

Telecommunications and Spectrum Licence

**GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
TELECOMMUNICATIONS AND SPECTRUM LICENCE**

DATE: 25 JANUARY

2006

LICENSEE: CABLE AND WIRELESS (WEST INDIES) LIMITED

**ATTORNEY GENERAL'S CHAMBERS
SOUTH BASE
GRAND TURK
TURKS AND CAICOS ISLANDS
BRITISH WEST INDIES**

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**GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
TELECOMMUNICATIONS AND SPECTRUM LICENCE**

THIS TELECOMMUNICATIONS AND SPECTRUM LICENCE dated the day of _____ Two thousand and six is issued by the Honourable **McALLISTER EUGENE HANCHELL**, Minister of Communications, Works and Utilities of the **GOVERNMENT OF THE TURKS AND CAICOS ISLANDS** of Government Compound, Grand Turk, Turks and Caicos Islands, British West Indies (“the Minister”, which expression shall include his successors) to **CABLE AND WIRELESS (WEST INDIES) LIMITED**, a company duly incorporated in England and having its registered office situate at Lakeside House, Cain Road, Bracknell, Berkshire RG 12 1XL, England, and having a branch operation in the Turks and Caicos Islands whose principal place of business is P.O. Box 78, Leeward Highway, Providenciales, Turks and Caicos Islands (“the Licensee”, which expression shall include its permitted successors and assigns).

1. AUTHORITY AND CITATION

- 1.1 This Licence is issued by the Minister to the Licensee in accordance with sections 13 (Grant of licence) and 9(4) (Belonger control) of, and Schedule 4 to, the Telecommunications Ordinance 2004, on terms and conditions as recommended by the Telecommunications Commission of the Turks and Caicos Islands.
- 1.2 This Licence may be cited as the Cable and Wireless Telecommunications and Spectrum Licence 2006.

2. INTERPRETATION

- 2.1 In this Licence, unless the context requires otherwise:

“Access Deficit” means the difference between the total cost to the interconnection provider for providing access services (which may include appropriate operating expenditures, depreciation, an appropriate return on capital employed, and mark-ups for contributions to fixed joint and common costs of providing access lines that originate at the customer’s network interface device and terminate in the line card and include the cost of the line card and subscriber sensitive portion of the exchange) and the revenues derived from providing that service (i.e. line rental fees), calculated in accordance with guidelines published by the Commission pursuant to section 25A of the Telecommunications Ordinance.

“Access Deficit Charge” means a charge paid by carriers and service providers as the Commission sees fit in accordance with section 25A(1) of the Telecommunications Ordinance;

“Agreement” means the Telecommunications Agreement dated _____ 2006 and made between the Government of the one part

	and the Licensee of the other part;
“Commencement Date”	means the date on which this Licence comes into force;
“Force Majeure”	means causes that are beyond the Licensees reasonable control, including, but not limited to war, warlike operations, terrorist activities, civil commotion, currency fluctuations, strikes, fire, flood, tempest, or disaster or acts or failure to act of any governmental authority.
“Government”	means the Government of the Turks and Caicos Islands;
“Licence”	means this Licence together with its Annexes;
“Licensed Area”	means the territory of the Turks and Caicos Islands, including its territorial waters and airspace;
“Licensed Networks”	means those telecommunications networks set out in Annex B;
“Licensed Services”	means those telecommunications services set out in Annex A;
“Price Cap Regime”	means the rules for controlling the Regulated Rates, as set out in Annex C;
“Regulated Rates”	means the fixed line monthly rental and fixed to fixed domestic local call charges either intra-island calling or inter-island calling;
“Regulations”	means regulations issued pursuant to the Telecommunications Ordinance;
“Regulatory Fees”	means the fees payable by the Licensee to the Commission under section 46 of the Telecommunications Ordinance;
“Telecommunications Ordinance”	means the Telecommunications Ordinance 2004;
“Spectrum Licence”	means the licence to use the spectrum, as set out in Annex E;
“Universal Service Provider”	means a licensed service provider that is designed to provides certain telecommunications services in accordance with section 29(2) of the Telecommunications Ordinance.

2.2 Any word, phrase or expression used in this Licence shall, unless the context requires otherwise, have the same meaning as it has in the Telecommunications Ordinance and the Regulations.

2.3 Words importing the singular shall include the plural and vice versa. All references to legislation shall be deemed to refer to such legislation as amended or re-enacted from time to time.

3. GRANT

3.1 The Licensee is authorised to connect the Licensed Networks to:

3.1.1 any other telecommunications network operated under a licence granted by the Minister in accordance with the Telecommunications Ordinance;

3.1.2 any telecommunications network outside the Licensed Area;

3.1.3 any telecommunications apparatus in accordance with applicable requirements; and

3.1.4 any terminal equipment approved for connection in accordance with the Telecommunications Ordinance.

3.2 The Licensee is hereby authorised to provide the Licensed Services by means of the Licensed Networks.

3.3 The Licensee is hereby authorised to establish and operate the Licensed Networks and to provide the Licensed Services to any person within the Licensed Area.

3.4 In no event does this Licence grant any exclusive right to operate any telecommunications network or to provide any telecommunications service.

3.5 The Licensee is hereby licensed to use the spectrum set out in Annex E (Spectrum Licence) to establish and operate the Licensed Networks and to provide the Licensed Services.

