

LICENCE TERMS AND CONDITIONS

OPERATION OF COMMERCIAL CABLE TELEVISION (CATV)

- 1 This CATV License Terms and Conditions is issued by the Bhutan InfoComm and Media Authority in accordance with the Section 38(4) of the Bhutan Information Communications and Media Act 2006.
- 2 This license authorizes the licensee to construct, operate, maintain, and reconstruct a commercial CATV system within the area designated and approved by the Dzongkhag administration or/and Municipal authorities.
- 3 The holder of this license shall comply with all rules and notifications stipulated and issued by the Authority. Nothing in these documents shall be deemed to waive the requirements of the various codes, ordinances and regulations of the Royal Government of Bhutan regarding charges and fees to be paid or manner of construction.
- 4 The license shall be effective from the date as mentioned in the license for a term as specified in the license.

5) General

- 5.1 The Licensee shall not include the provision to broadcast or use DTH.
- 5.2 The licensee shall operate only one channel as local origination channel in accordance with section 4.3 of the Rules For The Operation of Commercial Cable Television
- 5.3 The licensee shall discontinue the local origination channel upon licensing a new private TV channel
- 5.4 The licensee shall not broadcast unauthorized advertisement or public announcements contents in the local channels.
- 5.5 The licensee shall distribute only those TV channels approved by the Authority
- 5.6 The licensee shall not lease the license under any circumstances as this will lead to immediate revocation/ cancellation of the license
- 5.7 The Licensee shall not transfer the license without prior approval from the Authority.
- 5.8 The licensee shall not engage in predatory pricing and refrain from anti competitive practices.
- 5.9 The licensee shall get prior approval from the Authority for any additional channel. The Authority would review the channel and give approval based on the content of the channel.
- 5.10 The licensee must obtain recommendation from the Dzongkhg/Gewog Authority and then apply for approval to the Authority before extending the CATV service outside of their area of operation
- 5.11 To seek prior approval from the Authority for ownership change. An ownership transfer fee is applicable except in cases of demise of the licensee

5.12 The licensee shall abide by the Rules for the Operation of Commercial Cable Television and any other rules and directives issued by the Authority

7) Tax and tariff

7.1 Licensee shall conform to the prevailing Tax Laws and Rules of the country.

7.2 The licensee shall register with the nearest Department of Revenue and Customs within one month of obtaining License from the Authority.

8) Renewal of Licence

8.1 The licensee shall apply for the renewal of the CATV license within the time stipulated in the license as per the provision of the Rules For the Operation of Commercial Cable Television and furnish such information as sought by the Authority to renew the license.

8.2 Upon expiration of the license term, the Authority shall have the right to renew the license or to suspend or deny the license renewal or revoke the license.

8.3 The Licensee shall furnish a copy of the tax clearance certificate issued by the Department of Revenue and Custom for easy renewal of annual CATV license.

8.4 Annual license renewal fees shall be payable on or before the expiry date of the license subject to the maximum of 30 days grace period after the expiry.

8.5 A fine of Nu.50.00 (fifty only) per day shall be levied for late renewal after the expiry of the grace period and up to a maximum period of 180 days after which the license shall be terminated including the operation of the service.

9) Installation charge

9.1 The initial installation service shall not be charged if the subscriber is within or up to 100 meters from the nearest distribution point. If the subscriber is beyond 100 meters or the provision of service is not feasible due to economic and technical reasons, the cable operator shall propose other solutions at the expense of the subscriber in consultation with the Authority.

10) Revocation of Licence

10.1 The Authority shall revoke or suspend the licence in the event of miscounts which includes the following but not limited to:

- a) willful, false or misleading statements to the Authority;
- b) failure to pay license fees as required;
- c) repeated failure, as determined by the Authority, to maintain signal quality under the standards prescribed by the license terms and conditions;

- d) any sale, lease, assignment, or transfer of control of its license without prior consent of the Authority;
- e) violation of license terms and conditions, such as, but not limited to, any excessive delay in beginning construction or in meeting the construction schedule or in providing subscriber services after completion of construction or in completing construction of the cable system; and
- f) Willful or gross negligence, repeated violations of the license terms and conditions, or representations made in the application process, or any rule, order or regulation of the Authority.

10.2 Licence administration and enforcement

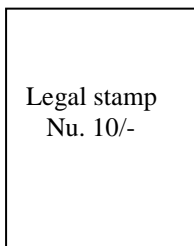
- a) In all matters of license administration, the Authority shall have authority to determine the licensee's compliance with the terms and provisions of this document and in the event of non-compliance to exercise any or all of the penalties included in this document or the Bhutan Information, communications and Media Act 2006.
- b) The licensee may request in writing an administrative hearing on an initial decision of the Authority on matters of license administration within 10 (ten) days of the notification of non-compliance.
- c) Within 15 (fifteen) days of receipt of the request from the licensee submitted pursuant to subsection (b), the Authority shall schedule an administrative hearing. This shall be a public hearing, and licensee shall be given an opportunity to be heard. Within 15 days after the conclusion of such hearing, the Authority shall issue a determination.

AGREED TO AND SIGNED ON (Day)..... (Month).....(Year)

BETWEEN

Licensee/Authorized representative

Authority:



Legal stamp

Name :
Address:

Director General
Bhutan Infocomm &Media Authority

Witnessed by:

Witnessed by:

Signature:

Radiocom and TV Section
(BICMA)

Name:
Address:
New Citizenship ID No: