

**LICENCE
AND FREQUENCY AUTHORISATIONS**

**GRANTED BY THE COMMISSION UNDER THE
TELECOMMUNICATIONS ACT, 2003**

TO

CABLE AND WIRELESS (WEST INDIES) LIMITED

FOR

**THE ESTABLISHMENT AND OPERATION OF A
FIXED PUBLIC TELECOMMUNICATIONS NETWORK**

AND

**THE PROVISION OF CERTAIN PUBLIC
TELECOMMUNICATIONS SERVICES**

AND

TO USE CERTAIN FREQUENCY BANDS

IN

ANGUILLA

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LICENCE TO OPERATE A FIXED PUBLIC TELECOMMUNICATIONS NETWORK AND TO PROVIDE CERTAIN PUBLIC TELECOMMUNICATIONS SERVICES, AND RELATED FREQUENCY AUTHORISATIONS

THE COMMISSION in accordance with the Telecommunications Act, 2003 hereby grants this Licence and these Frequency Authorisations to Cable and Wireless (West Indies) Limited to establish and operate a public telecommunications network, to provide public telecommunications services and to use certain frequency bands within Anguilla and to do all or any of the acts specified herein.

PART I – THE LICENCE AND AUTHORISATIONS

1. LICENCE AND AUTHORISATIONS

- 1.1 This Licence and these Frequency Authorisations shall be known as the Cable and Wireless (West Indies) Limited Fixed Networks and Services Licence and Authorisations 2003.

2. INTERPRETATION

- 2.1 In this Licence and Authorisations:

“Access Deficit Contributions”	means the payments, if any, as determined by the Commission, made by licensees to Cable & Wireless (West Indies) Limited to fund its access deficit;
“Act”	means the Telecommunications Act, 2003;
“Annual Frequency Authorisation Fee”	means the frequency authorisation fee payable by the Authorisation Holder to the Commission on each anniversary of the Effective Date;
“Annual Licence Fee”	means the licence fee payable by the Licensee to the Commission on each anniversary of the Effective Date;
“Authorisation Holder”	means Cable & Wireless (West Indies) Limited;

“Authorisations”	means these frequency authorisations together with Annex G;
“Authorised Frequencies”	means those frequency bands or other authorised uses of the spectrum set forth in Annex G;
“Effective Date”	means the date, below-inscribed, on which this Licence and these Authorisations are granted;
“Government”	means the Government of Anguilla;
“Licence”	means this Licence together with the Schedules and Annexes;
“Licensed Area”	means the territory of Anguilla;
“Licensed Networks”	means those telecommunications networks set forth in Annex B;
“Licensed Services”	means those telecommunications services set forth in Annex A;
“Licensee”	means Cable and Wireless (West Indies) Limited;
“Price Cap Rules”	means the rules for controlling the prices charged by the Licensee for certain Licensed Services, as set out in Annex E;
“Quality of Service Obligations”	means the quality of service obligations set out in Annex D;
“Regulations”	means regulations issued pursuant to section 52 of the Act and section 50 of the Public Utilities Commission Act, 2003;
“Renewal Fee”	means a fee payable by the Licensee on the renewal of this Licence and these Authorisations;
“Universal Service Fund”	means the fund established by the Commission to compensate licensees for carrying out the

Universal Service Obligations;

“Universal Service Obligations”

means the obligation to provide universal service as set out in Part II, Clause 11 of this Licence and as set forth in Annex C.

- 2.2 Any word, phrase or expression used in this Licence and these Authorisations shall, unless the context requires otherwise, have the same meaning as it has in the Act and the Regulations.
- 2.3 Words importing the singular shall include the plural and vice versa.

3. SCOPE

- 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 Commission in accordance with the Act;
 - 3.1.2 any telecommunications network outside the Licensed Area;
 - 3.1.3 any earth-orbiting apparatus in accordance with applicable requirements; and
 - 3.1.4 any terminal equipment approved for connection in accordance with section 33 of the Act.
- 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 land and operate the Eastern Caribbean Fibre Optic submarine cable.
- 3.4 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.
- 3.5 With the exception of the transition periods outlined in the Agreement between the Government and the Licensee dated 10 April 2003, in no event does this Licence grant any exclusive right to operate any telecommunications network or to provide any telecommunications service, nor does it convey any proprietary rights.

- 3.6 The Authorisation Holder is hereby authorised to use the Authorised Frequencies in accordance with the Act, the Regulations and the Telecommunications Code.
- 3.7 The Authorisation Holder shall have the use of the Authorised Frequencies for the term specified herein.
- 3.8 This Licence and these Authorisations supersede all previous licences and authorisations granted to the Licensee and the Authorisation Holder by the Government.
- 3.9 For avoidance of doubt, nothing in this Licence and these Authorisations grants to the Licensee and the Authorisation Holder the right to establish or operate any telecommunications network, provide any telecommunications service or use any frequency bands other than as set forth in the Act, the Regulations, the Telecommunications Code or this Licence and these Authorisations.
- 3.10 The rights of the Licensee set out herein shall not take effect until the Licensee pays the initial licence fee charged by the Commission pursuant to section 48 of the Act.

