

TELECOMMUNICATIONS ORDINANCE
(Chapter 106)

UNIFIED CARRIER LICENCE

DATE OF ISSUE: **30 June 2022** (replaced the Unified Carrier Licence (Licence No. 018) first issued on 22 October 2009 and replaced on 1 June 2011, 1 June 2013, 22 October 2016, 30 December 2019, 1 April 2020, 12 January 2021, 30 September 2021 and 30 December 2021, and the Unified Carrier Licence (Licence No. 068) issued on 25 April 2019)

SmarTone Mobile Communications Limited

of 31/F., Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Kowloon.

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

- (a) to provide a public telecommunications network service (the “service”), the scope of which is described in Schedule 1;
- (b) to establish and maintain a telecommunications network (the “network”) described in Schedule 2 to provide the service;
- (c) to possess and use the radiocommunications installations described in Schedule 3 to provide the service; and
- (d) to deal in, import 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.

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, 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.

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. CUSTOMER CHARTER

- 6.1 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.

7. CONFIDENTIALITY OF CUSTOMER INFORMATION

- 7.1 The licensee shall not disclose information of a customer except with the consent of the customer, which form of consent shall be approved by the Authority, except for the prevention or detection of crime or the apprehension or prosecution of offenders or except as may be authorized by or under any law.
- 7.2 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.

8. RECORDS AND PLANS OF NETWORK

- 8.1 The licensee shall keep records and plans (including overall network plans and cable route maps) of the telecommunications installation (including radiocommunications installation) and telecommunications nodes and exchanges, if any, provided under this licence and any other details concerning the network as may be reasonably required by the Authority, including but not limited to information from operational support systems, traffic flow information, and database information relating to the manner in which the network treats any communication ("network information").
- 8.2 As required by the Authority, the licensee shall make the network information 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.

9. CONTROL OF INTERFERENCE AND OBSTRUCTION

9.1 The licensee shall take reasonable measures to install, maintain and operate the service and the network 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.

9.2 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.

9.3 The Authority may give such reasonable directions as it thinks fit to avoid harmful interference or physical obstruction referred to in General Condition 9.1. The licensee shall comply with the directions.

10. (Repealed in July 2016, as per the Joint Statement of the Secretary and the Authority dated 10 March 2015, and the Telecommunications (Carrier Licences) (Amendment) Regulation 2016 enacted on 1 July 2016.)

11. COMPLIANCE

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

12. REQUIREMENTS OF RADIOCOMMUNICATIONS INSTALLATION

- 12.1 Each radiocommunications installation operated by or on behalf of the licensee shall be used only at the location 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.
- 12.2 The apparatus comprised in each radiocommunications installation shall at all times comply with such technical standards as may be issued by the Authority.
- 12.3 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.
- 12.4 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.
- 12.5 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.
- 12.6 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.

13. USE OF FREQUENCIES

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

14. SAFETY

14.1 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.

14.2 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.

15. PROHIBITION OF CLAIMS AGAINST GOVERNMENT

15.1 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 network due to works carried out by or on behalf of the Government which result in disturbance to the network.

16. INDEMNITY

16.1 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 network.

17. CONTRAVENTION BEYOND LICENSEE'S CONTROL

17.1 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.

17.2 Where the circumstances referred to in General Condition 17.1 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 7 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.

17.3 If the Authority is, after considering a report provided under General Condition 17.2, 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 that the licensee recommence the service within such reasonable period as the Authority may in writing direct. The licensee shall comply with such direction.

18. PUBLICATION OF LICENCE

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

SPECIAL CONDITIONS

1. COMPLIANCE WITH CODES OF PRACTICE

- 1.1. The licensee shall comply with 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.
- 1.2 Without limiting or affecting in any way the licensee's obligations under any other 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;
 - (d) calling line identification and other calling line identification related services; and
 - (e) correct, efficient and reliable operation of telecommunications.
- 1.3 Before issuing any code of practice or guideline referred to in Special Condition 1.2, the Authority shall carry out such consultation as is reasonable in all the circumstances of the case.
- 1.4 Without limiting the generality of Special Condition 1.2(d), the code of practice or guideline 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.

2. PURCHASE OF ASSETS

2.1 If a licensee is (1) in a dominant position (within the meaning defined in section 2 of the Ordinance) in the relevant telecommunications market; or (2) subject to a universal service obligation specified under the Ordinance, the Government may elect to take over the licensee's undertaking and purchase all or part of its assets if any of the following circumstances occur –

- (i) this licence expires;
- (ii) this licence is revoked;
- (iii) the licensee goes into liquidation; or
- (iv) the licensee ceases to carry on business,

provided that if the Government elects to do so, it shall give notice in writing not later than 90 days in advance of the expiry of this licence, or immediately upon revocation of this licence or within a reasonable time of the happening of the events at Special Condition 2.1(iii) or 2.1(iv).

2.2 The selling price shall be agreed between the Government and the licensee on the basis of the fair market value of those assets at the time of acquisition determined on the basis that this licence remains in force and that the network is continuing to be used for the provision of the service. If no agreement can be reached between the Government and the licensee, the matter shall be settled by arbitration in accordance with the provisions of the Arbitration Ordinance (Cap. 609).

2.3 For the purpose of Special Condition 2.1,

- (1) where the licensee is in a dominant position in the relevant telecommunications market, the undertaking and assets of the licensee shall be the relevant undertaking and assets of the licensee in relation to its dominant position in that relevant telecommunications market; and
- (2) where the licensee is subject to a universal service obligation, the undertaking and assets of the licensee shall be the relevant

undertaking and assets of the licensee in relation to its operation that is subject to the universal service obligation.

3. REQUIREMENTS FOR INTERCONNECTION

- 3.1 The licensee shall interconnect its service and network with the services and networks of other unified carriers licensed under the Ordinance and, where directed by the Authority, interconnect its service and network with telecommunications networks and services of a type mentioned in section 36A(3D) of the Ordinance. The licensee shall interconnect its service and network with the services and networks of other interconnecting parties under this Special Condition to ensure any-to-any connectivity, i.e. any customer in any one network can have access to any other customer in any interconnecting network and, where directed by the Authority, to any service offered in any interconnecting network.
- 3.2 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.
- 3.3 The licensee shall provide facilities and services reasonably necessary for the prompt and efficient interconnection of the service and the network with the telecommunications networks or services of the other entities referred to in Special Condition 3.1. 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;
 - (b) those necessary to establish, operate and maintain points of interconnection between the licensee's network and the networks 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.

4. NUMBERING PLAN AND NUMBER PORTABILITY

- 4.1 The licensee shall comply with the numbering plan made or approved by the Authority and any directions given by the Authority in respect of the numbering plan.
- 4.2 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.
- 4.3 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.
- 4.4 The licensee shall, in such manner as the Authority may direct, facilitate the portability of numbers assigned to any customer of any unified carrier licensee, services-based operator, 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 any other unified carrier licensee, services-based operator, mobile virtual network operator or any other licensee, as the case may be.
- 4.5 Directions by the Authority under Special Condition 4.4 include reasonable directions concerning,
 - (a) compliance with Special Condition 4.4 by the licensee at the licensee's own expenses, or by equitably sharing all relevant costs associated with providing portability of numbers as

between the licensee, any other unified carrier licensee, services-based operator, mobile virtual network operator or any other licensee, as the case may be; and

(b) facilitation of portability of numbers through such technical arrangement (including but not restricted to a centralized database) as may be specified by the Authority, in co-operation with other parties sharing or maintaining the technical arrangement at such costs as may be directed under Special Condition 4.5(a).

4.6 For the purposes of this Special Condition, “portability of numbers” means the function of the network and the 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.

4.7 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.

4.8 Where the licensee is unable to agree with another licensee pursuant to Special Condition 4.7 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.

4.9 For the purposes of Special Conditions 4.7 and 4.8,

“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.

5. ACCOUNTING PRACTICES

5.1 Where directed by the Authority in writing, the licensee shall implement such accounting practices as specified by the Authority. Such accounting practices are to be consistent with generally accepted accounting practices, where applicable, and may include (but are not limited to) accounting practices which allow for the identification of the costs and charges for different services or types or kinds of services.

6. REQUIREMENT TO FURNISH INFORMATION TO THE AUTHORITY

6.1 The licensee shall furnish to the Authority, in such manner and at such times as the Authority may request in writing, such information relating 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. Information referred to in this condition includes but is not limited to such information as is listed in Schedule 4.

6.2 Subject to Special Condition 6.3 the Authority may use and disclose information to such persons as the Authority thinks fit.

6.3 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.

7. TARIFFS

7.1 The licensee shall publish and charge no more than the tariffs for the service operated under this licence. The tariffs shall include the terms, as defined under section 7F(2) of the Ordinance, for the provision of the service.

7.2 Publication of a tariff shall be effected by publication in the website of the licensee on or before the date on which the tariff becomes effective.

7.3 The Authority may by direction in writing, for such period and on such conditions as the Authority may determine, direct that Special Condition 7.2 shall not apply to the licensee.

8. (Removed in August 2020.)

9. BILLING AND METERING ACCURACY

- 9.1 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.
- 9.2 At the written request of the Authority or at regular intervals to be specified by the Authority, the licensee shall conduct tests on its 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 relevant test or such other longer period as the Authority may determine.
- 9.3 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 as soon as reasonably practical following a written request from the Authority.

10. PROVISION OF SERVICE

- 10.1 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 7 (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.
- 10.2 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 7 where the service can reasonably be provided by the licensee to the customer utilizing the licensee's network in place at the time of the request.
- 10.3 The licensee shall not unreasonably delay or refuse to provide the service, or impose onerous conditions on the provision of the service,

to any customer who owns or operates apparatus of a type which is approved by the Authority and conforms with the technical and performance standards specified in Schedule 3 to this licence. In particular (but without limiting the generality of the foregoing), the licensee shall not discriminate against any customer whose apparatus was acquired other than from the licensee.

- 10.4 The licensee shall seek the prior written consent of the Authority and make proper and appropriate arrangements for the affected customers to the satisfaction of the Authority before ceasing to provide a generation of mobile service.

11. DIRECTORY INFORMATION AND DIRECTORY INFORMATION SERVICE

- 11.1 For the purposes of this Special Condition –

- (a) “directory information” means information obtained by the licensee in the course of the provision of services under this licence concerning or relating to all or any of 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 for the purpose of Special Conditions 11.6, 11.7 and 11.8 relating to customers other than customers who request that directory information about them not to be disclosed.

- 11.2 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 English language in alphabetical order, or in Chinese language in order of the number of strokes, or in such other language in an appropriate order as is kept by the licensee, and does not apply to classified directories where customers are listed by business or trade category or to other business or specialised directories.

- 11.3 Subject to compliance with the Personal Data (Privacy) Ordinance (Cap. 486), General Condition 7 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 relating to them not to be disclosed (“the telephonic directory service”).
- 11.4 The printed directory and the telephonic directory service provided under Special Condition 11.3 shall be made available free of charge, unless approved otherwise by the Authority, to all of the licensee’s customers and shall be provided in a manner satisfactory to the Authority.
- 11.5 The licensee is permitted to make commercial arrangements with one or more of the other licensees who have the obligation to provide directory information, to co-operate in the provision jointly by them of either or both of the printed directory and the telephonic directory service which the licensee is required to provide under Special Condition 11.3.
- 11.6 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 utilize a unified directory database, containing directory information as directed by the Authority, except for those customers who request that directory information about them not to be disclosed. Subject to compliance with the Personal Data (Privacy) Ordinance (Cap. 486), General Condition 7 and any applicable law, the licensee shall, as directed by the Authority, provide, and regularly update, raw directory

information, for which the licensee will be able to impose a reasonable charge, if applicable, to fairly compensate it for providing the raw directory information. The licensee shall endeavour to agree with each of the other licensees on a reasonable mode of exchange and transmission format for the raw directory information.

