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GENERAL NOTICE NO. 64

Reference: B-DBN-DDT 03



Licence No. 00003

(This licence number must be quoted on all correspondence and at interviews)

MALAWI COMMUNICATIONS REGULATORY AUTHORITY

NETWORK SERVICES LICENCE

to operate

a DIGITAL BROADCASTING NETWORK

issued to

MALAWI DIGITAL BROADCAST NETWORK LIMITED

of: Private Bag B393

Capital City, Lilongwe 3.

A licence is hereby granted to MALAWI DIGITAL BROADCAST NETWORK LIMITED ("the Licensee") in respect of the ownership and provision of electronic communications DIGITAL BROADCASTING NETWORK SERVICES with effect from the 1st day of July, 2016 and valid for a period of Ten (10) years.

This licence shall be subject to the following standard conditions and other conditions as may be declared by the Malawi Communications Regulatory Authority ("the Authority") from time to time.

Notice issued at Blantyre, this 27th day of June, 2016.

GODFREY ITAYE
Director General

MERVIS MANGULENJE
Chairperson

This Licence is issued subject to the terms and conditions hereto, and to any other terms and conditions and promises of performance that may from time to time be incorporated herein under the Communications Act and the Regulations thereto. Failure to comply with any terms and conditions may lead to suspension or revocation of this Licence

Issued without alteration or erasure, and void if altered or erased

Broadcasting Licence for Malawi Digital Broadcast Network Limited

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TERMS AND CONDITIONS OF THE LICENCE

1. Definitions

In this licence, unless stated otherwise or the context otherwise requires—

“Act” means the Communications Act Cap 68:01 of the laws of Malawi;

“Application Services” means the provision of electronic communication services to end users using licensed network services but does not include broadcasting (content) services;

“Authority” means the Malawi Communications Regulatory Authority

“Broadcasting (Content) Services” means broadcasting services consisting of electronic media including sound, data, text or images for general reception by the public;

“Facility Services” means any element or combination of elements of physical infrastructure used principally for, or in connection with, the provision of network services, but does not include end user terminal equipment;

“Authority” means the Malawi Communications Regulatory Authority;

“Effective date” means the date on which this Licence is published in the Gazette for the purpose of bringing the Licence into effect or on the date stipulated in the Gazette that the Licence shall come into effect;

“Licensed services” means television broadcasting services provided by a broadcaster pursuant to a broadcasting licence issued under the Act;

“Licensee” means the Malawi Digital Broadcast Network Limited, a company duly registered and incorporated under the Companies Act under Company Registration No. 13483;

“Network Services” means a service consisting of transmission of any form of electronic signals (sound, data, text or images), used in an electronic communication network but does not include services provided solely to the end user;

2. Commencement and period of Licence**2.1 Period of License**

(a) The commencement date of the License shall be from the effective date as published in the Gazette.

(b) The License shall be valid for a period of ten (10) years from the effective Date.

3. Scope of Licence

3.1 This Licence is issued subject to the Act and any Regulations made there under.

3.2 The Licensee is authorized under this licence to—

(a) set up, own and operate a public digital broadcasting network for commercial purposes;

(b) to deploy voice and data traffic through its network for the transmission and distribution of the Licensed Services.

3.3 The Licensee shall not broadcast or procure the broadcast through its network anything other than the Licensed Service.

3.4 For the purpose of providing the services under this Licence, the Licensee is authorised:

(a) to provide signal distribution services to Broadcasting (Content) Service Licensees;

(b) to connect to other network service operators in the Republic of Malawi;

(c) to procure, rent, and maintain Network Equipment for use in connection with its Network Services; and

(d) to do all other things necessary or requisite to the provision of the Network Services.

