

**NATIONAL PRIVATE NETWORK
LINKS SERVICES LICENCE**

PNL/NAT/___/___

Granted by

NIGERIAN COMMUNICATIONS COMMISSION

To

XYZ NIGERIA LIMITED

Under Section 32 of the Nigerian Communications Act, 2003

CONTENTS

THE LICENCE	4
SCHEDULE 1: CONDITIONS APPLICABLE TO ALL UNDERTAKINGS...	5
PART 1: DEFINITION, INTERPRETATIONS	5
PART 2: GENERAL CONDITIONS	8
1. Compliance with the Act and Regulations	8
2. Directory Information	9
3. Calls Made by Emergency Organisations	10
4. Approval of Tariffs, Terms and Conditions	11
5. Prohibition of Undue Preference and Undue Discrimination....	13
6. Prohibition of Cross-Subsidies	14
7. Prohibition of Linked Sales	15
8. Code of Practice for Consumer Affairs	16
9. Arbitration of Disputes with Customers	17
10. Separate Accounts for All Activities	18
11. Code of Practice on the Confidentiality of Customer Information...	20
12. Transfer of Licence	21
13. Approval of Joint Ventures	22
14. Associates	23
15. Pre-Notification of Changes in Share Holding	24
16. Connection of System Providing Connection Services	25
17. Payment of Fees	30
18. Requirement to Furnish Information to the Commission ...	31
19. Revocation	32
20. Exceptions and Limitations on Obligations in Schedule 1..	34

SCHEDULE 2:

Specific Conditions applicable to the provision and operation
of Private Network Links employing Radio Communication

21.	Scope of Operation	36
22.	Technical Requirements	37
23.	Approval of Equipment/Site	38
24.	Network Roll Out	39
25.	Frequencies	40
26.	Numbering Plan	41
27.	Connection Arrangements	42
28.	Grade of Service	43
29.	Limitation of Liability.....	44
30.	Licence Limitations	45

**LICENCE NO. PNL/NAT/___/___ GRANTED TO
XXXXXXXXXXXXXXXXXXXX LIMITED
TO PROVIDE AND OPERATE NATIONAL PRIVATE NETWORK LINKS
SERVICES EMPLOYING CABLE, MICROWAVE OR OTHER RADIO
UNDER SECTION 32 OF THE NIGERIAN COMMUNICATIONS ACT, 2003**

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 3 of the Nigerian Communications Act, 2003 (hereinafter referred to as "**the Act**") and in exercise of the powers conferred on it by Section 32 of the Act hereby grants to **XYZ NIGERIA LIMITED** (hereinafter referred to as "**the Licensee**") Licence No PNL/NAT/___/___ to provide and operate National Private Network Links employing Cable, Microwave or other Radio (hereinafter referred to as the "**Licensed Undertaking**") within the Licensed Area.
2. This Licence shall enter into force on the 1st day of _____, 20__ and shall be of Ten (10) Years duration in the first instance, but without prejudice to Condition 19 of this Licence, shall be subject to revocation thereafter on Twelve (12) Months notice in writing of such revocation.
3. This Licence shall be automatically renewed and remain valid for a further period of Ten (10) Years subject to the provisions of Paragraph 4 and unless the Licensee has given a written notice to the Commission, at least Twelve (12) Months before the expiry date shown at Paragraph 2, not to renew the Licence.
4. The automatic renewal of the Licence in the manner provided in Paragraph 3 hereof shall be subject to the payment, within six (6) months before the expiry date of the Licence, of such Licence fees as the Commission shall specify and the fulfilment of all the terms, conditions and provisions of the Licence, Act, WTA and Regulations.
5. This Licence is valid for the provision and operation of National Private Networks Links services within the Licensed Area.

**Xxxxxx
EXECUTIVE VICE CHAIRMAN/CHIEF EXECUTIVE**

**SCHEDULE 1
PART I.**

**DEFINITIONS AND INTERPRETATION RELATING
TO THE CONDITIONS IN SCHEDULES I AND 2**

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

“Act”	The Nigerian Communications Act, 2003 or any such other subsequent Acts of the National Assembly.
"Carrier"	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 Domestic and International point to point and switched\unswitched point to multipoint telecommunications services.
"Commission"	The Nigerian Communications Commission and agents appointed pursuant to the powers under the Act
"Community"	A group of people or persons within a limited geographical area such as a housing estate, village, local Government area.
"Connectable System"	A telecommunications system approved for use in Nigeria by the Commission which entitles the Licensee to interconnection under Section 97(1) of the Act
"Licence"	A licence granted or having effect as if granted under Section 32(1) of the Act
"Licensed Area"	The specified geographical territory within which the Licensee is licensed to operate and provide the service, which in this case, shall be the entire geographical area of Nigeria.
“Net Revenue”	For any period, gross revenue less interconnect cost only. In this context, it is understood and agreed that; “Gross Revenue” shall mean total amount of sales earned during a specified period (usually a year), while “Interconnect Cost” shall refer only to costs incurred and payment made (or invoices payable) by an operator towards the

settlement of interconnect obligations to other interconnecting partners.

