



Mobile Virtual Network Service Licence

Tier 2 Simple-Facilities Virtual Network Operator (SF-VNO)

LICENCE NO.

Granted to

XXX Limited

By

**Nigerian Communications Commission
Under Section 32 of the Nigerian Communications
Act, 2003**

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LICENCE NO.....

GRANTED TO

xxxx LIMITED

TO PROVIDE AND OPERATE

MOBILE VIRTUAL NETWORK SERVICES IN NIGERIA

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 rights and a common 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 XXX LIMITED (hereinafter referred to as "the Licensee") a Licence for the period specified in Paragraph 2 subject to the Conditions set out in Schedules 1 and 2, to provide and operate Mobile Virtual Network Services specified in Schedule 2 (hereinafter referred to as “the Licensed Undertaking”) in the Licensed Area.
2. This Licence shall take effect from the 1st day of, 20.... and shall have a duration of Ten (10) years.
3. This Licence shall be governed by the provisions of the Act, and its subsidiary legislations, the Wireless Telegraphy Act as may be amended from time to time.
4. This Licence is valid for the provision and operation of the service stated in Schedule 2 of this Licence.

DR. AMINU MAIDA
EXECUTIVE VICE CHAIRMAN/CEO

DEFINITIONS AND INTERPRETATIONS

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

"Act" The Nigerian Communications Act, 2003 as may be amended from time to time.

"Anti-Competitive Conduct" Any conduct which substantially lessens competition as defined by the Act and the Competition Practices Regulations, 2007, as may be amended from time to time.

"AOL Regulations" Annual Operating Levy Regulations, 2022, as may be amended from time to time.

"Associate" A subsidiary of or another body corporate controlled by the Licensee and carrying on business in Nigeria.

"AuC" Authentication Centre.

"Auditor" (a) Except where the context otherwise requires, the Licensee's Auditor for the time being appointed in accordance with the requirements of the Companies and Allied Matters Act (CAMA), 2020 as may be amended from time to time.

(b) Auditor(s), other than the Licensee's Auditor(s), appointed by the Commission under this Licence to carry out specific assignments.

“Carrier”	A Public or Privately owned Communications 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 Communications Services.
“Commercial Launch Date”	The date when the Licensee commences provision of commercial service.
“Commission”	The Nigerian Communications Commission and agents appointed pursuant to the powers under the Act.
“Communications”	Means any communication, whether between persons and persons, things and things, or persons and things, in the form of sound, data, text, visual images, signals or any other form or any combination of those forms.
“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 voice and data signals or a combination of these functions.
“Connect”	To install, maintain and use any communications line or other apparatus used for Communications so that Messages which are: (a) Conveyed by one Operator are also conveyed by another Operator; or

(b) Sent by means of one item of apparatus and conveyed or received by means of another item of apparatus.

“Connectable System”

A Communications System approved for use in Nigeria by the Commission which entitles the Licensee to Interconnection under Section 96 of the Act.

"Control"

Direct or indirect power to direct or cause the direction of the management of a natural or juristic person, whether through ownership of shares, voting, securities, partnership or other ownership interest, from whatever source.

“Customer”

Means any person who subscribes to and uses a communication service.

“Effective Date”

The date the licence enters into force as specified in Paragraph 2 of this Licence.

“EIR”

Equipment Identity Register.

“Emergency”

An emergency of any kind, including but not limited to medical emergencies and circumstances whatsoever resulting from major accidents, natural disasters and incidents.

“Enforcement Processes Regulations, 2019”

Nigerian Communications (Enforcement Process etc.) Regulations, 2019, as may be amended from time to time.

“Gross Turnover”	Shall be construed as revenue accruing to a Licensee in respect of the Licensed Undertaking.
“HLR”	Home Locator Register.
“Host Network Operator (HNO)”	A Communications Carrier that offers its access capacity to an MVNO based on a commercial agreement.
“HSS”	Home Subscriber Saver.
“Information”	Includes but is not limited to signs, signals, texts, images, sound or data.
“Interconnection”	Means the physical and logical linking and connection of communications systems used or operated by the same or different Licensees in order to convey messages to and from the respective systems for the provision of services.
“Interconnection Fees”	Fees payable in terms of an Interconnection Agreement for the carriage of messages originating in one network and terminating in another network.
“Interconnection Regulations”	The Telecommunications Network Interconnection Regulations, 2007, and as may be amended from time to time.
“Licence”	A licence granted or having effect as if granted under Section 32 of the Act.

