



**FACILITY BASED OPERATOR
LICENCE**

GRANTED BY

BOTSWANA TELECOMMUNICATIONS AUTHORITY

TO

[NAME OF FBO]

**UNDER SECTIONS 27 AND 28 OF THE
TELECOMMUNICATIONS ACT [CAP. 72:03]**

Dated2013

BOTSWANA TELECOMMUNICATIONS AUTHORITY

**NOTICE OF GRANT OF LICENCE UNDER SECTIONS 27 AND 28 OF
TELECOMMUNICATIONS ACT [CAP. 72:03]**

Licence No. **FBO 001/2012/13**

NAME OF FBO
(the "Licensee")

is hereby licensed under Sections 27 and 28 of the Telecommunications Act [CAP. 72:03] (hereinafter referred to as "the Act") to:

- (a) provide Licensed Services; and
- (b) operate Licensed System,

in Botswana, with the Licensee's registered offices situated at **xxx** for a period of 15 (Fifteen) years subject to the Terms and Conditions which more fully appear in Annexure 1 attached hereto.

ADDITIONAL CONDITIONS

- (a) The Licensee shall at all times display this Licence Notice in a conspicuous place at the Licensee's registered offices.

Given under my hand and seal in GABORONE thisday of 2012.

[Seal of BTA]

**T.G. PHEKO
CHIEF EXECUTIVE**

ANNEXURE 1

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BOTSWANA TELECOMMUNICATIONS AUTHORITY

FACILITY BASED OPERATOR LICENCE:

TERMS AND CONDITIONS

Imposed on the Licensee under Section 35 of the Telecommunications Act [CAP. 72:03]

Part 1: Definitions

1. Interpretations

- 1.1. All words and expressions used in this Licence which are defined in the Act shall have the same meanings as are ascribed to them under the Act.
- 1.2. For the purposes of this Licence, and unless the context otherwise requires:
 - 1.2.1. **“Act”** means the Telecommunications Act [CAP. 72:03];
 - 1.2.2. **“Associated Company”** means any company that is a subsidiary or a holding company of the Licensee, or a subsidiary of a holding company of the Licensee;
 - 1.2.3. **“Botswana Telecommunications Authority”** means a body corporate established under Section 3 of the Act (hereinafter referred to as “the BTA” or “the Authority”);
 - 1.2.4. **“Cellular Frequency Bands”** means radio-frequency spectrum allocated in the National Radio Frequency Plan for Mobile Cellular systems; (XXX check if used)
 - 1.2.5. **“Clause”** means a Clause of this Licence as contained in this Annexure;
 - 1.2.6. **“Customer”** means Other Operator, who has entered into an agreement with the Licensee, or any Service Provider of the Licensee, for the provision of any of the Licensed Services..
 - 1.2.7. **“Dominance”** means a dominant position in a market as referred to in Section 48 of the Act;

- 1.2.8 **“Emergency Service”** means the service provided by the Licensee alone or in conjunction with any other operator by means of which emergency calls are made free of charge from users of the Licensed System to national, regional or local emergency organisations which shall include the police and security forces, fire brigade and ambulance services, medical and veterinarian services, environmental disaster agencies, whether or not such emergency organisations are owned and managed on a private or public basis and may include any additional emergency services which the Licensee may provide in its own discretion;
- 1.2.9 **“Essential Facility”** means any circuit, switch, tower, site, duct or other facility owned or operated by the Licensee which Other Operator wishes to use and for which there is no feasible technical or economic substitute or other satisfactory environmental solution;
- 1.2.10 **“Force Majeure”** means any supervening law or regulation in Botswana, act of God, accident, natural phenomenon, fire, explosion, or incident involving exposure or potential exposure to toxic or radioactive materials disaster, act of war or insurrection or other event which is beyond the control of the Licensee and is not attributable to any fault on the part of the Licensee;
- 1.2.11 **“Interconnection”** means direct or indirect physical or logical linking of public telecommunications networks
- 1.2.12 **“Interconnection Agreement”** means an agreement concluded between the Licensee and any Other Operator recording the commercial, technical and financial arrangements made between them in respect of the Interconnection of their respective networks;
- 1.2.13 **“ITU”** means the International Telecommunication Union;
- 1.2.11 **“Leased Capacity”** means any dedicated point-to-point link, or any dedicated capacity on such a link, between two points provided by the Licensee to a Customer or Other Operator for the purpose of carrying signals;

