

Licence No. xxx

TELECOMMUNICATIONS ORDINANCE
(Chapter 106)

PUBLIC NON-EXCLUSIVE TELECOMMUNICATIONS
SERVICE LICENCE

[INTERNATIONAL VALUE-ADDED NETWORK SERVICES]

DATE OF ISSUE : SAMPLE

RENEWABLE : SAMPLE

FEE ON ISSUE : \$750.00

FEE ON RENEWAL : \$750.00 (or such other fee as may be prescribed)

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(hereinafter called "the licensee") is hereby licensed, subject to the conditions hereinafter contained -

- (a) to provide a public service (hereinafter called "the service") more particularly described in the First Schedule hereto; and
 - (b) to possess, establish, use and maintain such radiocommunications apparatus as described in the Second Schedule hereto as may be necessary to provide for service; and
 - (c) to deal in and demonstrate with a view to sale in the course of trade or business, such apparatus or material for radiocommunications as may be necessary to supply customers of the service.
2. This licence shall not be construed as granting any exclusive rights to the licensee in the operation of the service.
 3. This licence replaces any licence, however described, which the Authority may have granted to the licensee in respect of the service.

NOTES

1. It is an offence for the licensee or his customers to operate licensed apparatus in such a manner as to cause direct or indirect interference with any other telecommunications service lawfully carried on, or other apparatus for telecommunications lawfully operated in or outside Hong Kong.
2. Under section 34(4) of the Telecommunications Ordinance (Chapter 106) any licence may at any time be cancelled or withdrawn by the Authority or suspended for such period, not exceeding 12 months as the Authority specifies in the event of any contravention by the licensee of the Ordinance (which includes the regulations thereunder) or of any condition to which the licence is subject.
3. It is an offence upon the expiry or cancellation of this licence not to surrender it to the Authority within four weeks of such expiry or cancellation.

GENERAL CONDITIONS

This licence is issued subject to the following conditions -

1. The licensee shall at all times and from time to time during the continuation of this licence operate, maintain and provide the service in a manner satisfactory to the Authority.
2. The licensee shall at all times perform and observe the requirements and except insofar as the Authority may in writing expressly absolve the licensee from such compliance all provisions of the Constitution and Convention of the International Telecommunication Union and all regulations and recommendations annexed thereto or made thereunder as are applicable in Hong Kong.
3. (1) Notwithstanding regulation 8(1) of the Telecommunications Regulations (Cap. 106 sub. leg.) the licensee may with the prior consent in writing of the Authority transfer this licence and any permission or any right or benefit arising therefrom.

(2) Any such consent shall be subject to such conditions as the Authority may impose.

- (3) Should any such transfer be made with such consent as aforesaid the licensee shall cause a true copy of the instrument effecting the same to be transmitted to the Authority within two months of the date thereof.
4. If the licensee possesses, uses, establishes or maintains apparatus for radiocommunications the following additional conditions shall apply -
- (a) each fixed or base station shall be used only at the address and with emissions at the frequencies and of the classes and characteristics specified in the Second Schedule hereto, and with such power and aerial characteristics as are specified in the Second Schedule in relation to the class and characteristics of the emission in use;
 - (b) the apparatus comprised in each fixed or base station shall at all times comply with the technical and performance standards as may be prescribed by the Authority and specified in the Second Schedule;
 - (c) the apparatus comprised in each fixed, base or mobile station (being a mobile station used by the customer of the licensee) shall be of a type approved by the Authority and shall be so designed, constructed, maintained and operated that its use does not cause any avoidable interference with any radiocommunications;
 - (d) each fixed or base station shall be operated only by the licensee or a person authorized by the licensee in that behalf. The licensee shall not permit or suffer any person not so authorized to have access to the apparatus comprised in each fixed or base station. The licensee shall ensure that persons operating each fixed or base station observe the conditions of the licence at all times;
 - (e) the licensee -
 - (i) shall not make any change -
 - (A) in any fixed or base station; or
 - (B) in the address at which each fixed or base station is installed, without the prior approval in writing of the Authority;
 - (ii) shall return this licence to the Authority for amendment when a change referred to in sub-subparagraph (i) has been effected;
 - (f) if power for the working of any fixed or base station is taken from a public electricity supply, no direct connection shall be made between the supply mains and the aerial;
 - (g) if any fixed or base station aerial crosses above or may fall or be blown onto any overhead power wire (including electric lighting and tramway wires) or power apparatus it shall be guarded to the reasonable satisfaction of the owner of the power wire or power apparatus concerned;

