“Auditor”	(a) Except where the context otherwise requires, the Licensed Carrier's Auditor for the time being appointed in accordance with the requirements of the Company and Allied Matters Act Cap.59 Laws of the Federation of Nigeria 1990 as may be amended; (b) Auditor(s), other than Licensed Carrier’s Auditor(s), appointed by the Commission under this Licence to carry out specific assignments.
“Business”	Comprise the revenues, costs and assets of all the licensed undertakings and “ Business ” means any one of them.
“Carrier” or Multi-Access Service Operator”	A Public or Privately owned Telecommunications Network comprising Radio or Cable or Satellite sub-systems or any combination of these media deployed for the purpose of providing Fixed Domestic and International point-to point and switched/unswitched point-to- multipoint telecommunications services. In the context of this Licence, “Carrier” shall have the same meaning as “Multi-Access Service Operator”.
“Carrier Services”	Telecommunications services provided by means of a public or privately owned telecommunications network comprising Radio, Cable or Satellite based sub-systems or any combination of these media deployed for the purpose of carriage and termination of domestic and International traffic and providing domestic and International point-to-point and switched/unswitched point-to- multipoint Telecommunications.

“Charges”	As the context so permits, the charges paid by a Customer, Operator, Value-Added Service Provider or Reseller to the Licensed Carrier for its Services or by the Licensed Carrier to an Operator for the Operator’s services, including in any of the circumstances, but not limited to Tariffs, Installation Charges, Access Charges.
“Commercial Launch Date”	The date when the Licensed Carrier commences provision of commercial services provided that the said date shall not be later than 120 days after the Effective Date of the Licence.
“Commission”	The Nigerian Communications Commission and agents appointed pursuant to the powers under the NCC Act.
“Communications Equipment”	Any equipment or apparatus for the purpose of or intended to be used for Communications as part of or comprising a Communications System.
“Communications Service”	The provision of a service for Communication through a Communications System for the transmission or routing of signals or a combination of these functions.
“Connect”	To install, maintain and use any telecommunications line or other equipment used for telecommunications so that messages, which are conveyed by one Operator, are also conveyed by another Operator; or sent by means of one item of equipment are conveyed or received by means of another item of equipment.
“Connectable System”	A Communications System which is authorized to be run under a Licence in Nigeria by the Commission which entitles the Licensed Carrier to interconnection under Section 17(1) of the NCC Act.
“Customer”, “User”, or “End-user”	As the context admits, a person, (including but not limited to an Operator, Reseller or Value-Added Service Provider) who has entered into a contract with an Operator for the provision of telecommunication services on the Operator’s terms and conditions approved in accordance with relevant Conditions of the Operator’s Licence.
“Effective Date”	The date the Licence enters into force as specified hereinbefore in Clause 2 of the Licence.

“Emergency Organization”	In respect of any locality, the relevant Government Department such as the Nigeria Police Force, hospital and ambulance services, and the Federal Fire Service.
“Equipment Production Company”	The following activities of the Licensed Carrier or of any of its wholly owned subsidiary taken together: <ul style="list-style-type: none"> (a) assembly, reassembly or manufacturing of telecommunications equipment; and (b) refurbishment of telecommunications equipment.
“Exchange Line”	Telecommunications equipment comprised in the Licensed Carrier’s Systems and installed for the purpose of connecting a telephone exchange run by the Licensed Carrier to a Network Termination Point comprised in Network Termination and Testing apparatus installed by the Licensed Carrier on premises within the licensed area for the purpose of providing Voice telephony services at the premises, at which the Network Termination and Testing apparatus is located.
“Financial Year”	Licensed Carrier’s financial year.
“Fixed Line”	A telecommunications line or part thereof which the Licensed Carrier is authorized to construct, maintain and operate in accordance with the terms of this Licence as part of the Licensed Carrier’s Communication System
“Foreign Telecommunications Operator(s)”	Telecommunications Operator(s) outside Nigeria.
“Interconnection”	The connection of Licensed Carrier’s System with Operators’ or Value Added Service Providers’ Systems in order to convey messages to and from their respective Systems for the provision of their respective licensed undertakings.
“Interconnection Fees”	Fees payable in terms of an Interconnection Agreement for the carriage of messages originating in one network by means of another network.

“Interconnection Regulations” and/or “Guidelines”	The Interconnection Regulations and/or Guidelines issued by the Commission <i>inter alia</i> establishing requirements for Interconnection between Operators as stated in Condition 30.
“Interested Parties”	Those persons (if any), other than the Licensed Carrier, with whom, in any particular case, the Commission considers it appropriate to consult.
“International connection Service”	A telecommunication service consisting in the conveyance of any message which has been conveyed or which is to be conveyed by means of any Communication System outside Nigeria the connection of which to the System by means of which that service is provided is authorized by a Licence.
“Licence”	A Licence granted or having effect as if granted under Section 12(1) of the Act.
“Licensed Area”	The geographical territory known as the Federal Republic of Nigeria.
“Licensed Carrier”	A person licensed to provide PSTN and Carrier services and for the purposes of this Licence shall be (<i>SNO’s names</i>).
“Licensed Carrier’s Group”	Licensed Carrier’s associate company(ies)
“Licensed Undertaking”	The provision and operation of Public Switched Telecommunications Network and/or Carrier Services or any of the specific Services provided by the Licensed Carrier to its Customers.

“Maintenance Services”	<p>In relation to any equipment which has been installed:</p> <ul style="list-style-type: none"> (a) Pre-Maintenance inspection; (b) Carrying out repairs; (c) Verifying or ensuring that: <ul style="list-style-type: none"> (i) The equipment performs in accordance with its specification or as may be required by the Operator of the Connectable System in which such equipment is incorporated; (ii) The equipment continues to comply with any condition contained in an approval of that equipment as given by the Commission; (iii) Any terms or conditions regarding the equipment or its connection or use that may be stipulated by the Licensed Carrier and which must be observed if the Connectable System is or is to remain connected to the Licensed Carrier’s System are observed; (d) Any activity involving the removal of the outer cover of the equipment or alteration of the equipment including alterations of any stored commands capable of affecting the compliance of the equipment with the technical requirements and conditions mentioned in (c) above; (e) Any activity involving the use of any test equipment or other equipment not forming a permanent part of the equipment; <p>but shall not include operations incidental to the installation, bringing into service or routine use of the equipment to convey messages.</p>
“Major Office(s)”	Licensed Carrier’s operational office(s) that interfaces with the Licensed Carrier’s customers.
“Message”	Any sound, signal, sign or image sent, received, or to be sent, by means of a telecommunications service.

“Network”	A network consisting of a fixed line network solely for the provision of the service.
“Nigeria”	The entire geographical area, the territorial waters, air limits of Nigeria and any area to which the provisions of the Act apply.
“Operator”	As the context permits, a provider of a telecommunication service duly licensed by the Commission, including but not limited to the Licensed Carrier.
“Person”	Any individual, Firm, Corporation, Partnership, Trust, Limited Liability Company, Joint Venture, Government Entity or other Entity.
“Private Circuit”	A circuit which is: <ul style="list-style-type: none"> (a) Provided by means of a Communication System comprised in the Licensed Carrier’s network; and (b) Made available to a particular person or particular persons for the conveyance of messages between fixed points within that System to which messages are conveyed.
“PSTN”	Public Switched Telecommunications Network.
“Radio Regulations”	The publication of the International Telecommunications Union (ITU) that delineates radio frequencies into bands and stipulates the services applicable to each frequency band and the conditions of bringing into use of such frequencies.
“Regulations”	The Regulations enacted by the Commission or any other competent authority under the Act and/or WTA and such further Regulations relating to the Services as the Commission may publish from time to time.
“Reseller” or “Agent”	Any person who is appointed by the Licensed Carrier to resell any description of telecommunication services provided or proposed to be provided by the Licensed Carrier and is licensed by the Commission.
“Rural Area”	A geographical area without a telephone exchange or with a telephone exchange that has less than 500 lines.

“Service Area(s)”	The geographical area(s) within the Licensed Area that the Licensed Carrier has Telecommunications Network Infrastructure and actually provides Services to its customers.
“Services”, or “Telecommunications Services”	Services whose provision consist wholly or partly in the transmission and/or routing of signs, signals, texts, images, sounds or data or a combination of these functions on telecommunications networks, using telecommunication process.
“System(s)”	As the context so admits, Licensed Carrier’s or any other Operator’s telecommunication system or both or any number of them.
“Systems Business”	<p>The following activities of the Licensed Carrier or of any wholly-owned subsidiary, taken together, to the extent that they are all undertaken in Nigeria:</p> <ul style="list-style-type: none"> (a) the running of the Licensed Carrier’s Systems; (b) the installation, maintenance, adjustment, repair, alteration, moving, removal or replacement of any equipment comprised or to be comprised in any of those Systems where those activities are not part of the Supplemental Services Business as defined in Condition 16.4 ; (c) without prejudice to the generality of paragraph (a) or (b) the bringing into service of any item of telecommunication equipment or Communication System connected or to be connected to any of the Licensed Carrier’s Systems whether comprised in any of those Systems or not; and (d) without prejudice to the generality of paragraph (a) the conveyance of Messages (not including switching except where it is incidental to such conveyance) by means of any of the Licensed Carrier’s Systems where such conveyance is not part of the Supplemental Services Business.
“Tariffs”	The actual usage or airtime charges payable by a Customer to an Operator for its Services.

“Telecommunications”	Any form of transmission, broadcast or reception of signs, signals, texts, images, sounds or data by wire, optical means, microwave or other electromagnetic means.
“Telecommunications Network Infrastructure”	Any form of installation or group of installations which ensure either the transmission or the transmission and routing of telecommunications signals and the associated exchange of the control and operational information, between network termination points.
“Value Added Service Provider”	An Operator that is licensed by the Commission to use the basic telephony service for the provision of enhanced services to Customers.
“Wireless Telegraphy Act” or “WTA”	Wireless Telegraphy Act Cap 469 Laws of the Federation of Nigeria 1990 as amended by Wireless Telegraphy (Amendment) Act No. 31 of 1998.

2. The Interpretation Act Cap. 192 LAWS OF THE FEDERATION OF NIGERIA shall apply for the purpose of interpreting the Conditions of this Licence.
3. In this Licence, any word or expression shall, unless the context otherwise requires, have the meaning assigned to them and otherwise any word or expression shall have the same meaning as it has in the Interpretation Act.
4. For the purposes of interpreting the Conditions of this Licence, headings and titles to any Condition shall be disregarded.
5. Any reference in any of the Conditions, however expressed, to the Commission notifying the Licensed Carrier about any matter, consulting the Licensed Carrier about any matter, affording the Licensed Carrier an opportunity to make representation, taking representations made by the Licensed Carrier into account, or explaining, or giving reasons for, any matter to the Licensed Carrier, shall be without prejudice to any obligation of due process or similar obligation which the Commission is or may be under by virtue of any rule or principle of law or otherwise.
6. This Licence and the legal relations between the Licensed Carrier and the Commission and any claim instituted by the Licensed Carrier or the Commission with respect to matters arising under or in connection with or in respect of this Licence shall be governed by and construed in accordance with the Laws of the Federal Republic of Nigeria.
7. This Licence constitutes the entire set of terms and conditions applicable to the Licence and supersedes all other prior understandings, both written and oral, between the Commission and the Licensed Carrier.
8. If any provision in or obligation under this Licence is considered invalid, illegal or unenforceable by a Court of competent jurisdiction, such judicial decision must, as regards such invalidity, be strictly interpreted and shall not affect or impair the validity, legality or unenforceability of any other provision in or obligation under this Licence.

SCHEDULE 1:

GENERAL CONDITIONS

Condition 1

Compliance with the Act, WTA and Regulations

- 1.1 The Licensed Carrier shall comply with the provisions of the Act, WTA and Regulations made thereto and with any direction, determination or order that the Act and/or WTA provide for the Commission to give or make.
- 1.2 The Licensed Carrier, its officers, directors, employees, agents, or counsel shall not, in any response to the Commission or any inquiry or in any application, pleading, report or any other written statement submitted to the Commission, make any misrepresentation or wilful material omission thereon.
- 1.3 Unless otherwise provided in this Licence, any notifications, service of process, petitions, claims and other communications requested or permitted pursuant to this Licence shall be made in writing and shall be considered validly made when delivered by hand or by courier, telex or facsimile to the Licensed Carrier at its address provided for contact purposes and to the Commission at any of its offices.

Condition 2

Universal Provision of Telecommunication Services

2.1 The Licensed Carrier shall provide to every person who requests the provision of such services at any place within the Service Area:

- (a) Voice telephony services; and
- (b) Other telecommunication services consisting in the conveyance of messages;

by means of the Licensed Carrier's Systems, except to the extent that the Commission is satisfied that any reasonable demand is or is to be met by other means and that accordingly, it would not be reasonable in the circumstances to require the Licensed Carrier to provide the services requested; and the Licensed Carrier shall ensure that its Systems are installed, kept installed and run for those purposes.

2.2 The Licensed Carrier shall comply with any directions issued by the Commission under applicable laws or regulations governing Universal Service Obligations in force from time to time.

Provision of Telecommunication Services in Rural Areas

3.1 The Licensed Carrier shall take reasonable steps to provide to every person who requests the provision of such services in a rural area within the Service Area:

- (a) Voice telephony services; and
- (b) other telecommunication services consisting in the conveyance of messages

by means of the Licensed Carrier's Systems subject to such rural service obligations as may be imposed by the Commission from time to time, except to the extent that the Commission is satisfied that any reasonable demand is or is to be met by other means and that accordingly, it would not be reasonable in the circumstances to require the Licensed Carrier to provide the services requested; and the Licensed Carrier shall ensure that its Systems are installed, kept installed and run for those purposes.

Directory Information

- 4.1 The Licensed Carrier shall:
- (a) on request by any person in Nigeria (other than an Operator) to whom it provides voice telephony services, provide to that person a directory information service relating to the switched voice telephony services it provides to any other person, and
 - (b) on the written request of any person in Nigeria, supply to that person such directories as the Licensed Carrier, for the purpose of facilitating the use by others of any switched telecommunication service it provides, publishes and makes available generally to persons to whom it provides those services.
- 4.2 The Licensed Carrier shall ensure that:
- (a) Directory information concerning each of its customers is included in a publicly available telephone directory, and as part of a Directory information service provided to end-users; and
 - (b) Each of its customers has the right to verify, correct or request removal of such Directory information relating to that customer.
- 4.3 The directories referred to in this Condition may be produced by the Licensed Carrier or by another person, and shall be in a form approved from time to time by the Commission and be updated on a regular basis.
- 4.4 Where the Licensed Carrier provides switched voice telephony services by means of its Systems which are connected to another public telecommunication system in Nigeria (the '**Other System**'), by means of which switched voice telephony services are provided, it shall:
- (a) to the extent that the Operator of the Other System makes available directory information to the Licensed Carrier and to those to whom that Operator provides voice telephony services, ensure that those to whom the Licensed Carrier provides voice telephony services can obtain such directory information as is so available about persons to whom such services are provided by means of that Other System; and
 - (b) provide the Operator of that Other System with directory information about persons to whom the Licensed Carrier provides switched voice

telephony services in a form which is sufficient to meet any reasonable request of that Operator (having regard in particular to what is reasonably convenient for the Licensed Carrier to provide and to what is not to the commercial disadvantage of the Licensed Carrier) for the purpose of enabling that Operator to provide directory information about such services and that Other System when connected together; but the Licensed Carrier shall not be obliged to comply with a request made by an Operator under this Condition 4.4(b) unless the Operator undertakes to use the directory information only for the purpose of providing directory information services to persons to whom he provides switched voice telephony services.

Maintenance Services

- 5.1 If so required by any person to whom it provides telecommunication services in accordance with Condition 2 or 3, the Licensed Carrier shall also provide maintenance services in respect of any telecommunication system or telecommunication equipment in that person's control which is or is to be lawfully connected to any of the Licensed Carrier's Systems, except where:
- (a) the Licensed Carrier has notified that person that the System or equipment is beyond economic repair or the components or tools necessary to effect the repair are no longer available and the Commission has not determined to the contrary; or
 - (b) where the System or equipment has been supplied by a person who is not a member of the Licensed Carrier's Group and is not licensed by the Commission for installation of such Systems; or
 - (c) where the approval by the Commission of the equipment for connection to any of the Licensed Carrier's Systems or to any System to which is itself connected to or to be connected to any of the Licensed Carrier's Systems does not require it to be maintained, while it is so connected, by either the Licensed Carrier or the person running any other public telecommunications system to which it is to be connected.

International Services

- 6.1 The Licensed Carrier shall take all reasonable steps to provide by means of its Systems to any person to whom it provides telecommunication services by means of those Systems and who so requests International connection services to the extent necessary to satisfy all reasonable demands for such services by such a person.

Prohibition of Exclusive Dealing in International Services

- 7.1 The Licensed Carrier shall not enter into any agreement or arrangement with any person running an Authorized Foreign System on terms or conditions that unfairly preclude or restrict the provision of services by another Operator of international connection or access services.
- 7.2 The Licensed Carrier shall not unreasonably exclude any other Operator who is authorized by its Licence to connect its System to another telecommunication System situated outside Nigeria so as to convey Messages to that other System from a reasonable opportunity to participate in any international arrangements into which it proposes to enter after the Effective Date of this Licence.
- 7.3 Where the Commission determines that the Licensed Carrier has unfairly and unreasonably excluded or restricted an Operator from the provision of international connection or access services or such arrangements related thereto, as provided under Conditions 7.1 and 7.2, the Commission may, after considering representations from the Licensed Carrier and the Operator, give such directives as may be necessary to ensure that such Operator is afforded the opportunity to provide such International connection services and participate in any arrangements related thereto.
- 7.4 In this Condition, “**Authorised Foreign System**” means any System that is owned and operated outside Nigeria by a Foreign Telecommunications Operator and which provides international connection or access services into and/or out of Nigeria.

Other Arrangements for International Services

- 8.1 The Licensed Carrier shall notify the Commission of all international correspondent Agreements with Foreign Telecommunications Operators that are necessary for the provision of international telecommunications service.
- 8.2 The Licensed Carrier shall in entering into such agreements with Foreign Telecommunications Operators ensure compliance with all applicable international treaties and bilateral agreements now or hereafter binding upon the Federal Republic of Nigeria.

Public Emergency Call Services

- 9.1 The Licensed Carrier shall provide a Public Emergency Call Service, that is to say a telecommunication service by means of which any member of the public may, at any time and without incurring any charge, by means of any item of telecommunication equipment which is lawfully connected to any of the Licensed Carrier's Systems at any place in the licensed area and which is capable of transmitting and receiving unrestricted two way voice telephony services, communicate as swiftly as practicable with any of the Emergency Organizations for the purpose of notifying them of an emergency.
- 9.2 The Licensed Carrier shall ensure that such emergency calls have priority access over all other routine calls in the Network.
- 9.3 For the purposes of this Condition:
- (a) **“Emergency Organizations”** means in respect of any locality:
 - (i) the relevant public police, fire, ambulance and coastguard services for that locality; and
 - (ii) any other similar organization providing assistance to the public in emergencies in respect of which the Licensed Carrier shall provide Public Emergency Call services during the tenure of this Licence;
 - (b) Telecommunication equipment shall only be regarded as capable of transferring and receiving unrestricted two-way voice telephony services if it is capable of both:
 - (i) transmitting for conveyance by means of a System specific signals designated by the Licensed Carrier for the purpose of establishing communication with voice telephony equipment controlled by the Emergency organisations; and
 - (ii) transmitting and receiving uninterrupted simultaneous two way speed conveyed, or as the case may be to be conveyed, by means of that System.
- 9.4 The Licensed Carrier may restrict the telecommunication services provided under this Condition in respect of any of the emergency organizations mentioned in

Condition 9.3(a)(ii) to the extent to which such restriction is agreed by the Authority responsible for that Organization or, in the absence of such agreement, to such extent as may be authorized by the Commission.

