Licence No. 1981

TELECOMMUNICATIONS ORDINANCE
(Chapter 106)

SERVICES-BASED OPERATOR LICENCE

DATE OF ISSUE: 2 July 2025[1]

CSL Mobile Limited

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of 39/F, PCCW Tower, Taikoo Place,
979 King's Road, Quarry Bay, Hong Kong

……...

(the "licensee") is licensed, subject to the following conditions set out in this licence –

(a) to provide a public telecommunications service (the "service"), the scope of which is described in Schedule 1;

(b) to establish and maintain a telecommunications system (the "system") described in Schedule 2 to provide the service;

(c) to possess, establish, use and maintain such radiocommunications apparatus as described in Schedule 3 as may be necessary to provide the service; and

(d) to deal in and demonstrate with a view to sale in the course of trade or business, such apparatus or material for radiocommunications as may be necessary to supply customers of the service.

[1] The licence shall be valid for two years and shall expire on the first day of the month next following the month in which it was issued and in the second year following the year in which it was issued.

GENERAL CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1 In this licence, except as hereinafter provided or unless the context otherwise requires, words or expressions shall have the meanings assigned to them in the Telecommunications Ordinance (Cap. 106) (the "Ordinance") and, as the case may be, the Interpretation and General Clauses Ordinance (Cap. 1). For the purposes of interpreting this licence, headings and titles shall be disregarded.

1.2 This licence shall not be construed as granting an exclusive right to the licensee to provide the service.

1.3 This licence replaces any licence or any exemption from licensing, however described, which the Authority may have granted to the licensee for providing the service.

1.4 The grant of this licence does not authorize the licensee to do anything which infringes any exclusive licence granted under the Ordinance or any exclusive right to operate and provide telecommunications networks, systems, installations or services granted under any other Ordinance.

2. TRANSFER

2.1 The licensee may, only with the prior written consent of the Authority and subject to such reasonable conditions as the Authority thinks fit, transfer this licence or any permission, right or benefit under this licence. In giving its consent, the Authority will have regard to such matters as it thinks fit including but not limited to the effect which the transfer will have on market structure and the financial and technical competence and viability of the transferee.

3. INTERNATIONAL CONVENTIONS

3.1 The licensee shall at all times perform and observe the requirements of the Constitution and Convention of the International Telecommunication Union and the regulations and recommendations annexed to it, as are stated to be applicable to Hong Kong Special Administrative Region ("Hong Kong"), and any other international convention, agreement, protocol, understanding or the like to the extent that the instruments described in this General Condition 3.1 impose obligations on Hong Kong of which the Authority gives notice to the licensee, except to the extent that the Authority may in writing exempt the licensee from such compliance.

3.2 Where the Government has been consulted about or is involved in the preparation or negotiation of an international convention, agreement, protocol or understanding or the like or amendments thereto which are on the subject-matter of telecommunications or which relate to another subject-matter but which the Government anticipates could have a material impact on the provision of the service under this licence, the Government will, where practicable, provide the licensee with a reasonable opportunity to make a submission stating its views on the matter.

4. COMPLIANCE GENERALLY

4.1 The licensee shall comply with the Ordinance, regulations made under the Ordinance, licence conditions or any other instruments which may be issued by the Authority under the Ordinance and such guidelines or codes of practices which may be issued by the Authority as in its opinion are suitable for the purpose of providing practical guidance on any particular aspect of any conditions of this licence.

5. PROVISION OF SERVICE

5.1 The licensee shall, subject to Schedule 1 to this licence and any special conditions of this licence relating to the provision of the service, at all

times during the validity period of this licence operate, maintain and provide a good, efficient and continuous service in a manner satisfactory to the Authority. The Authority may, on application in writing by the licensee, exempt a part or parts of the service from the requirement of continuous provision.

6. CONFIDENTIALITY OF CUSTOMER INFORMATION

6.1 The licensee shall not disclose information of a customer except with the consent of the customer, which form of consent shall be approved by the Authority, except for the prevention or detection of crime or the apprehension or prosecution of offenders or except as may be authorized by or under any law.

6.2 The licensee shall not use information provided by its customers or obtained in the course of provision of service to its customers other than for and in relation to the provision by the licensee of the service.

7. CONTROL OF INTERFERENCE AND OBSTRUCTION

7.1 The licensee shall take reasonable measures to install, maintain and operate the service and the system in such a manner as not to cause any harmful interference or physical obstruction to any lawful telecommunications service, or cause any physical obstruction to the installation, maintenance, operation, adjustment, repair, alteration, removal or replacement of the facilities of any lawful telecommunications or utility service provider.

7.2 The licensee shall take reasonable measures to ensure that the customers of the service do not cause harmful interference to lawful telecommunications services or utility services through use of the service.

7.3 The Authority may give such reasonable directions as it thinks fit to avoid harmful interference or physical obstruction referred to in General Condition 7.1. The licensee shall comply with the directions.

8. COMPLIANCE

8.1 If the licensee employs any person under contract for the purpose of the service, or for the installation, maintenance or operation of the system ("contractor"), the licensee shall continue to be responsible for compliance with the conditions of this licence, and the performance thereof, by any contractor.

9. SAFETY

9.1 The licensee shall take proper and adequate safety measures for the safeguarding of life and property in connection with all installations, equipment and apparatus operated or used, including safeguarding against exposure to any electrical or radiation hazard emanating from the installations, equipment or apparatus operated or used under this licence.

9.2 The licensee shall comply with the safety standards and specifications as may from time to time be prescribed by the Authority and any directions of the Authority in relation to any safety matter.

10. PROHIBITION OF CLAIMS AGAINST GOVERNMENT

10.1 The licensee shall have no claim against the Government in tort or in contract in respect of any disturbance or interruption to any part of the system due to works carried out by or on behalf of the Government which result in disturbance to the system.

11. INDEMNITY

11.1 The licensee shall indemnify the Government against any losses, claims, charges, expenses, actions, damages or demands which the Government incurs or which may be made against the Government as a result of or in relation to the activities of the licensee or any employee, agent or contractor of the licensee in relation to the provision of the

service or the installation, maintenance and operation of the system.

12. CONTRAVENTION BEYOND LICENSEE'S CONTROL

12.1 The licensee shall not be liable for any breach of this licence where it is able to demonstrate, to the reasonable satisfaction of the Authority, that the breach was caused by circumstances beyond its control and that it has taken all reasonable steps open to it to rectify that breach.

12.2 Where the circumstances referred to in General Condition 12.1 are such that there is an outage or interruption in the service affecting a significant number of the licensee's customers for a period of more than seven days, the licensee shall provide the Authority with a full report in writing detailing the reasons for the breach and indicating when, or if, it will be able to continue to provide the service.

12.3 If the Authority is, after considering a report provided under General Condition 12.2, of the reasonable belief that the licensee would be able to provide the service within a reasonable period of time despite the circumstances outlined in that report, the Authority may direct in writing that the licensee to recommence the service within such reasonable period. The licensee shall comply with such direction.