3.6 The Licensee shall have the exclusive use of the spectrum set out in Annex E for the term specified herein.

3.7 The Licensee shall pay the spectrum fees as established in the Regulations for any spectrum initially licensed to the Licensee after the Commencement Date. For the avoidance of doubt, subject to Clause 7.1, the Licensee is not required to pay spectrum fees for spectrum listed in Annex E.

3.8 This Licence supersedes all previous licences and authorisations granted to the Licensee by the Government.

3.9 For the avoidance of doubt, nothing in this Licence grants to the Licensee the right to establish or operate any telecommunications network, provide any telecommunications service or use any spectrum other than as set forth in the Telecommunications Ordinance, the Regulations, or this Licence.

4. DURATION

4.1 This Licence begins on the Commencement Date, and shall continue in force for a period of fifteen (15) years, unless it previously lapses in accordance with its terms, or is previously revoked in accordance with a condition contained in the Licence or under the Telecommunications Ordinance.

4.2 Part I of Annex C (Price Cap Regime) shall cease to have effect three (3) years after the Effective Date, as defined in the Agreement.

5. TERMINATION

- 5.1 In the event of termination of this Licence, other than by expiry of the terms set out in Clause 4, the Commission will grant such permissions as may be necessary to own such assets as may be necessary for the provision, maintenance and/or operation of circuits transiting the Licensed Area, which, for technical reasons, are required to be relayed by facilities located in the Licensed Area, provided that no such permission constitutes a licence to provide a telecommunications service in the Licensed Area, except to the extent that a licence is otherwise granted pursuant to the Telecommunications Ordinance.
- 5.2 In addition to any relevant provision under the Telecommunications Ordinance, this Licence may be terminated upon notice by the Commission to the Licensee:
- (a) if the Licensee fails to comply with section 20 of the Telecommunications Ordinance.;
 - (b) if the Licensee shall be dissolved or go into liquidation otherwise than for the purpose of solvent reconstruction (with the consent in writing of the Minister first had and obtained, which shall be within the Minister's absolute discretion), or shall become insolvent, or shall cease to carry on a telecommunications business; or
 - (c) where the Commission deems that there is, or is likely to be, a risk to national security.

6. SUB-CONTRACTING

- 6.1 The Licensee may employ subcontractors to install and maintain, operate or provide, some or all of the Licensed Networks or the Licensed Services.
- 6.2 Any subcontractor's contract shall provide that the subcontractor agrees to comply with the terms and conditions of this Licence, Regulations and the Telecommunications Ordinance.
- 6.3 Use of a subcontractor shall not relieve the Licensee of any of its obligations under this Licence and nothing under this sub-clause grants to any sub-contractor any right to provide telecommunications services or operate any telecommunications network under the Telecommunications Ordinance.

7. REGULATORY FEES

- 7.1 The Licensee shall pay the Regulatory Fees in accordance with section 46 of the Telecommunications Ordinance and the Regulations established thereunder.

8. EMERGENCIES

- 8.1 The Licensee shall provide access to, emergency telecommunications services by means of the Licensed Networks, as the Commission may prescribe.

9. DOMINANT LICENCE

- 9.1 As of the Commencement Date, the telecommunications services and telecommunications networks as to which the Licensee is dominant are set out on Appendix A and Appendix B, respectively. In addition, in accordance with section 16 of the Telecommunications Ordinance, the Commission may determine that the Licensee is dominant in relation to the establishment, operation and

maintenance of some or all telecommunications networks and services in the Licensed Area.

- 9.2 The Licensee may apply to the Commission to have any of its Licensed Services or Licensed Networks in any geographic or service market be classified as non-dominant where the Licensee considers that it has lost its dominance with respect to such Licensed Services or Licensed Networks and, should the Commission so classify, Annexes A and B shall be amended to reflect such classification.
- 9.3 To the extent that the Licensee is classified as dominant in relation to the establishment, operation and maintenance of some or all telecommunications services and telecommunications networks in the Licensed Area, the Commission may amend the Licence to include additional terms and obligations in accordance with sections 17 and 18 of the Telecommunications Ordinance.

10. UNIVERSAL SERVICE

- 10.1 The Licensee shall be designated a Universal Service Provider in the Licensed Area for a period of five (5) years effective from the Commencement Date and shall continue to provide the telecommunications services set out in section 29(2) of the Telecommunications Ordinance that it provided at the Effective Date as defined in the Agreement.
- 10.2 The Commission may in accordance with section 29 of the Telecommunications Ordinance establish and arrange for the administration of a Universal Service Fund where the Licensee establishes that there is a net avoidable cost as described in section 29 of the Telecommunications Ordinance.
- 10.3 If a Universal Service Fund is established, the Commission will ensure that the Licensee recovers the net avoidable costs that result from fulfilling the universal service obligation in accordance with section 29(9) of the Telecommunications Ordinance.
- 10.4 The Commission will endeavour to undertake a review (the "Review") of the designation of the Licensee as a Universal Service Provider pursuant to Clause 10.1 above, with the goal of commencing the Review three (3) years after the Commencement Date and concluding the Review no later than four (4) years after the Commencement Date.
- 10.5 The Review may result in a continuation of the designation in Clause 10.1 for such further period as the Commission may determine, or a modification of the designation in light of competitive and technical developments.

