FEDERAL DECREE - LAW NO . 3

Issued on 15/11/2003

Corresponding to 20 Ramadan 1424 H.

ON ORGANIZING THE TELECOMMUNICATIONS SECTOR 2

Amended by

Federal Law No . 1/2005 dated 30/08/2005 Federal Law No . 5/2008 dated 21/09/2008

We, Zayed Bin Sultan Al Nahyan, President of the United Arab Emirates States,

Pursuant the perusal of the Constitution; and

Federal Law No . 1 of 1972 On the Jurisdiction of Ministries and the Powers of Ministers and its amending laws; and

Federal Law No . 7 of 1973 On Wireless Communications and Apparatus and its amending laws; and

Federal Law No . 7 of 1976 On the State Audit Institution and its amendments ; and

Federal Law No . 8 of 1984 On Commercial Companies and its amending laws; and

Federal Law No . 5 of 1985 Issuing the Civil Transactions Code and its amending laws; and

Federal Law No . 3 of 1987 issuing the Penal Code; and

Federal Law No . 1 of 1991 Regarding the Emirates Telecommunications Corporation; and

Federal Law No . 10 of 1992 Issuing the Law of Evidence in Civil and Commercial Transactions; and

Federal Law No . 18 of 1993 Issuing the Commercial Transactions Code; and

Federal Law No . 7 of 1999 On Pensions and Social Security; and

Acting upon the proposal of the Prime Minister and the approval of the Council of Ministers,

We have promulgated the following Federal Decree - Law:

TITLE ONE

DEFINITIONS

Article 1

As amended by Federal Law no . 5 dated 21/9 / 2008:

In the implementation of the provisions of the present Decree - Law , the following words and expressions shall have the meaning assigned for each of them unless the context requires otherwise :

The State: The United Arab Emirates State.

The Government: The Government of the United Arab Emirates State.

Government Bodies: Federal ministries, local departments and the public authorities, organizations and institutions related thereto, including armed forces, police, State security corps. This excludes any commercial company or establishment, even if owned by said bodies or if such bodies hold interests therein.

The Authority: The Telecom - munication Regulatory Authority (TRA).

The Board of Directors: The Board of Directors of the Authority.

The Chairman: The chairman of the board of directors of the Authority.

The Board Members: Persons appointed to the Board in accordance with the provisions of the Law.

The Director General: the Director General of the Authority.

The Implementing Regulation : the Implementing regulation issued pursuant to the provisions of the Law .

Regulated Activities: Operating a public telecommunications network or providing the users with telecommunication services, as well as all other kinds of activities specified by the Board of Directors under the provisions of the Law.

Licensees: The Telecommunications Corporation and the juridical persons licensed by the Authority in accordance with the provisions of the Law and the Implementing Regulation thereof

License: a License issued pursuant to the provisions of the Law and the Implementing Regulation thereof, allowing the Licensee to carry out any of the Regulated Activities. Interconnection: the linking by whatever means of Telecommunication Networks in order to allow users of one entity to communicate with users of the same or another entity, or to enable such users to make use of Telecommunication Services provided by another entity.

Interconnection Agreement : an agreement under which the interconnection is achieved pursuant to the rules and conditions issued by the Authority .

Telecommunications Network: a matrix comprising one or more apparatus or communication medium for broadcasting, transmitting, switching or receiving any Telecommunications Service, by means of electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and any other means of communication medium.

Public Telecommunications Network : a Telecommunication Network operating for the provision of Public Telecommunications Services by the Licensee to the subscriber pursuant to the provisions of the Law .

Private Telecommunications Network : a Telecommunication Network operated exclusively for the benefit of one person , or a group of persons who have a common ownership , to serve their private needs .

Telecommunication Services: the service of transmitting, broadcasting, switching or receiving by means of a Telecommunications Network of any of the following:

- 1. Wired and wireless telecommunications;
- 2. Voice, music and other sounds;
- 3. Visual images;
- 4. Signals used in transmission in radio and television broadcasting;
- 5. Signals used to operate or control any machinery or apparatus;
- 6 . the assembling , maintenance , adjustment , repair , replacement , transferring , or removal of apparatus which are or will be interconnected to a Public Telecommunications Network ;

- 7 . the assembling , maintenance and operation of networks for telegraph , telephone , telex , leased circuits , domestic and international data , internet and wireless transmission ;
- 8 . any other Telecommunications Services approved by the Board of Directors .

Public Telecommunication services: Any telecommunication services provided to users in general, or to a specific class of them, in consideration of a fee.

Wireless Transmission: the transmitting or receiving of electro - magnetic energy which may be used for the conveyance of data, messages, voices or visual images, or for the operation or control of machinery or apparatus.

Telecommunication Apparatus: apparatus made or adapted for use in transmitting, receiving or conveying any of the Telecommunication Services through a Telecommunication Network.

The Telecommunications Corporation: The Emirates Telecommunications Corporation regulated by Federal Law no . 1 of 1991 concerning the Emirates Telecommunications Corporation.

Private Lands: any land owned by, granted or leased to any person other than public bodies.

Public Lands: all land under the control or ownership of any Public Body, with the exception of any Private Land.

The Law: The Federal Decree - Law no . 3 of 2003 regarding the regulation of the Telecommunication Sector, and the amendments thereof.

TITLE TWO

SUPREME COMMITTEE FOR THE SUPERVISION OF THE TELECOMMUNICATIONS SECTOR

Article 2

Abrogated by Federal Law no . 5 dated 21/9 / 2008 .

