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CLASS ONE LICENSE ISSUED TO OMAN TELECOMMUNICATIONS COMPANY (SAOG) FOR THE PROVISION OF BASIC PUBLIC MOBILE TELECOMMUNICATIONS SERVICES

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PART I – DEFINITIONS AND GENERAL PROVISIONS

ARTICLE (1)

Definitions

The following words and expressions shall have the meanings assigned to them here, unless the context requires otherwise:

1. "**The Act**" means the Telecommunications Regulatory Act;
2. "**The Authority**" means the Telecommunications Regulatory Authority;
3. "**The Licensee**" means Oman Telecommunications Company (SAOG);
4. "**Effective Date**" means the operative date of the Royal Decree issuing this License;
5. "**Licensed Area**" means the territory of the Sultanate of Oman;
6. "**Affiliate**" means any natural or juristic person directly or indirectly controlled by another natural or juristic person, whether through ownership of shares, voting, securities, partnership or other ownership interest, from whatever source;
7. "**Licensed Operator**" means any person granted a Class-One License to establish or operate infrastructure for a public telecommunications system or provide public mobile telecommunications services through utilising public telecommunications networks capacity, according to the provisions of the Act;
8. "**Service Provider**" means any person granted a Class-One License to provide Additional Public Telecommunications services according to the provisions of the Act;
9. "**International Telecommunications Operator**" means any telecommunications operator in another country who is authorised to run an international Telecommunications System for the provision of Telecommunications Services;

10. **"Cellular Mobile Service"** means a Public Telecommunications Service which is capable of use while a user is moving, and which is delivered through the emission, transmission or reception of radio electronic impulses within the designated frequency bands by Radio communications via a cellular Telecommunications System;
11. **"International Correspondent Agreements"** means any written agreement, in whatever form, between the Licensee and an International Telecommunications Operator for the provision of international telecommunication services;
12. **"Licensee Gross Revenues"** means all revenues accrued by the Licensee during a year resulting from selling or leasing Licensed Services including all revenues from the supply of any Licensed Services, or payments receivable by the Licensee from other Licensed Operators or Service Providers (for interconnection or Access Services), all revenues or payments receivable from resellers of the Licensed Services after deducting cost of Interconnection paid to other Licensed Operators, but excluding selling and leasing of Terminal Equipment;

ARTICLE (2)

Scope

This License is granted to Oman Telecommunications Company (SAOG) to install and operate a Public Telecommunications System (the Licensed System) to provide Public Cellular Mobile Services in accordance with the provisions of the Act, the decisions issued in implementation thereof and the Terms and Conditions set out in this License.

ARTICLE (3)

Connection

The Licensee is authorised to connect the Licensed System to any Telecommunications System licensed in accordance with the provisions of the Telecommunications Regulatory Act.

ARTICLE (4)

Royalties and License Fees

1. The Licensee shall pay to the government of the Sultanate of Oman the Royalty rate determined by the government of the Licensee Gross Revenues each year during the License Term, with each annual Royalty calculated on the basis of revenues realised through 31 December of the relevant year and paid before 30 January of the following year. The Royalty shall be proportionately calculated with respect to the first year and terminal year of this License
2. The Licensee shall pay the license fees determined by the Authority pursuant to Condition 27 of Part II of this License.

ARTICLE (5)

Duration

This License is granted for a period of fifteen (15) years as of the Effective Date.

ARTICLE (6)

Modification

1. The Authority and the Licensee may agree in writing to modify the License.
2. The Authority has the right to modify the license unilaterally in accordance with the public interest.

ARTICLE (7)

Cancellation

The Authority may by a justified decision cancel the License or any rights granted hereunder in accordance with the provisions of the Act.

ARTICLE (8)

Expiration

The License terminates in the following cases:

1. Upon expiry of the License Term.
2. If the Licensee is dissolved, or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors or due to any other similar reason.

ARTICLE (9)

Renewal

1. This license can be renewed upon its expiry according to the provisions of the Telecommunications Regulatory Act and any relevant regulations, decisions and guidelines issued by the Authority.
2. The license renewal shall be subject to the renewal terms and conditions of the Authority at the time of renewal.

ARTICLE (10)

Compliance

1. The Licensee shall, in addition to complying with the Conditions identified in this License, comply with the provisions of the Telecommunications Regulatory Act and Regulations, and all relevant decisions, orders and guidelines of the Authority and all other relative laws.
2. The Licensee shall allow any person authorized by the Authority to access any location to audit, examine or test any system.