- 11.7 Where the licensee is unable to agree with another licensee pursuant to Special Condition 11.6 on what amounts to fair compensation for provision of, or the reasonable mode of exchange and transmission format of, raw directory information, 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 require, any costs or expenses incurred by the Authority, including, without limitation, staff costs and expenses, and the financing of liabilities paid out of the Office of the Communications Authority Trading Fund in respect of such a determination or determination process.
- 11.8 Except with the prior written approval of the Authority, the licensee shall not make use of raw directory information provided by another licensee other than for discharging its obligations under this Special Condition.
- 11.9 This Special Condition does not apply to the services described in Schedule 7 provided that -
- (a) the licensee (and where appropriate its agents, contractors and resellers) declares such service, in all promoting, marketing or advertising materials concerning such 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
 - (b) the licensee complies with such conditions as may be specified by the Authority in a direction that may be issued by the Authority.

12. EMERGENCY SERVICE

- 12.1 Where the licensee provides the services described in Schedule 7, 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 network of the licensees, communicate as quickly as practicable with the Hong Kong Police Emergency Centre or other entities as directed by the Authority to report an emergency.
- 12.2 The licensee shall not charge for the use of the public emergency services described in Special Condition 12.1.
- 12.3 Unless otherwise directed by the Authority, emergency messages sent by a person using compatible apparatus connected to the network of the licensee shall be treated by the licensee on an equal basis irrespective of whether or not such apparatus has been registered as that of a customer of the licensee.
- 12.4 Where the licensee provides a public emergency service pursuant to Special Condition 12.1, 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 the 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 services, 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.
- 12.5 Where the licensee provides a Short Message Service, the public emergency service referred to under Special Conditions 12.1, 12.2 and 12.4 shall include the Short Message Service.

13. RECORDS AND PLANS OF THE NETWORK

- 13.1 The Authority may disclose the network information in accordance with section 7I(3) of the Ordinance.
- 13.2 The licensee shall, at the reasonable request of any other licensee under the Ordinance if so authorized by the Authority, give reasonable access to its network information for the facilitation of network planning, maintenance and reconfiguration required for the purposes of Special Condition 3 and section 36AA of the Ordinance. The licensee shall be permitted to charge the requesting party so as to be fairly compensated for the reasonable relevant costs incurred in the provision of such network information.
- 13.3 Where the licensee and any other licensee that has requested access to the network information in accordance with Special Condition 13.2 are unable to agree what amounts to reasonable access (including confidentiality requirements and fair compensation for the reasonable relevant costs incurred) or a reasonable request, the matter at issue may be referred by either the licensee or the other licensee to the Authority for determination. The licensee shall pay to the Authority, as it may require, any costs or expenses incurred by the Authority, including, without limitation, staff costs and expenses, and the financing of liabilities paid out of the Office of the Communications Authority Trading Fund in respect of such a determination or determination process.

14. NETWORK LOCATION

- 14.1 The licensee shall keep accurate records of the location of the network installed under, in, over or upon any land.
- 14.2 The licensee shall mark or otherwise identify every wire laid or telecommunications installation installed by the licensee or any contractor on its behalf throughout the course of the wire, or at the location of the installation, so as to distinguish it from any other wire or telecommunications installation laid or installed in Hong Kong.

- 14.3 The licensee shall provide, at such intervals as the Authority may determine, distinguishable surface markers of the underground position of the network.

15. CHANGES TO THE NETWORK

- 15.1 For the purposes of this licence, a change in the network is a material change where the implementation of the change would result in the network no longer being in compliance with any relevant technical standard which the Authority has power to issue.

- 15.2 The licensee shall notify the Authority of any proposals for material changes to the network and provide it with such information as the Authority reasonably requires.

- 15.3 The licensee shall not, without the prior consent in writing of the Authority, make any material changes which might reasonably be anticipated by the licensee to affect -

- (a) any telecommunications service or installation connected to the network;
- (b) a person producing or supplying telecommunications apparatus for connection to the network;
- (c) a licensee under the Ordinance;
- (d) a licensee under the Broadcasting Ordinance (Cap. 562); or
- (e) a customer or a consumer of goods and services provided by any person or entity,

if the change is in the opinion of the Authority likely to require modifications or replacements to, or cessation in the production or supply of any of the telecommunications apparatus involved, or if the proposed alteration would require substantial network reconfiguration or rerouting.

- 15.4 The licensee shall prepare and publish, after consultation with the Authority, its procedures for consulting with and giving notice to persons likely to be affected materially by changes to its network which are required to be notified in accordance with Special Condition 15.2 and any other changes required to be notified pursuant to any technical standard which the Authority has power to issue. Subject to approval of the Authority, the notification procedures to each of the classes of persons likely to be affected under Special Condition 15.3 may differ having regard to the practicality and costs of notifying them.

16. REQUIREMENTS FOR ROAD OPENING

- 16.1 The licensee shall co-ordinate and co-operate with any other unified carrier licensee under the Ordinance and any other authorized person in respect of road openings and shall, after being consulted by the Authority, comply with any guidelines issued by the Authority.

- 17 – 20.** (Removed as per the Joint Statement of the Secretary and the Authority dated 10 March 2015.)

21. WITHDRAWAL AND RETURN OF FREQUENCIES

- 21.1 Without prejudice to the generality of section 32H of the Ordinance, the Authority may by notice in writing withdraw any frequency previously assigned to the licensee if in the opinion of the Authority the licensee is not making efficient use of that frequency or in exceptional circumstances including where the public interest or international obligations of the Government so require, there is a serious breach of spectrum assignment conditions or serious interference between legitimate spectrum users has to be resolved or minimised.
- 21.2 The licensee may, subject to prior consent of and conditions specified by the Authority, return any frequency previously assigned to it.

22. UNIVERSAL SERVICE CONTRIBUTION

- 22.1 Where directed by the Authority, the licensee shall pay to one or more unified carrier licensees or other licensees with a universal service obligation, 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.
- 22.2 Any universal service contribution shall be subject to periodic 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 a periodic review, the Authority may 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.
- 22.3 For the purpose of Special Condition 22, the following definitions shall apply –
- (a) Universal service contribution is that sum calculated in accordance with a formula adopted periodically 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 and the conditions of its licence, and to provide that basic service in such manner.

23. CIRCUMSTANCES OUTSIDE LICENSEE'S CONTROL

23.1 For the avoidance of doubt, General Condition 17.1 of this licence shall apply to these special 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 these special conditions may be met.

23.2 In exercising its discretion under Special Condition 23.1 with respect to any of the special conditions of this licence, 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 special condition.

24. INSURANCE

24.1 Throughout the currency of this licence, the licensee shall have and maintain a valid insurance policy with a reputable insurance company to cover its third party liabilities in respect of personal injury, death and damage to property, arising out of or in connection with the installation, maintenance and operation of the network or provision of the service. The amount of insurance shall be at least HK\$10,000,000 per occurrence or such sum as the Authority may notify in writing in future.

25. USE OF PUBLIC FACILITIES FOR PROVISION OF SERVICES

25.1 Without limiting or affecting in any way the licensee's obligations under any other condition of this licence, the licensee shall comply with any guidelines or codes of practice which may be issued by the Authority from time to time for the purpose of providing practical guidance to the licensee in respect of the use of Government facilities, facilities on Government property and unleased Government land and other facilities serving the general public for the provision of services under this licence.

26. LOCATION SERVICES

26.1 Without affecting the generality of General Condition 7, “information of a customer” referred to in General Condition 7.1 and “information provided by its customers or obtained in the course of provision of service to its customers” referred to in General Condition 7.2 shall include any information concerning the locations of customers obtained in the course of provision of the service.

26.2 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.

27. PROVISION OF SERVICE TO SUSPECTED STOLEN RADIOCOMMUNICATIONS APPARATUS

27.1 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.

28. BACKUP POWER SUPPLY

28.1 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.

28.2 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.

28.3 Where no backup power supply is available in such manner as described in Special Condition 28.2, the licensee is deemed to have complied with Special Condition 28.2 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.

28.4 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.

29. PAYMENT OF SPECTRUM UTILIZATION FEE

29.1 The licensee shall pay Spectrum Utilization Fees for spectrum assigned to the licensee as designated by the Authority by order and at such level or according to the method of determining the Spectrum Utilization Fees as prescribed by the Secretary by regulation. The licensee shall pay the Spectrum Utilization Fees to the Authority during the period while this licence remains in force. If the licensee fails to make the payment concerned when due, the Authority may charge interest on any overdue amount from the date on which the relevant amount is due until the date of actual payment (both days inclusive) at a rate determined by the Authority to compensate it for the payment being overdue.

29.2 Subject to Special Condition 29.1, the licensee shall pay the following Spectrum Utilization Fees in accordance with Schedule 9:

- (a) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 4 of Schedule 3;
- (b) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 5 of Schedule 3;
- (c) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 13 of Schedule 3;
- (d) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 14 of Schedule 3;
- (e) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 15 of Schedule 3;
- (f) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 16 of Schedule 3; and
- (g) Spectrum Utilization Fee for frequencies assigned as specified in paragraph 17 of Schedule 3.

29.3 On the date of issue of this licence, the licensee shall have paid the Spectrum Utilization Fees for use of the spectrum specified in paragraphs 1, 2, 3 and 7 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fees and assigned to the licensee, at such level as determined by auction or as prescribed by the Secretary under the Ordinance.

30. PROVISION OF INFORMATION TO CUSTOMERS

30.1 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.

31. ROLLOUT OF NETWORK

- 31.1 Save with the prior approval of the Authority in writing, the licensee shall comply with the network and service rollout requirement described in Schedule 8.
- 31.2 The licensee shall provide such information in such manner and at such times as the Authority may require to demonstrate its compliance with Special Condition 31.1.

31A. PERFORMANCE BOND(S) FOR FREQUENCIES ASSIGNED AS SPECIFIED IN PARAGRAPHS 1, 2, 3, 5.1(b), 7.1(b), 12, 13, 14, 15, 16 AND 17 OF SCHEDULE 3 FOR THE NETWORK AND SERVICE ROLLOUT REQUIREMENT

- 31A.1 On the date of issue of this licence, the licensee shall have provided to the Authority duly issued performance bonds, each for the frequencies assigned in each of paragraphs 1, 2, 3, 5.1(b), 7.1(b), 12, 13, 14, 15, 16 and 17 of Schedule 3, where applicable, in favour of the Government in Hong Kong dollars in the amounts, on the Milestone and with the Deadline for Compliance stipulated in the Annexe to the performance bond appearing in the relevant Schedule –

- (a) Annexe 1 to Schedule 12 for frequencies assigned as specified in paragraph 3 of Schedule 3;
- (b) Annexe 2 to Schedule 12 for frequencies assigned as specified in paragraph 1 of Schedule 3;
- (c) Annexe 2 to Schedule 12 for frequencies assigned as specified in paragraph 2 of Schedule 3;
- (d) Annexe 3 to Schedule 12 for frequencies assigned as specified in paragraph 7.1(b) of Schedule 3;
- (e) Annexe to Schedule 11 for frequencies assigned as specified in paragraph 12 of Schedule 3;
- (f) Annexe 4 to Schedule 12 for frequencies assigned as specified in paragraph 13 of Schedule 3;
- (g) Annexe 5 to Schedule 12 for frequencies assigned as specified in paragraph 14 of Schedule 3;
- (h) Annexe 6 to Schedule 12 for frequencies assigned as specified in paragraph 5.1(b) of Schedule 3;
- (i) Annexe 7 to Schedule 12 for frequencies assigned as specified in paragraph 15 of Schedule 3;
- (j) Annexe 8 to Schedule 12 for frequencies assigned as specified in paragraph 16 of Schedule 3; and
- (k) Annexe 9 to Schedule 12 for frequencies assigned as specified in paragraph 17 of Schedule 3.

