

**LICENCE**  
**GRANTED BY THE**  
**LESOTHO TELECOMMUNICATIONS AUTHORITY**  
**TO**  
**BETHLEHEM TECHNOLOGIES LESOTHO (Pty) LTD**  
**FOR THE OPERATION OF**  
**SATELLITE EARTH STATION AND FOR THE**  
**PROVISION OF INTERNET AND BROADCASTING**  
**CARRIER SERVICES**  
**ON**

**2001-10-01**

.....  
**T. KHABELE**  
**CEO - LTA**

## THE LICENCE

### TERMS

1. The Lesotho Telecommunications Authority (the “Authority”), in accordance with sections, 27 and 52 of the Lesotho Telecommunications Authority Act 2000 (the “Act”), hereby authorizes **BETHLEHEM TECHNOLOGIES LESOTHO (PTY) LTD** (the “Licensee”) to operate a Satellite Earth Station described herein as (the “Licensed Systems”), to provide services described herein as (the “Licensed Services”) and to connect the Licensed Systems to telecommunication systems and telecommunication apparatus as specified herein within and outside Lesotho in accordance with the Conditions set out hereunder.
2. The Licensed System is a Satellite Earth Station located within the Kingdom of Lesotho at a place to be approved by the Authority.
3. The Licensed Services comprise;
  - a) Establishment of International Gateway and/or International Satellite Infrastructure using international satellite services including but not limited to, Intelsat, Panamsat and others for IP traffic, video and broadcasting signals;
  - b) Provision of International committed information rate (CIR) bandwidth for ISPs;
  - c) Uplink and downlink signaling distribution by fixed satellite earth station for licensed broadcasting service providers;
  - d) Any other telecommunications or broadcasting services approved by the Authority.
4. The Licensee is authorized to connect the Licensed Systems to:
  - a) Any other telecommunication system run under a Licence granted by the Authority in accordance with Sections 27 and 52 of the Act;
  - b) Any telecommunication apparatus, which is approved for connection by the Authority;
  - c) Any telecommunication system authorized to operate in international commerce by any other nation, country or territory, and which operates pursuant to international telecommunications standards; provided that the Licensee may so connect upon written approval of the Authority, and

- d) Any telecommunications facility or premises owned by the Licensee, subject to approval by the Authority.
5. This Licence is issued for a period of FIFTEEN (15) years with effect from the 1<sup>st</sup> October 2001 [2001-10-01] (the “Licence term”), unless it is revoked earlier in accordance with the conditions set out below.
6. Notwithstanding paragraph [5] of these terms, the Authority may at any time revoke this Licence by giving sixty (60) days’ notice in writing in any of the following circumstances:
- a) If the Licensee agrees in writing with the Authority that this Licence should be revoked;
  - b) If any amount payable under Condition [20] is unpaid thirty (30) days after the Authority has notified the Licensee that the payment was overdue, provided that such notification shall not have been given earlier than fourteen (14) days after the date on which the payment was due;
  - c) If the Licensee has failed to comply with any notice issued by the Authority under the Act, Rules, or the Regulations or pursuant to the terms of this Licence where the Authority has given the Licensee sixty (60) days in which to make representations in relation to the matters set out in the notice, and has taken any representations into account before taking further action;
  - d) If the Licensee is dissolved or enters liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors; or
  - e) If the Licensee fails to notify the Authority of any of the events specified in Conditions [18] or [19].

After the end of the initial notice period, the Authority shall publish a notice in the Gazette stating that it intends to revoke this Licence and setting out the reasons on which this intention is based. Revocation shall take effect seven (7) days following publication of the notice in the Gazette.

7. The Authority may renew this Licence for an additional period following the expiry of the Licence Term, provided that the Licensee has fulfilled its obligations set out in this Licence and provided further that the Authority has carried out a formal review to determine whether it is in the public interest that the Licence should be renewed.

8. Any word, phrase or expression used in this Licence shall, unless the context requires otherwise, have the same meaning as it has in the Act.
9. Words importing the singular shall include the plural and vice versa, words denoting persons shall include bodies corporate and unincorporated associations of persons and vice versa.
10. This Licence shall be held subject to the terms and conditions set out herein, provisions of the Act, Rules and Regulations adopted pursuant to the Act .
11. The Licensee shall not assign, delegate, transfer or encumber in any manner the rights, interests or obligations under this Licence without the prior, express and written consent of the Authority.