ARTICLE (11)

Notices

1. All notices required to be given to the Licensee by the Authority shall be satisfied by serving the document by post or by hand to the Licensee at the Licensee's registered office and their receipt shall be acknowledged. Such notice delivery process can be modified in accordance with any digital documents delivery process adopted by the government.
2. Urgent notifications may be sent by the Authority to the Licensee through electronic mail followed by an official written notification of the same content.
3. The Licensee shall designate a senior manager not below the grade of senior managers of the Authority to liaise with the Authority and follow up the full implementation of its decisions on all matters related to this License and/or any other decisions.

PART II – CONDITIONS AND ANNEXES

FIRST: CONDITIONS:

1 LICENSED SERVICES

- 1.1 The Licensee is authorized to provide Public Cellular Mobile Services by means of the Licensed Systems and Additional Public Telecommunications Services that depend on the Cellular Mobile Services on a non-exclusive basis in the Licensed Area.
- 1.2 The Licensee may, with the prior approval of the Authority, provide through a separate subsidiary or Affiliate or sub-contract any or all of the Licensed Services. In any of these cases, the Licensee shall not provide such services by itself.
- 1.3 The Licensee is authorized to sell, lease and maintain Terminal Equipment.

2 NEW TECHNOLOGIES AND SERVICES INTRODUCTION

- 2.1 The Licensee shall continue to adopt technologies to develop services offering to ensure cross-sector alignment;
- 2.2 The Licensee shall bring to the country latest innovations and proven products and services to ensure scalable, secure, interoperable and intuitive experiences to the Beneficiaries;
- 2.3 The Licensee's annual plan shall be appropriately supported by annual investment programs including expansion and updating of networks and necessary arrangements.

3 ROLLOUT OBLIGATIONS

- 3.1 The Licensee shall ensure that its geographic coverage for Public Cellular Mobile Services in the Licensed Area is no less than as is in existence on the Effective Date.
- 3.2 The Licensee shall comply with the Rollout Obligations set out in Annex A.

4 PROVISION OF PUBLIC EMERGENCY SERVICES

- 4.1 The Licensee shall provide access to emergency services within the Licensed Area free of charge to the public.
- 4.2 The Licensee shall ensure that calls to the number designated by the Authority as the public emergency call number is continuously available without restriction.
- 4.3 The Licensee may restrict the Public Emergency Call Service to be provided under this Condition, in respect of any emergency organization licensed to provide police, fire, ambulance or coastguard services to the extent agreed by the Government Authority responsible for that emergency organization or, in the absence of such agreement, to such extent as may be authorized by the Authority.

5 PROVISION OF DIRECTORY INFORMATION SERVICES

Subject to the Beneficiary's request not to provide information in relation to his registered phone number, the Licensee shall:

- 5.1 Provide directory information services upon request to a Beneficiary against a reasonable tariff as approved by the Authority.
- 5.2 Allow any other Licensed Operator access to the Licensee's directory information, in such form as may reasonably be determined by the Licensee, on reasonable and fair terms as approved by the Authority including reimbursement of the Licensee's direct costs reasonably incurred in granting access provided that:
 - a) The Licensed Operator undertakes to use the information only to provide directory information services (provided it does not provide its beneficiaries with any services in respect of any Beneficiary who has requested the Licensee to keep his information confidential), or routing of calls;
 - b) The Licensed Operator provides access to the Licensee to its own directory information on a similar basis as set out in 5.2; and
 - c) The provision by the Licensee of the information is not unlawful.
- 5.3 Use all reasonable efforts to supply Beneficiary(s) upon request with information relating to directory information services available in any other country to which the Licensee provides Telecommunications Services, against a reasonable tariff as approved by the Authority.

6 PROVISION OF OPERATOR ASSISTANCE SERVICES

The Licensee shall provide an operator-assisted voice telephony service to any Beneficiary upon request against a reasonable tariff as approved by the Authority.