31A.2 The performance bonds to be submitted pursuant to Special Condition 31A.1 shall be in the form appearing in the relevant Schedule with only such amendments thereto as may previously have been agreed in writing by the Authority.

31A.3 The performance bonds to be submitted pursuant to Special Condition 31A.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 the prior written approval of the Authority. For the purposes of Special Condition 31A.3, “Qualifying Bank” means an institution holding a full banking licence under the Banking Ordinance (Cap. 155) whose long term issuer rating is, or is higher than:

(a) one or more of the following:

(i) Moody’s A2;

(ii) Standard & Poor’s A; or

(iii) Fitch Ratings’ A;

OR

(b) a rating of a body other than a body listed in paragraph (a) which, in the opinion of the Authority, is equivalent to one or more of the ratings listed in that paragraph.

31A.4 Notwithstanding any other conditions of this licence:

(a) upon failure by the licensee to provide or maintain any 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 performance;

(b) any rights of or claim by the Government under any performance bond(s) 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.

31A.5 The licensee shall upon demand by the Authority in writing submit proof in a form satisfactory to the Authority by a date specified by the Authority that it has complied with the Milestone by the Deadline for Compliance as specified in the Annexe to the performance bond shown in Schedules 11 and 12. In the event the licensee fails to comply with the Milestone by the Deadline for Compliance as specified in the Annexe to the performance bond, the Government may in writing demand the Qualifying Bank or other surety to satisfy and discharge the bonded sum and any other sums as specified in the performance bond.

31A.6 All references to “Government” in Special Condition 31A shall be construed as the Government of the Hong Kong Special Administrative Region as represented by the Office of the Communications Authority.

31A.7 For avoidance of doubt, the liability under any performance bond submitted pursuant to Special Condition 31A shall not be prejudiced, affected, discharged, impaired or diminished by any performance or enforcement of or under any other performance bond(s) submitted pursuant to Special Conditions 31A and 31B.

31B. PERFORMANCE BOND(S) FOR THE FREQUENCIES SPECIFIED IN PARAGRAPHS 4, 5, 13, 14, 15, 16 AND 17 OF SCHEDULE 3 FOR THE PAYMENT OF SPECTRUM UTILIZATION FEE

31B.1 On the date of the assignment of the frequencies specified in each of paragraphs 4, 5, 13, 14, 15, 16 and 17 of Schedule 3, the licensee shall have provided to the Authority duly issued performance bond(s) in favour of the Government in Hong Kong dollars in respect of the Relevant Amount of the Spectrum Utilization Fee.

31B.2 The licensee shall at all times when any of the Spectrum Utilization Fee remain payable in accordance with Special Conditions 29.2(a), 29.2(b), 29.2(c), 29.2(d), 29.2(e), 29.2(f) and 29.2(g) maintain in full force a five-year rolling performance bond for an aggregate amount

equal to the Relevant Amount for the frequencies specified in each of paragraphs 4, 5, 13, 14, 15, 16 and 17 of Schedule 3. For the purpose of this Special Condition, “Relevant Amount” means the aggregate of the next 5 instalments of the relevant Spectrum Utilization Fee payable by the licensee (or where there are less than 5 remaining instalments of the Spectrum Utilization Fee, the total amount of all the remaining instalments). The licensee shall provide to the Authority the relevant performance bond on or before each of the anniversary of the assignment of the frequencies.

31B.3 The performance bonds pursuant to Special Conditions 31B.1 and 31B.2 shall be in the form appearing in Schedule 13 with only such amendments thereto as may previously have been agreed in writing by the Authority.

31B.4 The performance bonds to be submitted pursuant to Special Conditions 31B.1 and 31B.2 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 the prior written approval of the Authority. For the purposes of Special Condition 31B.4, “Qualifying Bank” means an institution holding a full banking licence under the Banking Ordinance (Cap. 155) whose long term issuer rating is, or is higher than:

(a) one or more of the following:

(i) Moody’s A2;

(ii) Standard & Poor’s A; or

(iii) Fitch Ratings’ A;

OR

(b) a rating of a body other than a body listed in paragraph (a) which, in the opinion of the Authority, is equivalent to one or more of the ratings listed in that paragraph.

31B.5 Notwithstanding any other conditions of this licence:

- (a) upon failure by the licensee to provide or maintain any 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 performance;
- (b) any rights of or claim by the Government under the performance bond(s) 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.

31B.6 All references to “Government” in Special Condition 31B shall be construed as the Government of the Hong Kong Special Administrative Region as represented by the Office of the Communications Authority.

31B.7 For the avoidance of doubt, the liability under any performance bond submitted pursuant to Special Condition 31B shall not be prejudiced, affected, discharged, impaired or diminished by any performance or enforcement of or under any other performance bond(s) submitted pursuant to Special Conditions 31A and 31B.

31B.8 The licensee shall maintain the performance bond(s) in accordance with this Special Condition notwithstanding that the period of validity of this licence has expired if any of the Spectrum Utilization Fees remain payable but unpaid in accordance with Special Condition 29.2.

32. DISPOSAL OF ASSETS

32.1 If a licensee is (1) in a dominant position (within the meaning defined in section 2 of the Ordinance) in the relevant telecommunications market; or (2) subject to a universal service obligation specified under the Ordinance; or (3) required to pay spectrum utilization fee as

prescribed under the Ordinance for the provision of mobile or wireless carrier services under this licence, unless with the prior written consent of the Authority (which consent shall not be unreasonably withheld or delayed), the licensee shall not during the validity period of this licence dispose or agree to dispose of any interest (as determined in accordance with Special Condition 32.2) in the assets or undertaking of the licensee which, cumulatively with the value of any and all disposals or agreements to dispose of interests in those assets or undertaking prior to the disposal or agreement in question and after the date of issue of this licence, exceeds 15% as at the date of the disposal or agreement in question of the net asset value of the licensee (as determined in accordance with Special Condition 32.2).

- 32.2 The value of any interest or undertaking, and the net asset value, of the licensee shall be determined by a certified public accountant (practising) (being one who has the qualifications as prescribed under the Professional Accountants Ordinance (Cap. 50)) as may be nominated, or whose appointment by the licensee is agreed in writing, by the Authority.
- 32.3 In the event of any dispute between the Authority and the licensee as to the value of the interest, undertaking or the net asset value referred to in Special Condition 32.1, the matter shall be settled by arbitration in accordance with the provisions of the Arbitration Ordinance (Cap. 609).
- 32.4 For the purpose of Special Condition 32.1,
- (1) where the licensee is in a dominant position in the relevant telecommunications market, the interest in the assets or undertaking of the licensee shall be the relevant interest in the assets or undertaking of the licensee in relation to its dominant position in that relevant telecommunications market;
 - (2) where the licensee is subject to a universal service obligation, the interest in the assets or undertaking of the licensee shall be the relevant interest in the assets or undertaking of the licensee in relation to its operation that is subject to the universal service obligation; and

- (3) where the licensee is required to pay spectrum utilization fee as prescribed under the Ordinance for the provision of mobile or wireless carrier services under this licence, the interest in the assets or undertaking of the licensee shall be the relevant interest in the assets or undertaking of the licensee in relation to its operation that is subject to the payment of spectrum utilization fee for the provision of mobile or wireless carrier services under this licence.

33. ACCESS TO BUILDINGS

- 33.1 The licensee shall not enter into any agreement, arrangement or understanding, whether legally enforceable or not, with any person, or receive any unfair advantage from a business carried on by it or any other person (whether associated or affiliated with it or not), which, in the opinion of the Authority, has or is likely to have the purpose or effect of preventing or restricting fair and non-discriminatory access to any buildings for the installation, operation or maintenance of any cables, equipment or network for the provision of service similar to the service by other operators licensed by the Authority.
- 33.2 The licensee shall comply with any guidelines or codes of practice that may from time to time be issued by the Authority for the facilitation and coordination of fair, non-discriminatory and orderly access to buildings for the installation, operation or maintenance of any cables, equipment or network for the provision of the service and other services similar to the service by other operators licensed by the Authority.
- 33.3 Without prejudice and in addition to section 18 of the Ordinance and General Condition 9, the licensee shall not, in providing, establishing, operating, adjusting, altering, replacing, removing or maintaining any telecommunications line or telecommunications installation in, over or upon any land for the purposes of this licence, obstruct, interfere with, or cause or permit damage to, any other telecommunications line or telecommunications installation, or means of telecommunications or telecommunications service or any gas or water pipe or main or any

drain or sewer or any tube, casing, duct, wire or cable for the carriage of electrical current.

34. CHANNELS WITHIN IN-BUILDING COAXIAL CABLE DISTRIBUTION SYSTEMS

- 34.1 Subject to Special Conditions 34.2, 34.3, 34.4, 34.5, 34.6 and 34.7, the service operated over the in-building coaxial cable distribution systems (“IBCCDS”) of the network shall use only such channels as may from time to time be assigned by the Authority and for such purposes and under such conditions as may be specified by the Authority by notice in writing to the licensee.
- 34.2 The licensee shall accept that regulation of the use of channels within the IBCCDS of the network by the Authority is necessary because of the limitation in the number of channels available and the existence of competing demand for the channels.
- 34.3 The Authority may at any time, by giving not less than 12 months’ notice in writing to the licensee, require it upon such date as may be specified in the notice to cease using any channel previously assigned to it to carry the service, if having given the licensee sufficient opportunities to make representations, the Authority forms the opinion that the licensee is not making efficient use of that channel.
- 34.4 The Authority may at any time, by giving not less than 12 months’ notice in writing to the licensee, require it upon such date as may be specified in the notice to vary the purposes for which and the conditions under which the channels are to be used.
- 34.5 The Authority may at any time, by giving not less than 12 months’ notice in writing to the licensee, require it upon such date as may be specified in the notice to cease using any channel previously assigned to it by the Authority to carry the service and to use such new channel at its own expenses as the Authority may assign.
- 34.6 The licensee shall comply with any notice that may from time to time be issued by the Authority under Special Condition 34.

- 34.7 The licensee shall comply with the guidelines and codes of practice issued by the Authority from time to time on the use of the IBCCDS channels.

35. INTERPRETATION

- 35.1 For the avoidance of doubt and for the purposes of these Special Conditions –

“mobile virtual network operator” or “MVNO” means an operator which holds a licence for provision of mobile virtual network operator services;

“Notice dated 10 December 2010” means the Notice dated 10 December 2010 issued by the Authority in exercise of its powers conferred by section 32I of the Ordinance and the Telecommunications (Determining Spectrum Utilization Fees by Auction) Regulation (Cap. 106AC) and all other powers enabling it to specify the terms and conditions of the auction and the payment of the Spectrum Utilization Fees;

“Notice dated 21 December 2012” means the Notice dated 21 December 2012 issued by the Authority in exercise of its powers conferred by section 32I of the Ordinance and the Telecommunications (Determining Spectrum Utilization Fees by Auction) Regulation (Cap. 106AC) and all other powers enabling it to specify the terms and conditions of the auction and the payment of the Spectrum Utilization Fees;

“Notice dated 19 September 2014” means the Notice dated 19 September 2014 issued by the Authority in exercise of its powers conferred by section 32I of the Ordinance and the Telecommunications (Determining Spectrum Utilization Fees by Auction) Regulation (Cap.106AC) and all other powers enabling it to specify the terms and conditions of the auction and the payment of the Spectrum Utilization Fees;

“Notice dated 21 September 2018” means the Notice dated 21 September 2018 issued by the Authority in exercise of its powers

conferred by section 32I of the Ordinance and the Telecommunications (Determining Spectrum Utilization Fees by Auction) Regulation (Cap. 106AC) and all other powers enabling it to specify the terms and conditions of the auction and the payment of the Spectrum Utilization Fees;

“Notice(s) dated 19 July 2019” means the Notices dated 19 July 2019 in relation to the use of the frequency blocks in the 3.3 – 3.4 GHz band and the 3.4 – 3.6 GHz band respectively, issued by the Authority in exercise of its powers conferred by section 32I of the Ordinance and the Telecommunications (Method for Determining Spectrum Utilization Fee) (Spectrum for Auction) Regulation (Cap. 106AG) and all other powers enabling it to specify the terms and conditions of the respective auctions and the payment of the respective Spectrum Utilization Fees;

“Notice dated 30 July 2021” means the Notice dated 30 July 2021 issued by the Authority in exercise of its powers conferred by section 32I of the Ordinance and the Telecommunications (Method for Determining Spectrum Utilization Fee) (Spectrum for Auction) Regulation (Cap. 106AG) and all other powers enabling it to specify the terms and conditions of the auction and the payment of the Spectrum Utilization Fees;

“Secretary” has the meaning given in section 2 of the Ordinance;

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

“Spectrum Utilization Fees” has the meaning given in the following regulations, as the case may be:

- (i) the Telecommunications (Determining Spectrum Utilization Fees by Auction) Regulation (Cap. 106AC);
- (ii) the Telecommunications (Method for Determining Spectrum Utilization Fee) (Administratively Assigned Spectrum in the 1.9 – 2.2 GHz Band) Regulation (Cap. 106AD);

(iii) the Telecommunications (Method for Determining Spectrum Utilization Fee) (Spectrum for Auction) Regulation (Cap. 106AG); and

“transaction” means any transaction, operation or scheme whether or not such transaction, operation or scheme is enforceable, or intended to be enforceable, by legal proceedings.

