



ශ්‍රී ලංකා ජනාධිපති  
இலங்கை சனாதிபதி  
President of Sri Lanka

**LICENCE TO OPERATE A TELECOMMUNICATION SYSTEM UNDER  
SECTION 17(2) OF THE SRI LANKA TELECOMMUNICATIONS ACT NO. 25 OF 1991  
AS AMENDED BY ACT NO. 27 OF 1996**

1. I, Maithripala Sirisena, President of the Democratic Socialist Republic of Sri Lanka in the exercise of the powers conferred on me under Section 17(2) of the Sri Lanka Telecommunications Act No. 25 of 1991, as amended by the Act No. 27 of 1996 (hereinafter referred to as "the Act") hereby grant to **Dialog Broadband Networks (Private) Limited**, a company duly incorporated in the Democratic Socialist Republic of Sri Lanka under the Companies Act No. 07 of 2007 bearing Company No. **PV 261** (hereinafter referred to as "the Operator"), a Licence to operate the telecommunication systems specified in Schedule 1 (hereinafter referred to as the "Licenced System") and authorize the Operator to do all or any of the acts specified in Schedule 2 subject to the Conditions set out in Schedule 3 and for revocation as provided in Schedule 4.
2. This Licence shall come into force on **8<sup>th</sup> May 2015** and shall be of **10 years** duration unless previously revoked in accordance with Schedule 4.
3. The Telecommunications Regulatory Commission of Sri Lanka may recommend modifications to the Licence conditions from time to time where necessary. Any modification shall be made in accordance with Section 18 of the Act.
4. The provisions of the Act and all Rules and Regulations made thereunder shall apply to the Operator for all purposes.

  
Maithripala Sirisena

19 November , 2018



ශ්‍රී ලංකා ජනාධිපති සමාජවාදී ජනරජය  
இலங்கைச் சனநாயக சோசலிசக் குடியரசு  
Democratic Socialist Republic of Sri Lanka

## **TABLE OF CONTENTS**

### **SCHEDULE 1**

#### **THE LICENSED SYSTEM**

### **SCHEDULE 2**

**AUTHORISATION TO CONNECT OTHER TELECOMMUNICATION SYSTEMS & APPARATUS TO THE LICENSED SYSTEM AND TO PROVIDE TELECOMMUNICATION SERVICES BY MEANS OF THE LICENSED SYSTEM.**

### **SCHEDULE 3**

#### **LICENCE CONDITIONS**

##### **PART I: BASIC OBLIGATIONS**

1. General
2. Provision of Telecommunication Services
3. Connection of Apparatus not Comprised in the Licensed System
4. Payments of Fees

##### **PART II: TECHNICAL OBLIGATIONS**

5. Use of Telecommunication Equipment in the System
6. System Architecture and Network Design
7. Changes to the System
8. Technical Standards
9. Use of radio frequencies
10. Wayleaves

##### **PART III: INTER OPERATOR OBLIGATIONS**

11. Control of Obstruction
12. Telecommunications Infrastructure Sharing

#### **PART IV: COMMERCIAL OBLIGATIONS**

13. Tariffs for Services
14. Separate Accounts for Certain Activities
15. Anti- Competitive Practices
16. Prohibition on Undue Preference and Undue Discrimination
17. Ownership of the Licensed System
18. Pre-Notification of Joint Ventures
19. Affiliates

#### **PART V: CUSTOMER SERVICE OBLIGATIONS**

20. Privacy & Confidentiality
21. Metering & Billing
22. Customer Protection

#### **PART VI: OTHER OBLIGATIONS**

23. Right to Inspect & Test
24. Requirement to Furnish Network Plans and other Information to the Commission
25. Quality of Service Standards
26. Lawful Interception and Content Filtering
27. Prohibition of Obscene, Unauthorised Messages
28. Safety

#### **PART VII: GLOSSARY**

#### **SCHEDULE 4 REVOCATION**

## **SCHEDULE 1**

### **THE LICENSED SYSTEM**

1. The Licensed System consists of an integrated transmission network of Digital Microwave Radio Links and Optical Fibre Cables.
2. The Licensed System shall not include the following:
  - a. any Telecommunication System for which a Licence is not required under the Act.
  - b. any Telecommunication System which is Licensed to another person.

## SCHEDULE 2

### **AUTHORISATION TO CONNECT OTHER TELECOMMUNICATION SYSTEMS & APPARATUS TO THE LISENSED SYSTEM AND TO PROVIDE TELECOMMUNICATION SERVICES BY MEANS OF THE LICENSED SYSTEM.**

1. Nothing contained in this License shall exempt the Operator from obtaining any other license for the purpose of carrying on any function for which a person is required to obtain a license under the provisions of the Act or any other enactment.
2. Subject to that limitation and without prejudice to the Act, this license authorises:
  - a. the connection to a telecommunication system of another licenced operator.
  - b. the provision by means of the Licensed System of:
    - (i) "Leased Circuits" to other licensed operators of telecommunications systems sound broadcasting and television system including the provision of last mile connectivity using fibre.
    - (ii) This does not preclude the use of newer technologies approved by the Commission as applicable for the provision of digital microwave radio links and optical fibre cables.
3. Nothing contained in this licence shall exempt review of this Operator licence on the completion of the New System Licensing Framework to be introduced by the Commission.