12.4 For the avoidance of doubt, General Condition 12.1 shall apply to any of the licence conditions and the Authority may at its discretion, and on such conditions as it thinks fit, extend any time period within which the obligations of the licensee under any of the licence conditions may be met.

12.5 In exercising its discretion under General Condition 12.4 with respect to any of the licence conditions, the Authority shall take into account including, without limitation, whether circumstances are such that it would be unreasonable to require compliance by the licensee with the relevant licence condition.

13. PERIOD OF VALIDITY

13.1 This licence shall be valid for such period as determined and published by the Authority to be applicable to services-based operator licence at the time of the issue of this licence.

14. LICENCE FEES

14.1 The licensee shall pay the fees applicable to services-based operator licence as may from time to time be determined and published by the Authority.

15. PUBLICATION OF LICENCE

15.1 The licensee, or the Authority, may at its discretion make the terms and conditions of this licence, including any specific conditions, publicly available in any manner it thinks fit.

16. REQUIREMENTS OF RADIOCOMMUNICATIONS INSTALLATION

16.1 Each radiocommunications installation operated by or on behalf of the licensee shall be used only at the locations and with emissions and at the frequencies and of the classes and characteristics specified in Schedule 3 to this licence and with such power and aerial characteristics as are specified in that Schedule in relation to the class and characteristics of the emission in use.

16.2 The apparatus comprised in each radiocommunications installation shall at all times comply with such technical standards as may be issued by the Authority.

16.3 The apparatus comprised in a radiocommunications installation shall be of a type approved by the Authority and shall be so designed, constructed, maintained and operated that its use shall not cause any

interference to any radiocommunications.

16.4 A radiocommunications installation shall be operated only by the licensee or a person authorized by the licensee. The licensee shall not allow an unauthorized person to have access to the apparatus comprised in a radiocommunications installation. The licensee shall ensure that persons operating each radiocommunications installation shall at all times observe the conditions of this licence.

16.5 The licensee shall not make a change –

(a) to any radiocommunications installation; or

(b) of the location of any radiocommunications installation,

without the prior written approval of the Authority.

16.6 If any telecommunications installation (including radiocommunications installation) crosses above or may fall or be blown onto any overhead power wire (including electric lighting and tramway wires) or power apparatus it shall be guarded to the reasonable satisfaction of the owner of the power wire or power apparatus concerned.

17. USE OF FREQUENCIES

17.1 The radiocommunications installation operated by or on behalf of the licensee shall only be operated on such frequencies as the Authority may assign.

17.2 The Authority may at any time, giving a reasonable notice in writing to the licensee, require it upon such date as may be specified in the notice to cease using any frequency previously assigned to it by the Authority and to use such new frequency as the Authority may designate.

SPECIAL CONDITIONS

1. PROVISION OF SERVICE

1.1 The licensee shall, subject to Schedule 1 and any special conditions of this licence relating to the provision of the service, provide the service on its published terms and conditions and at the tariff published in accordance with Special Condition 4 (as applicable) on request of a customer whether or not the customer intends the service to be available for its own use or intends to utilize the service to provide a lawful telecommunications service to third parties.

1.2 Subject to Schedule 1 and any special conditions relating to the provision of the service, the licensee shall comply with a customer request for the service as tariffed by the licensee in accordance with Special Condition 4 where the service reasonably could be provided by the licensee to the customer.

2. NUMBERING PLAN

2.1 The licensee shall conform to a numbering plan made or approved by the Authority and any directions given by the Authority in respect of the numbering plan.

2.2 The licensee shall at the request of the Authority or otherwise consult the Authority about the arrangements for the allocation and reallocation of numbers and codes within the numbering plan.

2.3 Where requested by the Authority, the licensee shall prepare and furnish to the Authority proposals for developing, adding to or replacing the numbering plan relating to the service.

3. REQUIREMENT TO FURNISH INFORMATION TO THE AUTHORITY

3.1 The licensee shall furnish to the Authority, in such manner and at such times as the Authority may request in writing, such information related to the business run by the licensee under this licence, including financial, technical and statistical information, accounts and other records, as the Authority may reasonably require in order to perform its functions under the Ordinance and this licence.

3.2 Subject to Special Condition 3.3, the Authority may use and disclose information to such person as the Authority thinks fit.

3.3 Where the Authority proposes to disclose information obtained and the Authority considers that the disclosure would result in the release of information concerning the business or commercial or financial affairs of a licensee which disclosure would or could reasonably be expected to adversely affect the licensee's lawful business or commercial or financial affairs, the Authority will give the licensee a reasonable opportunity to make representations on the proposed disclosure before the Authority makes a final decision whether to disclose the information.

4. TARIFFS

4.1 The licensee shall publish and charge no more than the tariffs for the service operated under this licence. The tariffs shall include the relevant terms and conditions for the provision of the service.

4.2 Where the licensee provides a Class 1 service, publication shall be effected by publication in the website of the licensee on or before the date on which the tariff becomes effective.

4.3 The Authority may by direction in writing, for such period and on such conditions as the Authority may determine, direct that Special Condition 4.2 shall not apply to the licensee.

5. BILLING AND METERING ACCURACY

5.1 The licensee shall take all reasonable steps to ensure that any metering equipment and billing system used in connection with the service is accurate and reliable.

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

5.3 The licensee shall keep such records of any metering equipment and billing system in such form as may be specified by the Authority and shall supply such records to the Authority on the written request of the Authority.

6. UNIVERSAL SERVICE CONTRIBUTION

6.1 Where directed by the Authority, the licensee shall pay to one or more unified carrier licensees or other licensees, as the case may be, its relevant share of the universal service contribution to assist those licensees to meet their universal service obligations, if any.

6.2 Any universal service contribution shall be subject to annual review by the Authority as to description and quantum and the licensee shall pay its relevant share of such universal service contribution as the Authority may direct following a review. On the completion of an annual review, the Authority will supply the licensee such information as the Authority is reasonably able to supply, and subject to any duty of confidentiality, as to the basis on which the universal service contribution is calculated.

6.3 For the purpose of this Special Condition 6, the following definitions shall apply –

(a) Universal service contribution is that sum calculated in accordance with a formula adopted annually by the Authority, to ensure that any licensee with a universal service obligation (referred to as "universal service provider" in this Special Condition), receives a fair contribution from other licensees as specified by the Authority for serving customers with basic service whom would otherwise not be served because it is not economically viable to do so but who are required to be served under the universal service obligation.

(b) Universal service obligation is the obligation by a licensee to provide, maintain and operate the relevant network in such manner as to ensure that a good, efficient and continuous basic service is reasonably available, subject to the Ordinance the conditions of the relevant licence, and to provide that basic service in such manner.