“Licensed Area”	The specified geographical territory within which the Licensee is licensed to operate and provide the service which in the case of this Licence shall be the entire area of the Federal Republic of Nigeria.
“Licensee's Group”	Licensee's associated and/or subsidiary companies with significant common equity/shareholding structure.
“Message”	Any sound, signal, sign or image sent, or to be sent, for conveyance by means of a licensed line.
“Mobile Operator”	Any person licensed by the Commission to operate and provide Mobile Service.
“Mobile Virtual Network Operator (MVNO)”	A Mobile Virtual Network Operator (MVNO) is a Communications Product and Service Operator that rides on the capacity of a fully Licenced Communications Service Provider or Mobile Network Operator (MNO).
“MVNO Tiered System”	A 5-Tiered Framework adopted by the Commission to differentiate the level of services an MVNO may provide, categorized by operational models.
“Naira” or “ N ”	The lawful currency of the Federal Republic of Nigeria.
“Network”	A Network consisting of a Mobile Communication System, a Fixed Wireless Access Communications System, Fixed Wireline Communications System or a combination of any of these systems.

“Nigeria”	The entire geographical area, the territorial waters, air limits of Nigeria and any area to which the provisions of the Act apply.
“Operator”	A Provider of a Communication Service duly licensed by the Commission.
“Person”	Any Individual, Firm, Corporation, Partnership, Trust, Limited Liability Company, Joint Venture, Government or other Entity.
“Regulations”	The Regulations issued 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 adopt from time to time.
“Service Provider”	Any person who is in the business of providing the service to another and who has a contract with the Licensee and is licensed by the Commission for such purpose.
“Shared Rural Coverage Agreement”	An agreement between an MVNO and its HNO to establish joint ownership of Radio Access Network elements in an underserved or unserved region. This precludes the MVNO from owning the Spectrum resource in that region and as a result, the HNO can still charge its MVNO for utilizing the Spectrum in that region.
“SMSC”	Short Message Service Centre.
“Tariff”	The charges by a Communications Service Provider to the customers.
“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.

“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 communication process.

“Telecommunications System”

A collection of equipment, nodes, medium and links organized to enable communication between two or more parties.

“Territory”

Geographical area of the Federal Republic of Nigeria.

“Transmission”

The conveyance of traffic between the networks of two or more Access Providers.

“Tier 1 Services Virtual Network Operator (S-VNO)”

An MVNO that totally relies on the Switching, Interconnect, and Service facilities of its HNO(s) but is permitted to develop and deliver its own VAS content but through its HNO(s). This is the Lowest Tier in the MVNO tiered system.

“Tier 2 Simple-Facilities Virtual Network Operator (SF-VNO)”

An MVNO that totally relies on the Switching and Interconnect layer elements of its HNO but is permitted to own elements in the Service layer such as Intelligent Networks, HLRs/HSS and billing systems. This is the Second Tier in the MVNO tiered system.

“Tier 3 Core-Facilities Virtual Network Operator (CF-VNO)”

An MVNO which is permitted to own and operate Interconnect and Switching layer elements in a network. This is the Third Tier in the MVNO tiered system.

“Tier 4 Mobile Virtual Network Aggregator/Enabler (MVNA/MVNE)”

Mobile virtual network business models implemented to allow a Mobile Virtual Network Provider provide aggregation and enabling platform for lower Tier MVNOs, therefore facilitating their rollout and time to market. This is the Fourth Tier in the MVNO tiered system.

“Tier 5 Unified Virtual Network Operator (U-VNO)”

An MVNO that can offer a range of services as an operator from the lower tiers in the tiered system.

“Under-served Area/Region”

Means geographic areas where some level of access is currently available but where universal access is not currently available.

“Unserved Area/Region”

Means the geographic areas where no level of access is currently available.

“Value Added Service”

Any network-based service (other than voice conversation) that is provided in the form of text, video, graphics, picture, multimedia, or data for the purpose of conveying information or executable content either downloaded or accessed online and normally at extra cost.

“Wireless Telegraphy Act”

Wireless Telegraphy Act or “WTA” Cap W5 Laws of the Federation, 2004.

2. The Interpretation Act Cap. I23 Laws of the Federation of Nigeria 2004 [“Interpretation Act”], 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, and its subsidiary legislations.
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 these 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.
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 Licensee.
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 enforceability of any other provision in or obligation under this Licence provided that if such provision is such that is fundamental to this Licence, the Commission and the Licensee shall immediately replace the provision with another which is valid, legal and enforceable.

