



REPUBLIC OF LEBANON
**TELECOMMUNICATIONS
REGULATORY AUTHORITY**

[Draft Form of]

Mobile License

Approved by decree of the Council of Ministers

and

Issued by the Telecommunications Regulatory Authority

of the Republic of Lebanon

Under the Telecommunications Law 431 of 2002

to

[name of Licensee]

_____ 2008

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DRAFT

¹ To be deleted if the Council of Ministers decides there will be no revenue share obligation.

LICENSE dated [] 2008

The Telecommunications Regulatory Authority of the Republic of Lebanon (the "**TRA**" or the "**Authority**") is the authority responsible for the licensing and regulation of Telecommunications Services within the Republic of Lebanon.

In accordance with Telecommunications Law No.431 of 2002 and Decree [] of the Council of Ministers of the Republic of Lebanon, the Authority hereby authorizes the [insert name of Licensee] (the "**Licensee**") to provide Mobile Services in the Licensed Territory using a Public Land Mobile Network, together with the other services set forth herein, in accordance with the terms and subject to the conditions and obligations set forth herein and in the annexes attached hereto (collectively, the "**License**").

All capitalized terms not defined in this License have the meanings set out in the Telecommunications Law.

1. DEFINITIONS

In this License, the following terms shall have the following meanings:

"**Affiliate**" means, as used with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person, where "control" means the possession (indirectly or directly) of Operational Control or the ownership (directly or indirectly) of 50% or more of the share capital, voting rights, securities, partnership or other ownership interest of another Person.

"**Amendment Notice**" has the meaning set forth in Clause 7.3 of this License.

"**Authority**" has the meaning set forth in the preamble of this License.

"**Busy Hour**" has the meaning provided in Annex F to this License.

"**Blocking Factor**" has the meaning provided in Annex F to this License.

"**Class (1) 3G Services**" means services such as those available over networks based on the IMT-2000 family 3G standards as defined by the Third Generation Partnership Project 3GPP (ARIB/ETSI/T1/TTA/TTC) and identified by the ITU as using basic Wideband Code Division Multiple Access (WCDMA) radio access technology. Such services include, for example, narrowband voice, SMS, MMS, location-based services, video calls and other data services.

"**Class (2) 3G Services**" means, in addition to the services identified in Class (1) 3G Services, a variety of broadband voice and data services such as those enabled by the higher data rates of IMT-2000 family 3G standards and identified by the ITU as (i) Wideband Code Division Multiple Access (WCDMA) using Evolved High Speed Packet Access (HSPA+) or (ii) Worldwide Interoperability for Microwave Access (Wi-Max 802.16e 2005) radio access technologies. Such services include, for example,

broadband high speed Internet access, video on demand, and mobile Multimedia Broadcast and Multicast Services (MBMS).

"**Combinations**" and "**Combination 1**" have the meanings set forth in the RFA.

"**Council of Ministers**" means the Council of Ministers of the Republic of Lebanon.

"**Customer**" means a Person who receives and pays for Telecommunication Services.

"**Effective Date**" has the meaning set forth in Clause 2.1 of this License.

"**Force Majeure**" means any: (i) act of God; (ii) confiscation or expropriation; (iii) insurrection, war or military operations; (iv) national or local emergency; (v) requirement or restriction of governmental authorities (but, for the avoidance of doubt, not including any determination of the TRA) by which, or as a result of which, it is illegal for a party to observe or perform an obligation under this License or which frustrates the observance or performance of that obligation; (vi) strike, lockout, work stoppage or other labor hindrance; in each case, beyond the reasonable control of the Licensee.

"**Government**" means the Government of the Republic of Lebanon.

"**Gross Revenue**" means the total revenues realized by the Licensee or its operating units, subsidiaries or agents from its or their provision of Mobile Services or the conduct of any other activity within the Licensed Territory including, without limitation, the sale of postpaid and prepaid voice, Value Added Services, data services, SMS, MMS, location based services, mobile multi-media broadcast and multicast services, video on demand, push to talk over cellular, IMS based services, cards, SIMs, handsets, terminal equipment and other related goods or services of value, including payments received from other domestic or foreign Service Providers for interconnection, national roaming, facility sharing and other access services, *less only* amounts paid by the Licensee to other domestic or foreign Service Providers (including for the avoidance of doubt the Ministry of Telecommunications until the establishment of Liban Telecom as a commercial entity) for interconnection and access services.

"**Information**" means symbols, signs, signals, writings, sounds or any other type of electronic data.

"**Information Memorandum**" has the meaning set forth in the RFA.

"**International Telecommunications Services**" means any Telecommunications Services provided between the Republic of Lebanon and any other country.

"**ITU**" means the International Telecommunications Union.

"**Licensed Radio Frequencies**" means the radio frequencies identified in Annex B.

"**License Regulatory Conditions**" means the conditions set forth in Annex A.

"**Licensed Services**" has the meaning set forth in Clause 3.1 of this License.

"**Licensed Territory**" means the territory of the Republic of Lebanon and its territorial waters.

"**Licensee**" has the meaning set forth in the preamble of this License.

"**Licensee 1**" and "**Licensee 2**" have the meanings set forth in the RFA.

"**Lock-up Undertaking**" means the undertaking in the form attached as Annex H.

["**Management Agreement**" means a five year agreement pursuant to which the Licensee will be provided with access to technology, professional know-how, and operational and management experience required to operate the Network and provide Mobile Services in accordance with the RFA.]²

"**Minister**" means the Minister of Telecommunications of the Republic of Lebanon.

"**Mobile Business 1**" and "**Mobile Business 2**" have the meanings set forth in the RFA.

"**Mobile Services**" means the provision of any Telecommunications Services to the public using a PLMN.

"**Mobile Provider**" means a Provider that is licensed to install, operate, maintain and exploit a PLMN and/or to provide Mobile Services in the Republic of Lebanon.

"**MVNO**" means Mobile Virtual Network Operator, a Provider licensed or otherwise permitted to provide Mobile Services who does not have the right to use radio frequencies and does not own the PLMN necessary to provide such Mobile Services.

"**National Security Laws**" means Law No. 140 dated 27 October 1999 and any other applicable law with respect to national security and any applicable regulations issued thereunder, as enacted or amended from time to time, and any applicable procedures set or directives given by the Council of Ministers.

"**Network**" means a system of interconnected facilities and software designed to carry telecommunications traffic and provide Telecommunications Services, including both the physical components (Infrastructure) and the various software-defined logical networks, each representing a particular interconnection of infrastructure designed to provide one or more specific Telecommunications Services.

"**Number Portability**" means a facility provided by the Licensee or by any Qualifying Provider (as the case may be) to each other, which enables any customer to whom a telephone number has been allocated for use on either Provider's Network to change Providers and continue to receive Telecommunications Services using the same telephone number.

"**Official Gazette**" means the official gazette published in the Republic of Lebanon.

² This definition to be included if the Licensee is entering into a Management Agreement as provided in Clause 4.4 of the RFA (i.e., if it is not subject to the exemption in clause 4.4(b) of the RFA).

"Operational Control" means the ability to control the business and affairs of a Person or to direct or cause the direction of management, whether by ownership, contract or otherwise.

"Performance Bond" means the performance bond issued by a bank acceptable to the Authority in the amount of US \$ 25,000,000 and in substantially the form attached hereto as Annex G.

"Person" means a natural person or any entity with legal personality.

"Provider" or **"Service Provider"** means a Person who provides, directly or indirectly, Telecommunications Services.

"Public Land Mobile Network" or **"PLMN"** means a terrestrial (but not satellite) digital cellular radio communications network permitting the provision of Mobile Services to the public, including, without limitation, a network of radio base station sites, a core network and a network of transmission links, including national backbone and backhaul facilities.

"Public Telecommunications Services" means the provision of Telecommunications Services to the public or to a group of people whereby such services are generally available.

"Qualifying Provider" means a Provider that (a) has notified another Provider in writing that it requests the provision of Number Portability from such other Provider specifying the type or types and extent of Number Portability so requested, and (b) is able and willing to provide the same type or types and extent of Number Portability to the other Provider on reasonable terms and in accordance with any specifications published from time to time by the Authority. The Licensee shall be deemed to be acting in the capacity of a Qualifying Provider where the Licensee has requested in writing the provision of Number Portability from another Provider and has offered Number Portability to such Provider as described above.

"Radio Frequency Spectrum" has the meaning provided in the Telecommunications Law.

"Regulation" means any decree, directive, decision, regulation, guideline, order, technical specification, statement or other written action of the Council of Ministers, the Authority or the Minister, acting from time to time pursuant to powers under the Telecommunications Law, that imposes an obligation, duty, condition or requirement on any Provider.

"RFA" means the Request for Applications to participate in a tender process for twenty year licenses together with the acquisition of the businesses of two existing mobile network operators, issued by the TRA and the Higher Council for Privatization of the Republic of Lebanon, dated 2 November 2007, as amended from time to time.

"Significant Market Power", or **"SMP"**, has the meaning set forth in the SMP Regulation issued by the Authority on _____ 2007, as amended from time to time.

"Spectrum RTU Fee" has the meaning provided in Annex C to this License.

"**Spectrum Management Fee**" has the meaning provided in Annex C to this License.

"**Subscriber**" means a Person who receives Telecommunications Services and pays the corresponding fees for a certain period of time, either by virtue of an agreement entered into with a Service Provider or according to terms set forth by a Service Provider and accepted by that Person.

"**Telecommunications Law**" means the Telecommunications Law no. 431 published in the Official Gazette on 23 July 2002, as amended from time to time.

"**Telecommunications Legislation**" means the Telecommunications Law (as amended or replaced from time to time) and any Regulations issued thereunder.

"**Telecommunications Services**" means the transmission and/or routing of Information by wires, radio signals, optical means, electromagnetic systems or any other method, as well as providing the necessary infrastructure for that purpose.

"**Tender Process**" means the tender process for the Combinations as set out in the RFA, the Information Memorandum and other applicable documents and communications, as the same may be modified, supplemented or withdrawn from time to time.

"**TRA**" has the meaning set forth in the preamble of this License.

"**USO Contribution**" has the meaning provided in Annex C to this License.

"**Winning Bid Amount**" has the meaning set forth in the RFA.

"**Winning Bidder**" means, in respect of Combination [1] [2], the winning bidder as selected and announced by the Council of Ministers.

2. TERM AND RENEWAL

- 2.1. Subject to Clause 2.2, this License is effective on _____ 2008 (the "**Effective Date**") and shall have a term of twenty (20) years unless terminated earlier pursuant to Clause 8 below.
- 2.2. The effectiveness of this License shall be subject to the following conditions precedent:
 - 2.2.1. The Licensee shall have provided the Authority with a Performance Bond in the form set forth in Annex G to secure the obligations of the Licensee under the License, including without limitation the Licensee's obligations to comply with the coverage and rollout obligations in Annex F and to pay the fees and any other payments set forth in Annex C.
 - 2.2.2. The Authority shall have received the Lock-up Undertaking in the form set forth in Annex H duly executed by the founding shareholders of the Licensee.