4. DURATION AND RENEWAL OF LICENCE

- 4.1 This Licence is granted for a term of ten (10) years, beginning on the Effective Date.
- 4.2 The Commission shall not give the notice permitted by section 15(d) of the Act and shall, notwithstanding that section, renew this Licence upon request by the Licensee for an additional term of ten (10) years, upon expiration of the ten (10)-year term specified in Clause 4.1, provided that none of the reasons set forth in section 15(a)-(c) of the Act would cause the Commission to refuse such request for renewal.
- 4.3 After the first ten (10)-year renewal term specified in Clause 4.2, the Licensee has the right, upon its request, to renew this Licence for successive ten (10)-year terms, provided that none of the reasons set forth in section 15(a)-(c) of the Act would cause the Commission to refuse such request for renewal and that the Commission has not notified the Licensee in writing at least three (3) years prior to the expiry date of any renewal term that this Licence is not to be renewed, provided further, that if the Licensee does not wish to renew the Licence, it shall notify the Commission by no later than three (3) years prior to such expiry date.

- 4.4 On granting a renewal of this Licence, the Commission may, in consultation with the Licensee, vary the terms of the Licence if the conditions then prevailing require such variation and it is reasonable to do so.
- 4.5 Renewal of this Licence shall not take effect until the Licensee has paid all Annual Licence Fees and the Renewal Fee, and any other fees owed under this Licence or the Act.

5. DURATION AND RENEWAL OF FREQUENCY AUTHORISATIONS

- 5.1 These Authorisations are granted for such terms as are set out on Annex G, beginning on the Effective Date.
- 5.2 The Commission shall renew each of these Authorisations, upon request by the Authorisation Holder, for a renewal term equal to the term for such Authorisation, as set out on Annex G, provided that none of the reasons set forth in section 15(a)-(c) of the Act would cause the Commission to refuse such request for renewal.
- 5.3 After the first renewal term specified in Clause 5.2, the Authorisation Holder has the right, upon its request, to renew these Authorisations for successive terms, provided that none of the reasons set forth in section 15(a)-(c) of the Act would cause the Commission to refuse such request for renewal and that the Commission has not notified the Licensee in writing at least three (3) years prior to the expiry date of any renewal term that this Licence is not to be renewed.
- 5.4 On granting a renewal of these Authorisations, the Commission may, in consultation with the Authorisation Holder, vary the terms of these Authorisations if the conditions then prevailing require such variation and it is reasonable to do so.

6. ASSIGNMENT AND TRANSFER OF LICENCE AND AUTHORISATIONS

- 6.1 The Licensee and the Authorisation Holder shall comply with section 5 and section 10 of the Act with respect to assignment, sale, transfer, charge or other disposition of a significant interest in the Licensee and the Authorisation Holder.

7. SUSPENSION, TERMINATION AND AMENDMENT OF THE LICENCE AND THE AUTHORISATIONS

- 7.1 This Licence and these Authorisations are subject to suspension, termination and amendment according to sections 13 and 14 of the Act.
- 7.2 In deciding whether to suspend or terminate this Licence or any of these Authorisations, the Commission shall give the Licensee and the Authorisation Holder the opportunity to present its views, to remedy the breach of the provisions of the Act, the Regulations, the Telecommunications Code or the term or condition of this Licence or of any of these Authorisations as gave rise to the proposed suspension or termination or to submit to the Commission within such time as the Commission may specify a written statement of objections to the suspension or termination of this Licence or of any of these Authorisations, which the Commission shall take into account before reaching a decision on suspension or termination.
- 7.3 This Licence and any of these Authorisations may be amended for the reasons set forth in section 14(1) of the Act. Before amending this Licence or any of these Authorisations, the Commission shall give the Licensee or the Authorisation Holder the opportunity to present its views or to submit to the Commission within such time as the Commission may specify a written statement of objections to the amendment of this Licence or any of these Authorisations, which the Commission shall take into account before reaching a decision on amendment.
- 7.4 In the event of termination of either this Licence or of any of these Authorisations, other than by expiry of the terms set out in Clauses 4 and 5, 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 Part 3 of the Act.
- 7.5 Subject to Clause 7.2, this Licence or any of these Authorisations may be terminated upon notice by the Commission to the Licensee or the Authorisation Holder:
- (a) if the Licensee or the Authorisation Holder is dissolved or goes into liquidation;

- (b) the Licensee or Authorisation Holder delegates its rights and obligations to another person, other than as permitted by this Licence or these Authorisations; or
 - (c) where the Commission deems that there is, or is likely to be, a risk to national security or to do so is essential to the public interest.
- 7.6 Subject to Clause 7.2, none of these Authorisations shall authorise the use of any frequency band that the Authorisation Holder ceases to use.
- 7.7 Except as provided in the Act and the Emergency Powers Act or any similar legislation, in the case of a termination of this Licence or any of these Authorisations pursuant to this Clause 7, no compensation is owed or shall be paid to the Licensee or the Authorisation Holder by the Government.

8. SUBCONTRACTING

- 8.1 The Licensee may employ one or more subcontractors to install and maintain, but not to operate or provide, some or all of the Licensed Networks or the Licensed Services.
- 8.2 Any subcontract shall provide that the subcontractor agree to comply with the terms and conditions of this Licence, the Telecommunications Code, the Regulations and the Act.
- 8.3 Use of a subcontractor shall not relieve the Licensee or the Authorisation Holder of any of its obligations under this Licence or these Authorisations.

PART II – CONDITIONS OF LICENCE AND AUTHORISATIONS

9. LICENCE AND AUTHORISATIONS FEES AND MONIES OWED

- 9.1 The Licensee and the Authorisation Holder shall pay all fees charges pursuant to section 48 of the Act.
- 9.2 If the Licensee or the Authorisation Holder owes money to the Government in relation to fees payable in respect of this Licence or these Authorisations, the Licensee and the Authorisation Holder shall be in breach of the Licence and these Authorisations in the event that the Licensee or the Authorisation Holder fails to pay that money within ninety (90) days after receiving a written notice from the Commission indicating that payment is due.

