

**GRANT OF RIGHTS OF USE OF RADIO FREQUENCY SPECTRUM FOR THE ESTABLISHMENT AND
OPERATION OF A TERRESTRIAL SYSTEM CAPABLE OF PROVIDING MOBILE ELECTRONIC
COMMUNICATION SERVICES**

Licence Reference: MCA/L/14-1909

This Licence is being granted by the Malta Communications Authority in exercise of its powers under the Electronic Communications (Regulation) Act, (Cap. 399 of the Laws of Malta).

Commencement Date	16 th August 2007
Date of Issue of Amended License	4 th July 2014
Expiry Date	16 th August 2022
Name of Licensee	Melita Mobile Limited
Registered Address	Gasam Centre Mriehel Bypass Mriehel BKR 3000
Company Registration Number	C 35794

Article 1 - Definitions

1.1 Any reference in this Licence to the “Act” is a reference to the Electronic Communications (Regulation) Act (Cap. 399 of the Laws of Malta) and subject to Article 1.2 of this Licence, the provisions of the said Law shall apply to this Licence.

1.2 In this Licence, unless the context otherwise requires:

“Authority” means the Malta Communications Authority;

“the Commencement Date” means the **16th August 2007**;

“Coverage territory” means all the islands of the Maltese Archipelago, excluding the territorial waters and airspace thereof, within which access by users to the services being provided over the relevant network is possible;

“the Expiry Date” means the **16th August 2022**;

“the Licensee” means **Melita Mobile Limited**;

“the Radio Frequency Spectrum” means that defined in Annex I to this Licence; and

“terrestrial mobile system” means a terrestrial system compliant with the technical parameters laid down in Annex I to this Licence which is capable of providing mobile electronic communications services.

Article 2 – Grant of Licence

- 2.1** By virtue of this Licence, the Authority hereby assigns to the Licensee the right of use of the Radio Frequency Spectrum, for the purpose of establishing and operating a terrestrial mobile system/s capable of providing electronic communication services according to the conditions listed hereunder.

Article 3 – Licence Duration

- 3.1** This Licence shall commence on the Commencement Date and shall remain in force until the Expiry Date, unless otherwise lawfully terminated in accordance with the Act and, or this Licence.
- 3.2** This Licence shall cease to have effect immediately on the Expiry Date.
- 3.3** Irrespective of whether the Licensee is still using the Radio Frequency Spectrum, the right of use of which is granted to it by virtue of this Licence, the Authority shall, at any time prior to the expiry of this Licence, have the right to commence any procedures necessary for the re-assignment of the rights of use of the Radio Frequency Spectrum upon the expiry of this Licence.

Article 4 - Use of Radio Frequency Spectrum

- 4.1** The Radio Frequency Spectrum shall be used by the Licensee only to establish and operate a terrestrial mobile system and subject to the terms, conditions and limitations stated in this Licence, unless otherwise previously authorised in writing by the Authority.
- 4.2** The Licensee shall at all times ensure that the Radio Frequency Spectrum is used efficiently and in accordance with the Authority's directions.
- 4.3** The Radio Frequency Spectrum shall only be used by the Licensee. The right of use of the Radio Frequency Spectrum may not be assigned or transferred to third parties, unless otherwise previously authorised in writing by the Authority.

Provided that a change in any way whatsoever in the ownership of shares with voting rights of the Licensee shall be considered to constitute an assignment or transfer of the Radio Frequency Spectrum.

- 4.4** The Licensee shall immediately in writing inform the Authority of any changes effected to its corporate structure, including, but not limited to, any changes in shareholding, and to its registered address.

Article 5 - Fee for Right of Use of Radio Frequency Spectrum

- 5.1** The Licensee shall annually, in advance, for the duration of this Licence, pay to the Authority the fees stipulated in Annex II of this Licence:

Provided that the Licensee shall effect such payments punctually and that any late payments shall be subject to the maximum interest rate applicable at law:

Provided further that any non-payment or late payment of any dues under this Article shall constitute a breach of this Licence and entitle the Authority to terminate the same Licence.