3.5 The Licensee may use electronic communication network capacity of other network service Operators..

3.6 This Licence is valid in the Republic of Malawi.

4. Rights and Obligations to provide Telecommunication Services

- 4.1 The Licensee shall operate and maintain a digital broadcasting network and provide signal distribution services within Malawi in accordance with the Act, Regulations and licence terms and conditions.
- 4.2 The Licensee may enter into interconnection and access agreements with other network service operators in accordance with the provisions of the Act respectively and any Regulations made there-under.
- 4.3 Without prejudice to clause 3.1, the Licensee shall operate and maintain or lease the use of any electronic communication system or equipment, subject to any terms and conditions that may from time to time be prescribed by the Authority and which are applicable to all network service operators.
- 4.4 Subject to clause 3.5, the Licensee shall be entitled by virtue of this Licence to operate the digital broadcasting network and to provide all of the Services together with all other rights granted hereunder.

5. Licence Fees

5.1 The licence fees payable by the Licensee to the Authority shall be as follows:

- (a) An initial Licence fee of Twenty Thousand US dollars (USD 20, 000.00) payable in advance before the Effective Date.
- (b) An annual Licence fee of Twenty Thousand US dollars (USD 20, 000.00) payable in advance on or before each anniversary of the Effective Date.
- (c) A renewal licence fee to be determined by the Authority.
- (d) A levy equal to five percent (5%) of audited Net Operating Revenue for each year payable at the end of each quarter in four installments. Calculation of the first three (3) quarterly installments shall be based upon the management accounts for that particular period. A final quarterly payment shall be made based on Net Operating Revenue within thirty (30) days of issue of the audited accounts. Adjustment shall be made for the first three (3) quarterly payments if the Net Operating Revenue in the management's accounts differs from the one in the audited accounts.

The levy referred to in this clause shall not include revenue generated from international incoming communication traffic.

(e) Radio Licence fees shall be as set out in Schedule 1.

- 5.2 All outstanding fees and levies shall be payable within three (3) months from their due dates, failing which they shall attract a five percent (5%) annual interest until full liquidation thereof.
- 5.3 If, in any year, any licence fees remain outstanding on the sixth (6th) month and ninth (9th) month the licensee shall be deemed to have been warned and given notice to pay within three (3) months thereof respectively. If any sum remains unpaid the licence shall stand automatically revoked on the twelve (12th) months from the anniversary from the effective date.

6. Accounting Requirements

6.1 The Licensee shall within four (4) months of the end of each financial year either:

- (a) provide the Authority with annual financial statements audited in a manner consistent with internationally recognized standards and certified by a qualified independent auditor; or
- (b) provide the Authority with a written statement of the reasons the audited financial statements cannot be provided within that period and agree with the Authority a date for their provision, which date shall not be more than six (6) months after the end of the financial year to which the accounts relate.

6.2 The Licensee shall maintain management accounts in a manner specified by the Authority.

7. Performance Guarantee

7.1 The Licensee shall provide a guarantee acceptable to the Authority in the amount of Twenty Thousand US dollars (USD 20, 000.00) to secure the performance of the Licensee's obligations contained in this Licence.

- 7.2 The Licensee shall ensure that the guarantee is issued within thirty (30) days from the Effective Date or anniversary of the Effective Date, whichever applies. The Licensee shall renew the guarantee annually within twenty eight (28) days of the date of its expiry.
- 7.3 Failure to furnish the performance guarantee under this clause by the Licensee shall be deemed as a substantial breach of this Licence and the Authority may revoke the Licence in accordance with its terms and conditions.
- 7.4 In the event that the Authority imposes a penalty upon the Licensee for any breach of the Licence conditions, the Authority shall, without prejudice to any of its rights or remedies under the Licence or the Act, have the right to draw upon the performance guarantee to partly or fully satisfy the penalty so imposed upon giving seven (7) days notice to the Licensee, together with reasons for doing so.
- 7.5 The Authority may take any other action against the Licensee to satisfy the penalty imposed where the guarantee is inadequate to satisfy the penalty.

8. Provision of information

- 8.1 The Licensee shall establish and maintain adequate records to permit the effective supervision and enforcement by the Authority of the Licensee's obligations under this Licence.
- 8.2 The Licensee shall furnish the Authority records, audited financial statements, management accounts, raw technical data, ICT indicators, reports, returns, or any other information that may be reasonably required by the Authority for the purpose of monitoring and enforcing compliance by the Licensee with its obligations under this Licence.
- 8.3 The Licensee shall submit information requested by the Authority under this clause within reasonable time and in a manner and format as specified by the Authority.
- 8.4 The Authority may inspect files, records, accounts and any other data if necessary make copies of the documents inspected for the purpose of enabling the Authority to monitor and enforce compliance with this Licence.
- 8.5 The Licensee shall bear the cost of any expenses it incurs in ensuring compliance with record keeping and provision of information.