10. EMERGENCIES

- 10.1 The Licensee shall provide, and shall provide access to, emergency telecommunications services by means of the Licensed Networks, as the Commission may prescribe.
- 10.2 In the event of a public emergency, the Governor may require the Licensee to provide free of charge to the Government or to any other person specific telecommunications services as the Governor reasonably determines are necessary in the public interest, and the Licensee shall have such other rights and obligations as are set out in section 54 of the Act. If such public emergency shall last for more than thirty (30) days and if Licensee is required to continue providing such telecommunications services beyond such thirty (30)-day period, then Licensee may seek compensation from the Governor for services provided beyond such period.

11. UNIVERSAL SERVICE

- 11.1 The Licensee shall fulfill the Universal Service Obligations.
- 11.2 If the Commission determines to establish a Universal Service Fund, the Licensee shall make any and all payments to such Universal Service Fund in a manner determined by the Commission.

- 11.3 If the Commission determines that there are Access Deficit Contributions, the Licensee shall make any and all payments for such Access Deficit Contributions in a manner determined by the Commission.
- 11.4 Prior to suspending, withdrawing or terminating the offering of any Licensed Service determined by the Act or the Commission to be subject to the Universal Service Obligations, the Licensee shall first obtain the written approval of the Commission.

12. LICENSEE'S OBLIGATIONS TO USERS

- 12.1 The Licensee shall, in accordance with the Act, 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.
 - 12.1.1 The Licensee shall provide (directly or indirectly), free of charge to all users 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.
 - 12.1.2 Notwithstanding Clause 12.1.1, the Licensee may also publish yellow pages, business directories or other specialised directories, and may charge for listings and any paid advertisements therein
 - 12.1.3 Nothing in this Clause 12.1 prevents the Licensee from charging users for accessing directory assistance service as permitted by the Commission.
- 12.2 The Licensee shall meet the Quality of Service Obligations set out in Annex D and a failure to meet such Quality of Obligations shall be regarded as a breach of this Licence and be subject to Clause 21 hereof.
- 12.3 The Licensee shall, no later than three (3) months after the Effective Date, develop, implement and publish procedures for responding to complaints from and disputes with users related to the quality of any Licensed Services, to statements of charges and to prices, and Licensee shall respond quickly and adequately to any complaints but, in no event, by later than one (1) month after the filing of such complaint with the Licensee.
- 12.4 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.

- 12.5 The Licensee shall, no later than three (3) months after the Effective Date, submit to the Commission, for its approval, 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, for its approval, all forms of standard customer agreements for the provision of Licensed Services. If the Commission has not disapproved any such agreements within sixty (60) days after they have been submitted by the Licensee, then the Commission shall be deemed to have approved such agreements. 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 after the date on which the Act comes into force.
- 12.6 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.
- 12.7 In addition to its obligations under Clause 12.5, the Licensee may from time to time modify its standard customer agreements and shall notify the Commission and users of such modification.
- 12.8 The standard customer agreements and any modifications made under Clause 12.7 shall be compliant with the Act and any other applicable laws. In the event that the standard customer agreements or modifications do not comply with the Act 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 12.7, and shall not have retroactive effect.
- 12.9 Prices charged by the Licensee to users of Licensed Services shall be set in accordance with Annex E 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 12.9, rates that are set in accordance with Annex E and any applicable price regulation of the Commission are presumed, subject to a Commission determination to the contrary, to be fair and reasonable.
- 12.10 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.

- 12.10.1 Prices published by the Licensee for Licensed Services shall take effect immediately upon such date as the Licensee shall specify.
- 12.10.2 Notwithstanding Clause 12.10.1, the Commission may suspend the effectiveness of any prices if it finds that they are not fair or unreasonable, or discriminate unduly among similarly situated persons, or are otherwise in violation of this Licence, the Telecommunications Code, the Regulations or the Act.
- 12.10.3 As the Commission may prescribe, the Licensee shall refund any excess interim charges for Licensed Services as to which the prices are determined by the Commission to violate this Licence, the Telecommunications Code, the Regulations or the Act.
- 12.11 The Licensee shall not require residential and small business subscribers to deposit as security an amount of money in excess of two month's service and shall accrue annual interest on any such deposit at the average rate of the two largest commercial banks with branches in Anguilla. Upon termination of service, the Licensee shall within 120 days refund to any such subscriber all monies deposited, including all accrued interest, less any monies owed by the subscriber for unpaid bills.

13. NUMBERING

- 13.1 The Licensee shall operate its Licensed Networks and provide its Licensed Services in accordance with the numbering plan established pursuant to section 31 of the Act.
- 13.2 The Licensee shall be entitled to use numbers that it has been authorised to use as of the Effective Date, subject to any changes required, in accordance with such numbering plan.
- 13.3 When required to do so by the Commission, the Licensee shall provide number portability in accordance with the requirements specified by the Commission.

14. NON-DISCRIMINATION AND FAIR TRADING

- 14.1 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 14 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 Anguilla, provided that, Licensee must make wholesale rates based on such favorable rates available to other providers of telecommunications services in Anguilla on a non-discriminatory basis.

