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KIGALI

NETWORK SERVICE
PROVIDER LICENSE (ISP TIER 1)

PREAMBLE

Regulatory Authority,

Pursuant to Law N°09/2013 of 01/03/2013 establishing Rwanda Utilities Regulatory Authority (RURA) and determining its mission, powers, organization and functioning especially in its articles 2,4, 6, 20 and 37;

Pursuant to Law N°24/2016 of 18/06/2016 governing Information and Communication Technologies;

Pursuant to the Regulation No 013/R/EC-ICT/RURA/2021 of 25/02/2021 Governing licensing in electronic communication;

Acting in accordance with the provisions of the Regulation governing licensing in Electronic Communication and other relevant laws in force;

HEREBY grants the following license of Network service provider (ISP Tier one).

1. DEFINITIONS

In this license and its appendices, the following terms have the following meanings:

- i. Effective date:** the date on which a license takes legal effect
- ii. License:** The document issued by the Regulatory Authority which authorizes the holder to carry out the activity specified under the conditions prescribed therein
- iii. Licensee:** A person who holds a license issued by the Regulatory Authority under the Electronic Communication Regulations
- iv. Network Services :** a service for the carrying of information in the form of speech or other sound, data, text or images, by means of guided or unguided electromagnetic energy but does not include services provided solely on the customer side of the network boundary;
- v. Regulatory Authority :** the Rwanda Utilities Regulatory Authority as established by the Law No 09/2013 of 01/03/2013;
- vi. Regulatory fee :** an annual charge paid to the Regulatory Authority for providing licensed services.
- vii. Subscriber:** any individual or legal person using Services of the Licensee

2. SCOPE OF THE LICENSE

This License is issued to the licensee to operate and provide Network Service (ISP Tier One) in the Republic of Rwanda as contained in the approved roll-out plan.

3. GENERAL CONDITIONS OF THE LICENSE

- 3.1. The License is delivered to the Licensee to provide Network services (ISP Tier 1) in the Republic of Rwanda
- 3.2. The License is granted on non-exclusive basis and nothing shall prevent the Regulatory Authority to grant the licence with identical rights and obligations to other applicants.
- 3.3. License issuing process shall not aggravate or limit the access to the communications market in any aspect. The License, through the appropriate instruments that it includes, shall define rights and obligations of Network Service Provider in order to organize the market in the Republic of Rwanda. The License, if need be, can be changed or amended or interpreted with complementary rules as the same can be adopted with the purpose of improved application of general terms and conditions of the License, which shall always include consultation with interested parties. Any changes shall become effective after the period determined by the Regulatory Authority. The Regulatory Authority shall provide for the Licensee a sufficient period for adoption and application of such changes.
- 3.4. The Regulatory Authority shall not prescribe technical standards except when necessary, nor it shall adopt such standards that might suffocate market competition. The Regulatory Authority may prescribe minimum technical requirements for provision of Services. Data on Licensee's equipment shall be collected only with the purpose of statistical analyses, and under no conditions for provision of any special approvals.
- 3.5. The Licensor shall not prevent introduction of new services, unless such new services are strictly banned or brought under special regime by the ICT Sector Policy or the Law on ICT or any other law that replaces the aforementioned.
- 3.6. The Licensee shall exercise all benefits of fair market competition, including the right to access telecom resources such as leased circuits of interconnection, under the same conditions imposed on any other subject on the market. In that sense, no discrimination shall be allowed. Accordingly, the Law on Competition shall be applied on relationships defined by the present License.
- 3.7. Any third party is obliged to comply with the rights of the Licensee within the framework of the rights guaranteed by the present License.
- 3.8. No aspect of the present License eliminates the obligation of the Licensee to meet all legal or contracting obligations necessary for provision of Network services. Any reference to the rights

mentioned in the present License, without fulfilment of such obligatory conditions, shall not be taken into consideration by the Regulatory Authority.

3.9. The Regulatory Authority is not responsible for any consequences of changes of terms and conditions of the License that may occur due to changes of the ICT Sector Policy or applicable ICT Law, or any other law that replaces the aforementioned, or any other legal regulation.