7. INTERCONNECTION CHARGES, INCLUDING WITHOUT LIMITATION, LOCAL ACCESS CHARGE AND INTERNATIONAL CALL FORWARDING SERVICE CHARGE

7.1 For the interconnection between the facilities or services of the licensee and the networks, systems and services of other licensees for the delivery of traffic for the users of the service in Hong Kong, the licensee shall pay such interconnection charges, including, without limitation, local access charge, and access charge or origination charge for interconnection necessary for the provision of international call forwarding service as may be specified by the Authority in the relevant statements and regulatory guides, and/or determined by the Authority from time to time under section 36A of the Ordinance.

7.2 The licensee shall comply with any code of practice concerning technical configuration and operation of the service that may be issued by the Authority from time to time after consultation with the relevant licensees for the purpose of implementing the terms under the determination referred to in Special Condition 7.1 for interconnection charges, local access charges and access charge or origination charge

for interconnection necessary for the provision of international call forwarding service, and the prevention of non-compliance with the determination.

8. CALLING LINE IDENTIFICATION AND RELATED SERVICES

8.1 The licensee shall conform to any regulatory guide, code of practice or direction issued by the Authority in respect of calling line identification and other calling line identification related services.

8.2 Without limiting the generality of Special Condition 8.1, the regulatory guide, code of practice or direction issued under that Special Condition may require the licensee to validate the calling line identification against the authenticated customer in order to prevent fraud and spam.

9. PROVISION OF INFORMATION TO CUSTOMERS

9.1 Without prejudice to the other terms and conditions of this licence**,** the licensee shall provide or make available the following information to the customers when the services are offered –

(a) Name of the licensee;

(b) Licence number of the licensee under this licence;

(c) Customer service hotline number(s);

(d) Where applicable, the access code(s) or number(s) (including any access password) used for obtaining the services;

(e) Instructions on how to access the services;

(f) The tariffs under which the services are offered; and

(g) The duration or validity period of the services offered.

10. INSPECTION

10.1 On receiving reasonable prior written notice from the Authority, the licensee shall allow the Authority and any person authorized in writing by it for the Authority's own purposes to enter and inspect the offices, places and premises in Hong Kong where the licensee has installed telecommunications equipment, or used for the provision of the service and if required to make copies of records, documents and accounts relating to the licensee's business for the purpose of enabling the Authority to perform its functions under the Ordinance and ensure the licensee's compliance with the general conditions and special conditions of this licence and the Ordinance.

10.2 The licensee shall provide and maintain, at no less than the reasonable technical standards set by the Authority, facilities to enable the Authority to inspect, test, read or measure, as the case may be, any telecommunications installations, equipment (including, but not limited to testing instruments) or premises used or to be used for the provision of the service, and may at its option, and shall on the written request of the Authority, and subject to the provision by the Authority of reasonable prior written notice, provide a representative to be present at any such inspection, testing, reading or measurement.

10.3 On giving reasonable prior written notice, the Authority may direct the licensee to demonstrate that the service complies with the technical requirements imposed by the Ordinance and Regulations or any other instruments which may be issued by the Authority under the Ordinance and the licensee shall comply with such directions.

10.4 For the purpose of Special Conditions 10.2 and 10.3, the licensee shall provide adequate testing instruments and operating staff.

11. REQUIREMENTS FOR INTERCONNECTION

11.1 Where the customers to the service are assigned with numbers from the numbering plan of Hong Kong as stipulated in Special Condition 2.1, the licensee shall interconnect the service and the system with other networks, systems and services licensed under the Ordinance in such a manner that enables the customers to the service to make and receive calls to and from all other users assigned with numbers from the said numbering plan. Where directed by the Authority, the licensee shall interconnect its service and system with other networks, systems and services licensed under the Ordinance, and with telecommunications networks, systems and services of a type mentioned in section 36A(3D) of the Ordinance. The licensee shall interconnect its service and system with the networks, systems and services of other interconnecting parties under this Special Condition to ensure any-to-any connectivity, i.e. any customer in any one network/system can have access to any other customer in any interconnecting network/system and, where directed by the Authority, to any service offered in any interconnecting network/system.

11.2 The licensee shall use all reasonable endeavours to ensure that interconnection is effected promptly, efficiently and on terms, conditions and at charges which are based on the licensee's reasonable relevant costs attributable to interconnection.

11.3 The licensee shall provide facilities and services reasonably necessary for the prompt and efficient interconnection of the service and system with the telecommunications networks, systems or services of the other entities referred to in Special Condition 11.1. Such facilities and services include –

(a) carriage services for the delivery of codes, messages or signals or other communication across and between the interconnected networks and systems;

(b) those necessary to establish, operate and maintain points of interconnection between the licensee's system and the networks and systems of the other entities, including, without limitation,

the provision of sufficient transmission capacity to connect between the licensee's network and networks of the other entities;

(c) billing information reasonably required to enable the other entities to bill their customers;

(d) facilities specified by the Authority pursuant to section 36AA of the Ordinance; and

(e) ancillary facilities and services required to support the above types of interconnection facilities and services.

12. COMPLIANCE WITH CODES OF PRACTICE

12.1 Without limiting or affecting in any way the licensee's obligations under any other licence condition, the licensee shall comply with any code of practice or guideline which may be issued by the Authority from time to time for the purpose of providing practical guidance to the licensee in respect of –

(a) the provision of satisfactory service;

(b) the protection of customer information;

(c) the protection and promotion of the interests of consumers of telecommunications goods and services; and

(d) correct, efficient and reliable operation of telecommunications.

12.2 Before issuing any code of practice or guideline referred to in Special Condition 12.1, the Authority shall carry out such consultation as is reasonable in all the circumstances of the case.

13. RECORDS AND PLANS

13.1 The licensee shall keep records and plans of the system to be installed (including radiocommunications installations) under this licence, including system configuration, architecture and operation, and if appropriate, how the system is interconnected with other networks, systems and services, and any other details concerning the service provided under this licence as may be reasonably required by the Authority.

13.2 As required by the Authority, the licensee shall make the information on the records and plans of the system in Special Condition 13.1 available, within reasonable time, to the Authority or to a person authorized in writing by the Authority for inspection for the Authority's own purposes.

14. SERVICE CONTRACTS AND DISPUTE RESOLUTION

14.1 The licensee shall comply with all codes of practice issued by the Authority from time to time in respect of the requirements to apply in the contracting of telecommunications services to end users.

14.2 The contracting requirements referred to in Special Condition 14.1 may include the following –

(a) the style, format and structure of service contract documentation;

(b) the manner of entering into and terminating service contracts;

(c) the information to be included in or in connection with service contracts and the performance of the services;

(d) the submission of disputes between end users and the providers of telecommunications services to independent dispute resolution, pursuant to a scheme approved by the Authority; and

(e) other terms and conditions or provisions for the protection of the

interests of end users.

14.3 Before issuing any code of practice for the purposes of Special Condition 14.1, the Authority shall carry out such consultation as is reasonable in the circumstances.