## **CONDITIONS**

### **1. PROVISION OF SERVICES FOR RESALE**

- 1.1 The Licensee shall be required to negotiate in good faith with persons making bona fide requests to purchase Licensed Services for resale. Subject to any Rules or Regulations on interconnection and to other provisions of this Licence, the Licensee shall, within three (3) months of a request by a Requesting Service Provider, enter into an agreement to provide to the Requesting Service Provider Licensed Services at wholesale or at such discount as is reasonable considering both the retail price and the actual cost of such requested services.
- 1.2 The obligation in [1.1] shall not apply in the event that, it is not, in the Authority's view, reasonable to require the Licensee to enter into such an agreement in the particular circumstances, including, but not limited to circumstances:
  - 1.2.1 Beyond the Licensee's control;
  - 1.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk to health or safety;
  - 1.2.3 Where it is not reasonably practicable;
- 1.3 The Licensee shall file each resale agreement with the Authority, certifying that resale service is offered on reasonable terms and conditions, including those relating to charges.

## **2. SERVICE PROVISION BY OTHER TELECOMMUNICATIONS OPERATORS**

- 2.1 The Licensee shall permit any telecommunication operator to connect its telecommunication system to the Licensee's Systems so as to enable the provision of such operator's licensed services.
- 2.2 The obligation in [2.1] shall not apply in the event that, it is not, in the Authority's view, reasonable to require the Licensee to comply with such an obligation in particular circumstances, including, but not limited to circumstances:
  - 2.2.1 Beyond the Licensee's control;
  - 2.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk to health or safety;
  - 2.2.3 Where it is not reasonably practicable.

## **3. PROVISION OF CUSTOMER INFORMATION SERVICES**

- 3.1 The Licensee shall establish and maintain efficient information services to assist any person to whom it provides Licensed Services to answer questions regarding connection, charges, directory assistance and any other questions relating to the Licensed Services.
- 3.2 The obligation in Condition [3.1] shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the service requested by means of the Licensed Systems in the particular circumstances, including, but not limited to circumstances:
  - 3.2.1 Beyond the Licensee's control;
  - 3.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk to health or safety;
  - 3.2.3 Where it is not reasonably practicable.

#### **4. PROVISION OF MAINTENANCE SERVICES**

- 4.1 The Licensee shall provide or ensure the provision of Maintenance Services, on the reasonable request of any person to whom it provides Licensed Services, in respect of any Licensed System or any approved apparatus, which is under that person's control.
- 4.2 Condition [4.1] shall not apply in relation to any relevant system or apparatus, which is beyond economic repair or the components for which are no longer available.
- 4.3 The obligation in Condition [4.1] shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the service requested by means of the Licensed Systems in the particular circumstances, including, but not limited to circumstances:
  - 4.3.1 Beyond the Licensee's control;
  - 4.3.2 Where the provision of the service would expose any person engaged in its provision to undue risk of health or safety;
  - 4.3.3 Where it is not reasonably practicable.

#### **5. INTERRUPTIONS OF THE LICENSED SERVICES**

- 5.1 Subject to Conditions [5.2] and [5.3] below, 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 first notified the Authority in writing and having provided reasonable advance notice to persons affected by such interruption or suspension.
- 5.2 The provision in Condition [5.1] shall not apply if, in the Authority's view, the interruption or suspension is due to an emergency, national security, or circumstances beyond the Licensee's control.
- 5.3 The provision in Condition [5.1] shall not apply if, in the Authority's view, the interruption or suspension is to a Licensed Service supplied by the Licensee to a person whose system is endangering the integrity of the Licensed Systems.