Article 3

Abrogated by Federal Law no . 5 dated 21/9 / 2008 .

Article 4

Abrogated by Federal Law no . 5 dated 21/9 / 2008 .

Article 5

Abrogated by Federal Law no . 5 dated 21/9 / 2008 .

TITLE THREE

THE PUBLIC ORGANIZATION REGULATING THE TELECOMMUNICATIONS SECTOR

CHAPTER ONE

SETTING UP OF THE ORGANIZATION

Article 6

An independent public organization shall be set up under the name of the "Public Organization Regulating the Telecommunications Sector" for the purpose of performing the duties and functions entrusted to it under this Federal Decree - Law and its Implementing Regulation.

Article 7

The Organization shall have an independent juristic personality enjoying full capacity to perform all legal acts in accordance with this Decree - Law , including the capacity to enter into contracts of all types and to own and lease movable and immovable properties of all types and the capacity to sue . The Organization shall have financial and administrative autonomy in all its affairs .

Article 8

The seat of the Organization shall be in Abu Dhabi city with a branch office in the city of Dubai . The Board may establish other offices for the Organization within the State .

Article 9

The Organization shall conduct its business in accordance with this Decree - Law and its Implementing Regulation , and shall have the power to issue its financial and internal bye - laws , contracting and purchasing rules , and all employment and disciplinary rules for the personnel working for the Organization , without need to abide by the public laws , regulations , rules and schemes applicable in this regard .

Article 10

As amended by Federal Law no . 5 dated 21/9 / 2008 :

- a The Authority shall be managed by a Board of Directors established and the provisions thereof determined by virtue of a federal decree , and such for a term of four years , renewable for similar terms . The Board of Directors shall have the following jurisdictions :
- 1 Issue the Implementing Regulation of the Law subsequent to the adoption thereof by the Cabinet .
- 2 Set the general policy of the telecommunications sector in the State, submit same to the Cabinet for adoption, and follow up the implementation after the adoption thereof.
- 3 Issue any general recommendations or instructions related to the telecommunications sector , and necessary for the national security or international relations , subsequent to the adoption thereof by the Cabinet .
- 4 Issue decisions, rules, regulations and instructions related to the implementation of the provisions of the Law and the implementing regulation thereof, including the decisions related

to the establishment of juridical persons operating in the field of telecommunications sector, the determination of the fees of the services and facilities offered to the licensees, and the party to which such fees are transferred.

- 5 Issue, extend, cancel or suspend license in accordance with the provisions of the Law and the Implementing Regulation thereof.
- 6 Determine the fees of licenses, permits, approvals and services issued, provided or offered by the Authority in accordance with the provisions of the Law, the amendments, or implementing regulation thereof.
- 7 Issue by laws related to the work thereof.
- 8 Any other jurisdictions entrusted thereto by virtue of the Law and the implementing regulation thereof .
- b The authority shall have a general manager appointed by Federal decree , he shall be the legal representative of the Authority as well as responsible before the Board of Directors about management of the daily work . The implementing regulation shall specity his jurisdictions .

Article 11

Abrogated by Federal Law no . 5 dated 21/9 / 2008.

CHAPTER TWO

FUNCTIONS, POWERS AND JURISDICTION OF THE ORGANIZATION

Article 12

The Organization is the competent body to control the telecommunications sector in the State and the licensees in accordance with this Decree - Law and its Implementing Regulation as well as the nstructions of the Supreme Committee . The Organization may submit to the Supreme Committee all necessary proposals in relation to the general policy of this sector and shall , at the end of each financial year , submit to the Supreme Committee a report on its activities and business performance during that year .

Article 13

In performing the acts within its jurisdiction , under this Decree - Law and its Implementing Regulation , the Organization aims to achieve the following :

- 1 ensure that the Telecommunications Services provided throughout the State, are sufficient to match the demands of those who wish to make use of such services;
- 2 enhance the level of service provided by the telecommunications sector in order to promote the users' interests;
- 3 ensure that the Licensees comply with the standards of good performance and with the terms and conditions of the licenses granted to them;

- 4 encourage, promote, and develop the telecommunications industry and information technology schemes in the State;
- 5 develop and modernize the telecommunications system in the State through training and habilitation, set up related teaching institutes and obtain the most modern apparatus, equipment and facilities developed by the telecommunications technology.

As amended by Federal Law no . 5 dated 21/9 / 2008 :

The Authority shall have the jurisdiction to issue licenses pursuant to the provisions of the law, as well as the regulations, instructions, decisions and rules regulating the following:

- 1 tariffs , charges and fees to be collected by Licensees as determined by the Board of Directors :
- 2 All matters related to the use of and interconnection with the Telecommunication Networks and Services provided by the Licensees , and the right of the participation of licensees in sites and the infrastructure , including the conditions related to the cost of interconnection , the right of use and participation in sites , time scales and principles of negotiation and finalization , between operators , of agreements in relation to the foregoing matters and the dispute resolution policies between the parties to such agreements ;
- 3 The terms, levels and scopes of services provided by the Licensees to participants, inclusive services, urgent services, including the standards and quality of services provided, the conditions of supply of such services, the settlement of participants complaints and disputes, the provision of information to participants, the use of participants' information and the provision of invoices thereto;
- 4 The regulation and provisions of competition in the telecommunication sector , in a way that does not breach the enforced laws and regulations .
- 5 The request of any information related to the activities of the Authority.
- 6 Set the specifications of the equipment used by the Licensees including the technical standards and types thereof;
- 7 The importation , manufacture , use and dealing with Telecommunication apparatus as well as the approvals concerning such apparatus ;
- 8 The allocation of telephone numbers, numbering plans and number portability;
- 9 The regulation of the frequency spectrum use, as per the provisions of the law, including the allocation, re-allocation and use of such frequencies, and grant licenses related thereto;
- 10 The terms of availability, preparation and provision of inquiry services and the directory.
- 11 Issue controls to limit distortion of telecommunications in the State by radio, electrical, or other means;
- 12 Training persons in installing , connecting , adjusting and maintaining Telecommunication Apparatus ;
- 13 The publication of notices related to Telecommunication apparatus; and