- 1.2.12 “**Licence**” means this Licence, including the Licence Notice and all the terms and conditions included in this Annexure 1 as amended from time to time;
- 1.2.13 “**Licence Date**” means the date of issue of this Licence;
- 1.2.14 “**Licence Notice**” means the formal notice of Licence issued to the Licensee to which these terms and conditions are attached;
- 1.2.15 “**Licence Period**” means the period prescribed in Clause 2.1 and shall, where the context admits, include any extension awarded under Clause 2.2;
- 1.2.16 “**Licensed Service**” means a telecommunications services offered only to Other Operators, excluding Private Telecommunications Network operators., provided over a fixed wire or fixed wireless network including Leased Capacity, circuit, fibre or cable link or satellite uplink that the Licensee may own or control in and from Botswana, and shall include without limitation access to any Essential Facility it may own or control within or outside of Botswana but shall exclude any broadcasting service as referred to in Section 2 of the Broadcasting Act [CAP. 72:04];
- 1.2.17 “**Licensed System**” means telecommunications network of any description, and shall include, without limitation, a fixed wire or fixed wireless network and passive components of the Network but shall exclude any apparatus exclusively designed and intended for the provision of a broadcasting services.;
- 1.2.17 “**Minister**” means the Minister responsible for Communications;
- 1.2.18 “**Gross Turnover**” means the total amounts invoiced to Users and all other sums otherwise receivable by the Licensee or its Service Providers in respect of the provision of Licensed Services but after deduction of any applicable sales or other indirect taxes.
- 1.2.19 “**Other Operator**” means any other person licensed to operate a telecommunication system and provide service which is available for use by the public in terms of the Act,

and includes a Public Telecommunications Operator and a Value Added Network Services Operator;

- 1.2.20 **“PTO Licence”** means any Licence issued by the BTA in the form of this Licence;
- 1.2.21 **“Pula”** means the unit of monetary currency of Botswana generally designated in the abbreviated form "P";
- 1.2.22 **“Quality of Service Standards”** means the quality of service standards specified from time to time by the BTA, following a consultation with the Licensee and others, in relation to Licensed Services or to the availability or performance of any part of Licensed System;
- 1.2.23 **“Radio Licence”** means a licence issued by the BTA to the Licensee under which the Licensee is assigned and authorised to use particular bands of radio frequency spectrum under Section 42 of the Act;
- 1.2.24 **“Regulations”** means any regulations issued by the Minister under Section 26 of the Act;
- 1.2.25 **“Service Provider”** means any person appointed by the Licensee to sell or resell Licensed Services.
- 1.2.26 **“Signal”** means any signs, sounds, text, images, information or data of any kind sent, or to be sent, for conveyance by means of a telecommunication system;
- 1.2.27 **“Stakeholder”** means any party which in the opinion of the BTA has an interest in the matter in question;
- 1.2.28 **“Underserved Regions”** means the geographical regions or any other areas of Botswana determined as underserved or unserved by the Government of Botswana or the management in charge of the Universal Service Fund as the case may be;

- 1.2.29 “**Universal Access and Service Policy**“ means national policy on universal access and service in the telecommunications sector, particularly in the Underserved Regions, as promulgated by the Government of Botswana from time to time;
- 1.2.30 “**Universal Service Fund**” means the fund established by the Minister to support the Universal Access and Service Policy;
- 1.2.31 “**User**” means a person who uses any Licensed Service provided by the Licensee whether or not he has entered into an agreement with the Licensee, or any Service Provider of the Licensee, for the provision of any of the Licensed Services; and

Part 2: Licence Period and Fees

2. Licence Period

- 2.1. The Licence shall be valid for a period of 15 (fifteen) years, from the Licence Date, unless replaced or revoked by the Authority.
- 2.2. This Licence may be renewed upon expiry of the fifteen year Licence period, provided that the Licensee shall apply for such renewal no more than 3 (three) years but not less than 2 (two) years prior to the date of expiry. The Authority shall grant or reject the Licensee’s application for renewal within 6 (six) months of receiving such application.