7 PUBLIC EMERGENCIES AND NATIONAL SECURITY

- 7.1 The Licensee shall undertake to provide at its own expense all the technical capabilities, including equipment, systems and programs that allow access to its network by the security authorities to meet national security requirements in accordance with the provisions of the Telecommunications Regulatory Act. The provision of service shall coincide with the provision of the required technical capabilities subject to the technological advancement in accordance with all the decisions issued by the Authority within the limits of the provisions of the applicable laws. If the technical capabilities of the security authorities are affected by any change in the equipment, systems and programs in the Licensee's Telecommunications network, the Licensee shall incur the cost borne by the security authorities in providing such necessary technical capabilities.
- 7.2 In the event of a situation of a natural catastrophe or exceptional public emergencies, the Minister may call the entire telecommunications services and networks of the Licensee and all its employees in charge of the operation and the maintenance of such services and networks in order to overcome the emergency. The Licensee shall update its Emergency Plan upon request from the Authority.
- 7.3 In the event that the emergency or crisis is related to aspects of national security, the Licensee shall co-ordinate with the competent entity indicated by the Authority and shall implement the Emergency Plan and otherwise act in accordance with the instructions of the Authority.

8 INTERNATIONAL SERVICES

- 8.1 The Licensee shall undertake to provide International Telecommunications Services by means of the facilities and services provided to the Licensee by any licensee authorized to enter into agreements with International Telecommunications Operators. The Licensee shall not enter into International Correspondent Agreements except in accordance with the terms and conditions of this license
- 8.2 The Licensee shall provide the Authority with the information it requests to assist the Authority in fulfilling its obligations in respect of any international telecommunications body.
- 8.3 The licensee shall enter into interconnection agreement(s) with international gateway licensees in the Sultanate of Oman for the purpose of international traffic conveyance.

9 OBLIGATIONS TOWARDS BENEFICIARIES

- 9.1 The Licensee shall establish and maintain an efficient information system to assist Beneficiaries with queries relating to the Licensed Services, including directory assistance.
- 9.2 The Licensee shall provide equal opportunity for access to the same type and quality of Licensed Services to all Beneficiaries in the Licensed Area and at the same tariff, limiting available variations in access to those technologies that are appropriate or required to serve specific categories of Beneficiaries.
- 9.3 The Licensee shall, provide at least twelve (12) months written notice to the Authority regarding:
- a) Any termination of an existing Licensed Service; or
 - b) Any change to a Licensed Service which would render any Beneficiary equipment obsolete, or otherwise render a Licensed Service inaccessible by Beneficiaries. As part of its written notification the Licensee shall identify appropriate service transition and beneficiary migration arrangements and shall comply with any related requirements imposed by the Authority.
- 9.4 The Licensee shall maintain a Standard Beneficiary Agreement form that includes terms and conditions of providing the Licensed Services. The Licensee may from time to time, or at the Authority's order, modify the Standard Beneficiary Agreement and it shall become effective if the Authority did not object to it within thirty (30) working days of its receipt or on a later date specified for its execution. If the Authority has objected to the modified Standard Beneficiary Agreement form during such period, the Authority shall notify the Licensee in writing of the reasons for this objection and the Licensee shall accordingly modify the Beneficiary Agreement form and present it to the Authority within fifteen (15) working days of its receipt of such objection.
- 9.5 The Licensee shall notify all Beneficiaries of the terms and conditions of the Standard Beneficiary Agreement and any modifications thereto and shall thereafter provide Licensed Services based upon the Standard Beneficiary Agreement.
- 9.6 The Licensee shall maintain an efficient procedure for the handling and resolution of Beneficiaries' complaints in respect of the provision of Cellular Mobile Services. The Authority shall determine the method to be followed for the publication of this procedure or its perusal, and the Licensee shall resolve complaints promptly and in accordance with this procedure and any decisions, orders or guidelines published by the Authority.

- 9.7 Any modification to the complaint handling and resolution procedure submitted to the Authority for its approval shall become effective if the Authority did not object to it within thirty (30) working days of its receipt or on a later date specified for its execution. If the Authority has objected to the complaint handling and resolution procedure during such period, the Authority shall notify the Licensee in writing of the reasons for this objection and the Licensee shall accordingly modify the complaint handling and resolution procedure and present it to the Authority within fifteen (15) working days of its receipt of such objection.
- 9.8 The Licensee shall undertake to refund the amounts due to Beneficiaries or others during the term specified by the Authority in the event of cancellation, non-renewal of the License or cessation of the provision of any Licensed Service.