## **SCHEDULE 3**

### **LICENCE CONDITIONS**

#### **PART I: BASIC OBLIGATIONS**

##### **1. General**

- 1.1 The Operator shall comply with the provisions in the Act and Rules & Regulations made there under.
- 1.2 The Operator shall strictly and without any undue delay comply with any directions, which the Commission may from time to time issue in exercise of its powers, functions or duties under the Act, or in this Licence.
- 1.3 The Operator shall maintain and operate the Licensed Systems as described in Schedule 1 for the provision of the Services as authorised in Schedule 2. The Operator shall not operate or provide any system or service, which has not been authorised in the Schedules 1 and 2 respectively.

##### **2. Provision of Telecommunication Services**

- 2.1 The Operator shall provide telecommunication services consisting in the conveyance of Messages by means of the Licensed System.
- 2.2 The Operator shall be responsible for installation, networking and operation of all the equipment to provide the services. The Operator shall supply all necessary literature, drawings and installation materials regarding the equipment installed for commissioning of the services. The Operator shall supply all the tools, test instruments and other accessories to the testing party of the commission for conducting the tests.
- 2.3 The Operator shall maintain the Licensed System in proper working order, in accordance with such standards conforming to international norms and standards as may be specified by the Commission from time to time, and

improve and expand the Licensed System in accordance with the development plan approved by the Commission. The Operator shall not utilise used equipment in the Licensed System without the prior written authorisation of the Commission.

- 2.4 Within 3 months from the grant of this Licence, the Operator shall, after consulting with the Commission on the development goals of the Government, draw up a Development Plan in accordance with the planning objectives specified by the Commission.
- 2.5 The Development Plan shall include detailed description of the design, technical specifications and characteristics of the proposed network infrastructure and services. At a minimum, the Operator shall provide a schematic network architecture diagram showing:
- a. overall network hierarchy for delivery of services;
  - b. the type and extent of different architecture options to be deployed;
  - c. points of aggregation;
  - d. nature/type of aggregation device proposed at each level in the hierarchy, including equipment type/make;
  - e. links between points of aggregations, plus the interconnection links to other Operators and indicating the type of link proposed;
  - f. location of the network boundary point;
  - g. network management arrangements to ensure end-to-end service delivery, including reference to relevant national and international Quality of Service standards for end-to-end services, fault detection and response/restoration/repair processes and supporting systems.
- 2.6 The Development Plan shall cover such period as may be agreed between the Commission and the Operator and shall be reviewed and renewed at such intervals as may be agreed between the Commission and the Operator. For the duration of the Development Plan, the Operator shall be obliged to implement it according to its terms except to the extent that the Commission agrees to any modifications in it.

- 2.7 When the Development Plan is submitted to the Commission for approval, it may approve it or make such revisions to it as it considers necessary. In taking such a decision on the Development Plan, the Commission shall take into account the financial and technical resources that can reasonably be expected to be available to the Operator during the period of the Plan.

In the case of minor deviations, the Operator may amend the Development Plan, provided such amendments together with supporting reasons are communicated to the Commission under recorded delivery at least eight weeks prior to implementation of such amendments.

### **3. Connection of Apparatus not Comprised in the Licensed System**

- 3.1 No apparatus shall be permitted to be kept connected to the Licensed System if that apparatus:
- a. in the opinion of the Operator, no longer conforms to the required technical standards and the Commission has not expressed a contrary opinion.
  - b. in the opinion of the Operator is liable to cause the death, or personal injury to any person engaged in the running of the Licensed System, or materially to impair the quality of any Telecommunication Service provided by means of any Licensed System or damage to the property of the Operator, and the Commission has not expressed a contrary opinion.

### **4. Payment of Fees**

- 4.1 The Operator shall make during the currency of the Licence, on or before 31<sup>st</sup> January of each year following the issue of the Licence, the following payment:
- a. a Cess imposed under Section 22G of the Act.
  - b. a licence fees as may be determined by the Commission.
- 4.2 If the Operator fails to make the payments by the 31<sup>st</sup> of January as specified in paragraph 4.1 Operator shall be required to pay an additional charge as may be determined by the Commission.



## **PART II: TECHNICAL OBLIGATIONS**

### **5. Use of Telecommunication Equipment in the System**

5.1 Prior to the operation of the Licensed System, the Operator shall be required to obtain the Commission approval for the telecommunication infrastructure of the Licensed System and the type of the technology to be employed for provision of authorised services. Subsequent changes to the telecommunication infrastructure of the Licensed System and/or introduction of new technologies to the network shall be notified to the Commission in advance for approval.

### **6. System Architecture and Network Design**

6.1 The Operator shall maintain an up-to-date record of the configuration of the system used for the provision of telecommunication services. This record shall include the following details and shall be supplemented by schematic diagrams where the Commission considers appropriate:

- (a) The description, nature, specification and configuration of building blocks, including embedded software and information programmed into the nodes or remote computer equipment and switches in or connected with the system, the interconnection between the building blocks and all incoming and outgoing telecommunication circuits connected to the Licensed System;
- (b) The information identifying the circuits such as circuit identification number of the provider of the circuit, type, quantity and the special features and functions available on or in connection with these circuits.