- 5.2** All payments effected by the Licensee in accordance with Article 5.1 of this Licence are not refundable by the Authority and/or Government of Malta.

Article 6 - Non-Interference

- 6.1** The Licensee shall comply with any decisions, however so described, issued by the Authority in relation to harmful interference.
- 6.2** The Licensee shall ensure that the terrestrial mobile system at all times complies with the technical and performance standards generally accepted by the industry or as may be prescribed by the Authority or accepted by the Authority as being adequate to ensure that such system does not cause harmful interference with, seriously reduce the quality of, or repeatedly disrupt the lawful use or operation of, any other electronic communications networks and, or services.
- 6.3** The Licensee shall ensure that its terrestrial mobile system does not cause harmful interference with, seriously reduce the quality of, or disrupt the lawful use or operation of, any other electronic communications networks and, or services.
- 6.4** Neither the Authority, nor the Government of Malta, shall be held responsible in any manner whatsoever by the Licensee for any harmful interference that may hinder the use or operation of its terrestrial mobile system.

Article 7 - Exposure to Electromagnetic Fields

- 7.1** The Licensee shall comply with any radiation emission standards adopted and published by the International Commission for Non-Ionising Radiation Protection (ICNIRP) and any other appropriate standards as may be specified by law or by the Authority.
- 7.2** The Licensee shall comply with any decisions however so described issued by the Authority in relation to electromagnetic radiation and shall ensure that its terrestrial mobile system at all times complies with the technical and performance standards generally accepted by the industry, or as may be prescribed by the Authority in line with national and European

Community Law, or accepted by the Authority as being adequate to ensure the limitation of exposure of the general public to electromagnetic fields.

- 7.3** The Licensee shall ensure that its terrestrial mobile system is not installed or operated at a location and in a manner such as to be the cause of the aggregate non-ionising radiation emissions exceeding the limits published by the ICNIRP or any other appropriate standards as may be specified by law or by the Authority.

Article 8 - Roll-out and Coverage Requirements

- 8.1** The Licensee shall ensure that access to its terrestrial mobile system is made available to users in the Coverage Territory in accordance with the coverage requirements and timeframes set out in Annex III of this Licence and the conditions listed in this Licence such that users can adequately access its terrestrial mobile system:

Provided that the Licensee's obligations under this article shall not apply if, subsequent to a request in writing by the Licensee, the Authority agrees in writing that it is not practicable for the Licensee to carry out its obligations under this article.

Article 9 – Information

- 9.1** The Licensee shall facilitate and ensure access to any information that the Authority may, in accordance with its functions at law, request.
- 9.2** The Licensee shall promptly provide the Authority, in such a manner and at such times as the Authority may reasonably request, any information related to the use of the Radio Frequency Spectrum assigned to the Licensee, the terrestrial mobile system operated by the Licence or any other information that the Authority considers necessary to ensure compliance with this Licence and, or with the provisions of any law, or for statistical purposes.

Article 10 - Further Compliance

- 10.1** The Licensee shall comply with:

- (i) all laws;
- (ii) any decisions, however so described, of the Authority; and
- (iii) all the articles of this Licence.

- 10.2** Nothing in this Licence shall absolve the Licensee from any legal requirement to obtain any other permissions, authorisations or licences, however so described, as may be necessary for the provision of the service and for the exercise of its rights and the discharge of its obligations under this Licence:

Provided that failure on the part of the Licensee to comply with any other requirements shall not exempt the Licensee from any failure to discharge its obligations under this Licence:

Provided further that the Licensee shall be solely responsible for all costs, expenses and other commitments, however so described, whether financial or otherwise, in respect of the Licence and the provision of the service, and the Authority shall bear no responsibility for any such costs, expenses or commitments.

