

Attachment 2

Telecommunication Service License



REPUBLIC OF THE UNION OF MYANMAR

**Posts and Telecommunications Department
Ministry of Transport and Communications**

Network Facilities Service (Individual) License

**Granted to:
Frontiir Company Limited**

Whose Principal Place of Business is:

No. 33, Pyay Road, (5) Ward, Mayangone Township, Yangon, Myanmar

Granted on: 25.1.2016

This new location of address has been changed from No.5, Bayint Naung Road, No.3 Ward, Hlaing Township, Yangon, Myanmar made on 6-11-2019.

2

CONTENTS

PART I. License Terms.....	4
1. Grant of License	4
2. Scope	4
3. Interpretation	4
4. Duration	5
5. Renewal	5
PART II. General License Conditions	5
6. Authorized Activities	5
7. Expansion of Additional Networks and Services	5
8. License Modification, Surrender, Suspension and Termination	6
9. Assignment and Delegation	6
10. Transfer of Control	6
PART III. Compliance Conditions	6
11. Compliance with Legal Obligations	6
12. Provision of Information	7
13. Permission to Inspect.....	7
14. Contravention and Enforcement.....	7
PART IV. Service Conditions.....	7
15. Publication of Information	7
16. Metering and Billing	8
17. Protection of Privacy of Communications and Personal Data	8
18. Universal Service Obligations	8
PART V. Financial Conditions	9
19. Fees	9
20. Accounts and Records	9
PART VI. Technical Conditions	9
21. Compliance with Technical Standards.....	9
22. Service Interruptions	10
23. Access to and Use of Radio Frequencies	10
24. Numbering	10
25. Obligations regarding Interconnection and Access	11
PART VII. Competition Conditions	11
26. Prohibition on Conduct that Constitutes a Lessening of Free Competition	11
27. Prohibition on Anti-Competitive Agreements	11
28. Compliance with Other Requirements	11
29. Unfair Trade Practices	11
PART VIII. Final Conditions.....	12

30.	Force Majeure.....	12
31.	Notices	12
32.	Severability.....	12
Schedule A. Authorized Network Facilities and Telecommunications Services		13



PART I. License Terms

1. Grant of License

The Myanmar Telecommunications Regulator, with the approval of the Union Government, and with the permission of the Ministry of Communications and Information Technology, pursuant to Sections 8(b) of the Telecommunications Law, in the exercise of the authority conferred upon it by Section 9 of the Telecommunications Law, hereby grants this Licence to **Frontier Myanmar Company Limited** to provide the services specified in Section 2, subject to the Telecommunications Law, the Applicable Regulatory Framework and the Conditions specified herein.

2. Scope

This License grants the Licensee the right, subject to the Law, the Applicable Regulatory Framework and subject to the Conditions Applicable the Service –Specific conditions, and the Licensee-Specific conditions to provide the following Telecommunications Services within the territorial limits of the Republic of the Union of Myanmar, and between the Republic of the Union of Myanmar and other countries:

- a) Network Facilities Services;
- b) Network Services; and
- c) Application Services.

3. Interpretation

Headings and titles used in this License are for reference only and shall not affect the interpretation or construction of this License. The plural and singular forms of words shall have the same meaning.

The terms below shall have the following meanings for purposes of this License only. To the extent that a term is capitalized in this Licenses and not defined below, the term is defined in the Law or Applicable Regulatory Framework.

- a) "Condition" means the obligations specified within this License to which the Licensee is subject.
- b) "Competition Rules" means the rules adopted by the Ministry relating to competition in the telecommunications sector.
- c) "Effective Date" means the date that this License goes into effect and the Licensee is authorized to provide Telecommunications Networks and Services described herein.
- d) "Force Majeure Event" means an event beyond the Licensee's control, such as by war, terrorism, insurrection, civil commotion, public health emergencies, major labor unrest (other than disputes solely between the Licensee and its employees) or any man-made disasters or any natural disasters, such as fire, flood, cyclone or earthquake.
- e) "Interconnection and Access Rules" means the rules adopted by the Ministry relating to interconnection and access in the telecommunications sector.
- f) "Licensing Rules" means the rules adopted by the Ministry relating to licensing of Telecommunications Services and Telecommunications Equipment.

- g) "Numbering Rules" means the rules adopted by the Ministry relating to numbers and the Numbering Plan.
- h) "Spectrum Rules" means the rules adopted by the Ministry relating to radio frequency spectrum in the telecommunications sector.