- 2.2.3. The Licensee shall have duly signed and delivered to the Authority the Acknowledgement in the form set forth in Annex I.
- 2.2.4. [The Licensee and the Winning Bidder shall have duly signed and delivered to the Authority the revenue share deed in the form set forth in Annex J.]³
- 2.2.5. [The Licensee shall have entered into and delivered to the Authority a duly executed copy of the Management Agreement, and the Authority shall have confirmed in writing to the Licensee that such Management Agreement is satisfactory in form and substance to the Authority.]⁴
- 2.3. The License shall automatically terminate upon expiry of its term if it is not renewed.
- 2.4. This License may be renewed upon expiry of its term for an additional twenty (20) years in accordance with Clause 2.5 if the Licensee:
- 2.4.1. provides notice of its request for renewal more than two years before expiry of its term; and
- 2.4.2. is not in material breach or default of any material obligation under the Telecommunications Legislation and this License from the time notice is provided under sub Clause 2.4.1 until the expiry of the term of this License.
- 2.5. Prior to a reasonable period before the expiry of the term of this License, the Authority (or such other body as may have statutory authority over such matters under the Telecommunications Legislation in effect at the time of renewal) will (i) provide notice to the Licensee of the proposed terms and conditions of the renewed License (including applicable fees and other payments), (ii) consult with the Licensee with respect thereto, and (iii) take into account its representations at such time. Renewal of this License under Clause 2.4 shall be subject to the approval of the Authority (or the equivalent relevant body), and subject to such fees and other payments as may apply under the Telecommunications Legislation at such time.
- 2.6. The Licensee shall not be entitled to any compensation on expiration or earlier lawful suspension, fore-shortening or revocation of this License.

3. LICENSED SERVICES

- 3.1. The Licensee is authorized to:

³ To be deleted if the Council of Ministers decides there will be no revenue share obligation.

⁴ This sentence to be included if the Licensee is entering into a Management Agreement as provided in Clause 4.4 of the RFA (*i.e.*, if it is not subject to the exemption in clause 4.4(b) of the RFA).

- 3.1.1. provide Mobile Services in the Licensed Territory;
- 3.1.2. provide International Telecommunications Services to Subscribers of its Mobile Services; and
- 3.1.3. provide any Telecommunications Services to other Providers using the facilities referred to in sub Clauses 5.1.1 and 5.1.2

(the Telecommunications Services referred to in sub Clauses 3.1.1, 3.1.2 and 3.1.3 are referred to collectively herein as the "**Licensed Services**").

4. LICENSED FREQUENCIES

- 4.1. The Licensee is authorized to exercise the exclusive right to use the Licensed Radio Frequencies.
- 4.2. The Licensee's right to use the Licensed Radio Frequencies is subject to the terms of Annex D to this License and the provisions of the Telecommunications Legislation in force from time to time regulating Radio Frequency Spectrum use.
- 4.3. The backbone and backhaul transmission frequency bands set forth in Annex B may be modified by the Authority from time to time.

5. FACILITIES

- 5.1. For the purpose of providing the Licensed Services, the Licensee may:
 - 5.1.1. construct, install, purchase, lease, own, operate and maintain the facilities constituting a PLMN, whether alone or jointly with other Providers;
 - 5.1.2. construct, install, purchase, lease, own, operate and maintain terrestrial (i.e., non-satellite) international gateway facilities for telecommunications traffic, whether alone or jointly with other Providers; and
 - 5.1.3. subject to applicable requirements of the Telecommunications Legislation, interconnect its facilities with any telecommunications network lawfully operated within or outside the Licensed Territory.
- 5.2. The Licensee shall comply with the Rollout and Coverage Obligations set forth in Annex F to this License.

6. FEES AND OTHER PAYMENTS

- 6.1. The Licensee shall promptly pay the fees and other payments set forth in Annex C in accordance with the terms and conditions set forth therein.

- 6.2. In the event of a default by the Licensee in the payments when due under this License, the Licensee shall pay interest on the amount from time to time due and unpaid from the period beginning on its due date and ending on the date of its payment in full, which interest shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 365 day year. The applicable rate of interest shall be the average of the prevailing prime lending rates of the banks and finance companies quoted and published by the Central Bank of the Republic of Lebanon.
- 6.3. The Licensee's Gross Revenues shall be certified on a [quarterly][annual] basis by an independent audit firm of international standing licensed to provide services in the Republic of Lebanon, approved by the Authority and retained and compensated by the Licensee, subject to further independent verification by the Authority. The auditor shall set forth as part of its certification the scope of its [quarterly][annual] audit pertaining to the calculation of the Gross Revenues, and at a minimum that the scope of audit review was performed to ensure that the financial data was properly recorded and that adequate operational procedures existed, including without limitation around cash receipts, and that the Gross Revenues were materially accurate.⁵

7. AMENDMENT

- 7.1. Any provision in the License other than the License Regulatory Conditions may be amended:
- 7.1.1. if the Licensee and the Authority agree in writing to such amendment; or
- 7.1.2. by the Authority without the consent of the Licensee if the Licensee is in material breach of or default under one or more terms of this License or the Telecommunications Legislation and such material breach or default not been remedied; or
- 7.1.3. by the Authority without the consent of the Licensee if the Authority (i) delivers the Amendment Notice referred to in Clause 7.3 to all affected Providers, (ii) publishes such Amendment Notice on its website, in at least two national daily newspapers and in the Official Gazette, and (iii) follows the requirements in Clauses 7.4 and 7.5 below.
- 7.2. Any provision in the License Regulatory Conditions (and definitions in Clause 1 used in such License Regulatory Conditions) may be amended by the Authority in order to conform to such Regulations as may be issued from time to time, provided that the Authority provides an Amendment Notice to the Licensee in accordance with Clause 7.3 below and follows the requirements in Clauses 7.4 and 7.5 below.

⁵ Quarterly audit only required if the Council of Ministers decides there will be a 10% revenue share obligation.

- 7.3. Before amending the License pursuant to sub Clause 7.1.3 or Clause 7.2 above, the Authority shall, in accordance with those Clauses, provide a notice (the "**Amendment Notice**"):
 - 7.3.1. stating that it proposes to make an amendment to the License and setting out the text and effect of such amendment;
 - 7.3.2. specifying its reasons for making such amendment; and
 - 7.3.3. stating the time (being not less than thirty (30) days from the date of provision of the Amendment Notice) during which representations or objections with respect to the proposed amendment may be made.
- 7.4. In deciding whether to make any amendment referred to in the Amendment Notice, the Authority shall consider any representations or objections which are submitted in response to the Amendment Notice.
- 7.5. No amendment to the License shall be restricted to the Licensee if the Authority considers that the justification for such amendment applies also to Licenses held by other Providers of Public Telecommunications Services.

8. TERMINATION

- 8.1. This License may not be terminated prior to the expiry of its term except in accordance with Clauses 8.2 or 8.3 below.
- 8.2. This License may be terminated if the Licensee and the Authority agree in writing to terminate the License.
- 8.3. This License may be revoked by the Authority pursuant to Clause 8.4 below or the applicable provisions of the Telecommunications Legislation if:
 - 8.3.1. the Licensee is in material breach of or default under any term or condition of this License or of the provisions of the Telecommunications Legislation or National Security Laws and such material breach or default not been remedied; or
 - 8.3.2. the Licensee is dissolved, or enters into liquidation, bankruptcy, receivership, administration or equivalent proceedings or makes a general assignment for the benefit of creditors.
- 8.4. In order to revoke the License under Clause 8.3 above, the Authority must:
 - 8.4.1. notify the Licensee in writing of its intent to revoke the License and the specific grounds for such revocation, including that such event, change or acquisition would in its opinion be a material breach of or default under the License or the Telecommunications Legislation or National Security Laws; and

- 8.4.2. confirm that such event, change or acquisition has not been reversed or remedied within thirty (30) days of the receipt by the Licensee of such notification.

9. CONTINUITY OF SERVICE

- 9.1. The Licensee shall comply with the reasonable directions of the Authority (or the equivalent body responsible at such time for authorizing or regulating Telecommunications Services) to ensure the continuity of provision of Mobile Services to the Licensee's Customers over the Licensee's Network following the termination or expiry (if not to be renewed) of the License pursuant to such transition process as the Authority shall reasonably require. Such compliance shall include, but will not be limited to executing any documentation necessary to effectuate the following:
 - 9.1.1. the continued use of the Network of the Licensee;
 - 9.1.2. the continued access of the Licensee's Customers to Mobile Services;
 - 9.1.3. the continued use of the Licensed Radio Frequencies and any other Radio Frequency Spectrum used by the Licensee for its services; and
 - 9.1.4. the continued use of numbering allocated to the Licensee.
- 9.2. In giving directions as provided by Clause 9.1, the Authority shall provide that the Licensee shall be compensated for costs that shall reasonably be for the account of the successor licensee (or the equivalent).
- 9.3. If the Authority determines that the provisions of Clause 9.1 prove inadequate to ensure the continuity of services to Customers, the Authority may mandate the sale of the Network and related assets on reasonable commercial terms for the purpose of ensuring such continuity.

10. SUSPENSION OF LICENSE, FINES AND OTHER PENALTIES

- 10.1. In the event the Licensee is found to be in breach of or default under one or more of the terms of this License or of the provisions of the Telecommunications Legislation or of the National Security Laws, the Authority may impose any penalty or fine authorized by the Telecommunications Legislation, including Articles 40 and 41 of the Telecommunications Law, and the Authority may suspend the License in whole or in part, and impose a fine in such amount as the Authority determines provided that such amount is proportionate to the gravity of the breach or default.
- 10.2. The Licensee shall promptly pay or otherwise comply with any penalty or fine imposed by the TRA in accordance with Clause 10.1 above.
- 10.3. Any termination or suspension of the License shall be without prejudice to

the rights and remedies which may accrue to the Licensee or the Authority under the License or any law as at the date of termination except that the Licensee shall not have the right to seek a refund of any fee, contribution or other amount paid to the Republic of Lebanon or the Authority.

11. EXCEPTIONS AND LIMITATIONS

11.1. The Licensee shall not be held to have failed to comply with any term or condition under this License if:

11.1.1. it is caused primarily and directly by an event of Force Majeure; and

11.1.2. as soon as possible after the happening of the event relied upon or as soon as possible after determining that the event was in the nature of Force Majeure and would affect the ability of the Licensee to observe or perform the particular obligation, the Licensee shall have served on the Authority written notice to the effect that it is unable by reason of Force Majeure (the nature of which shall be specified in the notice) to observe or perform the particular obligation (the nature of which shall also be specified in the notice).

11.2. The Licensee shall not be entitled to the benefit of the provisions of Clause 11.1 above under any or all of the following circumstances:

11.2.1. to the extent that the failure was caused by, or reasonably could have been prevented if it were not for, the negligence of the Licensee;

11.2.2. to the extent that the failure was caused by, or reasonably could have been prevented if it were not for, a failure or omission of the Licensee, and the Licensee has failed to mitigate or remedy the event relied upon, and to resume the observance or performance of the particular obligation, with reasonable dispatch;

11.2.3. the Licensee has failed to mitigate or remedy the event relied upon, and to resume the observance or performance of the particular obligation, with reasonable dispatch;

11.2.4. if the failure was caused by lack of funds of the Licensee or its group; or

11.2.5. if, and to the extent that, the particular obligation may reasonably be observed or performed notwithstanding the Force Majeure.