14 - Any other works entrusted thereto by the Cabinet . concerning these apparatus ;

CHAPTER THREE

FINANCIAL AFFAIRS

Article 15

The financial year of the Organization shall commence on the first day of January and end on the last day of December of each year, except that the first financial year of the Organization shall commence on the date this Federal Decree - Law comes into force and shall end on the last day of December of the following year.

Article 16

The Organization shall have an independent budget . In respect of the first financial year of the Organization , the budget shall be issued by the Supreme Committee . In respect of the succeeding financial years , the budget shall be prepared by the Director General , approved by the Board and submitted to the Supreme Committee for issuance .

Article 17

The financial resources of the Organization are composed of the following:

- 1 any funds allocated to the Organization in the State general budget;
- 2 license fees charged by the Supreme Committee pursuant to the provisions of this Decree Law and its Implementing Regulation and the regulations issued under it .;
- 3 fees charged by the Supreme Committee for any services provided by the Organization or the authorizations or approvals granted by the Organization pursuant to the provisions of this Decree
- Law, its Implementing Regulation and the resolutions issued by the Supreme Committee;
- 4 any other revenues the Organization collects in pursuance of its activities and functions; and
- 5 any other financial resources approved by the Supreme Committee.

Article 18

The Organization shall collect the fees charged by the Supreme Committee in relation to the Licenses issued by the Supreme Committee and the authorizations, approvals and services of the Organization and any other amounts concerning frequency spectrum.

Article 19

Following the approval of the Supreme Committee , the Organization may borrow money from the Government , banks or other financial institutions , existing in the State or abroad , and may issue debentures or bonds on such terms as determined by the Board in accordance with a resolution passed by the Supreme Committee .

The Organization may invest its funds through the investment schemes approved by the Board.

Article 21

The Organization and its dealings shall be exempted from all Government fees and taxes.

Article 22

The acts of the Organization shall not be subjected to the prior control of the State Audit Institution as set forth in Federal Law No . (7) of 1976, as amended . The State Audit Institution shall not interfere in the business of the Organization and the decisions of its Board or in the policies determined by the Supreme Committee and implemented by the Organization .

Article 23

- 1 The Board shall appoint an independent auditor, registered with the appropriate authorities in the State, to audit the annual accounts of the Organization and prepare a report regarding the audit results.
- 2 Once the accounts of the Organization have been audited, an audited copy thereof, approved by the Board, together with a copy of the auditor's report attached to it, shall be forwarded by the Organization to the Supreme Committee.

TITLE FOUR

RESTRUCTURING THE TELECOMMUNICATIONS SECTOR

CHAPTER ONE

THE TELECOMMUNICATIONS CORPORATION

Article 24

The exclusive privilege of transmitting wire and wireless communications, their operation and maintenance and the development of a general communications system within the State and between the State and foreign countries conferred to the Telecommunications Corporation by Article 4 of Federal Law No . (1) of 1991 Regarding the Emirates Telecommunications Corporation shall, hereby, be cancelled but without prejudice to the fees payable for services and facilities provided by the Government to the said Corporation and which are payable to the Government pursuant to the provisions of the regulations and decisions in force at the date this Decree - Law is issued. The right to impose and amend such fees shall be vested in the Supreme Committee.

Without prejudice to the transitional provisions of this Decree - Law , the Telecommunications Corporation may not perform any of the powers that were conferred to it under Federal Law No . (1) of 1991 regarding The Emirates Telecommunications Corporation that conflict with the powers , competences and functions of the Supreme Committee or the Organization under this Decree - Law and its Implementing Regulation .

Article 26

As amended by Federal Decree - Law no . 1 dated 30/8 / 2005 and by Federal Law no . 5 dated 21/9 / 2008: As of the date of enforcement of the provisions hereof , the UAE Investment Authority shall be granted the responsibility of representing the Government as a shareholder in institutions and companies operating in the field of telecommunications , and shall have the power to exercise the necessary jurisdictions , unless the laws of establishment or articles of association thereof stipulate otherwise .

Article 27

The Telecommunications Corporation shall be bound, within a maximum period of ninety day as of the effective date of this Decree - Law, to take all such steps as shall be necessary to amend its Articles of Incorporation, its bye - laws and its applicable rules to comply with the provisions prescribed in this Decree - Law and any regulations or decisions issued by the Supreme Committee.

CHAPTER TWO

LICENSED JURISTIC PERSONS

Article 28

The Supreme Committee shall, by resolution, determine the various types of regulated activities for which licenses may be issued and the conditions required of the prospective Licensees. In all cases no license may be issued except to a juristic person established pursuant to a resolution issued by the Supreme Committee. Such juristic person may, after obtaining the approval of the Supreme Committee, establish affiliated companies to carry on certain regulated activities.