4. Duration

This License is valid and effective from 25-1-2016(Effective Date) and shall remain in effect until:

- a) the end of 15 (fifteen) years from the Effective Date of 24-1-2031
- b) any date on which this License terminated pursuant to the License Conditions and Licensing Rules; or
- c) any date on which the Licensee surrenders this License in accordance with the License Conditions and Licensing Rules.

5. Renewal

Renewal of this License shall be made in accordance with the procedures set forth in Sections 18 and 19 of the Licensing Rules. In particular:

- a) a request for renewal must be made no more than twenty-four (24) months and no less than twelve (12) months prior to the License expiry date; and
- b) the Department shall only refuse to renew this License pursuant to the criteria and processes set out in Section 19 of the Licensing Rules.

PART II. General License Conditions

6. Authorized Activities

- a) The Licensee is authorized to:
 - i. construct, maintain and operate Network Facilities;
 - ii. lease all or part of the Licensee's network capacity to an Network Service Licensee or Application Service Licensee;
 - iii. provide any type of Public or Private Telecommunications Services, whether on an international or national level, to the public and/or to an Other Licensee holding a valid Network Service License or Application Service License; and
 - iv. Engage in all activities authorized by the Network Service License, Application Service License and Network Facilities Service (Class) License.
- b) The Licensee shall construct, maintain and operate the Network Facilities and Telecommunications Services described in Schedule A of this License.

7. Expansion of Additional Networks and Services

- a) Pursuant to Section 3 and Section 17 of the Licensing Rules, the Licensee shall submit a written notification to the Department at least 30 (thirty) days prior to engaging in new or additional Network Facilities and/or Telecommunications Services beyond those described in

Schedule A of this License, unless the new or additional activity is International Gateway Service facilities.

- b) If the Licensee seeks to offer International Gateway Service facilities, the Licensee must submit an Application to the Department pursuant to Section 9 of the Licensing Rules.
- c) The submission of a notification or Application to the Department is only required to introduce additional Network Facilities and/or Telecommunications Services authorized by the Network Facilities Service (Individual) License. The Licensee is not required to notify the Department of the provision of additional Network Facilities and Telecommunications Services authorized by the Network Service, Application Service or Network Facilities (Class) Licenses.

8. License Modification, Surrender, Suspension and Termination

The Licensee is subject to the rights and obligations set forth in Sections 21, 22 and 23 of the Licensing Rules regarding modification, surrender, suspension and termination of this License.

9. Assignment and Delegation

Unless the Department provides prior written approval, the Licensee shall not:

- a) sub-license, assign or grant any right, interest, entitlement, or delegate any right or obligation arising under this License; or
- b) transfer this License to any other Person.

10. Transfer of Control

- a) Pursuant to Section 20 of the Licensing Rules and Part VI of the Competition Rules, the Licensee shall not transfer a Controlling Interest of the Licensee and its operations without obtaining prior written approval from the Department.
- b) Transfer of a Controlling Interest in the Licensee and its operations to a Foreign Person shall be subject to Union Government approval, pursuant to Section 9 of the Licensing Rules.

PART III. Compliance Conditions

11. Compliance with Legal Obligations

The Licensee shall comply with all of the following legal obligations, but in the event of an irreconcilable conflict between or among them, shall comply in the order of precedence specified below:

- a) The Licensee shall comply with all applicable Primary Legislation, including:
 - i. any international agreements relating to telecommunications to which the Republic of the Union of Myanmar is a party;
 - ii. the Telecommunications Law; and
 - iii. any other legislation in effect in the Republic of the Union of Myanmar to which the Licensee is subject.

- b) The Licensee shall comply with the Applicable Regulatory Framework, including:
- i. any rules and regulations issued by the Ministry with the approval of the Union Government pursuant to Section 88(a) of the Telecommunications Law;
 - ii. any notifications, orders, directives, instructions and procedures issued by the Ministry and any orders and directives issued by the department pursuant to Section 88(b) of the Telecommunications Law; and
 - iii. any codes of practice issued by the Department pursuant to Section 83 of the Telecommunications Law.
- c) The Licensee shall comply with the Conditions of this License and of any associated license granted to it by the Department.

12. Provision of Information

- a) Subject to a written request by the Department pursuant to Section 36 of the Licensing Rules, the Licensee shall provide the Department with any information required by the Department to reasonably discharge its functions under the Telecommunications Law.
- b) The Licensee may submit a written request for confidential treatment of information submitted to the Department. The Department shall give due regard to the confidentiality of commercially sensitive information submitted by the Licensee, and shall notify the Licensee in any case in which the Department proposes to disclose information for which the Licensee has requested confidential treatment.