12. ASSIGNMENT, TRANSFER AND SUBCONTRACTING

12.1. Without the prior written approval of the Authority (and compliance with all applicable procedures in the Telecommunications Legislation), the Licensee shall not:

- 12.1.1. subcontract, assign, pledge or otherwise transfer to another Person this License or any rights under it; or
- 12.1.2. dispose or agree to dispose of all or substantially all of the assets and undertaking of the Licensee relating to its PLMN; or
- 12.1.3. engage in an issuance, or provide support for the transfer, of shares in the Licensee or other transaction which would have the direct or indirect effect of causing the transferee to acquire (directly or indirectly) (i) ten (10) per cent or more of the Licensee's share capital, voting rights or securities; or (ii) Operational Control of the Licensee.
- 12.2. Subject to Clause 12.3 below, the Licensee may, without the prior written approval of the Authority, exercise any of its rights or obligations hereunder, whether related to its PLMN or its Mobile Services, by subcontracting to other Persons.
- 12.3. If after consulting with the Licensee the Authority gives written notice to the Licensee of any activities which it considers to be inappropriate for subcontracting together with the grounds for its view, the Licensee shall not enter into any new subcontracting arrangement for such activities or continue any existing such arrangement beyond a reasonable period required to terminate such subcontracting arrangement.
- 12.4. Notwithstanding any other provision of this License and any arrangement it may enter into with any other Person relating to the exercise of the Licensee's rights or fulfillment of its obligations under this License, the Licensee shall remain subject to, and shall retain full responsibility and liability for the fulfillment of, all of the obligations set forth in this License and the Telecommunications Legislation.

13. SHARE OWNERSHIP AND MANAGEMENT AGREEMENT

- 13.1. No direct or indirect sale, transfer or other divesture of shares in the Licensee (or any of the Licensee's direct or indirect shareholders) representing ten (10) per cent or more of the shares then in issue in the Licensee shall be effected without the prior written approval of the Authority, nor shall there be any direct or indirect sale, transfer or other divesture of shares in the Licensee (or any of the Licensee's direct or indirect shareholders) to a shareholder already holding or as a result of such sale or transfer would hold ten (10) per cent or more of the shares then in issue in the Licensee without the prior written approval of the Authority. The Authority shall be notified of the material terms of the proposed sale, transfer or divesture, the identification of the proposed transferee and of any other information that may be reasonably requested by the TRA. The Authority shall approve or reject any such sale, transfer or other divesture within 10 (ten) days of being notified of the intended sale, transfer or other divesture in accordance with Clause 13.2. Any such sale, transfer or other divesture of shares without the prior written approval of the Authority shall

be deemed an unlawful assignment of this License and in breach of the terms and conditions herein.

13.2. For the purposes of Clause 13.1, the Authority may reject any sale, transfer or other divestiture of shares or impose such restrictions or conditions thereon as the Authority deems appropriate taking into account in its sole discretion:

13.2.1. the effect on the competitiveness of the relevant market in Telecommunications Services;

13.2.2. matters of national security and the National Security Laws;

and any other valid considerations under applicable law.

13.3. The Licensee shall notify the Authority no later than thirty (30) days before an agreement to sell any shares of the Licensee on any stock exchange in the Republic of Lebanon or elsewhere takes effect.

13.4. The Licensee shall not acquire or maintain Operational Control of, nor have (directly or indirectly) any ownership interest in, any other Mobile Provider. No breach of this Clause will result from the ownership (direct or indirect) by the Licensee of less than ten (10) per cent of the shares of a company which owns (directly or indirectly) a proportionate ownership interest of less than ten (10) per cent in a Mobile Provider.

13.5. The bylaws of the Licensee shall require each shareholder to notify the company secretary of the Licensee prior to any change of ownership of its shares involving five (5) per cent or more of its shares and shall authorize the Licensee to notify the Authority of all such intended changes of ownership. The notification to the Authority shall include the material terms of the proposed sale, transfer or divestiture, the identification of the proposed transferee and any other information that may be reasonably requested by the TRA.

13.6. No sale, transfer or other divestiture of shares in the Licensee shall be effected without the prior written approval of the Authority if such transfer would not be in compliance with the lock-up restrictions set forth in the Lock-up Undertaking in the form attached as Appendix H to this License.

13.7. [The Licensee shall not amend the Management Agreement without the prior written approval of the Authority, such approval not to be unreasonably withheld.]⁶

⁶ Paragraph to be included if the Licensee has entered into a Management Agreement as provided in Clause 4.4 of the RFA (i.e., if it is not subject to the exemption in clause 4.4(b) of the RFA).

14. COMPLIANCE WITH LAWS AND REGULATIONS

- 14.1. The Licensee shall observe all applicable laws and regulations of the Republic of Lebanon, including, but not limited to, the Telecommunications Law, any Regulations issued by the TRA and any other Telecommunications Legislation, as well as the National Security Laws, competition policy and to the protection of environmental conditions and of classified tourist and historical sites.
- 14.2. Nothing in this License shall be taken as discharging the Licensee from its obligations to obtain any other licenses, permits or approvals that may be required under any law or regulation in force in the Republic of Lebanon.
- 14.3. The Licensee hereby represents and warrants that it has complied with all the procedures and conditions of the Tender Process and has not committed any act or omitted to take any action constituting a breach of or default under the procedures and conditions of the Tender Process, and has met and satisfied all requirements applicable under the Telecommunications Legislation.
- 14.4. The Licensee acknowledges and agrees that in the event the Authority determines that the Licensee did not comply with any of the procedures or conditions of the Tender Process, the Authority shall be entitled to amend, revoke or suspend this License or any part thereof, or impose a financial penalty, in accordance with Clauses 7, 8 or 10 of this License.

15. PERFORMANCE BOND

- 15.1. The Licensee shall maintain the Performance Bond in full force and effect until the TRA releases the Performance Bond on the earlier of (i) the third anniversary of the Effective Date or (ii) the issuance by the TRA of a certificate confirming that the Licensee has satisfied its rollout and coverage obligations in Annex F of the License.
- 15.2. The Licensee shall not be released from any of its obligations under this License by reason of any full or partial forfeiture of the Performance Bond.

16. NOTICES

- 16.1. All notices required to be given to the Licensee by the Authority shall be satisfied by sending the document by courier to the address in the Republic of Lebanon provided by the Licensee for the service of notices or by hand to the Licensee at the Licensee's registered office.
- 16.2. All notices required to be given to the Authority by the Licensee shall be satisfied by sending the document by courier to the address of the Authority in the Republic of Lebanon provided by the Authority for the service of notices or by hand to the Authority at the Authority's registered office.

17. GOVERNING LAW; DISPUTE RESOLUTION

- 17.1. This License shall be governed by and construed according to the laws of the Republic of Lebanon.
- 17.2. Any dispute, controversy or claim arising out of or relating to this License, including without limitation one regarding the existence, validity, interpretation, breach, amendment, suspension or termination of this License or the consequences of its nullity, shall be subject to the exclusive jurisdiction of the competent courts of the Republic of Lebanon.

18. MISCELLANEOUS

- 18.1. References to any law, regulation, decree or other statutory instrument include any modification, re-enactment or legislative provisions substituted for the same.
- 18.2. Words importing the singular shall include the plural and vice versa.
- 18.3. Every term and part thereof shall be construed as a separate and severable provision so that if any term or part thereof is held invalid, unenforceable or illegal for any reason, the remainder of the License shall remain in full force in every respect.

SIGNED BY:

Chairman and CEO
Telecommunications Regulatory Authority

Date: _____ 2008

PURSUANT TO:

Decree _____ of the Council of Ministers

Annex A

LICENSE REGULATORY CONDITIONS

The Licensee acknowledges that the License Regulatory Conditions relate to matters that may subsequently become the subject of Regulations to be issued under the Telecommunications Law and are therefore subject to further development and amendment in accordance with Clause 7.2 of the License. The Licensee also acknowledges that these License Regulatory Conditions and Regulations that have been issued on or prior to the Effective Date are only part of the regulatory regime that is being developed and that Regulations addressing other areas may also be introduced from time to time.

1. Price regulation

- 1.1. Before commercial launch of the Licensed Services, the Licensee shall submit to the Authority its proposed prices for such Licensed Services as well as the non-price-related terms and conditions of the Licensed Services.
- 1.2. After commercial launch of its services, the Licensee shall continue to submit to the Authority its prices.
- 1.3. If the Licensee is designated under the SMP Regulation as a Service Provider with SMP in the market for call origination from a PLMN (or its equivalent), the market for call termination on a PLMN (or its equivalent) or any other relevant market, then its prices for the Licensed Services in such market, as well as any proposed changes or the introduction of new prices or price packages, shall be subject to approval of the TRA prior to taking effect.
- 1.4. While the Licensee is not designated as a Service Provider with SMP in a relevant market, its prices in such market shall take effect at its discretion without respect to their filing with the TRA.

2. Numbering

- 2.1. The Authority shall, at the request of the Licensee and pursuant to the national numbering plan, allocate to the Licensee in accordance with Article 31 of the Telecommunications Law and any applicable Regulations such quantity of additional numbers as the Licensee forecasts that it may reasonably require. The Licensee shall pay all fees required by the Telecommunications Legislation for use of such numbers.
- 2.2. The Licensee shall ensure that its use of the numbers allocated to it by the Authority complies with the national numbering plan. The Licensee shall furnish details of its numbering plan and usage to the Authority and keep the Authority informed of material changes to its numbering plan as they

occur. If the Licensee's numbering plan is not consistent with the national numbering plan, the Authority may direct the Licensee to adopt and furnish the Authority with a new numbering plan or to take such other reasonable remedial action as may be necessary to ensure consistency. The Licensee shall take all necessary steps to ensure that the numbers allocated are efficiently utilized.

- 2.3. The Authority reserves the right to alter and/or reallocate any telephone numbers given to the Licensee at any time, upon written notice, without being liable for any loss or inconvenience directly or indirectly attributable to the alteration or reallocation of such numbers.

3. Microwave Point to Point Frequencies

- 3.1. The Authority shall, at the request of the Licensee and pursuant to the national Frequency Allocation Table, allocate to the Licensee in accordance with Articles 15 and 16 of the Telecommunications Law and any applicable Regulations such quantity of additional microwave point to point frequencies as the Licensee forecasts that it may reasonably require. The Licensee shall pay all fees required by the Telecommunications Legislation for use of such microwave point to point frequencies.
- 3.2. The Licensee shall ensure that its use of the microwave point to point frequencies allocated to it by the Authority complies with the national Frequency Allocation Table. The Licensee shall furnish details of its microwave point to point frequency plan and usage to the Authority and keep the Authority informed of material changes to its microwave point to point frequency plan as they occur. If the Licensee's microwave point to point frequency plan is not consistent with the national Frequency Allocation Table, the Authority may direct the Licensee to adopt and furnish the Authority with a new microwave point to point frequency plan or to take such other reasonable remedial action as may be necessary to ensure consistency. The Licensee shall take all necessary steps to ensure that the microwave point to point frequencies allocated are efficiently utilized.
- 3.3. The Authority reserves the right to alter and/or reallocate any microwave point to point frequencies given to the Licensee at any time, upon written notice, without being liable for any loss or inconvenience directly or indirectly attributable to the alteration or reallocation of such microwave point to point frequencies.