35.2 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.

35.3 The singular includes the plural and vice versa.

36. SERVICE CONTRACTS AND DISPUTE RESOLUTION

36.1 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.

36.2 The contracting requirements referred to in Special Condition 36.1 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.

36.3 Before issuing any code of practice for the purposes of Special Condition 36.1, the Authority shall carry out such consultation as is reasonable in the circumstances.

37. SHARED USE OF FREQUENCIES

37.1 The use of the frequencies assigned as specified in paragraphs 9 and 11 of Schedule 3 is shared with other users and applications in an uncoordinated manner. Therefore, the use of the frequencies is not protected from any interference caused by other telecommunications installations or radio equipment operating in accordance with the provisions of the Ordinance, or regulations or orders made under the Ordinance.

38 – 43. (Reserved.)

44. REGISTRATION FOR PUBLIC WIRELESS LOCAL AREA NETWORK SERVICES

44.1 Where the licensee provides public wireless local area network services, it shall register the following information with the Authority before the commencement of services –

- (a) the location in which the radiocommunications apparatus is established or maintained; and
- (b) the frequency band employed by the radiocommunications apparatus.

44.2 The licensee shall update the registered information provided under Special Condition 44.1 before putting into effect any change to the registered details.

- 44.3 The licensee shall notify the Authority within one month after ceasing to provide public wireless local area network services.

45. JOINT AND SEVERAL RIGHTS AND OBLIGATIONS

- 45.1 Where this licence is held by more than one company,
- (a) Each of the companies shall hold this licence jointly and shall not be treated as holding a separate licence.
 - (b) Each of the companies holding this licence shall have the rights and duties to carry out activities permitted under this licence and shall be jointly and severally liable for any duties, obligations and liabilities imposed by this licence.
 - (c) Each of the companies holding this licence shall be jointly and severally subject to all regulations and ordinances in force from time to time.

46. GROUP COMPANIES REQUIREMENT

- 46.1 Where the licence is held by more than one company, each of the companies licensed herein shall throughout the currency of this licence remain wholly and beneficially owned within the same group of companies within the meaning of the Companies Ordinance (Cap. 622). Such requirement may upon request of the licensee be waived at the discretion of the Authority.

47. COMPLIANCE WITH AUCTION RULES

- 47.1 The licensee shall comply with all the terms and conditions of the Notices respectively dated 10 December 2010, 21 December 2012, 19 September 2014, 21 September 2018, 19 July 2019 and 30 July 2021 including all the undertakings given by the licensee in its Bidder Compliance Certificate(s) submitted in the auction(s).

47.2 If the licensee is found, to the reasonable satisfaction of the Authority, to have been involved in an act, or omission of any act, constituting a breach of the terms and conditions of the Notices respectively dated 10 December 2010, 21 December 2012, 19 September 2014, 21 September 2018, 19 July 2019 and 30 July 2021 issued by the Authority, and the undertakings given by the licensee in its Bidder Compliance Certificate(s), then the Authority may cancel, withdraw or suspend this licence or the assignment of the relevant frequency band made under this licence. For the avoidance of doubt, the Authority's power to cancel, withdraw or suspend this licence or the assignment of the relevant frequency band is without prejudice, and in addition, to any rights or remedies of the Authority under any performance bond submitted by the licensee pursuant to this licence or its replacement and any other rights or remedies of the Authority, the Chief Executive, the Chief Executive in Council under this licence, the Ordinance, any regulations made under the Ordinance or any other law.

48. USE OF PAYPHONE KIOSKS FOR PROVISION OF PUBLIC TELECOMMUNICATIONS SERVICES

48.1 Without limiting or affecting in any way the licensee's obligations under any other condition of this licence, the licensee shall comply with any guideline or code of practice which may be issued by the Authority from time to time for the purpose of providing practical guidance in respect of the use of payphone kiosks for provision of public wireless local area network services, public mobile radiocommunications services and/or other public telecommunications services (collectively hereinafter referred to as "public telecommunications services").

48.2.1 Where the licensee is required, under the formula adopted by the Authority in calculating the universal service contribution under Special Condition 22.3(a), to pay a fee for the purpose of universal service contribution for using payphone kiosks for provision of the public telecommunications services, the Authority may review and determine from time to time such fee.

48.2.2 For the avoidance of doubt, the payphone kiosks referred to in this

Special Condition are not limited to the payphone kiosks specified in a list mentioned in Special Condition 48.5.

- 48.3 Where the licensee operates payphone kiosks, the licensee shall use all reasonable endeavours to ensure that access to facilities such as space and electricity supply at the payphone kiosks is provided promptly and efficiently, and at fair compensation to the licensee, so that other licensees, which are authorized by the Authority to provide the public telecommunications services, can install their own apparatus or equipment at the payphone kiosks for provision of such services.
- 48.4.1 In relation to the provision of access to facilities such as space and electricity supply at payphone kiosks referred to in Special Condition 48.3, the licensee shall:
- (a) not unduly discriminate against other licensees compared to its own business for the operation of the same kind of service; and
 - (b) negotiate in good faith in an attempt to reach agreement with other licensees and use all reasonable endeavours to enter into agreement with other licensees.
- 48.4.2 Where the licensee is unable to agree within a reasonable time with other licensee pursuant to Special Condition 48.4.1 for provision of access to any facilities at the payphone kiosks or on what amounts to fair compensation for provision of access to any such facilities, the matter at issue may be referred by either licensee to the Authority for determination.
- 48.5 For the purpose of Special Conditions 48.3 and 48.4.1 and subject to Special Condition 48.6, the licensee shall provide to the Authority, in such manner and at such times as the Authority may request, a list of payphone kiosks which are available to other licensees for installing their own apparatus or equipment as well as the technical information of such kiosks including the layout plan and structural design. The Authority may disclose the list and information in any manner he thinks fit.

- 48.6 The licensee shall not without any prior written approval by the Authority amend, revise, modify or otherwise reduce the number of payphone kiosks referred to in Special Condition 48.5.

49. PROTECTION OF TT&C STATIONS

- 49.1 The spectrum that falls within the 3.4 – 3.6 GHz band shall not be used by the licensee to provide service through any base station located within the restriction zones designated by the Authority where licensed earth stations for telemetry, tracking and control (“TT&C”) of satellites in orbit (“TT&C Stations”) are located, unless the licensee complies with the relevant guidelines and directions issued by the Authority. Detailed information about the restriction zones is in Schedule 10.
- 49.2 The licensee shall ensure that no act or omission of the licensee arising out of or in connection with installing, maintaining and/or operating the service and the network, and in particular the operation of the radio channel overlapping with the frequency range of 3.400 – 3.405 GHz shall cause or be likely to cause any harmful interference to licensed TT&C Stations within the restriction zones referred to at Special Condition 49.1. Without limitation to the foregoing, the licensee shall coordinate with the operator of any applicable licensed TT&C Station for the implementation of appropriate protection measures.
- 49.3 The licensee shall take all necessary measures to protect the TT&C Stations from harmful interference caused by the licensee’s mobile base stations, including the removal of such mobile base stations as a last resort.
- 49.4 The licensee shall ensure that the operation of customer equipment connected to the licensee’s network or having access to services provided under this licence does not cause harmful interference to any licensed TT&C Stations within the restriction zones referred to at Special Condition 49.1.

49.5 The Authority may give such reasonable directions as it thinks fit in relation to avoiding harmful interference and desensitisation to TT&C Stations for the purposes of Special Conditions 49.2 to 49.4. The licensee shall comply with all such directions at its own cost.

49.6 For the purposes of Special Condition 49:

“customer equipment” means, without limitation, mobile terminal, mobile handset and any other device which is used by a customer of the licensee for connection to the licensee’s network or access to services provided under this licence.

50. FIT AND PROPER PERSON

50.1 The licensee shall be and remain, and shall procure that any person exercising control over the licensee shall be and remain, a fit and proper person during the validity period of this licence.

50.2 In determining whether the licensee or any person exercising control over the licensee is a fit and proper person, account shall be taken of –

- (a) the business record of the licensee or person;
- (b) the record of the licensee or person in situations requiring trust and candour;
- (c) the criminal record in Hong Kong of the licensee or person in respect of offences under the laws of Hong Kong involving bribery, false accounting, corruption or dishonesty; and
- (d) the criminal record in places outside Hong Kong of the licensee or person in respect of conduct which, if done in Hong Kong, would constitute or form part of the criminal record in Hong Kong of the licensee or person as mentioned in Special Condition 50.2(c).

50.3 Upon the date of issue of this licence, the licensee shall have provided to the Authority a statutory declaration duly made by an authorized

director, a secretary or a principal officer of the licensee confirming that the licensee and the persons exercising control over the licensee are fit and proper persons having regard to the matters mentioned in Special Condition 50.2(a) to (d) in a form specified by the Authority.

- 50.4 Upon request by the Authority, the licensee shall provide to the Authority within reasonable time a statutory declaration duly made by an authorized director, a secretary or a principal officer of the licensee confirming that the licensee and all persons exercising control over the licensee are and remain fit and proper persons having regard to the matters mentioned in Special Condition 50.2(a) to (d) in a form specified by the Authority.
- 50.5 Upon request by the Authority, the licensee shall provide to the Authority written authorizations from persons exercising control over the licensee authorizing relevant authorities to release criminal records and other relevant information of those persons to the Authority, to enable the Authority to establish and verify whether the licensee or the persons exercising control over the licensee are and remain fit and proper persons.
- 50.6 For the purpose of this Special Condition 50, a person exercises control over the licensee if he or she is –
- (a) a director or principal officer of the licensee;
 - (b) the beneficial owner of more than 15% of the voting shares in the licensee;
 - (c) a voting controller of more than 15% of the voting shares in the licensee; or
 - (d) otherwise has the power, by virtue of any powers conferred by the memorandum or articles of association or other instrument regulating that licensee or any other corporation, to ensure that the affairs of the licensee are conducted in accordance with the wishes of that person.