Article 29

Excepting the acquisition of the State nationality, by companies instituted in the State, the provisions of Federal Law No (8) of 1984 regarding Commercial Companies and the amending or substitute laws thereto shall not apply to the licensed juristic persons pursuant to this Decree - Law and its Implementing Regulation in matters specifically provided for in their memoranda and Articles of Incorporation as approved by the Supreme Committee. The competent authorities shall be under an obligation to register such juristic persons.

All Licensees shall take into account the special needs and requirements regarding the type of services and Telecommunications apparatus and ensure non - discrimination when providing such services and apparatus .

Article 31

It is not allowed to perform any regulated activity unless after obtaining a prior license or being exempted therefrom in accordance with the provisions of this Decree - Law or its Implementing Regulation .

Article 32

The Supreme Committee shall determine the form and substance of each licence issued according to the provisions of this Decree - Law . The license must specify its duration and may include the necessary conditions as determined by the Supreme Committee .

Article 33

The application for a License must be submitted to the Organization , in the form prescribed by it , and must fulfill all the conditions specified by the Supreme Committee . The Organization shall , within a maximum period of thirty days from the date of submitting the application , examine the application and report its findings and recommendations thereto to the Supreme Committee .

Article 34

The Supreme Committee shall have the authority to grant or refuse a License to an applicant . The Supreme Committee's decision in this regard shall be final and binding on the applicant and may not be challenged or appealed by any means whatsoever .

Article 35

Obtaining a License pursuant to the provisions of this Decree - Law shall not relieve any person from the obligation of obtaining any other licenses or authorizations that may be required from any other governmental body for the purpose of enabling the said person to conduct his business

CHAPTER THREE

EXEMPTIONS AND EXCLUSIONS

Article 36

The Supreme Committee may, if required, perform within its jurisdiction the following:

1 - exempt any Licensee from the observance of the License conditions for such periods and on such terms as specified in the exemption order;

2 - issue a general exemption from the observance of the license conditions in favor of all or some of the licensees, or a category of them for such periods, and on such terms as specified in the exemption order.

The Supreme Committee may revoke, amend or extend any special or general exemption granted pursuant to this Article.

Article 37

- 1 No physical or juristic person , including governmental bodies may provide telecommunication services to agents or users through a Public Telecommunication Network unless licensed in advance by the Supreme Committee pursuant to the provisions of this Decree Law . The setting up and operation of Private Telecommunication Networks shall be regulated by the Implementing Regulation and the decisions issued by the Supreme Committee .
- 2 In all cases, the persons covered by the above paragraph must comply with the terms, conditions and requirements associated with the use of the frequencies allocated to them pursuant to the provisions of this Federal Decree Law.

TITLE FIVE

NETWORKS, APPARATUS AND NUMBERING

CHAPTER ONE

NETWORK INTERCONNECTION AND SHARING LINKING POINTS

Article 38

The Organization shall take the necessary action to facilitate the process of Interconnection and to monitor the compliance of all parties to the provisions of the Interconnection Agreements and , for this purpose , it shall have all powers .

Article 39

- 1 Where there is a dispute in relation to Interconnection the parties to the dispute may refer it to the Organization for adjudication and the issuance of binding decisions .
- 2 The Organization shall adjudicate disputes , submitted to it in accordance with this Article , as specified in the Implementing Regulation .

Article 40

1 - Where there is a dispute between a Licensee and another Licensee on sharing linking points or services either party may refer the dispute to the Organization for decision . The Organization must adjudicate the dispute submitted to it .

- 2 The Organization shall make appropriate investigations and request any information it deems necessary to resolve the disputes submitted to it in accordance with this Article.
- 3 The decision rendered by the Organization in settlement of the dispute may include the steps to be taken by the parties, determine the terms that a Licensee may impose in tenders for the participation in the services or order one or both parties to enter into a service sharing agreement on terms specified in the decision.

In all cases the decision of the Organization shall be final and binding.

Article 41

The Telecommunications Corporation and any subordinate bodies shall, upon the direction of the Organization, satisfy all requests made by licensees concerning interconnection and participation in links and services at the most adequate linking point – as determined by the Organization – and in an expedient, efficient and least expensive manner. It shall specifically be bound to observe the following:

- 1 Comply with any regulations, guidelines or License conditions issued pursuant to the provisions of this Decree Law or its Implementing Regulation relating to Interconnection, coparticipation in linking points and services;
- 2 Observe any regulations, directions or licensing conditions, relating to interconnection or participation in linking points or services, issued under this Decree Law or its Implementing Regulation.
- 3 Provide facilities , services and information concerning interconnection and sharing linking points and services to the licensees and their companies under the same conditions and in equal quality as provided by the Telecommunications Corporation for itself , its affiliated establishments or companies .

CHAPTER TWO

APPARATUS LICENSES

Article 42

The Organization has exclusive competence to issue authorizations and licenses for all telecommunications apparatus that form part of the telecommunications network, used in it or used to provide telecommunications services in the manner set forth in the Implementing Regulation to this Decree - Law and the instructions issued to the Organization by the Supreme Committee.

No person may use, sell, offer for sale or connect to any Telecommunications Network any Telecommunications apparatus which has not been approved by the Organization.

In respect of Telecommunications apparatus used by them, public bodies in the State shall be exempted from obtaining the authorization of the Organization.