15. INTERPRETATION

15.1 For the avoidance of doubt and for the purposes of the Special Conditions in this licence –

"Class 1 service" means the service as defined in Special Condition 16.2 but does not include any types of Class 3 service;

"Class 2 service" means the service as defined in Special Condition 17.2 but does not include any types of Class 3 service;

"Class 3 service" means, subject to Schedule 1, the following types of non-facility based public telecommunications services –

(a) external telecommunications services;

(b) international value-added network services;

(c) mobile virtual network operator services;

(d) private payphone services;

(e) public radio communications relay services;

(f) security and fire alarm signals transmission services;

(g) teleconferencing services; and

(h) any other services designated by the Authority as a "Class 3 service"

but does not include Class 1 service and Class 2 service;

“external” means communications with places outside Hong Kong;

“external telecommunications service” means a service operated over external leased circuits supplied by a unified carrier licensee authorized to provide fixed services and to supply such circuits at the Hong Kong end or over other external switched telecommunications services lawfully operated in Hong Kong at the Hong Kong end;

“mobile virtual network operator” means the holder of services-based operator licence for provision of mobile virtual network operator services;

“mobile virtual network operator service” is a mobile virtual network service provided to subscribers or customers within the territory of Hong Kong by making use of and by having access to, and interconnection with, radiocommunications infrastructure of a unified carrier licensee authorized to provide mobile services and assigned with the radio spectrum using which the mobile service or public radiocommunications service is provided;

“payphone” means a fixed telephone that is connected to the public switched telephone network operated by a unified carrier licensee authorized to provide fixed services and that cannot be used to make a telephone call (other than an emergency call, a free call made pursuant to Special Condition 27.5 or a call made through an operator-assisted or automated caller identity verification system) unless the user, immediately prior to using the telephone, makes, or arranges to make, a payment for that particular individual call;

“private payphone” means a payphone that is located on or over privately owned land or leased land as defined in section 2, Part I of the Land (Miscellaneous Provisions) Ordinance (Cap. 28) and to which members of the general public have access; and

“services-based operator” means the holder of a services-based operator licence.

15.2 Any reference to an ordinance or a regulation, whether the word is used by itself or as part of any title to an ordinance or a regulation, shall mean that ordinance or regulation for the time being in force as well as any modification or substitution of that ordinance or regulation, in whole or in part, and all subsidiary legislation, regulations, directions, codes of practice and instruments made under that ordinance or regulation and for the time being in force.

15.3 The singular includes the plural and vice versa.

SPECIAL CONDITIONS FOR CLASS 1, CLASS 2 AND CLASS 3 SERVICES

16. APPLICABILITY OF CERTAIN SPECIAL CONDITIONS FOR CLASS 1 SERVICES

16.1 Where the licensee provides a "Class 1 service" defined in Special Condition 16.2, Special Conditions 19 to 23 shall apply in addition to all General Conditions and Special Conditions 1 to 15 and 29.

16.2 For the purpose of this licence, "Class 1 service" means an internal telecommunications service –

(a) for carrying real-time voice communications which may be integrated with other types of communications;

(b) which is capable of allowing customers to make and receive calls to and from parties assigned with numbers from the numbering plan of Hong Kong;

(c) to which customers are assigned with numbers from the numbering plan of Hong Kong; and

(d) which is not a "Class 2 service" as defined in Special Condition 17.2.

17. APPLICABILITY OF CERTAIN SPECIAL CONDITIONS FOR CLASS 2 SERVICES

17.1 Where the licensee provides a "Class 2 service" defined in Special Condition 17.2, Special Conditions 19 to 21 shall apply in addition to all General Conditions and Special Conditions 1 to 15 and 29.

17.2 For the purpose of this licence, "Class 2 service" means an internal telecommunications service –

(a) for carrying real-time voice communications which may be integrated with other types of communications;

(b) which is capable of allowing customers assigned with numbers from the numbering plan of Hong Kong to make and receive calls to and from parties assigned with numbers from the numbering plan of Hong Kong; and

(c) where the customers are assigned with numbers from the numbering plan of Hong Kong, in the provision of service –

(i) the licensee (and where appropriate its agents, contractors and resellers) in all promotion, marketing or advertising materials concerning such service declares the service as a "Class 2 service" (where the materials are in English text), or "第二類服務" (where the materials are in Chinese text); or

(ii) the licensee, in lieu of (i), complies with such conditions as may be specified by the Authority in a direction that may be issued by the Authority.

18. COMPLIANCE AND APPLICABILITY OF CERTAIN SPECIAL CONDITIONS FOR CLASS 3 SERVICES

18.1 Where the licensee provides a mobile virtual network operator service as defined in Special Condition 15.1, Special Conditions 19, 20, 22 to

25 and 28 shall apply in addition to all General Conditions, Special Conditions 1 to 15 and 29 and other Special Conditions applicable for the services it provides as specified in Special Conditions 16, 17 and 18.

18.2 Where the licensee provides a private payphone service as defined in Special Condition 15.1, Special Conditions 26 to 27 shall apply in addition to all General Conditions, Special Conditions 1 to 15 and 29 and other Special Conditions applicable for the services it provides as specified in Special Conditions 16, 17 and 18.

18.3 Where the licensee provides a mobile communications service on board an aircraft ("MCA service") which is defined in Schedule 1 as a Class 3 service under item (h) in Special Condition 15.1, the requirements specified in Schedule 6 shall apply in addition to all General Conditions, Special Conditions 1 to 15 and 29 and other Special Conditions applicable for the services it provides as specified in Special Conditions 16, 17 and 18.

18.4 Where the licensee provides an external telecommunications service as defined in Special Condition 15.1, Special Condition 28 shall apply in addition to all General Conditions, Special Conditions 1 to 15 and 29 and other Special Conditions applicable for the services it provides as specified in Special Conditions 16, 17 and 18.

18.5 For the avoidance of doubt, where the licensee provides any Class 3 services, all General Conditions and Special Conditions 1 to 15 and 29 shall apply.

18.6 Without affecting the generality of General Condition 4, where the licensee provides any Class 3 services, the licensee shall comply with any instruments which may have been issued by the Authority under the Ordinance and such other regulatory documents including guidelines or codes of practices for compliance by holders of public non-exclusive telecommunications service licence providing a service which is equivalent to the type of Class 3 service provided by the licensee.

19. NUMBER PORTABILITY

19.1 The licensee shall, in such manner as the Authority may direct, facilitate the portability of numbers from the numbering plan of Hong Kong as stipulated in Special Condition 2.1 and assigned to any customer of an internal telecommunications service provided by any services-based operator licensee for carrying real-time voice communications (which may be integrated with other types of communications) which is interconnected with systems and services under unified carrier licences authorizing the provision of fixed services, or any customer of any unified carrier licensee, mobile virtual network operator, or any other licensee, as the case may be so that any number so assigned may be used by that customer should it cease to be a customer of any such entity and become a customer of an internal telecommunications service provided by any other services-based operator licensee for carrying real-time voice communications (which may be integrated with other types of communications) which is interconnected with systems and services under unified carrier licences authorizing the provision of fixed services, or a customer of unified carrier licensee, mobile virtual network operator, or any other licensee, as the case may be.