- (h) the licensee shall take all reasonable measures to ensure that customers of the service do not cause interference to other users of radiocommunications and shall take all the necessary measures to stop such interference as may occur;
 - (i) the licensee shall cease to offer service to a customer thereof if instructed to do so by the Authority;
 - (j) the licensee shall, if so required, provide the Authority with a list of the names, addresses and other details requested by the Authority of the customers of the service annually on a date specified by the Authority by notice to the licensee;
 - (k) when any person ceases to be a customer of the licensee the licensee shall notify him, in such manner as the Authority may require, that he is no longer exempt from the licensing requirements of the Ordinance in relation to the apparatus used by him as a customer.
5. The apparatus operated by the licensee shall be operated only on such radio frequencies as the Authority may assign to the licensee and the Authority may refuse to assign further frequencies or require the licensee, by notice to him, to cease to operate the apparatus on any frequency previously assigned to him if in the opinion of the Authority the licensee is not making efficient use of that frequency.
6. The Authority may, by giving not less than 12 months' notice in writing to the licensee, require him upon such date as may be specified in the notice to cease using any frequency previously assigned to him by the Authority and to use such new frequency as the Authority may designate.
7. The licensee shall not enter into any agreement or arrangement whether legally enforceable or not which shall in any way prevent or restrict competition in relation to the operation of the service or any other telecommunications service licensed by the Authority.
8. This licence shall be valid for such period as determined and published by the Authority to be applicable to Public Non-Exclusive Telecommunications Service Licence at the time of the issue of this licence.
9. The licensee shall pay the fees applicable to Public Non-Exclusive Telecommunications Service Licence as may from time to time be determined and published by the Authority.

SPECIAL CONDITIONS

1. The licensee shall comply with the Telecommunications Ordinance (Cap.106) (the "Ordinance"), Regulations made under the Ordinance, licence conditions or any other instruments which may be issued by the Authority under the Ordinance and such guidelines or Codes of Practices which may be issued by the Authority as in his opinion are suitable for the purpose of providing practical guidance on any particular aspect of any conditions of this licence.
2. The grant of this licence does not authorize the licensee to do anything which infringes any exclusive right to provide telecommunications circuits or services granted under the Ordinance or any other ordinance.
3. In connecting the service to a public telecommunications network operated under a licence granted under the Ordinance, the licensee shall comply with any technical specification prescribed by the Authority for the purposes of ensuring technical compatibility, avoiding technical harm to network or preventing safety hazards to personnel in the connection of telecommunications apparatus to that network.
4.
 - (1) On receiving reasonable prior written notice from the Authority, the licensee shall allow the Authority and any person authorized in writing by him for the Authority's own purposes to enter and inspect the offices, places and premises in Hong Kong where the licensee has installed telecommunications equipment, or used for the provision of the service, to verify that the licensee is in compliance with the conditions and special conditions of this licence and the Ordinance.
 - (2) The licensee shall provide and maintain, at no less than the reasonable technical standards set by the Authority, facilities to enable the Authority to inspect, test, read or measure, as the case may be, any telecommunications installations, equipment (including, but not limited to testing instruments) or premises used or to be used for the provision of the service, and may at its option, and shall on the written request of the Authority, and subject to the provision by the Authority of reasonable prior written notice, provide a representative to be present at any such inspection, testing, reading or measurement.
 - (3) On giving reasonable prior written notice, the Authority may direct the licensee to demonstrate that the service complies with the technical requirements imposed by the Ordinance and Regulations or any other instruments which may be issued by the Authority under the Ordinance and the licensee shall comply with such directions.