## **6. PUBLIC EMERGENCIES**

- 6.1 In case of a situation of emergency or local, regional or national crisis such as earthquakes, floods, riots, or similar events which require special attention on the part of the Licensee, the Licensee shall provide the necessary services to the Government giving priority to the activities required to overcome the emergency.
- 6.2 For this purpose, the Licensee shall co-ordinate with and follow the instructions of the Authority in accordance with relevant laws. Within three (3) months following the issue of this Licence, the Licensee shall submit to the Authority its plan for procedures and operations it will follow in the event of any such emergency and shall update such plan upon request from the Authority.
- 6.3 In case of emergency or crisis being related to aspects of national security, the Licensee shall co-ordinate with the competent entity indicated by the Authority and provide the necessary services in accordance with the instructions of the Authority or the competent entity indicated thereby in accordance with the relevant laws.
- 6.4 The Licensee shall be entitled to reimbursement by the Government of its direct costs for the provision of the services mentioned in Conditions [6.1], [6.2] and [6.3] above if such costs are reasonable and are shown to have been incurred to the satisfaction of the Authority.

## **7. CHARGES**

- 7.1 The charges made to any person for the provision of:
  - 7.1.1 Licensed Services and
  - 7.1.2 Any other service which may be specified from time to time by the Authorityshall be based on the pricing model approved by the Authority or as otherwise required by the Rules.
- 7.2 The Licensed Services shall be provided on standard terms and conditions (which must include provision for an effective dispute resolution mechanism) to any person on request.

- 7.3 The Licensee shall file proposed charges, terms and conditions for provision of licensed services to the Authority for approval prior to inception of business.
- 7.4 The Licensee shall file, whenever it makes changes to its rates, the charges and the terms and conditions upon which it proposes to offer the Licensed Services. Changes shall be filed at least thirty (30) days prior to the date of effectiveness.
- 7.5 The Authority shall approve or disapprove the charges, terms and conditions of the Regulated Service within thirty (30) days from the date on which they were filed with the Authority.

## **8. QUALITY OF SERVICE REQUIREMENTS**

- 8.1 The Licensee shall meet the quality of service requirements which shall be provided under the Rules for Telecommunications Services Providers or as otherwise required by any Rules or Regulations which may be promulgated or amended from time to time. The Licensee shall pay such penalties as may be imposed for failure to meet the requirements.
- 8.2 The Licensee shall ensure that it maintains information records for the purpose of satisfying the Authority that the Licensee is meeting the Quality of Service Requirements. The Licensee shall make periodic reports of its performance as required by the Authority.
- 8.3 The information records shall include, but not limited to:
  - 8.3.1 Call failure rates which shall represent the number of failed call attempts due to congestion or faults expressed as percentage of calls attempted in relation to each specific Licensed Service provided by the Licensee (expressed as a percentage over a yearly period);
  - 8.3.2 Faults for each Licensed service provided by the Licensee in relation to specific categories of customers;
  - 8.3.3 Faults cleared in 24 hour, 72 hour, or 7 day periods in relation to specific categories of customers; and
  - 8.3.4 Any other category as determined by the Authority

## **9. BILLING ACCURACY**

- 9.1 The Licensee shall, prior to inception of business, submit for approval by the Authority, its proposed billing system. As soon as practicable after it has rendered customer bills for three billing cycles, the Licensee shall provide to the Authority an independent certification that the billing system does in fact capture true and correct customer charges, and request formal approval of the system, or indicate what changes need to be made in the system and request approval of such changes to the billing system.
- 9.2 The Licensee shall not render any bill in respect of any Licensed Service unless every amount stated in the bill is derived in accordance with the procedure approved by the Authority pursuant to Condition [9.1].
- 9.3 The Licensee shall keep such records of customer accounts as the Authority from time to time prescribe for the purpose of satisfying the Authority that the billing process has the characteristics required. The Licensee shall retain the records for at least three (3) years from the date on which they came into being.
- 9.4 In order for the Authority to be satisfied that the billing process has the characteristics required as set out above, the Authority (or an independent auditor appointed by the Authority at its own discretion) may require the Licensee to:
  - 9.4.1 Furnish the Authority with any information it requires;
  - 9.4.2 On reasonable notice, allow the Authority (or any person authorised by the Authority) access to any relevant premises of the Licensee; and
  - 9.4.3 On reasonable notice, allow the Authority (or any person authorized by the Authority) to examine or test the whole or any part of the billing process.