19.2 The licensee shall make commercial arrangements with one or more unified carrier licensees authorized to provide fixed services to fulfil the obligations of facilitating the portability of numbers under Special Condition 19.1 and conform to any code of practice issued by the Authority in respect of procedures for handling number portability.

19.3 For the purposes of this Special Condition, "portability of numbers" means the function of the network, system and service which enables a customer of the service of a unified carrier licensee, services-based operator or mobile virtual network operator to become a customer of another unified carrier licensee, services-based operator or mobile virtual network operator or any other licensee, as the case may be, without changing the number assigned to that customer.

19.4 Notwithstanding the generality of the foregoing, the licensee, where and as directed by the Authority, shall provide Administration Database

Hosting Service to other licensees to facilitate the portability of numbers as required under their respective licences. The licensee may impose a reasonable charge to fairly compensate it for providing the Administration Database Hosting Service. The licensee shall endeavour to agree with the other licensee on what amounts to fair compensation for provision of the Administration Database Hosting Service.

19.5 Where the licensee is unable to agree with another licensee pursuant to Special Condition 19.4 on what amounts to fair compensation for the provision of, or the reasonable mode of supply of, the Administration Database Hosting Service, the matter at issue may be referred by either licensee to the Authority for determination. The licensee shall pay to the Authority, as it may reasonably require having regard to the number of parties to the determination, any costs or expenses incurred by the Authority in respect of such a determination or determination process including without limitation staff costs and expenses and the financing of liabilities paid out of the Office of the Communications Authority Trading Fund.

19.6 For the purposes of Special Conditions 19.4 and 19.5,

"administration database" means an off-line database that performs the backup and auditing function for all ported-out and ported-in numbers of unified carrier licensee, services-based operator, mobile virtual network operator or any other licensee, as the case may be, to facilitate the portability of numbers. The database is required to keep the current and historical records of all relevant ported-out and ported-in numbers; and

"Administration Database Hosting Service" means a service offered by the licensee which makes available its administration database for access by another licensee, so that the latter will be able to fulfil the licence obligation under its own licence to facilitate the portability of numbers without the need of setting up its own administration database.

20. EMERGENCY SERVICE

20.1 Where the customers to the service are assigned with numbers from the numbering plan of Hong Kong as stipulated in Special Condition 2.1, the licensee shall provide a public emergency service by means of which any member of the public may, at any time and without incurring any charge, by means of compatible apparatus connected to the system, communicate as quickly as practicable with the Hong Kong Police Emergency Centre or other entities as directed by the Authority to report an emergency.

20.2 Where the licensee provides a public emergency service pursuant to Special Condition 20.1, irrespective of whether the customer makes the call with the use of a fixed, mobile or potentially nomadic telecommunications service, the licensee shall in such manner as may be specified by the Authority maintain the location information of customers at the time the call is made to the extent technically feasible and practicable and provide the information free of charge to the Police Force, the Fire Services Department and other relevant Government agencies handling the emergency service for the sole purpose of responding to that call and identification of the location of the customer making the call. Where the licensee is providing a potentially nomadic telecommunications service, unless otherwise directed by the Authority, the licensee shall provide a mechanism whereby the customers can update their location information and remind the customers to update their location information whenever they change the location from which the service is used.

20.3 The Authority may grant exemption to the licensee for any particular obligations imposed under Special Condition 20.1. The licensee shall comply with any conditions which may be specified by the Authority or any guideline which may be issued by the Authority for such exemption.

20.4 Where the licensee is exempted by the Authority from the provision of a public emergency service pursuant to Special Condition 20.1 for any particular group of customers, it shall clearly indicate the non-provision of the public emergency service to that group of

customers in all promotion, marketing or advertising materials offering service to the customers and obtain their explicit consent on the non-provision of the public emergency service before providing service to them.

20.5 Where the licensee provides a Short Message Service, the public emergency service referred to under Special Conditions 20.1, 20.2 and 20.4 shall include the Short Message Service.

21. BACKUP POWER SUPPLY

21.1 The licensee shall conform to any guideline or code of practice issued by the Authority in respect of the provision of backup power supply to the service.

21.2 Unless there is backup power supply available in such manner as may be specified by the Authority to maintain continuity of the service without any deterioration in quality of the service during interruption of mains power supply on the customer's premises, to the network, or to any system or equipment delivering the service to the customer, the licensee shall not provide the service to users whose "lifeline devices" are connected to the service.

21.3 Where no backup power supply is available in such manner as described in Special Condition 21.2, the licensee is deemed to have complied with Special Condition 21.2 if –

(a) the customers have, before or upon subscription of service, confirmed that the service will not be used by lifeline users or connected with lifeline devices; and

(b) the licensee has affixed a label to the wall socket panel or any equipment installed on the customers' premises or taken other reasonable steps to remind the customers that the service is not suitable for connection to lifeline devices.

21.4 In this Special Condition, a "lifeline device" means a medical alarm or any other device for an elderly, infirm or invalid to summon assistance in the event of an emergency without having to dial manually the telephone number of the emergency service.

21.5 For the avoidance of doubt, this Special Condition does not apply where customers to the service are not assigned with numbers from the numbering plan of Hong Kong.

22. DIRECTORY INFORMATION AND DIRECTORY INFORMATION SERVICE

22.1 For the purposes of this Special Condition –

(a) "directory information" means information obtained by the licensee in the course of the provision of Class 1 services under this licence concerning or relating to the name, address, business and telephone numbers of each of its customers; and

(b) "raw directory information" means the licensee's directory information held in a basic format relating to all of its customers of Class 1 services other than its customers who request that directory information about them not be disclosed.

22.2 This Special Condition applies only in respect of standard printed directories and other directory databases and services which include all of the names of a licensee's customers listed in alphabetical order and does not apply to classified directories where customers are listed by business or trade category or to other business or specialised directories.

22.3 Subject to compliance with the Personal Data (Privacy) Ordinance (Cap. 486), General Condition 6 and any applicable law, the licensee shall –

(a) where and as directed by the Authority, publish or arrange at least biennially for the publication of directory information in a printed

or other form approved by the Authority, relating to customers, other than customers who request not to be included in a directory to be published ("the printed directory"); and

(b) where and as directed by the Authority, establish, maintain and operate, or arrange for the establishment, maintenance or operation of a telecommunications service whereby customers may, upon request, be provided with directory information other than that of customers who request the information not to be disclosed ("the telephonic directory service").

22.4 The printed directory and the telephonic directory service provided under Special Condition 22.3 shall be made available free of charge, unless approved otherwise by the Authority, to all of the licensee's customers of Class 1 services and shall be provided in a manner satisfactory to the Authority.

22.5 The licensee shall make commercial arrangements with one or more unified carrier licensees authorized to provide fixed services to fulfil the obligations of providing the printed directory and the telephonic directory service under this Special Condition.