- (4) For the purpose of paragraphs (2) and (3), the licensee shall provide adequate testing instruments and operating staff.
5.
 - (1) The licensee shall furnish to the Authority, in such manner and at such times as the Authority may request in writing, such information related to the business, including financial information, accounts and other records as the Authority may reasonably require in order to perform his functions under the Ordinance and this licence and to ensure the licensee's compliance with the conditions and special conditions of this licence and the Ordinance.
 - (2) Where the Authority proposes to disclose information obtained and the Authority considers that the disclosure would result in the release of information concerning the business or commercial or financial affairs of the licensee which disclosure would or could reasonably be expected to adversely affect the licensee's lawful business or commercial or financial affairs, the Authority will give the licensee a reasonable opportunity to make representations on the proposed disclosure before the Authority makes a final decision whether to disclose the information.
6. The licensee shall permit the Authority or any person authorized by him in writing for the Authority's own purpose to inspect and if required to make copies of records, documents and accounts relating to the licensee's business for the purpose of enabling the Authority to perform his functions under the Ordinance and this licence and to ensure the licensee's compliance with the conditions and special conditions of this licence and the Ordinance.
7.
 - (1) The licensee shall not disclose information of a customer except with the consent of the customer, which form of consent shall be approved by the Authority, except for the prevention or detection of crime or the apprehension or prosecution of offenders or except as may be authorized by or under any law.
 - (2) The licensee shall not use information provided by its customers or obtained in the course of provision of service to its customers other than for and in relation to the provision by the licensee of the service under this licence.
8. The licensee shall conform to any numbering plan made or approved by the Authority and any directions given by the Authority in respect of the numbering plan.
9.
 - (1) The licensee shall take all reasonable steps to ensure that any metering equipment used in connection with the service operated under this licence is accurate and reliable.

- (2) Upon written request of the Authority, the licensee shall conduct tests on metering equipment to assess its accuracy, reliability and conformity to the technical standards, if any, specified by the Authority. The licensee shall submit the test result to the Authority within 14 days after the date of the test or such other longer period as the Authority may determine.

10.
 - (1) For services offered generally to the public in Hong Kong, the licensee shall publish and charge no more than the tariffs for the service operated under this licence. The tariffs shall include the relevant terms and conditions for the provision of the service.

 - (2) Publication shall be effected by -
 - (a) placing a copy in a publicly accessible part of the principal business place and other business premises of the licensee;
 - (b) sending a copy to the Authority on or before the date on which a new tariff is introduced; and
 - (c) sending a copy to any person who may request it. The licensee shall not levy a charge greater than that is necessary to cover reasonable cost involved.

 - (3) Where the licensee provides customer equipment integral to the provision of the service to its customers, the tariffs shall clearly state the price of the customer equipment separately from the charges for the service.

11. The licensee shall not use the service, and shall endeavour to prevent the service from being used by any user, for the transmission of unsolicited advertising information or unsolicited promotional information.

12. The licensee, or the Authority, may at their discretion make the terms and conditions of this licence, including any special conditions, publicly available in any manner they think fit.

13.
 - (1) The licensee shall comply with any directions given in writing by the Authority in relation to the use of a telecommunications number translation device for access to the service.

- (2) The licensee shall bear all the costs and financial losses incurred due to full compliance with the directions mentioned in sub-paragraph (1).
 - (3) In this condition, “telecommunications number translation device” shall mean a device which translates a number input via the normal dialing pad into another number for access to specified destinations or services, but does not include a device which generates such a number upon input through a special function key or a combination of special function keys and the normal dialing pad. The “normal dialing pad” means the dialing pad comprising the buttons for digits 0 to 9, and for “*” and “#”.
14. The licensee shall not operate the service between Hong Kong and any place unless the law and policies at that place permits or does not prohibit the operation of such service.

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FIRST SCHEDULE

Description of Service

1. The service is a local and/or external public telecommunications service accessed by its customers via, and provided over, circuits provided by public telecommunications networks and/or public telecommunications services licensed under the Ordinance and, subject to Sections 3 and 4 of this Schedule, may include the following service elements :
 - a) data communications;
 - b) facsimile communications;
 - c) electronic mailbox/messaging;
 - d) electronic data interchange;
 - e) code, protocol and/or format conversions;
 - f) database access and retrieval;
 - g) value added voice services.
2. In this Schedule,

“circuits provided by public telecommunications networks” means:

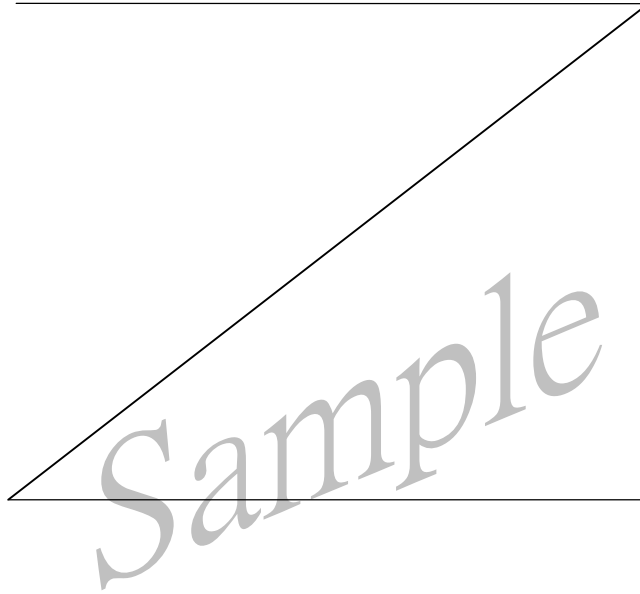
 - a) the public switched telecommunications network operated or authorised under the Ordinance;
 - b) leased circuits operated or authorised under the Ordinance.

“external” means communications with places outside Hong Kong.

“external circuit” means a telecommunications circuit between a point in Hong Kong (including, without limitation, a radiocommunications facility or cable termination facility) and one or more points outside Hong Kong, and any means of telecommunications capable of facilitating such circuit.
3. Where international private leased circuits (IPLCs) are used for the provision of the service, the services that may be conveyed over the IPLCs shall fall within the scope of International Value-Added Network Services (IVANS) as specified in the Third Schedule.
4. “Value added voice services” in Section 1(g) of this Schedule shall be confined to “value added voice service” provided as an IVANS over IPLCs as defined in the Third Schedule.
5. For the avoidance of doubt, this licence does not authorise the licensee to establish and maintain any physical facilities for the supply of external circuits to customers.

*** End of the First Schedule ***

SECOND SCHEDULE



*** End of the Second Schedule ***

THIRD SCHEDULE

Scope of International Value-Added Network Services (IVANS) Permitted Over International Private Leased Circuits (IPLCs)

1. (i) Data communications:
 - (a) Code and/or format conversions (as for example listed in Table 1 of ITU - T Recommendation X.408 or its equivalent); or
 - (b) protocol conversion (in addition to that between X.25 and X.75 in packet switching); or
 - (c) store and forward (if a stored message is automatically forwarded to a terminal, at least one other function such as those listed in (a) or (b) above shall be required to be offered jointly with that message forwarding service); or
 - (d) store and retrieve.
 - (ii) Facsimile communications:
 - (a) store and retrieve; or
 - (b) store and forward (in the case of automatic delivery to the destination terminal(s), there must be at least one other function such as deferred delivery or multi-addressing).
 - (iii) Voice communications:

Value added voice service (e.g. voice mailbox and audiotext services).
2. Basic voice, telex and simple resale communications do not fall within the scope of IVANS permitted.
 3. Clarifications to the services described in paragraphs 1 and 2 above are as follows:
 - (i) Paragraph 1(i) above includes protocol conversion between asynchronous and X.25.

- (ii) With packet switching, service providers who provide protocol conversions may also transmit messages without such conversions as part of their service to users.
- (iii) Interpersonal Messaging Service based on X.400 falls within the scope of IVANS permitted, provided it normally includes at least one function listed in paragraph 1(i).
- (iv) In facsimile communications, a service involving processing of control information (e.g. destination address) with or without modification to the image data falls within the scope of IVANS permitted.
- (v) For both data and facsimile communications, if value is added at one end, there is no need for value to be added at the other end.
- (vi) Telex is a telegraph service for customers whereby they can communicate directly and temporarily between themselves using start-stop telegraph equipment operating at 50 bauds and with International Telegraph Alphabet No. 2.
- (vii) Paragraph 2 above does not prohibit the provision of facsimile to telex, telex to data conversions, or vice versa, subject to (viii) below.
- (viii) For conversions involving telex, any conversion from telex to data or facsimile shall take place at the originating end; any conversion from data or facsimile to telex shall take place at the distant end.
- (ix) Value added voice service means any telecommunications service involving the conveyance of speech, music or other sounds which does not amount to real-time telephonic conversation between humans.

*** End of the Third Schedule ***

(SAMPLE)
For and on behalf of the
Telecommunications Authority