

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

- 1. I, Ranil Wickremesinghe, President of the Democratic Socialist Republic of Sri Lanka and in my capacity as Minister in Charge 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 **Freesat Lanka (Private) Limited**, a company duly incorporated in the Democratic Socialist Republic of Sri Lanka under the Companies Act No. 7 of 2007 bearing Company No. **PV 85639** (hereinafter referred to as "the Operator"), a Licence to operate a telecommunication system specified in Schedule 1 (hereinafter referred to as the "Licensed System") and authorise 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 25.04.2024 and shall be of **5 years** duration unless previously revoked in accordance with Schedule 4.
- 3. This Licence may be modified from time to time in terms of 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.

.....25.04.....2024



 Ranil Wickremesinghe
 President and Minister of Technology

TABLE OF CONTENTS

1. SCHEDULE 1

THE LICENSED SYSTEM

2. SCHEDULE 2

AUTHORISATION TO CONNECT OTHER TELECOMMUNICATION SYSTEMS AND APPARATUS TO THE LICENSED SYSTEM AND TO PROVIDE SATELLITE SERVICE BY MEANS OF THE LICENSED SYSTEM.

3. SCHEDULE 3

LICENCE CONDITIONS

PART I: BASIC OBLIGATIONS

1. General
2. Provision of Telecommunication Services
3. Access to Space Segment
4. Payment 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. Operation of Ground Stations

PART III: INTERNATIONAL SERVICE OBLIGATION

11. International Commitments

PART IV: INTER OPERATOR OBLIGATION

12. Control Obstruction

PART V: COMMERCIAL OBLIGATIONS

- 13. Tariff for Services
- 14. Pre-Notification of Joint Ventures
- 15. Associates

PART VI: OTHER OBLIGATIONS

- 16. Right to Inspect and Test
- 17. Requirement to Furnish Network Plans and other Information to the Commission
- 18. Lawful Interception and Content Filtering
- 19. Safety

PART VII : GLOSSARY

**4. SCHEDULE 4
REVOCATION**

SCHEDULE 1

THE LICENSED SYSTEM

1. The Licensed System consists of Telecommunication Systems which is established by the Licensee for the purpose of controlling, monitoring and testing functions related to the use, maintenance, operation and control of space objects.
2. The Licensed System shall not include;
 - a. any Telecommunication System for which a Licence is not required under the Act.
 - b. any Telecommunication System which is Licensed to another Operator.

SCHEDULE 2

AUTHORISATION TO CONNECT OTHER TELECOMMUNICATION SYSTEMS AND APPARATUS TO THE LISENSED SYSTEM AND TO PROVIDE SATELLITE SERVICE 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 and paragraph 1, this license authorises the access to Space segment providing radio communication service except a space system which Commission has notified the Licensee should not, or as the case may be should cease to, be connected to the Licensed System;
3. Subject to paragraph 1, this Licence authorises to provide, as specified Services below.
 - I. Regional Satellite Transponder Monitoring Service.
 - II Telemetry, Tracking and Control (IT &C) Services.
 - III International Transit Service.
 - IV Regional MCPC (Multiple Channels Per Carrier) Service.
 - V DSNG (Digital Satellite News Gathering) Services.

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.
- 1.4 Operator shall comply with the terms and conditions imposed by the Commission from time to time including the national policy and the terms of use of band allocated by the International Telecommunication Union (ITU) regulations.

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, 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.
- 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 Access to Space Segment

- 3.1 The Operator shall seek the approval of the Commission for access to any space segment and shall comply with the relevant rules, regulations and procedures imposed by the Commission with regard to space Communications.
- 3.2 The Operator shall notify the Commission as soon as practicable of the general nature of the services carried by every transponder on a space station and the countries, from and in which, the services are transmitted and received respectively.

4 Payment of Fees

- 4.1 The Operator shall make during the currency of the Licence, on or before 31st January of each year following the issue of the Licence, the following payment:

- a. Cess imposed under Section 22G of the Act.

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 for any changes to the equipment comprised in the ground station or any proposed changes to operating radio frequency(s), the mode of transmission, any other technical parameters and the location at which the ground station is installed.