"Nigeria"

The entire geographical area, the territorial waters, air limits of Nigeria and any area to which the provisions of the Act apply.

"Private Network Links"

A privately owned telecommunications Network comprising Radio, Cable or Satellite-based Sub-systems or a combination of any of these systems as approved by the Commission deployed for the purpose of providing point to point or switched/unswitched point to multi point communications.

"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.

"Telecommunications"

Any form of transmission, broadcast or reception of signs, signals, texts, images, sounds or data by wire, by 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.

"Telecommunication Services"

Any service including the transmission and/or routing of signs, signals, texts, images, sounds or data or a combination of these functions, using telecommunication process.

"Terminal Equipment"

Any equipment designed to be connected directly or indirectly to a network termination point for the transmissions, processing or reception of data.

2. The Interpretation Act Cap. 192 Laws of the Federation of Nigeria shall apply for the purpose of interpreting these Conditions.

3. Any word or expression used in these Conditions shall unless the context otherwise require have the same meaning as it has in the Act.
4. For the purposes of interpreting these Conditions headings and titles to any Condition shall be disregarded.
5. Nothing which the Licensee may do or omit to do after the date on which any provision of these Conditions enter into force shall be held to constitute a failure to comply with an obligation imposed on the Licensee by or under these Conditions to the extent that the Licensee is obliged to do or to omit to do (as the case may be) that thing by the terms of any contract subsisting immediately before that date.
6. Any reference in any of the Conditions, however expressed, to the Commission notifying the Licensee of any matter, consulting the Licensee about any matter, affording the Licensee an opportunity to make representation, taking representations made by the Licensee into account, or explaining, or giving reasons for, any matter to the Licensee, 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.

SCHEDULE 1

PART 2: GENERAL CONDITIONS.

Condition 1

Compliance with the Act and Regulations

- 1.1 The Licensee shall comply with the provisions of the Act, the Wireless Telegraphy Act, Cap 469, Laws of the Federation of Nigeria and Regulations made thereto and with any direction, determination or order that the Act provide for the Commission to give or make.

Directory Information

2.1 The Licensee shall:

- (a) on request by any person in Nigeria (other than a public telecommunications 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 Licensee, 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.

2.2 Where the Licensee provides switched voice telephony services 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 Licensee and to those to whom that Operator provides voice telephony services, ensure that those to whom the Licensee 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 Licensee 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 it is reasonably convenient for the Licensee to provide and to what is not to the Commercial disadvantage of the Licensee) for the purpose of enabling that Operator to provide directory information about such services and that Other System when connected together; but the Licensee shall not be obliged to comply with a request made by an Operator under this sub-paragraph 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.

Condition 3

Calls made by Emergency Organisations

- 3.1 The Licensee shall provide by means of its lines such facilities as would enable a Caller free of charge to communicate in the event of an emergency in the area serviced by the Licensee with an emergency organisation.

Approval of Tariffs, Terms and Conditions

- 4.1 The Licensee shall lodge a notice of tariffs with the Commission which sets out in relation to each kind of service that the Licensee 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.
- 4.2 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.
- 4.3 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.
- 4.4 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 Licensee on the same service is still in force.
- 4.5 The Licensee shall not impose any terms and conditions for the provision of any specified telecommunications service until such terms and conditions have been approved by the Commission.
- 4.6 The Licensee 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.
- 4.7 The tariffs must be in a form approved by the Commission who will provide written reasons in the event of non-approval.
- 4.8 The Licensee shall publish in a manner and at the times in Condition 4.9 the charges, terms and conditions on which it offers to provide the specified telecommunications service in accordance with an obligation imposed by or under this Licence.

4.9 Publication shall be effected by:

- (a) Placing as soon as practicable thereafter a copy thereof in a publicly accessible part of every office of the Licensee 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.
- (b) sending a copy thereof or such parts thereof as are appropriate to any person who may request such a copy.

4.10 Where the Licensee publishes a notice of amendment to a charge in the form of an extract from the Licensee's price list the new price shall be clearly identifiable and the operative date specified.