11. LICENSEE'S OBLIGATIONS TO USERS

- 11.1 The Licensee shall, in accordance with the Telecommunications Ordinance, take such steps as are necessary to ensure that, in relation to its Licensed Services, users can reasonably and reliably have access to information services to assist them with queries relating to the Licensed Services, including installation, fault reporting, billing and directory assistance.
- 11.1.1 The Licensee shall provide (directly or indirectly), to all subscribers of its public telephone services, a directory of listings of telephone numbers of its subscribers in hard copy (such as paper or other media), without charging any persons listed therein for such listing.
- 11.1.2 Notwithstanding Clause 11.1.1, the Licensee may also publish yellow pages, business directories or other specialised directories, and may charge

for listings and any paid advertisements therein

- 11.1.3 Nothing in this Clause 11.1 prevents the Licensee from charging users for accessing directory assistance service.
- 11.2 The Licensee shall, no later than three (3) months after the Commencement Date, develop, implement and publish procedures for responding to complaints from and disputes with users related to statements of charges and to prices, and the Licensee shall respond quickly and adequately to any complaints, but in no event later than one (1) month after the filing of such complaint with the Licensee.
- 11.3 The Licensee shall be subject to the Commission's procedures for resolving such complaints from and disputes with users as are submitted to the Commission, where such disputes arise out of the Licensee's exercise of its rights and obligations under this Licence.
- 11.4 The Licensee shall, no later than three (3) months after the Commencement Date, submit to the Commission forms of its standard customer agreements, containing the terms and conditions for the provision of Licensed Services to users and shall, thereafter, file annually with the Commission, all forms of standard customer agreements for the provision of Licensed Services. The Licensee may continue using such standard customer agreements as it had been using immediately prior to the grant of this Licence for at least one (1) year from the Effective Date as defined in the Agreement.
- 11.5 The Licensee shall notify all users of Licensed Services of the terms and conditions of the applicable standard customer agreements in the manner specified by the Commission and shall thereafter provide Licensed Services based upon the applicable agreement.
- 11.6 In addition to its obligations under Clause 11.5, the Licensee may from time to time modify its standard customer agreements and shall notify the Commission and users of such modification.
- 11.7 The standard customer agreements and any modifications made under Clause 12.6 shall be compliant with the Telecommunications Ordinance and any other applicable laws. In the event that the standard customer agreements or modifications do not comply with the Telecommunications Ordinance and any other applicable laws, the Commission shall instruct the Licensee to make the appropriate amendments. Such amendments shall be notified to users in accordance with Clause 11.5.
- 11.8 Prices charged by the Licensee to users of certain Licensed Services shall be set in accordance with Annex C and the Regulations and shall be fair and reasonable and shall not discriminate unduly among similarly situated persons, including the Licensee and any body corporate with which it is affiliated. For purposes of this Clause 11.8, rates that are set in accordance with Annex C are presumed, subject to a Commission determination to the contrary, to be fair and reasonable.
- 11.9 The Licensee shall publish the prices, terms and conditions for its Licensed Services no less than annually and, in addition, upon any change thereof, in such manner as the Commission shall prescribe.
- 11.10 Prices published by the Licensee for Licensed Services shall take effect upon such date after publication as the Licensee shall specify.
- 11.11 The Licensee shall adhere to Quality of Service Regulations and shall make such reports regarding the quality of the services that it provides on a periodic basis, as specified by the Commission.

12. NUMBERING

- 12.1 The Licensee shall operate its Licensed Networks and provide its Licensed Services in accordance with the numbering plan established pursuant to section 26 of the Telecommunications Ordinance.
- 12.2 The Licensee shall be entitled to use numbers that it has been authorised to use as of the Commencement Date, as set out in Annex D, subject to any changes required in accordance with section 26 of the Telecommunications Ordinance. The Licensee shall be required to pay any relevant fees payable in accordance with the Regulations issued pursuant to section 64(2)(k) of the Telecommunications Ordinance for any new numbers allocations after the Commencement Date. For the avoidance of doubt the Licensee is not required to pay fees for the numbers listed in Annex D, but Licensee's use of such numbers is otherwise subject to such Regulations.

13. NON-DISCRIMINATION AND FAIR TRADING

- 13.1 The Licensed Networks shall be operated, and the Licensed Services shall be provided, by the Licensee on an arm's length commercial basis with respect to the Licensee and any and all of the bodies corporate with which it is affiliated. This Clause 13 shall not prevent the Licensee from negotiating favorable accounting and settlement rates for public telephone services with any body corporate with which it is affiliated in any other jurisdiction, for the benefit of users in the Turks and Caicos Islands, provided that Licensee, and any of its affiliates, make such rates available to similarly situated third parties in the Turks and Caicos Islands with which Licensee, or such affiliates, have entered into arrangements to exchange or terminate international telephone traffic.
- 13.2 In providing the Licensed Services and transmitting communications, the Licensee shall not discriminate as between similar types of users and shall offer the Licensed Services on the same terms and conditions to similar types of users.
- 13.3 The Licensee shall permit the attachment to its Licensed Networks of, and shall not discriminate against any user using, customer premises equipment that is compliant with Part V of the Telecommunications Ordinance.
- 13.4 The Licensee shall not engage in anti-competitive pricing and other similar practices or any other activities, whether by act or omission, which have, or are intended to or likely to have, the effect of unfairly preventing, restricting or distorting competition in any market for the Licensed Services, as may be further specified in Regulations and, in particular, the Licensee shall refrain from using revenues or resources from a Licensed Network or Licensed Service in respect of which the Licensee is dominant to cross-subsidise unfairly any other telecommunications network or telecommunications service, without the prior written approval of the Commission.
- 13.5 Without limiting the generality of Clause 13.4 above, any act or omission which leads, or is likely to lead, to a substantial lessening of competition in the market for any telecommunications network or telecommunications service is prohibited. The Commission will issue Guidelines describing, or may otherwise determine, what constitutes a substantial lessening of competition and the procedures for assessing it.
- 13.6 Any personal information that the Licensee obtains from or about a user in connection with the operation of a Licensed Network or the provision of a Licensed Service may be used in connection with the operation of such Licensed Network or the provision of such Licensed Service.