4. OBLIGATIONS OF THE LICENSEE

The licensee must:

- a. comply with all conditions related to provision of services defined by the present License;
- b. be responsible for establishment, networking and manipulation of all necessary equipment and systems in its possession, under its amenability, under its control or under its contractually managed and maintained services by a third party.
- c. be primarily responsible for processing customer complaints and must ensure that the distribution of bills to its customers is efficient;
- d. ensure that its infrastructure or the leased infrastructure, necessary for provision of Services, are compatible with equipment of other Service providers (for interconnection purposes);
- e. conclude agreement on provision of services with its customers, in which the provided services are clearly stated, as well as the conditions under which the same are provided. Provisions shall be made in the agreements between Licensee and its customers which shall include but not limited to the following;
 - the issue of temporary or permanent disconnecting of Internet Service Provision to the customer;
 - restrictions that might be applied to Internet Service Provision;
 - the exact circumstances in which such restrictions may occur;
 - The prices of services as well as where to get information on changes of prices of services;
 - The obligation to inform its customers on forthcoming changes of prices before thirty (30) days of such change.
- f. provide services to all interested customers in the Republic without any kind of discrimination and in accordance with its technical capabilities;

- g. not establish a monopoly of any kind by concluding contracts with other service providers or with suppliers of strategic equipment
- h. avoid any cartel agreements with other Network Service Providers or not attempt to put initiatives that could create monopolistic situations in the market;
- i. take all measures to comply with any governmental requirements based on national defence constraints or any legal request from a national police or judicial authority;
- j. comply with laws, regulation or directive issued by the Regulatory Authority and contracting obligations necessary for selling internet to its customers.
- k. The licensee shall submit regularly reports related to financial, statistical, technical, scientific, marketing, commercial, file related to legal issues and products information.

5. DURATION AND RENEWAL OF THE LICENSE

- 5.1. This License shall be valid for a period of fifteen (15) years from its effective date.
- 5.2. The License may be renewed by the Regulatory Authority upon request of the Licensee, provided the Licensee has complied with the requirements of the License terms and conditions and with the applicable laws and regulations
- 5.3. Request for renewal of the License shall be submitted not later than three (3) months before expiration of the license validity. In case that the request is not received by the Regulatory Authority, the License shall be terminated after the expiration of the license validity period.
- 5.4. The Regulatory Authority may extend or for justified reasons deny the renewal of the present License. Any decision concerning renewal or denial of renewal of the present License shall be made at least thirty (30) days prior to the day of expiration of the present License; otherwise it shall be considered that the license is renewed under the same conditions for a period of one (1) year from the day of expiration of the License.
- 5.5. In case that the license renewal is denied, the Licensee shall discontinue provision of Services within the period of 120 days from the day of expiration of the License.
- 5.6. In case that the Licensee wishes to suspend the provision of services under this License; it is obliged to inform the Regulatory Authority and its subscribers about the same ninety (90) days in advance.
- 5.7. It shall not be considered that the Licensee does not meet terms and conditions of the present License in case that the Licensee is prevented from fulfilling its obligations due to war, strikes, rebellions, fires, floods, explosions, earthquakes or any other event outside its control, under the condition that the Licensee immediately informs the Regulatory Authority about the case of force majeure and takes over its obligations as soon as possible, after such event is removed,

and after the Licensee itself does everything in its power to remove or overcomes the same as soon as possible.

6. OWNERSHIP AND CORPORATE OBLIGATIONS

The Licensee must comply with the following conditions on ownership:

- i. Provide the shareholding structure during the application of the license
- ii. To seek approval from the Regulatory Authority of any changes to its ownership and control structure.
- iii. To seek approval from the Regulatory Authority of any joint venture into which it enters with any:
 - a. person; or
 - b. entity holding a license issued by the Regulatory Authority

7. COMMENCEMENT OF PROVISION OF SERVICES

The Licensee shall ensure that the installation of the necessary systems and the provision of services to the public commences within twelve (12) months from the date of execution of this Licence Agreement.

Unless good cause is shown, non-commencement of Service provision within Twelve (12) months of signing this Licence Agreement shall automatically lead to cancellation of this License.

8. APPLICABLE FEES

In addition to the paid application fee of 2,000 USD and License fee of 40,000 USD, the licensee is entitled to pay the regulatory fee and other fees that may be required by the board decision and other relevant laws and regulations in force.