13. Permission to Inspect

The Licensee shall permit the Department to enter the Licensee's premises and facilities, subject to the Licensee's rights and obligations set out in Section 38 of the Licensing Rules.

14. Contravention and Enforcement

The Licensee shall be subject to all rights and obligations relating to any contravention and enforcement measures set forth in the Telecommunications Law, Licensing Rules and other applicable laws and rules.

PART IV. Service Conditions

15. Publication of Information

- a) Pursuant to Section 37 of the Licensing Rules, the Applicable Regulatory Framework and any relevant legislation, the Licensee shall ensure that clear and current information is made available to End Users relating to information on tariffs and quality of service for Public Telecommunications Services and shall publish, at a minimum, the following terms:
- i. the Licensee's name and office address;
 - ii. a description of the Public Telecommunications Services offered;
 - iii. the Licensee's standard tariffs; and

- iv. the standard contract conditions, including minimum contract period and dispute resolution procedures.
- b) The Licensee shall make this information available to End Users by:
 - i. sending a copy of the information to any End User who reasonably requests such a copy; and
 - ii. providing a copy of the information on the Licensee's website and/or at each office of the Licensee to enable the public to view the information free of charge during normal business hours.

16. Metering and Billing

The Licensee shall ensure that any bill issued to an End User subscribing to the Licensee's Telecommunications Services is accurate, reflects the true and relevant amount of any service provided to the End User and sufficiently detailed for the End User to understand the charges.

17. Protection of Privacy of Communications and Personal Data

Pursuant to Section 17 of the Telecommunications Law, the Applicable Regulatory Framework and any relevant legislation or rules, the Licensee shall:

- a) implement all reasonable measures to protect the privacy and confidentiality of all Telecommunications that originate and/or terminate in the Republic of the Union of Myanmar;
- b) implement all reasonable measures to protect the personal data and proprietary information of End Users obtained in the course of business;
- c) obtain the End User's consent prior to the collection, use, storage or disclosure of the End User's personal data and proprietary information, except when required by law;
- d) establish procedures for protecting the confidentiality of personal data and proprietary information of End Users and maintain a record of the method by which End Users have been informed of the Licensee's procedures. The Licensee's procedures for protecting confidentiality and record of methods to inform End Users shall be subject to inspection by the Department; and
- e) not intercept or disclose the content of any Telecommunications, except in compliance with a request by the Union Government for lawful interception of personal data and communications of End Users pursuant to Section 75 of the Telecommunications Law, the Applicable Regulatory Framework and relevant legislation.

18. Universal Service Obligations

The Licensee shall comply with any directive or other decision issued by the Department relating to the provision of universal service.

PART V. Financial Conditions

19. Fees

- a) The Licensee shall pay an annual regulatory fee of 2% of Relevant Revenues due each year within ninety (90) days of the anniversary of the Effective Date of this License.
- b) In order to provide additional services specified pursuant to Condition 7 of this License, the Licensee shall pay to the Department MMK 5,000,000 with the submission of notification and/or Application.
- c) In order to renew the License pursuant to Condition 5 of this License, the Licensee shall pay to the Department a renewal fee MMK 50,000,000 with the submission of the renewal Application.
- d) Pursuant to Section 81 of the Telecommunications Law and Section 24 of the Licensing Rules, the Licensee shall pay any other fees as determined by the Ministry.

20. Accounts and Records

- a) The Licensee shall maintain accounting records on a quarterly basis to enable the Licensee to accurately determine its expenses, investments, revenues and financial position in accordance with generally accepted accounting principles.
- b) The Licensee shall submit an audited financial statement to the Department within ninety (90) days of the anniversary of the Effective Date of this License. The audited financial statement shall:
 - i. be based on the prior year's records;
 - ii. include the Licensee's balance sheet and statement of operations, equity and cash flows; and
 - iii. be accompanied by a letter from an independent auditor stating that the Licensee's financial statement represents the financial position presented by the Licensee and was prepared in accordance with the standard specified in Condition 20(a).
- c) The Licensee shall keep all financial records for at least five (5) years from the end of the financial period.

PART VI. Technical Conditions

21. Compliance with Technical Standards

- a) Pursuant to Chapter VIII of the Telecommunications Law and the Applicable Regulatory Framework, the Licensee shall comply with all technical standards for Network Facilities and Telecommunications Equipment deployed, operated, leased or sold for purposes of this License.
- b) In the absence of technical standards issued by the Department, the Licensee shall deploy, operate, lease and sell Network Facilities and Telecommunications Equipment that:

- i. comply with technical standards adopted by a recognized international standard-setting body (such as the Institute of Electrical and Electronic Engineers and the European Telecommunications Standards Institute);
- ii. are routinely used by providers of Telecommunications Services in other countries;
- iii. have been used, for at least one calendar year, by any Person that holds a Controlling Interest in the Licensee; or
- iv. the Department has specifically approved..