10 QUALITY OF SERVICE REQUIREMENTS

- 10.1 The Licensee shall meet the quality of service requirements according to the Quality of Service Regulation issued by the Authority from time to time.
- 10.2 The Licensee shall ensure that it maintains information records in the form set by the Authority for the purposes of satisfying the Authority that the Licensee is meeting the Quality of Service Requirements. The Licensee shall also comply with any special information disclosure or reporting requirements required by the Authority and the publication of the performance indicators of Quality of Service in the media.

11 PROVISION OF MAINTENANCE SERVICES

The Licensee shall ensure the provision of maintenance services, on the reasonable request of any Beneficiary to whom it provides any Licensed Services, in respect of both the Licensed System, and approved Telecommunications Equipment supplied by the Licensee.

12 INTERRUPTIONS TO AND SUSPENSION OF THE LICENSED SERVICES

- 12.1 The Licensee shall not intentionally interrupt the operation of the Licensed Systems (or any part thereof) in the normal course of business, nor may it in the normal course of business suspend the provision of any type of Licensed Service without having a prior approval from the Authority in writing and having provided reasonable advance notice to Beneficiaries affected by such interruption or suspension in accordance with a time frame as determined by the Authority.
- 12.2 Condition 12.1 shall not apply if:
- a) The interruption or suspension is due to an emergency, such as an event of Force Majeure; or
 - b) The interruption or suspension is to a Licensed Service supplied by the Licensee to a Beneficiary whose Telecommunications System is endangering the integrity of the Licensed Systems.

13 RETAIL TARIFFS

The Licensee shall submit its charges and the terms and conditions upon which it proposes to offer the Licensed Services, in the manner prescribed by the Regulatory Authority, in accordance with the Retail Tariff Regulation and all applicable decisions, orders and guidelines published by the Authority.

14 ACCESS AND INTERCONNECTION SERVICES

- 14.1 The Licensee shall be entitled to obtain Access and Interconnection Services in accordance with the applicable regulations for Access and Interconnection, and all applicable decisions, orders and guidelines issued by the Authority.
- 14.2 The Licensee shall provide Access and Interconnection Services to any eligible Service Provider or Operator seeking Access and Interconnection services in accordance with the applicable regulations for Access and Interconnection, and all applicable decisions, orders and guidelines issued by the Authority.
- 14.3 The Licensee may seek and obtain access on a commercial basis to infrastructure of other licensees that does not fall under the Access and Interconnection Regulation.

15 INTEROPERABILITY AND TECHNICAL STANDARDS

- 15.1 The Licensee shall comply with any Regulations, technical specifications and rules issued by the Authority as are applicable and appropriate in order to ensure interoperability of the Licensed Services and Licensed Systems with Telecommunications Services and Telecommunications Systems provided by other Licensed Operators to the extent technically and economically feasible as determined by the Authority.
- 15.2 The Licensee shall ensure that all the equipment comprised in (and connected to) the Licensed Systems and used in the provision of the Licensed Services is approved in accordance with the provisions of the Telecommunications Regulatory Act or applicable Regulations, or otherwise complies with technical specifications identified or approved by the Authority.

16 BILLING

Notwithstanding any decisions issued by the Authority in respect of bills issued by the Licensee:

- 16.1 The Licensee shall not render any bill in respect of any Licensed Service unless every amount stated in the bill represents the real value of the service provided.
- 16.2 The Licensee shall maintain a procedure, subject to prior approval to the Authority, to ensure the accuracy of its billing system in accordance with Condition 16.1 above.
- 16.3 The Licensee shall keep such records as may be determined by the Authority to be necessary for the purpose of satisfying the Authority that the billing process has the characteristics required in the procedure set out in Condition 16.2, and shall retain billing records for at least two (2) years from the date on which they came into being.

- 16.4 The Licensee shall furnish the Authority from time to time with any information it reasonably requires for the purpose of giving the Authority an independent quality assurance that the billing process meets the requirements of billing and shall allow any person authorized by the Authority access to any relevant premises of the Licensee to audit, examine or test the whole or any part of the billing process at the expense of the Licensee.
- 16.5 The Licensee shall provide itemized billing information to any Beneficiary upon request in respect of the charges for any Telecommunications Services provided to such Beneficiary, for a reasonable tariff as approved by the Authority.