SCHEDULE 1

General Conditions included under Section 32 of the Act

Condition 1

Compliance with the Act, WTA, and Regulations

- 1.1 The Licensee shall comply with the provisions of the Act, WTA, relevant Regulations and Guidelines made thereto and with any Direction, Determination, Order, and/or other regulatory instruments that the Act and/or WTA provide for the Commission to give or make.
- 1.2 Where any conflict arises between this Condition and provisions of the Act, WTA or Regulations, the provisions of the Act, WTA or Regulations shall prevail.
- 1.3 Neither the Licensee, its officers, directors, employees, agents nor counsel shall 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 bearing on any matter within the Commission's jurisdiction.
- 1.4 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, to the Licensee at the Licensee's address provided to the Commission for contact purposes and for the Commission at the Head Office of the Commission.

Subscriber Personal Information

2.1 The Licensee shall ensure that:

- (a) Information concerning each of its Subscribers is included in a database, maintained in accordance with the Registration of Communications Subscribers Regulations, 2022 (as may be amended), the Consumer Code of Practice Regulations, 2007 (as may be amended) and other regulatory instruments issued by the Commission from time to time; and
- (b) Each Subscriber has the right to verify, correct or update such information in emergency situations.

Emergency Situations

- 3.1 The Licensee shall provide at its own cost and by means of its lines, such infrastructural facilities as would enable its customers, in the event of an emergency in the area serviced by the Licensee, to:
- (a) Access operator assistance services; and
 - (b) Access emergency services and communicate with an emergency organization.
- 3.2 The Licensee shall ensure that such emergency calls have priority access over all other routine calls on the network and that they are toll free.
- 3.3 The Licensee shall, after consultation with the authorities responsible for Emergency Organizations and Services as the Commission may from time to time determine and whose names are notified to the Licensee by the Commission make plans or other arrangements for the provision, or as the case may be, the rapid restoration of such Communication Services as are practicable and may reasonably be required in Emergencies.
- 3.4 The Licensee shall take all reasonably practicable steps to maintain, to the greatest extent possible:
- (a) The availability of its services, having particular regard to the needs of Emergency Organizations, in the event of catastrophic network failure or in case of Force Majeure such as flood, lightning, fire, etc.
 - (b) The integrity of the Licensee's network, having particular regard to the needs of emergency organizations, which is to say, protection of the physical and functional operation of such systems and services against malfunctions or failure caused by electrical conditions, signalling protocols or traffic loads.

3.5 Within Three (3) Months from the Effective Date, the Licensee shall submit to the Commission its procedural and operational plans that the Licensee would adopt in the event of any emergency. The Commission shall instruct the Licensee, in an emergency, to cooperate with the relevant Government entity that is responsible for managing that emergency.

Approval of Tariffs, Charges, Terms and Conditions

- 4.1 The Licensee shall lodge with the Commission, a notice of tariffs and any variation thereto, 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. 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. The tariffs must be in a form approved by the Commission which, subject to Condition 4.6, will provide written reasons in the event of non-approval.
- 4.3 The notice of tariffs lodged with the Commission must state the period (i.e. the term) for which it is to be in force. Subject to Condition 4.6, the term must not begin until approval for the tariffs is given by the Commission and shall not operate simultaneously with any previously approved Licensee's tariff for the same service.
- 4.4 The Licensee shall provide the specified Communications Service at the charges and upon the Terms and Conditions so approved by the Commission and shall not depart therefrom without prior written approval by the Commission of the proposed changes.
- 4.5 The Licensee shall not impose any Terms and Conditions for the provision of any specified Communications Service until such Terms and Conditions have been approved by the Commission.
- 4.6 The Commission shall communicate to the Licensee its decision on the notice of tariffs or any application for changes thereto within Twenty-One (21) days from the date of receipt of the notice by the Commission provided that the notice or application fulfils all necessary requirements. A failure by the Commission to communicate its decision to the Licensee within the timeline herein specified shall be deemed to constitute an approval of the tariff or changes

thereto and the Licensee shall, in that event, be at liberty upon the expiry of the said timeline to implement the tariff structure or the revisions thereto.

- 4.7 Where the Commission refuses to approve the Tariffs or part thereof, the Licensee shall be entitled to make representations to the Commission in justification of the Tariff, within Fourteen (14) days of receipt of the reason for refusal. The Commission shall consider the representations and provide the Licensee with its decision within Twenty-One (21) days of such representations.
- 4.8 The Licensee shall publish in a manner and at the times indicated in Condition 4.9 the Charges, Terms and Conditions, including subsequent revisions thereto, on which it offers to provide the specified Communications Service in accordance with an obligation imposed by or under this Licence.
- 4.9 Publication shall be affected by:
- (a) Placing 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 public during normal office hours on every working day.
 - (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(s) shall be clearly identifiable, and the operative date specified.