4. Number Portability

- 4.1. The Licensee shall provide Portability of its Customers' numbers to any other Mobile Provider within twelve (12) months of the issuance of a Regulation concerning Portability but only so long as and to the extent that such Provider is providing equivalent Portability to its own Customers. The aforementioned twelve (12) month period within which the Licensee must begin offering Portability may not be reduced.

- 4.2. The Licensee shall comply with any Regulation issued under the Telecommunications Law concerning Portability and arrangements and requirements in relation to Portability, including all relevant Codes of Practice, directions and notifications which the Authority may issue from time to time.

5. Roaming

- 5.1. In the event that a Provider (other than the other Mobile Provider licensed pursuant to the Tender Process) is granted a license to provide Mobile Services, the Licensee shall have an obligation, if so requested by such Provider, to negotiate in good faith and conclude an agreement for the provision of roaming services to such Provider throughout the Licensed Territory for a period expiring on the date that is eighteen (18) months after the Effective Date of such Provider's Mobile License.
- 5.2. Roaming agreements entered into by the Licensee pursuant to Clause 4.1 shall be on reasonable terms and conditions and shall comply with any Regulation under the Telecommunications Law that may be issued from time to time. In the event that the Licensee and such Provider are unable to reach agreement on the terms and conditions to apply, either Provider may request that the Authority shall determine the reasonable terms and conditions to be included in such an agreement, and the Licensee shall comply with such determination and enter into an agreement embodying such terms and conditions.
- 5.3. Within six (6) months of the Effective Date, the Licensee shall submit to the Authority its plan for the provision of international and national roaming services, including the form and nature of agreements that the Licensee intends to apply and the time frames in which the Licensee shall implement roaming. The planned phases and targeted countries per phase for the implementation of international roaming should be specified.

6. Provision of Services for Resale

- 6.1. If the Authority determines that the Licensee is a Provider of Telecommunications Services with Significant Market Power in a telecommunications market under the Telecommunications Legislation, the Authority may impose obligations related to the offering of the Licensee's Mobile Services at wholesale for resale by other Providers to retail customers.
- 6.2. The obligations referred to in Condition 5.1 above shall be consistent with the Telecommunications Legislation and may include, but may not be limited to, entering into (i) an agreement with a Provider to make airtime or network capacity on the Licensee's PLMN available to that Provider, or (ii) an agreement with a Provider to provide any other Telecommunications Services. The Licensee shall ensure that any such agreement is offered on reasonable terms and conditions. In the event that the Licensee and such Provider are unable to reach accord on such an agreement, either Provider

may request that the Authority shall make a determination as to the reasonable terms and conditions to be included in such an agreement, and the Licensee shall comply with such determination and enter into an agreement embodying such terms and conditions.

7. Network Facility Sharing

- 7.1. The Licensee shall comply with any Regulation related to the sharing of facilities or property comprising its PLMN. In addition, the Authority may impose on the Licensee further specific obligations related to network access and facility sharing, but only if the Authority determines that the Licensee is a Provider with SMP in a telecommunications market under the Telecommunications Legislation.
- 7.2. The Licensee shall share infrastructure whenever and wherever mandated by the Authority in accordance with the Telecommunications Legislation. Where the Authority considers it necessary for the Licensee to share infrastructure with other Providers in designated areas in the national and/or public interest or otherwise, the Authority shall inform the Licensee and the affected Providers accordingly so that they can make the necessary arrangements.

8. Interoperability and Technical Standards

- 8.1. The Licensee shall comply with all applicable Telecommunications Legislation in order to ensure interoperability of its Mobile Services and PLMN with Telecommunications Services and Networks operated by other Providers.
- 8.2. The Licensee shall ensure that all the equipment acquired after the Effective Date, constituting a part of or connected to its PLMN and used in the provision of Mobile Services, is approved in accordance with the Telecommunications Legislation.

9. Interception, Public Rescue and Emergency Services

- 9.1. The Licensee shall build a state-of-the-art lawful interception system including the configuration and enabling of the Licensee's network components, effective monitoring equipment and the delivery to the Government of the lawful interception point of interconnection that will be operated at the sole discretion of and cost to the Government without any intervention, help, knowledge or assistance from the Licensee.
- 9.2. Any connection to the PLMN for the purpose of intercepting Information shall be performed in compliance with all applicable laws
- 9.3. The Licensee shall provide access to rescue and emergency services including calls to local emergency service organizations such as police, ambulance and civil defense services as set forth by the Authority.

10. Accounting Requirements

- 10.1. Within three months after the end of each fiscal year of the Licensee, the Licensee shall deliver to the Authority its audited financial statements (including, without limitation, its balance sheet as at the end of such fiscal year, the related statements of operations, equity and cash flows and the auditors' letter to management), in each case accompanied by a report of internationally recognized independent auditors stating that such financial statements fairly present the financial position of the Licensee at the dates indicated and were prepared in accordance with International Accounting Standards promulgated by the International Accounting Standards Committee.
- 10.2. Within three months after the end of the first six months of each fiscal year of the Licensee, the Licensee shall deliver to the Authority its unaudited financial statements in respect of that six-month period.
- 10.3. At such intervals as the Authority shall prescribe, the Licensee shall deliver to the Authority such additional financial documents and records as the Authority may determine are necessary to confirm that the Licensee is correctly reporting its financial results for the purposes of its obligations under the License.
- 10.4. The Authority may impose additional accounting requirements on the Licensee if the Licensee is determined by the Authority to have Significant Market Power in a relevant telecommunications market, and the Licensee shall comply with all such requirements.

11. Anti-competitive behavior

- 11.1. The Licensee shall not enter into any agreement or arrangement that in any way has the object or effect of preventing or restricting competition in relation to the operation of its PLMN or the provision of Telecommunications Services by the Licensee or any Provider.
- 11.2. The Licensee shall not show undue preference towards, or exercise undue discrimination against any Person or class of Persons in the price and performance characteristics of the Telecommunications Services it provides or the terms and conditions under which the services are provided. In particular, the Licensee shall not give any undue preference to, or receive an unfair advantage from, a business carried on by it or an associated or affiliated company, service or Person. The Licensee shall not engage in any activity that could place a competing Provider at an unfair competitive disadvantage or prevent or restrict competition in one or more markets for Telecommunications Services.
- 11.3. The Licensee shall provide its services on a non-discriminatory basis to any Person seeking to obtain such services and pay the Licensee's published price unless the Licensee demonstrates reasons acceptable to the Authority

(commercial or technical) as to why it should not be required to provide such service on such a basis.

12. Requirement to Provide Information and Permit Inspection

- 12.1. The Licensee shall maintain and provide to the Authority in a timely manner upon request any periodic report, statistics and other data or information reasonably required by the Authority to supervise and enforce effectively the terms of this License and carry out its functions under the Telecommunications Legislation, including without limitation information relating to the operational, financial, administrative and technical aspects of its PLMN and on access to and use of the PLMN and its Mobile Services. The Licensee shall notify the Authority of any changes to such information in advance of implementation.
- 12.2. Without prejudice to the rights of inspection that the Authority has pursuant to the Telecommunications Law, the Licensee shall permit the Authority, at its reasonable request and on reasonable notice, to inspect the Licensee's premises, facilities, files, records and other data to enable the Authority to exercise its functions and perform its duties under the Telecommunications Legislation.
- 12.3. The Authority may use and disclose any such information provided to the Authority as it deems fit. Where the Authority proposes to disclose any document or information obtained pursuant to the preceding sub Clause and the Authority considers that the disclosure (i) would result in the release of information concerning the business, commercial or financial affairs of the Licensee or (ii) would or could reasonably be expected to adversely affect the Licensee's lawful business, commercial or financial affairs, the Authority shall give the Licensee a reasonable opportunity to make representations on the proposed disclosure before the Authority makes a final decision on whether to disclose the information.
- 12.4. The Licensee undertakes to the Authority that any information it provides to the Authority, whether pursuant to this License or any provision of the Telecommunications Legislation, shall be true, accurate and complete.

13. Environmental Protection

- 13.1. The Licensee shall take steps with respect to the construction, installation, operation and maintenance of its PLMN and all equipment to minimize harm to the environment within the Republic of Lebanon, including without limitation with respect to the deployment of masts, base stations and terminal devices.
- 13.2. The Licensee shall comply with all Lebanese environmental laws and regulations.

Annex B

RADIO FREQUENCIES SUBJECT TO THIS LICENSE

1. The License for Mobile Business 1 shall authorize the use of the following frequencies:

1.1. 2G/2.5G Services

- 2 x 10.0 MHz Bandwidth within the **900 MHz** band (900.400 - 910.400 MHz / 945.400-955.400), and
- 2 x 15 MHz Bandwidth within the **1800 MHz** band (1,710.200 – 1,725.200 / 1,805.200 – 1,820.200 MHz)

1.2. IMT2000 (W-CDMA or Wi-Max 802.16e 2005) Services

[The Licensee will be allocated one band in the 2 GHz, and optionally an additional band in the 2GHz or 2.5 GHz depending on the technology it selects (UMTS/HSPA or Wi-Max 802.16e 2005) to offer 3G mobile broadband services under the IMT 2000 family of standards.]

- 2 x 10 MHz UMTS FDD Bandwidth within the 2 GHz band (1,920 – 1,930/ 2,110 – 2,120 MHz), and either
 - 2 x 5 MHz UMTS FDD Bandwidth within the 2 GHz band (1,930 – 1,935/ 2,120 – 2,125 MHz),

or

 - 1 x 10 MHz Wi-Max 802.16e 2005 TDD Bandwidth within the 2.5 GHz band (2,545 – 2,555 MHz),

[When selecting the technology to be used in the bands above, the Licensee shall adhere to the ITU's frequency plan (Region 1) as well as the relevant allocations in the TRA's National Frequency Allocation Table. The TRA shall approve only assignments within spectrum allocated by the ITU in Region 1 for mobile service on a primary basis.]

1.3. Backhaul and Transit

The following frequency bands will be made available for Licensee 1 to use for backhaul and backbone Microwave links.