- 9.5 The Licensed Carrier shall, for the purpose of facilitating the provision of services by Emergency Organizations in circumstances where telephone numbers cannot be dialled direct, provide operator-assisted voice telephony services with a view to enabling officials of any authority designated from time to time by the Commission for the purposes of this Condition to send messages for conveyance by means of any of the Licensed Carrier's Systems to any network termination point for switched voice telephony within the Licensed Carrier's Systems either:
- (a) with the least possible delay if such officials send specific signals designated by the Licensed Carrier for the purpose and proffer evidence of identity sufficient to establish to the Licensed Carrier's satisfaction that they are such officials; or
 - (b) with priority over all communication except emergency calls and those covered by (a) above if such persons send specific signals designated by the Licensed Carrier for the purpose and proffer such evidence of identity.
- 9.6 The Licensed Carrier shall enter into an agreement with the relevant Agencies for the provision of distress, urgency and safety services for shipping in accordance with the Radio Regulations of the International Telecommunications Union to the extent that such Agencies pay the costs of such services, except such costs as the Commission determines to be unjustifiable.

**Planning and Implementation of
Special Arrangements for Emergencies**

- 10.1 The Licensed Carrier shall, after consultation with the authorities responsible for emergency organizations and such relevant Government departments as the Commission may from time to time determine and whose names are notified to the Licensed Carrier by it for the purpose, make plans or other arrangements for the provision or, as the case may be, the rapid restoration of such telecommunication services as are practicable and may reasonably be required in emergencies.
- 10.2 The Licensed Carrier shall, on request by any such person as is designated for the purpose in the relevant plans or arrangements, implement those plans or arrangements insofar as it is reasonable and practicable to do so.
- 10.3 Nothing in this Condition precludes the Licensed Carrier 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 implementation of any plan or arrangement conditional upon the person or persons for whom or on whose behalf that plan or arrangement is to be implemented indemnifying the Licensed Carrier for all costs incurred as a consequence of the implementation.

Condition 11

Priority Fault Repair Service

- 11.1 Without prejudice to any other obligation under these Conditions the Licensed Carrier shall, when notified of any fault or failure of any of its Systems which causes any interruption, suspension or restriction of the telecommunication services provided by means of that System, provide to any person described in Condition 11.2, a priority fault repair service with a view to restoring those services as swiftly as practicable and with priority so far as is reasonably practicable over fault repair services provided by the Licensed Carrier to other persons.
- 11.2 The persons to whom Condition 11.1 applies are those:
- (a) Who are engaged in the provision of an emergency service to the public, the provision of any essential services, the supply of any essential goods or in public administration;
 - (b) Who are within any class or description included in a list prepared by the Commission in consultation with the Licensed Carrier and notified to the Licensed Carrier by the Commission or in respect of whom a determination is made by the Commission;
 - (c) Who pay the Licensed Carrier's charges for the priority fault repair service or in respect of whom those charges are paid;
 - (d) Operators whose Systems are interconnected with the Licensed Carrier's Systems in terms of interconnection agreements reached between such Operators and the Licensed Carrier;
 - (e) Value Added Service Providers or entities who utilize leased lines, International circuits or private circuits in providing services to customers or for their corporate use in the terms of service agreements reached between such Value Added Service Providers, Operators or corporate entities and the Licensed Carrier.
- 11.3 (a) A determination made under Condition 11.2(b) may require the Licensed Carrier to provide the priority fault repair service free of charge or on charges which are less than those which are payable by the other persons described in Condition 11.2

- (b) Where the Commission has made a determination under Condition 11.2(b) the Commission may notify the Licensed Carrier that it wishes the determination to cease to have effect and the determination shall cease to have effect accordingly.
- 11.4 The priority fault repair service shall be available for 24 hours a day or for such lesser periods where the Licensed Carrier and a person paying for its provision agree otherwise.
- 11.5 Where on the Effective Date of this Licence, the Licensed Carrier is unable to comply with this Condition, it shall do so within six months thereafter and shall provide a priority fault repair service as required under this Condition.
- 11.6 In this Condition **'Fault Repair Service'** means a service consisting in such repair, maintenance, adjustment or replacement of any part of the Licensed Carrier's Systems as is necessary to restore and maintain a sufficient service.

Public Payphone Services

- 12.1 The Licensed Carrier shall provide and operate Public Payphone services at such locations within the licensed area to meet the reasonable needs of users.
- 12.2 The Licensed Carrier shall within twelve months from the Effective Date of this Licence ensure that the following services are available at all Public Payphones:
- (a) Access to voice telephony and free of charge directory information services;
 - (b) Access to emergency calling services without the requirement for payment; and
 - (c) Access to free-phone services.
 - (d) Collect-calls
- 12.3 All Public Payphones supplied by the Licensed Carrier shall display a notice specifying:
- (a) the minimum charge for connection, call charge information and permissible methods of payment;
 - (b) location of the Public Payphone;
 - (c) a statement that emergency calls can be made without charge;
 - (d) a statement on whether or not incoming calls can be received;
 - (e) contact information in the event of service complaints; and
 - (f) individual identification number of telephone
- 12.4 The Licensed Carrier shall be responsible for the installation, repair and maintenance of the Public Payphones provided by it, and shall ensure that such phones are equipped with apparatus to enable their use by people with hearing impairment.
- 12.5 If the Licensed Carrier wishes to withdraw from service a Public Payphone, provided it is not in breach of any service provision obligations in this Licence or

applicable law, it shall, where reasonably possible, display a notice to that effect at the Public Payphone not less than 60 days before it is withdrawn.

- 12.6 In this Condition "**Public Payphone**" means a telephone available to the general public for the use of which the means of payment are coins and/or credit/debit cards and/or prepaid cards.

Resellers and Agents

- 13.1 The Licensed Carrier's rights under this Licence may be exercised partially through Agents and Resellers, it being understood that the Licensed Carrier shall have the discretion to determine and implement the appropriate means of marketing and distribution of its services inclusive of the appointment and termination thereof of its Resellers and Agents.
- 13.2 The Licensed Carrier shall, subject to the following terms and conditions, be responsible for the acts and omissions of its Resellers and Agents:
- (a) The liability of the Licensed Carrier for any acts or omissions of any of its Agents and Resellers in relation to the exercise of such rights shall be limited to acts or omissions which constitute contraventions of the Conditions of this Licence;
 - (b) The Licensed Carrier shall stipulate adequate provisions in its contracts with its Agents and Resellers to ensure that their exercise of any of the rights of the Licensed Carrier does not contravene any of the Conditions of this Licence;
 - (c) Should the Licensed Carrier's Agent or Reseller commit any act or omission in contravention of a Condition of this Licence, the Licensed Carrier shall upon becoming aware thereof act as expeditiously as is reasonably possible to remedy such contravention and the Licensed Carrier shall be afforded reasonable time by the Commission for such purposes; and
 - (d) The Commission shall upon becoming aware of any contravention of Licence Conditions by the Licensed Carrier's Agents or Resellers or any complaints lodged with the Commission in relation thereto forthwith in writing notify the Licensed Carrier accordingly.

Approval and Publication of Tariffs, Terms and Conditions

Approval

- 14.1 The Licensed Carrier shall lodge a notice of tariffs and any variation thereto with the Commission which sets out in relation to each kind of service that it proposes to offer:
- (a) a description of the service;
 - (b) details of the nature and amounts of charges payable for the service, and
 - (c) the method adopted for determining the charges and other terms and conditions on which it offers:
 - (i) to provide each description of telecommunication service by means of any of the Licensed Carrier's Systems in accordance with an obligation imposed by or under this Licence;
 - (ii) to maintain, adjust or repair any equipment comprised in any of the Licensed Carrier's Systems in accordance with an obligation imposed by or under this Licence;
 - (iii) to connect to any of the Licensed Carrier's Systems any equipment or any System which is not and is not to be comprised in any of the Licensed Carrier's Systems in accordance with an obligation imposed by or under this Licence;
 - (iv) to grant permission to connect such Systems or equipment to, or to provide services by means of, any of the Licensed Carrier's Systems in accordance with an obligation imposed by or under this Licence; or
 - (v) to bring into service any equipment or System which, in either case, is or is to be connected to but not comprised or to be comprised in any of the Licensed Carrier's Systems, where only the Licensed Carrier is permitted to provide such service.
- 14.2 If the charges in the tariff plan vary, in nature, in their amounts or both, the notice must set out, why and how the charges vary.

- 14.3 The notice must be precise and detailed enough to be used to work out the nature and amounts of charges payable for the supply of the particular service.
- 14.4 The notice of tariffs lodged with the Commission must state the period (i.e. the term) for which it is to be in force. The term must not begin until approval for the tariffs is given by the Commission or at a time when a previous tariff of the Licensed Carrier on the same service is still in force.
- 14.5 The Commission shall in determining the propriety of such charges be guided by the need to ensure that such charges are transparently derived from relevant costs with a rate of return considered reasonable by the Commission.
- 14.6 For the purpose of this Condition, the Licensed Carrier shall ensure that pricing for all services are cost based and predicated upon a cost study and reasonable cost allocation formula.
- 14.7 The Licensed Carrier shall within six months of the grant of this Licence, undertake a cost study and develop a cost allocation formula to separately identify:
- (a) general network costs;
 - (b) common costs; and
 - (c) costs specific to respective services.

and shall in proposing charges for respective services under this Condition ensure that the said charges are properly and separately reflective of costs associated with such specific services and accommodate such reasonable rate of return as shall be approved by the Commission.

- 14.8 (a) The Licensed Carrier shall present the cost study and cost allocation formula to the Commission and the Commission may invite interested persons to make representations on the submission by the Licensed Carrier.
- (b) The Commission shall give a direction on the cost study and cost allocation formula submitted by the Licensed Carrier. The Commission shall give reasons for its decision and direction.
- (c) Where the Commission accepts the cost study and cost allocation formula as submitted by the Licensed Carrier, it shall proceed to approve of the charges as provided in this Condition. Where the Commission disapproves of the cost study and costs allocation formula submitted by the Licensed Carrier, it shall make such determinations as necessary on an appropriate

costs study and cost allocation formula and the approved charges accordingly.

- 14.9 For the avoidance of doubt, nothing in this Licence shall preclude the Commission from conducting on the Licensed Carrier's network, by means of its staff or other relevant persons, a comprehensive cost study and devise an appropriate cost allocation formula which shall be binding on the Licensed Carrier and be used as a basis for determining appropriate charges under this Condition.
- 14.10 The Licensed Carrier shall not impose any charges, terms and conditions for the provision of any specified telecommunications service until the Commission has approved such terms and conditions.
- 14.11 For the avoidance of doubt, the Licensed Carrier shall provide the specified telecommunications service at the charges, terms and conditions so approved by the Commission and shall not depart therefrom without prior written approval by the Commission of the proposed charges, terms and conditions.
- 14.12 The tariffs must be in a form approved by the Commission who will provide written reasons in the event of non-approval.

Publication

- 14.13 Subject to Conditions 14.10 and 14.11, the Licensed Carrier shall publish for the general public, in the manner and at the times specified in Condition 14.14 the charges, terms and conditions for its customers, and any modifications or amendments thereto, with regard to access to the public telephone system run by it or provision of publicly available telephone services by it, or both. In particular, the Licensed Carrier shall ensure that tariffs for end-users, any minimum contractual period, if relevant, and conditions for renewal of the contracts are presented clearly and accurately.
- 14.14 Publication of the notice shall be effected by:
- (a) sending a copy thereof to the Commission to arrive not more than 28 days after the date on which the Licensed Carrier first provides such services and thereafter not less than 1 day before any proposal to amend any change, term or condition or the method determining the same is to become effective;
 - (b) Placing as soon as practicable thereafter a copy thereof in a publicly accessible part of every office of the Licensed Carrier in such manner and in such place that is readily available for inspection free of charge by members of the general public during such hours as the Commission may prescribe.

- (c) sending a copy thereof or such part(s) thereof as are appropriate to any person who may request such a copy.
- 14.15 Where the Licensed Carrier publishes a notice of amendment to a charge in the form of an extract from its price list, the new price shall be clearly identifiable and the operative date specified. The tariff changes shall be implemented only after an appropriate public notice period set by the Commission has been observed.
- 14.16 Notwithstanding approval by the Commission of tariffs for a term as stated in Conditions 14.4, 14.10 and 14.11, the Commission may where appropriate, intercede by directing the Licensed Carrier to implement tariffs as adjudged by the Commission as being reflective of costs following developments in the industry. For the avoidance of doubt, these directions may include reduction or increase in tariffs as considered appropriate.
- 14.17 The Commission may direct the Licensed Carrier to implement specific terms and conditions in the provision of services which include charging for peak and off-peak periods or such other terms and conditions as may be necessary in line with international best practices.
- 14.18 The Licensed Carrier shall ensure that tariffs for facilities additional to the provision of connection to the Licensed Carrier's fixed public telephone system and provision of fixed publicly available telephone services are sufficiently unbundled, so that each of the Licensed Carrier's customers is not required to pay for facilities which are not necessary for the service requested from the Licensed Carrier.
- 14.19 The Licensed Carrier shall ensure that discount schemes offered by the Licensed Carrier to its customers are fully transparent and shall be published in the same manner as set out in Condition 14.14 above.

Prohibition of Undue Preference and Undue Discrimination

- 15.1 The Licensed Carrier shall not (whether in respect of charges or other terms or conditions applied or otherwise) show undue preference to or exercise undue discrimination against any particular person or persons of any class or description (including persons in rural areas) in respect of:
- a) the provision by means of any of its Systems of any telecommunication service in accordance with an obligation imposed by or under this Licence;
 - b) the connection to any of its Systems of any telecommunication equipment or any other System which, in either case, is not and is not comprised in any of its Systems in accordance with an obligation imposed by or under this Licence;
 - c) the granting of permission to connect such Systems or equipment to, or to provide services by means of, any of its Systems in accordance with an obligation imposed by or under this Licence; or
 - d) the bringing into service of any equipment or System, which in either case, is or is to be connected to but not comprised or to be comprised in any of its Systems, where only the Licensed Carrier is permitted to provide such service.
- 15.2 (a) Without prejudice to Condition 15.1 above, the Licensed Carrier shall not show undue preference and undue discrimination against an Operator in respect of the quality of any service or any private circuit provided by the Licensed Carrier to that Operator under any agreement between them..
- (b) The Licensed Carrier may be deemed to have shown such undue preference or to have exercised such undue discrimination if, amongst others, it unfairly favours a business in relation to the quality of:
- (i) a network service compared with the provision of the same service to another Operator, or
 - (ii) a private circuit service compared with the provision of the same service to another Operator; or
 - (iii) the establishment, maintenance or alteration of network connecting equipment if the performance of any such establishment,

maintenance or alteration activity is materially different from the performance of a comparable activity elsewhere in the Licensed Carrier's System business.

- 15.3 The Licensed Carrier shall be deemed to have shown such undue preference or to have exercised such discrimination if it unfairly favours to a material extent a business carried on by it or by its lawful telecommunications associates in relation to any of the matters mentioned in Condition 15.1 so as to place at a significant competitive disadvantage persons competing with that business.
- 15.4 Notwithstanding the provisions of Condition 15.1 the Licensed Carrier may provide the Service to a Customer on charges, terms and conditions which are preferential if the charge in question is in accordance with a tariff plan which has been lodged with the Commission as required and terms and conditions have been duly lodged.
- 15.5 Any question relating to whether any act done or course of conduct pursued by the Licensed Carrier amounts to such undue preference or such undue discrimination shall be determined by the Commission, but nothing done in any manner by the Licensed Carrier shall be regarded as undue preference or undue discrimination if and to the extent that it is required to do that thing in that manner by or under any provision of this Licence.
- 15.6 (a) Before making a determination under this Condition, the Commission shall consult with the Licensed Carrier and Interested Parties. If the Commission considers that a determination is appropriate it shall notify the Licensed Carrier and Interested Parties of the proposed determination and its reasons for proposing to make it and give each of them a reasonable opportunity to make representations. On making a determination it shall notify the Licensed Carrier and Interested Parties of the determination and the reasons for making it.
- (b) Each notification of reasons shall, as appropriate, set out the Commission's reasons:
- (i) for proposing to make the determination; or
 - (ii) for making the determination;
- those reasons being sufficient to give the Licensed Carrier and Interested Parties a reasonable understanding of the proposed decision or decision, as the case may be.
- 15.7 (a) Where the Commission has reasonable grounds to believe that the Licensed Carrier is showing undue preference or undue discrimination or both, and has notified the Licensed Carrier of justifiable grounds therefor,

the Licensed Carrier shall extend to the Commission, its representatives and members of staff such prompt co-operation as the Commission may reasonably request in order to investigate the matter.

- (b) If, as a result of any investigation, assessment, examination or review referred to in Condition 15.7(a), the Commission is satisfied that the Licensed Carrier has done or is doing any of the things referred to in the said Condition 15.7(a) or it has insufficient information to conclude whether or not the Licensed Carrier has done or is doing any of the things referred to in Condition 15.7(a), it may direct with effect from the date specified in the direction, without prejudice to its other powers under this Licence, that the Licensed Carrier does all that is necessary to remedy or prevent such undue preference or undue discrimination, **provided** that any direction given pursuant to this paragraph shall relate to the results of the relevant investigation, assessment, examination or review referred to in Condition 15.7(a) in respect of which the direction is given and shall not require the Licensed Carrier to do more than that which is reasonably required to remedy or prevent the undue preference or undue discrimination which gave rise to the investigation.

15.8 In this Condition:

“**Network Components**” means the network components specified on the list of network components as published by the Commission.

“**Network Parts**” means the network parts specified on the list of network parts as published by the Commission.

“**Network Service**” means a service which the Licensed Carrier is providing to a Business which is the same as or comprises the same combination of Network Components or Network Parts, as any of the services provided by the Licensed Carrier to end users.

“**Private Circuit Service**” means a service which the Licensed Carrier is providing to a business which provides the same functionality and has the same characteristics as a private circuit.

“**Quality**” means the effect of the performance of the relevant service in a manner which, given the purpose for which it was provided, determines the degree of satisfaction of a user of that service, and, for the avoidance of doubt, does not include the charge for that service.

Prohibition of Cross-Subsidies

16.1 The Licensed Carrier shall ensure that its business under this Licence is not unfairly cross-subsidized from any other source, except in cases where the Licensed Carrier is under an obligation to provide service at a place in an area in which the demand or the prospective demand for the service is not sufficient, having regard to the revenue likely to be earned from the provision of the service in the area, to meet all the costs reasonably to be incurred by the Licensed Carrier in providing the service there, including:

- i) the cost of equipment necessary for the provision of the service there;
- ii) the cost of installing, maintaining and operating such equipment for the purpose of providing service there, and
- iii) the cost of the trained manpower necessary to provide the service there;

in which case prior approval shall be obtained from the Commission.

16.2 Where it appears to the Commission that the Licensed Carrier is unfairly cross subsidizing or unfairly subsidizing:

- (a) The Equipment Supply Business, insofar as that Business is carried on in Nigeria;
- (b) The production of telecommunication equipment by the Equipment Production Company insofar as that equipment is produced for supply in Nigeria and the supply of such equipment by that Company in Nigeria; or
- (c) any part or parts of its Business carried on in Nigeria;

it shall take such steps as the Commission may direct for the purpose of remedying the situation.