22.6 The licensee's printed directory shall be a unified printed directory and the licensee's telephonic directory service shall be a unified telephonic directory service and shall utilise a unified directory database, containing directory information on all customers of Class 1 services provided by services-based operator licensees, and directory information on all customers required to be included into a unified printed directory and provided with a unified telephonic directory service by unified carrier licensees authorized to provide fixed services pursuant to their relevant licence conditions, except for those customers who request that directory information about them not be disclosed. The licensee shall provide, and regularly update, raw directory information about its customers of Class 1 services to the unified carrier licensees authorized to provide fixed services with whom the licensee shall make commercial arrangements pursuant to Special Condition 22.5.

23. CUSTOMER CHARTER

23.1 Unless a waiver in writing is granted by the Authority, the licensee shall prepare a customer charter which sets out the minimum standards of service to the licensee's customers and gives guidance to the employees of the licensee in their relations and dealings with customers.

24. LOCATION SERVICES

24.1 Without affecting the generality of General Condition 6, "information of a customer" referred to in General Condition 6.1 and "information provided by its customers or obtained in the course of provision of service to its customers" referred to in General Condition 6.2 shall include any information concerning the locations of customers obtained in the course of provision of the service.

24.2 Where the licensee provides services to customers using the information concerning the locations of the customers obtained in the course of provision of the service, the licensee shall ensure that –

(a) no such services are provided without the prior consent of the relevant customers; and

(b) the customers are capable of suspending the use of the information from time to time.

25. PROVISION OF SERVICE TO SUSPECTED STOLEN RADIOCOMMUNICATIONS APPARATUS

25.1 The licensee shall, where directed by the Authority, refuse to provide the service to any person who possesses or uses a radiocommunications apparatus which is stolen or suspected stolen goods.

26. SINGLE PAYPHONE - COMMON ACCESS

26.1 Unless exemption has been granted in writing by the Authority, the licensee shall comply with an interim "Single Payphone - Common Access" ("Common Access") requirement which enables payphone service users to make use of each of the payphone equipment established and maintained by the licensee on any given site to access the services offered by all unified carrier licensees authorized to provide fixed services, if –

(a) the licensee establishes and maintains, directly or indirectly through its affiliates, six or more payphones on that particular site;

(b) the call being made is an external call; and

(c) the call is not paid for by coins or stored-value phonecards.

26.2 For the purpose of Special Condition 26.1, the Authority will consider that the interim "Common Access" requirement is met if the licensee provides –

(a) direct access to the services of the unified carrier licensee authorized to provide fixed services providing the access line to the payphone concerned; and

(b) indirect access through the network to which the payphone is connected to the services of the other unified carrier licensees authorized to provide fixed services in accordance with the numbering levels specified by the Authority from time to time.

26.3 For the purpose of Special Condition 26.1(a), the boundary of a site shall be as delineated in the relevant land lease registered in the Land Registry for the plot of land on or over which the payphones are located.

26.4 For the purpose of Special Condition 26.1(c), "stored-value phonecards" mean phonecards which have incorporated magnetic strips

or other types of memory devices to store the remaining value of the phonecards.

26.5 The licensee shall comply with any directions in writing by the Authority regarding the implementation of the full "Single Payphone – Common Access" requirement. Any direction given under this clause may take effect on such date as may be specified in the direction.

27. PROVISION OF PAYPHONE SERVICE

27.1 For local calls, the licensee shall not charge more than the published tariff for the corresponding private payphone service of the unified carrier licensee (authorized to provide fixed services) providing the access line connected to the payphone of the licensee.

27.2 For external calls –

(a) the licensee shall not impose a surcharge on the published tariffs (for a corresponding external call made over a private payphone service) of the unified carrier licensee (authorized to provide fixed services) providing the service chosen by the user; and

(b) the licensee shall not require the user to deposit coins or make payment in any other form before access is provided to the service chosen by the user.

27.3 The licensee shall display the applicable tariffs, including those of all unified carrier licensees authorized to provide fixed services in case of a "Common Access" payphone, in a manner conforming to the Code of Practice issued by the Authority.

27.4 The licensee shall only use the private payphones with particulars as specified in Schedule 4 to this licence for the provision of service. The licensee shall notify the Authority within 14 days if there is any addition, removal or change of the particulars of the private payphones as specified in the Schedule to this licence. The licensee shall return this licence to the Authority for amendment of the Schedule to this

licence whenever the Authority considers it necessary.

27.5 The licensee shall provide a public emergency service by means of which any member of the public may, at any time and without incurring any charge, by making use of payphone equipment provided to communicate as quickly as practicable with the Hong Kong Police Emergency Centre or other entities as directed by the Authority to report an emergency.

27.6 The licensee shall provide free access to other services provided by unified carrier licensees authorized to provide fixed services as may be specified by the Authority from time to time.

28. PERFORMANCE BOND

28.1 When required by the Authority in writing, the licensee shall provide to the Authority and maintain a duly issued performance bond in Hong Kong dollars in the amount specified by the Authority in favour of the Government to guarantee the licensee's payment of the financial penalty, if any, imposed on it by the Authority pursuant to section 36C of the Ordinance for breach of Special Conditions 2.1, 7.1, 8.1 and/or 12.1 of this licence.

28.2 In the event that the licensee defaults payment of the financial penalty referred to in Special Condition 28.1 as imposed by the Authority, the Government may by writing demand the surety to satisfy and discharge the amount of the financial penalty and any other sums as specified in the performance bond.

28.3 The performance bond to be submitted pursuant to Special Condition 28.1 shall be in the form set out in Schedule 5, or as specified by the Authority at the time when the licensee is required to provide the performance bond, with only such amendments thereto as may be agreed in writing by the Authority.

28.4 The performance bond to be submitted pursuant to Special Condition 28.1 shall be issued by a Qualifying Bank or other surety approved in

writing by the Authority. If the licensee wishes to change to a different Qualifying Bank or another surety, the licensee shall seek prior written approval from the Authority. For the purposes of this Special Condition 28.4, "Qualifying Bank" means an institution holding a full banking licence under the Banking Ordinance (Cap. 155).

28.5 Notwithstanding any other conditions of this licence, if the licensee is required by the Authority pursuant to Special Condition 28.1 to provide a performance bond –

(a) upon failure by the licensee to provide or maintain a performance bond in accordance with the foregoing provisions of this condition, the Authority may cancel or revoke this licence notwithstanding that the licensee may have embarked on its service provision; and

(b) any rights of or claim by the Government under the performance bond submitted by the licensee pursuant to this condition, including any replacement thereof, shall be without prejudice to the other rights of the Authority under this licence and of the Authority, the Chief Executive in Council and the Chief Executive under the laws, regulations, guidelines and codes of practice affecting telecommunications in Hong Kong from time to time.

28.6 All references to "Government" in this Special Condition 28 shall be construed as the Government of the Hong Kong Special Administrative Region as represented by the Office of the Communications Authority.