- 13.7 The Licensee may only cease provision of any telecommunications service as a remedy for non- or partial payment by the user of that service of amounts on the same bill for other telecommunications services provided by the Licensee, or any of its affiliates, provided that any amounts paid are insufficient to meet the debt owed for that service. Any amounts paid by the user shall be allocated to his debt for services in the following order: 1) access line rental, and any applicable connection or reconnection charges; 2) domestic calls terminating on a fixed line network, including calls to an Internet service provider; and 3) among all other telecommunications services proportionately to the amounts owed for such telecommunications services.
- 13.8 The Licensee shall account for costs and keep such books of accounts and, where Regulations prescribe the manner in which such books are to be kept, shall keep such books of accounts in accordance with such Regulations.
- 13.9 The Licensee shall refrain from impairing or terminating the telecommunications service provided to a user during a bona fide dispute, without the prior written approval of the Commission, except that the Licensee may (a) in respect of a billing dispute, collect from any such user amounts that are not in dispute; (b) in respect of customer premises equipment attached to any Licensed Network in contravention of the Telecommunications Ordinance, disconnect any equipment that is unsafe for a user, is not in compliance with international standards or that poses a risk of physical harm to such Licensed Network; and (c) enforce the terms of its user agreement, provided that such terms do not incorporate matters that are the subject of any Regulation.

14. ACCESS DEFICIT CHARGES

- 14.1 The Commission may determine that there may be an Access Deficit Charge and, in such case, the Licensee shall, comply with any Regulations the Commission may issue in accordance with section 25A of the Telecommunications Ordinance.

15. INTERCONNECTION

- 15.1 With respect to the Licensed Services and Licensed Networks for which the Licensee has been classified as dominant, as set forth in Appendix A and Appendix B, respectively, the Licensee shall be required to provide interconnection to another licensee in accordance with section 22 of the Telecommunications Ordinance.
- 15.2 With respect to the Licensed Services and Licensed Networks for which the Licensee has been classified as dominant, as set forth in Appendix A and Appendix B, respectively, the Commission may issue instructions to the Licensee in accordance with section 23 of the Telecommunications Ordinance.
- 15.3 With respect to any Licensed Network for which Licensee has been classified as dominant, Licensee shall make available on a timely basis, as the Commission may prescribe, to other carriers or service providers, such technical information as the Commission may determine regarding such Licensed Network, including planned deployment of equipment, and other information relevant to such other carrier's or service provider's network or services.

16. MOBILE TERMINATION CHARGES

- 16.1 The Licensee shall set wholesale termination rates for termination on Licensee's mobile network in accordance with the Interconnection Regulations.

17. INFORMATION

- 17.1 The Licensee shall provide the Commission with such relevant accounting, financial, costs, technical and other information concerning any Licensed Networks or Licensed Services as the Commission may reasonably request to enable the Commission to carry out its functions under the Telecommunications Ordinance.
- 17.2 Without limiting the generality of Clause 18.1, the Licensee shall provide to the Commission annually a final audited profit and loss and balance sheet, in accordance with the Regulations, which information shall be kept confidential by the Commission.

18. CONFIDENTIALITY

- 18.1 The Licensee shall maintain the confidentiality of, and refrain from using or disclosing, any:
- 18.1.1 confidential, personal and proprietary information obtained in the course of its business from any user, where such information originates from any such user;
 - 18.1.2 any information regarding usage of a Licensed Network or a Licensed Service; or
 - 18.1.3 information received or obtained in connection with the operation of a Licensed Network or the provision of a Licensed Service;
- unless the customer has given his or her consent to such use or disclosure or such disclosure is required under any law.
- 18.2 Notwithstanding Clause 18.1, the Licensee is permitted to use information to operate its Licensed Networks or Licensed Services, bill and collect charges, protect its rights or property or prevent users or other operators or providers from the fraudulent use.

19. RIGHTS OF ACCESS

- 19.1 Subject to the Regulations or any law, the Licensee shall have such rights of way to public roads or other public grounds to operate the Licensed Networks as it has as of the Commencement Date.

20. FORCE MAJEURE AND SERVICE INTERRUPTIONS

- 20.1 The Licensee shall not be in breach of this Licence, if and solely to the extent that it is prevented from fulfilling its obligations by reason of Force Majeure.
- 20.2 If, at any time, the Licensee anticipates that any Licensed Network or Licensed Service will become, or a Licensed Network or a Licensed Service becomes, interrupted for any significant period (which period means a period in excess of three (3) hours during any business day), the Licensee shall give notice to both the Minister and the Commission as soon as practicable and shall give notice to all affected persons, including subscribers and other operators of telecommunications networks and providers of telecommunications services, by all reasonable means, including by publication, radio or television announcement or individual notification, whichever is appropriate.

20.3 During a period of interruption, the Licensee shall use all reasonable endeavours to provide service on a provisional basis.