- 14.2 In providing the Licensed Services and transmitting communications, the Licensee shall not discriminate unduly as between similar types of users and shall offer the Licensed Services on the same terms and conditions to similar types of users.
- 14.3 The Licensee shall permit the resale of its Licensed Services to the extent required by the Act by not imposing unreasonable or discriminatory conditions or limitations on such resale.
- 14.4 The Licensee shall permit the attachment to its Licensed Networks of, and shall not discriminate against any user using, terminal equipment that is not sold or leased by the Licensee, provided that any such terminal equipment is of a type approved pursuant to section 33 of the Act.
- 14.5 The Licensee shall not engage in anti-competitive pricing and other related 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.
- 14.6 Without limiting the generality of Clause 14.5 above, any such act or omission shall include:
 - 14.6.1 any abuse by the Licensee, either independently or with others, of a dominant position; or
 - 14.6.2 entering into any contract or engaging in any concerted practice with any other party;where the effect of the conduct defined in Clauses 14.6.1 and 14.6.2 is, or is likely to be, a substantial lessening of competition in the market of or for any telecommunications network or telecommunications service.
- 14.7 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.

- 14.7.1 Prior to sharing any such information with an affiliated entity that intends to provide a telecommunications service to such user, the Licensee shall obtain the user's knowing consent in the form of notice. Subject to obtaining the user's knowing consent, if the Licensee shares such information with an affiliated entity, it shall, upon request, provide such information to other providers of telecommunications services.
- 14.7.2 Neither the Licensee nor any affiliate of the Licensee may use usage patterns or other similar information obtained by or about a user, and to which only the Licensee (or such affiliate) has access by virtue of the provision of a telecommunications service for which the Licensee is dominant, to specifically target users in connection with marketing another telecommunications service.
- 14.7.3 Subject to Clause 14.7.1, the Licensee may use credit history or other similar information regarding a consumer and may share such credit history or other information with its affiliates or other providers of telecommunications services.
- 14.7.4 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 or subscription fee, 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, including any tax relating thereto.
- 14.7.5 Nothing in this Clause 14.7 prevents the Licensee from marketing bundled offerings of telecommunications services to a user based on the Licensee's revenues from, or the Licensee's traffic volumes generated by, such user, provided that any such services shall also be provided on a stand-alone basis.
- 14.8 Upon request, the Licensee shall make available, on a non-discriminatory basis, which may include a reasonable charge, directories or other non-confidential

subscriber-related information to other persons for purposes of providing directories to their customers.

- 14.9 The Licensee shall account for costs and keep such books of accounts and, where Regulations or the Telecommunications Code prescribe the manner in which such books are to be kept, shall keep such books of accounts in accordance with such Regulations or the Telecommunications Code.
- 14.10 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 terminal equipment attached to any Licensed Network in contravention of section 33 of the Act, 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 (for example, to prevent fraudulent usage of such service), provided that such terms do not incorporate matters that are the subject of any Regulation or prevent persons from submitting disputes to the Commission pursuant to the Act and, if a user timely submits a dispute over such impairment or termination to the Commission, then the Licensee shall refrain from impairing or terminating the telecommunications service except as may be authorised by the Commission. Any breach of this provision shall result in such penalties as the Commission may impose

15. INTERCONNECTION

- 15.1 The Licensee shall, with respect to interconnection, comply with the provisions of section 17(1), (2) and (3) of the Act.

16. ACCESS TO FACILITIES

- 16.1 The Licensee shall provide other operators with access to facilities that it owns or controls in accordance with section 18 of the Act.
- 16.2 The Licensee shall negotiate access to its facilities with other operators and public utilities on a non-discriminatory and equitable basis.
- 16.3 The Licensee may deny access to a facility only where it demonstrates that there is insufficient capacity in such facility, taking into account its reasonably anticipated requirements, for reasons of safety, security, reliability or difficulty of a technical or engineering nature.

17. INFORMATION REQUIREMENTS

- 17.1 The Licensee shall provide the Commission with any relevant agreements (including agreements with any body corporate affiliated with the Licensee) and 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 Act.
- 17.1.1 Without limiting the generality of Clause 17.1, the Licensee shall provide to the Commission annually a final audited profit and loss and balance sheet, and rates of depreciation, in accordance with the Regulations and the Telecommunications Code, which information shall be kept confidential by the Commission.
- 17.1.2 Without limiting the generality of Clause 17.1, the Licensee shall provide to the Commission annually a report on its quality of service, as measured against the quality of service indicators specified by the Commission in the Telecommunications Code.
- 17.2 The Licensee shall, within one (1) year after the Effective Date and in consultation with the Commission, adopt a cost accounting plan to ascertain the costs of individual elements of the Licensed Networks and the costs of providing components of its Licensed Services. The Licensee shall use such information to develop prices or offer interconnection, where required by this Licence, the Telecommunications Code, the Regulations or the Act.

18. PRIVACY AND 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.

- 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 of the Licensed Networks or the Licensed Services.
- 18.3 The Licensee shall establish and implement procedures for maintaining the confidentiality of information subject to this Clause 18.

19. RIGHTS OF ACCESS

- 19.1 The Licensee may install and maintain the facilities and carry out road works as specified in section 21 of the Act.
- 19.2 In carrying out road works, the Licensee is obligated to repair any damage to utility installations in accordance with section 22 of the Act
- 19.3 In the course of surveying land to determine its suitability for the establishment or operation of any facility of the Licensee, the Licensee may, by its officers or agents duly authorised in writing and on production of the authority, have access to lands in accordance with section 23 of the Act.
- 19.4 The Licensee may install and maintain facilities on private land or buildings in connection with its Licensed Networks in accordance with section 24 of the Act, and in the event of any damage to land or buildings or any dispute with any person in connection therewith, the Licensee agrees that such matter shall be referred to the Commission for resolution.
- 19.5 The Licensee shall continue to have such rights of way to roads or other public grounds to operate the Licensed Networks as it has as of the Effective Date.