Band	Low Freq.	High freq.	paired with	Low Freq.	High freq.
6	5,945.20	6,093.45		6,197.20	6,345.45
11	10,795.00	10,955.00		11,325.00	11,485.00
15	14,504.50	14,672.50		14,924.50	15,092.50
18	18,737.50	19,012.50		17,727.50	18,002.50
23	23,376.50	23,509.50		22,368.50	22,501.50
26	24,983.00	25,067.00		25,991.00	26,075.00
38	38,332.00	38,472.00		37,072.00	37,212.00

2. License for Mobile Business 2 will authorize the use of the following frequencies:

2.1. 2G/2.5G Services

- 2 x 10.0 MHz Bandwidth within the **900 MHz** band (890.200 - 900.200 MHz / 935.200-945.200 MHz), and
- 2 x 15 MHz Bandwidth within the **1800 MHz** band (1,725.400 – 1,740.400 / 1,820.400 – 1,835.400 MHz)

2.2. IMT2000 (W-CDMA or Wi-Max 802.16e 2005) Services

[The Licensee will be allocated one band in the 2 GHz, and optionally an additional band in the 2GHz or 2.5 GHz depending on the technology it selects (UMTS/HSPA or Wi-Max 802.16e 2005) to offer 3G mobile broadband services under the IMT 2000 family of standards.]

- 2 x 10 MHz UMTS FDD Bandwidth within the 2 GHz band (1,935 – 1,945 / 2,125 – 2,135 MHz), and either
 - 2 x 5 MHz UMTS FDD Bandwidth within the 2 GHz band (1,945 – 1,950 / 2,135 – 2,140 MHz),

or

 - 1 x 10 MHz Wi-Max 802.16e 2005 TDD Bandwidth within the 2.5 GHz band (2,555 – 2,565 MHz)

[When selecting the technology to be used in the bands above, the Licensee shall adhere to the ITU's frequency plan (Region 1) as well as the relevant allocations in the TRA's National Frequency Allocation Table. The TRA shall approve only assignments within spectrum allocated by the ITU in Region 1 for mobile service on a primary basis.]

2.3. Backhaul and Transit

The following frequency bands will be made available for Licensee 2 to use for backhaul and backbone Microwave links.

Band	Low Freq.	High freq.	paired with	Low Freq.	High freq.
7	7,457.00	7,569.00	paired with	7,625.00	7,737.00
11	10,995.00	11,115.00		11,525.00	11,645.00
15	14,756.50	14,917.50		15,148.50	15,309.50
18	18,195.00	18,470.00		19,205.00	19,480.00
23	22,011.50	22,235.50		23,019.50	23,243.50
26	25,095.00	25,151.00		26,103.00	26,159.00
38	38,500.00	38,640.00		37,240.00	37,380.00

Annex C

FEES AND PAYMENTS

1. Annual License Fee

- 1.1. The Licensee shall pay to the TRA an annual license fee (the "**Annual License Fee**").
- 1.2. The amount of the initial Annual License Fee shall be one per cent (1%) of the Licensee's annual Gross Revenue according to its audited financial statements.
- 1.3. The Licensee shall pay the Annual License Fee in two (2) equal installments on or before 30 June and 31 December of each year based on the Annual License Fee for the previous fiscal year. Within fourteen (14) days of finalizing its audited financial statements for the relevant fiscal year, the Licensee shall pay the Authority (or the Authority shall pay the Licensee, as applicable) the amount required to true-up the total Annual License Fee payable in respect of such fiscal year.
- 1.4. If the Licensee's audited financial statements are not finalized within four months of the end of the Licensee's fiscal year, the true-up referred to in Clause 1.3 of this Annex C shall be calculated on the basis of the first half year results of such fiscal year, grossed up on an annualized basis for such fiscal year.

2. Numbering Fees

- 2.1. The Licensee shall pay annual fees in respect of the numbers allocated to the Licensee (the "**Numbering Fees**") for the Authority's tasks and responsibilities in controlling and supervising the numbering of Telecommunications Services in Lebanon.
- 2.2. The amount of the Numbering Fees shall be detailed in a Numbering Regulation to be issued by the TRA.
- 2.3. The Numbering Fees shall be payable annually on _____.

3. Spectrum Management Fee

- 3.1. The Licensee shall pay to the TRA an annual fee for spectrum monitoring and management (the "**Spectrum Management Fee**").
- 3.2. The amount of the Spectrum Management Fee shall be determined (and may be modified):

- 3.2.1. by decree of the Council of Ministers upon proposal of the Minister and recommendation of the Authority as provided in Article 11(Funding)(1)(b) of the Telecommunications Law based on feasibility studies of the cost to the Authority of frequency management, or
- 3.2.2. pursuant to any methodology prescribed by such decree.
- 3.3. The Spectrum Management Fee shall be payable on _____ annually.

4. Spectrum Right To Use Fees

- 4.1. The Licensee shall pay to the Ministry annual fees for the right to use the Licensed Radio Frequencies (the "**Spectrum RTU Fees**").
- 4.2. The amount of the Spectrum RTU Fees shall be determined (and may be modified):
 - 4.2.1. by decree of the Council of Ministers upon proposal of the Minister and recommendation of the Authority as provided in Articles 11(Funding)(1)(c) and Article 17 of the Telecommunications Law; or
 - 4.2.2. pursuant to any methodology prescribed by such decree.
- 4.3. The Authority and the Licensee acknowledge that payment of the Winning Bid Amount and the delivery of the shares in the Licensee to the Republic of Lebanon pursuant to the RFA constitutes (in addition to payment for the mobile business) an upfront payment in lieu of annual Spectrum RTU Fees for the Licensed Radio Frequencies set forth in [Clauses 1.1 and 1.2 of Annex B (but not the frequencies set forth in Clause 1.3 or any other frequencies)] [Clauses 2.1 and 2.2 (but not the frequencies set forth in Clause 2.3 or any other frequencies)]⁷.
- 4.4. The amount of the annual Spectrum RTU Fees for the Licensed Radio Frequencies set forth in Clause 1.3] [2.3]⁸ of Annex B shall be determined (and may be modified) in accordance with Clause 4.2 of this Annex C.
- 4.5. [The Spectrum RTU Fees shall be payable annually on _____.]⁹ [Any Spectrum RTU Fees required to be paid pursuant to Clause 4.4 of this Annex C shall be payable on the date on which the Licensee's obligation to pay a 10% share of its annual revenue to the Republic of Lebanon falls due, and such Spectrum RTU Fees shall be credited towards the Licensee's obligation to pay such 10% revenue share.]¹⁰

⁷ Select bracketed phrase depending on whether the license is for Licensee 1 or 2.

⁸ Select bracketed phrase depending on whether the license is for Licensee 1 or 2.

⁹ This phrase will be included if there is no revenue share obligation.

¹⁰ This phrase will be included if there is a 10% revenue share obligation.

5. Universal Service Contributions

- 5.1. The Licensee shall contribute to any Universal Service/Access Funds that may be established and maintained by the TRA in such amount and on such date as may be required from time to time by any Regulation promulgated under Article 26 of the Telecommunications Law (the "**USO Contribution**").
- 5.2. During the first year from the Effective Date of this License, the Licensee shall be exempt from any obligation to pay USO Contributions.
- 5.3. The Licensee's initial USO Contributions in respect of a period shall not exceed 1% of the Licensee's annual Gross Revenues for such period.

6. Stub Periods

- 6.1. If the date of calculation of the amount of any annual fee or other payment set forth in this Annex does not fall on an anniversary of the Effective Date, the payments shall be prorated for the periods (i) from the Effective Date of the License until the first date of calculation of the amount and (ii) from the date of calculation of the amount preceding the expiry of the term of this License until such expiry.

7. Changes to Fees and Payments

- 7.1. The fees and payments required to be paid under this Annex C are subject to increase or decrease as provided herein and in accordance with the relevant Telecommunications Legislation.
- 7.2. The TRA may offer the Licensee an opportunity to contribute its views before recommending or making any increase in the fees and payments required to be paid under this Annex C.

Annex D

RADIO FREQUENCIES, COMMUNICATIONS STATIONS AND EQUIPMENT

1. Use of Radio Frequencies

- 1.1. The Licensee shall take all necessary steps to ensure that its use of any Licensed Radio Frequencies is safe and does not cause interference to the other existing radio-communication stations, networks and systems operating in the same area or radio frequency band or in other areas or radio frequency bands.
- 1.2. The Licensee shall take all appropriate measures to ensure that its network and the radio-communication stations and equipment comprised therein are adequately protected from interference that may be caused by radio-communication stations and networks operating in the same area or radio frequency band or in other areas or radio frequency bands.
- 1.3. The Licensee shall co-operate with the Authority for the purposes of assisting the Authority in coordinating and managing the use of radio frequencies in relation to neighboring countries, including but not limited to the provision of information to the Authority, and the reduction of emission levels of any radio-communication stations comprised in the Licensee's network.
- 1.4. Subject to the Telecommunications Legislation regulating spectrum use (including, but not limited to the Spectrum Regulation) and this Annex D, the use of any part of the Licensed Radio Frequencies for the purposes of managing interference (including the provisioning for a guard band(s)) shall be at the discretion of the Licensee.

2. Standards and Conditions for Operation of Radio Communications Equipment

- 2.1. The Licensee shall ensure that all radio communications equipment attached to its network complies with and conforms to any standards and wireless interface requirements promulgated by the Authority pursuant to Clause 23 of the Telecommunications Law or any applicable Telecommunications Legislation.

3. Access and Inspection

- 3.1. The Licensee shall permit any Person authorized by the Authority to have access to any of its radio communications facilities and to inspect or test its radio communications equipment at any reasonable time (or at any time, when an emergency situation exists) for the purpose of verifying

compliance with the terms of the License, or investigating sources of frequency interference.

4. Modification, Restriction and Close-down

- 4.1. The Authority may require radio communications facilities or radio communications equipment to be modified or restricted in use or temporarily or permanently closed down either immediately or on the expiry of such period as it may specify if in its reasonable opinion the use of the radio communications facility or radio communications equipment is causing or contributing to undue interference to the use of other authorized radio communications facilities or radio communications equipment.
- 4.2. The Authority may in the event of a national or local state of emergency require radio communications facilities or radio communications equipment to be modified or restricted in use or temporarily or permanently closed down either immediately or on the expiry of such period as it may specify. The Authority may exercise this power by a written notice served on the Licensee or by a general notice published in at least two national daily newspapers and the *Official Gazette*.

5. Spectrum Trading and Sharing

- 5.1. The Licensee shall not assign, transfer, trade, deal, share, sublicense or otherwise dispose of the whole or any part of the rights, privileges, duties and/or obligations associated with the Licensed Radio Frequencies to any Person except:
 - 5.1.1. with the prior written approval of the Authority; and
 - 5.1.2. in accordance with the Telecommunications Legislation, including, but not limited to any Regulations relating to spectrum trading published by the Authority from time to time.
- 5.2. Any such written approval may be given subject to such conditions that the Authority may in its discretion impose.

Annex E

NUMBERING

1. MSISDN Numbers

The Licensee shall be initially allocated up to 2 million MSISDN numbers in several numbering blocks for providing its Mobile Services. The details of such numbering blocks will be set forth in a Numbering Regulation to be issued by the Authority.

2. Short Numbers

Short Numbering shall be initially assigned according to the following table.