21. NOTICES

21.1 Notice may be given hereunder by the Minister or the Licensee by facsimile, hand delivery or courier and addressed to their respective addressees as follows:

The Minister: Ministry of Communications,
Works and Utilities
Pond Street
Grand Turk
Turks and Caicos Islands

Attention: Permanent Secretary

Fax No.: (649) 946 2740

The Licensee: Cable and Wireless (West Indies) Limited
P.O. Box 78
Leeward Highway
Providenciales
Turks and Caicos Islands

Attention: Managing Director

Fax No.: (649) 941 3051

or any other address or fax number of which the Minister or the Licensee shall have notified the other of them in writing. Notices shall be deemed to have been received, in the case of facsimile, at the time of dispatch (or if the day of dispatch is not a business day, on the next following business day); in the case of courier, on the business day after dispatch; and in the case of hand delivery, when delivered (or if the day of delivery is not a business day, on the next following business day).

22. COMPLIANCE AND DISPUTE RESOLUTION

22.1 The Minister and the Commission may, where the Licensee has violated any provision of the Telecommunications Ordinance or the Regulations, or breached any provision of this Licence, take any action authorised by law.

22.2 If the Licensee disputes any action taken or not taken by the Minister or the Commission with respect to this Licence, the Licensee may pursue such rights as it has under sections 53 and 54 of the Telecommunications Ordinance, the Regulations or any other law.

23. GOVERNING LAW

23.1 This Licence shall be construed and interpreted in accordance with the laws of the Turks and Caicos Islands; and all matters relating hereto shall be determined by the courts of the Turks and Caicos Islands.

ANNEX A
LICENSED SERVICES

- 1.1 All telecommunications services that the Licensee provides in the Turks and Caicos Islands on the Commencement Date and without regard to whether such services are dedicated or switched (whether packet- or circuit-switched), and without regard to the telecommunications networks by which such services are provided, including, but not limited to:
 - 1.1.1 Domestic and international public telephone services, including analogue and digital fixed and mobile telephone service (regardless of payment mechanism, including pay phones, credit cards and calling cards) and regardless of the type of customer premises equipment that may be attached thereto.
 - 1.1.2 Domestic and international data services (including leased lines, paging, frame relay and virtual private network services).
 - 1.1.3 Domestic and international text (including telex and telegram) transmission services.
 - 1.1.4 Any present or future modifications, upgrades or enhancements to telecommunications services included in this Clause 1.1.
2. Any telecommunications service that requires a licence under the Telecommunications Ordinance and that is not included in Clause 1.1, provided that the Licensee is expressly subject, on a non-discriminatory basis, to any Regulations, policies, terms and conditions of the Commission that apply to such service when provided by any other person licensed under the Telecommunications Ordinance.
3. For purposes of this Licence, the Licensee is dominant with respect to the following telecommunications services in Turks and Caicos Islands:
 - 3.1 Domestic public telephone services provided over the Licensee's fixed network.
 - 3.2 International public telephone services provided over the Licensee's fixed network.
 - 3.3 Domestic and international leased line services provided over the Licensee's fixed network.
- 4 Pursuant to section 16(3) of the Telecommunications Ordinance, the Licensee may, upon application to the Commission, demonstrate that it is no longer dominant with respect to the telecommunications services specified in Clause 3 above.

ANNEX B
LICENSED NETWORKS

- 1.1 Any telecommunications networks in use as of the Commencement Date and used by the Licensee at and after the Commencement Date to provide any of the telecommunications services listed on Annex A, including domestic and international fixed line, wireless and mobile networks, whether using switched or packet technologies or any other form or combination of telecommunications technologies.
- 1.2 Any enhancements, augmentations, updates, upgrades, replacements and routine or normal expansions of the networks described in Clause 1.1, at the Licensee's discretion and subject to any applicable enactments and required permissions and approvals. Such enhancements, augmentations, updates, upgrades, replacements and routine or normal expansions include, but are not limited to:
 - 1.2.1 new fixed line or wireless loops that connect to such networks;
 - 1.2.2 replacement of components of such networks (e.g., copper with fiber optic cable); and
 - 1.2.3 upgrading or constructing new transmission towers, poles, ducts and other associated facilities.
- 1.3 For avoidance of doubt, nothing in this Licence grants the Licensee the right to use spectrum other than the spectrum set out in Annex E.
- 1.4 Any telecommunications network other than the networks described in Clause 1.1, provided that in constructing such network (including by erecting or installing transmission towers, poles, ducts and other associated facilities, or carrying out any road works as provided by the Telecommunications Ordinance) the Licensee must comply with any applicable enactments and obtain all required permissions and approvals.
- 1.5 For purposes of this Licence, the Licensee is dominant with respect to the following telecommunications networks in Turks and Caicos Islands:
 - 1.5.1 Domestic fixed public telephone network (including with respect to the domestic termination of the international fixed public telephone network).
- 1.6 Pursuant to section 16(3) of the Telecommunications Ordinance, the Licensee may, upon application to the Commission, demonstrate that it is no longer dominant with respect to the telecommunications networks specified in Clause 1.5 above.