9. AUDITED ACCOUNTS

The Licensee is required to prepare and submit to the Regulatory Authority audited financial statements on an annual basis within ninety (90) days immediately after end of the financial year of the License

10. REQUIREMENTS TO PROVIDE INFORMATION

10.1The Licensee must maintain financial records in accordance with good accounting practices and must upon request make the books and records of accounts available for inspection by the Regulatory Authority and shall keep the above data for the duration of license validity.

10.2 The Licensee must submit to the Regulatory Authority on an annual basis within 90 days immediately after the end of the financial year of the Licensee the following information:

- i. annual reports including but not limited to implementation status of the submitted roll-out-plan, summary of financial status, human resource status, technical and products information.
- ii. geographical and population coverage.

11. MODIFICATIONS OF LICENSE

11.1 A license modification may be initiated by the Regulatory Authority or on request of the license holder.

11.2 The Regulatory Authority may modify a license before the expiration of the license term when it determines that an amendment of the license is needed in order to respond to:

- a. Significant changes in the controlling laws or regulations, or significant court decisions that directly affect the license provisions;
- b. The inability of the license holder to comply with controlling license provisions due to events beyond licensee's control;
- c. Changes in the ownership or organizational status of the licensee;
- d. Significant non-compliance by the licensee with current license provisions or other Regulatory Authority rules, decisions or orders.

12. LICENSE TRANSFER

A licensee must not assign, transfer, dispose of any rights or obligations or alienate in any manner this license or any part thereof without the prior written consent of the Regulatory Authority.

13. COMPLIANCE WITH THE LAWS AND REGULATORY REQUIREMENTS

13.1 The Licensee must comply with laws and regulations into force.

13.2 The Licensee must comply with all conditions stipulated in this license and other regulatory requirements provided under Regulations and Rules issued by the Regulatory Authority.

14. QUALITY OF SERVICE

14.1 The Licensee must comply with Regulations issued by the Regulatory Authority on quality of service of the services delivered.

14.2 The Licensee must ensure that the licensed network service is operational at all times.

14.3 The Licensee is liable to paying administrative or civil penalties for failure to meet quality of service requirements and standards as may be prescribed by the Regulatory Authority

14.4 The Licensee shall be responsible for reparation of damages and correction of all shortcomings within its responsibility, and only on its network/equipment

15. SERVICE TECHNOLOGY, EQUIPMENT INTERFACE AND TYPE APPROVAL

15.1 The Licensee shall ensure that any equipment, apparatus or devices manufactured, supplied, imported, distributed, sold, offered for sale by or for the Licensee (whether in return for payment or free of charge), are type approved by the regulatory authority in conformity with the laws, Regulations, guidelines, applicable international standards adopted by the Regulatory Authority and standards issued under the Law.

15.2 The equipment, apparatus or devices shall conform to the technical specifications and standards issued by the regulatory authority, the respective International Telecommunications Union standards and any such other internationally recognized standards for such equipment or devices.

15.3 The regulatory authority may require the Licensee to modify its systems /and or operations to ensure that the equipment or facilities intended for use with or in connection with existing telecommunications networks in Rwanda, meet the relevant standards.

16. FINES AND SANCTIONS IN CASE OF BREACH

In case of breach of any of the obligations set forth under this license, the Regulatory Authority is entitled to issue monetary sanctions, suspend or revoke this license in accordance with ICT Law or other regulations in force.

17. SAFETY MEASURES

In respect of services operated, maintained or offered under this license, the Licensee must take proper and adequate safety measures to safeguard life or property, including exposure to any electrical emissions or electromagnetic field radiations emanating from equipment or installation from such operations.

18. PROTECTION OF OTHER LICENSEES' FACILITIES

18.1 The Licensee shall ensure that its equipment, facilities or systems do not damage, interfere or in any way harm the installations, facilities or operations of other Licensees.

18.2 Where any damage, harm or interference occurs, the Licensee shall immediately take remedial action in respect of the offending equipment, facilities or operations and inform the Regulatory Authority and the affected operator(s) as a matter of urgency.

18.3 Where, as a result of the Licensee's actions, the Regulatory Authority finds that another Licensee suffered loss or damage, the Regulatory authority may require the Licensee to bear the

cost of investigation by the Regulatory authority and the cost for remedying the damage, interference or harm occasioned.

19. PROVISION OF NETWORK SERVICES

The Licensee must provide network services in accordance with the applicable recommendations of the Regulatory Authority, International Telecommunication Union, other International standardization bodies and any relevant regulations.