First Digit	Second digit	Third digit	Fourth digit	Use
1	0	0-9	0-9	Internal Use
	1	0-1	0-9	Internal Use
	1	2		Emergency
	1	3-9	1-9	Internal Use
	2	0		Internal use
	2	1-4	0-9	Common Pool - corporate services
	2	5		Emergency
	2	6-9	0-9	Common Pool - corporate services
	3	0-4	0-9	Internal Use
	3	5-8	0-9	Common Pool – VAS
	3	9		Internal Use
	4	0-4	0-9	Common Pool – VAS
	4	5		Common Pool - EDL
	4	6-9	0-9	Common Pool – VAS
	5	1	0-4	Common Pool – VAS
	5	1	5	Ogero
	5	1	6-9	Common Pool – VAS
	5	2-9	0-9	Common Pool – VAS
	6	0-9	0-9	Internal use by each network
	7	0-4	0-9	Common pool - Public institutions
	7	5		Fire Department
	7	6-9	0-9	Common pool - Public institutions
	8	0-9	0-9	Reserved For network selection
	9	0-9	0-9	Reserved For network selection

3. Universal Access Numbers

Universal Access Numbers shall be initially assigned as follows:

- Designations of number ranges for Shared Cost Services are given in the table below:

80	Toll Free / Freephone services
85	Services using time based charging

- Designations of number ranges for Premium Rate Services are given in the table below:

95	Services using time based charging
99	Services using fixed charge calls

4. Other Numbering

The Licensee shall be required to apply to the Authority for allocation of any numbering blocks not listed above (including, without limitation, for special services such as Unstructured Supplementary Service Data (USSD) operations, SMS based services, and special characters services using the * as a prefix).

Annex F

ROLLOUT AND COVERAGE REQUIREMENTS

The Licensee shall ensure that its PLMN and its Mobile Services comply with the following requirements:

1. Maintenance of Existing Network Coverage

The existing level of 2G/2.5G coverage shall be maintained or enhanced at least until 31 December 2011.

2. Qualifying 3G Coverage

For the purposes of Clause 3 of this Annex F, a geographic area shall qualify as covered if during the Busy Hour, the cells covering such geographic area have each an average cell capacity for all active data sessions of at least (i) for Class (1) 3G Services, 1 Mbits/s and (ii) for Class (2) 3G Services, 2 Mbits/s.

3. Coverage Requirements

- 3.1. The Licensee shall provide coverage for Class (1) 3G Services and Class (2) 3G Services in the specified percentage of the geographic area of every town and area in the regions (as listed in the tables in Clause 6 of this Annex F) and by the dates as set forth in the table below.
- 3.2. Coverage in a relevant town or area must include (i) the highways within the coverage town or area and the main roads leading to them and (ii) the tourist and major resort facilities in the town or area.

Service	Region	Table	Per centage of the relevant geographic area of each town or area in the region that must be covered as of December 31				
			2009	2010	2011	2012	2013
Class 1	Beirut and Suburbs	1	35%	55%	85%	85%	95%
	Coastal North	2	10%	30%	85%	85%	95%
	Coastal South	3	5%	25%	85%	85%	95%
	Rest of Mount Lebanon	4	-	10%	85%	85%	95%
	Nabatiyeh	5	-	5%	85%	85%	95%
	Central Bekaa	6	-	5%	85%	85%	95%
	Rest of Bekaa	7	-	-	5%	85%	95%
	Rest of South Lebanon	8	-	-	5%	85%	95%
	Rest of North Lebanon	9	-	-	5%	85%	95%
Class 2	Beirut and Suburbs	1	35%	50%	65%	80%	85%
	Coastal North	2	-	10%	25%	40%	45%
	Coastal South	3	-	5%	20%	35%	40%
	Rest of Mount Lebanon	4	-	-	10%	25%	30%
	Nabatiyeh	5	-	-	5%	15%	25%
	Central Bekaa	6	-	-	5%	15%	25%
	Rest of Bekaa	7	-	-	5%	15%	25%
	Rest of South Lebanon	8	-	-	5%	15%	25%
	Rest of North Lebanon	9	-	-	5%	15%	25%

4. Voice Call Blocking Factor

- 4.1. Subject to Clause 4.3 of this Annex F, the Licensee shall ensure that its 2G/2.5G PLMN shall be dimensioned to provide a Blocking Factor of no more than 2% in the Busy Hour, where:
- 4.1.1. "Blocking Factor" means the percentage of total voice call attempts made during the Busy Hour within coverage that are unsuccessful; and
- 4.1.2. "Busy Hour" means the period of one (1) hour starting at the same time each day for which the average traffic on the Licensee's mobile network is the highest, determined from an analysis of traffic data obtained from the Licensee's network measured over a 30 day period.
- 4.2. From 31 December 2011, within the required coverage area at any given time, the Licensee's 3G PLMN shall be dimensioned to provide a Blocking Factor of no more than 2% in the Busy Hour.
- 4.3. Upon commercial launch of services across a 3G PLMN dimensioned to provide a Blocking Factor of no more than 2% in the Busy Hour in any given town or area, the Licensee shall be relieved from its obligation in Clause 4.1 of this Annex F with respect to that town or area.

5. Additional coverage and launch obligations

[Any network launch and coverage commitments made by the Licensee in its Application pursuant to the Tender Process shall be included as an obligation in the final form of the License]

6. Regions and their Towns and Areas

The following tables list the towns and areas within each region to which Clause 3 of this Annex applies. Where readily available, the latitude and longitude locations of the towns and areas have been provided for convenience.

Table 1

Beirut and Suburbs	Latitude	Longitude
Amaret Shalhoub	33 53 54.8	35 33 53.8
Abou Shaker	33 52 31.5	35 30 00.3
Achrafieh	33 53 04.9	35 31 00.
Achrafieh (Rizk)	33 53 04.9	35 31 00.0
Adlieh	33 52 39.8	35 31 15.6
Adonis	33 57 58.1	35 36 50.
Airport	33 49 52.9	35 29 37.4
Al Basta	33 53 16.9	35 30 05.7
Alzarif	33 53 26.	35 29 32.
Amrousieh	33 49 23.5	35 30 44.3

Beirut and Suburbs	Latitude	Longitude
Antelias	33 55 03.2	35 35 17.0
Aramoun	33 45 49.2	35 30 06.
Assayad	33 51 21.3	35 31 56.8
Ayn El Mreiseh	33 53 56.	35 28 59.
Ain Saadeh	33 51 55.5	35 34 46.5
Ayn El Sekkeh	33 50 22.5	35 30 18.
Ain et Tineh	33 53 02.	35 28 56.5
Aysha Bakkar	33 53 22.2	35 29 21.6
Baabda	33 49 43.	35 34 43.
Bachoura	33 53 33.34	35 30 02.6
Badaro	33 52 27.4	35 30 58.3
Barbir	33 5246.2	35 30 14.5
Bashoura	33 53 25.5	35 30 04.0
Basta	33 53 07.7	35 30 12.6
Batraquieh	33 53 32.4	35 29 39.9
Bir el Abed	33 51 01.	35 30 40.
Bir Hassan	33 51 48.	35 29 34.
Bliss	33 53 47.1	35 28 39.0
Borj Barajneh	33 51 01.0	35 30 01.4
Borj Hammoud	33 53 32.2	35 32 25.2
Bourj Abi Haidar	33 53 09.3	35 29 51.8
Caracass	35 28 23.2	33 53 38.2
Casino Du Liban	34 00 55.	35 38 12.
Chaar	33 55 12.0	35 36 51.1
Chatila	33 51 57.2	35 30 27.1
Chiyah	33 51 58.3	35 30 54.3
Choueifat	33 48 48.6	35 30 30.4
Clemenso	33 53 52.3	35 29 24.06
Cocodi	33 49 59.2	35 30 18.7
Cola	33 52 31.	35 29 40.
Concorde	33 53 35.5	35 29 19.5
Daoura	33 53 37	35 32 50
Dbayieh	33 55 27.4	35 35 10.9
Dekouaneh	33 52 29.7	35 33 09.
Ein El Remaneh	33 52 07.7	35 31 26.5
El Mazraa	33 52 46.3	35 30 07.
El Nahr	33 53 47.	35 32 16.
Fiat	33 52 49.2	35 31 58.10
Furn el Chuback	33 52 17.	35 31 23.7
Furn El Hayek	33 53 25.7	35 30 53.5

Beirut and Suburbs	Latitude	Longitude
Ghobeiri	35 30 17.2	33 51 47.9
Hadath	33 49 55.5	35 31 50.2
Hamra	33 53 52.5	35 28 40.5
Haret Hreik	33 51 33.	35 30 31.
Hay El Sollom	33 49 37.5	35 30 28.5
Hazmieh	33 51 02.2	35 32 18.4
Horch Tabet	33 52 12.0	35 32 27.0
Jdaideh	33 53 32	35 33 42
Jeeitawi	35 31 26.26	33 53 48.75
Jell el Dib	33 54 35.	35 34 47.
Jimayzeh	33 53 42.	35 30 46.7
Jisr el Basha	33 52 12.	35 32 07.
Jnah	33 52 23.	35 29 16.
Justice (Adlieh)	33 52 39.8	35 31 15.6
Karentina	33 54 02.3	35 32 07.0
Khaldeh	33 47 18.6	35 28 38.8
Kraytem	35 28 47.70	33 53 29.27
Laylaki	35 30 44.10	33 50 16.00
Makassed	33 52 20.6	35 30 19.
Manarah	33 54 02.66	35 28 24.75
Mar Elias	33 53 13.6	35 29 36.
Mar Mikhael	33 51 27.	35 31 07.
Mar Nqoula	33 53 49.3	35 31 12.5
Mar Roukoz	33 52 14.6	35 33 35.6
Mar Shaia	33 53 44.	35 38 35.
Mar Taqla	33 51 34.	35 33 15.2
Mazraa	33 52 46.3	35 30 07.
Mcharrafieh	33 51 32.6	35 30 42.0
Minet el Hosn	33 53 55.	35 29 42.
Mkalles	33 51 59.	35 32 30.
Mreijeh	33 50 13.	35 30 45.
Msaytbeh	33 53 04.5	35 29 44.7
Nabaa	33 52 58.4	35 32 15.
Nahr Beirut	33 54 01.0	35 31 41.0
Nahr El Maout	33 53 47.	35 32 16.
Nakkash	33 55 58.5	35 35 31.2
Nasra	33 52 58.	35 30 53.
Ouzai	33 50 55.	35 29 00.
Port (MarfA)	35 30 39.49	33 53 52.51
Qoraitem	33 53 52.5	35 28 40.5