17 NUMBERING

- 17.1 The Licensee shall comply with all related decisions, orders or guidelines issued by the Authority in respect of the Numbering Plan and the allocation of telecommunication numbers.
- 17.2 The Authority will make reasonable endeavours to provide advance notice of any required re-allocation of numbers or other significant change in the Numbering Plan and its management, and the Authority has the right to charge administration fees in connection with its administration of the Numbering Plan in accordance with the provisions of the Telecommunications Regulatory Act.
- 17.3 The Licensee shall co-operate with other Licensed Operators in the specification and development of number portability to allow Beneficiaries to change to another Licensed Operator or Service Provider without a change of number.

18 RADIOCOMMUNICATION AND FREQUENCY ASSIGNMENT

- 18.1 The Authority shall assign from time to time to the Licensee such radio frequencies or frequency bands under a Radio License as is necessary and to the extent consistent with the National Frequency Spectrum Allocations & Assignment Plan, and depending on the availability of the required frequencies, to enable the Licensee to exercise its rights and to perform its obligations hereunder provided that the Licensee shall comply with the following.
- a) The Licensee shall ensure that the Radiocommunication Equipment comprised in its Radio Stations is designed and constructed, used and maintained, so as not to cause any harmful interference when in use and conforms with all relevant regulations issued by the Authority.
 - b) The Licensee shall not permit any person to use the Radiocommunication Equipment comprised in its Radio Stations unless the person is under the control of, and authorized by, the Licensee.
 - c) The Licensee shall ensure that all persons using the Radiocommunication Equipment comprised in its Radio Stations are made aware of the terms of this License and comply with them.
 - d) The Licensee shall permit a person authorized by the Authority to have access to its Radio Stations for the purpose of inspection and testing at any time, to verify compliance with the terms of the Radio License, or to investigate sources of radio interference.
 - e) The Licensee shall restrict the operation of, or close down and cease to operate, its Radio Station or any of its Radiocommunication Equipment immediately in accordance with the demand of a person authorized by the Authority in accordance with the

Telecommunications Regulatory Act and for the period specified in the demand, in case of the Licensee's violation of any Condition of the Radio License or violation of the related rules under the Telecommunications Regulatory Act.

- f) The licensee shall not operate or use a radio station or radiocommunication equipment for any purpose other than those specified in the Radio License.
- g) The usage of the assigned frequencies by the licensee in the border/coastal areas shall be compliant to all the agreements and mechanisms the Sultanate of Oman has signed with neighbouring countries in order to control cross border spillover and harmful interference. The usage of frequencies shall be in compliance with ITU-R Radio Regulation, Resolutions, and Recommendations.

18.2 The Authority may, by a substantiated decision and based on the exigencies of public interest, amend the Radio License, and may revoke it upon licensee request, or due to the Licensee's violation of the License Condition(s).

18.3 All the frequencies assigned by the Authority to the Licensee, including assignments listed in Annex C, shall remain public property and no ownership or other proprietary right is conveyed when an assignment is made and such assignment gives the Licensee the right to use these frequencies during the terms of the associated licenses only.

19 LICENSEE'S OBLIGATIONS IN RELATION TO RECRUITMENT AND TRAINING

19.1 The Licensee shall take all reasonable steps to train Omani nationals to man positions at all levels in the Licensee's administrative and technical organization structure and to maintain the percentage of Omanisation set out in Annex B. The Authority may, by a decision from the Executive President increase this percentage in accordance with the trend of the government in this regard. In the event of non-compliance by the Licensee with the Omanisation percentage, the Authority shall impose a penalty not less than the penalty set by the competent authority without prejudice to the procedures set out in Condition 31 of this license.

19.2 The Licensee may recruit foreign experts for the installation, operation, maintenance and exploitation of the Telecommunications Systems and provision of Licensed Services in accordance with the relevant rules, regulations and decisions provided that the Authority is furnished with the resume of each one of them for approval prior to recruitment. The Licensee shall reduce the number of such experts and qualify the Omani cadres in such fields according to a timetable agreed upon with the Authority.

20 IN-COUNTRY VALUE OBLIGATION

The Licensee shall maximize the procurement of local goods and services as well as improving the capacity and capability of Omani nationals and Omani companies in order to secure sustainable commercial benefits for the Sultanate in accordance with any relevant Government directives.

21 PRIVACY AND CONFIDENTIALITY

21.1 The Licensee shall use all reasonable endeavours to ensure the privacy and confidentiality of information and commercially sensitive information obtained in the course of its business from any

person to whom it provides the Licensed Services by establishing and implementing reasonable procedures for maintaining confidentiality of such information subject to any requirement under law.