51. TESTING AND MONITORING

- 51.1 Without prejudice to section 7J of the Ordinance, the Authority may require the licensee to demonstrate to it that in establishing, maintaining, or operating any means of telecommunications, including any telecommunications network, system or installation in the provision of telecommunications services, the licensee is in compliance with the Ordinance, conditions of this licence, and any directions and instruments that may be imposed or issued by the Authority.
- 51.2 For the purpose of Special Condition 51.1, and as may be required by the Authority, the licensee shall at its own expense provide a customer connection to any place specified by and/or for use with any appropriate apparatus used by the Authority, so as to enable the Authority to perform testing and monitoring of the services provided by the licensee under this licence (“the relevant services”).
- 51.3 For the purpose of Special Condition 51.2, the Authority may give notice to the licensee requesting the licensee to provide, within 21 days thereof or as soon as the customer connection mentioned in Special Condition 51.2 is in place, the relevant services to the Authority in order that the Authority may test and monitor the performance of such services, and the licensee shall comply with the request. Where the relevant services are provided to the Authority under this Condition 51.3,
- (a) no charge or subscription shall be raised or levied;
 - (b) no restriction on the lawful use or application in relation to the services shall be imposed by the licensee; and
 - (c) the services thereby provided shall be continuous and of the same types and levels as offered by the licensee to its customers.

52. EMERGENCY ALERT SYSTEM

- 52.1 Without prejudice to any agreement (if any) between the licensee and the Government, the licensee shall at its own expense establish,

maintain and operate an emergency alert system so as to enable the Government to disseminate time-critical public announcements and messages through the licensee's radio network to alert all of its connected customers using apparatus that support reception of such public announcements and messages during emergency situations.

- 52.2 The system set up by the licensee under Special Condition 52.1 shall be based on cell broadcast service technology and in compliance with any relevant standards or requirements that may be specified by the Authority.
- 52.3 Without prejudice to Special Conditions 52.1 and 52.2, the licensee shall comply with any guidelines that may be issued by the Authority in relation to the establishment, maintenance, operation and testing of the emergency alert system as well as other related tasks.
- 52.4 The Authority may direct in writing, for such period and on such conditions as the Authority may determine, that this Special Condition 52 shall not apply to the licensee.
- 52.5 For the purpose of this Special Condition 52,

“connected customers” means users in Hong Kong whose apparatuses are connected to the licensee's radio network, including (a) subscribers of the licensee's mobile service provided via its own radio network; (b) subscribers of a licensed service provider which provides or offers mobile service making use of the licensee's radio network for service provision; and (c) visitors to Hong Kong roaming to the licensee's radio network.

“radio network” means the radio network operated under this licence at the relevant frequencies specified in Schedule 3 for provision of mobile services of third generation (3G) or above.

SCHEDULE 1

SCOPE OF THE SERVICE

1. In this licence, the “service” means:
 - (a) public mobile radiocommunications services; and
 - (b) public wireless local area network services.
- 1.1 Public mobile radiocommunications services mean telecommunications services operating at frequencies specified in paragraphs 1, 2, 3, 4, 5, 7, 11, 12, 13, 14, 15, 16 and 17 of Schedule 3 to enable two-way communications between moving locations or between a moving location and a fixed point.
- 1.2 Public wireless local area network services mean telecommunications services operating at frequencies specified in paragraph 9 of Schedule 3 to provide:
 - (a) communications between two or more points within the radio coverage of the radiocommunications installations established, maintained, used or possessed by the licensee for the purpose of providing the public wireless local area network services; or
 - (b) access to or resale of a public telecommunications service provided by the licensee or other person licensed under a public telecommunications network or services licence.
2. Nothing in this licence authorizes the licensee:
 - (a) to provide any public mobile radiocommunications services using frequencies specified in paragraph 9 of Schedule 3 unless otherwise specified; and
 - (b) to provide any service subject to licensing under any other ordinance.

3. For the purpose of this Schedule, a “moving location” includes, without limitation, the following:

- (a) mobile station of a customer of the service;
- (b) mobile station of a customer of an MVNO interconnected with the network and the service; and

a “mobile station” includes any apparatus using the technology of a mobile station for a mobile customer but being installed at a fixed point.

*** End of Schedule 1 ***

SCHEDULE 2

DESCRIPTION OF NETWORK

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 network services specified in Schedule 1.

*** End of Schedule 2 ***

SCHEDULE 3

TECHNICAL PARTICULARS OF RADIO STATIONS FOR THE PROVISION OF THE SERVICE

1. Frequencies with assignment period till 31 May 2028

1.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

Transmitting frequencies of mobile stations:

2520 – 2525 MHz

Transmitting frequencies of base stations:

2640 – 2645 MHz

1.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

- 1.3 Location:) Details are contained in the
1.4 Class of emission:) listing incorporated into
1.5 Type of modulation:) Schedule 3 in accordance with
1.6 Maximum frequency tolerance:) section 8(3) of the
1.7 Maximum effective radiated power:) Telecommunications
1.8 Aerial characteristics:) Regulations (Cap. 106A)

2. Frequencies with assignment period till 31 May 2028

2.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

Transmitting frequencies of mobile stations:
2525 – 2530 MHz

Transmitting frequencies of base stations:
2645 – 2650 MHz

2.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

- 2.3 Location:) Details are contained in the
- 2.4 Class of emission:) listing incorporated into
- 2.5 Type of modulation:) Schedule 3 in accordance with
- 2.6 Maximum frequency tolerance:) section 8(3) of the
- 2.7 Maximum effective radiated power:) Telecommunications
- 2.8 Aerial characteristics:) Regulations (Cap. 106A)

3. Frequencies with assignment period till 31 May 2026

3.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

Transmitting frequencies of mobile stations:
832.5 – 837.5 MHz

Transmitting frequencies of base stations:
877.5 – 882.5 MHz

3.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

- 3.3 Location:) Details are contained in the
- 3.4 Class of emission:) listing incorporated into
- 3.5 Type of modulation:) Schedule 3 in accordance with
- 3.6 Maximum frequency tolerance:) section 8(3) of the
- 3.7 Maximum effective radiated power:) Telecommunications
- 3.8 Aerial characteristics:) Regulations (Cap. 106A)

4. Frequencies with assignment period till 11 January 2036

4.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

Transmitting frequencies of mobile stations:

910 – 915 MHz

Transmitting frequencies of base stations:

955 – 960 MHz

4.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

- 4.3 Location:) Details are contained in the
- 4.4 Class of emission:) listing incorporated into
- 4.5 Type of modulation:) Schedule 3 in accordance with
- 4.6 Maximum frequency tolerance:) section 8(3) of the
- 4.7 Maximum effective radiated power:) Telecommunications
- 4.8 Aerial characteristics:) Regulations (Cap. 106A)

5. Frequencies with assignment period till 29 September 2036

5.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

- (a) Transmitting frequencies of mobile stations:
1740 – 1750 MHz
Transmitting frequencies of base stations:
1835 – 1845 MHz;

and

- (b) Transmitting frequencies of mobile stations:
1710 – 1720 MHz
Transmitting frequencies of base stations:
1805 – 1815 MHz.

5.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

- 5.3 Location:) Details are contained in the
- 5.4 Class of emission:) listing incorporated into
- 5.5 Type of modulation:) Schedule 3 in accordance with
- 5.6 Maximum frequency tolerance:) section 8(3) of the
- 5.7 Maximum effective radiated power:) Telecommunications
- 5.8 Aerial characteristics:) Regulations (Cap. 106A)

6. (Reserved)

7. Frequencies with assignment period till 21 October 2031

7.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency band and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap.106A):

(a) Transmitting frequencies of mobile stations:

1950.1 MHz - 1964.9 MHz

Transmitting frequencies of base stations:

2140.1 MHz - 2154.9 MHz;

and

(b) Transmitting frequencies of mobile stations:

1920.3 MHz - 1925.3 MHz

Transmitting frequencies of base stations:

2110.3 MHz - 2115.3 MHz.

7.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

- 7.3 Location:) Details are contained in the
7.4 Class of emission:) listing incorporated into
7.5 Type of modulation:) Schedule 3 in accordance with
7.6 Maximum frequency tolerance:) section 8(3) of the
7.7 Maximum effective radiated power:) Telecommunications
7.8 Aerial characteristics:) Regulations (Cap. 106A)

8. Microwave Link Frequencies

8.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

10815 – 10855 MHz
11345 – 11385 MHz
17741.25 – 17768.75 MHz
18751.25 – 18778.75 MHz

Remarks: The frequencies are assigned to the licensee for establishing and maintaining the wideband link(s) and relay station(s) at location(s) specified by the Authority for the sole purpose of providing the licensee's public telecommunications network services specified in Schedule 1.

8.2 Location:) Details are contained in the
8.3 Class of emission:) listing incorporated into
8.4 Type of modulation:) Schedule 3 in accordance
8.5 Maximum frequency tolerance:) with section 8(3) of the
8.6 Maximum effective radiated power:) Telecommunications
8.7 Aerial characteristics:) Regulations (Cap. 106A)

9. Frequencies for Provision of Public Wireless Local Area Network Services

9.1 Frequency: Transmitting and receiving frequencies for each radiocommunications installation shall be within the following frequency bands. Details are contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

2400 MHz to 2483.5 MHz

5150 MHz to 5350 MHz

5470 MHz to 5725 MHz

5725 MHz to 5850 MHz

9.2 The use of the frequency bands is subject to the following conditions –

- (a) Unless otherwise specified in other paragraphs of Schedule 3, the frequencies specified in paragraph 9.1 are assigned to the licensee solely for the provision of public wireless local area network services and shall not be used for the provision of public mobile radiocommunications services.
- (b) The licensee shall, in such manner as the Authority may direct from time to time, coordinate the use of the frequencies with other services authorized under the Ordinance.
- (c) The radiocommunications apparatus shall operate within the assigned frequency bands and shall generate the output and spurious emissions with the specified levels as set out in the table below:

Column 1	Column 2	Column 3
Frequency Band	Output Level	Spurious Emission Level
2400 – 2483.5 MHz	(a) peak e.i.r.p. not to exceed 4 W for frequency hopping spread spectrum modulation or digital modulation systems; or (b) aggregate e.r.p. not to exceed 100 mW for any modulation	e.r.p. not to exceed 10 µW outside the frequency band in which the fundamental frequencies are located
5150 – 5350 MHz ¹	e.i.r.p. not to exceed 200 mW using only digital modulation	e.r.p. not to exceed 10 µW
5470 – 5725 MHz ²	e.i.r.p. not to exceed 1 W	e.r.p. not to exceed 10 µW
5725 – 5850 MHz	(a) peak e.i.r.p. not to exceed 4 W for frequency hopping spread spectrum modulation or digital modulation systems; or (b) aggregate e.r.p. not to exceed 100 mW for any modulation	e.r.p. not to exceed 10 µW outside the frequency band in which the fundamental frequencies are located

9.3 The radiocommunications apparatus using the frequency bands specified in 9.1 is deemed to be included in the listing thereunder if the information of the radicomunications apparatus has been registered with the Authority pursuant to Special Condition 44 of this licence.

¹ Use of the band 5150 – 5350 MHz is restricted to indoor operations until the requirements of the International Telecommunication Union (“ITU”) as applicable to the band are available, by which time the use of the band shall be in compliance with the requirements as laid down by the ITU.

² Use of the band 5470 – 5725 MHz shall comply with the technical requirements in Recommendation ITU-R M.1652 “Dynamic frequency selection (DFS) in wireless access systems including radio local area networks for the purpose of protecting the radiodetermination service in the 5 GHz band” approved by the ITU as revised from time to time.

10. Femtocells Installation

- 10.1 Installation of Femtocell as defined below is deemed to be approved under GC 12.1 of this licence.
- 10.2 For the purpose of paragraph 10.1, “Femtocell” means an indoor radiocommunications equipment utilizing frequencies assigned by the Authority as specified in paragraphs 7 and 11 of Schedule 3 of this licence with emission power not exceeding 0.1W or 20dBm and installed within any customer’s premises pursuant to a subscriber agreement to establish a telecommunications connection via any licensed fixed network to the licensee’s network as specified in Schedule 2 of this licence for the use by the licensee’s mobile customer.
- 10.3 For the purpose of paragraph 10.2, “licensed fixed network” means the fixed telecommunications network licensed under any unified carrier licences (with provision of fixed services authorized).