29. BLOCKING TRANSMISSION OR DELIVERY OF CALLS OR MESSAGES AND SUSPENSION OF SERVICE DUE TO FRAUDULENT USE

29.1 To prevent the transmission or delivery of calls or messages or suspend service due to fraudulent use, the licensee shall –

(a) upon the written request by the Authority or any relevant law enforcement agency, to the extent technically feasible and practicable, and without affecting any other telecommunications services, carry out any necessary actions or take any necessary steps to block the transmission or delivery of a call or message or suspend the service provided to a customer that is, or is suspected by the Authority or the relevant law enforcement agency to be, for furtherance of any fraudulent activity committed or purported to be committed against any party; and

(b) take all reasonably necessary steps to identify and block the transmission or delivery of calls or messages bearing an identity which does not comply with any applicable guideline, code of practice or instrument issued by the Authority from time to time.

29.2 Without limiting or affecting the generality of Special Condition 29.1, the licensee may take all incidental steps to prevent the transmission or delivery of calls and messages or suspend the service provided to a customer, with or without giving prior notice, in writing or by any other means, to the parties concerned, having regard to the need and practicality of implementation.

29.3 For the avoidance of doubt, actions and steps taken by the licensee for compliance with this Special Condition shall be treated as for the purpose of implementing the terms or conditions of this licence as specified in section 24(2)(b) of the Ordinance.

29.4 Without prejudice to the Authority's powers of investigation under the Ordinance, the licensee shall not be held liable under the Ordinance for any actions and steps reasonably taken and which are necessary for compliance with this Special Condition.

SCHEDULE 1

SCOPE OF THE SERVICE

1. The service is a mobile virtual network operator service provided to subscribers or customers within the territory of Hong Kong by making use of and by having access to, and interconnection with, radiocommunications infrastructure of a Unified Carrier Licensee authorized to provide mobile services and assigned with the radio spectrum using which the public radiocommunications service is provided.

2. Subject to Clause 1 above, the licensee shall provide the service through and by setting up, maintaining and operating the apparatus, equipment, facility, infrastructure and interconnection including but not limited to billing, switching, home location register and Intelligent Network systems but without radio transmission parts and radio base stations. For the avoidance of doubt, the licensee has not been assigned, and is not entitled to the assignment of, any radio spectrum and therefore does not operate any radio base station for the purpose of operating the service.

3. Subject to Clause 1 above, the service may provide for the delivery of telephonic and non-telephonic messages.

4. Subject to Clause 1 above, the service may include (but without limitation to) voice, facsimile, voice mail, electronic mail and short message services and the provision of electronic mailbox or storage facilities to be operated in conjunction with services described in this First Schedule and which enable any member of the public (whether a subscriber of the service or not) to deposit voice, facsimile, voice mail, electronic mail, short message or other files into the electronic mailbox or storage facilities allocated to subscribers of the service or to display the same on handset or other devices of the subscriber of the service.

5. The service includes dealing in and demonstration with a view to selling in the course of trade or business of the service and the

applicant, such apparatus, facility, equipment, handset, device, accessory, material, case and packaging item for radiocommunications as may be necessary for subscribers of the service to make use of, participate in or receive the service.

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SCHEDULE 2

DESCRIPTION OF THE SYSTEM

All such telecommunications installations established, maintained, possessed or used whether owned by the licensee, leased, or otherwise acquired by the licensee for the purpose of providing the public telecommunications services specified in Schedule 1.

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SCHEDULE 3

TECHNICAL PARTICULARS OF RADIO STATIONS FOR THE PROVISION OF THE SERVICE

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SCHEDULE 4

PARTICULARS OF PAYPHONE EQUIPMENT INSTALLATIONS

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SCHEDULE 5

FORM OF PERFORMANCE BOND
(For the Provision of External Telecommunications Services ("ETS")/Mobile Virtual Network Operator ("MVNO") Services)*

THIS PERFORMANCE BOND is made on [DATE]

BY:

(1) **[BANK]**, a banking corporation incorporated in **[ ] [with limited liability]** whose **[registered office/principal place of business in Hong Kong]** is at **[ ]** (the "Bank").

IN FAVOUR OF:

(2) **THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION** as represented by the Office of the Communications Authority whose address is at 29th Floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong (the "Government").

WHEREAS:

Pursuant to a request made by the Communications Authority (the "Authority") in writing under Special Condition 28 of the Licence issued to the Licensee on the date of issue, the Licensee is required to provide to the Authority a performance bond issued by a Qualifying Bank, in order to guarantee the Licensee's payment of the financial penalty, if any, imposed on it by the Authority pursuant to section 36C of the Ordinance for breach of [Special Conditions 2.1, 7.1 and/or 8.1] *(note: for the provision of ETS) /* [Special Condition 12.1] *(note: for the provision of MVNO Services)** of the Licence. The Bank is a Qualifying Bank.

1. INTERPRETATION

1.1 Definitions

In this Performance Bond:

* To delete where appropriate

"Authority" means the Communications Authority;

"Bonded Sum" means an amount of HK$ [];

"Bonded Sum Payable" means the amount of financial penalty imposed by the Authority due to the breach of [Special Conditions 2.1, 7.1 and/or 8.1] *(note: for the provision of ETS)* / [Special Condition 12.1] *(note: for the provision of MVNO Services)** of the Licence and defaulted by the Licensee;

"Business Day" means a day other than a Saturday or Sunday on which the banks in Hong Kong are open for general business;

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China;

"Licence" means Services-Based Operator Licence;

"Licensee" means **[Name of Licensee]** at **[Address]**;

"Ordinance" means the Telecommunications Ordinance (Cap. 106, Laws of Hong Kong);

"Qualifying Bank" means an institution holding a full banking licence under the Banking Ordinance (Cap. 155);

1.2 Construction

In this Performance Bond, unless the contrary intention appears,

(a) a provision of law is a reference to that provision as amended, extended or re-enacted;

(b) a reference to any document shall include that document as it may be amended, novated or supplemented from time to time;

(c) a clause is a reference to a clause of this Performance Bond;

* To delete where appropriate

(d) a reference to any person shall include its successors and assigns; and

(e) headings are for convenience only and are to be ignored in construing this Performance Bond.

2. PERFORMANCE BOND

2.1 In the event that the Authority imposes a financial penalty on the Licensee pursuant to section 36C of the Ordinance due to the Licensee's breach of [Special Conditions 2.1, 7.1 and/or 8.1] *(note: for the provision of ETS)* / [Special Condition 12.1] *(note: for the provision of MVNO Services)** of the Licence, and the Licensee defaults the payment of the financial penalty as required by the Authority, the Bank shall upon demand made by the Government in writing and without proof or conditions satisfy and discharge without cavil or delay the Bonded Sum Payable, provided that the aggregate liability of the Bank under this Performance Bond to the Government shall not exceed the Bonded Sum.

2.2 The obligations under this Performance Bond constitute direct primary, irrevocable and unconditional obligations of the Bank.

2.3 The Bank shall be discharged from all further liability under this Performance Bond after the Bank has paid the Bonded Sum Payable to the Government or the Bank is notified by the Authority that its liability under this Performance Bond is discharged.