## **10. CUSTOMER SERVICE STANDARDS**

- 10.1 The Licensee shall develop, publish and enforce guidelines for use by its personnel for handling enquiries and complaints from customers to whom it supplies telecommunications services.
- 10.2 The guidelines relating to enquiries and complaints shall be published and be made available to customers at the commencement of service to such customers.

- 10.3 The guidelines shall at least, address the following areas of the provision of customer services:
- 10.3.1 the Licensees' procedures for the handling of customers complaints;
  - 10.3.2 the time-frame for handling complaints through this procedure;
  - 10.3.3 further recourse available to a customer who is dissatisfied with the licensee's complaints handling procedure;
  - 10.3.4 procedures adopted by the licensee to check the accuracy of a customer's telephone account;
  - 10.3.5 procedures to be adopted by the licensee to assist customers in disaster situation;
  - 10.3.6 availability to customers of quality of service information relating to the licensee's network services.
- 10.4 The Licensee shall keep and maintain statistics on enquiries and complaints made to the licensee's network services.
- 10.5 The Licensee shall submit the statistics kept in terms of Condition [16.1] to the Authority at least once in each period of twelve months.

## **11 INTERCONNECTION, CO-LOCATION AND SHARING OF FACILITIES**

This condition shall be read so as to further the general principles set out in the Act, Lesotho Telecommunications Authority (Administrative, Procedural and Service Provision) Rules 2000, Rules for Telecommunication Services Providers, and any other Rules on interconnection which the Authority may from time to time adopt.

- 11.1 The Licensee shall, within three (3) months of a request by a Requesting Facility Operator, enter into an agreement with the Requesting Facility Operator to:
- 11.1.1 Connect and keep connected to the Licensed System, at any technically feasible point of connection as requested, the telecommunication systems run by the Requesting Facility Operator;

- 11.1.2 Provide for termination of calls made in either direction between the Requesting Facility Operator's system and the Licensed Systems, and for completion and/or continuation of calls to or from customers of the Requesting Facility Operator's system who have "roamed" into the territory covered by the Licensed Systems;
  - 11.1.3 Provide by lease or purchase such other telecommunication services and facilities, including but not limited to, loops, environmental conditioning, subscriber databases, trunks and switching facilities and services, as are reasonably necessary in order for the Requesting Facility Operator to provide telecommunication services to its customers;
  - 11.1.4 Provide the Requesting Facility Operator upon request with access to network information necessary to order, install, provide, and maintain its own network facilities and services in conformity with the Licensed Systems, or to efficiently and economically purchase or lease network facilities and services from the Licensee, and/or to efficiently and economically interconnect its systems and facilities with the Licensed System. The Requesting Facility Operator shall be responsible for additional system costs of acquiring or maintaining network information which the Licensee does not and would not normally maintain for its own use in the normal course of its operations;
  - 11.1.5 The agreement shall make arrangements for access at any reasonable time, and for any reasonable purpose, by the Requesting Facility Operator to its owned leased facilities at any Interconnection Points with the Licensed Systems.  
The Licensee may only place further limitations on access pursuant to prior written approval by the Authority; and
  - 11.1.6 Provide such other telecommunication services as are reasonably necessary in order for the Requesting Facility Operator to provide telecommunication services to its customers.
- 11.2 The Licensee shall not be required to enter into an agreement under this Condition where to do so would, in the Authority's opinion:
- 11.2.1 Cause or would be likely to cause danger, damage or injury to any person or to any property;
  - 11.2.2 Cause damage to or otherwise interfere with the running of the Licensed System or the provision over the Licensed System of telecommunication services;