16.3 The Licensed Carrier shall record, except where the Commission agrees otherwise, at full cost in its accounting records, any material transfer between any part of the Licensed Carrier's business and any of the businesses mentioned in Condition 16.2(a) to (c) within three months of such transfer.

16.4 In this Condition:

“Equipment Supply Business” means the following activities of the Licensed Carrier or of any wholly owned Subsidiary taken together:

- (a) the supply of any telecommunication equipment; and
- (b) the installation, maintenance, adjustment, repair, alteration, moving, removal or replacement of any telecommunication equipment where those activities are not part of the Systems Business nor part of the Supplemental Services business;

but does not include the supply by the Equipment Production Company of telecommunication equipment produced by it;

“Supplemental Services Business” means the following activities of the Licensed Carrier taken together:

- (a) the installation, maintenance, adjustment, repair, alteration, moving, removal or replacement of any equipment comprised or to be comprised in any telecommunication System; and
- (b) Any other services supplemental or ancillary to the provision of telecommunication services by the Licensed Carrier.

16.5 For the purpose of this Condition:

- (a) **“supply”** and **“provision”** include supply or provision in the course of one business of the Licensed Carrier for the purposes of another such business notwithstanding that there is no supply or provision to any other person;
- (b) a transfer from one business to another business or a company takes place when any thing (including any service or money) produced or acquired by, normally used in, or otherwise at the disposal of, the first mentioned business is made available for the purposes of the other business or the company; and
- (c) **“full cost”** in the case of money transferred includes the market rate of interest for that money.

16.6 In considering whether any cross-subsidy of any part or parts of the Licensed Carrier’s business is unfair, the Commission shall have regard to the extent to which the Licensed Carrier cross-subsidized that Business for the purpose of satisfying any obligation imposed on it by Condition 2 or 3.

Equipment Production

- 17.1 If the Licensed Carrier is, or becomes, engaged in the business of production of telecommunication equipment (as defined in and in the context of “**the Equipment Production Company**”), that business shall, as soon as reasonably practicable and in any event not later than three months thereafter be transferred to its Subsidiary, that is to say, the Equipment Production Company, unless it has previously been transferred to some other entity, and the Licensed Carrier shall not after that date engage in any such business.
- 17.2 The Licensed Carrier shall secure that the Equipment Production Company does not engage in the business of running telecommunications systems.
- 17.3 The Licensed Carrier shall secure that the Equipment Production Company furnishes to the Commission as soon as reasonably practicable and in any case not later than six months after the end of each financial year a copy of its annual accounts together with a statement showing the matters which are required to be shown in respect of the Systems Business and the Equipment Supply Business in equivalent statements under Conditions 23 and 24.
- 17.4 Notwithstanding the provisions of this Condition, the Licensed Carrier may engage in;
- (a) research and development;
 - (b) production of prototypes or samples;
 - (c) production of equipment exclusively for the purpose of being tested; or
 - (d) production of equipment in quantities which are not substantial or which do not significantly affect competition in commercial activities connected with telecommunications in Nigeria;
- but where the Licensed Carrier is engaged in production of the kind mentioned in sub-paragraphs (b), (c) or (d) above in any financial year it shall as soon as reasonably practicable after the end of that year furnish to the Commission a general description of that production sufficient for the purposes of this Condition.
- 17.5 In this Condition “**telecommunication equipment**” of any particular description means items of telecommunication equipment, or sets of such items used together, which perform the same or substantially similar functions.

Prohibition against Anti-competitive Conduct

- 18.1 The Licensed Carrier shall not engage in any conduct which in the opinion of the Commission has the purpose or effect of preventing or substantially limiting, restricting or distorting competition in the operation of the service or in any market for the provision or acquisition of telecommunication installation, service or equipment.
- 18.2 The conduct, which the Commission may consider as the relevant purpose or effect referred to in Condition 18.1 includes but is not limited to:
- (a) collusive agreements to fix the price of any equipment or service;
 - (b) boycotting the supply of goods or services to competitors;
 - (c) entering into exclusive arrangements which prevent competitors from having access to supplies or outlets;
 - (d) agreements between other Operators to share the available market between them along geographic or customer lines.
- 18.3 In particular but without limiting the generality of the conduct, referred to in Condition 18.1, the Licensed Carrier shall not:
- (a) Enter into any agreement, arrangement or understanding, whether legally enforceable or not, which has or is likely to have the purpose or effect of preventing or substantially restricting competition in any market for the provision or acquisition of any telecommunication installations, services or equipment;
 - (b) Give an undue preference to, or receive an unfair advantage from a business carried on by it or by an associate company, service or person, if in the opinion of the Commission, competitors would be placed at a significant competitive disadvantage or competition would be prevented or substantially restricted within the meaning of Condition 18.1.

Prohibition of Linked Sales

19.1 The Licensed Carrier shall not make it a condition of:

- (a) providing any telecommunication service;
- (b) supplying any telecommunication equipment;

that any person should acquire from the Licensed Carrier or from any other person specified or described by it:

- i) any telecommunication service other than the telecommunication service requested save where that service cannot be provided without the provision of that other telecommunication service; or
- ii) any telecommunication equipment not incorporated in the Systems supplied save where the telecommunication service requested cannot otherwise be provided or the telecommunication equipment cannot otherwise be used.

19.2 Except where the Commission has agreed otherwise, the Licensed Carrier shall not do any of the things described in Conditions 19.1(a) and (b) together with the other thing in a manner or for charges or on terms or conditions more favourable than would be available for doing one thing without that other thing.

19.3 Notwithstanding Conditions 19.1 and 19.2 the Licensed Carrier may, where it supplies as part of the same transaction or interconnected series of transactions two or more items of telecommunications equipment, offer quantity discounts or more favourable terms and conditions in respect of quantity in relation to such equipment which it so supplies whether those items or equipment are of the same or different descriptions.

Prohibition of Certain Exclusive Dealing Arrangements

- 20.1 The Licensed Carrier shall not, except with the prior written consent of the Commission, make the acquisition from any person in Nigeria by the Licensed Carrier or any of its wholly owned subsidiaries or the installation or servicing by any person in Nigeria for it or any such Subsidiary of any telecommunication equipment of any description conditional upon agreement:
- (a) to supply to the Licensed Carrier or to supply or not to supply to any person equipment of a different description;
 - (b) to provide to the Licensed Carrier or to provide or not to provide to any other person any telecommunication service of a different description; or
 - (c) to transfer to the Licensed Carrier or to any other person any interest in industrial or intellectual property with a view to restricting unreasonably the freedom of the supplier of the equipment or the provider of the service in question to exploit his industrial or intellectual property in order to confer on the Licensed Carrier or some other person an unfair competitive advantage.
- 20.2 If the Commission is satisfied that persons in Nigeria, who are not genuinely willing to give to the Licensed Carrier or to any of its wholly owned subsidiaries the sole right to supply to customers telecommunication equipment supplied by those persons, are being so required by the Licensed Carrier then the Commission may direct the Licensed Carrier to comply with the provisions of Condition 20.3.
- 20.3 The Condition referred to in Condition 20.2 is that the Licensed Carrier shall not, except with the prior written consent of the Commission, make the acquisition of telecommunication equipment, or of telecommunication equipment specified by the Commission or of a description so specified by the Licensed Carrier or any of its wholly owned subsidiaries from any person in Nigeria or any such person specified by the Commission conditional upon the agreement of the supplier not to supply to any other person equipment of the same description as that to be supplied to the Licensed Carrier or to a wholly owned subsidiary.
- 20.4 Notwithstanding the provisions of Condition 20.1 or any direction made pursuant to Condition 20.2, the Licensed Carrier shall be free:
- (a) to agree with any person that that person will supply to the Licensed Carrier or one of its wholly owned subsidiary alone, telecommunication equipment of any description which is distinguishable (by any means other than ones which account for a disproportionate share of the cost of that

equipment) by its external appearance, or by any marking or similar attribute, from other equipment of the same description, and which is or is intended to be thereby associated with the Licensed Carrier or to a wholly owned subsidiary;

- (b) to require that other telecommunication equipment should be supplied or another telecommunication service should be provided with or in connection with any equipment or service where the supply of that other equipment or the provision of that other service is reasonably related to that supply or provision;
- (c) to require the transfer to the Licensed Carrier or any of its wholly owned subsidiaries of any interest in industrial or intellectual property which the Commission agrees is necessary or desirable to facilitate the running of any of the Licensed Carrier's Systems;
- (d) to dispose of any interest in industrial or intellectual property owned by the Licensed Carrier or any of its wholly owned subsidiaries free from all encumbrances and restrictions of whatsoever nature arising out of or under this Licence.
- (e) to require the transfer to the Licensed Carrier or any of its wholly owned subsidiaries by any person of an interest in industrial or intellectual property arising out of any work done in pursuance of any agreement made between the Licensed Carrier or any of its wholly owned subsidiaries and that person for any research or development to be carried out by it, unless the Commission otherwise directs;
- (f) to require the transfer to the Licensed Carrier or any of its wholly owned subsidiaries or any other person of any interest in industrial or intellectual property to the extent that that is reasonably necessary for the purpose of enabling the Licensed Carrier to secure alternative sources of supply of telecommunication equipment; or
- (g) to require any person who supplies telecommunication equipment or who provides telecommunication services to enter into an agreement of the kind referred to in Conditions 20.1, 20.2 or 20.3 where the Licensed Carrier or any of its wholly owned subsidiaries makes available research, design or development work or where the Licensed Carrier or such subsidiary agrees to finance such work on terms that an agreement of that kind will be entered into.

Code of Practice for Consumer Affairs

- 21.1 The Licensed Carrier shall in consultation with the Commission, prepare and publish in accordance with Condition 14.14 not later than three months from the Effective Date of this Licence, a Code of Practice including:
- (a) Standard contract terms and conditions for its existing and new customers;
 - (b) Guidance to its customers and employees in respect of disputes or complaints relating to the provision of service by the Licensed Carrier and the time frame for handling complaints through this procedure;
 - (c) Further recourse available to a customer who is dissatisfied with the Licensed Carrier's complaints handling procedure;
 - (d) Advice to such customers on charging, billing and enquiries in relation thereof;
 - (e) Description of the services offered;
 - (f) Advice and procedures on the proper use of the service by such customers;
 - (g) Advice and conditions for connection of equipment;
 - (h) Specific details of the compensation/refund scheme(s) offered;
 - (i) Procedures adopted by the Licensed Carrier to check the accuracy of a customer's telephone account;
 - (j) Procedures adopted by the Licensed Carrier to assist customers in emergency situations; and
 - (k) Availability to customers of quality of service information relating to the Licensed Carrier's network services.
- 21.2 The Licensed Carrier shall review the Code of Practice annually and shall in consultation with the Commission publish the revised version of the Code of Practice, in accordance with Condition 14.14, not later than the third month of every calendar year.
- 21.3 The Licensed Carrier must keep and maintain all information on the complaints made to the Licensed Carrier by its Customers. The Licensed Carrier shall

provide such information to the Commission at least once in each year. The Commission may, after consultation with the Licensed Carrier publish the information, **provided** that such publication shall relate to a period of not less than three months and shall be published together with similar information pertaining to other Operators.

- 21.4 The Licensed Carrier shall establish and maintain efficient information and procedures to assist the Customers in resolving questions relating to the installation and all other relevant issues relating to the provided Services. In the provision of such Services the Licensed Carrier shall not discriminate between the Customers.
- 21.5 The Licensed Carrier shall have available copies of any forms, which may be issued by the Commission for the filing of formal or informal complaints, and shall make such forms available to the Customers promptly upon request. The Licensed Carrier will train its personnel responsible for interacting with the Customers to inform the Customers that they have a right to lodge formal or informal complaints with the Commission, and that the Licensed Carrier can make any issued forms available.

Arbitration of Disputes with Customers

22.1 The Licensed Carrier shall include in the standard terms and conditions on which it provides its services provisions giving persons to whom the services are provided the opportunity to refer to an inexpensive independent arbitration procedure, instead of to a court of law, any dispute relating to the provision of these services which does not involve a complicated issue of law or a sum greater than such sum as the Commission may from time to time determine. The arbitral procedures and the method of appointment of the arbitrators shall be subject to consultation with the Commission.

22.2 The Commission shall settle:

- (a) Any dispute between the Licensed Carrier and the Customer relating to the provision of the Services which the Commission is capable of resolving in accordance with the established procedure for redressing grievances of customers; and
- (b) Any other dispute between the Licensed Carriers, other Operators and the customers within the scope of the powers given to the Commission under the NCC Act.

Separate Accounts for all Activities

23.1 This Condition applies for the purpose of ensuring that the Licensed Carrier establishes accounting and reporting arrangements sufficient to enable the Licensed Carrier's finances in relation to separate Licensed Undertakings to be assessed and reported separately from each other to ensure clarity, accuracy and easy retrieval of information with respect to the separate Licensed Undertakings.

23.2 The Licensed Carrier shall:

- (a) Maintain accounting records in such a form that each of those Businesses it carries out are separately identifiable or separately attributable in the books of the Licensed Carrier, being records sufficient to show and explain the transactions of each of those Businesses;
- (b) Prepare in respect of each complete financial year of the Licensed Carrier during which this Licence is in force, or of such lesser periods as the Commission may specify, accounting statements setting out and in the case of annual statements fairly representing the costs (including capital costs), revenue and financial position of each of the Businesses carried on by the Licensed Carrier in that period and including a reasonable assessment of the assets employed in and liabilities attributable to each of the businesses and showing separately by way of explanatory notes to the Financial statements, in the case of yearly accounting statements, the amount of any material item of revenue, cost, asset or liability which has been either:
 - (i) charged from or allocated to any other business of the Licensed Carrier together with a description of the basis of the value on which the charge was made; or
 - (ii) determined by apportionment or attribution from an activity common to the Business and any other business of the Licensed Carrier and, if not otherwise disclosed, the basis of the apportionment or attribution.
- (c) The Licensed Carrier shall:
 - (i) Procure in respect of each of those accounting statements prepared in respect of a complete financial year of the Licensed Carrier, a report by its Auditor stating whether in the Auditor's opinion that statement is adequate for the purposes of this Condition; and

- (ii) Deliver to the Commission a copy of each of the accounting statements and of the reports relating thereto required under Conditions 23.2(a) and (b) as soon as reasonably practicable and in any event not later than six (6) months after the end of the period to which they relate.
- 23.3 Accounting statements prepared under Condition 23.2(b) in respect of each financial year shall so far as reasonably practicable, be prepared in the formats and in accordance with the accounting principles and rules which apply to the annual accounts of the Licensed Carrier.
- 23.4 The Licensed Carrier shall establish and maintain adequate records to permit the effective supervision and enforcement of the terms of this Licence. The Licensed Carrier shall submit by March 1st of each year, the Licensed Carrier's Balance Sheet including its Income Statement as at the end of each financial year and the related statements of operations, equity and cash flows of the Licensed Carrier, in each case, accompanied by a report thereon of the Auditor stating that such financial statements fairly represent the financial position of the Licensed Carrier at the dates indicated therein and were prepared in accordance with accounting principles generally acceptable internationally. In addition to the foregoing, the Commission may request the Licensed Carrier to submit other periodic reports, financial statements, statistics and other data regarding the Licensed Carrier's operations and activities. The Commission shall publish such information (with the exception of confidential information, privileged information and trade secrets) and shall have the right to inspect or to instruct an Auditor or other personnel to (at the expense of the Licensed Carrier) review the files, records and other data of the Licensed Carrier with a view to monitoring and enforcing the terms of this Licence effectively.
- 23.5 In this Condition, references to the costs of any business do not include profits of that business.

Condition 24

Details of Accounts

- 24.1 The Licensed Carrier shall publish accounts for the Licensed Carrier's Group and subsidiaries or other business units for each complete financial year.
- 24.2 The whole purpose of this Condition is to ensure that the Licensed Carrier does not unfairly subsidize or unfairly cross-subsidize or show undue preference or exercise undue discrimination.
- 24.3 (a) Subject to Condition 24.19 below:
- (i) the composition of each business in terms of any or all of the revenues, costs or assets it comprises may be amended; and
 - (ii) each Business may be divided to create one or more additional Businesses or aggregated to create one or more fewer Businesses;
- as the Commission and the Licensed Carrier shall agree from time to time in writing.
- (b) Each Business shall be disaggregated in terms of the activities of the Business on the basis agreed between the Licensed Carrier and the Commission. Subject to Condition 24.19, that disaggregation may be amended by agreement in writing between the Licensed Carrier and the Commission.
- 24.4 The Licensed Carrier shall establish sufficient accounting and reporting arrangements to comply with its obligations under this Condition.
- 24.5 (a) The Licensed Carrier shall maintain accounting records in a form:
- (i) Which enables each Business and, insofar as it has been disaggregated in terms of activities of the Business, each of the activities of that Business, to be separately identified or the costs, revenues and assets of each Business and, insofar as it has been disaggregated in terms of activities of the business, the cost, revenues and assets of each of those activities, to be separately attributable, on such basis as provided by Accounting Policies from time to time;

- (ii) Which shows and explains the transactions of each Business and, insofar as it has been disaggregated in terms of activities of the Business, the transactions of each of the activities of that Business.
 - (b) The accounting records referred to in Condition 24.5(a) shall be kept in a form:
 - (i) Which enables the Licensed Carrier to prepare the Financial Statements (both as defined in Condition 24.6) and the Interim Financial Statements (as defined in Condition 24.10) in respect of each business on such basis as provided by Accounting Policies from time to time; and
 - (ii) Sufficient to provide an adequate explanation of each Financial Statement.
 - (c) Each Interim Financial Statement shall be preserved by the Licensed Carrier for a period of five years from the date on which they were made
 - (d) Where there is a significant change in Accounting Policies in the course of a financial year during the term of this Licence, the Licensed Carrier shall prepare a Restated Financial Statement for such year in line with the new Accounting Policies.
- 24.6 (a) The Licensed Carrier shall prepare in accordance with Condition 24.7, in respect of each of its financial year, a financial statement on such basis as provided by Accounting Policies from time to time.
- (b) Each Financial Statement prepared for the purposes of Condition 24.6(a) shall comprise:
 - (i) Balance Sheet;
 - (ii) A profit and loss account;
 - (iii) Cash-flow Statement
 - (iv) Value Added Statement;
 - (c) Following the recalculation and re-determination of the charge (or the means of calculating that charge) for or in respect of each service payable in a financial year after the end of that financial year, the Licensed Carrier shall prepare a restatement of each Financial Statement for that financial year to take account of that recalculation and re-determination (each a “**Restated Financial Statement**” and together the “**Restated Financial Statements**”).

- 24.7 (a) The Licensed Carrier shall ensure that each Financial Statement and Restated Financial Statements shall:
- (i) be prepared as to the form and content of:
 - (aa) Balance Sheet;
 - (bb) Profit and Loss Account;
 - (cc) Cash-flow Statement; and
 - (dd) Value Added Statement.
- together with such additional information to be provided by way of notes as may be considered material for these purposes.
- (ii) be prepared in accordance with Accounting Policies prevailing from time to time.
- (b) Subject to Condition 24.19, the form and content referred to in sub-paragraph (a)(i) may be amended, as the Commission and the Licensed Carrier shall agree from time to time in writing.
- 24.8 The Licensed Carrier shall procure in respect of each Financial Statement and Restated Financial Statement for each Business an Audit report by the Auditor that shall conform to Auditing Standards in which he shall state whether in his opinion the Financial Statement or the Restated Financial Statement, as the case may be, complies with the requirements of Condition 24.7.
- 24.9 (a) The Licensed Carrier shall, except in so far as the Commission may consent, publish the Financial Statements for each complete year within four months of the end of each financial year.
- (b) For the purpose of sub-paragraph (a), publication shall be effected by making the relevant Financial Statements and Restated Financial Statements together with the relevant Auditor's reports publicly available and by sending copies to the Commission.
 - (c) The Licensed Carrier shall send a copy of the Financial Statements and Restated Financial Statements together with the relevant Auditor's report to any person who may (after they have been published pursuant to sub-paragraph (a)) request them, on the basis of that person paying a reasonable charge for them. The Licensed Carrier shall send the copies within seven working days after receiving payment of that charge.