20. FORCE MAJEURE AND SERVICE INTERRUPTIONS

- 20.1 The Licensee and the Authorisation Holder shall not be in breach of this Licence and these Authorisations, if and 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 Service will become, or a Licensed Service becomes, interrupted for any significant period, the Licensee shall give notice to 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 any period of force majeure or service interruption for a significant period, the Licensee shall not charge any affected user for any service affected and shall use its best endeavours to restore any affected Licensed Service as soon as reasonably practicable.
- 20.4 The Licensee shall, in consultation with the Commission, other operators and service providers and with public utilities, establish a recovery plan to operate Licensed Networks and provide Licensed Services in cases of force majeure and where there is serious and substantial interruption in the provision of the Licensed Services.

21. COMPLIANCE AND DISPUTES

- 21.1 The Licensee and the Authorisation Holder shall comply with the ITU Treaties, other applicable international agreements or acts, regulations, directions, orders and recommendations, including but not limited to the Act, and shall comply with the directions, orders and recommendations issued by the Commission.
- 21.2 The Commission may, where the Licensee or the Authorisation Holder has violated any provision of this Act, the Regulations or the Telecommunications Code or has breached any condition in this Licence and Authorisations, take any action authorised by section 40(2) of the Act.
- 21.3 Notwithstanding Clause 21.2, in addition to the actions described therein, in the case where the Licensee has not satisfied its Quality of Service Obligations, the Commission may require that the Licensee shall compensate any users adversely affected thereby.
- 21.4 Any disputes that may arise in connection with this Licence or these Authorisations or the interpretation thereof are subject to resolution by the Commission pursuant to Part 5 of the Public Utilities Commission Act, 2003.

22. NOTICES

- 22.1 Any notices or consents to be given to the Licensee or Authorisation Holder shall be delivered by registered letter or personal delivery to:

Chief Executive
Telecoms House
Cable & Wireless Anguilla
P. O. Box 77
The Valley, Anguilla

- 22.2 Any notices or consents to be given to the Commission shall be delivered by registered letter or personal delivery to:

Public Utilities Commission
P.O. Box 1400
The Valley, Anguilla

**GRANTED BY THE COMMISSION at The Valley,
Anguilla, on this 14th day of December 2004,**


Executive Chairman, Public Utilities Commission

SCHEDULE 1

DOMINANT OPERATORS AND SERVICE PROVIDERS

1. GENERAL PROVISION

- 1.1 With respect to any Licensed Services and Licensed Networks for the provision or operation of which the Licensee has been classified as dominant, as indicated on Annexes A and B, the Licensee shall comply with the provisions of this Schedule 1.
- 1.2 For the purposes of this Licence, the Licensee shall be considered as being dominant or having a dominant position if the Commission has designated the Licensee as dominant in accordance with section 17(6) of the Act.
- 1.3 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 and this Schedule 1 will thereafter no longer be applicable thereto.

2. INTERCONNECTION

- 2.1 The Licensee shall comply with Regulations with respect to the offering of interconnection on a cost-oriented basis such as the Commission may prescribe.
- 2.2 The Licensee shall publish the prices, technical, commercial and other terms and conditions pertaining to its reference offer for elements of interconnection within thirty (30) days of the Effective Date, and otherwise as the Commission may prescribe.
- 2.3 The Licensee shall permit other operators and service providers to have equal access to operator services, directory assistance and directory listing without unreasonable delay, for a reasonable fee, in accordance with the requirements specified by the Commission.
- 2.4 The Licensee shall provide dialing parity to other operators and service providers in accordance with requirements specified by the Commission.

3. PRICE REGULATION

- 3.1 The charges made by the Licensee to any user for the provision of Licensed Services for the provision of which Licensee has been classified as dominant shall be set by the Licensee in accordance with the Price Cap Rules.

4. PROVISION OF INFORMATION

- 4.1 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 operators of telecommunications networks or providers of telecommunications services, such technical information as the Commission may determine regarding such Licensed Network, including planned deployment of equipment, and other information relevant to such other operator's or service provider's network or services.

ANNEX A

LICENSED SERVICES

1.1 All telecommunications services that require a licence under the Act and that the Licensee provides in Anguilla on the Effective 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.

1.14 Any present or future modifications, upgrades or enhancements to telecommunications services included in this Clause 1.1.

1.2 Any telecommunications service that requires a licence under the Act and that is not included in Clause 1.1, provided that the Licensee is expressly subject, on a non-discriminatory basis, to any rules, Regulations, policies, terms and conditions of the Commission that apply to such service when provided by any other person licensed under the Act.

1.3 For purposes of this Licence, the Licensee is dominant with respect to the following telecommunications services in Anguilla:

1.3.1 Domestic public telephone services provided over the Licensee's fixed network.

1.3.2 International public telephone services provided over the Licensee's fixed network.

1.3.3 Services of terminating mobile telephone calls on Licensee's own mobile or fixed network.

1.4 Nothing in this Annex A shall prevent the Licensee from applying, pursuant to Clause 1.3 of Schedule 1, to have the Commission determine that the Licensee is not dominant in one or more geographic or service markets in which the Licensee provides the services listed in Clause 1.3 of this Annex A.

ANNEX B

LICENSED NETWORKS

1.1 Any telecommunications networks in use as of the Effective Date and used by the Licensee at and after the Effective 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 frequencies set out in Annex G without having first obtained a frequency authorisation granted in accordance with the Act.

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 Act) 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 Anguilla:

1.5.1 Domestic fixed public telephone network (including with respect to the domestic termination of the international fixed public telephone network).