11. Frequencies for Shared Use

11.1 Frequency: Transmitting and receiving frequencies for each radiocommunications installation shall be within the following frequency bands. Details are contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

5150 MHz to 5350 MHz

5470 MHz to 5725 MHz

5725 MHz to 5850 MHz

11.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized international standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

11.3 Location:) Details are contained in the
11.4 Class of emission:) listing incorporated into
11.5 Type of modulation:) Schedule 3 in accordance
11.6 Maximum frequency tolerance:) with section 8(3) of the
11.7 Maximum effective radiated power:) Telecommunications
11.8 Aerial characteristics:) Regulations (Cap. 106A)

11.9 The use of the frequency bands is subject to the following conditions –

- (a) The licensee shall use the frequencies on a sharing basis with other uses and applications authorized under the Ordinance in an uncoordinated and unprotected manner.

- (b) The radiocommunications apparatus shall operate within the assigned frequency bands and shall generate the output and spurious emissions with the specified levels as set out in the table below:

Column 1	Column 2	Column 3
Frequency Band	Output Level	Spurious Emission Level
5150 – 5350 MHz ³	e.i.r.p. not to exceed 200 mW using only digital modulation	e.r.p. not to exceed 10 µW
5470 – 5725 MHz ⁴	e.i.r.p. not to exceed 1 W	e.r.p. not to exceed 10 µW
5725 – 5850 MHz	(a) peak e.i.r.p. not to exceed 4 W for frequency hopping spread spectrum modulation or digital modulation systems; or (b) aggregate e.r.p. not to exceed 100 mW for any modulation	e.r.p. not to exceed 10 µW outside the frequency band in which the fundamental frequencies are located

³ Use of the band 5150 – 5350 MHz is restricted to indoor operations until the requirements of the International Telecommunication Union (“ITU”) as applicable to the band are available, by which time the use of the band shall be in compliance with the requirements as laid down by the ITU.

⁴ Use of the band 5470 – 5725 MHz shall comply with the technical requirements in Recommendation ITU-R M.1652 “Dynamic frequency selection (DFS) in wireless access systems including radio local area networks for the purpose of protecting the radiodetermination service in the 5 GHz band” approved by the ITU as revised from time to time.

12. Frequencies with assignment period till 24 April 2034

12.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

Transmitting frequencies:

26.55 – 26.95 GHz

12.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

12.3 Location:	)	Details are contained in the
12.4 Class of emission:	)	listing incorporated into
12.5 Type of modulation:	)	Schedule 3 in accordance
12.6 Maximum frequency tolerance:	)	with section 8(3) of the
12.7 Maximum effective radiated power:	)	Telecommunications
12.8 Aerial characteristics:	)	Regulations (Cap. 106A)

13. Frequencies with assignment period till 29 December 2034

13.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A):

Transmitting frequencies:
3360 – 3380 MHz

13.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used complies with the requirement under this Schedule.

13.3 Location:	)	Details are contained in the
13.4 Class of emission:	)	listing incorporated into
13.5 Type of modulation:	)	Schedule 3 in accordance
13.6 Maximum frequency tolerance:	)	with section 8(3) of the
13.7 Maximum effective radiated power:	)	Telecommunications
13.8 Aerial characteristics:	)	Regulations (Cap. 106A)

13.9 Conditions of use

(a) The frequencies in 13.1 shall be for indoor use only. The licensee or a person authorised by the licensee shall control the radiated power of the radio base stations to a sufficiently low level to restrict the service to indoor use only and comply with any specification applicable to the radio base stations which may be prescribed from time to time by the Authority.

- (b) The licensee shall not claim protection from harmful interference caused by any lawful telecommunications services already in existence and operating outdoors.

14. Frequencies with assignment period till 31 March 2035

14.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A) –

Transmitting frequencies:
3510 – 3560 MHz

14.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used comply with the requirement under this Schedule.

- 14.3 Location:) Details are contained in the
- 14.4 Class of emission:) listing incorporated into
- 14.5 Type of modulation:) Schedule 3 in accordance
- 14.6 Maximum frequency tolerance:) with section 8(3) of the
- 14.7 Maximum effective radiated power:) Telecommunications
- 14.8 Aerial characteristics:) Regulations (Cap. 106A).

15. Frequencies with assignment period till 29 December 2036

15.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A) –

Transmitting frequencies of mobile stations:
825 – 832.5 MHz

Transmitting frequencies of base stations:
870 – 877.5 MHz

15.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used comply with the requirement under this Schedule.

- 15.3 Location:) Details are contained in the
- 15.4 Class of emission:) listing incorporated into
- 15.5 Type of modulation:) Schedule 3 in accordance
- 15.6 Maximum frequency tolerance:) with section 8(3) of the
- 15.7 Maximum effective radiated power:) Telecommunications
- 15.8 Aerial characteristics:) Regulations (Cap. 106A).

16. Frequencies with assignment period till 29 December 2036

16.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A) –

Transmitting frequencies:
4920 – 4960 MHz

16.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used comply with the requirement under this Schedule.

- 16.3 Location:) Details are contained in the
- 16.4 Class of emission:) listing incorporated into
- 16.5 Type of modulation:) Schedule 3 in accordance
- 16.6 Maximum frequency tolerance:) with section 8(3) of the
- 16.7 Maximum effective radiated power:) Telecommunications
- 16.8 Aerial characteristics:) Regulations (Cap. 106A).

17. Frequencies with assignment period till 29 June 2037

17.1 Frequency: Transmitting and receiving frequencies assigned by the Authority for each radiocommunications installation within the following frequency bands and contained in the listing incorporated into Schedule 3 in accordance with section 8(3) of the Telecommunications Regulations (Cap. 106A) –

Transmitting frequencies of mobile stations:
713 – 718 MHz

Transmitting frequencies of base stations:
768 – 773 MHz

17.2 Technical Standard: For the radio interface using the transmitting frequencies by the radio stations, the licensee shall use only widely recognized standards, unless a waiver is sought from the Authority as a temporary measure. The licensee shall submit proof to the satisfaction of the Authority that the technical standard used comply with the requirement under this Schedule.

- 17.3 Location:) Details are contained in the
- 17.4 Class of emission:) listing incorporated into
- 17.5 Type of modulation:) Schedule 3 in accordance
- 17.6 Maximum frequency tolerance:) with section 8(3) of the
- 17.7 Maximum effective radiated power:) Telecommunications
- 17.8 Aerial characteristics:) Regulations (Cap. 106A).

Remarks for Schedule 3:

1. For the purpose of Schedule 3, the maximum permissible height of antenna above mean sea level shall be in compliance with the Hong Kong Airport (Control of Obstructions) Ordinance (Cap. 301).

2. The licensee shall comply with the standards and certification requirements as prescribed from time to time by the Authority under the Telecommunications Ordinance. The licensee shall also comply with the “Code of Practice for the Protection of Workers and Members of Public Against Non-Ionizing Radiation Hazards from Radio Transmitting Equipment” issued and as revised from time to time by the Authority.

*** End of Schedule 3 ***

SCHEDULE 4

**REGULATORY ACCOUNTING
AND INFORMATION PROVISION REQUIREMENTS**

1. Accounting information according to the practices as directed by the Authority under Special Condition 5 for each service provided under this licence or as specified by the Authority.

*** End of Schedule 4 ***

SCHEDULES 5 and 6

(Removed in August 2020.)

SCHEDULE 7

DESCRIPTION OF SERVICES REFERRED TO IN SPECIAL CONDITIONS 11 AND 12

An internal telecommunications service

- (a) for carrying real-time voice communications (which may be integrated with other types of communications) to and from parties assigned with numbers from the numbering plan of Hong Kong as stipulated in Special Condition 4.1; and
- (b) to which customers are assigned numbers from the numbering plan of Hong Kong as stipulated in Special Condition 4.1 by the licensee.

*** End of Schedule 7 ***

SCHEDULE 8

NETWORK AND SERVICE ROLLOUT REQUIREMENT

1. For frequency spectrum specified in each of paragraphs 1 and 2 of Schedule 3:

1.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that:

- (a) where the scope of the service stipulated in Schedule 1 of this licence includes a fixed service, coverage of the network and the service shall be provided on or before 1 June 2018 and maintained thereafter, to a minimum of 200 commercial and/or residential buildings in Hong Kong;

AND

- (b) where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, coverage of the network and the service shall be provided on or before 1 June 2018 and maintained thereafter, to an area where at least 50% of the population of Hong Kong live from time to time.

1.2 For the purpose of paragraph 1.1 of this Schedule, the following definitions shall apply:

- (a) a commercial building is a building consisting of at least 20 levels above street levels which is predominantly used for commercial purposes; and
- (b) a residential building is a building consisting of at least 15 levels above street levels which is predominantly used as a dwelling place.

2. For frequency spectrum specified in paragraph 3 of Schedule 3:

2.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that coverage of its public mobile telecommunications services using the frequency band as specified in paragraph 3 of Schedule 3 of this licence shall be provided on or before 31 May 2016 and maintained thereafter, to areas where at least 50% of the population of Hong Kong live from time to time.

3. For frequency spectrum specified in paragraph 12 of Schedule 3 –

3.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that –

where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, radio units shall be installed and put into use on or before a date specified below and maintained thereafter, to a minimum of –

(i) 20% of the 2 500 required radio units;	on or before 24 April 2022 2024
(ii) 50% of the 2 500 required radio units (which for the avoidance of doubt may include the same radio units counted towards (i) above); and	on or before 24 April 2023 2025
(iii) 100% of the 2 500 required radio units (which for the avoidance of doubt may include the same radio units counted towards (ii) above).	on or before 24 April 2024 2026

3.2 For the purpose of paragraph 3 of this Schedule, a radio unit refers to active antenna unit, antenna integrated radio, or remote radio head/unit installed at the registered address of a radio base station.

4. For frequency spectrum specified in paragraph 7.1(b) of Schedule 3:

4.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that:

- (a) where the scope of the service stipulated in Schedule 1 of this licence includes a fixed service, on or before 21 October 2021,
 - (i) coverage of the network and the service shall be provided, and shall be maintained thereafter, to a minimum of 200 commercial and/or residential buildings in Hong Kong; and
 - (ii) a minimum of 50 hubs shall be established, and shall remain in operation thereafter, for the provision of the service.

AND

- (b) where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 21 October 2021, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 50% of the population of Hong Kong live from time to time.

4.2 For the purpose of paragraph 4.1(a) of this Schedule, the following definitions shall apply:

- (a) a commercial building is a building consisting of at least 20 levels above street level(s) which is predominantly used for commercial purposes;
- (b) a residential building is a building consisting of at least 15 levels above street level(s) which is predominantly used as a dwelling place; and

- (c) a hub is considered to be established if it has been equipped with the radio transceiver unit(s) employing the assigned spectrum and is operational to serve a cluster of buildings.

5. For frequency spectrum specified in paragraph 13 of Schedule 3 –

- 5.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 29 December 2024, a minimum of 400 indoor base stations shall be established, put into use and maintained thereafter, for the provision of the service.

6. For frequency spectrum specified in paragraph 14 of Schedule 3 –

- 6.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 31 March 2025, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 45% of the population of Hong Kong live from time to time.

7. For frequency spectrum specified in paragraph 4 of Schedule 3 –

- 7.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that:
 - (a) where the scope of the service stipulated in Schedule 1 of this licence includes a fixed service, on or before 11 January 2026,
 - (i) coverage of the network and the service shall be provided, and shall be maintained thereafter, to a minimum of 200 commercial and/or residential buildings in Hong Kong; and
 - (ii) a minimum of 50 hubs shall be established, and shall

remain in operation thereafter, for the provision of the service.