3. Fees

- 3.1. During the Licence Period, and any extended period, the Licensee shall pay:
- 3.1.1. an annual fee for operation of the Licensed System of P250 000
 - 3.1.2. an annual fee for provision of the Licensed Services of P250 000 and
 - 3.1.3. a turnover related fee equal to 3% of annual Gross Turnover quarterly in arrears.

- 3.2. The amounts due under Clauses 3.1.1 and 3.1.2 shall be paid on the 1st of April xxx and each anniversary thereof, and shall be increased each subsequent year in accordance with any increase in the consumer price index as published by the relevant governmental authority over the previous twelve months.
- 3.3. Calculation of Gross Turnover shall be made in accordance with a format prescribed by the BTA and shall be verified and certified annually by an independent audit firm of international standing engaged and remunerated by the Licensee, subject to independent verification by the BTA or any expert appointed by the BTA. Any final settlement to be made due to underpayment or overpayment revealed as a result of the verification process shall be made within 30 (thirty) days of issue of the auditor's certificate or of completion of the independent verification.
- 3.4. In addition to the fees provided for above, the Licensee shall pay any:
 - 3.4.1. fees due under Radio Licences issued to the Licensee in accordance with the Authority's standard tariff from time to time; and
 - 3.4.2. amounts prescribed from time to time under Regulations made in connection with the funding of operators operating telecommunications systems and or providing services in Underserved Regions pursuant to the Universal Access and Service Policy.
- 3.5. The fees paid in terms of this Licence shall attract Value Added Tax (VAT), which shall be paid by the Licensee.
- 3.6. The fees are non refundable and the BTA reserves the right to revise them from time to time.

Part 3: Primary Obligations

4. Obligation to Provide Service

- 4.1 The Licensee shall provide Licensed Service to Other Operators and such Licensed Service shall be limited to services which are more specifically outlined at **Schedule 1** attached hereto as may be amended by the BTA from time to time.
- 4.2 The rights granted in Clause 4.1 above may be exercised partially through Service Providers of the Licensee, provided that the Licensee shall be responsible for the acts or omissions of such Service Providers in relation to the Licensed System.
- 4.3 In case any Licensed Services are provided to Users through Service Providers, the Licensee shall be responsible for the acts or omissions of the Service Providers in relation to the Licensed Services as if they were the acts or omissions of the Licensee itself; and the Licensee shall include adequate provisions in its agreements with Service Providers to require that they comply with the Licence conditions and the Act. If a Service Provider of the Licensee commits any act or omission in contravention of any conditions, the Licensee shall immediately notify the Authority and act as expeditiously as possible to remedy or mitigate the same.

5 Rollout of New Infrastructure/Services

- 5.2 The Licensee shall before deploying any new infrastructure or offering new services, submit a comprehensive business plan clearly indicating, *inter alia*, the rollout programme and pricing to the BTA for approval at least sixty (60) days before such rollout and the Authority shall either approve the proposed rollout or commence consultations with the Licensee. Such consultations shall be concluded within sixty (60) days of receipt of such proposal by the Authority. Any failure of the Authority to respond to the proposal within sixty (60) days shall entitle the Licensee so making the proposal to offer the new services.

6 Public Service Obligations

6.2 The Licensee shall integrate the Emergency Service into a National Emergency Service Co-ordination Programme in co-ordination with Other Operators.

6.3 The Licensee shall comply with the National Emergency Service Co-ordination Programme, which shall provide for State Security requirements in respect of the protection of essential equipment as well as any redundancy in the network.

6.4 No compensation shall be paid for services and additional investments under Clause 6.4, as long as the burden is reasonably and approximately equally distributed among the Operators.

The Licensee shall maintain a database of its entire customers.

