ANNEX A10

Broadband Satellite Service Regulations

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Article One : Definitions & Interpretations:

1-1 **Definitions:**

The defined terms & expressions in CITC's Ordinance and its implementing bylaw and CITC's organization shall have the same meaning when used in conjunction with this d document, unless the context set herein requires otherwise:

"**Application**" shall mean all documents, information, data & obligations provided by the applicant to CITC for obtaining a Service Authorization to render broadband satellite services in the Kingdom of Saudi Arabia.

"**General Terms & Conditions**" shall mean the General Terms & Conditions for General Class License prescribed in the License Classification Regulations published on the CITC website.

"**User Terminals**" means the transmission and reception equipment required by the User to access the licensed BBSS and which shall be capable of being controlled by the Licensee through the Licensee's network.

"**Service Provider**" means an operator with a General Class License and a Service Authorization for providing Broadband Satellite Services and who is obliged to meet all conditions specified in this Service Regulation.

1-2 **Service Regulation Documentation:**

This Service Regulation along with its related documents inclusive of, but not limited to, the General Terms & Conditions and related appendices, shall constitute an integral part thereof and shall be interpreted accordingly. Such documents are complementary to each other.

Article Two: Compliance with the Rules & Regulations:

2-1 The Service Provider must abide by CITC Ordinance including this Service Regulation's Terms & Conditions, Telecommunication Act & its bylaw, CITC Ordinance, regulatory frameworks, resolutions & guidelines issued by CITC from time to time including the procedures relating to approval of communication equipment and information technology.

2-2 The Service Provider is bound by whatever information & obligations it provides in its application for securing this Service Authorization.

2-3 The Service Provider shall submit periodical reports to CITC and provide any information that CITC requires. CITC will determine those reports and the nature of the required information & documentation and date of submission.

2-4 This Service Provider shall be pursuant to CITC Ordinance & any subsequent resolutions issued by CITC.

2-5 The Service Provider activities & acts shall be subject to the applicable rules & regulations in the Kingdom of Saudi Arabia.

2-6 The Service Provider shall adhere to the General Conditions and all other relevant License Conditions specified in the License Classification Regulation

Article Three: Scope of the Service Provider:

3-1 The Service Provider is entitled to provide the following Mobile, Fixed or Nomadic services:

3-1-1 Broadband data satellite services.

3-1-2 Voice communications services through broadband satellite.

3-1-3 Other related broadband satellite value-added services.

3-1-4 Internet services

3-2 The Service Provider shall have the right to provide the services Kingdom-wide.

3-3 Provision of any other services requires separate licenses from CITC.

3-4 Transmission of content services shall require separate licenses or approvals from the related government authorities.

Article Four: Facilities Scope:

4-1 The Service Provider must construct and/or operate the following facilities within Kingdom of Saudi Arabia:

- One or more main land stations to provide interlink between these stations and one or more satellites with the terminals for management of the licensed services.
- Network operation center for delivery of service, support and control on the licensed services provided by the licensee to the user.
- Technical & interface equipment that enable the Licensee to comply with the following:

a) Satisfying all the technical requirements through which to connect the technical control equipment.

b) filtering of User traffic terminating to the Internet in accordance with the CITC Statutes.

4-2 This Service Authorization does not permit the Service Provider to launch satellites.

4-3 The Service Provider is not permitted to build or operate terrestrial transmission facilities or an international gateway but may obtain these services from authorized Facility-based Service Providers (FBPs) in the Kingdom. The Service Provider shall ensure that all traffic originating from or terminating on international telecommunications networks is carried via these FBP networks and shall not permit any international traffic to bypass these networks.

4-4 The Service Provider must abide by all the coordination requirements with respect to the frequency spectrum which are issued & approved by CITC upon construction or operation of main land station or subscriber terminal equipment which technical features or location require coordination of the frequency spectrum.

4-5 The Service Provider may use its main land station (hub station) in Saudi Arabia to deliver its licensed services to its subscribers in other countries, licensee shall obtain the required licenses & approvals from those countries and apply to the provision of point (4-3) above.