Article 11 - Termination

- 11.1** Without prejudice to any other measures, including the imposition of any sanctions however so described, that may be taken at law for the non-observance of the conditions of this Licence, this Licence may be withdrawn at any time by the Authority if any of the conditions laid down at law or in any part of this Licence are not observed.
- 11.2** The Authority shall be entitled to automatically terminate this Licence giving no less than two (2) weeks prior written notice and request the Licensee to return the Licence to the Authority, in any of the following instances:
- (a) upon the expiration of the term of the Licence;
 - (b) upon renunciation by the Licensee;
 - (c) upon revocation of this Licence in accordance with the articles of this Licence and, or of law;
 - (d) upon insolvency, liquidation or bankruptcy of the Licensee; or
 - (e) upon the winding up or dissolution of the Licensee.
- 11.3** Termination of this licence in terms of Article 11.2, shall take place with immediate effect from the date specified in the written notification and the Licensee shall have no claim against the Authority in respect of such termination.
- 11.4** In addition to the above, if the Authority is of the view that the spectrum, the rights of use of which is awarded by virtue of this Licence, is not being utilised efficiently, it will communicate its view in writing to the Licensee and the Licensee will have within such periods as the Authority may consider appropriate in the circumstances, which period shall in no case exceed more than three months, to rectify the situation, failing which the Authority will be entitled to terminate without further warning the rights of use being granted herein.
- 11.5** The termination of this Licence on any of the grounds mentioned in paragraphs (b) to (e) of Article 11.2 and Article 11.4 of this Licence will be without prejudice to the obligation of the Licensee to pay with immediate effect upon termination the full amount of the fee for the right of use of Radio Frequency Spectrum laid down in Article 5.1 of this Licence and fulfil any obligation arising prior to the said termination:

Provided that where, upon termination, the Licensee would have already paid the full amount of the said fee such fee shall not be recoverable by the Licensee:

Provided further that, where the Licensee would have opted to pay the said fee in accordance with the table included in Annex II of this Licence, the total amount that would have become due to the Authority on the 14th anniversary date, as indicated by the word

'Total' in Annex II of this Licence, will become immediately due to the Authority upon termination of the Licence.

- 11.6** The termination of this Licence on any of the grounds mentioned in paragraphs (b) to (e) of Article 11.2 and Article 11.4 above will be without prejudice to any measures that may be taken by the Authority with respect to the Licensee's failure to comply with its roll-out and coverage obligations as mentioned in Article 8 of this Licence.
- 11.7** The termination of this Licence in relation to the Rights of Use of Spectrum will entitle the Authority to automatically re-assign the spectrum in question to third parties.

Article 12 - Rights and Remedies of the Authority

- 12.1** In addition to its power to terminate this Licence in accordance with Article 11 above, the Authority shall, in accordance with its powers at law, have the power to impose administrative fines on the Licensee for any non-compliance with the conditions of this Licence and, or call upon any bank guarantees issued by the Licensee in favour of the Authority where the conditions for such an action occur.
- 12.2** The Authority may add to, or amend any of the terms and conditions of this Licence, including the Radio Frequency Spectrum, the right of use of which is being granted by this Licence, when such additions or amendments are necessary as a result of any international obligations entered into by the Authority or by the Government of Malta, or by the need to ensure compliance with the Act or any other law, or by the need to ensure efficient frequency planning:

Provided that the Authority shall not be held responsible in any manner whatsoever for any damages suffered or expenses incurred by the Licensee as a result of any amendment of the terms or conditions of this Licence:

Provided further that the Authority should inform the Licensee in advance and take into account its views if relevant impact is foreseeable on the Licensee's terrestrial mobile system and if circumstances so permit, grant a reasonable timeframe for the implementation of the relevant additions and, or amendments to the conditions.

- 12.3** If any article of this Licence is declared to be unenforceable by any court of law or tribunal however so described, such declaration shall have no effect on the enforceability of the remaining articles of this Licence, all of which will remain in force until the termination of this Licence.
- 12.4** The Authority and any persons duly authorised by the Authority to act on its behalf, shall have the right to carry out inspections and measurements on any site being operated by the Licensee at any reasonable time, for the purpose of ensuring that the Licensee is abiding with the articles of this Licence and, or with any legal requirements:

Provided that in cases of urgency the Authority may carry out any such inspections outside normal business hours.

- 12.5** All the articles under this Licence shall for the purposes of law be considered as decisions imposed by the Authority and any failure to abide with any such articles, may, without prejudice to any other measures that the Authority may in accordance with law take, be sanctioned by the imposition of the appropriate fines in accordance with law.
- 12.6** The Act, any other national laws, and decisions however so described of the Authority shall apply to the Licensee for all purposes and shall form an integral part of this Licence.