Prohibition of Anti-Competitive Conduct

- 5.1 The Licensee shall not engage in any conduct which in the opinion of the Commission has the purpose or effect of preventing or substantially lessening, restricting or distorting competition in the operation of the service or in any market for the provision or acquisition of communication installation, service or apparatus.

- 5.2 The conduct which the Commission may consider as relevant for the purpose or effect referred to in Condition 5.1 are more particularly described in the Competition Practices Regulations, 2007 published and as may be amended from time to time by the Commission.

Codes of Practice

- 6.1 The Licensee shall in consultation with the Commission prepare and publish its Individual Consumer Code of Practice in accordance with the Consumer Code of Practice Regulations (CCPR), 2007 as may be amended from time to time.

- 6.2 The Licensee shall ensure full compliance with the provisions of the Commission's Internet Code of Practice, and other regulatory instruments.

Corporate Governance

- 7.1 The Licensee shall comply with the Nigerian Code of Corporate Governance and any additional Guidelines on Corporate Governance that may be issued by the Commission.

Dispute Resolution Mechanism

- 8.1 The Licensee shall include in the standard Terms and Conditions on which it provides Communication Services, provisions giving persons who have entered into contracts with it for the provision of Communication Services the opportunity to refer to a dispute resolution procedure, any dispute relating to the provision of these services.
- 8.2 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.

Accounting Separation

- 9.1 This Condition applies for the purpose of ensuring that the Licensee establishes accounting and reporting arrangements sufficient to enable the Licensee'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.

- 9.2 The Licensee shall ensure full compliance with the Guidelines on the Implementation of an Accounting Separation Framework issued by the Commission.

Transfer of Licences

10.1 The Licensee shall not transfer or assign its Licence to another party without the prior written approval of the Commission and in compliance with the provisions of the NCA, 2003 and the Licensing Regulations, 2019, as may be amended from time to time.

Approval of Joint Ventures

- 11.1 The Licensee shall give particulars of any of the agreements or arrangements to which this Condition apply for approval of the Commission before the coming into effect of such agreements or arrangements.
- 11.2 These agreements or arrangements are those between the Licensee and any person:
- (a) For the establishment or control of any corporate body for the purpose of:
 - (i) Providing Communications Services in Nigeria which requires a Licence; or
 - (ii) The production of Communications Equipment for supply in Nigeria where that production or assembly would lead to an anti-competitive situation which would not otherwise exist in relation to the supply of Communications Equipment of any description in Nigeria.
 - (b) For the establishment of a partnership for any of the purposes and in any of the circumstances specified in paragraph (a) above.
 - (c) In the nature of a Joint Venture for the purpose of providing Communications Services that require a Licence.
- 11.3 The Commission reserves the right to reject the request for approval of a Joint Venture if in the opinion of the Commission, the act can distort market competitiveness or give a player a dominant market position.

Members of Licensee's Group and/or Associates

12.1 Without prejudice to the Licensee's obligations under this Condition, the Licensee shall also be liable for the following acts in respect to any act carried out on its behalf:

- (a) Where any Associate of the Licensee or member of the Licensee's Group does any act which the Licensee is prohibited from doing under this Condition or fails to do anything which the Licensee is in the circumstances required to do; or
- (b) Where any Associate or Member of the Licensee's Group has done any act which would, if it had been done by the Licensee, require the Licensee to take or refrain from taking a particular action under this Licence and neither the Licensee nor the Associate or Member has met that further requirement; and
- (c) 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 this Condition 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 Commission may direct the Licensee to take such steps as the Commission deems appropriate for the purpose of remedying the matter, including but not limited to restraining the Associate or Member of the Licensee's Group from continuing with the act or refraining from carrying on with that member or associate such commercial activities connected with the Licensee's Businesses as the Commission may determine.

12.2 For the purposes of this Condition, a person is an Associate of the Licensee if he is a subsidiary of or another body corporate controlled by it.