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 only use with the radio frequencies or radio frequency bands, power and aerial characteristics as specified in the license granted under Section 22 of the Act for the use of frequencies.
- 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 the ground station for space communication shall at all times conforms to the technical standards as specified by the Commission. The Operator shall not change the location of the ground station for space communication or its technical parameters (operating frequencies, the mode of transmission etc.) without the prior written approval of the Commission.
- 9.3 The apparatus comprised in a radio communications installation shall be of an approved by the Commission. The Operator shall take all necessary steps to ensure that the use of the radio communications installation is safe and does not cause interference or physical obstruction to any lawful telecommunications service operating in the same band or in other bands.
- 9.4 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 The Operation of the Ground Station

- 10.1 The Operator shall not allow any unauthorized person to operate the ground stations or have access to the ground station and equipment contained therein. The Operator shall ensure that persons authorized to operate the ground station comply with the license conditions at all the times.
- 10.2 The Operator shall maintain up-to-date records of the ground station, including the name of equipment manufacturer, model, serial number of the equipment, frequency(s), output power, date of purchase and date of disposal of the equipment. This list shall be made available for inspection by the Commission as and when requested.
- 10.3 The apparatus comprised in each radio communications installation shall at all times comply with such technical standards as may be issued by the Commission time to time
- 10.4 The Operator shall not possess any radio-communication equipment, except and in accordance with a license granted under Section 22 of the Act.
- 10.5 The ground station shall not be used for the purpose of up-linking of messages/signals to any space station services on behalf of any person.
- 10.6 The Operator shall ensure that the ground station and the equipment comprised therein are not used for unlawful purposes or misused in any way.

PART III: INTERNATIONAL SERVICE OBLIGATIONS

11. International Commitments

- 11.1 The Operator shall at all times comply with the provisions of the constitution and Convention of the International Telecommunication Union (ITU) and the regulations and recommendations annexed to it, and without limiting the generality of the foregoing, the recommendations made by the Radio Communication Sector and Standardisation Sector established under the Convention and any other international convention, agreement, arrangement, or treaty to which Sri Lanka is or shall become a party.
- 11.2 The Commission shall notify the Operator from time to time of any such convention, agreement, arrangement, or treaty, which Government entered.

PART IV: INTER OPERATOR OBLIGATIONS

12 Control of Obstruction

- 12.1 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.

PART V: COMMERCIAL OBLIGATIONS

13. Tariff 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;
 - b. details of the nature and amounts of charges payable for the service, and
 - c. the method adopted for determining the charges.
- 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 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 charges, terms and conditions on which it offers to provide the specified telecommunications services 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 price shall be clearly identifiable and the operative date specified.

14 Pre-Notification of Joint Ventures

14.1 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);

14.2 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" has the same meaning as in Section 12 of the Fair-Trading Commission Act No: 1 of 1987.

15. Associates

15.1 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 VI: OTHER OBLIGATIONS

16. Right to Inspect & Test

16.1 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.

16.2 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.

16.3 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.

16.4 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.

17 Requirement to Furnish Network Plans and other Information to the Commission

17.1 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.

17.2 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.

18. Lawful Interception and Content Filtering

18.1 The Operator shall design its network 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.

19. Safety

19.1 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.

19.2 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

Building Block	A device which provides input /output relationship with the aid of circuit components.
Commission	The Telecommunications Regulatory Commission of Sri Lanka established under the Act.
Electromagnetic compatibility	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.
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).
ITU (International Telecommunication Union)	A United Nation Organisation that co-ordinates use of the spectrum and creation of technical standards for communication equipment.
Licensed Operator	Any person who, at the relevant time, has the benefit of a License granted under Section 17 of the Act.
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.
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.
Non-Ionising radiation	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.

Non-proprietary technical standard

means:

- a. the standard is fully published;
- b. equipment meeting the standard is available from alternative suppliers on a competitive basis; and
- c. permission to use any intellectual property rights associated with the standard may be readily obtained at a reasonable cost.

Software

The messages transmitted or processed through a communication medium. This term also refers to the instructions (programs) written for programmable computers.

Space object

Is an object which has been placed into orbit by human endeavour

Space Segment

A term which describes the portion of the total communication satellite system which is physically located in orbit around the earth.

Space Station

A station located on an object which is beyond, is intended to go beyond, or has been beyond, the major portion of the Earth's atmosphere

Space System

Any group of cooperating earth stations and/or space stations employing space radio communication for specific purposes.

Telecommunications Network

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.

Transponder

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 4 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 actions of the Operator is likely to have an adverse impact on the national security;
- f. if the Operator sells, leases or transfers the ownership of the licensed system partly or fully to any person/entity during the validity period of the licence;
- g. if the Operator sells or transfers/ diversifies the shares of the business partly or fully to any person/entity during the validity period of the licence;
- h. if the Operator makes changes to the composition of the shareholding of the company to whom the licence is issued;
- i. if it is found that the issue of the Licence had been based on inaccurate or incorrect information provided by the Operator.