- 11.2.3 Not be reasonably practicable in the light of the System Expansion Requirements or would be inappropriate on a technical or economic basis.
- 11.3 The Licensee shall ensure that any agreement offered in response to a request referred to in Condition [11.1] shall be:
  - 11.3.1 Transparent, non-discriminatory and objective; and
  - 11.3.2 Subject to reasonable terms and conditions.
- 11.4 Subject to any default charges which may be approved by the Authority, the Licensee shall ensure that the charges to be made for the provision by it of telecommunication facilities and services in accordance with Condition [11.3] above, shall be cost-based and fully justified, such charges shall be calculated based on a reasonable assessment of the costs of providing the telecommunication services requested by the Requesting Facility Operator.
- 11.5 In the event of a failure to reach agreement, it shall be for the Authority to determine whether the terms and conditions offered by the Licensee are reasonable and whether the charges offered are cost-based.
- 11.6 If an agreement cannot be reached within three (3) months, either the Licensee or the Requesting Facility Operator may refer the matter to the Authority in accordance with Rule 25 of The LTA (Administrative, Procedural, and Service Provision) Rules 2000. The Authority shall make such determination, including the imposition of reasonable terms and conditions, as it considers to be necessary in the light of all the circumstances, within three (3) months of the reference. The Licensee shall do whatever is necessary to give effect to the determination.
- 11.7 Unless the Authority has imposed on the Licensee the terms and conditions on which it is required to provide to the Requesting Facility Operator interconnection in accordance with Condition [11.6] above, the Licensee shall, at least thirty (30) days before it has intended the agreement to come into force, refer the agreement to the Authority. If the Authority does not approve the agreement it shall, within thirty (30) days, inform the Licensee of its disapproval, giving the reasons for its decisions and, within a further thirty (30) days, provide the Licensee with a more detailed explanation of the reasons for its disapproval and of any adjustments that are required to the Agreement. The parties shall make necessary adjustments to the agreement in order to comply with the Authority's decision.

The Licensee shall ensure that a copy of the final agreement, after conformance with all orders and decisions of the Authority, is filed with the Authority.

- 11.8 No amendment to any interconnection agreement shall become effective unless it shall have received approval from the Authority. The Authority shall notify the parties in writing within a period of thirty (30) days in the event that it does not approve of proposed amendments and shall indicate what adjustments are required. The parties shall make whatever adjustments are necessary in order to comply with the Authority's decision.
- 11.9 While having regard to network integrity, the Licensee shall provide physical or virtual co-location and sharing of its facilities to any requesting telecommunications Facility Operator.
- 11.10 While having regard to network integrity, the Licensee shall provide, on an unbundled basis, any requesting licensed telecommunication Facility Operator or licensed Resale Provider, access to elements of its network on rates, terms and conditions that are just, reasonable and non-discriminatory.
- 11.11 Where a dispute arises between the parties under the agreement or in relation to a related matter, either party may refer the matter to the Authority for determination. The parties may agree on provisions that address the circumstances in which references may be made to the Authority; however, such provisions may not be more limited than the provisions in this Condition.
- 11.12 The Licensee shall provide the Authority with such technical, operational and accounting information as the Authority may reasonably require in order to ensure that the requirements of this Condition are met.
- 11.13 The Authority shall ensure that any information which either party claims to be confidential, where the Authority finds the claim to be justified, is maintained as such.

## **12 PRIVACY AND CONFIDENTIALITY**

- 12.1 Licensee shall use all reasonable endeavours to ensure the privacy and confidentiality of information and business secrets obtained in the course of its business from any person to whom it provides Licensed Services and any person with whom it has an interconnection agreement by establishing and implementing reasonable procedures for maintaining confidentiality of such information.

- 12.2 The Licensee shall maintain confidentiality procedures to ensure that the requirements of Condition [12.1] are being met.
- 12.3 The Licensee shall not use or allow use of any apparatus constituting the Licensed Systems (except for the purpose of law enforcement or as required by law in the national security) which is capable of recording, silently monitoring, or intruding into transmission of any messages unless the licensee complies with Condition [12.4] and 12.5] below.
- 12.4 Except as directed by the Authority or the courts in pursuance of national security, the Licensee shall make every reasonable effort to inform the parties to whom or by whom a live speech telephone call is transmitted before recording, silently monitoring or intrusion into such call has begun that the call is to be or may be recorded, silently monitored or intruded into.
- 12.5 The Licensee shall maintain a record of the means by which the parties to whom or by whom a live speech telephone call is transmitted have been informed that the call is to be or may be recorded, silently monitored or intruded into. The Licensee shall furnish to the Authority such information on request.