Pre-notification of Changes in Shareholding

- 13.1 Except as specified in Condition 13.2 the Licensee shall notify and obtain the prior approval of the Commission in respect 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 in accordance with the provisions of the Licensing Regulations, 2019, as may be amended from time to time by the Commission.
- 13.2 The Licensee shall not be obliged to notify and/or obtain the prior approval of the Commission in respect 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 this Condition) does not exceed ten percent (10%) of the total number of shares in the Licensee to which this Condition applies.
- 13.3 In particular, the Licensee shall notify the Commission not later than Thirty (30) days before the taking effect of any of the arrangements of the description mentioned in Condition 13.4.
- 13.4 Those arrangements are:
- (a) Any arrangement for obtaining a listing of any shares in the Licensee on any Stock Exchange in any part of the world provided that such listing shall not have the effect of vesting greater than fifty percent (50%) of the issued voting share capital of the Licensee in a manufacturer or supplier of Communications Equipment; and
 - (b) Any arrangement for dealing in any shares in the Licensee on an unlisted market in Nigeria.
- 13.5 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.
- 13.6 Not later than March 1st of each year, the Licensee shall deliver to the Commission a report on the current ownership of the Licensee. 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 organisation as owner, the name, residence, citizenship, and stockholding of every officer, director, trustee, executor, administrator, receiver and member of the organisation, and of any stockholder holding stock amounting to five percent (5%) or more of the votes of the company.
- 13.7 If in the Commission's opinion, any change in the Licensee's shareholding structure, (whether or not notified to the Commission pursuant to this Condition), creates or has the potential of creating an anti-competitive situation, the Commission shall, subject to specific prevailing legislation and/or Regulations, take such steps as it deems necessary to prevent the situation including but not limited to issuance of directives to the Licensee and application of sanctions and/or fines against the Licensee in the event of a default.

Interconnection Arrangements

- 14.1 If the Licensee receives a request for Interconnection from another Operator duly licensed by the Commission, the Licensee shall have an obligation to interconnect its Communications 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 of agreement between the parties involved, subject to the provisions of this Condition.
- 14.2 All Interconnection Arrangements and matters connected thereto shall be in accordance with the Act, the Telecommunications Networks Interconnection Regulations, 2007, the Commission's Guidelines on the Procedure for Granting Approval to Disconnect Telecommunications Operators, 2012 (as may be amended from time to time) and other instruments made by the Commission from time to time.

Payment of Fees

- 15.1 In consideration for granting the Licensee the right to construct, establish, maintain, operate and provide the service, the Licensee shall pay to the Commission in full and without any deductions whatsoever:
- (a) Relevant charges, the Licence Fee; and
 - (b) An Annual operating levy which shall represent one percent (1%) of the Licensee's Gross Turnover payable annually in accordance with the process contained in the AOL Regulations.
- 15.2 The most recent audited account or where this is 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 Annual Operating Levy (AOL) for the year under consideration and may be duly adjusted when the year's audited account becomes available as stipulated in the AOL Regulations.
- 15.3 The Commission shall determine the Licence Fee payable for and in respect of any renewal of the Licence.
- 15.4 The Licence Fee represents a one-time non-refundable entry fee and is paid on the Effective Date of the Licence at the latest. For avoidance of doubt, the Licence Fee shall be exclusive of any taxes.
- 15.5 Where the Licensee fails, refuses or neglects to pay the assessed Annual Operating Levy within the timeline stipulated in the AOL Regulations, 2022, the Licensee shall be liable to pay the assessed amount together with such fines and penalties as stated in the AOL Regulations, 2022 and Enforcement Processes Regulations, 2019 (as may be amended from time to time).

Requirement to Furnish Information to the Commission

- 16.1 The Licensee shall permit the Commission to inspect and if required to make copies of records, documents and accounts relating to the Licensee's business for the purpose of enabling the Commission to perform its functions under the Act and the Conditions of this Licence.
- 16.2 Without prejudice to any other provision of this Licence, the Licensee shall furnish or procure to be furnished to the Commission, in such manner and at such times as the Commission may request, such information in the form of documents, accounts, estimates, returns and without prejudice to the generality of the foregoing, such other information as the Commission may reasonably require for the purposes of:
- (a) Exercising the functions assigned to it by or under the Act;
 - (b) Verifying that the Licensee is complying with the Licence Conditions; and
 - (c) Keeping Statistical Records.
- 16.3 Without prejudice to the generality of Condition 16.1 and notwithstanding the provisions of Condition 16.2, the Licensee shall furnish to the Commission within Six (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 16.5.
- 16.4 In this Licence, "Financial Statement" shall have the same meaning as in the AOL Regulations, 2022 (as may be amended from time to time) by the Commission. The Commission may require specific details to be included in the Licensee's Financial Statement for the purposes specified in Condition 16.2 and the Licensee shall promptly comply with such requirements.
- 16.5 In this Condition "documents" includes, without prejudice to the generality thereof, drawings, designs, plans, or specifications.