9. Compliance

- 9.1 The licensee shall comply with any order or directions made by the Authority in pursuant with any powers granted to it under the Act, Regulations and this Licence.

10. Performance of Network

- 10.1 The Licensee shall take all reasonable steps to ensure that its network performs in accordance with Schedule 2.

11. Network Coverage

- 11.1 Unless otherwise approved by the Authority, the Licensee shall provide network services in the areas and by the dates specified in Schedule 3.
- 11.2 The Licensee shall submit to the Authority not later than thirty (30) days after the end of its financial year a report of its performance in relation to the network service targets stipulated in Schedule 3 in the preceding financial year.
- 11.3 Network Service Targets set in Schedule 3 shall be reviewed by the parties after five (5) years.

12. Network Service Development

- 12.1 The Licensee shall submit for notification to the Authority a Development Plan setting out targets for on-going development of its network services and shall outline the achievement measurements for the targets of the plan and the Authority reserves the right to require the Licensee to review any aspect of the plan that is inconsistent with the Act and any Regulation.
- 12.2 The Licensee shall submit to the Authority the Plan stipulated in clause 12.1 within thirty (30) days from the Effective Date.

- (b) terms and conditions on which the services are offered;
- (c) the methodology adopted for determining the charges and the justification for any changes in the methodology;
- (d) any relevant information that it proposes to publish to Network Service operators. Information to be published shall be in a form which is readily available, current and easy to understand; and
- (e) any other information as stipulated by the Authority.

- 16.3 The Licensee shall ensure that charges for its network service are based on the approved tariff structure.
- 16.4 The Licensee shall not impose any charges for the provision of any specified network service until the Authority has agreed to such charges.
- 16.5 For the avoidance of doubt, the Licensee shall provide the specified service at the charges, terms and conditions so approved by the Authority and shall not depart or change the tariff structure without prior approval of the Authority.
- 16.6 In approving the tariff structure under this clause the Authority shall be guided by the need to ensure that such charges are transparently derived from relevant costs with a rate of return considered reasonable.
- 16.7 The Licensee shall notify the Authority on any increase in tariffs and shall cause the same to be published in the licensee's website within seven (7) days of their coming into operation.

17. Network Access by Application and Content Service Operators

- 17.1 The Licensee shall enter into Network Access Agreement with a Broadcasting (Content) Service operators for access to its electronic communication network as specified under the applicable Regulations.
- 17.2 The Network Access Agreement under Clause 20.1 shall be made on a non-discriminatory basis by means of the connection offered to all users in accordance with access arrangements specified in this clause.
- 17.3 The Licensee shall not impose restrictions on usage of the services acquired by a Broadcasting (Content) Service Operators from the Licensee under the network access agreement.
- 17.5 The Licensee shall notify the Authority of any Network Access Agreement it has entered into and file a copy of the agreement with the Authority within fifteen (15) days from the conclusion of the Agreement.
- 17.6 When requested to make a determination or to resolve a dispute under this clause, the Authority shall make such determination or resolution within sixty (60) days of receipt of the written request.
- 17.7 The Licensee may refuse to offer access of its network to Broadcasting (Content) Service operators if it is technically not feasible to do so.
- 17.8 Where the Licensee refuses to offer access of its network to Broadcasting (Content) Service operators it shall submit to the Authority the reasons for such refusal and the Authority shall reserve the right to make an assessment of the reasons given and either uphold or overrule the decision of the licensee.