- (d) The Licensed Carrier shall make available and continue to make available in a publicly accessible part of every Major Office of the Licensed Carrier, a notice of the address and telephone number of the person to whom any request for a copy of any or all of the Financial Statements and Restated Financial Statements together with the relevant Auditor's reports or any part of them may be made.
- 24.10 In addition to the requirements of Condition 24.6, the Licensed Carrier shall, in respect of each of its financial years, prepare a financial statement for each six months period ending 30 June in respect of each Business (each an **Interim Financial Statement**" and together the **Interim Financial Statements**"). Each Interim Financial Statement shall comprise Balance Sheet, Profit and Loss Account, Cash-flow statement, Value added Statement and additional information to be provided by way of notes for the relevant period.
- 24.11 The Licensed Carrier shall ensure that the Interim Financial Statement shall be reconciled with the interim results of the Licensed Carrier for the same period and that reconciliation shall be demonstrated and explained.
- 24.12 The Licensed Carrier shall procure in respect of each Interim Financial Statement for each Business an interim report by the Auditor in which he shall:
- (a) have regard to guidelines issued by the relevant Professional Body on Auditing practice; and
 - (b) state whether in his opinion on the basis of his review he is aware of any material modifications which should be made to that Interim Statement presented.
- 24.13 (a) The Licensed Carrier shall publish the Interim Financial Statements within four months after the end of the period to which they relate, together with the relevant Auditor's report required under Condition 24.12.
- (b) For the purposes of sub-paragraph (a), the provisions of Condition 24.9 (b) to (d) inclusive shall apply to Interim Financial Statements as they apply to Financial Statements and Restated Financial Statements with the substitution for references to Financial Statements and Restated Financial Statements of references to Interim Financial Statements.
- 24.14 The Licensed Carrier shall not make any change to the way in which it attributes costs, revenues, assets and liabilities if that change would cause a change in the total costs attributed to one or more services of 5% (five percent), or more without the prior written consent of the Commission, such consent not to be unreasonably withheld.

- 24.15 The Licensed Carrier shall use its best endeavours to obtain from the Auditor any further explanation and clarification of the reports required under Conditions 24.8 and 24.12 and any other information in respect of the matters which are the subject of the reports as the Commission shall reasonably require.
- 24.16 (a) The Licensed Carrier shall publish details of the definitions of the Businesses as soon as practicable after the coming into force of this Condition and shall publish details of any amendment to the composition, or any division or aggregation, or a Business as soon as practicable, and in any event within 28 days, after the making of the amendment.
- (b) The Licensed Carrier shall publish details as the Commission may direct within 28 days after that direction, of any further description of the costs, revenues, assets and liabilities attribution systems used by the Licensed Carrier to prepare the Financial Statements, the Restated Financial Statements and the Interim Financial Statements the level of detail of which shall be agreed in writing between the Commission and the Licensed Carrier from time to time **provided** that the Licensed Carrier shall be entitled to exclude any details, further descriptions or amendments, as the case may be, which it is obliged to publish in accordance with this paragraph but which the Commission shall have consented in writing that they be excluded following representations to it on the matter by the Licensed Carrier on the basis that if the matter were made available in accordance with this paragraph it would or might, in the opinion of the Commission, seriously and prejudicially affect the interests of the Licensed Carrier.
- (c) The Licensed Carrier shall publish details of any amendment published in accordance with Condition 24.16(b), as soon as practicable, and in any event within 28 days, after the making of the amendment.
- (d) For the purposes of sub-paragraphs (a) to (c) publication shall be effected by making the required details, further descriptions or amendments, as the case may be, publicly available and by sending copies to the Commission.
- (e) The Licensed Carrier shall send a copy of each of the required details, further descriptions or amendments, as the case may be, or any of them to any person who may after the expiry of the period specified in each of sub-paragraphs (a) to (c) request them, on the basis of that person paying a reasonable charge for them. The Licensed Carrier shall send the copies within seven working days after receiving payment of that charge.
- (f) The Licensed Carrier shall make available, and continue in a publicly accessible part of its major Offices, a notice of the address and telephone number of the person to whom any request for a copy of any or all of the required details or amendments may be made.

24.17 The Licensed Carrier shall, with the consent of the Commission, make such amendments as are from time to time required to:

- (a) the definition of each Business in terms of the revenues, costs and assets comprised in it;
- (b) the number of Businesses for the purposes of this Condition;
- (c) the manner in which each Business may be disaggregated;
- (d) the form and content of:
 - (i) the Balance Sheet;
 - (ii) the Profit and Loss Account;
 - (iii) the Cash flow statement;
 - (iv) the Value Added Statement; and
 - (v) the additional information to be provided by way of notes;

comprised in each Financial Statement to ensure that they are consistent with, and give effect fully to:

- (aa) modifications of any of the Conditions of this Licence or orders of the Commission;
- (bb) formal undertakings given by the Licensed Carrier to the Commission following investigations by it into possible contraventions by the Licensed Carrier of any of the Conditions to this Licence; and
- (cc) directions, consents and determinations given or made by the Commission from time to time under any of the Conditions in this Licence;

made or given on or after the date on which this Condition comes into force together with, in each case, any published explanations and reasons given by the Commission in connection with any of the matters specified in sub-paragraphs (aa) to (cc) **provided** that the requirements of this paragraph shall be suspended pending the final disposal of any judicial proceedings seeking to have any such final orders, directions, consents, or determinations, quashed, set aside, modified or varied.

24.18 (a) Before giving a direction or consent under this Condition, the Commission shall consult with the Licensed Carrier and, except in the case of a consent or refusal to consent for the purposes of Condition 24.16, if it concludes that a direction or consent is appropriate, or that a consent is not appropriate, it shall notify the Licensed Carrier and (except in an excluded case) Interested Parties of the proposed direction or consent or refusal of consent, as the case may be, and its reasons for proposing to give it or refuse consent and give each of them a reasonable opportunity to make representations. On giving a direction or consent or refusal to give consent, it shall notify the Licensed Carrier and (except in an excluded case) Interested Parties of the direction or consent or refusal, as the case may be, and its reasons for giving it or refusing consent.

(b) Each notification of reasons shall, as appropriate, set out the Commission's reasons:

(i) for proposing to give the direction or give or refuse consent, as the case may be; or

(ii) for giving the direction or giving or refusing consent, as the case may be;

those reasons being sufficient to give the Licensed Carrier and Interested Parties a reasonable understanding of the proposed decision, as the case may be.

24.19 (a) Where the Commission has reasonable grounds to believe that:

(i) the Licensed Carrier is in breach of this Condition; or

(ii) any or all of the Financial Statements, the Restated Financial Statements and the Interim Financial Statements are deficient;

the Licensed Carrier shall extend its prompt co-operation to the Commission, its representatives and members of his staff and in particular, on the Commission's request shall:

(A) furnish the Commission in accordance with its requirements with any information documents, accounts, estimates, returns, reports or other information (including, without limitation, any facility enabling him to read data not held in readable form);

(B) allow at all reasonable times the Commission, its representatives and any member of its staff, on production of special authority from the Commission, access to any relevant premises of the Licensed Carrier to investigate, assess, examine, review or verify

any of its accounting records or accounting and reporting arrangements, systems or processes; and

(C) for the purpose of sub-paragraph (B), allow the Commission, its representatives and any member of its staff to be accompanied by any person whom the Commission may specify and whose assistance the Commission might reasonably require: **Provided** that the Commission has given the Licensed Carrier notice (which save in exceptional circumstances shall be of at least 5 working days) of the identity of that person.

(b) If, as a result of any investigation, assessment, examination or review referred to in sub-paragraph (a), the Commission is satisfied that:

(i) the Licensed Carrier has done or is doing any of the things referred to in sub-paragraphs (a)(i) and (ii); or

(ii) it has insufficient information to conclude whether or not the Licensed Carrier has done or is doing any of the things referred to in sub-paragraphs (a)(i) and (ii);

it may direct with effect from the date specified in the direction, without prejudice to its other powers under this Licence, that:

(A) the Licensed Carrier shall restructure or modify any or all of:

(aa) the composition of any or all of the Businesses in terms of any or all of the revenue, costs and assets they respectively comprise;

(bb) the manner in which any or all of the Businesses are disaggregated in terms of activities of the relevant Business; and

(cc) the form and content of any or all of the Balance Sheet, profit and loss account, the Cash-flow Statement, the Value Added Statement and the additional information to be provided by way of notes comprised in the Financial Statements, the Restated Financial Statements or the Interim Financial Statements of any or all of the Businesses; or

(B) the Licensed Carrier shall divide any or all of the businesses to create additional Businesses, or aggregate them to create fewer Businesses; or

- (C) effect any necessary amendments in compliance with the provisions of this Condition.

Provided that any direction given pursuant to this sub-paragraph shall relate to the results of the relevant investigation, assessment, examination or review referred to in sub-paragraph (a) in respect of which the direction is given.

24.20 In this Condition:

“Accounting Policies” means the manner in which the requirements of the Companies and Allied Matters Act 1990, the Accounting Standards and the accounting policies applied by the Licensed Carrier in the preparation of its Annual statutory financial statements, where relevant and appropriate, are applied in each of the Financial Statements, the Restated Financial Statements and the Interim Financial Statements;

“Accounting Standards” has the meaning given to it by the relevant Professional Accounting Body;

“Attributable” includes allocatable and apportionable; **“attribute”** includes allocate and apportion and **“attribution”** includes allocation and apportionment;

“Attribution Methods” means the practices used to attribute revenue (including appropriate transfer charges), costs (including appropriate transfer charges), assets and liabilities to a Business or, insofar as that Business has been disaggregated in terms of activities of that Business, to each activity of that Business as agreed in writing between the Commission and the Licensed Carrier.

“Auditing Standards” means Nigerian auditing standards and guidelines issued from time to time by the relevant Professional body;

“Publication” in respect of any document, detail or data whatsoever, except where it has been otherwise specified, shall be effected by (a) sending copies thereof to the Commission; and (b) making it available to members of the public who may request for copies thereof at the Licensed Carrier’s major offices; and (c) publishing it at the Licensed Carrier’s website.

“Transfer Charging System” means the system, which enables a Business to use a service or goods from another Business and to account for it as though it had purchased that service or goods.

Code of Practice on the Confidentiality of Customer Information

- 25.1 Except where the Commission agrees otherwise, the Licensed Carrier shall take all reasonable steps to ensure that its employees observe the provisions of the Code of Practice agreed with and notified to the Commission as amended from time to time which:
- (a) Specifies the persons to whom they may not disclose information which has been acquired in the course of the Licensed Carrier's business about a customer of the Licensed Carrier or a customer of a Reseller without the prior consent of that customer; and
 - (b) Regulates the information about any such customer or the customer's business, which may be disclosed without the customer's consent.
- 25.2 The Licensed Carrier shall within three months of the Effective Date of this Licence, submit a draft of the Code of Practice to the Commission for its approval and if the Licensed Carrier and the Commission fail to agree on the provisions of the Code, the Commission's determination in that regard shall be conclusive and final.
- 25.3 The Licensed Carrier shall consult the Commission regularly, but not less than every two years from the Effective Date of this Licence about the operation of the Code of Practice and shall make such changes to the Code of Practice as the Commission may direct following such consultation.
- 25.4 This Condition is without prejudice to the general duties of law of the Licensed Carrier towards its customers.

Transfer of Licence

- 26.1 The Licensed Carrier shall not transfer or assign in any manner the rights, interests or obligations under this Licence to another party without the prior, express and written consent of the Commission and such consent shall be made valid only by the application of the seal of the Commission.
- 26.2 For the avoidance of doubt, this Licence is personal to the Licensed Carrier and shall not without the prior express written consent of the Commission, in the manner specified in Condition 26.1, be operated by any third party organisation or person whomsoever, including but not limited to the Licensed Carrier's subsidiary and/or associated companies.
- 26.3 A person to whom a Licence is to be transferred shall apply to the Commission for a Licence to carry on the relevant telecommunications undertaking on the prescribed application form and shall satisfy the conditions set down by the Commission before any transfer of Licence may be considered.
- 26.4 Where the Licensed Carrier seeks to transfer its Licence to another person, it shall comply with all terms and conditions of its Licence as at the date of transfer and all outstanding fees shall have been paid to the Commission.
- 26.5 The Commission may consider any application for transfer of Licence and may either grant it or refuse to grant same.

Approval of Joint Ventures

27.1 The Licensed Carrier shall give particulars of any of the agreements or arrangements to which this Condition applies for approval by the Commission before the taking into effect of such agreements or arrangements.

27.2 These agreements and arrangements are:

- (a) An agreement with any person for the establishment or control of any body corporate for the purpose of:
 - (i) providing telecommunications services in Nigeria which requires a Licence; or
 - (ii) the production of telecommunications equipment for supply in Nigeria where that production would lead to a monopoly situation which would not otherwise exist in relation to the supply of telecommunications equipment of any description in Nigeria;
- (b) An agreement for the establishment of a partnership for any of these purposes and in those circumstances;
- (c) Any other agreement or arrangement in the nature of a joint venture for the purpose of providing telecommunications services which requires a Licence.

Associates

28.1 Without prejudice to the Licensed Carrier's obligations under these Conditions in respect, in particular, of anything done on its behalf, where:

- (a) any Associate of the Licensed Carrier does anything which the Licensed Carrier is prohibited from doing under these Conditions or fails to do anything which the Licensed Carrier is in the circumstances required to do; and
- (b) the Commission is of the opinion:
 - (i.) that in consequence the Licensed Carrier is seeking to or is in a material and substantial way avoiding obligations which would apply under these Conditions if the thing had been done or not done by the Licensed Carrier; and
 - (ii.) that having regard to the duty imposed on it by Section 4 of the NCC Act it ought to make a direction under this Condition,

then the Licensed Carrier shall take such reasonable steps to ensure that the Associate ceases to do that thing or otherwise to remedy the matter or situation in such way or manner as the Commission may direct.

Pre-notification of Changes in Shareholding.

- 29.1 Except as specified in Condition 29.2 the Licensed Carrier shall notify the Commission of any change in the control of any of the shares in excess of 5% of the paid up share capital of the Licensed Carrier to which this Condition applies and any such notification shall be given immediately after the change in question is proposed.
- 29.2 Where the cumulative equity interest of a shareholder (either held directly or through a nominee, associate or trustee) exceeds 10% of the authorized or paid up share capital of the Licensed Carrier, the Licensed Carrier shall notify the Commission of any further change in that shareholder's equity interest in the Licensed Carrier.
- 29.3 The Licensed Carrier shall notify the Commission not later than 30 days before the taking effect of any of the arrangements of the description mentioned in Condition 29.4.
- 29.4 The descriptions of arrangements referred to in Condition 29.3 are:
- (a) Any arrangement for obtaining a listing of any shares in the Licensed Carrier on the Nigerian Stock Exchange **provided** that such listing shall not have the effect of vesting greater than 50% (fifty per cent) of the issued voting share capital of the Licensed Carrier in a manufacturer in or supplier of telecommunications equipment; and
 - (b) Any arrangement for dealings in any shares in the Licensed Carrier on an unlisted market in Nigeria.
- 29.5 This Condition applies to all shares in the Licensed Carrier the holder of which for the time being is entitled to vote on any matter at a general meeting of the Licensed Carrier.
- 29.6 Not later than March 1st of each year, the Licensed Carrier shall deliver to the Commission a report on the current ownership of the Licensed Carrier. The report shall contain the following information:
- (a) in the case of an individual owner, the name of that individual;
 - (b) in the case of a partnership as owner, the name of each partner and the interest of each partner;

- (c) in the case of a company or other organization as owner, the name, residence, citizenship, and stockholding of every officer, director, trustee, executor, administrator, receiver and member of the organization, and of any stockholder holding stock amounting to 5% (five percent) or more of the votes of the company.

**Interconnection Arrangements with other Operators
Including Access provisioning, Co-location and Facility Sharing**

- 30.1 If the Licensed Carrier receives a request for interconnection from another Operator, then the Licensed Carrier shall have an obligation to interconnect its telecommunications system with the other Operator's network in accordance with the principles of neutrality, non-discrimination and equality of access pursuant to terms and conditions negotiated in good faith between them. Technical and commercial arrangements for interconnection are a matter for agreement between the parties involved, subject to the provisions of this Condition.
- 30.2 The Licensed Carrier shall be excused from any obligation to negotiate or enter into an interconnection agreement with a requesting Operator if, as determined by the Commission in its reasonable discretion:
- (a) such an agreement is prohibited by law; or
 - (b) the Licence issued to the other Operator does not authorize the services for which interconnection is requested; or
 - (c) the requested interconnection is rendered impossible as a result of technical limitations; or
 - (d) such interconnection would endanger life or safety or result in injury or harm to the Licensed Carrier's property or hinder the quality of the services provided by the Licensed Carrier.
- 30.3 All interconnection agreements between the Licensed Carrier and any other Operator shall be in writing and shall comply with:
- (a) the NCC Act, the Regulations, and the Interconnection Guidelines laid down by the Commission; and
 - (b) the principles of neutrality, transparency, non-discrimination, fair competition, universal coverage, access to information, equality of access and equal terms and conditions.
- 30.4 The Licensed Carrier shall file with the Commission all Interconnection Agreements entered into pursuant to Condition 30.1, not later than ten (10) days from the date of execution of the Agreement. The Licensed Carrier shall furnish to the Commission any additional information that the Commission requires in respect of such Interconnection Agreement and on evaluating the terms and

conditions and the charges set out in the proposed Interconnection Agreement, the Commission may require the Licensed Carrier and the interconnecting party to revise the Agreement if interconnection as contemplated therein is inconsistent with the Act, the Regulations and/or the Interconnection Guidelines laid down by the Commission or the integrity of the public network.

- 30.5 The Licensed Carrier may at any time request the Commission to make a direction in order:
- (a) To specify issues which must be covered in an interconnection agreement;
 - (b) To lay down specific conditions to be observed by one or more parties to the agreements; or
 - (c) As the case may be, to set time limits within which negotiations are to be completed.
- 30.6 The Licensed Carrier shall publish a Reference Interconnection offer. The publication shall be effected by:
- (a) sending a copy thereof to the Commission;
 - (b) placing as soon as practicable thereafter a copy thereof in a publicly accessible part of every Major Office of the Licensed Carrier in such a manner and in such a place that it is readily available for inspection free of charge by members of the public during such hours as the Commission may by order prescribe; and
 - (c) sending a copy thereof at reasonable cost to any person who may request such a copy.
- 30.7 The Licensed Carrier's Reference Interconnection offer shall include a description of interconnection services to be supplied in segmented components according to market needs and the associated terms and conditions, including charges. Where justified, the Commission reserves the right to impose changes in the Reference Interconnection offer.
- 30.8 The Licensed Carrier shall comply with the requirements of any directions given to the Licensed Carrier under the provisions of this Condition and under the regulations and provisions of the Interconnection Guidelines laid down by the Commission.