Beirut and Suburbs	Latitude	Longitude
Radouf	33 50 35.9	35 30 59.9
Raml El Ali	35 49 91.70	33 83 95.90
Raouche	33 53 08.3	35 28 24.6
Ras Beirut	33 53 07.6	35 28 49.5
Ras el Nabeh	33 52 55.1	35 30 20.5
Riad Es Solh	33 53 44.3	35 30 08.0
Ring	33 53 34.2	35 30 08.20
Roueiss	353059.31	33 51 17.
Sabra	33 52 04.	35 30 03.
Sad El Baoucherieh	33 52 45.3	35 33 30.3
Saint Simon	35 29 08.12	33 51 08.01
Sami es Solh	33 52 21.0	35 30 55
Sanayee	35 30 35 64	33 54 20 65
Saqi el Hadeth	33 50 27.	35 30 52.
Sassine square	35 31 14.13	33 53 13.09
El Sayyad	35 31 43.10	33 53 25.12
Sfeir	33 51 03.2	35 31 16.4
Sibnay	35 32 00.51	33 50 03.53
Sin El Fil	33 52 47.4	35 32 35.0
Sioufi	33 52 57.70	35 31 25.3
Sodeco	33 53 13.	35 30 38.
Sursok	35 31 02.87	33 53 18.43
Tal ZAtar	35 32 55.06	33 52 39.27
Tarik El Jadideh	35 29 39.69	33 52 38.38
Tayouneh	33 52 48.0	35 30 34.2
Tehwitah	33 52 20.0	35 31 31.7
Tehwitat El ghadir	35 31 33.77	33 52 14.66
Unesco	33 52 33.	35 29 13.5
Wardieh	33 53 52.5	35 28 40.5
Zalka	33 54 07.0	35 34 27.0
Zeitouneh	35 31 35.98	33 53 09.58
Additional sites/towns		
Elissar		
Wadi Chahrour		
Araya		

Table 2

Costal North	Latitude	Longitude
Abdeh	34 30 43	36 01 06
Abou Samra	34 25 45.10	35 49 57.5
Adma	34 00 35.8	35 39 14
Akoura	34 07 21.0	35 53 23.0
Amsheet	340901	353928.6
Amshit	340958	353755
Annaya	34 06 46.8	35 44 54.4
Bahsas	34 25 01	35 49 34.6
Barbara	34 11 30.2	35 38 01.7
Batroun	341519	35 39 32
Beddawi	342650.7	35 51 29
Bkirki	33 58 05.0	35 38 01.4
Chnaneeir	34 00 37.0	35 39 52.1
Eddeh	35 39 00.100	34 08 37.00
Enfeh	342150	35 44 05
Fidar	35 39 08.100	34 05 57.00
Hamat	341728	354151.4
Haret Sakher	33 59 49.9	35 39 25.4
Jbeil (BYBLOS)	340724	35 38 51
Jounieh	33 59 04.8	35 38 04.2
Kalamoun	342328	35 47 37
Kasslik	335853	35 37 02
Kfar Habab	335943	35 38 51
Maameltein	335930	35 38 18
Mar Elias (Hamat)	341728	35 41 51.4
Monsef	35 39 01.65	34 10 04.41
Nahr El Bared	34 30 16.4	35 57 22.4
Sarba	332754.8	35 28 31.2
Smar Jbeil	35 42 30.38	34 13 41.14
Tabarja	34 01 27.7	35 37 52.1
Tripoli	34 26 24.5	35 49 45.2
Tripoli Azmi	342630	35 49 53
Tripoli El Khannaq	342536	35 50 18
Tripoli El Qobbe	342559	35 51 36
Tripoli Mina	34 26 38.7	35 49 28.2
Tripoli Tell	342618	35 50 23
Zouk Moukbel	35 36 30.100	33 55 11.00
Zouk Mousbeh	33 57 40.0	35 37 27.0

Additional sites/towns
Anfeh
Chekka
Deddeh
Halat
Hedtchit
Kfar helda
Kfour El Arabi
Nahr Ibrahim
Obeidat
Samrieh

Table 3

Costal South	Latitude	Longitude
Bchamoun	33 47 08.5	35 29 48.
Bchamoun Madares	EL 33 36 36.8	35 30 43.6
Dohet El Houss	33 45 26.	35 28 12.
Ghazieh	33 31 18.0	35 21 29.0
Naqoura	33 07 15.5	35 08 00.3
Rmaileh	33 37 18.5	35 24 32.8
Saadiyat	33 41 23.	35 25 32.
Saida	33 34 16.5	35 22 59.7
Saksakiye	33 26 03.	35 16 57.
Siblin	35 26 02.00	33 37 20.00
Tyre	33 16 01.3	35 12 24.5
Tyre East	33 14 23.00	35 14 35.00
Tyre South	33 16 07.	35 12 19.
Tyre West	33 16 16.2	35 11 48.8
Wadi El Zayneh	35 24 03.10	33 37 54.00
Zahrani	35 27 04.00	33 26 02.00
Additional sites/towns		
Aadloun		
Bissariah		
Jeeyeh		
Sarafand		

Table 4

Rest Of Mount Lebanon	Latitude	Longitude
Achkout	33 59 39.	35 42 21.
Ajaltoun	35 42 45.10	33 58 12.00
Ajaltoun	33 57 42.	35 37 14.
Ballouneh	33 57 10.	35 40 48.7
Chahtoul	34 02 28.0	35 43 16.1
Dlebta	35 40 52.1	34 00 00.
El Bouar	34 04 16.2	35 39 04.0
Faitroun	34 00 35.8	35 45 01.3
Ghadir	33 58 46.20	35 37 56.90
Ghazir	34 00 43.8	35 41 22.6
Ghineh	34 03 36.7	35 42 46.6
Ghosta	33 59 32.	35 40 15.
Jeiita	33 57 06.0	35 38 20.0
Kfour	34 01 40.0	35 41 25.8
Maarab	34 00 00.3	35 40 53.0
Nahr el Kalb	33 57 27.	35 36 03.9
QlayAt	33 58 16.	35 42 35.
Abey	33 43 53.	35 31 49.
Aley	33 48 43.	35 36 28.
Aytat	33 47 34 00	35 33 16.1
Bhamdoun	33 48 34.6	35 39 30.7
Chartoun	33 44 58.30	35 34 56.0
Dayr Qoubel	33 47 57.4	35 31 46.
Deir El Harf	33 50 48.26	35 42 0.0
Deir Koubel	33 47 59.0	35 31 32.0
Dhour Al Abadieh	33 49 17.4	35 37 07.2
El Bennieh	33 43 32.0	35 32 07.0
El KalA	33 51 19.6	35 35 44.
Houmal	3533 55 85.	3348 36 18.
Jamhour	33 49 42.0	35 34 37.1
Kahhaleh	33 49 00.	35 35 42.
Qmatieh	33 48 16.0	35 34 25.6
Qornayel	33 50 44.0	35 42 02.0
Raifoun	33 58 41.4	35 42 13.7
Sawfar	33 48 10.3	35 41 51.8
Talhok	33 48 08	35 35 32
Abadieh	35 37 24.53	33 49 30.86
Ain Zhalta	33 45 42.	35 42 00.6
Baakline	33 41 00	35 33 55

Rest Of Mount Lebanon	Latitude	Longitude
Baawarta	33 44 25.0	35 30 00.10
Bakaata	35 36 06.00	33 39 57.00
Barja	33 38 46.5	35 26 42.6
Barouk	33 41 56.4	35 40 09.7
Bater	33 36 28.4	35 37 29.4
Bdadoun	34 27 15.2	35 52 02.4
Beit Ed Dinne	33 41 29	35 35 05
Brej	35 43 41.58.	34 07 6.73.
Bsaba	35 31 49.92	33 48 42.77
Chanay	33 47 24.0	35 39 36.0
Chhim	33 37 30.00	35 29 44.00
Daraya	33 37 38.2	35 32 30.3
Dibbeyeh	33 39 23.4	35 27 36.1
Dmitt	35 29 36.10	33 41 36.00
Hazzerta	33 52 54.00	35 52 02.10
Ketermaya	33 37 03.5	35 26 19.5
Khraybeh	33 40 10.	35 40 02.
Maaret El Neeman	35 35 26.10	33 45 03.00
Mazraat El Chouf	33 38 08.9	35 34 57.9
Moultaka El Nahrain	33 41 34.0	35 29 36.0
Naameh	33 44 35.	35 27 23.
Niha El Chouf	33 35 43.0	35 37 29.0
Qabr Chmoun	33 45 23.0	35 23 09.1
Souq El Ghareb	33 46 33.3	35 34 22.3
Ain Toura	33 57 45.2	35 37 48.5
Aoukar	33 55 44.7	35 36 14.3
Atchane	33 55 09.2	35 38 52.8
Baabdat	33 53 23.0	35 39 18.0
Beit Chabab	354031.24	33 55 49.9
Beit El Chaar	33 55 57.	35 36 32.4
Beit Meri	33 52 11.7	35 36 23.2
Bhersaf	35 39 39.	33 54 31.
Biakout	33 53 48.6	35 35 06
Bikfaya	33 55 29.40	35 40 59.3
Bolonia	33 55 18.7	35 44 29.4
Broumana	33 52 44.1	35 37 49.2
Bsalim	33 54 00.	35 36 16.7
Byakout	33 53 46.9	35 35 02.2
Douar	35 41 44.4	33 54 36.5
Ein Saadeh	33 51 46.53	35 35 43.39
El Mansourieh	33 51 55.	35 33 47.

Rest Of Mount Lebanon	Latitude	Longitude
Fanar	33 53 19.	35 34 36.
Faqra	33 59 49.2	35 49 16.
Hemlaya	35 41 11.1	33 56 06.4
Jouret El Ballout	33 53 36.1	35 37 31.6
Kfar Aqab	33 56 49.0	35 44 26.7
Mansourieh	33 51 55.0	35 33 47.0
Masqa	35 50 46.10	34 23 27.00
Mtein	35 45 11.00	33 52 00.00
Oyoun El Siman	33 59 21.0	35 49 59.1
Raboue	33 55 18.4	35 36 59.
Ramlet	35 29 18.26	33 52 25.41
Ras El metn	35 39 24.72	33 50 53.48
Rawda	33 52 39.7	35 32 53.8
Roumieh	35 36 10.10	33 52 40.00
Sabtiyeh	33 53 01.0	35 33 30.5
Sheikh Abdallah	33 59 56.7	36 12 19.
Yahshoush	34 05 12.	35 44 43.5
Bkennaya	33 54 16.6	35 35 16.
Mar ChAia	33 53 41.40	35 38 37.60
Qornet Chehwan	33 55 40.3	35 37 35.4
Qornet el Hamra	33 55 41.5	35 38 46.5
Rabieh	33 55 19	35 35 43.3
Additional Towns / Areas		
Aarbanieh		
Baskenta		
Beysour		
Btater		
Ein dara		
Kfar Omey		
Majdel Moouch		
Mazraet El chouf		
Mokhtara		
Niha		
Rechmayya		
Salima		

Table 5

Nabatieh
Arab salim
Ghassanieh
Habbouch
Houmin Faouka
Kaakaiet El Jisr
Kawthariet El seyyad
Marjeeyoun
Nabatieh
Zefta

Table 6

Central Bekaa	Latitude	Longitude
Aein Ata	33 26 11.0	35 46 51.0
Ain El Marj	33 46 43.0	35 36 58.0
Arsal	34 12 50.8	36 24 38.9
Baalback	34 00 29.2	36 12 36.7
Brital	36 09 25.1	33 56 11.
Chaath	34 08 30.0	36 14 06.0
Chmistar	33 58 32.6	36 01 12.1
Chtoura	33 48 55.4	35 51 19.4
Dahr El Baydar	33 48 41.	35 44 58.6
Deir El Ashayer	33 33 55.9	35 57 56.3
Douris	36 10 50.72	33 59 54.66
El Hakel	35 41 14.	34 10 03.
El Haouch	35 14 05.	33 14 45.
El Qaah	33 57 11.0	35 38 12.0
Forzol	33 52 17.4	35 56 30.4
Heloueh	34 10 32.00	35 37 52.00
Jdeidet (Bekaa)	34 14 33.3	36 22 54.9
Kaa el Reem	33 52 52.3	35 52 09.9
Karak	35 55 29.100	33 51 04.00
Ksara	35 53 42.10	33 50 08.00
Maalaqa	33 49 39.8	35 55 43.4
Majdel Anjar	33 43 20.6	35 54 28.8
Masnaa	33 42 18.0	35 54 01.8