18. Anti-Competitive Conduct, Unfair Competition and Discrimination

- 18.1 The Licensee shall not engage in anti-competitive conduct which in the view of the Authority inhibits or impedes fair competition including exploiting a position of dominance such as to unreasonably gain an advantage which impedes, limits, restricts or distorts fair competition.
- 18.2 The anti-competitive conduct envisaged in clause 22.1 include engaging in predatory price cutting which may be implied where:
 - (a) a service is priced at less than marginal cost for two (2) consecutive months or more;
 - (b) costs charged are likely to price competition out of the market or deter competitors from entering the market;
 - (c) the Licensee is able to recoup the full amount of the loss incurred during the period of price cutting;
 - (d) engaging in cross subsidizing where revenues for any services are used to unfairly cross subsidize the price of other services or equipment;
 - (e) engaging in unfair pricing such as to reduce or eliminate competition including fixing prices for services or

- (f) equipment at a level which cannot be re-sold with a profit margin to application and content service operators;
- (g) entering into exclusive arrangements which deny competitors access to network services.

18.3 The Licensee, on his own or through others, shall not engage in any practice which unfairly restrict or is likely to restrict competition in the industry or which deters or restricts or is likely to deter or restrict new entrants into the market including:

- (a) asserting false or misleading claims on the availability or quality of its or competitors networks;
- (b) degrading the availability or quality of its or competitor's networks or unfairly raising its business, operations or technical costs;
- (c) unlawfully interfering with the suppliers or customers of its or competitors' networks; or
- (d) providing false information to other electronic communications operators or competitors or to any other third party.

18.4 The Licensee shall provide the services under this licence in accordance with Schedule 2.

18.5 In the provision of the Services, the Licensee shall not discriminate against or show any preference to any other Broadcasting (Content) Service operators and shall provide network services to Application and Broadcasting (Content) Service operators that are equal in quality, subject to the same conditions and provided within the same provisioning time intervals that the licensee provides to others.

18.6 Unless otherwise expressly provided for in this Licence, the Licensee shall not prohibit, prevent or frustrate the provision of electronic communication network services by any person lawfully able to provide such services.

18.7 The Licensee shall not enter into any contract with, merge with or acquire any other entity with the intention or effect of preventing, restricting or distorting competition in the provision of network services.

18.8 The Licensee shall comply with any other laws and Regulations which relate to fair trading or competitive behaviour.

18.9 Where the Authority is satisfied that there are reasonable grounds to believe that the Licensee is, alone or in concert with others, engaged in anti-competitive practices to the disadvantage of users of the Services contrary to the Act and any applicable law, it shall make a determination and impose any applicable regulatory sanctions under this licence.

18.10 In making a determination on anti-competitive practices under clause 22.9, the Authority may consult the Competition and Fair Trading Commission.

19. Significant Market Power (SMP)

19.1 Where the Authority determines that the Licensee has Significant Market Power (SMP) in accordance with any applicable law or Regulations, it shall impose additional obligations relating to anti-competitive practices in its licence to prohibit the Licensee from abusing its dominant position through anti-competitive conducts.

19.2 In determining whether or not a Licensee has significant market power and in determining additional obligations to be imposed on a Licensee found to hold significant market power, the Authority shall have recourse to applicable laws and shall consult the Competition and Fair Trading Commission.

20. Universal Service (US) Obligations

20.1 The Licensee shall contribute to the Universal Service Fund (USF) through levies payable under Clause 4 and in accordance with the provisions of the Universal Service (US) Regulations.

20.2 The Authority shall from time to time determine the percentage of the levies payable to the Universal Service Fund from the levies collected under Clause 4.

21. Customer Confidentiality

21.1 The Licensee shall maintain confidentiality in respect of all information provided by Application and Content service operators

- 21.2 The Licensee shall not use any information received to unduly benefit it or any associated person or use it in a manner that is anti-competitive towards other network service operators.