30.9 Where:

- (a) An Operator establishes a prima facie case that the Licensed Carrier is unreasonably not performing an obligation which he is required to perform under an Interconnection Agreement; and
- (b) The Commission considers that:
 - (i) the obligation on interconnection ought to be performed; and
 - (ii) the Operator is not able satisfactorily to enforce the agreement so that the obligation is performed within such time as the Commission considers necessary;

the Commission may require the Licensed Carrier to perform the obligation subject to such conditions as are reasonable in the circumstances having regard, in particular, to the terms and conditions which apply and to anything which the Operator may reasonably be expected to do in order to mitigate the effects of the Licensed Carrier's failure to perform its obligation.

30.10 Before making a requirement under Condition 30.9, the Commission shall notify the Licensed Carrier of the *prima facie* case established by the Operator, its conclusions thereon and the direction of the Commission on the matter. The Licensed Carrier shall be afforded adequate time in which to make representations.

30.11 Where the Licensed Carrier has the right under the national legislation to install facilities on, over or within public or private land, or may take advantage of a procedure for the expropriation or use of property, the Commission shall encourage the sharing of such facilities or property or both with other Operators, in particular where essential requirements deprive other Operators of access to viable alternatives. The agreements for collocation or facility sharing are a matter for commercial and technical agreements between the parties concerned. The Commission may intervene to resolve disputes concerning collocation or facility sharing at the request of either party.

30.12 Where there is a dispute concerning interconnection between the Licensed Carrier and other Operators the Commission shall, at the request of either party, take steps to resolve the dispute within 6 (six) months of the date of the request and shall invite both parties for consultation before taking a decision on the matter. Such decision shall be final and conclusive and shall represent what is in the opinion of the Commission, a fair balance between the legitimate interests of both parties. The Directions made pursuant to the decision shall be notified to the

parties and published. The parties shall be given a full statement of the reasons on which it is based.

Charges, Cost Accounting System and Accounting Separation Relating to Interconnection

Requirements relating to Interconnection Charges

- 31.1 Charges made by the Licensed Carrier for Interconnection shall be set on the basis of objective criteria and follow the principles of transparency and cost orientation.
- 31.2 The Licensed Carrier shall secure, and shall be able to demonstrate to the satisfaction of the Commission at its request, that the interconnection charges are derived from the actual costs of providing the service.
- 31.3 The Licensed Carrier shall ensure that the amount applied and incorporated in the Transfer Charge (in the context of Transfer Charging System as defined in Condition 24.20) and other terms and conditions for any service which the Licensed Carrier provides to itself or any member of the Licensed Carrier's Group are the same as those applied to another Operator for such service.
- 31.4 The Licensed Carrier may set different tariffs, terms and conditions for interconnection for different categories of Operators who are authorized to run telecommunications systems or to provide telecommunications services, where such differences can be objectively justified on the basis of the type of interconnection provided.
- 31.5 The Licensed Carrier shall in any case ensure that the interconnection charges are sufficiently unbundled in terms of network and service elements offered, so that the Operator requesting interconnection is not required to pay for anything not strictly related to the services requested.
- 31.6 The Licensed Carrier shall give notice in writing of any proposal to change any charge(s) for a standard Interconnection Service or to introduce a charge for a new or additional interconnection service, which identifies:
 - (a)(i) The standard interconnection service provided, the current charge for, and the location in the Licensed Carrier's current standard Interconnection Agreement of the terms and conditions associated with the provision of the service and the proposed charge; or
 - (a)(ii) The proposed charge and associated terms and conditions for the proposed new or additional interconnection service;

- (b) The date on which the proposed new charge will take effect ("**the effective date of the charge**")

The notice above shall be referred to in this Condition as a **Network Charge Change Notice**".

31.7 The Licensed Carrier shall send the Network Charge Change Notice to the Commission and to all Operators with which it has entered into an Interconnection agreement:

- (a) in the case of a new or additional service, not less than 28 days before the proposed change is to take effect; and
- (b) in the case of all other standard services, not less than 90 days before the proposed change is to take effect;

and the Licensed Carrier shall not apply any proposed new charge before the effective date of the charge.

31.8 If in the opinion of the Commission, the information provided in the Network Charge Change Notice does not contain all the information specified in Condition 31.6 or is inaccurate, then the Licensed Carrier shall provide to the Commission, in the manner and at the times as the Commission may request, but not later than fourteen (14) days after receipt of the Notice, such information or such further information as the Commission may reasonably require to address the deficiency in the Notice. If the Commission makes such a request, it may direct the Licensed Carrier to:

- (a) change the effective date of the charge specified in accordance with Condition 31.6(b) from which the proposed change will take effect, to a date specified in the Direction; or
- (b) withdraw the Network Charge Change Notice and that, except to the extent that enforcement action is taken against the proposal, the proposal may not take effect except in accordance with a further Notice under Condition 31.6 sent after a date specified in the direction.

31.9 If, before it comes into effect, the Licensed Carrier withdraws a Network Charge Change Notice, or changes the effective date of the charge, the Licensed Carrier shall send to the Commission, to all Operators with which it has entered into an Interconnection agreement or amendment hereto, and to every person who on or before that date requested a copy of the Network Charge Change Notice which has been withdrawn or changed, written notice of the withdrawal or change forthwith.

- 31.10 Except to the extent that the Commission may otherwise consent, within 10 working days from the date on which a proposal to change a charge or to offer a new or additional interconnection service comes into effect, the Licensed Carrier shall amend the Interconnection Service List to take account of the change and shall publish the amendment by sending it to the Commission and to all Operators with which it has entered into an Interconnection agreement.
- 31.11 Except to the extent that the Commission may consent to an alternative location or to an alternative method of publication, the Licensed Carrier shall make available in a publicly accessible part of every Major Office, in such manner and in such place that it is readily available for inspection free of charge by members of the public, a notice of the address and telephone number of the person to whom any request may be made for any of the following:
- (a) a copy of the current Standard Interconnection Services List, any amendments thereto or the standard Interconnection Agreement;
 - (b) copies of the Network Charge Change Notice;
 - (c) written notice of any withdrawal or change of a Network Charge Change Notice.

Requirement to have Cost Accounting System and Accounting Separation for Interconnection purposes

- 31.12 The Licensed Carrier shall maintain a cost accounting system which:
- (a) in the opinion of the Commission is suitable to demonstrate that its charges for Interconnection have been fairly and properly calculated; and
 - (b) provides the information for the time being required to be provided by virtue of the Interconnection Guidelines laid down by the Commission.
- 31.13 The Licensed Carrier shall make available to any person on request a description of its cost accounting system showing the main categories under which costs are grouped and the rules used for the allocation of costs to interconnection.
- 31.14 The Licensed Carrier shall comply with the requirements of any direction given to it under the provisions of the Interconnection Guidelines laid down by the Commission in relation to keeping accounting separation and provision of financial reports for Interconnection purposes.

Value Added Service Providers

- 32.1 The Licensed Carrier shall, following a request by any Value Added Service Provider to do so, provide to that Service Provider any description of service which the Licensed Carrier at the time the request is made offers to its customers generally and which is specified in the request, on terms that are reasonable and which would enable the Value Added Service Provider to provide its own services to its customers.
- 32.2 The Licensed Carrier shall be excused from any obligation to negotiate or enter into a connection agreement with a requesting Value Added Service Provider if, as determined by the Commission in its reasonable discretion:
- (a) such an agreement is prohibited by law; or
 - (b) the Licence issued to the Value Added Service Provider does not authorise the services for which connection is requested; or
 - (c) the requested connection is rendered impossible as a result of technical limitations; or
 - (d) such connection would endanger life or safety or result in injury or harm to the Licensed Carrier's property or hinder the quality of the services provided by the Licensed Carrier.
- 32.3 (a) If on an application by a Value Added Service Provider the Commission is satisfied that the Value Added Service Provider has established a *prima facie* case that any charge, term or condition proposed by the Licensed Carrier is unreasonable and that the Licensed Carrier has acted unreasonably in relation to negotiations on it, the Commission may, if it considers it necessary to do so, determine that the Licensed Carrier shall modify that provision in such a way as to make it reasonable, in the agreement with the Value Added Service Provider.
- (b) Before making a determination under Condition 32.2(a), the Commission shall notify the Licensed Carrier and the Value Added Service Provider the grounds of the Value Added Service Provider's application and its conclusions thereon and the modifications it proposes to make or require the Licensed Carrier to make, and shall afford both parties adequate time, being not less than 28 days from the delivery date of such notification, in which to make representations.

In applying this Condition 32.2:

- (i) no determination made shall affect any exclusion or restriction equivalent to one which is, at the relevant time, included in the Licensed Carrier's current usual terms and conditions upon which the Licensed Carrier provides the same description of service to the generality of the Licensed Carrier's customers in a way which would or might have the effect of rendering the position of the Licensed Carrier in relation to the provision of the service the subject of the determination worse than the position of the Licensed Carrier in relation to the provision of the same description of service to the generality of its customers;
 - (ii) Any such modified provision shall be confined to the subject matter of the term or condition proposed by the Licensed Carrier except that, where the Commission considers that a term or condition is essential in relation to subject matter not covered by any term or condition proposed by the Licensed Carrier, it may determine a term or condition to cover that subject matter; and
 - (iii) the Licensed Carrier shall not be deemed to have acted unreasonably merely by virtue of having proposed the term or condition.
- 32.4 (a) Subject to the further provisions of this Condition 32.4, any charge determined under Condition 32.3 by the Commission shall be determined by reference to the Licensed Carrier's usual charge ("**the usual charge**") for the provision to its customers generally of the service of the description in question ("**the service**").
- (b) Any charge determined under Condition 32.3 by the Commission shall not be:
- (i) less than the usual charge for the service by an amount which exceeds any cost savings of the Licensed Carrier which are shown to be likely; or
 - (ii) less than the usual charge for the service plus any additional costs of the Licensed Carrier which are shown to be likely.
- (c) Where the cost to the Licensed Carrier of the provision of a service to a Value Added Service Provider exceeds the usual charge, no charge determined under Condition 32.3 shall be less than the usual charge.

Connection of Other Systems and Equipment

- 33.1 Subject to the further provisions of this Licence, the Licensed Carrier:
- (a) Shall connect and keep connected, at a Network Termination Point on any served premises, its Systems to any item of telecommunication equipment which is approved for the time being for such connection at the written request of the owner or person to whom it is supplied, where such connection is or is to be made by means requiring the use of a tool;
 - (b) Shall not discontinue such connection of any such equipment or system lawfully made; and
 - (c) Shall permit any person to connect, or to keep connected at a Network Termination Point any such equipment or other such system, where such connection is or is to be made by means that do not require the use of a tool.
- 33.2 Equipment shall not be regarded as approved for connection to any such system for the purposes of Condition 33.1 unless that equipment has been so approved by the Commission having been satisfied that connection of the equipment to the system would not be liable:
- (a) To cause death of, or personal injury to, or damage to the property of the Licensed Carrier or any person engaged in the running of that system; or
 - (b) Materially to impair the quality of any telecommunication service provided by means of that system or any system connected to it (other than the system being connected).
- 33.3 No equipment or system is required under Condition.33.1 to be, or permitted to be, kept connected to any of the Licensed Carrier's systems if that equipment or any equipment comprised in that system, as the case may be:
- (a) Conformed to the relevant standard or standards at the time when the connection to the Licensed Carrier's system was made but no longer does so and does not conform to the relevant standard for the time being approved by the Commission; or
 - (b) While continuing to conform to the relevant standard is in the opinion of the Licensed Carrier liable to cause the death of, or personal injury to, or damage to the property of, the Licensed Carrier, or any person engaged in

the running of any of the systems or materially to impair the quality of any telecommunication service provided by means of the Licensed Carrier's system and the Commission has not expressed a contrary opinion.

- 33.4 For the purposes of this Condition equipment shall not be regarded as constituting a system if it would not, but for its connection to any of the Licensed Carrier's systems, constitute such a system.
- 33.5 Subject to Condition 33.6, this Condition shall not apply in the case of a person who has not met or has breached the conditions in the Agreement between the parties for connection of his equipment.
- 33.6 For the avoidance of doubt, the Licensed Carrier shall at all times obtain the prior written approval of the Commission before it disconnects, or discontinues interconnection services howsoever and in any circumstance, to any Operator's System that is interconnected with the Licensed Carrier's System during the tenure of this Licence.

Equal Access

- 34.1 This Condition applies in respect of any Long Distance Operator with whom the Licensed Carrier has entered into an Interconnection agreement for which the Commission has made a direction.
- 34.2 (a) The Commission may, subject to the provisions of Condition 34.3, make a direction following the request of an Operator, that the Licensed Carrier shall make equal access available in respect of that Operator.
- (b) The direction shall contain a functional specification of exchange software for the provision of equal access. The specification shall be that submitted to the Commission by the Licensed Carrier (following a request from the Commission) or, if the Commission, having carried out such consultation as appears to it appropriate, considers that specification to be unsatisfactory, in a form determined by the Commission. Before making such a determination the Commission shall notify the Licensed Carrier as to why the Licensed Carrier's specification is unsatisfactory and give the Licensed Carrier the opportunity to make representations thereon.
- 34.3 The Commission shall not make a direction under Condition 34.2 unless:
- (a) It has carried out a cost-benefit analysis comparing the likely benefits to telecommunications customers to be gained from the introduction of equal access with all costs likely to be incurred, including opportunity costs, which analysis indicates that the gains outweigh the likely costs; and
- (b) In its opinion sufficient arrangements in relation to the pricing of telecommunications services provided by the Licensed Carrier have been made in order to achieve fair competition.
- 34.4 When carrying out the cost-benefit analysis referred to in Condition 34.3(a), the Commission shall consult the Licensed Carrier and such other persons as appear to be appropriate, affording them a reasonable period, being not less than 28 days, in which to make representations, and it shall take their representations into account when reaching its conclusions. On conclusion of the analysis it shall make it available to the Licensed Carrier and such other persons.
- 34.5 (a) In this Condition **'Equal Access'** means a facility provided to an Operator whereby it can arrange with a customer of the Licensed Carrier that, following a request by that customer to the Licensed Carrier, the customer may choose over which public telecommunications system, being a system

run by a Long Distance Operator, to route National and International calls made by means of an exchange line provided to him by the Licensed Carrier. The choice shall be exercisable in either of the following ways, at the option of the customer:

- (i) By pre-selection, that is to say that the customer may, by registering a preference with the Licensed Carrier, name a particular such Operator for the conveyance of all such calls. The Licensed Carrier may offer to provide a facility to override the preference in the case of any particular call; or
- (ii) On a call-by-call basis, that is to say that the customer must, for each call, exercise his choice by dialling a short initial code designated for the particular such Operator (or the Licensed Carrier) chosen by the customer for the call in question. The respective initial codes for the Licensed Carrier and the Operators shall be of equal length.

- (b) The Licensed Carrier shall not require the customer to acquire any special equipment or to pay any fee as a prerequisite to his being able to obtain the equal access facility. For the avoidance of doubt the Licensed Carrier may impose a charge if a customer who has registered a preference changes that preference in any way.

34.6 Where a Long Distance Operator requires the Licensed Carrier to provide equal access and specifies exchanges forming part of the Licensed Carrier's Systems at which it is to be provided, and the Licensed Carrier has not, after a reasonable period as may be determined by the Commission but not exceeding 90 days from the date of the formal requirement by the Long Distance Operator, entered into an agreement with that Operator for the provision of equal access, the Commission may, on the application of either the Licensed Carrier or the Operator, determine the terms and conditions of the agreement, being terms and conditions necessary for the provision of equal access, or such terms and conditions which the Licensed Carrier and the Operator have failed to agree.

34.7 Before making a determination under Condition 34.6, the Commission shall notify the Licensed Carrier and the Operator in respect of which terms and conditions it proposes to make the determination, and why, and shall afford the Licensed Carrier and that Operator adequate time, being not less than 28 days, in which to make representations thereon.

34.8 (a) Where the Commission makes a determination under Condition 34.6, it shall secure that any development of the Licensed Carrier's Systems made necessary thereby is consistent with the Licensed Carrier's then planned programme of network modernization and development and in particular

that the Licensed Carrier is not required to introduce equal access at any exchange if to do so would involve either:

- (i) modernizing the exchange in a case where, but for the proposed introduction of equal access, the exchange would not have been modernized at that time; or
 - (ii) a significant risk of impairment to the quality of telecommunication services provided by means of the Licensed Carrier's Systems.
- (b) Subject to Condition 34.8(a), where the Commission makes a determination under Condition 34.6 the following shall apply in relation to the preparation of exchanges for equal access:
- (i) the determination may require the Licensed Carrier to introduce equal access within a reasonable period. At a digital exchange to which the determination relates which does not require conversion for the introduction of equal access, a reasonable period for adapting the exchange to provide equal access shall be six months. In relation to such an exchange which requires conversion, or any other exchange of an exchange type which is capable of conversion to provide equal access, a reasonable period for conversion and adaptation shall subject to Condition 34.8(a), be eighteen months. Different periods may be specified for different exchanges;
 - (ii) Where at the date of the determination an exchange to which it relates is not digital, and is of an exchange type which is not capable of conversion to provide equal access, the Licensed Carrier shall ensure (subject to Condition 34.8(a) that, when modernization is planned, the specification therefor, provides for equal access.
- 34.9 (a) Any determination under Condition 34.6 shall secure that the Licensed Carrier's under-mentioned costs of introducing equal access are apportioned according to the provisions of Condition 34.9(b):
- (i) Costs incurred by the Licensed Carrier which are not related to any particular locality consisting of initial development and set-up costs including, without limitation, the costs of hardware design and production, the costs of software development and the costs of planning and training;
 - (ii) Costs incurred by the Licensed Carrier in relation to a particular locality where an Operator has requested the introduction of equal access, consisting of initial development and set-up costs in relation to that locality including, without limitation, the costs of

installation of hardware and software and the costs of distribution of necessary documentation and instructions and of training;

- (iii) The incremental costs of providing at any particular locality equal access to any further Operator after the first Operator at that locality;
- (iv) The costs per customer of registering preferences and of implementing arrangements for the initial code referred to in Condition 34.5(a)(ii); and
- (v) The costs per customer of changing registered preferences or removing, in relation to any particular exchange line, arrangements for the initial code.

(b) Subject to Conditions 34.9(c) and (d):

- (i) The costs referred to in Condition 34.9(a)(i) shall be apportioned between the Licensed Carrier and Operators who make requirements under Condition 34.6. The costs shall initially be apportioned between the Licensed Carrier and the first such Operator. Procedures will be established for subsequent Operators to make a proportionate contribution to the costs in such manner, as the Commission shall determine from time to time;
- (ii) The costs referred to in Condition 34.9(a)(ii) shall be apportioned between the Licensed Carrier and Operators who make requirements under Condition 34.6 in relation to the particular locality. The apportionment rules set out in Condition 34.9(b)(i) shall apply here;
- (iii) Where the addition of an Operator at a locality reduces the contribution to the costs of equal access at that locality of the Licensed Carrier and the other Operators, the procedures in Condition 34.9(b)(i) shall apply to the costs referred to in Condition 34.9(a)(iii). In any other case that Operator shall pay such costs;
- (iv) The costs referred to in Condition 34.9(a)(iv) and (v) above shall be met by the Long Distance Operator, whether the Licensed Carrier or an Operator, to whom the customer chooses to route calls by registering a preference or, where the customer exercises choice on a call-by-call basis, apportioned equitably among the Long Distance Operators (including, where appropriate, the Licensed Carrier) to whom the customer has the option of routing calls from time to time.