**Prohibition of Undue Preference
and Undue Discrimination**

- 5.1 The Licensee 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 in respect of:
- (a) the provision of a service under this Licence; or
 - (b) the connection of any equipment approved by the Commission.
- 5.2 The Licensee 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 5.1 so as to place at a significant competitive disadvantage persons competing with that business.
- 5.3 Any question relating to whether any act done or course of conduct pursued by the Licensee amounts to such undue preference or such undue discrimination shall be determined by the Commission, but nothing done in any manner by the Licensee shall be regarded as undue preference or undue discrimination if and to the extent that the Licensee is required to do that thing in that manner by or under any provision of this Licence.

Prohibition of Cross-Subsidies

6.1 The Licensee shall ensure that his business under this Licence is not unfairly cross-subsidised from any other source, except in cases where the Licensee 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 Licensee 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.

Prohibition of Linked Sales

- 7.1 The Licensee shall not make it a condition of:
- (a) providing any telecommunication service;
 - (b) supplying any telecommunication equipment;
- that any person should acquire from the Licensee or from any other person specified or described by the Licensee;
- (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.
- 7.2 Except where the Commission has agreed otherwise, the Licensee shall not do any of the things described in Condition 7.1 (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.
- 7.3 Notwithstanding Conditions 7.1 and 7.2 the Licensee 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.

Code of Practice for Consumer Affairs

- 8.1 The Licensee shall in consultation with the Commission, prepare and publish in accordance with Condition 4.9 not later than three months after the date of commencement of operation a Code of Practice including:-
- (a) Guidance to their customers and employees in respect of disputes or complaints relating to the provision of service by them;
 - (b) Advice to such customers on charging, billing and enquiries in relation thereof; and
 - (c) Advice and procedures on the proper use of the service by such customers.
- 8.2 The Licensee shall consult the Commission once every year about the operation of the Code of Practice.

Arbitration of Disputes with Customers

- 9.1 If the Licensee provides switched voice telephony services it shall include in the standard terms and conditions on which it provides telecommunication services provisions giving persons who have entered into contracts with it for the provision of telecommunication services by the Licensee 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 arbitration procedures and the method of appointment of the arbitrators shall be subject to consultation with the Commission.
- 9.2 The Commission shall settle;
- a) Any dispute between the Licensee 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 Licensees and the customers within the scope of the powers given under the Act.

Separate Accounts for all Activities.

- 10.1 This Condition applies for the purpose of ensuring that a Licensee establishes as soon as reasonably practicable, not later than 12 months of this Licence coming into force, accounting and reporting arrangements sufficient to enable the Licensee's finances in relation to a Licensed Commercial Telecommunications undertaking to be assessed and reported separately from its other Licensed Commercial telecommunication undertakings and from the other Commercial activities of the Licensee.
- 10.2 The Licensee shall:
- (a) maintain accounting records in such a form that the activities of one commercial telecommunications undertaking and another licensed undertaking are separately identifiable or separately attributable in the books of the Licensee, 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 Licensee, or of such lesser periods as the Commission may specify, accounting statements setting out costs (including capital costs), revenue and financial position of each of the Businesses and including a reasonable assessment of the assets employed in and liabilities attributable to each of them and showing separately, 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 to any other business of the Licensee 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 Licensee and if not otherwise disclosed, the basis of the apportionment or attribution.
 - (iii) procure in respect of each of those accounting statements prepared in respect of a complete financial year of the Licensee a report by the Licensee's Auditor stating whether in his opinion that statement is adequate for the purposes of this Condition; and
 - (iv) deliver to the Commission a copy of each of the accounting statements and of the reports relating thereto required under Condition 10.2 (a) and (b) above 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.

- 10.3 Accounting statements prepared under Condition 10.2(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 Licensee and shall state the accounting policies used.
- 10.4 The Auditor means the Licensee'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; and references to the costs of any business do not include profits of that business.

**Code of Practice on the Confidentiality
of Customer Information**

- 11.1 The Licensee shall take all reasonable steps to ensure that those of its employees who are engaged in the licensed telecommunications undertaking observe the provisions of a Code of Practice which:
- a) specifies the persons to whom they may not disclose information about a customer of the Licensee or that customer's Business which has been acquired in the course of the telecommunications Business without the prior consent of that customer;
 - b) regulates the information about any such customer or his business which may be disclosed with his consent.
- 11.2 The Licensee shall within three months of the date on which this Licence enters to force submit a draft of the Code of Practice to the Commission for its approval and if the Licensee and the Commission fail to agree on the provisions of the Code they shall be determined by the Commission.
- 11.3 This condition is without prejudice to the duties at law of the Licensee towards its customers.