1.6 Nothing in this Annex B shall prevent the Licensee from applying, pursuant to Clause 1.3 of Schedule 1, to have the Commission determine that the Licensee is not dominant in one or more geographic or service markets in which the Licensee operates the networks listed in Clause 1.1 of this Annex B.

ANNEX C

UNIVERSAL SERVICE OBLIGATIONS

GENERAL PROVISIONS

1.1. For purposes of this Annex C, “US Regulations” shall refer to the “Universal Service and Public Telecommunications Regulations” as they may be amended from time.

1.2 Terms used in this Annex C shall have the meanings ascribed to them in the Act, the Licence, the US Regulations and the Telecommunications Code.

DESIGNATION AS SPECIFIED PROVIDER

2.1 By this Licence and pursuant to section 8 of the US Regulations, the Licensee is designated as the specified provider of :

2.1.1 access to the public telephone service, as provided in section 4 of the US Regulations;

2.1.2 a telephone directory and a directory inquiry service, as provided in section 5 of the US Regulations; and

2.1.3 public pay telephones, as provided in section 6 of the US Regulations, provided that, absent a determination by the Commission to the contrary, the Licensee shall maintain such public pay telephones in such numbers and at such locations as the Licensee maintains as of the Effective Date.

2.2 The Licensee is a specified provider of services to low income and other users pursuant and subject to section 7 of the US Regulations.

2.2.1 The Licensee satisfies its obligations under this Clause 2.2 by maintaining the following scheme until such time as otherwise determined by the Commission:

2.2.1.1 Low income residential users, as determined by means-related criteria established by the Government, are entitled to a rebate of EC\$16 if their monthly bill for telecommunications services is less than EC\$62 (inclusive of line rental charges and exclusive of any applicable taxes) (the “lifeline service”).

2.2.1.2 The number of users eligible for the lifeline service will be limited to 300 and the mechanism by which these users will be identified to the Licensee on a periodic basis will be agreed between the Government and the Licensee.

2.3 Notwithstanding Clauses 2.1 and 2.2, the Licensee may, pursuant to section 9 of the US Regulations, petition the Commission to remove its designation as a specified provider for any universal service.

PUBLIC TELECOMMUNICATIONS SERVICES

3.1 Nothing in this Annex C shall relieve the Licensee of its obligations under the Act, Parts 5 and 6 of the US Regulations, the Telecommunications Code or the Licence.

ANNEX D

QUALITY OF SERVICE OBLIGATIONS

The Quality of Service Obligations of the Licensee are set out in section 20 of the “Universal Service and Public Telecommunications Regulations” as they may be amended from time.

ANNEX E
PRICE CAP RULES

See attachments.

Annex E - Part I

The following paragraph is an explanatory note. For avoidance of doubt, nothing in the following paragraph modifies any of the provisions in this Part I of Annex E:

This Part I sets out the basis on which the Licensee can amend certain specified rates. Annex 1 to this Part I sets out the rates that the Licensee was, as described herein, permitted to charge as of (a) date set out in Part I, Clause 3.5 of this Licence and (b) the date on which the Act came into force (the “Act in Force Date”) (those permitted amendments are referred to below as “Interim Rate Rebalancing”). This Part I then lists the parameters by which the Licensee may amend those rates as of one year following the Act in Force Date, and each anniversary thereafter (referred to below as the “Interim Rate Rebalancing”) until such time as the Commission has implemented a long-term price cap regime applicable to the Licensee (referred to below as the “Licensee Price Cap Regime”).

Rate Rebalancing and Rate Regulation

Definitions

For purposes of this Annex E:

the “Licensee Price Cap Regime” means a regime for price cap regulation for the Rate Regulated Services that is implemented by the Commission in accordance with the Principles set out on Part II;

a “Price Control Year” means each twelve (12)-month period beginning on the anniversary date of the Act in Force Date, if the Act in Force Date falls on the first of the month; if, however, the Act in Force Date falls on other than the first of the month, the Price Control Year means each twelve (12)-month period beginning on each anniversary of the first of the month immediately following the Act in Force Date; and

the “Rate Regulated Services” are the services set out on Annex 1, and any others, that the Commission may determine, based on the Act and this Licence, should be subject to either Interim Rate Regulation or the Licensee Price Cap Regime, as specified in this Annex E.

Interim Rate Rebalancing

The Licensee was permitted to implement the Interim Rebalancing Schedule as set out on Annex 1 on the Act in Force Date (except as specified in Paragraph 3(b) of Annex 1) subject to this Part I, until the Commission implements the Licensee Price Cap Regime.

Interim Rate Regulation

Until the Licensee Price Cap Regime is implemented, the Licensee is permitted to increase the prices of the Rate Regulated Services in accordance with this Part I at the beginning of each Price Control Year.

The Licensee shall not increase:

- 1) the prices of the Rate Regulated Services such that the overall weighted average price of the Rate Regulated Services increases by more than the Consumer Price Index as established by the Government of Anguilla (“CPI”);
- 2) any price for any Rate Regulated Service in any one Price Control Year by no more than the greater of five (5) percent or CPI plus two and one-half (2 ½) percent, provided that monthly line rental charges cannot be increased by more than CPI plus two and one-half (2 ½) percent in any one Price Control Year;
- 3) any price of any Rate Regulated Service unless the Licensee gives adequate notice to users and notifies the Commission at least thirty (30) days in advance of any date on which the Licensee is permitted to increase such price and, to the satisfaction of the Commission, demonstrates that the proposed price change would comply with all of the provisions that are herein made applicable to Interim Rate Regulation, provided that the Licensee may increase such price in accordance with the notification to the Commission at the end of such thirty (30)-day period unless the Commission prior thereto notifies the Licensee that the proposed price change is not in compliance with one or more of such provisions; and
- 4) the price of a Rate Regulated Service more than two times in any Price Control Year.