22. Monitoring

- 22.1 The Authority shall have the right to establish, maintain and install an electronic monitoring system using any applicable technology for the purposes of allowing off line and on line data submission necessary for the monitoring and enforcing compliance by the Licensee with its obligations under the Act and any Regulations.
- 22.2 Unless otherwise agreed by the parties, the Licensee shall within seven (7) days upon request from the Authority provide any information or data of its network that is necessary for the electronic monitoring system, in the manner and format specified by the Authority.
- 22.3 The Licensee shall facilitate, provide and maintain appropriate interface points and links between its network and the Authority's monitoring system at all times for the purposes of monitoring its network services and application services being carried on their network
- 22.4 In complying with 26.3 above, the Licensee shall comply with directions issued by the Authority

23 Resource Sharing

- 23.1 The Licensee may whenever technically and economically feasible and subject to a negotiated agreement, make available its network resources or part of it to any other network service operators.
- 23.2 The Licensee may collaborate on installing a shared network with other networks service operators to facilitate One Stop Shop (OSS) services for all VAS providers so as to enhance easy interconnectivity.

24. Health and Environmental Concerns

- 24.1 The Licensee shall ensure the use of energy efficient, environmental friendly network equipment and also ensure proper safety and health hazard issues in the installation and location of their network equipment including transceivers and other locations of installations.
- 24.2 The Licensee shall as much as possible use green technology in its systems, and shall ensure that the technology constitutes at least 20% of its off- grid network equipment including transceivers within five (5) years from the effective date.
- 24.3 The Licensee shall ensure that deployment of its network equipment including transceivers conform to any applicable EMF radiation Guidelines issued by the Authority from time to time as well as other relevant guidelines or rules by recognized international bodies.

25. Ownership

- 25.1 The Licensee shall be incorporated in Malawi.
- 25.2 The Licensee shall within two (2) years from the effective date ensure it has at least twenty (20%) local Malawian shareholding which shall be maintained throughout the period of the Licence.
- 25.3 The Authority may revoke the Licence in accordance with clause 33 of this Licence where the licensee effects change of shareholding that effectively affect the control of the licence without prior approval of the Authority or fails to comply with local ownership requirements under clause 29.2.
- 25.4 The Licensee shall notify the Authority of any changes that affects more than 10% of its shareholding.
- 25.5 Unless otherwise agreed by the Authority, the Licensee shall notify the Authority of any joint venture agreement it may enter with third parties to provide network service in Malawi not later than thirty (30) days before any such agreement takes effect, giving particulars of that agreement including a copy thereof.

26. Local Empowerment

- 26.1 The Licensee shall ensure that at least 50% of the executive management are Malawian nationals and that it shall not employ more than five percent (5%) of foreign nationals for the rest of its staff.
- 26.2 The Licensee shall, during the term of licence, take measures to ensure participation in its management structure by local indigenous Malawians.

27. Transfer of Licence

27.1 The Licensee shall not assign or transfer this License without prior written consent of the Authority.

28. Licence Amendment

28.1 The Authority may modify or amend any term or condition of this license if it is in the public interest to do so or if it is necessary to take into account developments in the industry or for any other reason deemed necessary by the Authority.

28.2 Before amending any provision of this Licence, the Authority shall –

(a) give the Licensee not less than seven (7) days' notice and publish a notice in the Gazette stating the amendment that it proposes to make and the reasons for it, and shall give any Licensee or any person with an interest an opportunity to make representations concerning the proposed amendment; and

(b) give due consideration to any representations made by the Licensee or any person.

28.3 The Licensee may submit a response to the proposed amendment within thirty (30) days of the notice.

28.4 If the Licensee does not respond within the thirty (30) day period under clause 32.3 the amendment shall take effect on the thirtieth (30th) day after the date of notice.

28.5 If the Authority receives a response from the Licensee, it shall consider the response and notify the Licensee within thirty (30) days of the reply of its decision to either;

(a) rescind the amendment;

(b) modify the amendment; or

(c) proceed with the proposed amendment in which case the amendment shall take effect on the fifteenth (15th) day after the date of the Authority's second notice.

28.6 The Licensee shall comply with all new terms and conditions issued by the Authority.

29. Revocation of Licence

29.1 The Authority may revoke the Licence on any of the following grounds:

(a) if the Licensee is in substantial or continuing breach of any of the terms and conditions of this licence including:

(i) failure to achieve the networks service roll-out targets;

(ii) failure to achieve specified Quality of Service Standards;

(iii) failure to provide performance guarantee;

(iv) concealing or providing false information regarding the information necessary for renewal or any other information requested by the Authority pursuant to this Licence;

(v) failure to comply with lawful orders issued by the Authority pursuant to powers under this Licence;

(vi) conducting in uncompetitive market behavior or trade practices;

(vii) failure to pay outstanding License fees for over a period of twelve (12) months from the Effective Date or anniversary of the Effective Date; or

(viii) any other substantial breach of the licence.