Condition 12

Transfer of Licence

- 12.1 The Licensee shall not transfer or assign its Licence to another party without the written approval of the Commission.
- 12.2 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.
- 12.3 Where the Licensee 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 shall have paid all outstanding fees to the Commission.
- 12.4 The Commission may decline any application for transfer of Licence and provide reasons in the event of non-approval.

Approval of Joint Ventures

13.1 The Licensee shall give particulars of any of the agreements or arrangements to which this condition applies for approval of the Commission before the taking into effect of such agreements or arrangements.

13.2 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.

Condition 14

Associates

- 14.1 Without prejudice to the Licensee's obligations under these conditions in respect, in particular, of anything done on its behalf, where;
- a) any Associate of the Licensee does anything which the Licensee is prohibited from doing under these Conditions or fails to do anything which the Licensee is in the circumstances required to do; and
 - b) the Commission is of the opinion:
 - i. that in consequence the Licensee 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 Licensee; and
 - ii. that having regard to the duty imposed on it by Section 4 of the Act it ought to make a direction under this Condition, then the Licensee shall take such reasonable steps to ensure that the Associate ceases to do that thing or otherwise to remedy the matter as the Commission directs him to take.
- 14.2 For the purpose of this Condition a person is an Associate of the Licensee if it is a subsidiary of or another body corporate controlled by it.

Condition 15

Pre-Notification of Changes in Shareholding

- 15.1 Except as specified in Condition 15.2 the Licensee shall notify the Commission of any change in the control of any of the shares in the Licensee to which this condition applies and any such notification shall be given as soon as practicable after the change in question is proposed.
- 15.2 The Licensee shall not be obliged to notify the Commission of any such change where the number of such shares the control of which it is proposed to change when aggregated to the number of such shares the control of which has been changed at any time after the granting of this licence (whether or not the change has previously been notified to the Commission in accordance with the paragraph) does not exceed 10% of the total number of shares in the Licensee to which this condition applies.
- 15.3 The Licensee shall notify the Commission not later than 30 days before the taking effect of any of the arrangements of the description mentioned in Condition 15.4.
- 15.4 Those descriptions of arrangements are:
- (a) any arrangement for obtaining a listing of any shares in the Licensee on the Nigerian Stock Exchange; and
 - (b) any arrangement for dealings in any shares in the Licensee on an unlisted market in Nigeria.
- 15.5 This Condition applies to all shares in the Licensee the holder of which for the time being is entitled to vote on any matter at a general meeting of the Licensee.

**Connection of System Providing
Connection Services**

- 16.1 Subject to the provisions of this Condition the Carrier shall, unless it is impracticable to do so, enter into an agreement with the Licensee
- (a) to connect, and keep connected the Licensee's Connectable System to any of the Carrier's Systems and accordingly to establish and maintain such one or more Points of Connection as are reasonably required and are of sufficient capacity and in sufficient number to enable Messages conveyed or to be conveyed by means of both systems in such a way as conveniently to meet all reasonable demands for the conveyance of Messages; and
 - (b) without prejudice to Condition 16.1(a), to establish and maintain such Points of Connection as will enable persons running telecommunication systems connected to the Carrier's system to exercise freedom of choice as to the extent to which Messages are conveyed by means of their Systems and in routing Messages so conveyed.
- 16.2 The Carrier shall not be obliged under Condition 16.1 to enter into an agreement to do anything if:
- (a) in the opinion of the Carrier it would be liable to cause the death of or personal injury to, or damage the property of, the Carrier or any person engaged in the Carrier's business, or materially to impair the quality of any telecommunication service provided by means of any of the Carrier's Systems or any telecommunication system (other than the Licensee's system) connected thereto and the Commission has not expressed a contrary opinion; or
 - (b) in the opinion of the Carrier:
 - (i) it would require an adjustment to, or modification of, any of the Carrier's Systems whether by incorporation of equipment or otherwise or the provision by the Carrier of services or information which in any particular case would not be reasonably required; or
 - (ii) it would not be reasonably practicable to require the Carrier to do that thing, or permit it to be done, at the time or in the manner required by the Licensee, having regard to the state of technical development of the Carrier's Systems or any other matter which appears to the Commission to be relevant and the Commission has not expressed a contrary opinion.