6.5 The Licensee shall provide a dedicated operator assisted information service on a 24-hour basis, for its Customers which shall include, without limitation, fault reporting and Emergency Service assistance.

6.6 The BTA may exempt the Licensee from any of the Public Service Obligations under Clause 6.

7 Technical Standards

7.2 The Licensee shall comply with any Regulations and any directions issued under the Act in relation to technical standards for telecommunications apparatus to be used within the Licensed System.

8 International Obligations

8.2 The Licensee shall at all times observe the provisions of International Telecommunications Conventions which Botswana is party to.

Part 4: Tariffs, Cost Accounting and Reporting

9 Tariffs

- 9.2 The Licensee shall submit to the Authority, in writing, a proposal in respect of tariffs it intends to apply for the Licensed Services. In determining the tariffs, the Licensee shall follow the principle of cost orientation.
- 9.3 The Licensee shall offer the Licensed Services to Other Operators at rates no higher than the prevailing approved tariffs.
- 9.4 The Licensee shall ensure that the tariffs are sufficiently unbundled so that, unless otherwise agreed in writing by the BTA, the customer is not required to pay for facilities which are not used for the particular service requested by any Customer.
- 9.5 The BTA reserves the right to introduce a general price cap control regime or any other price control mechanism.

10 Accounting Separation

- 10.2 The Licensee shall, within 12 months of the Licence Date, establish, and thereafter ensure, that the cost accounting system and allocation principles used within its business are suitable for the calculation of the costs of individual products or services.
- 10.3 The Licensee shall establish and maintain separate accounts for the provision of different products or services including: Leased Capacity, and any other access to, or capacity on, the Licensed Network or any other product or service as may be specified by the BTA after consultation with the Licensee.
- 10.4 The Licensee shall follow the principle of cost causation when allocating costs to specific services and shall comply with any guidelines issued by the BTA in relation to the methodologies to be adopted in relation to accounting separation.

11 Records and Reporting

11.2 The Licensee shall manage all of its finances relating to its provision of Licensed Services in accordance with International Accounting Standards ('IAS'), as established and periodically amended by the International Accounting Standards Board and separately and distinctly from those of:

11.2.1 any other telecommunications operations it may carry on outside of Botswana; and

11.2.2 any services other than Licensed Services that the Licensee may carry on within or outside Botswana.

11.3 The Licensee shall keep written records in comprehensive detail relating to the Licensed Network and the Licensed Services, including:

11.3.1 identification of the name, type, location and specifications for all significant network elements, including Switching Centres, transmission points, interface points with Other Operators, network operations centres and customer care and support centres; and

11.3.2 the performance of its Network (including performance against any Quality of Service standards established from time to time by the Authority).

11.4 The Licensee shall register its customers in accordance with guidelines issued from time to time by the Authority, and shall provide a copy of the register to the Authority on demand.

11.5 The Authority shall have reasonable access to the Licensee's records, personnel and property to enable the Authority to carry out effective supervision and enforcement of the conditions, and may request additional information in writing from time to time from the Licensee.

11.6 The Licensee shall, on reasonable written notice, permit any person duly authorized by the Authority to enter any of the Licensee's premises or other facilities for the purposes of inspecting and testing equipment; reviewing and making copies of technical information and records, network performance statistics, operational, marketing, pricing and financial records and such other technical and operational data as may be required by the Authority and otherwise to ensure that

the Licensee is complying with the conditions and the Law or to investigate breaches or alleged breaches by the Licensee.

11.7 All accounts and records of Licensee shall be kept in secure locations and secure formats designed to ensure their preservation. Network and performance related data shall be retained by the Licensee for a minimum of one (1) year, and all financial records shall be retained by the Licensee for a minimum of five (5) years.