CHAPTER THREE

NUMBERING

Article 44

The Organization shall have the responsibility for allocating line switches, private telephone numbers and numbering ranges to Licensees in accordance with the provisions of this Decree - Law, its Implementing Regulation and the conditions set by the Organization and approved by the Supreme Committee.

TITLE SIX

FREQUENCY MANAGEMENT AND ALLOCATION

Article 45

Abrogated by Federal Law no . 5 dated 21/9 / 2008 .

Article 46

As amended by Federal Law no . 5 dated 21/9 / 2008:

- 1 A committee called "the Coordination Committee " shall be established by virtue of a decision issued by the Cabinet or the party commissioned thereby , under the chairmanship of the Director General and the membership of two representatives from the Authority , in addition to representatives of the Armed Forces , the Ministry of Interior , the State Security Corps , and the National Media Council . Representative of other bodies may be required whenever necessary , and such by virtue of decision issued by the Board of Directors .
- 2 The Coordination Committee shall have the jurisdiction to set a national plan for frequencies reserved for telecommunication services, to be adopted by the Board of Directors for the purpose of securing the efficiency of the frequency spectrum and the use thereof, without any distorted signals or interferences. The Authority may from time to time request that the Coordination Committee carries out the review and amendment of the plan whenever necessary.

Article 47

The National Frequency Spectrum Plan must be in conformity with the international regulations governing frequency spectrum and the international or regional agreements to which the State is a party . The National Frequency Plan must include the following :

1 - Reserve frequency spectrum channels to provide, upon recommendations of the Organization, telecommunication services through telecommunications networks;

- 2 amendment of allocations to existing users of frequency spectrum to allow for the development of new services; and
- 3 reallocation of frequency spectrum on expiry of existing licenses or authorizations relating thereto .

As amended by Federal Law no . 5 dated 21/9 / 2008:

The Authority shall be responsible for the allocation, distribution and cancellation of frequency spectrum. Such distribution shall be in line with the national plan for frequencies, and on the basis of objective procedures and criteria determined by virtue of regulations issued by the Authority.

Article 49

The Organization shall, within nine months from the effective date of this Decree - Law, and after notifying the Ministry of Communications and the Coordination Committee, prepare and publish a plan for the reallocation of frequency spectrum currently authorized for use for the provision of Telecommunications Services.

Article 50

Setting up and use of Wireless Transmission stations or the installation or the use of any Wireless Transmission apparatus shall be prohibited unless done in accordance with a frequency spectrum authorization issued by the Organization pursuant to the provisions of this Decree - Law , its Implementing Regulation or the regulations and instructions issued by the Organization .

Article 51

The person to whose benefit the frequency spectrum authorization is issued or renewed must pay to the Organization the fees as prescribed by the provisions of this Decree - Law , its Implementing Regulation or the decisions , regulations or instructions issued pursuant thereto .

TITLE SEVEN

OPERATION AND PROTECTION OF TELECOMMUNICATION

NETWORKS AND LINES

CHAPTER ONE

NETWORKS OPERATION

Government Bodies shall, in pursuance to their respective jurisdictions, grant, free of charge, all Licensees to operate Public Telecommunication Networks, the right to occupy and use Public Land as well as right of way and rights of access to Public Land so as to enable them to perform their activities as set out in their respective Licenses, including:

- 1 construction of buildings and other installations;
- 2 installation of equipment and apparatus;
- 3 construction , extension , development and maintenance of Public Telecommunications Networks including the laying and extension of ground and aerial cables and service lines .

Article 53

The provisions of Article (52) of this Decree - Law shall not apply to any Public Land occupied by any of the Public bodies to be determined by a resolution of the Supreme Committee.

Article 54

A Licensee licensed to operate a Public Telecommunications Network may, after obtaining the approval of the Supreme Committee in coordination with the relevant competent authority, remove or relocate a tree, group of trees or other plants, in the following instances:

- 1 If it obstructs the installation or maintenance of aerial wires by Licensees;
- 2 if it materially interferes with or obstructs any signals required to be emitted or received by the equipment or apparatus of a Licensee; or
- 3 if it prevents or interferes with a Licensee establishing , maintaining , developing or operating a Public Telecommunications Network .

Provided that such removal or relocation is only to the extent necessary to enter Public Land to carry out the necessary works.

Article 55

Persons licensed to operate Public Telecommunications Networks shall be exempted from all duties and taxes imposed for the use of Public Lands and public ways for any of the purposes referred to in Article (52) of this Decree - Law .

Article 56

The Supreme Committee may issue regulations authorizing Licensees to enter to Private Land and any buildings or premises erected thereon for any of the purposes referred to in Article (52) of this Decree - Law . Limits and conditions of such entry are provided in the Implementing Regulation to this Decree - Law .

CHAPTER TWO

PROTECTION OF TELECOMMUNICATIONS LINES AND NETWORKS

Every person , performing works close to service line routes , cables , wires , apparatus or equipment belonging to any Licensee , shall take all precautions and arrangements to prevent causing damage or jeopardizing the safety of these lines , cables , wires , apparatus or equipment

Article 58

If the completion of the works of any person or party necessitates cutting the routing of any of the service lines, wires, cables, apparatus or equipment of the Licensees or interfere with it in any way, the person carrying out the work shall immediately report the same to the Licensee and the Organization. It is prohibited to proceed with the work without the presence of the Licensee's representative to explain the manner of completing the work without jeopardizing the safety of such lines, wires, cables, apparatus or equipment.