6.2 The Operator shall design its network to support high quality voice, data and video services include symmetric applications such as high-definition video-conferencing and shall have sufficient capacity to meet current and foreseeable demand consistent with international trends.

## **7. Changes to the System**

- 7.1 The Licensee shall give notice in writing to the Commission and shall notify all parties affected of any changes it intends to implement in the specification or performance of the Systems which would require changes to any equipment connected to the System. The period of notice, in consultation with the Commission, shall be appropriate to the likely impacts on the parties affected.
- 7.2 The Operator shall obtain the prior approval of the Commission before implementing such changes, where the Commission considers proposed changes to the Licensed System referred to in paragraph 7.1, would cause another licensed Operator of the Commission has to make major changes in its own network in order to maintain the interoperability with the System of the Operator.

## **8. Technical Standards**

- 8.1 The Operator shall comply with any technical standard prescribed by the Commission for the purposes of ensuring technical compatibility, avoiding technical harm to network or preventing safety hazards to personnel in the connection of telecommunication apparatus to the Licensed System.
- 8.2 The Commission shall have right to direct the Operator to demonstrate that the service complies with the technical standards prescribed by the Commission and the Operator shall comply with such directions.
- 8.3 The Operator shall comply with the electromagnetic compatibility standards as may be specified by the Commission from time to time.

## **9. Use of Radio Frequencies**

- 9.1 The Operator shall utilize the assigned frequencies entirely for the provision of the licensed undertaking. The Operator further covenants that it shall, in

the use of the frequency spectrum, conform to the general allocation of frequencies in the ITU Radio Regulations.

- 9.2 The Operator shall use its best endeavours to ensure that the location, assigned frequencies, emissions, output power, polarisation, antenna characteristics and other technical parameters of each telecommunications installations for radio communication shall at all times conforms to the technical standards as specified by the Commission. The Operator shall not change the location of the telecommunications installations for radio communication or its technical parameters without the prior written approval of the Commission.
- 9.3 The Operator shall take all necessary steps to ensure that the use of the telecommunications installation for radio communications is safe and does not cause interference to other existing radio communication networks operating in the same band or in other bands.
- 9.4 The Operator shall also take appropriate measures to ensure that its radio Communication equipment is adequately protected from interference that may be caused by networks operating in the same band or in other bands.
- 9.5 The Operator shall ensure that non-ionising radiation emissions from its telecommunications installations for radio communication are within the limits specified by the Commission and that it complies with the standard on human exposure to radio frequency radiation adopted and published by the Commission from time to time.

## **10. Wayleaves**

- 10.1 The Operator shall obtain all necessary wayleaves from the appropriate authorities prior to the laying of optical fibre cables and the commencing of the construction of cable works.

- 10.2 The Operator shall not be entitled any exclusive rights or privileges for the laying of optical fibre or any other cables along public roads, highways and railway routes.
- 10.3 The operator shall abide by the directions given by the Authority in connection with the planning and construction of optical fibre or other cable networks, in order to ensure that any action taken by the Operator in this regard shall not come in to conflict with the plans and construction works of other licensed operators.
- 10.4 The Operator shall take all necessary precautions to avoid causing damage to cable plant of other Operators whenever construction and maintenance works are undertaken by him. Trenching operations shall not be carried out without the approval of the Authority who will coordinate such operations with other licensed operators and interested parties.

### **PART III: INTER OPERATOR OBLIGATIONS**

#### **11. Control of Obstruction**

- 11.1 The Operator shall take reasonable measures to install, maintain and operate the service and the network in such a manner as not to cause any physical obstruction to the installation, maintenance, operation, repair, or replacement of the systems of any licensed Operator.

#### **12. Telecommunications Infrastructure Sharing**

- 12.1 Where the Commission considers it is necessary for the Operator to share its telecommunications infrastructure with other telecommunication Operators in the national and/or public interest, the Commission may issue directions requiring the Operator to co-ordinate and co-operate with other licensed Operators for sharing of telecommunications infrastructure. The Operator shall comply with such directions. Prior to issuing any direction under this

paragraph, the Commission shall give a reasonable opportunity for the Operator to make representations on the telecommunications infrastructure to be shared.

- 12.2 The telecommunications infrastructure referred to in paragraph 12.1 shall include:
- a. ducts, pits, tunnels, manholes, towers, masts, poles and antennae sites where radio communications facilities have been installed.
  - b. reasonable space within the Operator's premises or other sites for the purposes of housing the equipment of another licensed Operator of the Commission to establish interconnections with Operator.