(b) if the Licensee has been declared insolvent; or

(c) if the Licensee agrees in writing to cancel the Licence.

29.2 Before taking any action to impose a punishment on the Licensee under Licence, the Authority shall follow the procedure set out below:

(a) the Authority shall notify the Licensee of the alleged breach in writing;

(b) the Authority shall allow the Licensee not less than thirty (30) days from the date of notification in accordance with sub clause (a) above to remedy the breach or to show cause why it should not be punished; provided, however, that the Licensee may request additional time, not exceeding thirty (30) days, to remedy the breach and such request shall not be unreasonably denied by the Authority;

(c) having taken into account the licensee's representations, the nature, gravity and consequences of the breach, the Authority may take any action that it considers appropriate including revoking the Licence.

29.3 The revocation of the Licence for any reason shall not prejudice any other legal rights or remedies of the Authority conferred by the Act or any other law for the time being in force or by this licence.

29.4 The revocation of the Licence shall not relieve the Licensee from any obligations accrued and due under any law or this licence.

30. Regulatory Sanctions

30.1 Notwithstanding any criminal sanctions under the Act, the Authority reserves the right to impose regulatory sanctions for breaches of licence conditions including:-

(a) issuing of warnings;

(b) directing the licensee to take appropriate remedial steps by issuing a compliance order;

(c) directing the licensee to desist from non-compliance by issuing a cease and desist order;

(d) imposing a fine proportional to the effects of the non-compliance;

(e) revocation of the licence; or

(f) other penalties deemed necessary by the Authority.

31. Emergency Crisis Management

31.1 The Licensee shall within three from the effective date submit to the Authority for approval a Business Continuity Plan which shall include disaster recovery plan (DRP), setting out the emergency crisis management team and priorities and procedures it will apply for restoring its network in the event of a disaster or national emergency.

31.2 The Licensee shall from time to time review and where necessary revise its Business Continuity Plan (BCP) and in such event it shall ensure that the Authority is furnished with the most current version of the Plan.

31.3 The Licensee shall as soon as possible provide information for the restoration of its networks service.

31.4 The Authority may from time to time cause to be carried out by the licensee Practical Tests on the Licensees networks service to assess the effectiveness or functionality.

32. Exercise of Powers

32.1 In exercising any powers granted to the Authority in terms of this licence, the Authority shall:

(a) act reasonably having regard to all surrounding circumstances;

(b) prior to exercising any power, afford the Licensee reasonable opportunity to make representations to the Authority in respect of all relevant issues; and

(c) at the request of the Licensee, furnish written reasons for any decision made.

33. Force Majeure

33.1 Any failure by the Licensee to comply with any obligation, term or condition of the Licence shall be exempted to the extent that it is caused by an event beyond the control of the Licensee, including extreme weather conditions, fire, war or civil strife.

33.2 The Licensee shall use reasonable endeavours to minimize the impact on its operations of any event of this nature and to remedy, if possible, the failure.

33.3 The Licensee shall keep the Authority informed of any problems which may be encountered, their consequences on its operations and the steps it is taking to address them.

34. Corporate Social Responsibility (CSR)

34.1 The licensee shall endeavor to carry out corporate social responsibility as part of its obligations under the Licence.

35. Liability

- 35.1 The Licensee shall indemnify the Authority against any losses, claims, charges or expenses, actions, damages or demands which may be made against the Authority by third parties as a result of or in relation to the activities of the Licensee, its service providers, servants, or agents in connection with the provision of the networks service.