**ANNEX C
PRICE CAP REGIME**

I. For a three (3)-year period commencing with the Effective Date as defined in the Agreement (the "Interim Period"), the Licensee shall set rates as follows:-

1. The Licensee shall set prices in accordance with Schedule 1 to the Agreement.
2. The Commission may authorize the Licensee to increase line rental charges and domestic local call charges above the rates set forth on Schedule 1 if, and only to the extent that, the Licensee can demonstrate, to the satisfaction of the Commission, that there is and remains an Access Deficit after the payment of any Access Deficit Charges, if any.
3. The Licensee may demonstrate that there is an Access Deficit based on an updated Fully Allocated Cost model, agreed with the Commission, that sufficiently incorporates the impact of the rebalanced rates reflected on Schedule 1 and such other information as the Commission may require.
4. The Licensee shall make the Fully Allocated Cost model available to the Commission for its review. The Commission may make reasonable adjustments to the model and, in so doing, will consult publicly where appropriate.
5. The rates set forth on Schedule 1 will be allowed to automatically rise if inflation in the Turks and Caicos Islands exceeds an annualized rate of 7%. The inflation rate will be the most recent annual Consumer Price Index ("CPI") used by the Government in standard economic planning exercises. In the absence of publication of a CPI by the Government, the Commission will use the Consumer Price Index for All Urban Consumers (CPI-U), published monthly by the U.S. Department of Labor. The allowed percentage increase in revenue weighted average regulated rates will be equivalent to each basis point in excess of 7%. Therefore, for example, if the annualized inflation rate is 7%, the allowable increase in the revenue weighted average regulated rates will be 0%. If the annualized inflation rate is 10.5%, then the allowable increase is 3.5%.

II. After the Interim Period, the Licensee shall set prices in accordance with section 27 of the Telecommunications Ordinance and the long-term incentive-based (which may be a price cap or an other) regime, as specified in the Regulations.

**ANNEX D
AUTHORISED NUMBERS**

Subject to review by the Commission, the Licensee is issued the following number allocations:

COC Codes

- 231 Post paid Mobile (TDMA)
- 232 Post paid Mobile (GSM)
- 241 Prepaid Mobile (TDMA)
- 242 Prepaid Mobile (TDMA)
- 243 Prepaid Mobile (GSM)
- 244 Prepaid Mobile (GSM)
- 444 Audiotext services
- 445 Audiotext services
- 446 Audiotext services
- 266 Dial-up Internet Service
- 941 Public switched telephone network
- 946 Public switched telephone network

Short Codes for PSTN/TDMA

- 110 National Operator Assistance
- 112 Fault Reports
- 115 International Operator Assistance
- 117 Paging
- 118 Local Directory Assistance
- 119 Customer Services
- 911 Police/Fire/Ambulance
- 999 Police/Fire/Ambulance
- 411 Local Directory Assistance
- 010 International Operator
- 811 Customer Service
- 238 SMS text message

77 Voicemail

1 800 2455 Bill Enquiries

1 800 8477 Crime Stoppers

1 900 932 Internet Access

638 Internet Support Centre

Short Codes for GSM

611 Fault Reports

Inbound Toll free Number Matrix

744 (Subject to review)

Co Code 900 Prime Number Matrix Service

222 900 Service (Subject to review)

In Addition

850 MHZ Bands A & B

ANNEX E
SPECTRUM LICENCES

Assigned Frequency	Pref'd Band	Txing Stn	Rxing Stn	Notes
0003.1580M	MHz	PROVIDENCIALES		HF Radio Chan 1 SIMPLEX operation both Grand Turk & Providenciales
0005.7400M	MHz	PROVIDENCIALES		HF Radio Chan 2 SIMPLEX operation both Grand Turk & Provo
0008.0750M	MHz	PROVIDENCIALES		HF Radio Chan 3 SIMPLEX operation both Grand Turk & Provo
0011.5900M	MHz	PROVIDENCIALES		HF Radio Chan 4 SIMPLEX operation both Grand Turk & Provo
0015.485M	MHz	PROVIDENCIALES		HF Radio Chan 5 SIMPLEX operation both Grand Turk & Provo
0019.0550M	MHz	PROVIDENCIALES		HF Radio Chan 6 SIMPLEX operation both Grand Turk & Provo
0131.7250M	MHz	PROVIDENCIALES	LOCAL	SITA AIRCOM GROUND TO AIR COMMUNICATIONS

00158.000M	MHz	PROVIDENCIALES	LOCAL	Paging Transmitter Located at Stubbs Road
00158.000M	MHz	GRAND TURK	LOCAL	Paging Transmitter Located at Grand Turk Cable & Wireless Site
00158.000M	MHz	SOUTH CAICOS	LOCAL	Paging Transmitter Located at South Caicos Cable & Wireless Site
00158.000M	MHz	MIDDLE CAICOS	LOCAL	Paging Transmitter Located at Bambarra Cable & Wireless site
00164.000M	MHz	GRAND TURK	LOCAL	Chan 1 Cable & Wireless line plant crew VHF radio Grand Turk
00164.1000M	MHz	PROVIDENCIALES	LOCAL	Chan 2 Cable & Wireless line plant crew VHF radio in Providenciales
00165.1000M	MHz	GRAND TURK	LOCAL	Chan 2 Cable & Wireless line plant crew VHF radio Grand Turk
00167.0000M	MHz	PROVIDENCIALES	LOCAL	chan 1 Cable & Wireless line plant crew VHF radio in Providenciales