- 16.3 The Carrier may require that an agreement to be entered into under Condition 16.1 should be subject to terms and conditions, but only such terms and conditions as are permitted in relation to that agreement in accordance with Conditions 16.4, 16.5 and 16.6.
- 16.4 Subject to Conditions 16.5 and 16.6 terms and conditions are permitted if they are agreed between the Carrier and the Licensee to all or any of the following matters:
- (a) the charges to be paid by the Licensee for anything done under an agreement of the kind described in Condition 16.1 or as a result of such agreement;
 - (b) the method adopted or to be adopted to make or maintain the connection;
 - (c) the Points of Connection in the Carrier's Systems at which the connection is or is to be made (including arrangements for determining the point at which Messages will be transferred from one system to another and arrangements for conveying and re-routing Messages in cases of Emergency or difficulty);
 - (d) any restrictions on the telecommunication services to be provided by the Licensee or the Carrier being restrictions needed to satisfy International obligations or recommendations applying to and accepted by the Nigerian Government or to which the Commission consents from time to time;
 - (e) the time when and period for which the Licensee or the Carrier is to be obliged to do anything or to permit anything to be done and any arrangements for reviewing the terms and conditions of the agreement;
 - (f) the form and manner in which Messages are to be transmitted or received at the Points of Connection including arrangements for numbering and the use of appropriate call progress tones and announcements;
 - (g) the means of securing that any Message will be received by means of the connection with a signal quality which is in accordance with any obligations and recommendations of the International Telecommunication Union which apply to the Nigerian Government and are accepted by them or with any other standard to which the Commission consents for the purpose from time to time;
 - (h) arrangements for charging customers and others in respect of Messages conveyed by virtue of the agreement;

- (i) arrangements for Messages conveyed or to be conveyed outside Nigeria;
- (j) provision by the Licensee of a reasonable indemnity against any loss or damage sustained by the Carrier in consequence of the agreement in circumstances where the Carrier provides to the Licensee an equivalent indemnity; and
- (k) any other matter of which the Commission is satisfied that account should be taken in the special circumstances of any particular case or which is agreed between the Licensee and the Carrier.

16.5

If after a period which appears to the Commission to be reasonable for the purpose the Carrier has failed to enter into an agreement as required by the Licensee under Condition 16.1, then the Commission shall, on the application of the Licensee or the Carrier, determine the permitted terms and conditions for the purpose of that agreement which have not been agreed between the Carrier and the Licensee being terms and conditions relating to the matters mentioned in Condition 16.4 which appear to the Commission reasonably necessary to secure:

- (a) that the Licensee pays to the Carrier the cost of anything done pursuant to or in connection with the agreement including fully allocated costs attributable to the services to be provided and taking into account relevant overheads and a reasonable rate of return on attributable assets;
- (b) that the Carrier is properly indemnified against any liabilities to third parties or damage to the Carrier's Systems or loss arising from such damage which may result from the performance of the agreement;
- (c) that the Carrier is reasonably able in all the circumstances (including its obligations and reasonably foreseeable obligations to permit other Operators to provide services by means of Points of Connection under this Condition) to finance the other services which it is required to provide and to recover costs which are incurred for the provision of those other services or are necessarily incidental thereto;
- (d) that the quality of any telecommunication services provided by means of the Carrier's Systems and any systems (other than the Licensee's system) connected thereto is maintained;
- (e) that the requirements of fair competition are satisfied;
- (f) that proper account is taken of any other matter reasonably required for the protection of the interests of the Carrier to the extent that no interest of the Licensee is unduly prejudiced, including the need to ensure that:

- (i) arrangements for connection accord with good engineering principles and practice;
- (ii) the commercial development of the Carrier's Systems is not unduly impeded;
- (iii) charging arrangements take account of the overall pattern of the Licensee's costs;
- (iv) messages which originate on one system and are conveyed by another should pass through a Point of Connection as near as reasonably practicable to the place from which they are initially sent or at which they are ultimately received;
- (v) the Licensee does not rely unduly upon services provided by the Carrier as a means of satisfying his own obligations under it's Licence;
- (vi) the Carrier's obligations to the Licensee are determined having due regard to its obligations and reasonably foreseeable obligations to establish Points of Connection for others;
- (vii) arrangements made under this Condition are so far as circumstances allow in as similar a form as practicable notwithstanding the variety of Licensees entitled to such arrangements under this Connection; and
- (viii) commercial and confidential information of the Carrier is properly protected.

16.6 The Carrier shall not be obliged to enter into any agreement under Condition 16.1 if he refuses to do so, giving his reasons in writing to the Licensee and to the Commission, and the Commission determines that those reasons are proper ones having regard to the matters mentioned in Condition 16.5.