### **13 FAIR COMPETITION**

- 13.1 Without prejudice to other obligations imposed on the Licensee under this Licence, the Licensee shall not engage in any activities, whether by act or omission, which have, or are intended to or likely to have, the effect of unfairly preventing, restricting or distorting competition in relation to any business activity relating to the Licensed Services. Without limiting the generality of the foregoing, any such act or omission shall include:
  - 13.1.1 Any abuse by the Licensee, either independently or with others, of a dominant position which unfairly excludes or limits competition between the Licensee and any other party;
  - 13.1.2 Entering into any contract or engaging in any concerted practice with any other party, which unfairly prevents, restricts or distorts competition; or
  - 13.1.3 Effecting anti-competitive changes in the market structure, and in particular anti-competitive mergers and acquisitions in the telecommunications sector.
- 13.2 The Licensee shall maintain such records as are necessary in order to evidence significant transfers between itself and any other Businesses.

- 13.3 In considering whether any cross-subsidy of any Business is unfair, the Authority shall have regard to the extent to which the Licensee cross-subsidised that Business for the purpose of satisfying any obligation imposed upon it under this Licence.

#### **14 PROHIBITION OF UNDUE DISCRIMINATION**

- 14.1 Without prejudice to the obligations imposed on the Licensee under this Licence, the Licensee shall not (whether in respect of the rates or other terms and conditions applied or otherwise) show undue preference to, or exercise undue discrimination against, particular persons or persons of any class or description regarding the provision of the licensed Services.
- 14.2 The Licensee may be deemed to have shown undue discrimination if it unfairly favours to a material extent a business carried on by it in relation to the provision of the Licensed Services so as to place at a significant competitive disadvantage persons competing with that business.
- 14.3 The Authority shall determine any question relating to whether any act done or course of conduct by the Licensee amounts to undue preference or undue discrimination.

#### **15 ACCOUNTING REQUIREMENTS**

- 15.1 Within six (6) months after the issue of this Licence, the Licensee shall submit to the Authority a proposal for an accounting system. The system shall allow the licensee to keep records in accordance with International Accounting Standards.
- 15.2 Within three (3) months after its submission, the Authority shall approve or disapprove of the proposed accounting system. In case of disapproval, the Authority shall propose modifications or order the Licensee to adopt a prescribed accounting system within reasonable time period but in no event later than two (2) years after the issue of this Licence.
- 15.3 Within ninety (90) days of the end of the Licensee's financial year, the Licensee shall deliver to the Authority its balance sheet, profit and loss statements, cash flows and other related statements as of the end of such financial year. The submission shall include certification by independent auditors stating that such financial statements fairly present the financial position of the Licensee as at the dates indicated and were prepared in accordance with International Accounting Standards.

- 15.1 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 Licence.

## **16 REQUIREMENT TO PROVIDE INFORMATION**

- 16.1 The Licensee is required to maintain such information as will enable the Authority to carry out its functions under the Act. The Licensee shall submit to the Authority such periodic reports, statistics, statement of operations and other data, as the Authority may from time to time prescribe by Rules or directives. The Authority shall have the right to request additional specific information necessary to effectively supervise and enforce the terms of this Licence and the Licensee shall provide such information.
- 16.2 In making a request for information, the Authority shall balance its regulatory and enforcement obligations under the Act against the burden imposed on the Licensee in procuring and furnishing such information.
- 16.3 The Authority shall have the right to publish information which it received under this Condition unless, following representations by the Licensee, it is satisfied that the information is of such confidential nature that its disclosure would have a material adverse effect on the Licensee's business.

## **17 INSPECTION**

- 16.4 The Licensee shall grant unhindered access to all its premises, facilities, installations, files and records to all officers authorized by the Authority for inspection purposes.
- 16.5 The Licensee shall provide details of its premises, facilities, installations, and networks in such format and at such times as may reasonably be requested by the Authority from time to time.