01428.7500M	MHz	S.CA./OFFICE	S.CA/RADIO CHRISTIAN	Receives 1477.75M
01432.5000M	MHz	SANDY POINT	STUBBS ROAD	Receives 1481.5 MHz IRT2000
01432.5000M	MHz	BOTTLE CREEK	STUBBS ROAD	Receives 1481.5 MHz IRT2000
01432.5000M	MHz	KEW	STUBBS ROAD	Receives 1481.5 MHz IRT2000
01439.2500M	MHz	SALT CAY	GRAND TURK	Receives 1488.25 MHz SRT Equipment
01456.5000M	MHz	BOTTLE CREEK	WHITBY	Receives 1505.5 MHz IRT2000
01456.5000M	MHz	BOTTLE CREEK	CONCH BAR	Receives 1505.5 MHz IRT2000
01458.5000m	MHz	STUBBS ROAD	PINE CAY	Receives 1507.5 Mhz DXR100 Stubbs Road to Pine Cay
01458.9500M	MHz	STUBBS ROAD	BAMBARRA	Receives 1507.95Mhz DXR 100 Stubbs Rd to Bambarra
01466.500M	MHz	PARROT CAY	STUBBS ROAD	Receives 1515.5Mhz DXR100 Parrot Cay/ Stubbs Road.
01440.5000M	MHz	NORTHWEST POINT	CRYSTAL BAY	Receives 1489.5 Mhz DXR100 North west point/ Crystal Bay
01474.500M	MHz	GRAND TURK	SALT CAY	Receives 1523.5 Mhz DXR100 Grand Turk/Salt Cay
01477.7500M	MHz	S.CA/Radio Christian	S.CA/OFFICE	
01481.5000M	MHz	STUBBS ROAD	KEW	Receives 1432.5 MHz IRT2000
01481.5000M	MHz	STUBBS ROAD	PARROT CAY	Receives 1432.5 MHz IRT2000
01481.5000M	MHz	STUBBS ROAD	SANDY POINT	Receives 1432.5 MHz IRT2000
01481.5000M	MHz	STUBBS ROAD	SAPODILLA BAY	Receives 1432.5 MHz IRT2000
01481.5000M	MHz	STUBBS ROAD	BOTTLE CREEK	Receives 1432.5 MHz IRT2000
01488.2500M	MHz	GRAND TURK	SALT CAY	Receives 1439.25 MHz SR Equipment formerly on link Stubbs Rd - Bottle
01489.5000M	MHz	NORTHWEST POINT	CRYSTAL BAY	Receives 1440.5.5 Mhz DXR100 North west point/ Crystal Bay
01505.5000M	MHz	CONCH BAR	BOTTLE CREEK	Receives 1456.5 MHz IRT2000
01505.5000M	MHz	WHITBY	BOTTLE CREEK	Receives 1456.5 MHz IRT2000
01507.5000M	MHz	PINE CAY	STUBBS ROAD	Receives 1458.5Mhz DXR100 Pine Cay / Stubbs Road
01515.500M	MHz	STUBBS ROAD	PARROTCAY	Receives 1466.5 Mhz DXR100 Stubbs Road/Parrot Cay
01523.500M	MHz	SALT CAY	GRAND TURK	Receives 1474.5Mhz DXR100 Salt Cay / Grand Turk
01951.000M	MHz	STUBBS ROAD	RICHMOND HILL	Receives 2164.0Mhz DMR2000 34Mbit/s Stubbs Road to R.Hill
02009.000M	MHz	STUBBS ROAD	BAMBARRA	34 Mbit/s radio. Natl Microwave