- (c) The apportionment of the costs referred to in Condition 34.9(a)(i), (ii) and (iii) shall reflect equitably the benefit to the Operator and its customers, actual and potential, of the implementation of equal access in relation to that Operator.
- (d) Before determining the apportionment of any costs referred to in Condition 34.9(a), the Commission shall inform the Licensed Carrier and the Operator of its proposed determination, together with a full explanation of how it is calculated, and shall allow the Licensed Carrier and the Operator a reasonable period, being not less than 28 days, in which to make representations.

34.10 In this Condition,

“Long Distance Operator” means an Operator who has been licensed by the Commission under the Act to provide national and/or international and long distance services.

“potential customers” include those customers of the Licensed Carrier who it is reasonable to expect will apply for the equal access facility.

34.11 The provisions of Conditions 30, 33 and 34 shall apply in all material particulars to all forms of applications made by any Operator or Value Added Service Provider to the Licensed Carrier for the provision of access to the parties’ respective Networks and/or Systems in order to facilitate the provision of the licensed undertakings of the Operator or Value Added Service Provider.

Payment of Fees

- 35.1 In consideration for granting the Licensed Carrier the right to construct, establish, maintain and operate the service, the Licensed Carrier shall pay the following amounts to the Commission at the times stated:
- (a) the Licence Fee that shall be prescribed by the Commission, and
 - (b) an Annual Fee which shall represent two and a half per cent (2.5 %) of the Licensed Carrier's audited net revenue payable within three months after the end of the first year of the Licence and thereafter quarterly on the Licensed Carrier's assessed net revenue within 30 days of the end of such quarter to be adjusted immediately on receipt of the audited annual financial statements of the Licensed Carrier.
- 35.2 The most recent audited account or where this is not available, the management account or any other account or projection of the Licensed Carrier's operations will be admitted for the purpose of calculating the net revenue for the year under consideration and may be duly adjusted when the year's audited account becomes available.
- 35.3 The Commission shall determine the Licence Fee payable for and in respect of any renewal of the Licence.
- 35.4 All fees and charges payable to the Commission by the Licensed Carrier under and pursuant to this Licence shall be made in full and without any deduction whatsoever it being understood that all taxes howsoever called, payable on such amounts, shall be borne and paid separately by the Licensed Carrier.

Requirement to Furnish Information to the Commission

- 36.1 The Licensed Carrier shall permit the Commission to inspect and if required to make copies of records, documents and accounts relating to the Licensed Carrier's business for the purpose of enabling the Commission to perform its functions under the NCC Act and the Conditions of this Licence.
- 36.2 Without prejudice to any other provision in this Licence to the provision of information, the Licensed Carrier shall furnish to the Commission, in such manner and at such times as the Commission may request from time to time, such documents, accounts, estimates, returns or other information and procure and furnish to it such reports as it may reasonably require
- (a) for the purpose of verifying that the Licensed Carrier is complying with the Conditions of this Licence;
 - (b) for record, data-gathering and/or statistical purposes; or
 - (c) to assist the Commission to perform any duty or function assigned to it by or under the Act.
- 36.3 In making any such request the Commission shall ensure that no undue burden is imposed on the Licensed Carrier in procuring and furnishing such information and, in particular, that the Licensed Carrier is not required to procure or furnish a report which would not normally be available to it unless the Commission considers the particular information or report essential to enable it exercise its functions.
- 36.4 Without derogating from the generality of the provisions in Condition 36.2 and without the need for any other express provision thereon, the Licensed Carrier shall ensure that it promptly furnishes to the Commission all copies of any document that it is obliged pursuant to this Licence to publish for the benefit of its customers and/or the general public.
- 36.5 In this Condition, "**documents**" includes, *inter alia*, drawings, designs, plans or specifications.

Amendment of the Licence

- 37.1 Subject to Conditions 37.2 and 37.3, the Commission may amend this Licence from time to time if the Commission determines that such modification or amendment is necessary to achieve the objectives of the Act or any relevant regulations, or is in the public interest, taking into consideration the reasonable interest and contractual rights of the Licensed Carrier.
- 37.2 Before modifying or amending this Licence, the Commission shall give the Licensed Carrier written notice of its intention to do so together with a draft copy of the intended modification or amendment, and the Licensed Carrier may make submissions to the Commission by submitting them to the Commission within the time period specified by the Commission but not less than 30 (thirty) days from the date of the written notice.
- 37.3 After expiry of the notice specified in Condition 37.2, the Commission shall decide on the next course of action, taking into consideration any submission made by the Licensed Carrier and the principles of fair competition and equality of treatment, amongst others.
- 37.4 Any modification or amendment to this Licence shall be made in accordance with the procedures laid down for such purposes and shall be notified to the Licensed Carrier and published by the Commission on its website.

Expiration of the Licence

- 38.1 This Licence shall expire and all operating authorization under it shall terminate upon the expiration of the Licence term, unless renewed in accordance with the provisions of this Licence.

Revocation

- 39.1 Notwithstanding any contrary provision of this Licence, the Commission may at any time revoke this Licence by Twelve (12) Months notice in writing given to the Licensed Carrier at its registered office where the Licensed Carrier is in breach of any of the Conditions attached to this Licence and the breach has not been rectified within 21 days after the Commission had notified the Licensed Carrier of the breach.
- 39.2 Notwithstanding any contrary provision of this Licence, the Commission may at any time revoke this Licence by Three months notice in writing given to the Licensed Carrier at its registered office in any of the following circumstances:
- (a) If the Licensed Carrier agrees in writing with the Commission that this Licence be revoked;
 - (b) If the Licensed Carrier ceases to carry on its Business for which this Licence is granted;
 - (c) If any amount payable under Condition 35 remains unpaid after it became due and remains unpaid for a period of 21 days after the Commission notifies the Licensed Carrier in writing that the payment is due;
 - (d) If the Licensed Carrier fails to ensure that its equipment is type approved by the Commission or by a body approved by or accredited to the Commission;
 - (e) if the Licensed Carrier
 - (i) is unable to pay its debts;
 - (ii) enters into receivership or liquidation;
 - (iii) takes any action for its voluntary winding-up or dissolution or such action is taken by any other person or enters into any scheme of arrangement (other than in any such case for the purpose of reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Commission) or if any order is made for its compulsory winding-up or dissolution

- (f) If the Licensed Carrier does not fulfill the Network Rollout Implementation Plan as set out in this Licence and prescribed by the Commission from time to time; or
- 39.3 The Licence Fees paid in respect of a revoked Licence pursuant to any of the provisions of this Condition 39 shall not be refunded whether in part or whole consequent upon such revocation.
- 39.4 In the event of the expiration and non-renewal or revocation of this Licence at any time and in any circumstance whatsoever and howsoever, pursuant to Conditions 38 and/or 39, the Licensed Carrier shall within 7 (seven) days thereafter meet with the Commission and agree on an extended period for winding up its affairs and services and transferring its Customers to other Operators.
- 39.5 The Licensed Carrier shall continue to provide Services to its Customers after the revocation or expiration and non-renewal of this Licence, for the extended period that shall be agreed upon between the Licensed Carrier and the Commission pursuant to Condition 39.4 upon the terms and subject to the conditions of this Licence.
- 39.6 The Licensed Carrier shall, in collaboration with the Commission ensure the reasonably seamless relocation and/or transfer of its Customers to such other Operators as the Commission may direct, during the extended period specified under Condition 39.4, subject to such terms and conditions as the Commission may further stipulate.

Exceptions and Limitations on Obligations

- 40.1 Unless the context otherwise requires the Licensed Carrier's obligations under these Conditions shall have effect subject to the following exceptions and limitations:
- (a) The Licensed Carrier is not obliged to do anything that the Commission shall determine not to be practicable after due representation has been made thereon to the Commission by the Licensed Carrier.
 - (b) The Licensed Carrier shall not be held to have failed to comply with an obligation imposed upon it by or under these Conditions if and to the extent that the Licensed Carrier is prevented from complying with that obligation by any physical, topographical or other natural obstacle, the malfunction or failure of any telecommunications equipment owing to circumstances beyond the control of the Licensed Carrier, by the act of any Federal, State or Local Government or as a result of fire, flood, explosion, accident, emergency, riot, war, civil commotion or insurrection.
 - (c) In the event that any of these circumstances causes damage to the Licensed Carrier's System, the Licensed Carrier shall be obligated to repair or rebuild the system pursuant to a timetable and work plan to be established by the Licensed Carrier and approved by the Commission, and subject to such adequate changes in the provisions of this Licence as shall be agreed upon between the Licensed Carrier and the Commission.

Condition 41

Limitation of Liabilities

- 41.1 Subject to Condition 41.2 and notwithstanding any contrary provision of this Licence, the Commission shall not be liable in contract, tort or otherwise to the Licensed Carrier or any third party whomsoever for any direct or indirect, contingent or consequential loss or damage or for loss of profit, business, revenue, goodwill, opportunities or anticipated savings, cost of capital, cost of substitute service, facilities or products, or down-time costs, consequent upon the issuance, actualization or any Condition of this Licence or any act taken by the Commission in connection with or pursuant to this Licence or any other matter related howsoever thereto.
- 41.2 The Commission's total liability, cumulative or otherwise, under this Licence and in regard to any matter related to the Licence shall at all times be limited to the actual cumulative amount paid at any given time to the Commission by the Licensed Carrier pursuant to this Licence.

SCHEDULE 2

SPECIFIC CONDITIONS ON TECHNICAL AND SERVICE ISSUES

Condition 42

Scope of Operation

- 42.1 This Licence shall be for the provision and operation of Fixed Terrestrial Networks comprising Radio, Cable or Satellite or a combination of any of these systems deployed for the purpose of providing point to point or point to multipoint communications for the conveyance of voice, data and video.
- 42.2 This Licence shall be for the provision of Carrier Services for the conveyance of voice, data, images or any other kind of message for reception within Nigeria or any other overseas country which entails the provision of telecommunications services by means of a telecommunications network comprising Radio, Cable or Satellite based sub-systems or a combination of these media deployed for the purpose of carriage and termination of domestic and international traffic and providing fixed domestic and international point to point and switched/unswitched point to multipoint telecommunications services.
- 42.3 This Licence allows the Licensed Carrier to provide Public Payphone services as specified in Condition 12.
- 42.4 The Licensed Carrier shall install, maintain telecommunications equipment and provide such Value Added Services ancillary to the provision of the above mentioned services **provided** that
- (a) Within 90 (ninety) days from the Effective Date, the Licensed Carrier shall meet with the Commission and agree on the list of Value Added Services that the Licensed Carrier may provide;
 - (b) The List of Value Added Services specified in sub-paragraph (a) hereof may be reviewed from time to time at the instance of the Commission or the Licensed Carrier, it being understood that the Licensed Carrier shall not provide any Value Added Service that does not constitute part of the said list;
 - (c) The Licensed Carrier shall comply with all such conditions as the Commission may stipulate from time to time in regard to the provision of the Value Added Service.

42.5 The Licensed Carrier is expressly forbidden from rendering any other telecommunications service:

- (a) which is not expressly included within the scope of this Licence, or
- (b) for which a separate Licence has not been issued by the Commission.

Connection Authorization and Service Authorization

- 43.1 Nothing in this Licence removes the need to obtain any other Licence for the purposes of providing such other services as are not covered by this Licence and as may be required under the NCC Act or any other enactment.
- 43.2 Subject to the limitation in Condition 43.1 above, this Licence authorizes the connection to the Licensed Carrier's systems of:
- (a) Any satellite equipment, **provided** that:
 - (i) the relevant requirements, if any, for consultation and compliance with specified operating parameters under relevant international agreements and conventions have been and continue to be satisfied; and
 - (ii) the relevant Rules and Standards, if any, issued under the relevant international agreements and conventions have been satisfied and continue to be satisfied;
 - (b) Any private leased circuit, offshore private circuit or international private leased circuit;
 - (c) Any telecommunication system, the Licence for which authorizes it to provide switched telephony services;
 - (d) Any telecommunication system in Nigeria, the Licence for which authorizes it to be connected to the Licensed Carrier's system.
- 43.3 Subject to the limitations in Condition 43.1 above, this Licence authorizes the
- (a) Provision by means of the Licensed Carrier's systems of any telecommunication service consisting in the transmission of messages to or the reception of messages from any equipment;
 - (b) Transmission and reception of messages that have been or are to be conveyed by means of a Public Switched Telecommunication system;
 - (c) Provision of transmission capacity to other Licensed Operators; and
 - (d) Provision of leased circuit to other Licensed Operators.

Condition 44

Network Roll Out

- 44.1 The Licensed Carrier shall implement a Network Rollout in accordance with an Implementation Timetable as set out in Annexure I hereto. The Licensed Carrier shall at all times comply with the Implementation Timetable.
- 44.2 Pursuant to the Network Rollout as set out in Condition 44.1 above, the Licensed Carrier shall submit to the Commission not later than the 15th day of January of each Calendar year a Report of the Network Rollout achieved in compliance with the Implementation Timetable referred to above.
- 44.3 Subject to such penalties as may be prescribed by the Regulations, the Commission shall impose the penalties specified in Annexure II hereto against the Licensed Carrier in the event of a failure by the Licensed Carrier to attain the Network Rollout timetable specified in Condition 44.1 and Annexure I hereto.

Authorizations, Permits and Licences

- 45.1 The Licensed Carrier shall be obligated to obtain all authorizations, permits and licences which are necessary under the Act and the Laws and Regulations in Nigeria for the provision of telecommunications services in accordance with this Licence.
- 45.2 The Licensed Carrier shall obtain all necessary licences and permits including building permits and other non-telecommunications permits required to build, implement, modify and remove installations and buildings in accordance with the applicable Laws and Regulations in Nigeria.

Approval of Equipment

- 46.1 The Licensed Carrier shall ensure that its network equipment is type approved by the Commission or a body approved by or accredited to the Commission prior to the commissioning or commercial use (whichever is the earlier) of such equipment and shall obtain any necessary compliance certificates or licences in accordance with the respective Regulations.
- 46.2 The Licensed Carrier shall further ensure that it complies with the provisions of Condition 46.1 in respect of all new network equipment procured by it after the Effective Date of this Licence.

Frequency Assignments

- 47.1 Subject to Condition 47.2 the Commission shall assign Fixed Wireless Access (“**FWA**”) frequencies, within available spectrum bands, to the Licensed Carrier upon the terms and subject to the conditions in the Act, WTA and this Licence contained.
- 47.2 The Licensed Carrier shall, not later than 6 (six) months from the Effective Date, make specific written requests to the Commission for the FWA frequencies in such format and with such details and particulars as the Commission may require.
- 47.3 The Licensed Carrier shall utilise the FWA frequencies that may be assigned to it solely and entirely for the provision of the licensed undertaking hereof. The Licensed Carrier further covenants that it shall, in the use of the FWA and such other frequency spectrum as may be assigned to it, conform to the general allocation of Frequencies in the ITU Regulations and Assignments by the Commission.
- 47.4 The Licence Fee provided for in Condition 35 shall be inclusive of charges for the FWA frequency spectrum. The Licensed Carrier shall however apply and pay quite separately, on such terms as the Commission may from time to time determine, for any other frequency spectrum that it may require for carrying out any of its licensed undertakings pursuant to this Licence.
- 47.5 The Service operated by the Licensed Carrier shall be operated only on such radio frequencies and frequency bands which the Commission may assign to the Licensed Carrier and the Commission may refuse to assign further frequencies or direct the Licensed Carrier by notice in writing to cease to provide the Service on any frequency to which the Licensed Carrier lays claim howsoever or which was previously assigned to the Licensed Carrier, if in the opinion of the Commission
- (a) it is in accordance with national frequency allocation policies, as may be specified by the Commission from time to time, to so direct; or
 - (b) the Licensed Carrier is not making efficient use of that frequency.
- 47.6 The Commission may also, by notice in writing to the Licensed Carrier, direct the Licensed Carrier upon such date as may be specified in the

notice to cease to operate using any frequency that was previously assigned to the Licensed Carrier or to which the Licensed Carrier lays claims howsoever, and to use such new frequency as the Commission may designate.

Grade of Service

- 48.1 The Licensed Carrier shall ensure that the traffic capacity provided in its system is dimensioned to guarantee a satisfactory grade-of-service. The Commission shall determine and notify the Licensed Carrier from time to time of the grade-of-service threshold that shall be met or exceeded by the Licensed Carrier. The Licensed Carrier shall provide such information on performance standards or comply with such directives by the Commission in line with this provision.
- 48.2 The Licensed Carrier shall provide a good, efficient and continuous service in a manner satisfactory to the Commission and shall not reduce or cease to provide the service unless in the circumstances specified in this Licence or with the express prior written approval of the Commission.
- 48.3 The Licensed Carrier shall install equipment and devices generally that meet international standards or recommendations for measuring the quality of the licensed services within 12 (twelve) months from the Effective Date of this Licence.
- 48.4 The Licensed Carrier shall permit the Commission to inspect the Licensed Carrier's equipment and devices for measuring service quality, to inspect the Licensed Carrier's files, records and other data relating to the measuring of service quality and to request the Licensed Carrier to submit such reports, statistics and other data and to conduct such measurements as the Commission deems necessary in order to determine compliance with the NCC Act, the Regulations and this Licence.
- 48.5 Subject to Condition 48.3, if the Commission has reason to believe that measuring equipment, devices or methods do not meet the standards, the Commission shall instruct the Licensed Carrier to install the equipment and devices within 6 months from the date of any such instruction. If the Licensed Carrier fails to install the equipment and the devices within the period specified above, the Licensed Carrier shall be subject to a fine in an amount to be determined by the Commission.

Quality of Service – Quality Schedule

- 49.1 Where the Commission has set Quality of Service standards or performance targets or both in respect of the Licensed Carrier, the Licensed Carrier shall meet such standards and/or targets, and shall, if requested by the Commission, publish data on its performance in accordance with the provisions of this Condition at regular intervals, being at least once in each financial year.
- 49.2 The Licensed Carrier shall publish the results of the measurements of actual performance against the target performance specified in the Quality Schedule which it has achieved in providing the Standard services and private circuits specified in the Quality Schedule to the Operators specified in that Schedule.
- 49.3 The Licensed Carrier shall:
- (a) Promptly send a copy of such data to the Commission as soon as the results are obtained and prior to its publication; and
 - (b) Place a copy of such data in a publicly accessible part of every Major Office of the Licensed Carrier in such manner and in such place that it is freely available for inspection by members of the general public during normal office hours; and
 - (b) Send a copy of such information or such part(s) thereof as are appropriate to any customer who may request such a copy.
- 49.4 Following publication pursuant to Condition 49.3:
- (a) The Licensed Carrier shall make available and continue to make available in a publicly accessible part of every Major Office of the Licensed Carrier a notice of the address and telephone number of the person to whom any request for a copy of the most recent Quality of Service Report may be made; and
 - (b) The Licensed Carrier shall:
 - (i) be entitled to exclude from any Quality of Service Report which it is obliged to send any person who may request one copy pursuant to sub-paragraph (a) any matter to the exclusion of which the Commission shall have consented following representations to it on the matter by the Licensed Carrier on the basis that if the matter were made available in accordance with sub-paragraph (a) it would or might, in the opinion of the Commission, seriously and prejudicially affect the interests of the Licensed Carrier; and

- (ii) shall extract from that Quality of Service Report any matter which the Commission directs should be excluded.