11.8 The Licensee shall submit a Financial and Operational Report ('Annual Report') to the Authority within 120 days of the completion of each of its financial years which addresses key material developments for that year. The Annual Report shall be signed by an authorized representative of the Licensee, who shall certify and attest to the completeness and accuracy of the information contained therein. The Annual Report shall contain comprehensive reporting on the following mandatory elements:

11.7.1 certified financial reports, including the Licensee's balance sheet and income statement and cash flow statements, key assumptions associated with the preparation of financial reports and material deficiencies and delinquencies in Licensee's financial reporting; and

11.7.2 operational performance metrics required by the Authority. Customer and User additions and losses, development of new service lines, functionality, capabilities and offerings, details of the Licensee's performance relative to all relevant Quality of Service standards.

11.9 The Licensee shall prepare and deliver to the Authority within 14 days of the conclusion of each quarter during the Licence Period a report which shall contain such operational details as the Authority may require, Customer and User additions and losses, new products or services, details of Licensee's performance relative to all relevant Quality of Service Standards.

11.10 The Licensee shall provide a written report to the Authority within 30 days of the occurrence of any material development affecting, or which would affect, ownership, control or management of the Licensee, including developments such as:

- 11.9.1 any proposed change in the control of the Licensee, such as its prospective sale, disposition, bankruptcy, voluntary or involuntary insolvency, threat of insolvency, transfer of managerial or voting control;
 - 11.9.2 any proposed assignment of any right or obligation established by this Licence;
 - 11.9.3 any changes in key management personnel or members of the board of directors; or
 - 11.9.4 the filing or prospective filing of significant legal claims against the Licensee by third parties which may have a material impact on the Licensee's ownership, control, management, or financial standing.
- 11.10 The Licensee shall provide to BTA, within 14 days of written request or any longer period allowed in writing by the BTA, any documents, accounts, returns, estimates, reports or other information specified by the BTA in order to enable it to exercise its functions and powers under the Law or to enable the BTA to monitor and enforce compliance with the Licence, the Law and any Regulations and guidelines issued under the Act.

Part 5: Interconnection, Access and Wholesale Services

12 Interconnection and Access

12.2 The Licensee shall:

- 12.1.1 have the right to Interconnect its Licensed System with the Licensed System of any Other Operator, at any technically feasible point and on fair and reasonable terms, provided that the technical standards and specifications for interconnection have been complied with; and may request such network access services or facilities or arrangements from the Other Operator as the Licensee may require; and
- 12.1.2 on request, and as soon as practicable, permit and effect Interconnection, at any technically feasible point and on fair and reasonable terms, of the Licensed System to the

network of any Other Operator the licence for which authorises such interconnection; and shall offer such network access services or facilities or arrangements in relation to the Licensed Network as the requesting party may require.

12.3 The Licensee shall make available to interested parties such technical standards and specifications as may be required to be observed in order to enable connection to the Licensed System. The BTA may issue a direction as to the information that must be provided.

12.4 The Licensee shall not be required to enter into an Interconnection Agreement or provide Interconnection or network access services, facilities or arrangements if, but only if, that agreement, or the provision of those services, facilities or arrangements, would:

12.3.1 not be technically feasible or if it could reasonably be expected to impair the quality of any Licensed Service materially; or

12.3.2 threaten the integrity, security, or interoperability of the Licensed Network in a material way, and, in such a case, the Licensee shall immediately inform the Other Licensee in writing, with a copy to the BTA, justifying its decision to refuse Interconnection or its intention to terminate Interconnection services under an Interconnection Agreement. The BTA may then determine whether the action by the Licensee is reasonable and issue directions accordingly and in conformity with any Regulations or any directions or guidelines issued under the Act.

12.5 The Licensee shall not allow the Licensed System to be interconnected with any unlicensed system or any system whose licence does not permit the interconnection of that system with the Licensed System.

12.6 The Licensee shall provide to the BTA a copy of any Interconnection Agreement entered into by the Licensee within 7 days from date of signature. The BTA may, at any time, require a change to that agreement if it is discriminatory, unlawful or in breach of any Regulations or any direction or guideline issued under the Act.

12.7 All Interconnection services shall be offered on transparent and non-discriminatory terms and shall be sufficiently unbundled so that the requesting operator does not have to pay for system

components it does not want. In the case of a request from any Other Operator who holds a Public Telecommunications Operator Licence or a Value Added Network Licence, Interconnection prices shall be cost-orientated, and the BTA may, after consultations, issue rules, directions or guidelines for such purposes.