36. Performance Assessment

- 36.1 The Authority shall in the third (3rd), sixth (6th) and ninth (9th) years of this Licence review the performance of the Licensee against the terms and conditions of the Licence

37. Renewal of the Licence

- 37.1 This Licence may be renewed for such number of years as may be determined by the Authority at the expiry of its term provided the Licensee is in compliance in all material respects with its licence provisions.
- 37.2 In deciding whether to renew the licence the Authority shall take into account the following:
- (a) the satisfactory performance by the Licensee of its obligations under the Licence;
 - (b) customers' satisfaction with the performance of the Licensee during the term of the licence;
 - (c) any other factor deemed necessary by the Authority.
- 37.3 The Licensee shall apply for renewal in writing not later than twelve (12) calendar months before the expiration of the term of its Licence.
- 37.4 On renewal, the Authority may amend the provisions of this Licence as necessary to take into account any changes in the industry or address any challenges experienced by the Authority and the Licensee.

38. Dispute Resolution

- 38.1 Any dispute arising out of or in relation to this Licence, shall if not settled amicably on the written request of either party, be referred to arbitration in accordance with the Arbitration Act and the seat of arbitration shall be Blantyre, Malawi.
- 38.2 This clause shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction.

39. Notices

- 39.1 All communication between the parties made pursuant to this Licence shall be in writing, and shall be sent or transmitted to the following addresses:

In case of the Authority, to:

MACRA House Salmin Amour Road

Malawi Communications Regulatory Authority (MACRA) Private Bag 261, Blantyre Malawi

Telephone number : (+265) 883 611

Facsimile number : (+265) 883 890

E-mail address : dg-macra@macra.org.mw

In case of the Licensee; to

The Chief Executive Officer

Malawi Digital Broadcast Network Limited Private Bag B393, Capital City, Lilongwe 3

- 39.2 Should any of these particulars change, the changing party shall inform the other party not later than seven (7) days prior to the change.

40. Miscellaneous

- 40.1 The Licensee shall comply with all terms and conditions of this Licence, applicable laws and Regulations issued by the Authority from time to time.
- 40.2 The Licensee shall observe the requirements of any applicable international conventions on telecommunications to the extent that such a convention imposes obligations on Malawi unless otherwise expressly exempted by the Authority.
- 40.3 The Authority or any Government department shall not be liable for any loss, damage, claim, charge or expense which may be incurred as a result of or in relation to the activities of the Licensee, its employees, agents, or authorized representatives.
- 40.4 Unless otherwise agreed by the parties, all correspondences from the Authority shall be in writing and shall be sent to the Licensee's principal place of business.
- 40.5 Any correspondence issued by the Authority marked as private and confidential, shall remain private and confidential and the Licensee shall not disclose the same without prior consent of the Authority.
- 40.6 Nothing in the provisions of this License shall be deemed to have been waived by any act of or acquiescence on the part of the Authority, unless the same is issued in writing by the Authority.
- 40.7 A waiver of any provision of this licence shall not be construed as a waiver of any other provision or the same provision on another occasion.

Issued at Blantyre, this 27th day of June, 2016.

GODFREY ITAYE
Director General

MERVIS MANGULENJE
Chairperson

SCHEDULE 1:

RADIO LICENCE FEES SCHEDULE

TERRESTIAL SERVICES (FEES SCHEDULE)