49.5 The Licensed Carrier shall offer to include, as a minimum, in each agreement between the Licensed Carrier and an Operator for the provision of any Standard Service or any Private Circuit, or both, which is or are included in the Quality Schedule whether subsisting before the date on which this Condition comes into force or otherwise:

- (a) a description of the target performance specified from time to time in the Quality schedule in relation to each such standard service and private circuit; and
- (b) an obligation on the Licensed Carrier to that Operator to use reasonable endeavours to achieve that target performance in relation to each such standard service or private circuit provided to that Operator pursuant to the relevant agreement;

Provided that such offer shall not be conditional on the acceptance by that Operator of the inclusion in that agreement of any terms and conditions whether relating to that target performance or otherwise, except for terms and conditions which are necessarily incidental to the attaining of the target performance.

49.6 Subject to Condition 49.7, the Quality Schedule may be amended as the Commission and the Licensed Carrier agree from time to time. In addition, the Licensed Carrier shall ensure that the Quality Schedule is kept under review and shall prepare and submit to the Commission any amendments which it proposes from time to time to make to the schedule to take account of technological progress or other relevant considerations **provided** that the Licensed Carrier shall not be obliged to review the Schedule more than once in each financial year. The Commission shall then, if it considers it appropriate to do so, consult with Interested Parties as to the proposed amendments and give them a reasonable opportunity to make representations. If the Commission, following any period of consultation, consents to the Licensed Carrier's proposed amendments the Licensed Carrier shall adopt them, but if the Commission does not consent to the proposed amendments, the Licensed Carrier shall, subject to its obligations contained in this paragraph, withdraw them.

49.7 (a) Before giving a direction or consent under this Condition, the Commission shall consult with the Licensed Carrier and Interested Parties. If it concludes that a direction or consent is appropriate it shall notify the Licensed Carrier and Interested Parties of the proposed direction or consent, as the case may be, and the reasons for proposing to give it and give each of them a reasonable opportunity to make representations. On giving a direction or consent, it shall notify the Licensed Carrier and Interested Parties of the direction or consent, as the case may be, and his reasons for giving it.

- (b) Each notification of reasons shall, as appropriate, set out the Commission's reasons:
- (i) for proposing to give the direction or consent as the case may be; or
 - (ii) for giving the direction or consent as the case may be;
- those reasons being sufficient to give the Licensed Carrier and Interested Parties a reasonable understanding of the proposed decision or decision, as the case may be.

49.8 In this Condition:

“Quality Schedule” means the Schedule specifying quality measures and target performance in relation to standard services and private circuits for Operators or groups of Operators in each case as agreed between the Commission and the Licensed Carrier on the coming into force of this Condition or as amended from time to time.

“Target performance” means the minimum level of performance that the Licensed Carrier has to provide.

Condition 50

Disruption or Suspension of Service

- 50.1 Subject to Conditions 50.2 and 50.3 below, the Licensed Carrier shall not intentionally interrupt or terminate operation of its telecommunications System or any portion thereof in the normal course of business, nor may it in the normal course of business reduce or suspend the provision of any Service without having notified in advance the Commission in writing and having provided reasonable advance notice to the affected Customers.
- 50.2 The requirements of Condition 50.1 above shall not apply if the interruption, termination, reduction or suspension is due to an emergency or to *Force Majeure* under Condition 40 of this Licence or to other circumstances which are adjudged by the Commission to be beyond the Licensed Carrier's control, based on written representation thereon made by the Licensed Carrier to the Commission.
- 50.3 Subject to the further provisions of this Licence, the Licensed Carrier may terminate the provision of the Service to any Customer if such Customer fails to comply with the terms and conditions of its Service Agreement in accordance with the applicable Laws and Regulations of Nigeria.
- 50.4 The Licensed Carrier shall give reasonable notice to the affected public of scheduled routine maintenance on the Network, which results in disruption of service exceeding 60 minutes. All routine maintenance on the Network resulting in service disruption shall be performed between the hours of 12.00 a.m. and 5.00 a.m.

Condition 51

Technical Specifications

- 51.1 The Network installed, maintained and operated by the Licensed Carrier shall throughout the term of the Licence conform to such specifications and international standards as existing at the time. The Licensed Carrier shall introduce measures and at all times use its resources to ensure that equipment in its system, including the Terminal Equipment operated by the Licensed Carrier, shall comply with:
- (i) the requirements for Electro Magnetic compatibility; and
 - (ii) the requirements for network interface, both as prescribed in accordance with International specifications and by the Commission's standards.
- 51.2 The Licensed Carrier shall comply with the technical standards as specified by the Commission and shall not alter any of these specifications except with the prior written approval of the Commission.

Condition 52

Maintenance and Safety of Equipment

- 52.1 The Licensed Carrier shall from time to time inspect its telecommunication equipment which is not inside a building and which is on or above the surface of the ground with a view to ensuring that it will not cause harm to other persons or property; and the Licensed Carrier shall notify the Commission of its arrangements for ensuring compliance with this Condition.
- 52.2 In addition to carrying out inspections of its own equipment on or above the surface of the ground the Licensed Carrier shall take such steps as are appropriate in the circumstances to investigate any report of any of its equipment (wherever situated) being in a dangerous state and to remove any danger. The Commission may upon such investigations or its own independent investigations give directives, as may be necessary, to ensure the removal of such danger.

Alterations to the Licensed Carrier's Systems

53.1 The Licensed Carrier shall:

- (a) from time to time inform the Commission and provide it with such additional information as it may reasonably require about any proposals for changes to the Licensed Carrier's Systems or to any equipment comprised therein or to any stored commands or protocol; and
- (b) inform the Commission of any proposals for changes to the means of access to a Service provided by the Licensed Carrier, which Service was previously capable of being accessed by means of such relevant Standard or by any other means, not less than three months before the coming into effect of such proposals;

being in either case changes of which the Commission has not already been informed under this Condition and which the Licensed Carrier might reasonably anticipate from the facts known to it would or might when made have the effect of requiring any person:

- (i) running any Connectable System which is or is to be connected to the Licensed Carrier's Systems;
- (ii) connecting telecommunication equipment to the Licensed Carrier's Systems; or
- (iii) producing or supplying telecommunication equipment or telecommunication system for connection to the Licensed Carrier's Systems without becoming comprised in them;

materially to modify, or, as the case may be, to replace or cease to produce or supply, any item of telecommunication equipment connected or to be connected to any of the Licensed Carrier's Systems or where the change is of a kind described in sub-paragraph (b), to cease to provide or obtain any service by means of the Licensed Carrier's Systems.

53.2 The Licensed Carrier shall prepare and publish in consultation with the Commission a statement of its procedures for consulting and giving advance notice to, those persons likely to be affected by such changes (including in particular in the case of changes of a kind described in Condition 53.1(a) and shall adhere to those procedures, in the case of changes of a kind described in Condition 53.1(b).

53.3 For the purposes of changes of a kind described in Condition 53.1(b), any telecommunication system, and any equipment comprised in a telecommunication system, which is not connected to the Licensed Carrier's System shall be treated as being so connected if it is connected to or comprised in a telecommunication system which is so connected or treated as so connected.

53.4 In this Condition:

“to modify” in relation to any other equipment or System means to make any alteration to that equipment or System which may be necessary to ensure that any Message which has been or is to be conveyed by means of any of the Licensed Carrier's Systems connected or to be connected to that other equipment or System is capable of being properly conveyed by that other equipment or System or by the Licensed Carrier's System as the case may be;

“Other equipment” or **“System”** means any telecommunication equipment or telecommunication system together with any protocol, message format or stored command in such equipment or system connected or to be connected to but not comprised in any of the Licensed Carrier's Systems.

Condition 54

Schemes for Users with Special Social Needs

- 54.1 As soon as reasonably practicable and in any event within six months of coming into force of this Licence, the Licensed Carrier shall introduce and within three months of that date make generally available and thereafter continue to make generally available one or more schemes (“**the Scheme**”), the effect of which would be to assist users who have difficulty affording telephone services to have access to such services, including in particular users with limited financial resources.
- 54.2 The Licensed Carrier shall ensure that the Scheme(s) offered by the Licensed Carrier to its residential customers, are fully transparent, published and applied in accordance with the principle of non-discrimination.
- 54.3 Each such Scheme shall comply with Guidelines to be agreed between the Commission and the Licensed Carrier. Those Guidelines:
- (a) shall specify the requirements to be met by the Scheme including the criteria to be applied by the Licensed Carrier in deciding which of its residential customers are entitled to be charged on the basis of the Scheme;
 - (b) shall ensure that the Licensed Carrier does not show undue preference to, or exercise undue discrimination against particular persons;
 - (c) shall specify the date of introduction of the Scheme; and
 - (d) may not be revoked or varied save with the prior written agreement of the Licensed Carrier.
- 54.5 The Licensed Carrier shall pre-notify the Commission of any changes or alterations to the Scheme.

Metering and Billing

Metering Arrangements

- 55.1 The Licensed Carrier shall obtain approval from the Commission for the description and operation of the respective metering and billing systems used in relation to any of the Licensed Carrier's systems in use.
- 55.2 The Licensed Carrier shall not keep in or bring into use in connection with any of the Licensed Carrier's Systems, any metering and billing system which is not approved by the Commission or for which the Licensed Carrier has not made an application for approval with the Commission.

Billing Arrangements

- 55.3 The Licensed Carrier shall not render any bill in respect of any description of telecommunication service provided by means of any of the Licensed Carrier's Systems unless every amount (other than an indication of unit charge) stated in that bill is no higher than an amount which represents the true extent of any such service actually provided by the Licensed Carrier to the customer in question.
- 55.4 The Licensed Carrier shall not render any bill in respect of any description of telecommunication service provided by means of any of the Licensed Carrier's Systems to any Operator with a connectable system to whom services are provided under Condition 30 unless every amount (other than an indication of unit charge) stated in that bill is no higher than an amount which represents the true extent of any such service actually provided by the Licensed Carrier to the Operator in question and such charge is as provided in the interconnection agreement between the Licensed Carrier and the Operator in question.
- 55.5 Without prejudice to the generality of Conditions 55.3 and 55.4, the Licensed Carrier shall at all times maintain in operation such a billing process as facilitates compliance by the Licensed Carrier with, and is calculated to prevent contravention by it of, the said paragraphs.
- 55.6 The Licensed Carrier shall not be regarded as being in contravention of its obligations under Conditions 55.3 and 55.4 except where the failure is in relation to the billing process and the Licensed Carrier has failed to take all reasonable steps to prevent a contravention of that obligation.

- 55.7 The Licensed Carrier shall keep such records as may be necessary or as may be determined by the Commission to be necessary for the purpose of ensuring that the billing process has the characteristics specified in relation to it by Conditions 55.3 and 55.4 **provided** that nothing in this paragraph shall require the Licensed Carrier to retain any records for more than 2 (two) years from the date on which they came into being.
- 55.8 For the purpose of giving the Commission an independent quality assurance from time to time that the billing process has the characteristics specified in relation to it by Condition 55.5, the Licensed Carrier shall, where the Commission has prima facie grounds to believe the billing process does not have those characteristics and has so notified the Licensed Carrier, extend its prompt co-operation to the Commission and, in particular, on request by the Commission shall:
- (a) furnish the Commission in accordance with its reasonable requirements with any information, document (including any facility enabling it to read data not held in readable form) or other thing;
 - (b) carry out (or cause to be carried out by such person having such special expertise as the Commission may specify and to whom the Commission has raised no reasonable objection) in such manner as the Commission may specify, an examination of the whole or any part of the billing process and as soon as practicable after the conclusion of such examination furnish the Commission with a written report by the Licensed Carrier or such specified person, as the case may be, of the results of such examination;
 - (c) on reasonable notice by it allow at all reasonable times the Commission and, in the case of any member of the Commission's staff, on production of his special authority in that behalf, access to any relevant premises, plant or equipment of the Licensed Carrier;
 - (d) on reasonable notice by it allow at all reasonable times the Commission and, in the case of any member of the Commission's staff and any other relevant person whose assistance the Commission may require, on production of his special authority in that behalf, to examine or test the whole or any part of the metering or billing process including any plant or equipment whether or not forming part of any of the Licensed Carrier's Systems; and
 - (e) install and keep installed any equipment (whether or not supplied by the Commission) for the purpose of verifying:
 - (i) the accuracy and reliability of any equipment (including any meter) of the Licensed Carrier; and

- (ii) in the case of any meter which is or is required to be approved in accordance with the provision of this Condition and is in use in connection with any of the Licensed Carrier's Systems, compliance with any conditions or other matters which may be required as regards such use of that meter.

55.9 In this Condition:

“billing process” means metering systems and billing systems taken together, where **“billing system”** means the totality of all equipment, data, procedures and activities which the Licensed Carrier employs to determine the charges to be sought for service usage recorded by a metering system based on published or previously negotiated pricing structure and to present these charges on customers' bills;

“metering system” means the totality of all equipment, data, procedures and activities which the Licensed Carrier employs to determine the extent of any telecommunication services provided by means of any of the Licensed Carrier's Systems;

“information” includes accounts, estimates and returns;

“meter” means any system or equipment installed or maintained, or to be installed or to be maintained, at the Licensed Carrier's premises, constructed or adapted for use in ascertaining the extent of telecommunication services provided by means of a telecommunication system and cognate expression shall be construed accordingly; and

“service” includes any service provided by any person to whom the Licensed Carrier is bound to account for any part of the amount charged by the Licensed Carrier.

Requirement to Provide Itemized Information

56.1 If the Licensed Carrier provides to any person by means of any part of the Licensed Carrier's Systems any telecommunication service as part of a transaction involving:

- (a) the supply to that person of any telecommunication equipment;
or
- (b) the provision to that person of any other telecommunication service (including the bringing into service of any equipment or system) provided otherwise than by means of any of the Licensed Carrier's Systems

then it shall specify in any quotation or any invoice relating to that transaction the charge or charges for each such service separately from the charge or charges for equipment.

56.2 The Licensed Carrier shall, in respect of its Services, provide a basic level of itemized billing for its customers. In particular, the itemized bill made available to the Customers shall contain the name, address, telephone number, account number, number called, date and time of call, call duration and call charge.

56.3 Where appropriate, the Licensed Carrier may offer additional levels of detail to its Customers at reasonable tariffs or at no charge.

56.4 The Licensed Carrier shall subject to the technical feasibility and economic viability ensure that each itemized bill shows a sufficient level of detail to allow verification and control of the charges incurred in using its Services.

56.5 The Licensed Carrier shall ensure that calls that are free of charge to its Customers are identified as such in its Customers' itemized bills.

Condition 57

Non-payment of Bills

- 57.1 Where a Licensed Carrier's Customer has not paid the Licensed Carrier all or part of a bill for use of the Services provided by the Licensed Carrier any measures taken by the Licensed Carrier shall:
- (a) Be proportionate and non-discriminatory;
 - (b) Be published in an appropriate manner by the Licensed Carrier in accordance with the provisions of this Licence;
 - (c) Give due warning in advance of any consequent service interruption or disconnection to the Customer;
 - (d) Except in cases of fraud, persistent late payment or non-payment, ensure, as far as technically possible, that any service interruption is confined to the service concerned.
- 57.2 The Licensed Carrier shall not take any measures as stated in Condition 57.1 that will result in interruption or disconnection of service with respect to:
- (a) Operators whose systems are interconnected to the Licensed Carrier's network in terms of interconnection agreements reached between such Operators and the Licensed Carrier;
 - (b) Operators, Value Added Service Providers or entities who utilize leased lines, international circuits or private circuits in providing services to customers or for their corporate use in the terms of service agreements reached between such Operators, Value-Added Service Providers or corporate entities and the Licensed Carrier,
- without the consent of the Commission first sought and obtained.

Special Arrangements for the Disabled

58.1 Within one year from the Effective Date of this Licence, the Licensed Carrier shall ensure that there are available for supply in such a way as to meet all reasonable demands for Customer premises equipment of the following descriptions:

- (a) Customer premises equipment capable of being inductively coupled to hearing aids which have been designed to be so coupled to Customer premises equipment; and
- (b) Customer premises equipment incorporating sound amplification facilities.

This Condition shall be deemed to have been satisfied if the Licensed Carrier ensures that there is available for supply either one type of Customer premises equipment that meets both descriptions or two types of Customer premises equipment each of which meets one description.

58.2 Within one year from the Effective Date of this Licence the Licensed Carrier shall take all reasonable steps to install, and keep installed in all Public Payphones equipment enabling persons using hearing aids designed for use in conjunction with Public Payphones to use such hearing aids when voice telephony services are provided at Public Payphones.

58.3 The Licensed Carrier shall inform the Commission from time to time on arrangements for providing these facilities for public use.

58.4 The Licensed Carrier shall inform the Commission from time to time about the arrangements made, or to be made, by the Licensed Carrier for:

- (a) the supply of, and provision of maintenance services for telecommunication equipment designed or adapted to meet the reasonable demands of the disabled;
- (b) the connection to the Licensed Carrier's Systems of telecommunication equipment referred to in paragraph (a) above; and
- (c) the Licensed Carrier's participation in any advisory Group established to address the needs of persons who are disabled.

Condition 59

Provision of Special Facilities and Services

59.1 The Licensed Carrier shall comply with any direction made under this paragraph that requires the Licensed Carrier to make available such facilities and services as are specified in the direction. A direction under this paragraph shall be made by the Commission after consultation with the Licensed Carrier and shall specify only facilities and services that the Commission considers technically and economically practicable for the Licensed Carrier to provide. The direction shall specify the date by which each facility and service is to be provided and the class or description of customer (whether described by reference to area or otherwise) to whom it is to be provided and shall be subject to such conditions as the Commission thinks fit.

59.2 The services referred to in Condition 59.1 include:

- (a) Toll free numbering services;
- (b) Call collect services;
- (c) Different charges for peak and off-peak periods;

and such other services provided in line with international best practices or as may be stipulated by the Commission from time to time.

Numbering Arrangements

- 60.1 The Commission shall be responsible for administering, amending, revising and coordinating the National Numbering Plan in accordance with the requirements of international laws and recommendations from the International Telecommunications Union and other international entities and in accordance with the principles of free and fair competition.
- 60.2 Before publishing any Numbering Plan which the Commission plans to prescribe (or any regulations regarding any Numbering Plan) or making any changes with respect to any Numbering Plan (collectively the "**Numbering Proposals**"), the Commission shall consider recommendations and opinions from the Licensed Carrier relating to the National Numbering Plan so as to ensure that:
- (a) the Numbering Proposals will allow sufficient numbers to be made available to the Licensed Carrier, having regard to the anticipated growth and demand for telecommunication services, for a number or numbers to be allocated without undue delay;
 - (b) the Numbering Proposals will enable numbers include as few digits as practicable, and ensure that their allocation does not confer any undue advantage on the Licensed Carrier or any other Operator;
 - (c) the cost of changing any of the switched Systems or any Relevant Equipment or Relevant System in order to accommodate the Numbering Proposals is kept within reasonable limits; and
 - (d) any inconvenience caused by implementation of the Numbering Proposal to the Licensed Carrier, and to persons using Relevant Equipment or Relevant Systems in respect of which Numbers have previously been allocated, is in the Commission's opinion, minimized.
- 60.3 The Licensed Carrier shall comply with the Commission's Regulations concerning the implementation of the National Numbering Plan.
- 60.4 In this Condition, "**Relevant Equipment**" or "**Relevant System**" means the system or equipment that uses the allocated Numbers under the Numbering Proposals.

Intellectual Property

61.1 Where it appears to the Commission that any Relevant Intellectual Property Right has been, is being or is likely to be exercised (whether by the Licensed Carrier or by any other person in pursuance of an agreement, arrangement or concerted practice to which the Licensed Carrier is a party) so as to prevent:

- (a) any telecommunication system or telecommunication equipment, which may lawfully be connected to any of the Licensed Carrier's Systems, from being so connected either at all or on reasonable charges, terms and conditions; or
- (b) any service, which may lawfully be provided by means of any of the Licensed Carrier's Systems, from being so provided or obtained either at all or on reasonable charges, terms and conditions;

it may direct the Licensed Carrier in writing in accordance with Conditions 61.2 or 61.3.