12.8 Interconnection shall be offered on a timely basis, and if agreement cannot be reached between the Licensee and any Other Operator who wishes to Interconnect with the Licensed System within 90 days of the initial request, either party to the proposed agreement may refer the dispute to the BTA, or the BTA may require the dispute to be referred to it by issuing a notice to that effect to the parties. If a dispute is referred to, or called in by, the BTA, the BTA will issue a determination in respect of the terms of the Interconnection dispute taking into account all relevant facts and circumstances, and also relevant international benchmarks, and may provide for all necessary matters, including but not limited to points of interconnect, information provision, timings, costs, pricing and billing, signaling arrangements, forecasting, ordering, provisioning, testing and management and dispute resolution, as it deems fit. The Licensee shall be bound by the determination.

12.9 The BTA reserves the right, after consulting the Licensee and other Stakeholders to issue guidelines in relation to Interconnection and access.

12.10 The BTA may direct that the Licensee issue a Reference Interconnect Offer within 3 months of the date of the direction.

13 Access to Network Capacity and Facility Sharing

13.2 The Licensee shall offer to make Leased Capacity available to Other Operators, including on any circuit, fibre or cable link or satellite uplink it may own or control in and from Botswana, and shall offer access to any Essential Facility it may own or control within or outside of Botswana in each case on fair, reasonable and cost-orientated terms, provided that the technical standards and specifications for access have been complied with.

13.3 If agreement cannot be reached between the Licensee and any Other Operator who wishes to obtain Leased Capacity within 30 days of the initial request, either party to the proposed agreement may refer the dispute to the BTA, or the BTA may require the dispute to be referred to it by issuing a notice to that effect to the parties. If a dispute is referred to, or called in by, the BTA, the BTA will issue a determination in respect of the terms of the agreement or other arrangement in dispute taking into account all relevant facts and circumstances, and also relevant international benchmarks, and may provide for all necessary matters, including but not limited to timings, costs, pricing, forecasting, ordering, provisioning, testing, management and dispute resolution, as it deems fit. The Licensee shall be bound by the determination.

14 Wholesale Services

14.2 The Licensee shall offer to provide to Other Operators on a fair wholesale basis the facilities or services they may require from the Licensee in order to provide any retail product or service.

14.3 If agreement on wholesale terms cannot be reached between the Licensee and any Other Operator within 30 days of the initial request, either party to the proposed agreement may refer the dispute to the BTA, or the BTA may require the dispute to be referred to it by issuing a notice to that effect to the parties. If a dispute is referred to, or called in by, the BTA, the BTA will issue a determination in respect of the terms of the arrangement in dispute taking into account all relevant facts and circumstances, and also relevant international benchmarks, and may provide for all necessary matters, including but not limited to timings, costs, pricing and billing, ordering, testing and management and dispute resolution, as it deems fit. The Licensee shall be bound by the determination. (Introduce a paragraph on If agreement)

15 Cross-subsidisation

15.2 The Licensee shall not unfairly cross-subsidise or unfairly subsidise any type of Licensed Service. To enable the BTA to evaluate whether any unfair cross-subsidisation or unfair subsidisation is taking place, the Licensee shall record at full cost in its accounting records any material transfer of assets, funds, rights or liabilities between a part and any other part of its business, and between it and any Associated Company, and shall comply with any directions issued by the BTA for this purpose.

16 Unfair Preference and Undue Discrimination

16.2 The Licensee shall not show undue preference to, or exercise unfair discrimination against, any User or Other Operator regarding the provision of any of the Licensed Services or regarding Interconnection or access. The Licensee will be deemed to be in breach of this condition if it favours any business carried on by the Licensee, or by an associated company, Service Provider or any Other Operator, so as to place any Other Operator competing with such a business at an unfair disadvantage in relation to the provision of a competitive activity.