Article 59

In addition to the penalties prescribed by this Decree - Law or any other law, any person that damages any service line, cable, wires, apparatus or equipment of a Licensee shall be liable to pay the compensation prescribed by the Organization in regulations to be issued by it.

TITLE EIGHT

TRANSITIONAL PROVISIONS

Article 60

The Supreme Committee may grant any company owned by the Telecommunications Corporation a temporary License for the purpose of authorizing any such company to continue performing Regulated Activities conducted by them at the date this Decree - Law comes into force pending the issue of its formal License pursuant to the provisions of this Decree - Law and its Implementing Regulation .

Article 61

The Telecommunications Corporation may continue to use the frequency spectrum allocated for it by the Ministry of Communications in accordance with the purposes , provisions and conditions set forth in this allocation until such time as the Organization reallocates any such frequency spectrum pursuant to the provisions of this Decree - Law and issues the relevant authorization to the Telecommunications Corporation .

Article 62

The Corporation shall within a maximum period of ninety days from the date this Decree - Law comes into force provide the Organization with :

- 1 Copies of all licenses and approvals relating to certain types of apparatus as specified in such current licenses and permissions relating to telecommunications apparatus, or other matters, as issued by the Telecommunications Corporation under Federal Law No. (1) of 1991 regarding The Emirates Telecommunications Corporation;
- 2 copies of all current resolutions and regulations containing technical specifications of telecommunications equipment issued by the Telecommunications Corporation under the law referred to in the previous paragraph; and
- 3 any additional information in the possession or under the control of Telecommunications Corporation and which the Organization may require for the purposes of assessing the existing status of the telecommunications sector in the State.

The Ministry of Communications shall, within a maximum period of ninety days from the effective date of this Decree - Law, provide the Organization with such information and documents as the latter shall request for the purposes of assessing the existing status of the telecommunications sector in the State.

Article 64

The Telecommunications Corporation shall , within a maximum period of ninety days from the effective date of this Decree - Law , be under obligation to transfer to the Organization ownership of all books , records , registers , databases , documents and other information which were owned or maintained by the said Corporation in connection with any function carried out by it which has now passed to the Organization or to the Supreme Committee under this Decree - Law , or those which the Organization deem necessary to enable it exercising the powers that were given to it by this Decree - Law and its Implementing Regulation . The Telecommunications Corporation may , when necessary , retain a copy of any of the above - mentioned to enable it carrying out , with the approval of the Organization , some of the functions in accordance with the provisions of this Decree - Law .

Article 65

- 1 The Supreme Committee has jurisdiction to issue the necessary instructions to transfer , at the date fixed by it , from the Telecommunications Corporation to the Organization , the assets and rights that the Supreme Committee deems necessary to enabling the Organization to carry out its attributions , as specified by the provisions of this Decree Law , and which were carried out by the Telecommunications Corporation . This provision shall apply to the said Corporation and third parties .
- 2 Any such instructions may include imposing fines for failure to comply with its clauses as well as the payment of damages to the Telecommunications Corporation , whenever necessary , and the decision of the Supreme Committee in this regard shall be final and binding .

The Supreme Committee shall adjudicate in any matter arising out of the interpretation or application of the instructions issued by it, in accordance with the provisions of Article 65 of this Decree - Law.

Article 67

All Government Bodies shall, on request, take all necessary steps to facilitate the transfer or the registration of any assets or rights from the Telecommunications Corporation to the Organization pursuant to the instructions issued by the Supreme Committee in accordance with Article (65) of this Decree - Law.

Article 68

The Supreme Committee may instruct the Telecommunications Corporation to perform some of the functions given to the Organization under the provisions of this Decree - Law for a period not more than one year subsequent to the effective date of this Decree - Law . The Telecommunications Corporation shall , in this case , keep regular records and keep the Organization fully and promptly informed of all actions taken by it and , in particular , shall provide the Organization with copies of all documents relating to such actions taken by said Corporation when requested to do so by the Organization .

Article 69

Resolutions and regulations issued by the Telecommunications Corporation , fixing and determining the technical specifications of the telecommunications apparatus that are licensed for use in the State , that were in force at the effective date of this Decree - Law , shall continue to be in force until the expiry of their duration or their cancellation by the Organization or until the Organization takes the decision it deems adequate in this respect .

Article 70

- 1 Any License or permission granted or approved by the Telecommunications Corporation under Articles 4 (f), 10 (1) or 10 (2) of Federal Law No . (1) of 1991 concerning the Emirates Telecommunications Corporation or by the Ministry of Communications under Federal Law No . (7) of 1973 regarding wire and wireless Communications and Apparatus and its amending laws shall , to the extent that it is not inconsistent with the provisions of this Decree Law , continue to be in force until such License shall expire or be replaced by a new License issued by the Organization pursuant to the provisions of this Decree Law .
- 2 The Organization shall be competent to determine whether such License or authorization so granted or approved is compatible with the provisions of this Decree Law .

TITLE NINE

PENALTIES

As amended by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment for a period not exceeding two years and a minimum fine of Dirhams 50,000 but not exceeding Dirhams 1,000,000, or either of these two penalties:

- 1 Whoever performs any of the Regulated Activities without being licensed to do so or being exempted from the duty to obtain a License pursuant to the provisions of the Law;
- 2 Whoever intentionally alters, destroys or otherwise conceals a document or information required by the Board or Authority pursuant to the provisions of the Law;
- 3 Whoever abstains from amending his status pursuant to the provisions of the Law and within the term specified in Article 81 of the Law.