The Licensee and the Government of Anguilla have agreed, or the Licensee and the Commission shall endeavour to agree, on further details for Interim Rate Regulation, including the mechanism by which the Licensee will have the right to “carry over” permitted adjustments from one Price Control Year to the next Price Control Year.

Internet Calls

If the Licensee has not done so prior to the issuance of this Licence, the Licensee shall propose to the Commission a flat rate for Internet access call origination that is consistent with the telecommunications and e-commerce policies of the Government of Anguilla. The foregoing commitment did not and does not preclude the Licensee from making other proposals to the Commission for pricing Internet access call origination services. The Licensee has negotiated, or the Licensee and the Commission will negotiate, the rate for Internet access services in light of any of the Licensee’s proposals.

Licensee Price Cap Regime

In developing and implementing the Licensee Price Cap Regime, the Commission will set the base prices for telecommunications services as set out on Annex 1, as such prices may have been increased or otherwise adjusted by the Licensee in accordance with this Part I, or otherwise, provided that the Commission may, in light of exceptional circumstances relating to the Licensee's costs, modify those prices for purposes of setting the base prices for telecommunications services subject to the Licensee Price Cap Regime.

The Commission shall give the Licensee adequate advance notice, which will not be less than thirty (30) days, of the effective date of the Licensee Price Cap Regime.

Nothing in this Part I precludes the Licensee from applying for, and the Commission from authorising, the Licensee to make changes to rates that are not otherwise permitted by this Annex E.

Annex 1 to Part I of Annex E

Interim Rebalancing Schedule

Public Telecommunications Services

1. Connection and Reconnection Charges

- a) The standard charge for connection shall not exceed EC\$200.
- b) For first-time connections, the subscriber, at his choice, may pay this standard charge over a period of four (4) months in an amount not to exceed EC\$50 per month.
- c) Where a line is disconnected and reconnected within a thirty (30)-day period or, at the Licensee's discretion, a longer period, the standard charge for reconnection will not exceed EC\$50.

2. Line Rental Charges

- a) The monthly business line rental charge shall not exceed EC\$87.
- b) The monthly residential line rental charge shall not exceed EC\$42.
- c) Packaged Offerings

SmartChoice Residential Packages

- A: EC\$60
- B: EC\$73
- C: EC\$87

SmartChoice Business Packages

- A: EC\$105
- B: EC\$110
- C: EC\$115

The SmartChoice packages listed above are described on Attachment A.

Subject to the requirements of the Act and this Licence, the Licensee may market modified or additional bundled offerings of telecommunications services to a user based on the Licensee's revenues from, or the Licensee's traffic volumes generated by, such user, provided that the Licensee shall provide any such services on a stand-alone basis.

3. Domestic Local Call Charges

a) The charges for domestic calls originating on the Licensee's fixed network and terminating on the Licensee's fixed network shall not exceed:

Daytime: EC\$0.09/minute

Evening: EC\$0.07/minute

Weekend: EC\$0.06/minute

b) The charge to callers for calls originating on the Licensee's fixed network and terminating on the Licensee's mobile network shall not exceed:

EC\$0.55/minute after the date set out in Part I, Clause 3.5 of this Licence, notwithstanding any other provision of Part I of this Annex E; and

EC\$0.60 after the date on which the Government of Anguilla issues the invitation for tender for (or otherwise licenses) a second mobile service.

Thereafter, the charge for such calls may be increased by the Licensee upon approval of the Commission if the Commission determines that there is competition in mobile services and based on the Licensee demonstrating that its costs for terminating such calls on its mobile network justify such increase.

4. Lifeline Service

a) Low income residential users, as determined by means-related criteria established by the Government, are entitled to a rebate of EC\$16 if their monthly bill for telecommunications services is less than EC\$62 (inclusive of line rental charges and exclusive of any applicable taxes).

b) The number of users eligible for the lifeline service will be limited to 300 and the mechanism by which these users will be identified to the Licensee on a periodic basis has been agreed previously between the Government of Anguilla and the Licensee or will be agreed between the Commission and the Licensee.

5. Directory Query Services

a) All residential and business fixed line subscribers will be entitled to two free directory query ("DQ") calls per month.

b) For every additional DQ call per month, the charge shall not exceed EC\$0.50.

6. International Direct Dialed Telephone Calls

The charges for international direct dialled (“IDD”) calls shall not exceed the rates set out on Attachment B, the billing for which shall be per second.

Other Charges

The charge for itemised bills shall not exceed EC\$2 per page.

SmartChoice Package details

	Residential			
	Smartchoice A	Smartchoice B	Smartchoice C	Smartchoice D (will be discontinued)
Discount of IDD numbers Rate	3 20%	4 20%	6 20%	6 20%
Call waiting		Call waiting	Call waiting	Call waiting
Caller ID		Caller ID	Caller ID	Caller ID
Voicemail		Voicemail	Voicemail extended time	Voicemail (up to 4 mailboxes)
Line rental		Line rental	Line rental	Line rental
		Call forwarding	Call forwarding	Call forwarding
		3-way calling	3-way calling	3-way calling
		Ringback when free	Ringback when free	Ringback when free
Free Caller ID sleekphone		Free Caller ID speakerphone	Free Caller ID cordless phone	Free Caller ID digital cordless phone