61.2 Where the exercise of the Relevant Intellectual Property Rights prevents a product from being made available either at all or on reasonable charges, terms and conditions to the person wishing to make such a connection or to provide or obtain such a service, the Commission may direct the Licensed Carrier to take such steps as are within the power of the Licensed Carrier and are, in the opinion of the Commission, reasonable and necessary in all the circumstances to secure that the product is made available to that person on charges, terms and conditions acceptable to that person or which (in default of agreement) are, in the opinion of the Commission, reasonable to enable such connection to be made or such service to be provided or obtained.

61.3 Where Condition 61.1 applies in circumstances other than those described in Condition 61.2, the Commission may direct the Licensed Carrier to take such steps as are within the power of the Licensed Carrier and are, in the opinion of the Commission, reasonable and necessary in all the circumstances to secure that the person wishing to make such a connection or to provide or obtain such a service is enabled to make use of the Relevant Intellectual Property Right, for the purpose of making the connection or of providing or obtaining the service, upon charges, terms and conditions acceptable to that person or which (in default of agreement) are, in the opinion of the Commission, reasonable for such purpose.

61.4 In this Condition:

“Relevant Intellectual Property Right” means any right, which is wholly or partly controlled by a member of the Licensed Carrier’s Group, in Industrial or Intellectual Property or is subject to an agreement, an arrangement or concerted practice to which a member of the Licensed Carrier’s group is a party; and

“Industrial or Intellectual Property” includes, without derogating from its generality, patents, designs, know-how and copyright.

61.5 Nothing in this Condition shall require the Licensed Carrier to do anything which would contravene the terms of or would result in revocation of a licence or assignment of a Relevant Intellectual Property Right granted or made to a member of the Licensed Carrier’s Group on or before the Effective Date of this Licence or which would result in a member of the Licensed Carrier’s group incurring any liability under such a licence or assignment.

Confidential Information

62.1 The Licensed Carrier shall:

- (i) as soon as it enters into discussions with an Operator with a view to entering into an Agreement with that Operator, offer to enter into a confidentiality agreement (the “**Confidentiality Agreement**”) with that Operator which contains the minimum provisions specified in Condition 62.2; and
- (ii) as soon as it offers to enter into an Agreement, offer to include such minimum provisions in that Agreement.

62.2 The minimum provisions referred to in Condition 62.1 are provisions that achieve the following objectives:

- (a) that each Party keeps (and uses its reasonable endeavours to ensure that its officers, employees, servants, agents, professional advisers and Associates keep) all Confidential information relating to the other Party confidential, takes all practicable steps to prevent that Confidential Information from being disclosed or made public to any third party, and uses that Confidential Information solely for the purposes for which it was disclosed;
- (b) that each Party exercises no lesser degree of care of the Confidential Information relating to the other Party than would a reasonable person with the knowledge of the confidential nature of that Confidential Information, and exercises no lesser degree of care or security in relation to that Confidential Information than it applies to its own Confidential Information which is of an equivalent nature;
- (c) that each Party restricts disclosure of Confidential Information relating to the other Party solely to those persons to whom disclosure is necessary and limits use of that Confidential Information to the purpose for which it was disclosed; and
- (d) that neither Party shall be in breach of the Confidentiality Agreement or Agreement, as the case may be, to the extent that disclosure of Confidential Information relating to the other Party is:
 - (i) authorized in writing by that other Party, and disclosure is within the scope of that authority;

- (ii) made to a contractor, Associate or agent subject to the contractor, Associate or agent undertaking to comply with obligations of confidence equivalent to those contained in the Confidentiality Agreement or Agreement, as the case may be;
- (iii) made to an Emergency Organization in connection with an Emergency; or
- (iv) properly made pursuant to this Licence or the relevant Operator's Licence or a statutory or other regulatory obligation (including, without limitation, any obligation imposed by the rules of any recognized stock exchange) or pursuant to any order of a competent Court.

62.3 An offer pursuant to Condition 62.1(i) or (ii) (“**a relevant offer**”) shall not be conditional on the acceptance by the Operator of the inclusion in that Confidentiality Agreement or Agreement, as the case may be, of any other terms and conditions whether relating to Confidential Information or otherwise. For the avoidance of doubt, it is hereby declared that provided the Licensed Carrier has made a relevant offer, the Licensed Carrier shall be entitled to, agree terms in a Confidentiality Agreement or Agreement, as the case may be, which are additional to, or differ from, the terms of the relevant offer.

62.4 In this Condition:

“**Agreement**” means any agreement entered into between the Licensed Carrier and any Customer or Operator for the provision of one or more Licensed Undertaking;

“**Confidential Information**” means any information, in whatever form, which, in the case of written or electronic information, is clearly designated as confidential, and which, in case of information disclosed orally, is identified at the time of disclosure as confidential, but excluding any information which:

- (a) enters the public domain otherwise than by reason of breach of relevant Confidential Agreement or Agreement, as the case may be;
- (b) is previously known to the relevant one of the Licensed Carrier or the Operator at the time of its receipt;
- (c) is independently generated or discovered at any time by the relevant one of the Licensed Carrier or the Operator; or
- (d) is subsequently received from a third party without any restriction on disclosure;

“Party” means a party to an Agreement or a Confidentiality Agreement

Private Circuits

63.1 The Licensed Carrier shall publish information on offerings, technical characteristics, tariffs and supply and usage conditions in respect of Private Circuits.

63.2 Following the application of any Operator for Private Circuits of a description which that Operator is authorized by a Licence to provide the Licensed Carrier shall, in accordance with Condition 2, provide Private Circuits to that Operator, unless the Commission is satisfied, based on a representation by the Licensed Carrier:

- (a) as to the matters described in Condition 2.1; or
- (b) that the Operator in question would be unduly reliant upon services provided by the Licensed Carrier as a means of satisfying its obligations under its Licence;

and Condition 30 shall not apply in respect of any such application as is mentioned in this paragraph.

63.3 Where, pursuant to Condition 14 the Licensed Carrier has published standard charges for Private Circuits of certain descriptions and proposes to provide Private Circuits of different or similar descriptions to an Operator under this Condition and has published charges ("**the specific charges**") for such Private Circuits, the following provisions shall apply:

- (a) If on an application by an Operator, the Commission is satisfied that the Operator has established a prima facie case that any specific charge is unreasonable the Commission may if it considers it necessary to do so, determine that the Licensed Carrier shall modify that charge in such a way as to make it reasonable; provided that the Licensed Carrier shall not be deemed to have acted unreasonably merely by virtue of having proposed the charge in question.
- (b) Before making a determination under Condition 63.3(a) the Commission shall notify the Licensed Carrier of the grounds of the Operator's application and its conclusions thereon and the modification it proposes to make or require the Licensed Carrier to make, and shall afford the Licensed Carrier adequate time, being not less than 28 days, in which to make representations.

- 63.4 (a) Subject to the further terms of this Condition 63.4 any charge determined under Condition 63.3(a) by the Commission shall be determined by reference to the Licensed Carrier's usual charge ("**the usual charge**") for the provision to its customers generally of the usual service.
- (b) Any charge determined under Condition 63.3(a) by the Commission shall not be:
- (i) Less than the usual charge for the usual service by an amount which exceeds any cost savings of the Licensed Carrier which are shown to be likely; or
 - (ii) Less than the usual charge for the usual service plus any additional costs of the Licensed Carrier which are shown to be likely.
- 63.5 Any published specific charge is not to be determined under Condition 63.3 as being unreasonable merely because it:
- (a) Varies, as compared with the nearest applicable usual charge, with the cost to the Licensed Carrier of the provision of the Private Circuits concerned; or
 - (b) Exceeds the Licensed Carrier's charges for Private Circuits of the same or a similar description provided to the generality of its customers; or
 - (c) Provides the Licensed Carrier with a rate of return that is no lower than that obtained by the Licensed Carrier in connection with the provision of Private Circuits of the same or a similar description to the generality of its customers.
- 63.6 (a) The Licensed Carrier shall not terminate existing Private Circuits provided to Operators unless the Licensed Carrier has consulted with the users affected or the Operator is in breach of any terms of the agreement which warrant such termination.
- (b) Without prejudice to any other remedy or right of appeal which the user may have in law or pursuant to contract or these Conditions, where the Operator or user does not agree with the termination undertaken by the Licensed Carrier, it may bring the case before the Commission for adjudication and both parties shall abide by the decision of the Commission on the matter.
- 63.7 Where a user's terminal equipment no longer complies with the approval conditions laid down for its connection to the Network Termination Point of the type of Private Circuit concerned, the Licensed Carrier may, notwithstanding any other obligation under this

Licence to provide to users access to and usage of Private Circuits, interrupt the provision of the Private Circuit concerned until the terminal equipment is disconnected from the Network Termination Point **provided** that the Licensed Carrier:

- (a) immediately informs the user about the interruption giving the reasons for it; and
- (b) restores the provision of the Private Circuit concerned as soon as the user has ensured that the terminal equipment is disconnected from the Network Termination Point.

63.8 In relation to Private Circuits the Licensed Carrier shall not be held to have failed to comply with this Condition if the Licensed Carrier takes the following measures in order to safeguard the security of System operations during the period when an emergency situation prevails:

- (a) the interruption of the service;
- (b) the limitation of service features;
- (c) the denial of access to the service, **provided** that the Licensed Carrier:
 - (i) makes every reasonable endeavour to ensure that service is maintained to all users; and
 - (ii) takes as soon as reasonably possible all reasonable steps to notify the users and the Commission of the beginning and the end of the emergency as well as the nature and extent of temporary service restrictions;

and in this paragraph an "**emergency situation**" means an exceptional case of *Force Majeure* as may from time to time be defined or acknowledged by the Commission, based on representation by the Licensed Carrier.

63.9 The Licensed Carrier shall not take, for reasons of the alleged failure of the user of a Private Circuit to comply with the usage conditions, any measure (including, without prejudice to the generality of the foregoing, the refusal to provide a Private Circuit, the interruption of the provision of Private Circuits or reduction of the availability of Private Circuit features) unless the measure is a specified measure authorized by the Commission after due representation to it by the Licensed Carrier in the case of a defined infringement of usage conditions.

63.10 The Licensed Carrier shall ensure that tariffs for Private Circuits follow the basic principles of cost orientation and transparency in accordance with the following rules:

- (a) tariffs for Private Circuits shall be independent of the type of application which the users of the Private Circuits implement;
- (b) tariffs for Private Circuits shall normally contain the following elements:
 - (i) an initial connection charge; and
 - (ii) a periodic rental charge, that is to say, a flat-rate element; and when other tariff elements are applied, these must be transparent and based on objective criteria;
 - (iii) tariffs for Private Circuits apply to the facilities provided between Network Termination Points and which the user has access to the Private Circuits;
- (c) for Private Circuits provided by more than one telecommunications organization, half-circuit tariffs, that is to say, from one Network Termination Point to a hypothetical mid-circuit point, can be applied.

Condition 64

Publication of Interfaces

- 64.1 The Licensed Carrier shall, with effect from the Effective Date, in relation to all commonly provided Customer Interfaces and Network Interconnection Interfaces in use by the Licensed Carrier, notify such Interfaces to the Commission and publish Interface Specifications relating to such Interfaces or amendments thereto
- (a) in the case of the original Interface Specifications, within 90 days of the Effective Date; and
 - (b) in the case of any amendment to the Interface Specifications, within such period as the Commission shall specify pursuant to Condition 64.2(b).
- 64.2 If, following any representation made to it, the Commission concludes that any Interface Specification contains insufficient information for its purpose, it may direct the Licensed Carrier to:
- (a) amend the Interface Specification in order to remedy the defect; and
 - (b) publish the amended Interface Specification in accordance with the provision of this License and in relation to any period specified by the Commission which takes into account the need to ensure that a sufficient period has elapsed after publication of the amended Interface Specification to enable any relevant party have a reasonable period in which to make any appropriate modifications to equipment connected to its Systems.
- 64.3 Nothing in this Condition shall require the Licensed Carrier to publish or send to the Commission information, which it has already published or sent to the Commission.
- 64.4 The Licensed Carrier shall comply with all directions of the Commission and applicable regulations in relation to interfaces.

Condition 65

Penalties for Non-compliance generally

- 65.1 Subject to Conditions 65.2 but without prejudice to any other provision of this Condition and except where specific penalties have been prescribed hereunder, the Commission shall have the discretion to impose such suitable penalties as the Act or Regulations permit on the Licensed Carrier consequent upon the Licensed Carrier's breach of or failure to comply with any of the provisions of this Licence.
- 65.2 Before imposing the penalties that are stipulated by Condition 65.1, the Commission shall
- (a) Notify the Licensed Carrier of its specific breach of the Licence terms and demand that the breach or non-compliance be rectified within a specified period failing which the penalty shall be imposed on it; and
 - (b) Take into consideration any written submissions that the Licensed Carrier may make to the Commission on the circumstances of its breach or non-compliance with the specific Licence terms.

SCHEDULE 3:

APPROVALS FROM GOVERNMENT AUTHORITIES

Condition 66

Overhead Lines

- 66.1 Without prejudice to Condition 2.1, the Licensed Carrier shall take steps to ensure that, wherever practicable, taking into account the need to provide telecommunication services at the lowest reasonable cost, its lines are installed underground.
- 66.2 Where telecommunication services are to be provided to a person occupying or proposing to occupy a new development the Licensed Carrier shall consider in conjunction with those responsible for the development and any other statutory undertaker providing or proposing to provide a service to persons occupying that development whether lines can be installed underground on a shared cost basis.

Condition 67

Conservation Areas

- 67.1 Subject to Condition 66, except in the case of emergency works, any line installed by the Licensed Carrier in any Relevant Area shall be installed underground.
- 67.4 The Licensed Carrier shall be bound by existing Laws enacted by Relevant Government Planning Authorities as regards conservation areas.
- 67.5 In this Condition ‘**Relevant Area**’ means such area designated by the Relevant Government Planning Authority as a conservation area.

Condition 68

National Parks

68.1 Subject to Condition 68.2, and except in the case of emergency works, before installing overhead telecommunication equipment in any National Park, Area of Outstanding Natural Beauty, National Scenic Area, or the area administered by the relevant Local Government or State Authority, and before installing any equipment in any Site of Special Scientific Interest or Area of Scientific Interest, the Licensed Carrier shall give the Relevant Authority written notice of its intention to do so describing the proposed works.

68.2 Where:

- (a) the Licensed Carrier has given notice of proposed works in accordance with Condition 68.1; and
- (b) the Relevant Authority has made written representations to the Licensed Carrier about the proposed works;

the Licensed Carrier shall consider those representations and if it considers that, notwithstanding those representations, the proposed works which are the subject of that notice should be carried out in the form proposed in that notice or with modifications to take account of those representations it shall, before carrying out the proposed works, give written notice to the Relevant Authority of its intention to carry out the proposed works and of the modifications if any of the proposed works and the reasons for its decision to do so.

68.3 The Licensed Carrier shall also comply with any direction given to it in writing by the Commission relating to giving notice to and considering representations made by any other authority exercising statutory functions in relation to any of the areas specified in Condition 68.1 or such other environmentally sensitive areas as may be specified in the direction.

68.4 The Licensed Carrier shall not be required to give notice pursuant to Condition 68.1 where the equipment installed consists of:

- (a) an overhead Service Line affixed to and lying on the surface of the exterior structure of a building or flown from a pole **provided** that the line is not of a noticeably larger diameter than that of the majority of such overhead Service Lines in the same locality; or

- (b) a replacement pole installed in a position not substantially different from the pole it replaces.

68.5 In this Condition:

“National Park”, **“Area of Outstanding Natural beauty”**, and/or **“National Scenic Area”** shall mean places so designated by the Relevant Local, State, or Federal Government or their Agencies.

“Relevant Authority” means the administrative body or authority that is administering the National Park, Area or Outstanding Natural beauty or National Scenic Area.

Highways

- 69.1 Except in the case of emergency works, before executing any works involving the breaking up of a highway in connection with the installation of any telecommunication equipment in that highway the Licensed Carrier shall give to the relevant Highway Authority written notice of its intention to do so describing the proposed works and shall obtain the necessary approvals from that Highway Authority before proceeding with the works.
- 69.2 For the avoidance of doubt, the Licensed Carrier shall be bound by existing Laws made by the Relevant Government Planning Authorities as regards the Licensed Carrier's operations in relation to highways.

Condition 70

Arrangement with Electricity Bodies

- 70.1 The Licensed Carrier and the Relevant Electricity Body shall meet from time to time and as often as the need arises to agree on the terms and/or arrangements concerning *inter alia* the engineering principles to be adopted and the allocation and apportionment of costs which may arise consequent upon the installation or location of either party's equipment or plant in proximity to the other party's already installed equipment or plant. The parties shall diligently observe the terms of such agreement and/or arrangement.
- 70.2 In this Condition '**Relevant Electricity Body**' means an Electricity Company or agency that generates and distributes electricity for consumers.

Condition 71

Emergency Works

- 71.1 Where the Licensed Carrier executes emergency works which would otherwise require prior notice under any Condition of this Licence, it shall, as soon as practicable after the commencement of the works, give to any body to whom notice is required to be given under that Condition written notice describing the works.

Condition 72

Public Events and Construction Sites

- 72.1 Where the Licensed Carrier is to provide telecommunication services for a limited period at the site of a public event or a construction site, it may install overhead lines and associated poles to provide that service notwithstanding any contrary Condition in this Licence contained, **provided** that the lines or poles are removed at the end of the event or after the work at the construction site is complete.

ANNEXURE 1

NETWORK ROLL OUT IMPLEMENTATION TIMETABLE

The Licensed Carrier shall install, maintain and use Exchanges to provide rollout obligations with effect from the Effective Date, specified hereunder:

- A. (i) a minimum of 150,000 lines connected to subscribers 12 months after the Commercial Launch Date.
 - (ii) a minimum of 550,000 lines connected to subscribers 36 months after the Commercial Launch Date.
 - (iii) a minimum of 1,200,000 lines connected to subscribers 60 months after the Commercial Launch Date.
- B. 60 months after the Commercial Launch Date, a minimum of 1% of its installed capacity located in each State of the Federation.

ANNEXURE II

PENALTIES FOR NON-COMPLIANCE WITH NETWORK ROLLOUT IMPLEMENTATION TIMETABLE

No.	Type of Default	Penalty
A.	Failure to meet target of a minimum of 1% of installed capacity in each State of the Federation within 60 months after Commercial Launch Date.	N10,000,000.00 (Ten Million Naira) only shall be payable by the Licensed Carrier to the Commission in respect of each State for each year of default.
B.	Penalty for Failure to meet total annual targets	<p style="text-align: center;">(i) Number of lines</p> <p>Where X = Roll Out Target Y = Achieved Roll Out Figure X-Y = Short Fall P = Penalty</p> <p>For Short Fall less than or up to 50,000 lines $P = (X-Y) \times N20,000.00$</p> <p>For Short Fall of over 50,000 lines $P = [(X-Y) - 50,000] \times N5,000.00 + (50,000 \times N2,000.00)$</p> <p style="text-align: center;">(ii) Monthly default</p> <p>Without prejudice to (i) above, N500,000.00 shall be payable by the Licensed Carrier to the Commission for every month in respect of which the default in meeting the targets in (i) above is not rectified.</p>