16.7 Where

- (a) an agreement has been entered into under Condition 16.1 but for any reason (whether breach of that agreement or otherwise) anything which the Carrier is required to do under the agreement is not being done;
- (b) the Commission is satisfied that the thing ought to be done in order to ensure that a connection made pursuant to that agreement is maintained or that a connection is established pursuant to that agreement and that Messages are conveyed by means of the connection in accordance with the agreement; and

- c) the Commission is satisfied that the Licensee is not able satisfactorily to enforce the agreement so that that thing is done within such time as the Commission considers necessary then, if the Commission so directs, the Carrier shall do that thing subject to such conditions as the Commission determines to be reasonable in the circumstances, having regard, in particular, to the permitted terms and conditions which apply and to any thing which the Commission may reasonably require the Licensee to do in order to mitigate the effects of the Carrier's failure to do the thing which he is required to do.

Condition 17

Payment of Fees

- 17.1 In consideration for granting the Licensee the right to construct, establish, maintain and operate the service, the Licensee shall pay to the Commission in full and without any deductions whatsoever:
- (a) The Licence Fee;
 - (b) The prescribed fees for each approved location of service.
 - (c) The prescribed fees for other supplementary Authorisations;
 - (d) An Annual operating levy which shall represent two and a half (2.5%) per cent of the Licensee's audited net revenue payable within three months after the end of the first year of the Licence and thereafter quarterly on the Licensee'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 Licensee.
- 17.2 The most recent audited account or where this not available, the management account or any other account or projection of the Licensee'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.
- 17.3 The Commission shall determine the Licence fee payable for and in respect of any renewal of the Licence.
- 17.4 The Licence fee as determined by the Commission shall be exclusive of all taxes.

**Requirement to furnish Information
to the Commission**

- 18.1 The Licensee shall furnish to the Commission, in such manner and at such times as the Commission may request, such documents, accounts, estimates, returns or other information and procure and furnish to it such reports as it may reasonably require for the purpose of exercising the functions assigned to it by or under the Act.
- 18.2 In making any such request the Commission shall ensure that no undue burden is imposed on the Licensee in procuring and furnishing such information and, in particular, that the Licensee is not required to procure or furnish a report which would not normally be available to it unless the Commission considers the particular report essential to enable it exercise its functions.
- 18.3 Without prejudice to the generality of Condition 18.1 the Licensee shall, if the Commission so requests, furnish to it within 6 months of its financial year end a "Financial Statement". If the Commission so requests, there will be appended to the statement a report from the Licensee's Auditor stating whether in his opinion the methods of allocation of costs, assets and liabilities are reasonable and whether the statement has been properly prepared applying those methods and is adequate for the purposes specified in Condition 18.5.
- 18.4 Before making any request under Condition 18.3 the Commission shall give the Licensee notice, not later than three months before the beginning of the first financial year for which statements are to be requested, of its intention to do so.
- 18.5 In this Condition, "Financial Statement" means an accounting statement the purposes of which are to set out and fairly present the costs (including capital costs), revenue and financial position of the Licensee's services including a reasonable assessment of the assets employed in and liabilities attributable to those services. The level of desegregation as between services specified in, and in relation to the financial information contained in, the statement shall be such level as the Commission may require from time to time after consultation with the Licensee.

Revocation

19.1 Notwithstanding Paragraph 2 of this Licence the Commission may at any time revoke this Licence by Twelve Months notice in writing given to the Licensee at its registered office where the Licensee 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 Licensee of the breach.

19.2 Notwithstanding Paragraph 2 of this Licence the Commission may at any time revoke this Licence by Three months notice in writing given to the Licensee at it's registered office in any of the following circumstances:

- (a) if the Licensee agrees in writing with the Commission that this Licence be revoked;
- (b) if the Licensee ceases to carry on its Business for which this Licence is granted;
- (c) if any amount payable under Condition 17 of Schedule 1 is unpaid 14 days after it became due and remains unpaid for a period of 14 days after the Commission notified the Licensee that the payment is overdue, such notification not to be given earlier than the sixteenth day after the day on which the payment became due;
- (d) if within twelve (12) months of the granting of this licence, the Licensee has not commenced full operation to the satisfaction of the Commission;
- (e) if the Licensee fails to ensure that it's equipment is type approved by the Commission or a body approved by or accredited to the Commission;
- (f) if the Licensee:
 - (i) is unable to pay its debts,
 - (ii) enters into receivership or liquidation,
 - (iii) takes any action for 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 a receiver or trustee is appointed or if any order is made for it's compulsory winding-up or dissolution.

- (g) If the Licensee does not fulfill the Network Roll Out Implementation Plan as set out in this Licence.
- (h) If the Licensee has made false statements, representations or warranties in applying for the Licence.

19.3 The Licence fees paid in respect of a revoked Licence shall not be refunded in part or whole consequent upon such revocation except at the absolute discretion of the Commission.