Amendment of the Licence

- 17.1 Subject to Conditions 17.2 and 17.3, the Commission may amend this Licence Conditions from time to time where objectively justifiable if the Commission determines that such amendment is necessary to achieve the objectives of the Act and its subsidiary legislations, or is in the public interest, taking into consideration the reasonable interest and contractual rights of the Licensee.
- 17.2 Before amending this Licence Conditions, the Commission shall give the Licensee written notice of its intention to do so together with a draft copy of the intended amendment, and the Licensee may make submissions to the Commission by submitting them to the Commission within the time period specified by the Commission but not less than Thirty (30) days from the date of the Written Notice.
- 17.3 After expiry of the notice specified in Condition 17.2, the Commission shall decide on the next course of action, taking into consideration any submission made by the Licensee and the principles of fair competition and equality of treatment, amongst others.
- 17.4 Any amendment to this Licence Conditions, shall be made in accordance with the procedures laid down for such purposes and shall be published by the Commission.

Expiration and Renewal of Licence

- 18.1 The Licence shall expire and all operating authorizations under it terminate:
- (a) Upon the expiration of the Licence term, unless renewed in accordance with the provisions of the Licence; or
 - (b) By mutual agreement between the Commission and the Licensee provided that the Commission shall have full discretion to determine whether the Licence fees paid, or any portion thereof shall be refunded.
- 18.2 The Commission may renew the Licence upon the expiry of the tenure hereof, and unless the Licensee has given written notice to the Commission, at least Twelve (12) Months before the expiry date hereof, of its intention not to renew the Licence.
- 18.3 The renewal of the Licence in the manner provided in Condition 18.2 shall commence, within Six (6) Months before the expiry date of the Licence; payment of Licence fees shall be as specified by the Commission and the fulfilment of all the Terms, Conditions and provisions of the Act, its subsidiary legislations, WTA, and this Licence Conditions.

Suspension or Revocation

- 19.1 The Commission may, by declaration suspend or revoke a Licence in any of the circumstances described in the Act, the Licensing Regulations, 2019, the Enforcement Processes Regulations, 2019 (as may be amended) and any other instrument issued by the Commission from time to time.

Exceptions and Limitations on Obligations

Unless the context otherwise requires, the Licensee's obligation under this Condition shall have effect subject to the following exceptions and limitations:

- 20.1 The Licensee shall not be held to have failed to comply with an obligation imposed upon it by or under this Licence 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, Local or International Authority or as a result of fire, explosion, accident, emergency, riot, war, civil commotion or insurrection or any other cause outside the Licensee's control. ("Force Majeure event").

- 20.2 In the event that any of the circumstances specified in Condition 20.1 causes damage to the network operated by the Licensee, the Licensee shall be obligated to repair or rebuild the network pursuant to a timetable and work plan to be established by the Licensee and approved by the Commission, and subject to adequate changes in this Licence Conditions at the instance and discretion of the Commission.

Limitations of Liabilities

- 21.1 Subject to Condition 21.2 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 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 substituted service, facilities or products, or down-time costs, consequent upon the issuance or actualization 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 thereto.
- 21.2 The Commission's total liability under this Licence Condition and in regard to any matter related to the Licence shall at all times be limited to the unexpired amount paid at any given time to the Commission by the Licensee pursuant to this Licence Condition.

SCHEDULE 2

Specific Conditions on Technical and Service Issues

Condition 22

Scope of Operation

22.1 Tier 2 Simple-Facilities Virtual Network Operator (SF-VNO)

(a) The Licensee is permitted to operate in at least one of the following areas:

- (i) Own and issue its SIM
- (ii) Own and Operate an Intelligent Network
- (iii) Own and Operate EIR/HLR/AuC/HSS
- (iv) Own Brand
- (v) Own Sales and Distribution Channels
- (vi) Sales and Management of Devices and Phones
- (vii) Limited Tariff Control
- (viii) Customer Relation Platform
- (ix) Own Content/Applications
- (x) Host and Distribute VAS
- (xi) Run SMSC for SMS.

22.2 The Licensee is authorized to lease capacity from a Host Network Operator (HNO), Tier 4 MVNO, or Tier 5 MVNO as may be applicable for the purpose of providing communication for the conveyance of voice, data, video, or any kind of message.

22.3 The Licensee is authorized to use an Access Gateway in conjunction with the network capacity of its HNO, Tier 4 MVNO, or Tier 5 MVNO as may be applicable to provide Voice over Internet Protocol (VoIP) and International Data Access Service.