Article Five: Use of Frequencies:

5-1 The Service Provider will have to procure frequencies in a separate application from the concerned CITC department

Article Six: Service Authorization Term & Renewal:

The Service Provider can offer its services as long as it has a valid General Class License and a valid Service Authorization to offer its services.
A Service Authorization for this service is typically issued for a duration of 10 years

Article Seven: Fees Payable by the Service Provider:

7.1 The Service Provider shall pay CITC the fees specified according to the 'License Fee Regulation' published on the CITC website.

7.2 CITC shall determine the process relating to the issuance of invoices and the method of payment with which the Licensee shall comply.

7.3 Payment shall be due immediately upon issuance of the invoice and shall be paid within one month of the invoice issuance date.

Article Eight: Service Launch:

The Service Provider shall launch the commercial services permitted under Article (Three) herein to the public within eighteen (18) months (Hijra) of the issuance of this Service Authorization. CITC may, at its sole discretion, revoke the Service Authorization if the Service Provider breaches this obligation, and the Service Provider alone shall bear full responsibility resulting from such breach, without any liability or responsibility being incurred by CITC.

Appendix (1) Requirements to apply for a Service Authorization for BB Satellite Services

All necessary requirements must be met and fulfilled:
1. Attach the application form for allocation of frequencies after filling.
2. Revenues: Applicants for a Service Authorization to provide broadband satellite services should be able to finance the expenses required for the establishment of broadband satellite services in the Kingdom. Applicants must submit the necessary documents showing their revenues from the ICT sector, provided that such revenues shall not be less than SR 25 million annually for the last year in which they have audited accounts.
3. Experience: Applicants must obtain a Service Authorization to provide broadband satellite services, provide a statement explaining their experience in the provision of ICT services for a minimum of five (5) years, or that one member of the applicant has experience in Provide ICT services for at least five (5) years.
4. Information and documents required: Applicants must obtain a Service Authorization to provide satellite broadband services, provide the following documents and information in Arabic, and a copy of which can be translated in English also with their requests. If there is a dispute between the two versions, Prevailing:
4.1 Description of the services to be offered during the Service Authorization period.
4.2 Expected launch date.
4.3 Expected number and geographical distribution of participants.
4.4 The applicant should also give a brief description of the proposed approach to
4.4.1Subscriber care and after sales support.
4.4.2 Monitoring service performance.
4.4.3 Billing procedures for subscribers.
4-5 Fill in the frequency allocation application form available on the website of the Commission.
4.6 The Applicant shall include all information which clearly demonstrates its ability to meet as a minimum the requirements of paragraph 2 and paragraph 3.
4.7 The applicant shall identify the proposed locations for installation of the station / earth stations.
4.8 The applicant shall enter into commercial agreements to provide satellite capacity to be used for the provision of broadband satellite services in the Kingdom. The applicant must attach a copy of the initial agreement between him and the proposed satellite provider, including the spectrum details required for the license, the required operational support, and the duration of the agreement, which must be at least ten years.
4.9 The applicant must submit a letter in which he / she is required to sign with the Commission the special requirements form before using and operating the network services.
5. Attach a definition of the Applicant.
6. Attach the technical specifications of the systems, devices and services to be implemented through this service.
7. Provide organizational requirements for the service.
8. The obligation to pay the service fee after approval by the Commission for the Service Authorization application through SADAD within one month from the date of issuance of the invoice, noting that the invoice will be sent directly to the e-mail of the entity.
9. Obligation to pay the annual fee for the use of the spectrum, in accordance with the provisions of the regulation for the use of frequencies.
10. All requirements must be submitted in Arabic with the possibility of submitting other supporting documents in English.

Appendix (2) Service Authorization for BB Satellite Services

The Service Authorization for BB Satellite Service will be as per 'Appendix E: Draft Service Authorization Annexure' in the 'License Classification Regulations'