AND

- (b) where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 11 January 2026, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 90% of the population of Hong Kong live from time to time.

7.2 For the purpose of paragraph 7.1(a) of this Schedule, the following definitions shall apply:

- (a) a commercial building is a building consisting of at least 20 levels above street level(s) which is predominantly used for commercial purposes;
- (b) a residential building is a building consisting of at least 15 levels above street level(s) which is predominantly used as a dwelling place; and
- (c) a hub is considered to be established if it has been equipped with the radio transceiver unit(s) employing the assigned spectrum and is operational to serve a cluster of buildings.

8. For frequency spectrum specified in paragraph 5 of Schedule 3 –

8.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that:

- (a) where the scope of the service stipulated in Schedule 1 of this licence includes a fixed service, on or before 29 September 2026,
 - (i) coverage of the network and the service shall be provided, and shall be maintained thereafter, to a minimum of 200 commercial and/or residential

buildings in Hong Kong; and

- (ii) a minimum of 50 hubs shall be established, and shall remain in operation thereafter, for the provision of the service.

AND

- (b) where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 29 September 2026, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 90% of the population of Hong Kong live from time to time.

8.2 For the purpose of paragraph 8.1(a) of this Schedule, the following definitions shall apply:

- (a) a commercial building is a building consisting of at least 20 levels above street level(s) which is predominantly used for commercial purposes;
- (b) a residential building is a building consisting of at least 15 levels above street level(s) which is predominantly used as a dwelling place; and
- (c) a hub is considered to be established if it has been equipped with the radio transceiver unit(s) employing the assigned spectrum and is operational to serve a cluster of buildings.

9. For frequency spectrum specified in paragraph 15 of Schedule 3 –

9.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 29 December 2026, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 90% of the population of Hong Kong live from time to time.

10. For frequency spectrum specified in paragraph 16 of Schedule 3 –

- 10.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 29 December 2026, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 50% of the population of Hong Kong live from time to time.

11. For frequency spectrum specified in paragraph 17 of Schedule 3 –

- 11.1 The licensee shall install, maintain and use equipment for the purposes of the network and the service such that where the scope of the service stipulated in Schedule 1 of this licence includes a mobile service, on or before 29 June 2027, coverage of the network and the service shall be provided, and shall be maintained thereafter, to an area where at least 90% of the population of Hong Kong live from time to time.

*** End of Schedule 8 ***

SCHEDULE 9

SPECTRUM UTILIZATION FEES

1. Frequency spectrum specified in paragraph 4 of Schedule 3

1.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 4 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level as determined by auction or prescribed by the Secretary under the Ordinance –

(a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and

(b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2.5%.

1.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 4 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.

1.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 1.1(a) is HK\$580,000,000.

2. Frequency spectrum specified in paragraph 5 of Schedule 3

2.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 5 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level

as determined by auction or prescribed by the Secretary under the Ordinance –

- (a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and
- (b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2.5%.

2.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 5 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.

2.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 2.1(a) is HK\$1,840,000,000.

3. (Reserved)

4. Frequency spectrum specified in paragraph 13 of Schedule 3

4.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 13 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level as determined by auction or prescribed by the Secretary under the Ordinance –

- (a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and
- (b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2.5%.

- 4.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 13 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.
- 4.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 4.1(a) is HK\$133,033,333.

5. Frequency spectrum specified in paragraph 14 of Schedule 3

- 5.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 14 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level as determined by auction or prescribed by the Secretary under the Ordinance –
- (a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and
 - (b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2.5%.
- 5.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 14 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.
- 5.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 5.1(a) is HK\$252,000,000.

6. Frequency spectrum specified in paragraph 15 of Schedule 3

6.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 15 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level as determined by auction or prescribed by the Secretary under the Ordinance –

(a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and

(b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2%.

6.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 15 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.

6.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 6.1(a) is HK\$82,500,000.

7. Frequency spectrum specified in paragraph 16 of Schedule 3

7.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 16 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level as determined by auction or prescribed by the Secretary under the Ordinance –

(a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and

(b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2%.

7.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 16 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.

7.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 7.1(a) is HK\$222,500,000.

8. Frequency spectrum specified in paragraph 17 of Schedule 3

8.1 The licensee shall pay the Spectrum Utilization Fee annually in 15 instalments for use of the frequencies specified in paragraph 17 of Schedule 3 as designated by the Authority to be subject to payment of the Spectrum Utilization Fee and assigned to the licensee, at such level as determined by auction or prescribed by the Secretary under the Ordinance –

(a) for the first instalment, it is an amount equal to the lump sum of the Spectrum Utilization Fee divided by 15; and

(b) for each subsequent instalment, it is an amount equal to the Spectrum Utilization Fee payable in the immediately preceding instalment increased by 2%.

8.2 The licensee shall have paid the first instalment of the Spectrum Utilization Fee on or before the date of the assignment of the frequencies specified in paragraph 17 of Schedule 3 and the subsequent instalments shall be payable on or before each of the anniversary of the assignment of the frequencies until no Spectrum Utilization Fee remains payable.

8.3 The lump sum of the Spectrum Utilization Fee referred to in paragraph 8.1(a) is HK\$72,000,000.

*** End of Schedule 9 ***

SCHEDULE 10

RESTRICTION ZONE

Two restriction zones are defined by polygon vertices (see Figure 10.1 below) using the Hong Kong 1980 Grid Coordinates, as follows –

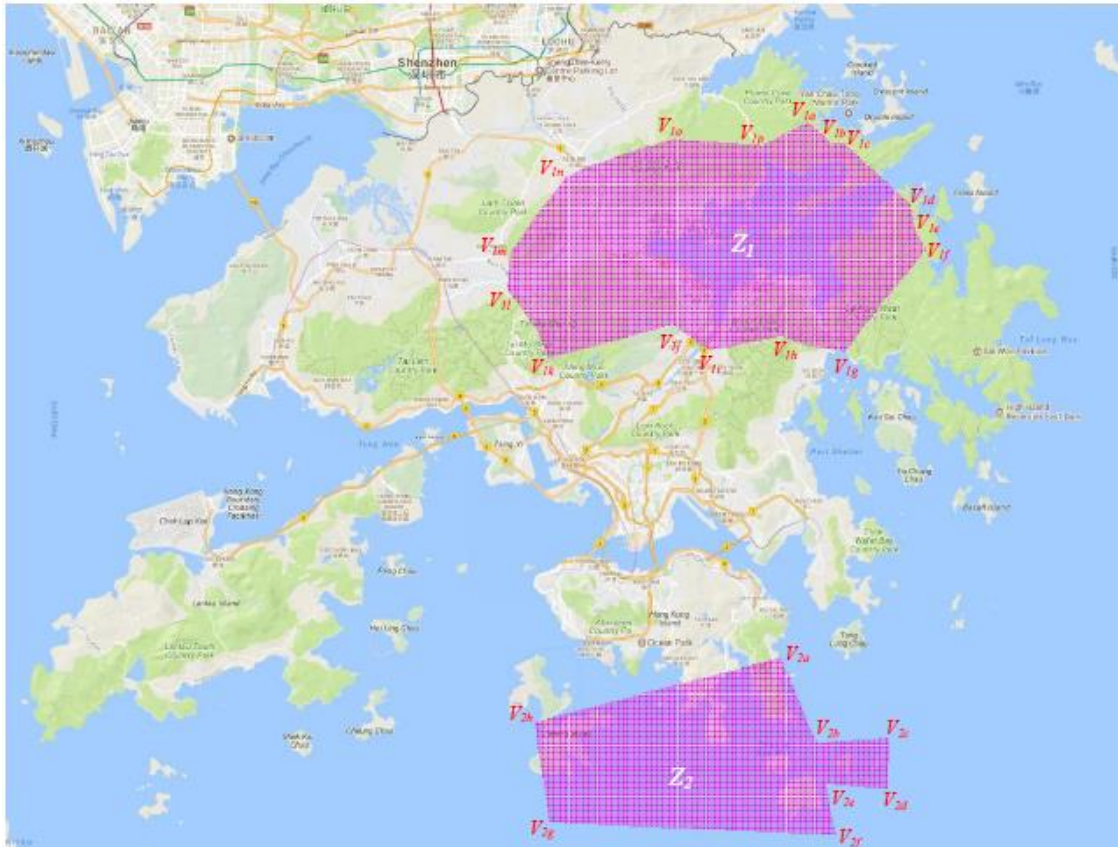


Figure 10.1 Restriction Zones

Restriction Zone 1 (“Z₁”)

[Easting (m), Northing (m)]

- V_{1a} [845599, 841275]
- V_{1b} [846879, 840075]
- V_{1c} [847599, 840155]
- V_{1d} [851359, 836555]
- V_{1e} [851599, 835355]
- V_{1f} [852239, 834075]
- V_{1g} [847759, 828395]
- V_{1h} [844159, 829195]
- V_{1i} [839999, 828475]
- V_{1j} [837919, 829835]

- V_{Ik} [830879, 827995]
- V_{Il} [828559, 831835]
- V_{Im} [828719, 833915]
- V_{In} [832399, 838475]
- V_{Io} [837919, 840315]
- V_{Ip} [842959, 839995]

Restriction Zone 2 (“Z₂”)

[Easting (m), Northing (m)]

- V_{2a} [843999, 811035]
- V_{2b} [846079, 806315]
- V_{2c} [850159, 806555]
- V_{2d} [849999, 803755]
- V_{2e} [846639, 803915]
- V_{2f} [847119, 801195]
- V_{2g} [830959, 801835]
- V_{2h} [830159, 807435]

*** End of Schedule 10 ***

SCHEDULE 11

FORM OF PERFORMANCE BOND (for Network and Service Rollout Requirement pursuant to Special Condition 31A.1(e))

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 the “Guidelines for Submission of Applications for Assignment of Spectrum in the 26 GHz and 28 GHz Bands for Provision of Large Scale Public Mobile Services” (“Guidelines”) issued by the Authority on 21 December 2018 in exercise of the powers conferred by section 7 and section 32H of the Ordinance and all other powers enabling the Authority to issue a unified carrier licence and assign frequencies for provision of public mobile services and Special Condition 31A of the unified carrier licence to be issued to the Licensee on the date of issue (the “Licence”), the Licensee is required to provide to the Authority a performance bond issued by a Qualifying Bank, in order to secure the due performance of the Milestone set out in the Annexe by the Licensee. The Bank is a Qualifying Bank.

1. INTERPRETATION

1.1 Definitions

In this Performance Bond:

“Authority” means the Communications Authority;

“Bonded Sum” means the amount set out in the Annexe;

“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;

“Licensee” means [] at [];

“Ordinance” means the Telecommunications Ordinance (Cap. 106, Laws of Hong Kong); and

“Qualifying Bank” has the meaning given to it in Special Condition 31A.3 of the Licence.

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;
- (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 of default by the Licensee in respect of Deadline for Compliance with the Milestone set out in the Annexe the Bank shall upon demand made by the Government in writing and without proof or conditions satisfy and discharge without cavil or delay any part of Bonded Sum provided that the aggregate liability of the Bank under this Performance Bond in respect of the Milestone shall not exceed the Bonded Sum in respect of that Milestone set out in the Annexe.
- 2.2 The obligations under this Performance Bond constitute direct primary, irrevocable and unconditional obligations of the Bank.
- 2.3 The liability of the Bank under this Performance Bond shall reduce, on each occasion on which the Bank pays any part of the Bonded Sum to the Government, the amount of such reduction being equal to the amount paid, and the Bank shall be discharged from all further liability under this Performance Bond upon such liability being reduced to zero or the issue of the certificate of completion by the Authority of the ultimate Milestone set out in the Annexe.
- 2.4. The liability of the Bank under this Performance Bond shall cease on whichever of the following events first occurs:
 - (a) payment by the Bank of all the Bonded Sum in full to the Government; or
 - (b) issue of any certificate of completion by the Authority in respect of the Milestone set out in the Annexe.
- 2.5 This Performance Bond shall expire on [the date 120 days after the last deadline for compliance specified in the Annexe]. Any claim hereunder must be received by the Bank in writing before that date.