## **18 NOTIFICATION OF CHANGE IN SHAREHOLDING**

- 16.6 The Licensee shall notify the Authority if any entity becomes a parent undertaking or controlling entity in relation to the Licensee.
- 16.7 The Licensee shall notify the Authority of any change in the proportion of shares held in a Relevant Company by any person, the acquisition of any

shares in a Relevant Company by a person not already holding shares, and the proportion of such shares held by that person immediately before acquisition if, by reason of that acquisition or change, the total number of shares in that Relevant Company held by that person together with any shares held by any nominee or trustee for that person immediately after the change or acquisition exceeds fifteen percent (15%) of the total number of voting shares in that company.

- 16.8 In any case referred to in Condition [18.1] or [18.2] above, notification shall be given by a date which is thirty (30) days prior to the taking effect of such change or acquisition, as the case may be, or as soon as practicable.
- 16.9 In the event that the Authority disapproves of the change in shareholding, it shall notify the Licensee within thirty (30) days of receipt of notification. The Authority may within sixty (60) days of notifying the Licensee of its disapproval, having taken into account representations made by interested parties, and giving reasons for its decision, prohibit the change in shareholding where it believes it is in the public interest to do so.

## **19 PRE-NOTIFICATION OF JOINT VENTURES**

- 16.10 The Licensee shall notify the Authority not later than sixty (60) days before the taking effect of any of the agreements or arrangements to which this Condition applies, giving particulars of the agreements or arrangements.
- 16.11 The agreements and arrangements are:
- 16.11.1 An agreement with any person for the establishment or control of any body corporate for the purpose of:
- 16.11.1.1 The running of a telecommunication system which requires a Licence under the Act;
  - 16.11.1.2 Providing telecommunication services in Lesotho which necessarily involves control over all or a portion of such a system;
  - 16.11.1.3 The production of telecommunication apparatus for supply in Lesotho where that production could lead, in the Authority's view, to a monopoly situation,

which would not otherwise exist in relation to the supply of telecommunication apparatus of any description in Lesotho.

- 16.11.2 An agreement for the establishment of a partnership for any of the purposes and circumstances mentioned in [19.2.1] above.
- 16.11.3 Any other agreement or arrangement in the nature of a joint venture for the purpose of running a telecommunication system which requires a Licence under the Act or for the purpose of providing telecommunication services in Lesotho which necessarily involves controlling all or a portion of such a system.
- 16.12 Conditions [19.2.1] and [19.2.2] apply in relation to an agreement or arrangement for the establishment or control of any body corporate or partnership where the Licensee has or is to have not less than 20 percent of the voting power in an organ controlling that body.
- 16.13 In the event that the Authority disapproves of the arrangements referred to above, the Authority shall inform the Licensee in writing within thirty (30) days after such notification. The Authority may, within sixty (60) days of giving notice of its disapproval, having taken into account representations made by interested parties and giving reasons for its decision, prohibit the parties from entering into such arrangements where it believes it is in the public interest to do so.

## **20 LICENCE FEES**

- 16.14 The Licensee shall pay to the Authority:
  - a) Initial Licence fee of **TWO MILLION MALOTI ( M 2 000 000.00)**
  - b) Annual Licence fee
  - c) Annual Spectrum fee
  - d) Annual Usage fee
  - e) Annual Royalty fee
  - f) Any other fees as may be determined by the Authority.
- 20.2 The amounts in respect of the fees mentioned in [20.1] (a)-(f) above shall be determined on the basis of the Licensing fees prescribed by the Authority.

## **21 UNIVERSAL SERVICE/ACCESS OBLIGATIONS**

- 21.1 The Authority may establish a fund for universal access development for the expansion of access to telecommunications services in the rural and high cost areas of the country. The Licensee shall pay fees into the fund as prescribed by the Authority. The contributions into the Fund shall be in the order of 2% of gross annual turnover per annum.
- 21.2 The licensee shall meet any other Universal Service/Access obligations as required by the Authority from time to time subject to reasonable compensation from the above mentioned Fund.

## **22 INTERNATIONAL OBLIGATIONS**

- 22.1 The Authority may designate the Licensee to participate in and be signatory to operating agreements relating to international telecommunication organizations to which Lesotho is a party.
- 22.2 The Licensee may on its own accord participate in international telecommunication organizations as a Sector Member, Private Sector Member, or Associate Member subject to the approval by the Authority.