#### **PART IV: COMMERCIAL OBLIGATIONS**

##### **13. Tariffs for Services**

- 13.1 The Operator shall lodge a notice of tariffs with the Commission, which sets out in relation to each kind of authorised service in Schedule 2 that the Operator proposes to offer.
- a. a description of the service; and
  - b. details of the nature and amounts of charges payable for the service.
- 13.2 The notice shall be precise and detailed enough to be used to work out the nature and amounts of charges payable for the supply of the particular service. The notice of tariffs lodged with the Commission shall state the period (i.e. the term) for which it is to be in force.
- 13.3 The Operator shall outline how its proposed tariffs have been determined with reference to the underlying costs of providing services and demonstrate that the underlying costs are incurred on an efficient basis. The Operator shall explain the basis on which they have derived the cost of capital, including how investment risks have been calculated. The

Commission shall have reserve the right to determine a price cap for the authorised services in Schedule 2.

- 13.4 For subsequent revision of tariffs, the Operator shall give the reasons for a change of tariffs in the previous tariff plan. The revision of tariffs shall not be effective until approval of the Commission is granted or at a time when a previous tariff of the Operator on the same service is still in force.
- 13.5 The Operator shall not impose any terms and conditions for the provision of any specified service until the Commission has approved such terms and conditions.
- 13.6 The Operator shall provide the specified service at the charges, terms and conditions so approved by the Commission and shall not depart from without prior written approval by the Commission of the proposed charges, terms and conditions.
- 13.7 The Operator shall publish in a manner and at the times in paragraph 13.9 the charge, terms and conditions on which it offers to provide the specified telecommunications service in accordance with an obligation imposed by or under this licence.
- 13.8 Publication shall be effected by:
- a. placing as soon as practicable thereafter a copy thereof in a publicly accessible part of every office of the Operator in such manner and in such place that is readily available for inspection free of charge by members of the general public during such hours as the Commission may prescribe.
  - b. sending a copy thereof or such parts thereof as are appropriate to any person who may request such a copy.
- 13.9 Where the Operator publishes a notice of amendment to a charge in the form of an extract from the Operator's price list, the new tariffs shall be clearly identifiable and the operative date specified.

#### 14. Separate Accounts for Certain Activities

14.1 The Operator shall establish from the beginning accounting and reporting arrangements sufficient to enable the Operator's finances in relation to the various licensed services and activities not requiring a Licence to be assessed and reported on separately from the other activities of the Operator. The Operator shall comply with any directions made by the Commission from time to time in relation to the preparation and delivery of accounting statements.

14.2 The Operator shall:

- a. maintain accounting records in such a form that the activities of the systems business and the Apparatus Supply Business are separately identifiable or separately attributable in the books of the Operator, being records sufficient to show and explain the transactions of each of those businesses;
- b. prepare in respect of each financial year of the Operator, or of such lesser periods as the Commission may specify but not more frequently than quarterly, accounting statements setting out, and in the case of yearly statements fairly presenting the costs (including capital costs), revenue and financial position of each of those businesses, service and region wise including a reasonable assessment of the assets employed in and liabilities attributable to each of them and showing separately, in the case of yearly accounting statements, the amount of any material item of revenue, cost, asset or liability which has been either;
  - (i) charged from or to any other business of the Operator together with a description of the basis of the value on which the charge was made; or
  - (ii) determined by apportionment or attribution from an activity common to the Business and any other business of the Operator and, if not otherwise disclosed, the basis of the apportionment or attribution;

- c. procure in respect of each of the accounting statements prepared in respect of a financial year of the Operator a report by the Auditor stating whether in his opinion that statement is adequate for the purposes of this Condition; and
- d. deliver to the Commission a copy of each of the accounting statements and of the reports relating thereto required under sub-paragraph (b) not later than six months after the end of the period to which they relate.

For the purposes of this paragraph the cost of any business does not include profits of that business.

- 14.3 Accounting statements prepared under paragraph 14.2b in respect of each financial year shall be prepared in the formats and in accordance with the accounting principles and rules which apply to the annual accounts of the Operator and shall state the accounting policies used.

## **15. Anti- Competitive Practices**

- 15.1 The Operator shall not enter into any agreement, arrangement or understanding that shall in any way prevent or restrict competition in relation to the operation of Licensed System, provision of authorised services and acquisition of any telecommunication installations, services or apparatus. In particular, the Operator shall not enter into linked Sale or Exclusive Dealing Arrangements.
- 15.2 The Operator shall ensure that there are no cross subsidies between such parts of the Operator's business as the Commission may determine in consultation with the Operator.
- 15.3 The Operator shall establish such accounting and reporting arrangements so as to enable the Operator's finances in relation to different parts of its business to be assessed and reported on separately.



15.4 Where the Commission determines that the Operator has engaged in Anti-Competitive Practices, the Operator shall take such steps as the Commission may direct for the purpose of remedying the situation.