22. Service Interruptions

- a) Prior to any planned interruption of service, the Licensee shall give reasonable advanced notice, in the manner specified in the Applicable Regulatory Framework, to the Department and to any End User and Other Licensee that will be materially affected by the interruption specifying:
 - i. the services that are to be interrupted;
 - ii. the reason for the service interruption;
 - iii. the time at which the planned service interruption is scheduled to begin; and
 - iv. the estimated duration of the interruption.
- b) In the event of an unplanned interruption of service, the Licensee shall take all reasonable measures to promptly notify the Department and any End User and Other Licensee that is materially affected by the interruption specifying:
 - i. the services that are to be interrupted;
 - ii. the reason for the service interruption;
 - iii. the measures being taken to end the service interruption; and
 - iv. the estimated duration of the interruption.

23. Access to and Use of Radio Frequencies

This License does not grant the Licensee any licenses, authorizations or permits for the use of radio spectrum or any radio apparatus subject to licensing by the Department. Access to and use of radio frequencies is subject to the Telecommunications Law, Spectrum Rules, Licensing Rules and other applicable laws and rules.

24. Numbering

The Licensee may request numbers from the Department, pursuant to the Numbering Rules and in accordance with the Numbering Plan.

25. Obligations regarding Interconnection and Access

- a) Subject to the Interconnection and Access Rules, the Department may, by written notice, direct the Licensee to negotiate an Interconnection and/or Access Agreement with any Other Licensee designated by the Department.
- b) If designated a Dominant Licensee, the Licensee must prepare and submit a Reference Interconnection Offer and Reference Access Offer for approval by the Department, pursuant to the Interconnection and Access Rules.
- c) Disputes relating to Interconnection or Access shall be resolved according to Part VI of the Interconnection and Access Rules.

PART VII. Competition Conditions

26. Prohibition on Conduct that Constitutes a Lessening of Free Competition

The Licensee is subject to and shall comply with the Competition Rules, including the prohibition on engaging in any conduct which has the effect of lessening of free competition in the telecommunications market.

27. Prohibition on Anti-Competitive Agreements

Pursuant to the Competition Rules, the Licensee shall not enter into any understanding, agreement, or arrangement with any person, department or organization which provides for price fixing, market sharing or boycotting of a competitor, supplier or another Licensee.

28. Compliance with Other Requirements

The Licensee shall comply with all codes of practice, notifications, orders, directives, instructions and procedures issued by the Department or Ministry, pursuant to Section 88(c) of the Telecommunications Law, the Competition Rules and any other applicable law relating to:

- a) The prohibition of anti-competitive practices; or
- b) The procedures for obtaining approvals for merger or acquisition in the telecommunications market that may have the effect of lessening of free competition in the telecommunications market.

29. Unfair Trade Practices

The Licensee shall not engage in any improper, unethical or unscrupulous practice that provides, or is likely to provide, the Licensee with a competitive advantage for itself or an Affiliate in any Telecommunications Service or Telecommunications Equipment market in the Republic of the Union of Myanmar for reasons unrelated to the availability, price or quality of the service or good that the Licensee or its Affiliate offers.

PART VIII. Final Conditions

30. Force Majeure

- a) If the Licensee, despite reasonable efforts, is prevented or delayed from complying with any of the Conditions of this License by any Force Majeure Event, the Licensee shall notify the Department, as promptly as reasonably practicable, and in any case within twenty-one (21) days after the Force Majeure Event has occurred, of:
 - i. the nature, expected duration and expected effects of the Force Majeure Event;
 - ii. the specific Conditions of this License with which the Licensee cannot comply; and
 - iii. the measures the Licensee is taking to overcome the consequences of the Force Majeure Event.
- b) The Department shall not take enforcement action against a Licensee for failure to comply with any Condition of this License with which the Licensee, despite making all reasonable efforts, was unable to comply as result of the Force Majeure Event.
- c) The Licensee shall take all commercially reasonable measures to resume service as soon as the Force Majeure Event ceases.

31. Notices

Unless the Department and the Licensee mutually agree otherwise:

- a) Notices from the Department to the Licensee under this License shall be in writing and shall be sent by registered post to the address shown on the cover page of this License to the attention of the Chief Executive or such other officer as the Licensee may designate;
- b) Notices to the Department from the Licensee under this License shall be in writing and shall be sent by registered post to the Director of the Department or to such other officer as the Department may designate.