Ing. Helga Pizzuto
Chief of Spectrum Management and Technology
Malta Communications Authority

4th July 2014

Date

Annex I - Description of Radio Frequency Spectrum and Technical Parameters

A. Radio Frequency Spectrum:

Spectrum for Frequency Division Duplex (FDD) operation:

1940.1 MHz – 1959.9 MHz / 2130.1 MHz – 2149.9 MHz

Spectrum for Time Division Duplex (TDD) operation:

1904.9 MHz – 1909.9 MHz

B. Technical Parameters

A. Technical conditions for FDD base stations

(1) In-block requirements

No in-block EIRP limit for base stations will apply.

(2) Out of-block requirements

Table 1

Baseline requirements — base station BEM out-of-block EIRP limits per antenna¹

Frequency range of out-of-block emissions of FDD downlink	Maximum mean out-of-block EIRP	Measurement bandwidth
Frequencies spaced more than 10 MHz from the lower or upper block edge	9 dBm	5 MHz

Table 2

Transition requirements — base station BEM out-of-block EIRP limits per antenna²

Frequency range of out-of-block emissions of FDD downlink	Maximum mean out-of-block EIRP	Measurement bandwidth
–10 to –5 MHz from lower block edge	11 dBm	5 MHz
–5 to 0 MHz from lower block edge	16.3 dBm	5 MHz
0 to +5 MHz from upper block edge	16.3 dBm	5 MHz
+5 to +10 MHz from upper block edge	11 dBm	5 MHz

¹ The BEM level is defined per antenna and applicable to base station configuration with up to four antennas per sector

² The BEM level is defined per antenna and applicable to base station configuration with up to four antennas per sector

B. Technical conditions for FDD terminal stations

Table 3
In-block requirements — terminal station BEM in-block emission limit over frequencies of FDD uplink

Maximum mean in-block power ³	24 dBm ⁴
--	---------------------

³ This power limit is specified as EIRP for terminal stations designed to be fixed or installed and as TRP for terminal stations designed to be mobile or nomadic. EIRP and TRP are equivalent for isotropic antennas. It is recognised that this value may be subject to a tolerance defined in the harmonised standards to take account of operation under extreme environmental conditions and production spread.

⁴ For the determination of out of band emissions of terminals in CEPT Report 39 the maximum conducted transmit power of 23 dBm has been used as a reference

Annex II - Spectrum Licence Fees Payment Schedule

Anniversary No.: Date	Payment Profile	Licence Fee (Lm)	Licence Fee (€)
0 (upon initial grant): 2007	6%	Lm 222,000	€ 517,120.89
1: 2008	6%	Lm 222,000	€ 517,120.89
2: 2009	40%	Lm 1,480,000	€ 3,447,472.63
3: 2010	4%	Lm 148,000	€ 344,747.26
4: 2011	4%	Lm 148,000	€ 344,747.26
5: 2012	4%	Lm 148,000	€ 344,747.26
6: 2013	4%	Lm 148,000	€ 344,747.26
7: 2014	4%	Lm 148,000	€ 344,747.26
8: 2015	4%	Lm 148,000	€ 344,747.26
9: 2016	4%	Lm 148,000	€ 344,747.26
10: 2017	4%	Lm 148,000	€ 344,747.26
11: 2018	4%	Lm 148,000	€ 344,747.26
12: 2019	4%	Lm 148,000	€ 344,747.26
13: 2020	4%	Lm 148,000	€ 344,747.26
14: 2021	4%	Lm 148,000	€ 344,747.26
Total	100%	Lm 3,700,000	€ 8,618,681.57

Annex III – Coverage Requirements and Timeframes

The following indicates the percentage of access in coverage territory of the Licensee's terrestrial mobile system that shall be ensured by the Licensee within the timeframes set hereunder in accordance with Article 8 of this Licence:

Coverage Territory	Timeframe (From Commencement Date)
50 %	Within 24 months
99 %	Within 60 months