## **16. Prohibition on Undue Preference and Undue Discrimination**

- 16.1 The Operator shall not (whether in respect of the charges or other terms or conditions applied or otherwise) show undue preference to, or exercise undue discrimination against, particular persons or persons of any class or description. In particular, the Operator shall not give any undue preference to, or receive an unfair advantage from, a business carried on by it or an associated or affiliated company, if the Commission is of the opinion that the competitors of the Operator could be placed at a substantially disadvantage position or the competition would be prevented or significantly restricted.
- 16.2 The Operator shall be deemed to have shown such undue preference or to have exercised such discrimination if it unfairly favours to a material extent a business carried on by it or by its lawful telecommunications associates in relation to any of the matters mentioned in paragraph 16.1 so as to place at a significant competitive disadvantage persons competing with that business.
- 16.3 Any question relating to whether any act done or course of conduct pursued by the Operator amounts to such undue preference or such undue discrimination shall be determined by the Commission, but nothing done in any manner by the Operator shall be regarded as undue preference or undue discrimination if and to the extent that the Operator is required to do that thing in that manner by or under any provision of this License, or where the Operator gives any discount to its large customers provided that such concessions are extended without discrimination to all customers falling within this category.

## **17. Ownership of the Licensed System**

17.1 The Operator shall at all times own and operate the Licensed System and is not permitted to transfer of shares or sell, lease /transfer the whole or part of the Licensed System to any person during the first five years operation. For subsequent change of ownership of the Licensed System, the Operator shall obtain the prior approval of the Commission.

17.2 The Operator shall not issue or transfer or redeem shares such as would give rise to a change in control of the Operator or a material change in the ability of the Operator to perform the authorised Services without the prior consent of the Commission.

## **18. Pre-Notification of Joint Ventures**

18.1 Where the Operator enters into an agreement -

- a. with any person or persons for the establishment or control of anybody corporate for the purpose of :
  - i. the running of a telecommunication system which requires a Licence, under this Act; or
  - ii. providing telecommunication services in Sri Lanka which necessarily involve the running of a Licensed System; or
  - iii. the production of Telecommunication Apparatus for supply in Sri Lanka where that production would lead to a monopoly situation which would not otherwise exist in relation to the supply of Telecommunication Apparatus of any description in Sri Lanka;
- b. for the establishment of a partnership; for any of the purposes or in any of the circumstances referred to in paragraph (a);
- c. in the nature of a joint venture for any of the purposes or in any of the circumstances referred to in paragraph (a) .

- 18.2 The Operator shall, unless the Commission otherwise agrees, notify the Commission not later than 30 days before the taking effect of any such agreements, giving particulars of those agreements.

For the purpose of this Condition, "Monopoly Situation" shall be taken to exist in relation to the supply of services of any description in the following cases, that is to say, if

- a. the supply of Telecommunication services of that description in Sri Lanka is, to the extent of the prescribed percentage, supplied by one and the same person, or supplied to one and the same person, or
- b. the supply of Telecommunication services of that description in Sri Lanka is, to the extent of the prescribed percentage, supplied by members of one and the same group of interconnected bodies corporate, or supplied to members of one and the same group of interconnected bodies cooperate, or
- c. the supply of Telecommunication services of that description in Sri Lanka is, to the extent of the prescribed percentage, supplied by members of one and the same group consisting of two or more persons, or supplied for members of one and the same group consisting of two or more persons. The "two or more persons" referred to in this paragraph of this section, in relation to services of any description, are any two or more persons (not being a group of interconnected bodies corporate) who, whether voluntarily or not and whether by agreement or not, so conduct their respective affairs as in any way to prevent, restrict or distort competition in connection with the supply of services of that description, whether or not they themselves are affected by the competition, and whether the competition is between persons interested as persons by whom, or persons to whom, services are supplied, or

- d. one or more agreements are in operation the result or collective result of which is that services of that description are not supplied in Sri Lanka.
- e. Commission shall reserve the right to declare the prescribed percentage of a “Monopoly situation”.

## **19. Affiliate**

19.1 Where any Associate of the Operator does anything which the Operator is prohibited from doing under the Licence or fails to do anything which the Operator is required to do under the Licence, the Operator shall take such reasonable steps to ensure that the Associate takes such remedial steps to rectify the consequences of the commission or omission as the case may be, as directed by the Commission.

For the purposes of this Condition a person is an Associate of the Operator;

- a. if he is a subsidiary of, or is another body corporate in which the operator has a substantial interest; or
- b. it is a holding company of or controls the Operator.

## **PART V: CUSTOMER SERVICE OBLIGATIONS**

### **20. Privacy & Confidentiality**

- 20.1 The Operator shall take all reasonable steps to safeguard the privacy & confidentiality of any telecommunication messages conveyed by means of the Licensed System.
- 20.2 The Operator shall not use information provided by its customers or obtained in the course of provision of service to its customers other than for and in relation to the provision by the Operator of the service under this licence.

- 20.3 The Operator shall not disclose information of a customer without consent of the customer except under the following circumstances:
- a. where disclosure is deemed necessary by the Commission for the violation of the provisions of the Act or the relevant security agencies or law enforcement or for Prevention/detection of crime or prosecution of offenders;
  - b. where sharing of information with other licensed Operators is necessary to detect, prevent or investigate into fraud under the directions of the Commission

## **21. Metering & Billing**

- 21.1 The Operator shall install and use metering and billing systems that are reliable and accurately record the extent of the service provided to its Customers and any other operator. The Operator shall, in relation to metering and billing systems used for the provision of the service, keep such records and make them available for inspection
- 21.2 The Operator shall conduct tests, upon the request of the Commission, on metering equipment to assess its accuracy, reliability and conformity to the technical standards as specified by the Commission. The Operator shall submit the test result to the Commission within the period as the Commission may determine.
- 21.3 The operator shall take appropriate measures to issue bills with periodicity as determined by the Commission in consultation with the Operator, to the users of the service, indicating the charges provided to the subscribers.
- 21.4 The Operator shall provide, to each of its subscribers, a basic level of itemised billing at no extra charge to the subscriber. The Operator shall ensure that each itemised bill shows a sufficient level of details, such as type of service and the units for which charges are made, the starting time of the each connection, the number called and the duration and number of

units for each call, to allow verification and control of the charges incurred in using its licenced System.