20. CONFIDENTIALITY AND PUBLIC SECURITY

20.1 The Licensee shall use all commercially reasonable efforts to ensure that personal information related to subscribers is protected.

20.2 The licensee warrants that any Subscriber's data obtained or received in the performance of the Licensed Services shall be kept confidential.

20.3 The Licensee undertakes to create and implement internal written rules and procedures to ensure secrecy, including as regards to Subscribers' personal data protection.

20.4 The Licensee shall take all measures to comply with any governmental requirements based on national defence constraints or any request of a judicial authority according to relevant laws and regulations.

20.5 The Licensee shall not disclose any information about any of its customers to any third party except to the extent that such information is required:

- a. For statistical or research purpose provided the information is in such a way that it does not link to a particular customer;
- b. By the Licensee's auditors for the purpose of auditing the Licensee's accounts;
- c. By the Licensee's attorney(s) in connection with any potential, threatened or actual litigation between the Licensee and the customer concerned;
- d. By the Regulatory Authority for the purpose of performing its functions under the Acts;
- e. By an order of the court in respect of legal proceedings between the customer and another party pending in court.

21. UNIVERSAL SERVICE OBLIGATIONS

The Licensee must comply with the Universal Service and access obligations as may be provided for under relevant laws and regulations .

22. HUMAN RESOURCE DEVELOPMENT

22.1The Licensee must submit to the Regulatory Authority the Human Resource Development Plan outlining strategies towards empowerment of its local staff.

22.2 The Licensee must annually furnish the Regulatory Authority the report of implementation of the Human Resource Development Plan.

22.3The Licensee must facilitate participation of its technical staff in training within or outside Rwanda.

23. CONTROL OF FORBIDDEN CONTENT AND INTERNET USAGE POLICY

23.1In the case of Services, subscribers cannot be charged with any fees that an authorised body, with its valid decision, orders the Licensee to remove content for which it was established that it is illegal, insulting, damaging or violates the copyrights, the Licensee shall be obliged to comply with such decision without delay, otherwise it can be liable for violation of terms and conditions of the License.

23.2The Licensee may define its policy toward subscribers, accepting of which may be the condition for establishment of subscription relationship. With its Service provision policy, the Licensee cannot perform any restrictions in terms of access to Services on the basis of ethnic, racial, religious, political, territorial or any other criteria that might represent a violation of human rights and basic human freedoms guaranteed by the Constitution of the Republic of Rwanda or any other law or act applicable in the Republic of Rwanda.

24. DISPUTES WITH THIRD PARTY OPERATORS

The Licensee may ask the Regulatory Authority to resolve disputes with other operators related to the provision of the licensed services via the Licensed Network. The Regulatory Authority shall make its decision within a reasonable period and shall promptly thereafter provide the parties concerned with written reasons for its decision.

25. LICENSE SUSPENSION AND WITHDRAWAL

Without prejudice to any other rights they may enjoy under the License or under any legislative, regulatory or other legal text, the Regulatory Authority shall have the following rights of suspension and withdrawal.

In accordance with ICT Law, the Regulatory Authority shall be entitled to suspend or revoke the license in the following situations:

- a. Where the Licensee has not substantially commenced the implementation of the Licensed services in conformity with its roll out plan;
- b. Where there is an extreme case of continued failure to meet any service criteria specified in enforcement notice issued to the Licensee for any default in respect of its obligations;
- c. Where the Licensee is guilty of fraud or intentional misrepresentation when applying for the license;
- d. Where the Licensee is engaged in or is supporting activities amounting to a treasonable offence under the Penal Code;
- e. Where an enforcement order requiring that the Licensee remedy its failure to comply with any condition set forth in its license is issued and the Licensee does not comply with said enforcement notice, and the compliance order is confirmed by the Board after hearing the representation of the Licensee;
- f. In case that the Licensee does not meet any other obligation defined by the License, including the obligation of timely payment of License fees as indicated in article 7 of this license.

26. THE RIGHT TO INSPECT

The Regulatory Authority, or its authorised representative, has the right to inspect locations from which and toward which the services are being provided, as well as to inspect number, quality and content of all services provided by the Licensee in accordance with its authority.

27. THE RIGHT TO SANCTION

The Regulatory Authority retains the right, in case of violation of any condition prescribed by the License, to issue a sanction in accordance with its Procedures for handling cases.