Article 72

As amended by Federal Law no . 5 dated 21/9 / 2008 :

Shall be sentenced to imprisonment for a period not exceeding one year and a minimum fine of Dirhams 50,000 but not exceeding Dirhams 1,000,000 or either of these two penalties:

- 1 Whoever uses Telecommunication apparatus to upset , disturb or offend the feeling of others or for any other illegal use ;
- 2 Whoever copies , discloses , or spreads the contents of any communication or telephone message through the use of a Public Telecommunication Network , without having the right to do so , be it an employee for the licensee , or related thereto in a way that allows him the perusal of contents of any communication , phone message or any other telecommunication services .
- 3 Whoever violates the provisions of Article (50) of the Law.

Article 72 (bis)

As added by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment for a minimum period of one year, and to a minimum fine of Dirhams 50,000 but not exceeding 1,000,000 or either of these two penalties:

- 1 Whoever illegally and intentionally enters the telecommunication network or disrupts any of the telecommunication services .
- 2 Whoever unduly exploits any of the telecommunication services .

Article 72 (ter)

As added by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment and to a fine, or either of these two penalties whoever eavesdrops on the content of phone conversations without prior permit from the pertinent judicial authorities.

Article 72 (quater)

As added by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment for a period not exceeding one year, and to a fine not exceeding Dirhams 50,000, or either of these two penalties whoever exploits or uses

telecommunication services, or harms, disturbs or hurt other persons feelings or to any other illegal purpose.

Article 72 (quinquies)

As added by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment and to a fine not exceeding Dirhams 1,000,000, or either of these two penalties, whoever forges or falsifies in order to obtain, participate in, or provide telecommunication services for third parties.

Shall be deemed aggravated condition the perpetration of any of the preceding acts in view of committing a crime .

Article 72 (sexies)

As added by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment and to a minimum fine of Dirhams 50,000 but nor exceeding Dirhams 1,000,000 or either of these two penalties whoever provides others with any telecommunication services without obtaining the documents set by the implementing regulation of the Law.

Article 73

As amended by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to imprisonment for a period not exceeding one year and a maximum fine of Dirhams 1,000,000 or either of these two penalties:

- 1 Whoever manufactures, uses, sells or offers for sale or use, to be connected to a telecommunication network, any Telecommunication apparatus which he knows has not been approved in accordance with the provisions of any enforced laws;
- 2 Whoever intentionally violates the provisions of Article 57 of the Law and such violation results in damage to lines, wires, cables, apparatus or equipment owned by, or under the management or disposal of, a Licensee.

Article 74

As amended by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to a minimum fine of Dirhams 50,000 but not exceeding Dirhams 1,000,000:

- 1 Whoever manufactures, supplies or offers to supply any Telecommunication apparatus, to be used in the State, which are not in conformity with any regulations, directives, instructions or decisions issued by the Authority pursuant to the provisions of the Law or its Implementing Regulation.
- 2 Whoever refrains from submitting the Telecommunication apparatus which are under his control for testing and examina tion in accordance with the provisions of the Law , its Implementing Regulation or the regulations , decisions and instructions issued pursuant thereto , or if he prevents any authorized employee from entering his premises in accordance with the provisions of the Law or its Implementing Regulation .

- 3 The licensee who knowingly hires or employs any person who is unqualified for the installation, setting up, connection, modification or maintenance of any Tele communication Apparatus in accordance with the rules issued by the Authority.
- 4 Whoever submits a description or publishes an advertisement in respect of any Telecommunication apparatus in order to promote such apparatus in the course of any trade or business without complying with the rules issued by the Authority .

A Licensee may, after obtaining prior approval from the Organization, place an apparatus or any other medium under surveillance if such Licensee had reasonable justifications to lead him to believe that the apparatus is being used in perpetrating any of the offences prescribed in Article 72 of this Decree - Law.

Article 76

Shall be expropriated the Telecommunications wire and wireless Apparatus and any other equipment or apparatus used in violation of this Decree - Law , its Implementing Regulation , or the regulations , decisions , instructions or rules issued pursuant thereto . The court may , when necessary , order the destruction of such apparatus and equipment .

Article 77

Where a juristic person is guilty of an offence under this Title such juristic person shall be subject to the fine specified for such offence under this Title.

Article 78

Application of the penalties prescribed by this Decree - Law shall be without prejudice to a more severe punishment prescribed by any other law .

Article 79

Penalties prescribed for the crimes provided for under this Decree - Law shall be doubled in case of recidivism.

Article 79 (bis)

As added by Federal Law no . 5 dated 21/9 / 2008:

Shall be sentenced to a minimum fine of Dirhams $50,\!000$ but not exceeding $200,\!000$ whoever breaches any other provision of the law , implementing regulation , or the regulations , decisions , instructions or rules issued pursuant thereto .

Article 79 (ter)

As added by Federal Law no . 5 dated 21/9 / 2008 :

The Board of Directors shall sign administrative fines against licensees should they breach the provisions of the Law or the implementing regulation thereof, or the decisions, regulations, policies or instructions issued by the Board or the Authority.

The Cabinet shall issue a decision regarding the list of infringements and fines inflicted upon the licensees, not exceeding Dirhams 10,000,000 for every infringement.