21.5 The Operator shall set out in any account or invoice sent to any such operator or customer the true extent of the service actually provided to that Operator or Customer in the period to which the account or invoice relates.

21.6 The Operator shall upon the written request of the Commission and within 14 (fourteen) days of such request, conduct tests on the metering equipment to assess its accuracy, reliability and conformity to the technical standards, if any, specified by the Commission. The Operator shall submit the test results to the Commission within 14 days after the date of the test or such other longer period as the Commission may determine;

- a. Permit the Commission to inspect its metering and billing system at any time and to cooperate in facilitating any such inspection; and
- b. Alter adapt modify or improve such system in accordance with any reasonable requirement which the Commission may specify in writing from time to time

## **22. Customer Protection**

22.1 The Operator shall comply with any directions issued by the Commission for the purposes of protecting the interests of its customers or Users time to time.

22.2 The Operator shall, in consultation with the commission, prepare and publish within three months of the date on which this licence enters into force, a code of practice for the customer complaints handling, resolution of customer disputes and in relation to non-payment of bills and disconnection. The Commission may from time to time issue directions to the Operator specifying any modifications or additions that it considers should be made to the code or as to the publication, republication, implementation or further modification of the code.

- 22.3 The Operator shall participate in good faith in any dispute resolution procedure established by the Commission for the resolution of such disputes. The Operator shall be solely responsible for the treatment of the subscribers' complaints, issue of bills to its subscribers, attending to claims and damages arising out of this operation.
- 22.4 The Operator shall, in the manner and at the times specified by the Commission, publish the standard terms and conditions under which it provides each category of authorised Services to its customers. The Operator shall ensure that a statement of all applicable terms and conditions of each category of authorised Services is promptly made available for inspection at the request of any member of the public.
- 22.5 The Operator shall deliver to the Commission copies of all standard-form contracts from time to time issued by the Operator in connection with the provision of authorised services to the customers.

## **PART VI: OTHER OBLIGATIONS**

### **23. Right to Inspect & Test**

- 23.1 The Operator shall allow the authorised representatives of the Commission to enter and inspect without prior notice the sites, places and premises where the Operator has installed telecommunication equipment, or used for the provision of the service, to verify that the Operator is in compliance with the licence conditions. The authorised representatives of the Commission shall have the right to inspect without prior notice the sites, premises and installations of the operator wherever situated. The right of inspection shall extend to access to inspect leased lines, junctions, terminating interfaces, processing hardware/software, memories of live, magnetic and optical varieties, wired options, distribution frames, and to enter into dialogue with Input/output devices or terminals.

- 23.2 The Operator shall provide the necessary infrastructure including but not limited to equipment, manuals, diagrams required by the authorised representative of the Commission to inspect, test, read or measure any telecommunication installations, telecommunications equipment or apparatus.
- 23.3 The Commission or its authorised representatives shall have the right to request the operator to demonstrate and explain any operations carried out by the operator at the time of inspection and any time thereafter when required to do so.
- 23.4 The Operator shall permit the authorised representatives of the Commission to inspect without prior notice records, documents and statements of accounts relating to the Operator's business for the due implementation of provisions in the Act and the License. The Commission or authorised representative after inspection has the right to call for certified copies of any records or document and the operator on such request shall provide certified copies as requested.

**24. Requirement to Furnish Network Plans and other Information to the Commission**

- 24.1 The Operator shall provide the Commission with transmission plans, switching plans and overall network plans includes optical fibre cable route maps, signalling plans, traffic information, technical configuration, circuit routing and other relevant technical data which the Commission may by notice or direction require for the exercise of its functions.
- 24.2 The Operator shall furnish to the Commission, in such manner and at such times as the Commission may request, such information related to the business, including financial information, statements of accounts, estimates, returns and other records or information as the Commission may reasonably require for the purpose of exercising its functions.



## **25. Quality of Service Standards**

- 25.1 The Operator shall comply with Quality of Services (QoS) standard conforming to international norms and standards as specified by the Commission from time to time for the provision of authorised services. The Operator shall provide relevant data, carry out surveys and tests or provide the requisite facilities to enable the Commission to carry out such surveys and tests or to monitor the services provided for the purpose of ascertaining the quality of service rendered by the Operator to its customers or to any other Licensed System. The Operator shall make available such data and the results of any such surveys or tests as and when required by the Commission.
- 25.2 The Operator shall install equipment and devices that meet ITU-T standards for measuring the Quality of the Services. The Commission shall order the Operator to install or upgrade the equipment and devices to the required standards within 30 days from the date of such instruction if the Commission has reason to believe that measuring equipment devices or methods are not installed or do not meet the required standards.