Attachment A to Annex 1 of Part I of Annex E

	Business		
	Smartchoice A	Smartchoice B	Smartchoice C
Discount of IDD numbers Rate	3 20%	4 20%	6 20%
	Voicemail Line rental 3 features e-account access 20% of monthly rental of add'l features and voicemail	Voicemail Line rental 4 features e-account access 20% of monthly rental of add'l features and voicemail	Voicemail Line rental 5 features e-account access 20% of monthly rental of add'l features and voicemail

Attachment B to Annex 1 of Part I of Annex E

IDD Rates				
All Figures in EC\$				
	<u>Times</u>	<u>Daytime</u> 8 am - 6 pm	<u>Evening</u> 6 pm - 8 am	<u>Weekend</u>
Monday to Friday	-			
Saturday				All Times
Sunday				All Times
	<u>Unit Duration</u>			
All Destinations	1 Second	1 Second	1 Second	1 Second
	<u>Unit Charge</u>	Rates Below Quoted per Minute		
Saba, St. Eustatius, St. Martin, St. Maarten	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
St. Kitts	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Antigua, BVI, Montserrat, Guadeloupe	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Rest of C&W Caribbean Islands	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
Rest of Caribbean (excludes Cuba)	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
USA	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
Canada	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
UK & Ireland	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
Italy	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
France	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
Central America	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
South America	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
Europe	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
Rest of World (including Cuba)	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
Guyana	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40

Annex E - Part II

Principles of Price Cap Regulation

Pursuant to Section 20(4) of the Act, if and when the Commission establishes the Licensee Price Cap Regime, the regime will contain or be based on the following principles:

- a. Each period of the Licensee Price Cap Regime should last for a pre-determined period of years. Each such year is a “Price Cap Year”. Each Price Cap Year begins on the date of the implementation of the Licensee Price Cap Regime or the applicable anniversary date thereafter. Each period of the Licensee Price Cap Regime should preferably have a duration of three (3) to five (5) years.
- b. In accordance with the Act, the Commission will determine which telecommunications services provided by the Licensee shall be included in the Licensee Price Cap Regime (the “Price Cap Services”).
- c. The Licensee Price Cap Regime will be based on regulating the prices of a basket or baskets of the Licensee’s telecommunications services, which basket(s) will be determined by the Commission in consultation with the Licensee and other interested parties. A simple Licensee Price Cap Regime, with one or a small number of baskets, is preferable. Sub-baskets may also be established.
- d. The Licensee Price Cap Regime will consist of a formula, which ties permitted price changes for the telecommunications services in the basket(s) to the Consumer Price Index of the Government of Anguilla (“CPI”) less an “X” factor intended to promote efficiency. The formula must also include appropriate provision to take account of costs over which the Licensee has no control (sometimes referred to as the “Z” factor).

- e. In determining the value of X, the following factors, among others, are to be taken into account:
 - i. Existing and projected: revenues, financial and operating expenses, depreciation charges and capital employed;
 - ii. Projected volume growth for services within the overall basket(s) or sub-basket(s);
 - iii. Cost/volume and asset/volume relationships;
 - iv. Projected unit input cost changes;
 - v. Projected tax liabilities; and
 - vi. Weighted average cost of capital (WACC) in Anguilla;
- f. The weighted average price change for the Price Cap Services must not exceed $CPI - X$ (and taking account of any “Z” factor) for the Price Cap Year. The Licensee is required to comply with the price cap in each Price Cap Year based on data from the Licensee’s previous financial year. Compliance shall be measured using revenue weights.
- g. Before implementing any changes in prices of Price Cap Services, the Licensee should provide sufficient advance notice, as determined by the Commission, to users and the Commission.
- h. The Licensee shall take all reasonable steps to ensure that, during any Price Cap Year, any changes in the prices of Price Cap Services comply with the requirements of the Licensee Price Cap Regime. Within three (3) months after the end of each Price Cap Year, the service provider will be required to demonstrate that it has complied for such Price Cap Year. If the Commission determines, based on prior problems, or reasonably anticipated problems (based on the Licensee’s pricing of the Price Cap Services), with the Licensee’s demonstrating compliance, the Commission may, as appropriate, amend these rules with respect to the frequency with which the Licensee must demonstrate compliance.
- i. In the case of a new telecommunications service provided by the Licensee that comprises both a Price Cap Service(s) and any other service, the Commission should establish the manner in which the proportion of the revenues from the

Price Cap Service(s) element of this new service will be credited toward compliance under Licensee Price Cap Regime.

- j. The Licensee Price Cap Regime may provide that the price for any Price Cap Service or Services (singly or applied to a sub-basket) shall not increase by more than a set percentage in any one Price Cap Year.
- k. A mechanism will allow the Licensee to “carry over” from one Price Cap Year to the next changes that were permitted (but not made) in the prices of any services subject to the Licensee Price Cap Regime.
- l. Promotional discounts for Price Cap Services will be permitted subject to rules of the Commission.

ANNEX F

FACILITIES BUILD-OUT OBLIGATIONS

None

ANNEX G

AUTHORISED FREQUENCIES

FREQUENCY (MHz)	TYPE OF SERVICE	TERM AND EXPIRATION DATE
824 to 836 Mobile Transmit	Cellular – 850 A block	Expires 10 years after Effective Date
869 to 881 Base Transmit		
6500, 6740, 6840, 7080, 6800, 6880, 6960, 6460, 6540, 6620	Point to Point Links	Expires 10 years after Effective Date
5170, 5300, 5330, 5745, 5760, 5775, 5790, 5805	Broadband Internet and Mobile cell links (Point to Multi Point and Point to Point links)	Expires 10 years after Effective Date (non-exclusive)