Assigned Frequency	Pref'd Band	Txing Stn	Rxing Stn	Notes
02009.000M	MHz	SOUTH CAICOS	GRAND TURK	34Mbit/s radio Natl. Mirowave
02067.000M	MHz	STUBBS ROAD	RICHMOND HILL	34 Mbits Richmond Hill Stubbs Road Rx 2280Mhz
02067.000M	MHz	SOUTH CAICOS	BAMBARRA	34Mbit/s radio Natl. Mirowave Link Rx 2280 Mhz
02164.000M	MHz	RICHMOND HILL	STUBBS ROAD	Receives 1951.0Mhz DMR2000 34Mbit/s R.hill to Stubbs Road
02222.000M	MHz	GRAND TURK	SOUTH CAICOS	34Mbit./s radio Natl. Microwave Radio
02222.000M	MHz	BAMBARRA	STUBBS	34Mbit/s radio Natl. Microwave network
02228.000M	MHz	BAMBARRA	SOUTH CAICOS	New 34Mbit/s radio Natl. Micowave upgrade
02280.0000M	MHz	RICHMOND HILL	STUBBS ROAD	34Mbits UP GRADE RECEIVES 2067 Mhz
	MHz	PROVIDENCIALES	ALTANTA	AT&T Tridom/ VSAT located in SHELL Depot in Providenciales. Freq. assigned by HUB.
03711.6725M	MHz	S.BASE G. TURK	MIAMI	Miami / South Base recieves 5938.2475
03713.2475M	MHz	MIAMI	GRAND TURK	GE Americom Miami / Grand Turk receives 5938.2475 MHz
03714.3175M	MHz	BERMUDA	PROVIDENCIALES	DNS Earth Station RX from Bermuda
03714.7350M	MHz	Jamaica	PROVIDENCIALES	DNS Earth Station RX from Jamaica
03717.8700M	MHz	BERMUDA	PROVIDENCIALES	DNS Earth Station RX from Bermuda
05938.2475M	MHz	MIAMI	SOUTH BASE	SOUTH BASE/ Miami receives 3711.6725 Mhz
05938.2475M	MHz	GRAND TURK	MIAMI	Grand Turk GE Americom TX to Miami receives 3711.6725
05939.3175M	MHz	PROVIDENCIALES	BERMUDA	Providenciales DNS earth Station TX to Bermuda
05939.7350M	MHz	PROVIDENCIALES	JAMAICA	Providenciales DNS earth Station TX to Jamaica
05942.8700M	MHz	PROVIDENCIALES	BERMUDA	Providenciales DNS earth Station TX to Bermuda
02511.5000M	MHz	PARROT CAY	MINORCA HILL/KEW	RX 2630.5GHzMicrowave radio / Parrot Cay
02630.5000M	MHz	MINORCA HILL / Kew	PARROT CAY	RX 2511.5GHzMicrowave radio / Minorca Hill/ Parrot Cay
5725-5.850MHz	MHz	PROVIDENCIALES	PROVIDENCIALES	Universal Modular Carrier 1000 (wireless) Conch Bar
869.040-870.00MHz	MHz	TURKS & CAICOS	TURKS & CAICOS	Cellular System Band A Channels 991-1023 Rx 824.040-825.00MHz
870.030-879.990MHz	MHz	TURKS & CAICOS	TURKS & CAICOS	Cellular System Band A Channels 1-333 Rx 825.030-834.990MHz
890.010-891.480MHz	MHz	TURKS & CAICOS	TURKS & CAICOS	Cellular System Band A Channels 667-716 Rx 845.010-846.480 MHz
07743.0000M	MHz	RICHMOND HILL	STUBBS ROAD	Alitum microwave Radio Rx 7789
07489.0000M	MHz	STUBBS ROAD	RICHMOND HILL	Alitum microwave Radio Rx 7743
08331.5000M	MHz	RICHMOND HILL	DOWNTOWN PROVO	DXR700 Backhaul cellsite
08450.5000M	MHz	DOWNTOWN PROVO	RICHMOND HILL	DXR700 Backhaul cellsite
07827.0000M	MHz	STUBBS ROAD	NORTH WEST POINT	SDH RADIO LINK RX 7582.0000MHz MegaStar STM link
07582.0000M	MHz	NORTH WEST POINT	STUBBS ROAD	SDH RADIO LINK RX 7827.0000MHz MegaStar STM link
07883.0000M	MHz	STUBBS ROAD	NORTH WEST POINT	SDH RADIO LINK RX 7638.0000MHz MegaStar STM link
07638.0000M	MHz	NORTH WEST POINT	STUBBS ROAD	SDH RADIO LINK RX 7883.0000MHz MegaStar STM link
07827.0000M	MHz	STUBBS ROAD	BAMBARRA	SDH RADIO LINK RX 7582.0000MHz MegaStar STM link
07582.0000M	MHz	BAMBARRA	STUBBS ROAD	SDH RADIO LINK RX 7827.0000MHz MegaStar STM link
07883.0000M	MHz	STUBBS ROAD	BAMBARRA	SDH RADIO LINK RX 7638.0000MHz MegaStar STM link
07638.0000M	MHz	BAMBARRA	STUBBS ROAD	SDH RADIO LINK RX 7883.0000MHz MegaStar STM link
07582.0000M	MHz	BAMBARRA	SOUTH CAICOS	SDH RADIO LINK RX 7827.0000MHz MegaStar STM link
07638.0000M	MHz	SOUTH CAICOS	BAMBARRA	SDH RADIO LINK RX 7883.0000MHz MegaStar STM link
07883.0000M	MHz	STUBBS ROAD	BAMBARRA	SDH RADIO LINK RX 7638.0000MHz MegaStar STM link
07638.0000M	MHz	SOUTH CAICOS	BAMBARRA	SDH RADIO LINK RX 7883.0000MHz MegaStar STM link
07827.0000M	MHz	SOUTH CAICOS	GRAND TURK	SDH RADIO LINK RX 7582.0000MHz MegaStar STM link
07582.0000M	MHz	GRAND TURK	SOUTH CAICOS	SDH RADIO LINK RX 7827.0000MHz MegaStar STM link
07883.0000M	MHz	SOUTH CAICOS	GRAND TURK	SDH RADIO LINK RX 7638.0000MHz MegaStar STM link

Assigned Frequency	Pref'd Band	Txing Stn	Rxing Stn	Notes
07533.0000M	MHz	MINCORA HILL	STUBBS ROAD	PDH link to Minorca Hill /Stubbs Road
07694.0000M	MHz	STUBBS ROAD	MINCORA HILL	PDH link to Minorca Hill /Stubbs Road
08436.5000M	MHz	RICHMOND Hill	SAPODILLA Bay	PDH link to Sapodilla Bay/ Richmond Hill
08317.5000M	MHz	SAPODILLA BAY	RICHMOND HILL	PDH link to Richmond / Sapodilla Bay
08436.5000M	Mhz	BOTTLE CREEK	STUBBS ROAD	Backhaul link cellsite and RST in Bottle Creek rx 8317.5
08317.5000M	Mhz	BOTTLE CREEK	STUBBS ROAD	Backhaul link cellsite and RST in Bottle Creek rx 8436.5

ATTESTATION CLAUSES

Signature:



Name: **McALLISTER EUGENE HANCHELL**

Minister of Communications, Works
and Utilities of **THE GOVERNMENT OF
THE TURKS AND CAICOS ISLANDS**

ACCEPTED AND CONFIRMED:

Signature:



Date: **25 JANUARY 2006**

Name:

FRANS VANDENDRIES

Authorised to sign on behalf of

Capacity:

**VP REGULATORY AFFAIRS CABLE AND WIRELESS (WEST
INDIES) LIMITED**