## **26. Lawful Interception and Content Filtering**

- 26.1 The Operator shall design to accommodate the directives of the national security authorities and law enforcement agencies in respect of lawful interception and shall extend technical assistance to them in the instances investigations are carried out.
- 26.2 The Operator shall incorporate the feature of ISP-level content filtering into the Licensed System when network is dimensioned.

## **27. Prohibition of Obscene, Unauthorised Messages**

- 27.1 The Operator shall not undertake to carry objectionable, obscene, unauthorized or any other content, messages or communications through the Licensed System.

27.2 The Operator is obliged to provide all the tracing facilities of the nuisance or malicious data, messages or communications transported through his equipment and network, to authorized officers of the Commission, when such information is required for investigations of crimes or in the interest of national security. Any damages from default on the part of Operator in this respect shall be the sole responsibility of the Operator.

## **28. Safety**

28.1 The Operator shall take proper and adequate safety measures for the safeguarding of life and property in connection with all installations, equipment and apparatus operated or used, including safeguards against exposure to any electrical or radiation hazard emanating from the installations, equipment or apparatus used under this Licence.

28.2 Wherever the facilities or related construction activity of the Operator create a serious hazard to public safety or welfare, the Operator shall take all necessary actions to immediately abate the hazard. If the Operator cannot contact the relevant authorities immediately, the Operator shall proceed to abate the hazard immediately and shall notify the Commission and make any required changes as soon as possible.

## **PART VII: GLOSSARY**

<b>Accounting Separation</b>	The preparation of separate accounts for different business and parts of businesses run by the same company or group of companies, so that the costs and revenues associated with each business and part of a business (and transfer between them) can be separately identified and properly allocated.
<b>Anti-Competitive Practice</b>	Any practice whereby the Operator, in the course of business, pursues a course of conduct which of itself or when taken together with a course of conduct pursued by persons associated with him, has or is intended to have or is likely to have the effect of, restricting, distorting or preventing competition in connection with the production supply or acquisition of goods in Sri Lanka or the supply or securing of services in Sri Lanka.
<b>Apparatus Supply Business</b>	The following activities of the Operator or of any subsidiary of the Operator: <ul style="list-style-type: none"><li>a. the supply of any telecommunication apparatus neither comprised nor to be comprised in the Licensed System; and</li><li>b. the installation, maintenance, adjustment, repair, alteration, moving, removal or replacement of any telecommunication apparatus where those activities are not part of the Systems Business.</li></ul>
<b>Auditor</b>	The Operator's auditor for the time being appointed in accordance with the requirements of the Companies Act.
<b>Backhaul</b>	Backhaul is a high capacity inland circuit. It represents the connection between a cable landing station and an operators existing domestic infrastructure.
<b>Broadband</b>	A term used to describe large-capacity networks that are able to carry several services at the same time, such as data, voice and video.
<b>Building Block</b>	A device which provides input/output relationship with the aid of circuit components.
<b>Cable landing station</b>	The means by which an international operator connects an undersea cable to backhaul.

<b>Commission</b>	The Telecommunications Regulatory Commission of Sri Lanka established under the Act.
<b>Connectable System</b>	A telecommunication system which is authorised to be run under a Licence which authorises connection of that system to the applicable System.
<b>Connection Service</b>	A telecommunication service consisting in the conveyance of any message which has been or is to be, conveyed by means of the Licensed System.
<b>Cross Subsidy</b>	The financing of losses made in one market by pricing below incremental costs from profits made in another.
<b>Customer</b>	Any person who has indicated willingness in writing with the Operator to receive Telecommunication Services from the Operator on the Operator's terms and conditions, or has in writing entered into a contract with the Operator for the provision of such service.
<b>Data</b>	A representation of facts, concepts, or instructions in a formalised manner suitable for communication, interpretation or processing by a machine such as Telex machines, Fax machines, Computers, etc. which do not include two-way speech.
<b>Ducts</b>	The tubes through which cables are laid.
<b>Electromagnetic compatibility</b>	The condition which prevails when telecommunications equipment is performing its individually its designed functions in a common electromagnetic environment without causing or suffering unacceptable degradation due to unintentional electromagnetic interference to or from other equipment in the same environment.
<b>Exclusive Dealing Arrangement</b>	Any arrangement whereby the Operator makes the acquisition from any person in Sri Lanka, or outside Sri Lanka by the Operator or any of its wholly owned subsidiaries, or the installation or servicing by any person in Sri Lanka or outside Sri Lanka for itself or any such subsidiary of any Telecommunication Apparatus of any description conditional upon agreement: <ul style="list-style-type: none"> <li>a. to supply to the Operator, or to supply or not to supply to any other person, apparatus of a different description;</li> </ul>

- b. to provide to the Operator or to provide or not to provide to any other person any Telecommunication Service of a different description; or
- c. to transfer to the Operator or to any other person any interest in industrial or intellectual property with a view to restricting unreasonably the freedom of the supplier of the apparatus or the provider of the service in question to exploit his industrial or intellectual property in order to confer on the Operator or some other person an unfair competitive advantage.