2.4 This Performance Bond shall remain effective until the Bank has paid the Bonded Sum Payable to the Government or the Bank is notified by the Authority that its liability under this Performance Bond is discharged. In accordance with Clause 2.1 no demand may be made under this Performance Bond after [date] (1 year plus the expiry date of the Licence).

3. MAXIMUM LIMIT

The maximum amount for which the Bank shall be liable under this Performance Bond shall not exceed the aggregate of:

* To delete where appropriate

(a) the Bonded Sum; and

(b) the aggregate of all sums payable under clauses 4 and 7.

4. INTEREST AND COSTS

The Bank shall pay interest on the Bonded Sum Payable from the date of demand to the date of payment in full (both dates inclusive) compounded quarterly (both before and after judgment) at 2 per cent per annum over the prime rate quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time. The interest shall be payable on demand and accrue from day to day on the basis of the number of days elapsed and a 365-day year.

5. WAIVER OF DEFENCES

Subject to Clauses 2.3 and 2.4, the liability of the Bank under this Performance Bond shall remain in full force and effect and not be prejudiced, affected, discharged, impaired or diminished by any act, omission or circumstance which, but for this clause, might prejudice, affect, discharge, impair or diminish that liability including, without limitation, and whether or not known to the Bank:

(a) any time or waiver granted to, or release of or composition with, the Licensee or any other person;

(b) any suspension, cancellation, revocation, withdrawal, expiration or amendment of, or variation to, the Licence (including, without limitation, extensions of time for performance) or any concession or waiver by the Authority, the Government, the Chief Executive in Council, the Chief Executive or, without limitation, any other person in respect of the Licensee's obligations under the Licence;

(c) any forbearance or waiver of any right, power or remedy the Authority, the Government, the Chief Executive in Council or the Chief Executive or, without limitation any other person, may have against the Licensee;

(d) any act or omission of the Licensee pursuant to any other arrangement with the persons referred to in (c) above or with the Bank; or

(e) the liquidation, administration, dissolution, lack of capacity or authority, or any change in the name or constitution of the Licensee or the Bank.

6. ADDITIONAL SECURITY

This Performance Bond is in addition to and not in substitution for or prejudiced by any present and future guarantee, lien or other security held by the Government as security for the obligations of the Licensee. The Government's rights, powers and remedies under this Performance Bond are in addition to and not exclusive of those provided by law.

7. NO DEDUCTIONS AND TAXES

All sums payable under this Performance Bond shall be paid in full without set-off or counter-claim and free and clear of, and without deduction of or withholding for, or on account of, any present or future taxes, duties or other charges. If any payment is subject to any tax, duty or charge, or if the Bank is required by law to make any deduction or withholding, the Bank shall pay the tax, duty or charge and shall pay to the Government any additional amounts as shall result in the Government receiving a net amount equal to the full amount which it would have received had no payment, deduction or withholding been required.

8. PAYMENTS

All payments to be made by the Bank under this Performance Bond shall be made in immediately available funds in the currency and in the manner as the Government may specify.

9. WARRANTY

The Bank warrants that this Performance Bond constitutes its legally binding obligations enforceable in accordance with its terms (subject to

insolvency laws and creditors' rights generally and principles of equity) and does not conflict with any law, regulation or instrument binding on or relating to the Bank and that this Performance Bond is within its powers and has been duly authorized by it.

10. INFORMATION AND CONSENTS

The Bank shall:

(a) supply the Government with publicly available information as to itself and (if applicable) its subsidiaries as the Government may reasonably request;

(b) promptly obtain all official and other consents, licences and authorizations necessary or desirable for the entry into and performance of its obligations under this Performance Bond, whether or not performance has become due; and

(c) promptly notify the Government if the Bank ceases to be a Qualifying Bank. The Bank warrants that all consents, licences and authorizations required or desirable under existing law in accordance with this clause have been obtained.

11. NOTICES

11.1 All documents arising out of or in connection with this Performance Bond shall be served:

(a) on the Government, at 29th Floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong marked for the attention of the Office of the Communications Authority; and

(b) on the Bank, at its address stated in this Performance Bond.

11.2 The Government and the Bank may change their respective nominated addresses for service of documents to another address in Hong Kong by giving not less than five Business Days' prior written notice to each other. All notices, demands and communications must be in writing.

11.3 Any notice, demand or communication sent to the Government or the Bank as provided in this clause shall be deemed to have been given, if sent by post, two Business Days after posting (and in proving delivery it shall be sufficient to provide that the notice, demand or communication was properly addressed and put in the post), if delivered by hand, at the time of delivery or, if sent by facsimile, at the time of despatch.

12. ASSIGNMENTS

The Bank shall not assign, transfer, novate or dispose of any of its rights and obligations under this Performance Bond. The Government may assign all or any part of its rights and benefits under this Performance Bond at any time without the consent of the Licensee or the Bank.

13. REMEDIES AND WAIVERS

No delay or omission of the Government in exercising any right, power or remedy under this Performance Bond shall impair that right, power or remedy or constitute a waiver of it nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise of it or the exercise of any other right, power or remedy. The rights, powers and remedies provided in this Performance Bond are cumulative and not exclusive of any rights, powers or remedies which the Government would otherwise have.

14. GOVERNING LAW AND FORUM

14.1 This Performance Bond shall be governed by laws for the time being in force in Hong Kong and the Bank agrees to submit to the non-exclusive jurisdiction of the courts of Hong Kong.

14.2 The Bank irrevocably appoints [ ] of [ ] as its agent for service of process in connection with proceedings in the Hong Kong Courts and agrees that any process shall be sufficiently and effectively served on it if delivered to that agent at that address, or in any other manner permitted by law. Nothing in this clause is to limit right of the Government to take proceedings against the Bank in any other court of competent jurisdiction

but this provision applies only to the extent that it does not prejudice the above agreement as to the jurisdiction of the Hong Kong Courts.

14.3 The Bank irrevocably and generally consents in respect of any legal action or proceedings anywhere (whether for an injunction, specific performance, damages or otherwise) arising out of or in connection with this Performance Bond to the giving of any relief or the issue of any process in connection with it including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use or intended use) of any order (whether or not pre-judgment) or judgment which may be made or given there, and irrevocably and unconditionally waives, in any such action or proceedings anywhere, any immunity from that action or those proceedings, from attachment of its assets prior to judgment, other attachment of assets and from execution of judgment or other enforcement.

15. COUNTERPARTS

This Performance Bond may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Performance Bond.

IN WITNESS whereof this Performance Bond has been executed and delivered as a deed on the date which appears first on page 1.

THE COMMON SEAL of [ ]

was affixed hereto in

the presence of :-

_____

Director

_____

Director/Secretary

SCHEDULE 6

REQUIREMENTS APPLICABLE TO MCA SERVICE

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SCHEDULE 7

LOCATIONS OF MCA SERVICE

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(Gladys Ng)
for Communications Authority