3. MAXIMUM LIMIT

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

- (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 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, 2.4 and 2.5, 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 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 dispatch.

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 the 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

OR

SIGNED, SEALED AND DELIVERED)
by [])
for and on behalf of and as)
lawful attorney of)
[] pursuant to a power of)
attorney dated [] given by)
[])
in the presence of:)

[Name]
[Occupation]

(Note: For verification of the above execution, where the Bank executes under its common seal, please provide a certified true copy of the Bank's Memorandum and Articles of Association containing the relevant sealing provisions; where the Bank executes under a power of attorney, please provide a certified true copy of the relevant power of attorney or the equivalent of the Bank.)

Annexe

Milestone	Deadline(s) for Compliance	Bonded Sum Payable upon Default in Compliance
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, the number of radio units to be installed and put into use for assignment of 400 MHz of frequency spectrum shall be a minimum of -</p> <p>(i) 20% of the 2 500 required radio units;</p> <p>(ii) 50% of the 2 500 required radio units (which for the avoidance of doubt may include the same radio units counted towards (i) above); and</p> <p>(iii) 100% of the 2 500 required radio units (which for the avoidance of doubt may include the same radio units counted towards (ii) above).</p>	<p>24 April 20222024</p> <p>24 April 20232025</p> <p>24 April 20242026</p>	<p>One-third of the total bonded sum</p> <p>One-third of the total bonded sum</p> <p>One-third of the total bonded sum</p>
	Total	HK\$400 million

*** End of Schedule 11 ***

SCHEDULE 12

FORM OF PERFORMANCE BOND (for Network and Service Rollout Requirement pursuant to Special Condition 31A.1(a) to (d) and (f) to (k))

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 the terms and conditions of the Notice dated [DATE] issued by the Authority in exercise of its powers conferred by section 32I of the Ordinance and the Regulation and all other powers enabling it to specify the terms and conditions of the auction in which the Licensee has participated and Special Condition 31A of the unified carrier licence to be issued to the Licensee on the date of issue (the “Licence”), the Licensee is required to provide to the Authority a performance bond issued by a Qualifying Bank, in order to secure the due performance of the Milestone set out in the Annexe by the Licensee. The Bank is a Qualifying Bank.

1. INTERPRETATION

1.1 Definitions

In this Performance Bond:

“Authority” means the Communications Authority;

“Bonded Sum” means the amount set out in the Annexe;

“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;

“Licensee” means [] at [];

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

“Qualifying Bank” has the meaning given to it in Special Condition 31A.3 of the Licence; and

“Regulation” means the applicable Regulation made pursuant to Section 32I(2) of the Ordinance for the level of spectrum utilization fees or the method for determining the spectrum utilization fees.

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;
- (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 of default by the Licensee in respect of the Deadline for Compliance with the Milestone set out in the Annexe 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 provided that the aggregate liability of the Bank under this Performance Bond in respect of the Milestone shall not exceed the Bonded Sum in respect of that Milestone set out in the Annexe.
- 2.2 The obligations under this Performance Bond constitute direct primary, irrevocable and unconditional obligations of the Bank.
- 2.3 The liability of the Bank under this Performance Bond shall reduce, on each occasion on which the Bank pays any part of the Bonded Sum to the Government, the amount of such reduction being equal to the amount paid, and the Bank shall be discharged from all further liability under this Performance Bond upon such liability being reduced to zero or the issue of the certificate of completion by the Authority of the ultimate Milestone set out in the Annexe.
- 2.4. The liability of the Bank under this Performance Bond shall cease on whichever of the following events first occurs:
 - (a) payment by the Bank of all the Bonded Sum in full to the Government; or
 - (b) issue of any certificate of completion by the Authority in respect of the Milestone set out in the Annexe.
- 2.5 This Performance Bond shall expire on [the date 120 days after the deadline for compliance specified in the Annexe]. Any claim hereunder must be received by the Bank in writing before that date.

3. MAXIMUM LIMIT

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

- (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 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, 2.4 and 2.5, 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 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 the 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

OR

SIGNED, SEALED AND DELIVERED)
by [])
for and on behalf of and as)
lawful attorney of)
[] pursuant to a power of)
attorney dated [] given by)
[])
in the presence of:)

[Name]
[Occupation]

(Note: For verification of the above execution, where the Bank executes under its common seal, please provide a certified true copy of the Bank's Memorandum and Articles of Association containing the relevant sealing provisions; where the Bank executes under a power of attorney, please provide a certified true copy of the relevant power of attorney or the equivalent of the Bank.)

Annexe 1

[Note: The following is applicable to the spectrum in the 850 MHz band as specified in paragraph 3 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
Coverage of the network and the service shall be provided by the Licensee to areas where at least 50% of the population of Hong Kong live from time to time.	31 May 2016	HK\$50 million

Annexe 2

[Note: The following is applicable to the spectrum in the 2.5/2.6 GHz band as specified in paragraphs 1 and 2 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a fixed service, coverage of the network and the service shall be provided to a minimum of 200 commercial and/or residential buildings in Hong Kong;</p> <p>AND</p> <p>where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 50% of the population of Hong Kong live from time to time.</p>	1 June 2018	A sum calculated by multiplying HK\$50 million by the number of relevant Frequency Bands assigned

Annexe 3

[Note: The following is applicable to the spectrum in the 1.9 – 2.2 GHz band as specified in paragraph 7.1(b) of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a fixed service, (a) coverage of the network and the service shall be provided to a minimum of 200 commercial and/or residential buildings in Hong Kong and (b) a minimum of 50 hubs shall be established for the provision of the service;</p> <p>AND</p> <p>where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 50% of the population of Hong Kong live from time to time.</p> <p>The definitions in paragraph 4 of Schedule 8 of the Licence shall apply to the Milestone set out herein.</p>	21 October 2021	A sum calculated by multiplying HK\$50 million by the number of Frequency Bands assigned

Annexe 4

[Note: The following is applicable to the spectrum in the 3.3 GHz band as specified in paragraph 13 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, a minimum of 400 indoor base stations shall be established and put into use within five years from the issue of the Licence, and maintained thereafter for the provision of the service.</p> <p>The definitions in Schedule 8 of the Licence shall apply to the Milestone set out herein.</p>	<p>29 December 2024</p>	<p>A sum calculated by multiplying HK\$10 million by the number of relevant Frequency Blocks assigned</p>

Annexe 5

[Note: The following is applicable to the spectrum in the 3.5 GHz band as specified in paragraph 14 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 45% of the population of Hong Kong live from time to time.</p> <p>The definitions in Schedule 8 of the Licence shall apply to the Milestone set out herein.</p>	<p>31 March 2025</p>	<p>A sum calculated by multiplying HK\$25 million by the number of relevant Frequency Blocks assigned</p>

Annexe 6

[Note: The following is applicable to the spectrum in the 1800 MHz band as specified in paragraph 5.1(b) of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a fixed service, (a) coverage of the network and the service shall be provided to a minimum of 200 commercial and/or residential buildings in Hong Kong and (b) a minimum of 50 hubs shall be established for the provision of the service;</p> <p>AND</p> <p>where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 90% of the population of Hong Kong live from time to time.</p> <p>The definitions in Schedule 8 of the Licence shall apply to the Milestone set out herein.</p>	<p>29 September 2026</p>	<p>HK\$100 million</p>

Annexe 7

[Note: The following is applicable to the spectrum in the 850 MHz band as specified in paragraph 15 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 90% of the population of Hong Kong live from time to time.</p> <p>The definitions in Schedule 8 of the Licence shall apply to the Milestone set out herein.</p>	29 December 2026	HK\$37.5 million

Annexe 8

[Note: The following is applicable to the spectrum in the 4.9 GHz band as specified in paragraph 16 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
<p>Where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 50% of the population of Hong Kong live from time to time.</p> <p>The definitions in Schedule 8 of the Licence shall apply to the Milestone set out herein.</p>	29 December 2026	HK\$40 million

Annexe 9

[Note: The following is applicable to the spectrum in the 700 MHz band as specified in paragraph 17 of Schedule 3.]

Milestone	Deadline for Compliance	Bonded Sum Payable
Where the scope of the service stipulated in Schedule 1 of the Licence includes a mobile service, coverage of the network and the service shall be provided to an area where at least 90% of the population of Hong Kong live from time to time. The definitions in Schedule 8 of the Licence shall apply to the Milestone set out herein.	29 June 2027	HK\$25 million

*** End of Schedule 12 ***

SCHEDULE 13

FORM OF THE PERFORMANCE BOND (for Payment of Spectrum Utilization Fee pursuant to Special Condition 31B.3)

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 Special Condition 31B of the Unified Carrier Licence dated [] or [to be issued to the Licensee on the date of issue] (the “Licence”), the Licensee is required to provide to the Government a Performance Bond issued by a Qualifying Bank (as defined below) which shall remain in full force for the duration of the relevant frequency assignment when any of the Spectrum Utilization Fees remain payable. The Bank is a Qualifying Bank.

1. INTERPRETATION

1.1 Definitions

In this Performance Bond:

“Authority” means the Communications Authority;

“Bonded Sum” means an amount of HK\$[];

“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;

“Licensee” means [];

“Ordinance” means the Telecommunications Ordinance (Cap. 106);

“Qualifying Bank” has the meaning given to it in Special Condition 31B.4; and

“Regulation” means the applicable Regulation prescribed by the Secretary, made pursuant to Section 32I(2) of the Ordinance for the level of spectrum utilization fees or the method for determining the spectrum utilization fees, for the spectrum with the Performance Bond required for payment of the spectrum utilization fees as specified or determined under that Regulation.

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;
- (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 On the occurrence of all or any of the following events:

- (a) failure of the Licensee to pay all or any of the Spectrum Utilization Fees due to insolvency of the Licensee or any other reasons;
- (b) surrender of the Licence by the Licensee;
- (c) a decision by the Chief Executive in Council to cancel or suspend the licence or the Authority to cancel, withdraw or suspend the Licence pursuant to section 34(4) of the Ordinance; or
- (d) the Licensee ceasing to provide telecommunications services over the telecommunications network pursuant to the Licence,

the Bank shall on demand made by the Government in writing and without evidence that the relevant events have in fact occurred pay, satisfy and discharge without cavil or delay the Bonded Sum.

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

2.3 This Performance Bond shall continue in full force and effect until payment by the Bank to the Government of the Bonded Sum in full in accordance with sub-clause 2.1 provided that no demand may be made under this Performance Bond after [DATE]. [*Note: the expiry date shall be [180] days after the due date of the payment of the last instalment covered by the Bonded Sum.*]

2.4 For the purposes of this clause, "insolvency" of the Licensee includes where the Licensee goes into liquidation whether compulsory or voluntary or if an order is made or a resolution is passed for the winding up or a receiver or an administrator is appointed or it enters into any arrangement or composition with its creditors generally or ceases to carry on business or to be able to pay its debts when they fall

due or becomes subject to other proceedings analogous in purpose or effect including, without limitation, the appointment of a receiver, trustee or liquidator for any such purpose.

3. MAXIMUM LIMIT

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

- (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 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

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 condition, 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 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 of Hong Kong, 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 of Hong Kong, 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 authorised 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 authorisations 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 authorisations

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

EXECUTED as a deed by [**BANK**])

acting by [] and)

[])

.....

*** End of Schedule 13 ***

.....
(Chaucer Leung)
for Communications Authority

Date: 30 June 2022