TITLE TEN

FINAL PROVISIONS

Article 80

Without prejudice to any transitional provisions in this Decree - Law , the Federal Law No . (1) of 1991 regarding the Emirates Telecommunications Corporation shall be amended as follows :

- 1 Articles 10,11,12,13,14,15,16,17,18,19,40,42,43,44,45,46 and 48 shall be repealed.
- 2 Article 1 shall be amended by deleting reference to , and definition of the following expressions :
- a " the Minister ":
- b " Communications Equipment";
- c " the Schedule "; and
- d " Service Lines ".
- 3 Article 24 of Federal Law No . (1) of 1991 referred to shall be amended by inserting the following sentence at the beginning of the said Article:
- "subject to the regulations, instructions, decisions and rules issued by the Public Organization Regulating the Telecommunications Sector".
- 4 The second paragraph of Article 41 of Federal Law No (1) of 1991 referred to shall be amended as follows:
- "The Articles of Incorporation shall be issued pursuant to a resolution by the Council of Ministers and the amendment of the Articles and the replacement thereof shall be pursuant to a resolution issued by the Supreme Committee for the Supervision of the Telecommunications Sector".
- 5 The provisions of Articles 4,21,25,31,33 and 47 of Federal Law No (1) of 1991 shall be replaced with the following provisions:
- " Article (4):
- 1 The Corporation shall transmit wire and wireless communications, operate, maintain and develop the telecommunications system in the State as well as between the State and the foreign countries in accordance with the provisions of any laws relating to telecommunications in the State and may exercise the powers that will achieve its objectives including:
- a establishing, maintaining and operating local and international telegraph, telephone, telex, leased circuits and data networks.
- b establishing , maintaining and operating visual transmission networks excluding production and broadcasting of programs .
- c administering, and connecting telephone services as well as hiring and dealing with it.

- d planning , constructing , and possessing equipment as well as transmiting and receiving stations relative to the Corporation's activity .
- e providing consultancy and training services in the field of wire and wireless telecommunications .
- f preparing , printing , distributing and promoting the telephone directory , commercial directory (yellow pages), bulletins , information and data and other matters related to the telecommunications activities or the services provided by the Corporation whether for the purpose of information , trade , publicity or any other purposes .
- 2 The Corporation may , without prejudice to its basic objects , invest , exploit and employ its funds in any other commercial , financial or servicing fields which in the opinion of the Board shall enhance such funds or reap profits to the Corporation in accordance with the applicable rules in the State .
- 3 The Corporation may , for the purpose of achieving the objectives provided for in this article :
- a conclude contracts and agreements,
- b establish companies , enter into or share in partnerships in accordance with the applicable rules in the State .
- " Article (21):

The Board shall, pursuant to the regulations issued by the Public Organization Regulating Telecommunications, fix the charges for the services provided by the Corporation, controls and conditions for the provision of such services and the forms of contracts to be concluded with the beneficiaries.

" Article (25):

As amended by the Federal Decree - Law no . 1/2005 dated 30/8 / 2005 :

The Corporation shall be administered by a Board of Directors composed of eleven members , seven of whom , including the Chairman of the Board , shall represent the Government and shall be appointed by a Federal Decree ; the other members shall be elected by the shareholders for a period of three years . Members of the Board may be appointed or elected more than one time pursuant to the Articles of Incorporation .

" Article (31):

Each shareholder of the Corporation shall have the right to attend the General Meeting , discuss the topics listed on the Agenda and address questions to the members of the Board who shall be bound to answer the questions in so far as it shall not be prejudicial to the Corporation's interests . The shareholder may resort to the General Meeting if he considers the answer to his questions is insufficient and the resolution of the General Meeting shall be executory .

The Government shall be represented in the General Meeting by the State's Minister of Finance and Industry .

" Article (33):

The Corporation shall comply with the general policy of the Supreme Committee for the Supervision of the Telecommunications Sector and shall abide by any general or specific directives issued by the Supreme Committee in this respect.

" Article (47):

The Board shall issue the financial and administrative rules for the management of the Corporation and shall determine the personnel's service conditions provided they do not conflict with the decisions issued by the Supreme Committee for the Supervision of the Telecommunications Sector.

Article 81

All juristic persons, existing at the time this Decree - Law comes into force, which carry out any of the Regulated Activities, must adjust their status in accordance with the provisions of this Decree - Law, within ninety days from its effective date. The Supreme Committee may by resolution extend such period for other similar periods.

Article 81 (bis)

As added by Federal Law no . 5 dated 21/9 / 2008 :

In view of achieving the tasks thereof, the Authority may investigate infringements related to the provisions of the law. The employees of the Authorities appointed by virtue of a decision issued by the Minister of Justice in agreement with the Authority shall have the capacity of Judicial Investigation Officers with regards to crimes infringing the provisions of the Law, the implementing regulations thereof, or the decisions, regulations or instructions issued pursuant thereto, and such within the scope of jurisdiction of each thereof.

Article 82

Any provision violating any of the provisions of this Decree - Law shall hereby be repealed.

Article 83

The Supreme Committee shall issue the Implementing Regulation 2 as well as the regulations, resolutions and instructions required for the implementation of the provisions of this Decree - Law.

Article 84

This Decree - Law shall be published in the Official Gazette and shall come into effect as of the date of its publication .

Promulgated by Us at the Presidential
Palace in Abu Dhabi:
On 20 Ramadan 1424 H.
Corresponding to 15/11/2003

Zayed Bin Sultan Al Nahyan

President of the United Arab Emirates State

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