32. Severability

Every Condition of this License shall be construed as a separate and severable provision so that if any Condition or part thereof is determined to be invalid or unenforceable, the remainder of this License shall remain in full force and effect.



(Soe Thein)

Director General

Posts and Telecommunications Department
Ministry of Communications and Information Technology

Schedule A. Authorized Network Facilities and Telecommunications Services

The Licensee is permitted to engage in the following activities authorized by the Network Facilities Service (Individual) License:

- I.
 - (a) Terrestrial fixed line transmission facilities
 - (b) Terrestrial radio transmission facilities
 - (c) Resale of wire line connectivity services
 - (d) Resale of terrestrial wireless connectivity services
 - (e) International and domestic network transport and switching services
 - (f) Resale of International Gateway services
 - (g) Public payphone services, Public switched data services, Audio text hosting services provided on an opt-in basis
 - (h) Directory services, Internet service provider services, Public access center services
 - (i) Messaging services, Private line voice and/or data service, Value-added services
 - (j) Towers, Masts, Ducts, Trenches, Poles, Dark fiber, Radio equipment installed to send, receive and route communications
 - (k) Construction, deployment and maintenance of Telecommunications Networks and the self-provision of Telecommunications Services used solely for internal communications
- II.
 - (a) The Licensee shall make all possible effort in its ability to commence the telecoms operations in I.(a) within the first calendar year.
 - (b) In case the licensee cannot meet the commencement time line in II(a), it shall present to the Department a detailed report of the reasons for such failure.

Schedule B. Authorized Network Facilities and Telecommunications Services

The Licensee is permitted to engage in the following activities authorized by the Network Facilities Service (Individual) License:

- I. (a) International Gateway Service Facilities
- II. (a) The Licensee shall make all possible effort in its ability to commence the telecoms operations in I.(a) on **18-10-2018**.

(b) In case the licensee cannot meet the commencement time line on the approved launch date **18-10-2018**, Licensee shall pay USD 250,000 at every three months period during the term of the Commitment Bank Guarantee until such time as the Licensee is deemed by the Department to have met the launch commitment.



(Soe Thein)

Director General

Posts and Telecommunications Department

Ministry of Transport and Communications

Republic of the Union of Myanmar
Ministry of Transport and Communications
Posts and Telecommunications Department



Our Ref: Sanya/Khwe(5)license/2277(8)

Date: 2 May, 2017

To: Frontiir Company Limited
Address: No(5), Ba Yint Naung Road, Hlaing Township, Yangon, Myanmar

Letter of Authorization for International Gateway (IGW) Services

In reference to your Letter of Commitment for the International Gateway (IGW) Services, Posts And Telecommunications Department, hereby authorize the **NFS(I) licensee, Frontiir Company Limited** to establish, operate and maintain the International voice and/or International data traffic routed (terminating to and originating from Myanmar) through International Gateways (IGWs).

This authorization is valid until the expiry date of the NFS (I) license issued by the PTD and/or through further written notice from the Posts and Telecommunications Department.

Frontiir Company Limited shall ensure full compliance as approved in the “**Guidelines on Provision of International Gateway Services**” issued by Posts and Telecommunications Department, Ministry of Transport and Communications, Republic of the Union of Myanmar on The 7th waxing day of Tawthalin 1378 ME (8th September 2016), the “**Technical Specification and Quality of Service Guideline for International Gateway**” issued by Posts and Telecommunications Department, Ministry of Transport and Communications, Republic of the Union of Myanmar on the 5th of March 2017 and **any other directive issued by the Posts and Telecommunications Department.**

Frontiir Company Limited shall ensure to submit all necessary Commitment Bank Guarantees required by the PTD and to renew the required Bank Guarantees 45 days before the expiry date of the existing Bank Guarantees.

PTD has the right to exercise the remaining amount of the Bank Guarantees if the PTD does not receive the subsequent Bank Guarantees.

(Soe Thein)
Director General

Schedule C. Authorized Network Facilities and Telecommunications Services

The **Frontiir Company Limited** is permitted to engage in the following activities authorized by the Network Facilities Service (Individual) License:

- I. (a) Satellite earth station facilities
- II. (a) The Licensee shall make all possible effort in its ability to commence the telecoms operations in I. (a) within the first calendar year.

(b) In case the licensee cannot meet the commencement time line in II(a), it shall present to the Department a detailed report of the reasons for such failure.




(Myo Swe)
Director General

Posts and Telecommunications Department
Ministry of Transport and Communications

✓

✗

→