17 Anti-competitive Practices

17.2 The Licensee shall:

17.1.1 not engage in any practice, or enter into any arrangement that has the object or the likely effect, of preventing, restricting or distorting competition in the establishment, operation and maintenance of the network of any Other Operator or any service that any Other Operator is licensed to provide; and

17.1.2 comply with any direction issued by the BTA for the purpose of preventing any practice or arrangement that has the object or effect of preventing, restricting or distorting competition in the establishment, operation and maintenance of telecommunications networks or the provision of telecommunications services.

18 Attachment of Telecommunication Equipment

18.2 The Licensee shall permit the connection to the Licensed System of any lawful and type-approved Telecommunication Equipment by Other Operators.

19 Misuse of Traffic Data

19.2 The Licensee shall not make use of network or traffic data, traffic profiles or any other data of any nature which become available to it directly or indirectly as a result of entering into arrangements or

otherwise as a result of carrying communications, in any way which, in the reasonable opinion of the BTA, would unduly prefer the interests of any business carried on by the Licensee or a Service Provider of the Licensee, or place any Other Operator at an unfair disadvantage.

Part 6: Radio

20 Radio

20.2 The Licensee shall apply with full justification, for the use of frequency spectrum for purposes of operating the Licensed System. The frequencies may be assigned on a competitive basis or any other form that the Authority may deem appropriate.

20.3 The Licensee, in connection with the operation of the Licensed System, shall be entitled to use the radio frequencies assigned to it under any Radio Licence which remain in force at the Licence Date. Such use shall be for the respective periods, and on the terms and conditions, of the relevant Radio Licences.

20.4 The Licensee shall pay any applicable annual fees due under the Radio Licences. All fees payable in respect of the Radio Licences shall be subject to review in accordance with any new radio licence fee structures that the Authority may introduce from time to time.

20.5 Any breach, contravention or non-compliance with a term or a condition contained in a Radio Licence issued to the Licensee shall constitute a violation of this Licence.

Part 7

21 Quality of Service Standards

21.2The Licensee shall comply with any rules, Industry Code of Conduct and any guidelines issued from time to time by the Authority in relation to Quality of Service Standards.

21.3The Licensee shall ensure that the Licensed System is operational at all times.

Part 8: Customer Protection

22 Customer Protection

22.2The Licensee shall, within 30 (thirty) days of the Licence Date or any such time as may be determined by the Authority, lodge with the Authority for approval, all its standard forms of agreement with Customers and shall make these agreements available to its Customers.

22.3The Licensee shall adopt a Code of Practice describing how it deals with Other Operators. The Code shall be made publicly available by filing with the BTA, by publication on the Licensee's website and by its delivery to Customers and prospective Customers at the time of service activation. The Code shall also be provided to Other Operators on request.

22.4The Licensee shall use accurate metering equipment and otherwise ensure the accuracy of charges for telecommunications services billed to Customers.. The Authority retains the right to inspect and test any metering equipment without notice to the Licensee for the purposes of ensuring its effectiveness and accuracy.

22.5The Licensee shall provide efficient customer care and support services to Other Operators through the establishment and maintenance of convenient physical locations accessible to Other Operators during normal working hours on typical business days in Botswana.

22.6 Any and all complaints and disputes which cannot be resolved between the Licensee and a User may be referred to the BTA either by the Licensee or the User.

22.7 Except as provided for elsewhere in this Licence and as necessary to comply with the Law, the Licensee shall protect the privacy of Other Operators and shall treat information provided by Other Operators to the Licensee as confidential unless the Other Operator has consented in writing to the Licensee to the use or disclosure of such information by the Licensee or a third party.

23 Billing Requirements

23.1 The Licensee shall, where applicable, provide each Customer on a monthly basis with an itemised bill, including an itemised record of usage.

24 Indemnity

24.2 The Licensee indemnifies the Authority against any claims for liability or damage which may occur as a result of the Licensee complying with any condition under this Licence or lawful direction given by the Authority in terms of the Act.

25 Botswana Preference

25.2 In the implementation of its operations under the Licence, including without limitation, the purchase of equipment, construction and installation of facilities and delivery of the Service or any part thereof, the Licensee shall give preference to :

25.2.1 materials and products made in Botswana; and

26.1.2 service agencies located in Botswana and owned by Botswana citizens or bodies corporate established under applicable Botswana company laws which are majority owned by Botswana citizens,

to the maximum extent possible and in a manner consistent with safety, efficiency and economy of its operations.