22.4 The Licensee is authorized to set up and maintain its own VAS content platform and utilize the network of its HNO, Tier 4 MVNO, or Tier 5 MVNO as may be applicable via a VAS Aggregator to distribute the said content. The Licensee is also permitted to develop a tariff structure around the VAS content it develops and distributes.

- 22.5 The Licensee is authorized to own and operate Service layer elements such as an Intelligent Network to provide network services, a Home Location Register (HLR)/Home Subscriber Server (HSS) or lease service layer capacity from a Tier 4 MVNO, or Tier 5 MVNO as may be applicable to maintain records of its own customer base, billing, and metering equipment where applicable within the bounds of its operations.
- 22.6 The Licensee is authorized to manufacture its own SIM but is restricted to the numbering range of its HNO.
- 22.7 The Licensee's tariff structure shall comprise of a revenue sharing agreement between itself and its HNO, Tier 4 MVNO, or Tier 5 MVNO as may be applicable for incoming calls to its own Customers. The Licensee is permitted to develop its tariff structure around its outgoing traffic depending on the level of ownership of its Service layer elements.

Technical Standards and Specifications

23.1 The Licensee's Communications Equipment shall throughout the term of the Licence conform in all respects with the provisions of the Act, and its subsidiary legislations that the Commission may issue from time to time.

Quality of Service

- 24.1 The Licensee shall ensure compliance with thresholds and standards set in the Quality of Service (QoS) Regulations, 2013, as may be amended from time to time, directives and any other regulatory instruments that may be issued by the Commission on Quality of Service.

Provision of Value-Added Services

- 25.1 The Licensee is authorized to set up and maintain its own VAS content platform and utilize the network of its HNO, Tier 4 MVNO, or Tier 5 MVNO as may be applicable via a VAS Aggregator to distribute the said content provided that it conforms to the Regulations applicable to VAS provisioning and Conditions within the VAS provider's Licence.
- 25.2 The Licensee is permitted to enter into an agreement with an MVNO Aggregator/Enabler for the distribution of VAS content.

Authorizations, Permits and Licences

26.1 The Licensee shall obtain all necessary Licences and permits including building and other non-communications permits required to build, implement, modify, and remove installations and buildings in accordance with relevant applicable Laws and Regulations.

Service Providers

27.1 Subject to the approval of the Commission, the rights under this Licence may be exercised partially through agents, contractors, or Service Providers. The Licensee shall have full discretion to determine and implement the appropriate means of marketing and distribution of its services inclusive of the appointment and termination thereof of agents and Service Providers. The Licensee shall be responsible for their acts and omissions in respect thereof in consequence whereof:

- (a) The Licensee shall stipulate adequate provisions in its contracts with its agents, contractors, and Service Providers to ensure that their exercise of any of the rights of the Licensee does not contravene any of the Conditions of this Licence.
- (b) Should an agent, contractor or Service Provider of the Licensee commit any act or omission in contravention of a Condition of this Licence, the Licensee shall upon becoming aware thereof act as expeditiously as is reasonably possible to remedy such contravention and the Licensee shall be afforded reasonable time for such purposes; and
- (c) The Commission shall upon becoming aware of any contravention of this Licence Conditions by agents, contractors or Service Providers of the Licensee or any complaints lodged with the Commission in relation thereto forthwith in writing notify the Licensee accordingly.

Special Arrangement for People Living with Disability, Special Needs and the Elderly

- 28.1 The Licensee is encouraged to make available for supply in such a way as to meet all reasonable demands for end-user devices that will cater for people living with disability, special needs and the elderly.
- 28.2 The Licensee shall ensure that people living with disability, special needs and the elderly persons are taken into consideration in the provision of services and shall inform the Commission from time to time on arrangements for providing these facilities for public use.
- 28.3 The Licensee is encouraged to participate in any Advisory Group established to address the requirements of people living with disability, special needs and the elderly.

Commercial Launch Obligation

29.1 The Licensee shall launch Commercial Services within Twelve (12) Months of issuance of the Licence.

Type Approval of Equipment

- 30.1 The Licensee shall ensure that all its equipment are approved by the Commission or a body approved or accredited by the Commission prior to the commissioning or commercial use (whichever is earlier) of such equipment and shall obtain all necessary compliance certificates in accordance with the relevant Laws.

- 30.2 The Licensee shall further ensure that it complies with the provisions of Condition 30.1 in respect of all new equipment procured after the Effective Date of this Licence.