#	TYPE	BASIS	ASSIGNMENT FEE (USD)	ANNUAL FEE (USD)	AMMENDMENT FEE(USD)
1	HF Voice Data	Frequency	534	267	133
2	SW Sound Broadcasting	Apparatus	534	267	133
3	MW Sound Broadcasting	Apparatus	534	267	133
4	VHF/UHF PMR Fixed Station	Apparatus	356	178	89
5	VHF/UHF Centralized Radio Alarm System	System	534	267	133
6	VHF/UHF PMR Vehicle Mobile Station	Apparatus	178	89	44
7	VHF/UHF PMR Handheld	Apparatus	89	44	22
8	VHF/UHF Private Trunking System	Apparatus	178	89	44
9	UHF PAMR Trunking Network	Frequency	890	445	222
10	VHF/UHF Radiotelephone Link	Frequency	890	445	222
11	FM Sound Broadcasting Mono	Apparatus	356	178	89
12	FM Sound Broadcasting Stereo	Apparatus	712	356	178
13	Public Paging	Frequency	356	178	89
14	Private Paging	Apparatus	178	89	44
15	VHF/UHF Television	Apparatus	1780	890	445
16	Cellular (GSM) Channel Pair (200 KHz)	Frequency	4000	4000	445
17	Amateur	Apparatus	41	20	15
18	Microwave Radio Link Tx	Frequency	356	178	89
19	Wireless Local Loop (25 KHz)	Frequency	534	267	133
20	Spread Spectrum	System	356	178	89
21	Aeronautical HF	Apparatus	534	267	133
22	Aeronautical VHF/UHF	Apparatus	178	89	44
23	Maritime	Apparatus	178	89	44
24	Cordless Telephone	Apparatus	41	20	15
25	Citizen Band	Apparatus	41	20	15
26	VSAT (Corporate)	Apparatus	5000	2500	200
27	VSAT (SOHO)	Apparatus	500	250	20
28	Broadband General Bands (1 MHz)	Frequency	1000	1000	100
29	CDMA Bands (10 MHz paired)	Frequency	200,000	200,000	2500
30	3G / UMTS / WCDMA Bands (5 MHz paired)	Frequency	250,000	250,000	2500
31	Mobile Broadband (4G) Bands (1 MHz)	Frequency	60, 000	60, 000	600
32	Broadband 1800 MHz Band	Frequency	2000	2000	200

CONDITIONS FOR USE

1. The Authority shall allocate spectrum subject to full payment of the applicable radio (spectrum) licence fees by the Licensee.
2. The spectrum Fees shall be non refundable once the requisite spectrum has been assigned.
3. A radio license issued by the Authority shall be valid for a period of one (1) year and shall be due for renewal on or before the anniversary date of the licence.
4. A licensee shall make a written application for renewal of its radio licence one month before the expiry of its radio licence.
5. The Authority shall renew a spectrum licence subject to technical verification of appropriate spectrum utilization during its licence year.
6. Any radio licence shall automatically be revoked if the licensee does not put the licensed spectrum to use within the licence period.
7. The Authority reserves the right not to renew any radio (spectrum) licence if the licensee is in breach of any licence condition.
8. Failure by a licensee to pay the appropriate spectrum fees constitutes an offence entitling the Authority to withdraw the assigned spectrum from the licensee.
9. The Authority reserves the right to review spectrum fees as and when necessary subject to applicable Regulations.
10. A radio licence issued by the Authority shall confer on the Licensee rights of use as opposed to proprietary rights and the Authority may re allocate or reassign the frequencies in line or in conformity with International standards subject to applicable Regulations.
11. A Spectrum licensee or user shall not use any frequencies other than those assigned or for the purposes assigned to them by the Authority, and any contravention of this provision shall be an offence entitling the Authority to take any appropriate action deemed necessary under the Act or appropriate Regulations.
12. The Authority shall in addition to any other appropriate regulatory sanction under the Act or appropriate Regulations, require any person found guilty of any illegal usage of a radio license or radio frequencies to pay a monetary penalty of 300% of the normal annual applicable fees per frequency unit.

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SCHEDULE 3 – SERVICE COVERAGE
TABLE S3A – SERVICES COVERAGE

PHASE	IMPLEMENTATION TARGET	PENALTY
PHASE ONE Effective Date + 12 Months	Mzuzu, Nkhatabay, Likoma, Lilongwe, Dowa, Mangochi, Zomba, Balaka, Ntcheu, Neno, Mwanza, Chiradzulu, Machinga, Phalombe, Blantyre, Mulanje and Thyolo.	\$100,000 or proportion thereof in relation to number of places un-served
PHASE TWO Effective Date + 24 Months	Salima, Nkhotakota, Mchinji, Karonga, Nsanje, Chikwawa, Kasungu,	\$100,000 or proportion thereof in relation to number of places unserved
PHASE THREE Effective Date + 36 Months	Chitipa, Mzimba, Rumphi, Dedza	\$100,000 or proportion thereof in relation to number of places unserved
PHASE FOUR Effective Date + 60 Months	Gap filling	\$100,000 or proportion thereof in relation to number of places unserved

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