Exceptions and Limitations on Obligations in Schedule 1

Unless the context otherwise requires the Licensee's obligations under these Conditions shall have effect subject to the following exceptions and limitations:

- 20.1 The Licensee is not obliged to do anything which is not practicable.
- 20.2 The Licensee 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 Licensee is prevented from complying with that obligation by any physical, topographical or other natural obstacle, by the act of any National authority, Local Authority or International organisation or as a result of fire, explosion, accident, emergency, riot or war.
- 20.3 The obligation to provide any telecommunication service shall not apply;
 - (a) where there is no reasonable demand for it;
 - (b) where provision of the service requested would expose any person engaged in its provision to undue risk to health or safety;
 - (c) where the Licensee is unable to obtain (either because it has not been developed or for some other reasons beyond the Licensee's control) anything necessary to provide a service of the quality or standard required by the person who requests the provision of the service and, in the event of dispute, the Commission's decision as to whether anything is necessary shall be final;
 - (d) where the person to whom the Licensee would otherwise be under an obligation to provide any service requests a 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 that area, to meet all the costs reasonably to be incurred by the Licensee 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 the service there, and
 - (iii) the cost of trained manpower necessary to provide the service there; or

- (e) where in the opinion of the Commission it is not reasonably practicable in all the circumstances for the licensee to provide the service requested at the time or place demanded.
- 20.4 Nothing in these Conditions shall prevent the Licensee from withdrawing from, or declining to provide to, any person any telecommunications service which the Licensee has notified the Commission that it is providing in a limited area, or to a limited class of customers, for the purpose of evaluating the technical feasibility of, or the commercial prospects for that service.
- 20.5 Nothing in these Conditions shall require the Licensee to supply any telecommunication equipment or to provide any telecommunication service, or to supply or to provide any telecommunication equipment or service of any particular class or description, if he supplies or provides instead equipment or a service, or equipment or a service of a class or description, which satisfies the purposes of that requirement at least to the same extent provided it conforms with the technical requirements that may be set by the Commission from time to time.
- 20.6 This Condition shall apply without prejudice to any limitation or qualification of the requirements imposed by or under any other Condition.
- 20.7 The Licensee shall be relieved of any obligation under these Conditions by virtue of a combination of any of the events and circumstances set out in the preceding paragraphs of this Condition, in so far as those paragraphs apply to the obligation in question; or a combination of any such events and circumstances and any limitation or exception contained in the Condition in question.

SCHEDULE 2:

CONDITIONS FOR THE PROVISION AND OPERATION OF PRIVATE NETWORK LINKS SERVICES EMPLOYING CABLE, MICROWAVE OR RADIO

Condition 21

Scope of operation

- 21.1 This Licence shall be for the provision and operation in the designated Licensed Area of Private Network Links employing cable, microwave or other Radio or a combination of any of these systems as approved by the Commission deployed for the purpose of providing point to point or switched/unswitched point to multipoint communications for the conveyance of voice messages.

Technical Requirements

- 22.1 The Licensee's Network shall throughout the terms of the Licence conform to the Commission's Technical Specifications. The Licensee shall introduce measures and at all times use its resources to ensure that apparatus in the Network including the Terminal Equipment operated by the Licensee shall comply with
- (i) The requirements for electro-magnetic compatibility, and
 - (ii) The requirement for network interface, both as prescribed in accordance with international specifications and by the Commission's standards.
- 22.2 The Licensee shall not alter any of these specifications except with the prior written approval of the Commission.
- 22.3 The lines installed, maintained and used by the Licensee shall throughout the term of the Licence conform to such specifications and standards and CCITT recommendations as prescribed by the Commission.
- 22.4 Subject to the Commission's periodic directives, the Licensee shall at all times fully comply with the recommendations of the International Telecommunications Union and its associated organisations as they apply to Nigeria from time to time.
- 22.5 Subject to the Commission's contrary directive, the Licensee shall design, construct, maintain and operate the Network in accordance with the statements and representations, if any, made in the application for the Licence.

Approval of Equipment/Site

- 23.1 The Licensee 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.
- 23.2 The Licensee shall further ensure that it complies with the provisions of Condition 23.1 in respect of all new equipment it acquires after commencement of operations.
- 23.3 (a) The Licensee shall ensure that all sites at which it installs equipment and network infrastructures conform to the site approval guidelines stipulated by the Commission from time to time.
- (b) All towers and masts must comply with Commission regulations on towers as may be published from time to time.