**Financial Statements**

Documents that collectively make up, inter alia, the regulatory accounts reflecting accounting separation and interconnection standard services. The statements are audited to check that they fairly represent the financial results for the Businesses which are divided for regulatory purposes (inter alia to help disclose unfair cross subsidies between and within business and that interconnection charges can be shown to be fairly derived from costs and applied without discrimination).

**Interconnection**

The physical and logical connection of two Operators' networks thereby allowing customers of one system to connect with customers of the other, or to access services provided from the other system.

**International Gateway**

A communication server which enables Licensed System to interconnect with other compatible system in overseas.

**ITU (International Telecommunication Union)**

A United Nation Organisation that co-ordinates use of the spectrum and creation of technical standards for communication equipment.

**Interoperability**

Interoperability means the technical features of a group of interconnected systems (systems includes equipment owned and operated by the customer which is attached to the public telecommunication network), which ensure end-to-end provision of a given service in a consistent and predictable way.

**Leased line**

A fixed unswitched communication link that is rented for exclusive 24- hour, 7-days-a- week use from one location to another location.

**Licensed Operator**

Any person who, at the relevant time, has the benefit of a License granted under Section 17 of the Act.

**Link**

A connection maintained or to be maintained between two nodes for the purpose of transmission of messages.

**Linked Sale**

A sale where the Operator agrees to:

- a. provide any Telecommunication Service by means of or in relation to the Licensed System.
- b. supply any Telecommunication Apparatus for connection to the Licensed System;
- c. connect any other system or apparatus to the Licensed System on the condition that the person who has requested such Telecommunication Service, Telecommunication Apparatus or connection service shall acquire from the Operator or from any other person specified or described by the Operator:
  - i. any Telecommunication Service other than the Telecommunication Service requested, save where that service cannot be provided without the provision of that other service; or
  - ii. any Telecommunication Apparatus not incorporated in the Licensed System, save where the Telecommunications Service requested cannot otherwise be provided or the Telecommunication Apparatus requested cannot otherwise be used.

**Network**

A collection of nodes and links which are connected to together by means of transmission paths and which can include a variety of functional units such as switching centres, repeaters etc.

**Network Access Services**

Network Access Services are services that can be technically and economically provided by NBN Operator directly to the other Operators using its network made up of high-speed lines between major switching points.

**Next Generation Network**

A packet-based network able to provide services including Telecommunication Services and able to make use of multiple broadband, QoS-enabled transport technologies and in which service-related functions are independent from underlying transport-related technologies. It offers unrestricted access by users to different service providers.

**Node**

means an exchange used for switching of messages or a branching node of a transmission bearer used for transmission of such messages to the destination.

<b>Non-Ionising radiation</b>	It is a type of energy, in the lower range of the electromagnetic spectrum, which does not have the ability to remove ions from molecules.
<b>Non-proprietary technical standard</b>	means: <ul style="list-style-type: none"> <li>a. the standard is fully published;</li> <li>b. equipment meeting the standard is available from alternative suppliers on a competitive basis; and</li> <li>c. permission to use any intellectual property rights associated with the standard may be readily obtained at a reasonable cost.</li> </ul>
<b>Open access</b>	where a network operator grants access to its network to any other licensed Operator who may reasonably request it.
<b>Predatory Pricing</b>	A firm deliberately sacrificing short-run profits in order to weaken competitors or drive them out of the market enabling it to earn monopoly rents in the longer term by sustaining prices (and therefore profits) at a level higher than would otherwise obtain in a competitive market.
<b>Price Discrimination</b>	Supplying the same product/service to different customers at different prices in relation to differences in costs. Conventional price discrimination is possible where the supplier is able to segment the market, either on the basis of (known) different demand characteristics, or by a self-selecting set of volume related tariffs.
<b>Software</b>	The messages transmitted or processed through a communication medium. This term also refers to the instructions (programs) written for programmable computers.
<b>Telecommunications Network</b>	The Transmission equipment and, switching equipment and other resources which permit the conveyance of signals between defined termination points by wire, by radio, by optical or by other Electro-magnetic means.
<b>Transponder</b>	The part of a satellite that receives an incoming signal from an Up-link and retransmits it on a different frequency to a down-link.

## SCHEDULE 4

### REVOCATION

The Minister may at any time revoke this Licence by 30 days' notice in writing given to the Operator at its registered office in any of the following circumstances:

- a) if the Operator agrees in writing with the Minister that this Licence should be revoked;
- b) if any amount payable under Condition 17 is unpaid and remains unpaid for a period of 14 days after the Commission notifies the Operator that the payment is overdue, which notification shall not be given earlier than the sixteenth day after the day on which the payment became due;
- c) if the Operator fails to comply with an order of the Commission under the Act and that order is not subject to appeal proceedings and such failure is not rectified within 3 months after the Commission has given notice in writing of such failure to the Operator;
- d) if the operator fails to comply with any rule or regulation for the time being in force under the Act.
- e) if it is found that the issue of the Licence had been based on inaccurate or incorrect information provided by the Operator.

\*\*\*\*\*