25.3 In all phase of its operations under this Licence, the Licensee shall give preference in its employment practices to Botswana citizens, to the maximum extent possible and in a manner consistent with safety, efficiency and economy of its operations.

25.4 The Licensee shall train Botswana citizen employees and enable such citizens to qualify for advancement in both managerial and technical areas of the Licensee's operations under this Licence.

Part 9: Enforcement and General Provisions

26 Force Majeure

26.2 The Licensee shall not be held in contravention of this Licence if and to the extent that the contravention arises from an event of Force Majeure. The Licensee's obligations shall, to the extent necessary, be suspended while the event of Force Majeure continues.

26.3 The Licensee shall advise the Authority as soon as reasonably practicable upon becoming aware of the existence of any Force Majeure event or circumstances likely to lead to such event. The Licensee shall have the onus of proving the existence of a Force Majeure event.

27 Enforcement and Penalties

27.2 The BTA shall monitor the Licensee's adherence to, and compliance with these conditions, the rules, directions, decisions or guidelines issued under the Act.

27.3 Subject to Section 36 of the Act, the BTA may impose any penalty it deems fit in the event of breach of any of the Conditions.

28 Amendments

28.2 Subject to the provisions of section 35(2) of the Act, the BTA may vary or amend any condition, provided that the BTA shall, in these circumstances, provide the Licensee with reasonable notice of

its intentions to do so and afford the Licensee a reasonable opportunity to make any representations in response.

29 Assignment of Licence

29.2 The Licensee may not assign, sub-license, transfer, cede or otherwise dispose of this Licence, or any rights derived under it, in favour of any third party without the prior written approval of the BTA.

29.3 Any direct or indirect change in the control of a significant interest in the Licensee, including a change arising through one or more sales, transfers, assignments or disposals, or one or more modifications of the voting rights associated with any shares in the Licensee, shall be deemed an unlawful assignment of this Licence and in breach of the terms and conditions unless first approved in writing by the BTA. A 'significant interest' means twenty per centum (20%) or more of the shares in the Licensee then in issue or twenty per centum (20%) or more of the voting rights at any general meeting of the Licensee.

30 Revocation

30.2 Without limiting the general application of Section 36 of the Act, the BTA may, on service of written notice on the Licensee, revoke this Licence if the Licensee:

30.2.1 fails to pay any fees or penalty due under this Licence;

30.2.2 fails to remedy any material breach of any condition within thirty (30) days of having received written notice of the same; or

30.2.3 is placed into liquidation or under a provisional or final judicial management order.

31 Location and Addresses

31.1 The Licence Notice shall be placed in a conspicuous place at the Licensee's registered office at all times.

31.2 The Licensee's registered office for the purposes of this Licence shall be as described on the Licence Notice, which shall not be changed without providing prior written notice to the Authority.

32 Material Change of Circumstances

32.2 Notwithstanding the generality of Clauses 2, 29 and 31 the Authority may at any relevant and appropriate time, amend, modify, revoke or replace the Licence in the event or occurrence of a material change of circumstances, as determined by the Authority.

33 Miscellaneous Provisions

33.2 The Licensee shall observe and abide by all laws of Botswana.

33.3 The Licensee shall comply with any other guidelines or regulations as may be promulgated under the Act from time to time.

33.4 The BTA may direct the Licensee and any Other Operators to design a code of practice, in a form to be approved by the BTA, concerning content carried over telecommunications systems and such code of practice shall be binding on the operators after approval by the BTA.

33.5 The Authority reserves the right to impose special conditions to facilitate the execution of its mandate under the Act.

33.6 All written notices to the BTA shall be marked for the attention of the Chief Executive and shall be hand delivered to:

**Botswana Telecommunications Authority
206/207 Independence Avenue
Gaborone
Botswana**

or such other address, which the BTA may specify in writing to the Licensee.