Condition 24

Network Roll Out

- 24.1 The Licensee shall implement a Network Roll Out in accordance with an Implementation Timetable as stipulated by the Commission. The Licensee shall at all times comply with the Implementation Timetable.
- 24.2 Pursuant to Condition 24.1 above, the Licensee shall submit to the Commission not later than 15th day of January of each Calendar year, following the date of commencement of operation, a report of the Network Roll Out achieved in compliance with the Implementation Timetable referred to above.

Condition 25

Frequencies

- 25.1 Frequencies used by the Licensee shall conform to the general allocation of Frequencies in the ITU Regulations and Assignments by the Commission.
- 25.2 The Licensee shall utilize the frequencies assigned solely and entirely for the provision of the Licensed Undertaking. The Licensee further covenants that it shall, in the use of the frequency spectrum, conform to the general allocation of Frequencies in the ITU Regulations and Assignments by the Commission.
- 25.3 The Services operated by the Licensee shall be operated only on the radio frequencies and frequency bands which the Commission may assign to the Licensee and the Commission may refuse to assign further frequencies or require the Licensee by notice in writing to cease to provide the Services on any frequency previously assigned to the Licensee if inter alia in the opinion of the Commission the Licensee is not making efficient use of the frequency.
- 25.4 The Commission may, by giving not less than 12 month's notice in writing to the Licensee, require the Licensee upon such date as may be specified in the notice to cease to operate using the frequency assigned to the Licensee and to use such new frequency from the National Frequency Plan as the Commission may designate.

Numbering Plan

- 26.1 The Licensee shall conform to the numbering plan approved by the Commission and any directions given by the Commission in respect of the numbering plan and any directions the Commission may give to facilitate the portability of telephone numbers between operators.
- 26.2 The Licensee shall at all times comply with the Regulations concerning the implementation of the National Numbering Plan.

Connection Arrangements

- 27.1 The Licensee shall have the right to interconnect its Network with the Network of the Carrier or another Licensee.
- 27.2 The Licensee shall enter into an Agreement with the Carrier or such other Licensee to connect and keep connected their respective systems and to establish and to maintain such one or more points of connection, and the Licensee shall provide the Commission with a copy of such agreement.
- 27.3 If after a period which appears to the Commission to be reasonable for the purpose, the Licensee and the Carrier or such other Licensee have failed to enter into an Agreement, the Commission shall, on the application of either the Licensee or the Carrier or such other Licensee, determine the terms and conditions for the purposes of the Agreement which have not been so agreed between the Licensee and the Carrier or such other Licensee.

Grade of Service

- 28.1 The Licensee shall ensure that the traffic capacity provided in its system, where it accesses a Telecommunications Network Infrastructure, shall be dimensioned to guarantee a satisfactory grade of service. The grade of service threshold that shall be met or exceeded shall be determined by the Commission.
- 28.2 The Licensee shall provide a good, efficient and continuous service that meets grade of service thresholds periodically specified by the Commission and in a manner satisfactory to the Commission and shall not reduce or cease to provide the service unless with the express written approval of the Commission.
- 28.3 In the event of default by the Licensee in regard to any of the provisions of this Condition, the Commission shall, subject to specific prevailing legislation and/or regulations, take such steps as it deems necessary to remedy the situation including but not limited to issuance of directives to the Licensee and application of sanctions and/or fines against the Licensee.
- 28.4 The Licensee shall within 30 days from the date of commencement of operations install equipment and devices that meet ITU-T standards for measuring the grade of services.
- 28.5 The Licensee shall permit the Commission to inspect the Licensee's equipment and devices for measuring service grade, to inspect the Licensee's files, records and other data relating to the measuring of service grade and to request the Licensee 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 Act, WTA, the Regulations and this Licence.
- 28.6 If the Commission has reason to believe that measuring equipment devices or methods are not installed or do not meet the standards aforesaid, the Commission shall instruct the Licensee to install or upgrade the equipment and devices to the required standards within 30 days from the date of such instruction. If the Licensee fails to install or upgrade the equipment and the devices to the required standards within the period specified above, the Licensee shall be subject to a fine of N500,000.00 (Five Hundred Thousand Naira only) for every calendar month or any part thereof that it so defaults.

Limitation of Liabilities

- 29.1 Subject to Condition 29.2 and notwithstanding any contrary provision of this Licence, the Commission shall not be liable in contract, tort or otherwise to the Licensee or any third party whomsoever for any 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 or actualisation of 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 however thereto.
- 29.2 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 Licensee for the Licence.

Condition 30

Licence Limitations

- 30.1 The Licensee shall not operate a Private Network Link employing Satellite.
- 30.2 The Licensee shall not provide any mobile telephony service.
- 30.3 The Licensee shall not employ its Network Infrastructure to provide a telecommunications service other than that for which this Licence is granted.