- 21.2 The Licensee shall maintain sufficient information on its confidentiality procedures to satisfy the Authority, at its reasonable request, that the requirements of Condition 21.1 are being met.
- 21.3 The Licensee shall not use or allow to be used any apparatus comprised in the Licensed Systems which is capable of recording, silently monitoring, or intruding into live speech telephone calls or data transmitted over the network unless it is in accordance with the Law and the stipulated procedures and after obtaining approval of the Security Authorities or the judiciary.

22 PROHIBITION OF UNFAIR CROSS-SUBSIDIES AND ANTI-COMPETITIVE PRACTICES

- 22.1 The Licensee shall not unfairly cross-subsidize or unfairly subsidize its services or those of its Affiliates in relation to the provision of the Licensed Services that it is authorized to provide under Part II Article 1, or any services provided under any other license issued by the Authority.
- 22.2 The Licensee shall maintain such records as are necessary in order to evidence material transfers between the services set out in Condition 22.1.
- 22.3 Where it appears to the Authority that the Licensee has violated Condition 22.1, it shall take such steps as the Authority may direct in order to remedy the situation while considering whether any cross-subsidy has been made for the purpose of satisfying any obligation imposed by it under this License.
- 22.4 The Licensee shall comply with applicable regulations concerning anti-competitive practices, market dominance and abuse of a dominant position, and all applicable decisions, orders and guidelines issued by the Authority.

23 REPORTING OF FINANCIAL ACCOUNTS REQUIREMENTS

- 23.1 Within five (5) months of the end of each fiscal year of the Licensee, the Licensee shall deliver to the Authority the audited financial statements of the Licensee at the end of such fiscal year accompanied by a report thereon of independent auditors stating that such financial statements fairly present the financial position of the Licensee for the year indicated and prepared in accordance with accounting principles generally accepted in the Sultanate of Oman.
- 23.2 The Licensee shall maintain an accounting system which allows the recording of investments, expenses and revenues in accordance with accounting principles generally accepted in the Sultanate of Oman and as required by the Authority for the purpose of calculation of Royalty, License Fees and other statutory payments.
- 23.3 The Authority may request the Licensee to submit other accounting information it may require in order to effectively supervise and enforce the terms of this License and the Licensee shall provide such information within a reasonable period of time determined by the Authority.
- 23.4 If the Licensee fails to comply with its obligations under Condition 23.2 above or if the accounting system used by the Licensee fails to achieve the objectives set forth in that subsection, the Authority may order the Licensee to provide certain Licensed Services through a separate division or divisions, a separate branch or branches or a separate subsidiary or subsidiaries.

- 23.5 If the Licensee holds more than one License, Condition 23 applies to each License independently with the same requirements.

24 REQUIREMENT TO PROVIDE INFORMATION

- 24.1 The Licensee is required to maintain and provide such information in such manner and at such times as the Authority may request. The Authority shall have the right to request the Licensee to submit periodic reports, statistics.
- 24.2 The Licensee shall provide the Authority or its authorized representatives with access, at any time, to all equipment, facilities, books and records of the Licensee relevant to the performance of this License.
- 24.3 If the Licensee fails to submit information, reports, statistics or any other requested information in a timely manner the Licensee may be subject to a penalty in accordance with Article 31 of this license.

25 OUTSOURCING

- 25.1 The outsourcing of any operational activity for the Licensed Systems to companies not registered in Oman shall be subject to the approval of the Authority in accordance with the bases issued by a decision of the Authority's Executive President in this regard.
- 25.2 The Authority shall have the right to request any information relevant to the outsourcing at any time.

26 CHANGES IN SHAREHOLDING

- 26.1 Any proposed changes in share ownership of the licensee that results in an accumulated 5% or more of the total ownership of the licensee is subject to TRA prior approval.
- 26.2 In any case referred to in Condition 26.1, request for approval shall be given by a date which is thirty (30) working days prior to the taking effect of such change or acquisition.
- 26.3 Within thirty (30) working days of each anniversary of the Effective Date, the Licensee shall notify the Authority of the name of each shareholder of each Relevant Company, and the total number of shares held by each such person as at the date of the relevant anniversary of the Effective Date where the "Relevant Company" means the Licensee or any natural or juristic person with more than 50 per cent of the Licensee's direct or indirect shareholding.
- 26.4 The Authority shall have the right to request any information relevant to any merger or acquisition from the Licensee.