Commercial Agreement with Host Network Operator, Tier 4 MVNO and Tier 5 MVNO

- 31.1 All agreements and arrangements between a Licensee and HNO, Tier 4, and/or Tier 5 MVNO as may be applicable must be filed with the Commission.
- 31.2 Licensees must notify the Commission about impending changes to Commercial Agreements at least Thirty (30) days prior to the official implementation of the said changes.
- 31.3 Matters and issues that arise from an inability to resolve Commercial Agreement negotiations or breaches, can be referred to the Commission for resolution.
- 31.4 In the event of failure to reach an agreement on the terms of their Commercial Agreements, they shall be referred to the Commission for resolution in a manner that may be determined by the Commission.

Billing and Metering Arrangements

- 32.1 The Licensee shall on request provide each of its Customers, at no additional cost, with an itemised bill which shall contain, amongst other details, the name, address and account number in accordance with the provisions of the Consumer Code of Practice Regulations, 2007 (as may be amended from time to time) by the Commission.

Revenue Sharing Agreements

33.1 Where the Licensee enters into a Revenue Sharing Agreement with its HNO or other Network Service Providers, Tier 4 MVNO or Tier 5 MVNO:

- (a) Revenue Sharing Agreements should be submitted to the Commission for purposes of review and necessary approvals within Thirty (30) days from the date of execution of the said agreement. The Licensee shall ensure that tariff, charges, fees, and revenue sharing shall be fair and reasonable, and must not inhibit market entry nor distort competition.
- (b) Without prejudice, the Revenue Sharing Agreement shall maintain a commercial nature and be driven purely by market forces. The Licensee maintains the right to report all actions that it may deem suspicious and an anti-competitive conduct to the Commission for review and resolution.
- (c) The Licensee's tariff structure should focus predominantly on a revenue sharing formula with its HNO through traffic to and from its customer base.

Copyright Infringement and other Prohibitions

34.1 Where a Licensee hosts and distributes its own VAS content:

- (a) The Licensee shall take responsibilities for any copyright, franchise, or royalties, associated with the content it provides to subscribers. Accordingly, subscribers shall not be liable for any violation of copyright arising from content provided by the Licensee.
- (b) The Licensee can offer real time content as long as there is no copyright infringement, and it conforms to all applicable laws.
- (c) The Licensee is responsible for any legal or regulatory issues which may arise from the content it hosts, and in this regard, the Licensee must ensure that all such contents do not contain materials that violate any law or regulation.

34.2 The Licensee is not permitted to have access to third-party information passing through its equipment, either for viewing, copying or storage or modification or addition; even when such content is collocated on its premises or servers.

34.3 The contents hosted by the Licensee shall not violate any law, including those relating to pornography, child online protection and same-sex relationships.

Multiple Hosting Agreements

- 35.1 The Licensee is not restricted to a single HNO Tier 4 MVNO, or Tier 5 MVNO as may be applicable and is hereby authorized to enter into multiple agreements to provide optimum services to its Customers.

- 35.2 All agreements shall be submitted to the Commission at least Thirty (30) days prior to the official launch date of operation with the said Host, Tier 4 MVNO, and / or Tier 5 MVNO as may be applicable.

Licence Limitations

- 36.1 The Licensee is limited to a maximum of ten percent (10%) ownership by an MNO or any of its subsidiaries.
- 36.2 The Licensee is prohibited from rendering any other Communications Services not expressly included within the scope of this Licence.
- 36.3 The Licensee is prohibited from providing backhaul connectivity to other Mobile Network Operators (MNOs).
- 36.4 The Licensee is prohibited from owning and operating frequency resources, Radio Access elements, Switching and Interconnect elements but must rely totally on its HNOs, Tier 4 MVNO, or Tier 5 MVNO as may be applicable for these.
- 36.5 The Licensee is not authorized to own and operate network equipment and elements within the Switching and Interconnect layer of a Communications System.
- 36.6 The Licensee is not authorized to act as an Aggregator for the purpose of purchasing bulk capacity from HNOs.
- 36.7 The Licensee is precluded from hosting and distributing third party VAS content.
- 36.8 The Licensee is prohibited from obtaining a MVNO Aggregator's Licence.

Penalties for Non-Compliance

- 37.1 Subject to Condition 37.2 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 and its subsidiary legislations permit on the Licensee consequent upon the Licensee's breach of or failure to comply with any of the provisions of this Licence Conditions.
- 37.2 Before imposing the penalties that are stipulated by Condition 37.1 the Commission shall:
- (a) Notify the Licensee of its specific breach of the Licence Terms or Conditions and demand that the breach or non-compliance be rectified.
 - (b) Take into consideration any written submissions that the Licensee may make to the Commission on the circumstances with the specific Licence Terms and Conditions.