27 LICENSE RENEWAL AND ANNUAL FEES

- 27.1 The Licensee shall pay to the Authority the License fee with its associated rights of use of the assigned spectrum indicated in Annex (C) for the term of the License amounting to RO 75,000,000 (Seventy Five Million).

- 27.2 The Licensee shall pay to the Authority the licensee's share in the annual fee that does not exceed the amount of operating costs and the projected expenses of each fiscal year to the Authority according to its estimated budget for the coming year and in accordance with provisions of the Telecommunications Regulatory Act. The applicable annual license fee shall be paid to the Authority within thirty (30) days of the Effective Date; and annually in advance no later than 1st of January of each year thereafter.
- 27.3 In case of delay in payment of the fees referred to in Condition 27.2, the Licensee shall incur a proportion for each day of delay equal to the annual interest on loans of commercial banks as published from time to time by the Central Bank of Oman.
- 27.4 Radio licensing fees (including application, registration and annual fees) will be calculated according to the Regulation Organizing the Registration and Utilization of Frequencies and Radio Equipment and Their Pricing issued by the Authority.

28 EASEMENT RIGHTS

Subject to the provisions of the Telecommunications Regulatory Act and any related law in the Sultanate, the Licensee shall have rights in respect of installing the Licensed System on public rights-of-way, in or on buildings and other property, and in respect of similar works necessary for the provision of the Licensed Services.

29 TRANSFERS OF RIGHTS OR OBLIGATIONS

- 29.1 The Licensee may not assign or otherwise transfer this License to another person without the prior written approval of the Authority.
- 29.2 Any natural or juristic person that becomes a duly authorized successor or assignee to the Licensee through affiliation, assignment, transfer of control, merger, liquidation, reorganization or otherwise, shall, as a condition to such succession or assignment, be required to execute such documents as the Authority deems appropriate confirming that such successor or assignee fully assumes the rights and obligations set forth in the License.

30 DISPUTES

The Authority has the right to decide on disputes that arise between the Licensee and other licensees, other Service Providers or Beneficiaries in accordance with the Telecommunications Regulatory Act and the applicable regulations issued by the Authority.

31 PENALTIES

- 31.1 The Authority shall deliver written notice identifying the specific default to be remedied by the Licensee. The Licensee shall have fifteen (15) working days to propose a specific plan for remedying the identified default within an identified time period. The Authority may approve the plan and notify the Licensee to implement it.

- 31.2 In addition to any specific penalties or consequences set out in this License or under the Telecommunications Regulatory Act or the applicable laws or Regulations, the Authority shall impose the penalty it estimates by a percentage of the share payable by the Licensee in accordance with Condition 27.2 in the following cases:
- a) If the Licensee fails to submit a remedy plan within the period specified by the Authority, or if such plan was not approved by the Authority.
 - b) If the Licensee fails to implement the remedy plan within the period specified by the Authority.
 - c) If the Licensee fails to comply with any of the terms and conditions of this license.

SECOND: ANNEXES

ANNEX A – ROLL OUT OBLIGATIONS

The Licensee shall construct at least 137 (One Hundred Thirty Seven) 3G base stations within 3 (Three) years of the Effective Date in the locations specified by the Authority in coordination with the Licensee.

ANNEX B – OMANISATION

1. The Licensee shall undertake to realize the minimum Omanisation percentages as given in this Annex.

Level	% Omanisation
Executive Officer	50%
Director	50%
Department Head	70%
Section Head	87%
Professional	91%
Support Staff	94%
Total	90%

2. In the event of not achieving the Omanisation percentages at each level, penalties would be imposed on the Licensee at the discretion of the Authority and as per Condition 19.1

ANNEX C – ASSIGNED SPECTRUM

No.	Frequency Band (MHz)	Assigned Frequency (MHz)	Assigned Frequency Bandwidth (MHz)
1	800	801 - 811 / 842 - 852	2 X 10
2	900	890,1 - 902,5 / 935,1 - 947,5	2 X 12,4
3	1800	1750,1 – 1770,1 / 1845,1 – 1865,1	2 X 20
4	2100	1935 – 1950 / 2125 - 2140	2 X 15
5	2600	2520 – 2540 / 2640 - 2660	2 X 20