Nabi Micha	33 34 24.3	35 34 04.5
Nabi Sheeth	33 52 02.	36 06 37.3
Qasr	36 27 03.00	34 28 51.00
Qob Elias	33 47 28.	35 49 11.
Rayak	33 51 15.	36 01 12.8
SAdnayel	33 49 18.	35 53 02.
Soultane YAcoub	33 38 45.2	35 51 40.9
Tourbol	34 26 38.0	35 55 25.0
Zahle	33 50 28.5	35 54 27.5
Zahle East	33 50 12.	355 50 22.8
Zahle West	33 51 16.2	35 53 37.3
Zeitouneh	35 31 35.98	33 53 09.58
Additional Towns/Areas		
Aynata		
Chleifa		
Deir El Ahmar		
Fissan		
Labweh		
Ras baalbeck		
Talia		
Yammouneh		
Zboud		
Aanjar		
Ali Nehri		
Bar elias		
Bednayel		
Kfar Selwan		
Kosaya		

Table 7

Rest of the Bekaa	Latitude	Longitude
Ain Qenia	33 23 46.3	35 42 30.
Assultan YAkoub	33 49 32.4	35 37 22.3
Kefrayya	34 18 00.0	35 43 20.73
Kfardenise	33 32 54.2	35 50 41.4
Lala and Baaloul	33 36 46.0	35 45 13.0
Laqlouq	34 08 07.2	35 51 34.3
Lebbaya	33 29 25.3	35 44 07.5
Machghara	33 30 03.5	35 39 11.
Qaraoun	33 36 33.9	35 41 39.

Saghbine	35 41 58.1.	33 36 45.0.
Additional Towns / Areas		
Ayta Fakhar		
Dahr El Ahmar		
Ein Aata		
Ein Arab		
Kawkaba		
Mdoukha		
Rachayya		
Rfeid		
Soueiri		
Yanta		

Table 8

Rest of South Lebanon	Latitude	Longitude
Addoussiyeh	33 32 04.	35 21 45.
Abbasyeh	35 15 40.03	33 18 56.56
Ain Ebel	33 06 58.	35 24 30.7
Ainata-Bint Jbeil	33 07 53.3	35 26 32.6
Al Bayadah	33 55 07.6	35 37 33.4
Alma El ChAb	33 06 14.0	35 10 52
Anqoun	33 30 19.6	35 24 34.7
Ansar	33 22 37.	35 21 09.8
Arnoun	33 19 54.8	35 32 08.2
Ayta El Chaab	33 08 43.2	35 11 36.1
Babliyah	33 24 59.4	35 21 25.8
Bayadah	35 37 33.44	33 55 07.68
Borj Achamali	33 15 52.5	35 14 19.2
Borj Rahal	33 18 24.9	35 16 18.2
Bramiyeh	35 23 09.	33 35 00.
Chebaa	33 20 22.9	35 44 30.8
Ebba	33 23 42.10	35 24 47.5
El Bireh	34 34 52.0	36 13 52.1
Gassanieh	35 21 24.10	33 25 00.00
Habboush	33 25 02.	35 28 13.6
Harouf	35 26 40.1	33 22 15.
Hibbariyeh	33 22 24.0	35 40 38.2
Jabal Safi	33 29 08.6	35 32 44.7

Jezzine	35 33 58.00	33 34 15.00
Jmeijmeh	33 21 33.7	35 16 25.
Jouaia	33 14 13.8	35 20 54.
Kafra	33 10 24.1	35 19 59.2
Kfarsir	33 19 20.0	35 23 36.6
Khiam	33 19 20.0	35 36 28.3
Lebaa	33 32 11.0	35 25 53.0
Maarakeh	33 16 40.7	35 18 43.7
Maaroub	35 21 09.10	33 16 22.00
Majdelyoun	33 33 13.8	35 24 47.5
Marjayoun	33 21 32.6	35 35 04.7
Markaba	33 13 39.6	35 31 30.6
Maroun El Ras	35 26 48.10	33 06 39.00
Marwahin	35 16 23.00	33 06 30.00
Merwahine	33 06 49.8	35 17 23.9
Merwanieh	33 26 43.00	35 23 38.8
Mhaybib	33 09 15.40	35 30 12.9
Msaileh	33 28 47.2	35 21 18.4
Nabatiyet	33 22 16.7	35 28 27.7
Qanaya	35 23 13.10	33 33 21.00
Qattine	34 01 27.0	35 41 22.0
Qaytouleh	35 31 29.82	33 32 52.32
Rachaiya	33 29 50.5	35 49 59.4
Rihane	35 35 08.02	33 27 33.01
Rmeich	35 24 59.100	33 04 49.00
Roum	33 53 36.30	35 31 25.40
Shamaa	33 08 42.7	35 11 36.8
Soultanieh	33 12 47.0	35 24 11.2
Zrariah	35 19 12.00	33 20 29.00
Additional Towns / Areas		
Arab salim		
Baraachite		
Berti		
Bkassine		
Chhour		
Houmin Faouka		
Jebaa		
Joun		
Kaakalet El Jisr		
Kawthariet El seyyad		
Kfarhatta		
Kharayeb		

Kherbet selem
Lebaa
Maarakeh
Maaroub
Roumine
Sawwaneh
Serifa
Sfareih
Tebnine
Zefta

Table 9

Rest Of North Lebanon	Latitude	Longitude
Akroum	34 36 10.5	36 19 55.8
Abdine	35 52 52.73	34 16 14.29
Aitou	34 18 06.	35 56 03.
Al Arz (CEDRES)	36 02 05.	34 14 28.
Al Balamand	34 21 10.0	35 46 48.0
Amioun	34 17 42.0	35 49 50.0
Anqoun	35 24 40.00	33 30 22.00
Assia	34 13 33.5	35 46 28.8
Bab El Tebbaneh	35 51 08.57	34 26 49.16
Bakhoun	34 24 16.8	36 01 19.7
Bcharreh	34 14 21.	36 02 04.
Bebnine	34 29 34.2	36 00 06.4
Beino	34 32 17.2	36 11 10.5
Bejje	34 10 30.	35 43 43.
Blat	34 06 43.	35 40 02.
Bzoumar	33 59 17.2	35 40 48 0
Chadra	36 19 04 6	34 37 03.2
Dahr El Laissineh	34 32 20.	36 08 25.0
Dkarine	335913.4	35 38 32.6
Douma	34 12 25.4	35 51 16.30
Eghmid	35 42 00.00	33 45 41.00
Ehmej	34 07 28.	35 46 28.
El Fidar	34 05 57.0	35 39 08.1
Fatqa	34 00 58.8	35 39 44.
Fonaydek	34 28 04.0	36 09 05.1
Hadeth el Jebbe	34 14 55.	35 55 44.
Hai El Sahel	33 51 26.	35 30 05.

Halba	34 32 58.	36 05 32.
Hardeen	34 14 03.0	35 52 42.0
Hasbayya	33 23 34.7	35 42 52.1
Hmeirah	34 37 39.04	36 04 34.53
Janna	33 48 29.0	35 39 38.4
Jenjel	35 44 08.02	34 07 10.99
Koura	34 21 40.4	35 49 05.8
Kousba	35 52 55.67	34 17 08.77
Lehfed	34 09 46.7	35 45 09.8
Maad	34 12 12.	35 40 27.
Majdel	34 15 24.	35 47 08.
Mar Charbel	35 38 47.00	33 53 39.00
Mastite	34 06 43.0	35 39 59.1
Mayfouk	34 10 50.5	35 46 28.4
Mechmech	34 28 04.	36 09 03.
Minieh	34 31 07.	36 01 42.8
Miziara	35 56 16.00	34 19 59.00
Mristi	33 37 49.7	35 38 39.3
Nfeiss	34 32 57.0	36 05 31.0
Qartaba	34 03 36.	35 49 20.
Qoubayat	34 34 51.5	36 13 48.3
Qoubbahi	34 36 10.0	36 19 56.0
Safra	35 38 19.00	34 02 37.00
Sir Ed Danieh	34 23 53.	36 00 41.
Srar	34 36 23.0	36 09 33.4
Swaice	34 32 55.2	36 07 39.7
Tannourine El Fouka	341044	35 53 38.
Tourza	34 16 46.8	35 56 34.0
Wadi Khaled	34 37 37.3	36 23 43.5
Zgharta	34 23 53.	35 53 41.
Additional Towns / Areas		
Abdelli		
Abdine		
Aboudieh		
Abrine		
Akkar El Atika		
Alma		
Almat		
Andakt		
Arida		
Arjess		
Bcheeleh		

Beira
Bekssmia
Bentayel
Berket Hjoula
Betram
Bkerzela
Chebtine
Dahr Lessini
Deddeh
Deir Jennine
Ehden
Ejbee
Fetri
Ghabat
Harar
Hasroun
Hissa
Husseina
Kahf El malloul
Kfar Habbou
Kfar Hata
Kfar Zena
Kour
Kousba
Laklouk
Maad
Meryatah
Mestita
Meziara
Monjez
Nemrin
Rahbeh
Sahl Akkar
Sebool
Seraal
Sourat
Telil

Annex G

Performance Bond

THIS PERFORMANCE BOND is made on _____, 2007.

BY:

- (1) [Bank], a [joint stock company (*société anonyme libanaise*)] [banking corporation] incorporated in [the Republic of Lebanon] [] whose registered office/principal place of business [in the Republic of Lebanon] is at [] [or insert name and jurisdiction of incorporation and address of the international Qualified Bank] (the "Bank"),

IN FAVOR OF:

- (2) The Telecommunications Regulatory Authority of the Republic of Lebanon (the "TRA").

WHEREAS:

The Republic of Lebanon has conducted a tender process pursuant to the Request for Applications (as defined herein).

[Insert name of Licensee] (the "Licensee") has been issued a license, dated _____ 2008 (the "License"), as a result of the Tender Process (as defined herein) pursuant to the RFA.

It is a condition precedent to the effectiveness of the License that this Performance Bond be issued by a Qualified Bank (as defined herein) in favor of the TRA to secure the obligations of the Licensee under the License, including without limitation the Licensee's obligations to comply with the coverage and rollout obligations in Annex F to the License and to pay the fees and any other payments set forth in Annex C to the License.

1. INTERPRETATION

1.1 Definitions

In this Performance Bond:

"Bonded Sum" means twenty five million US dollars (US\$ 25,000,000.00);

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

"HCP" means the Higher Council for Privatization of the Republic of Lebanon.

"Qualified Bank" means (a) a bank established under the laws of the Republic of Lebanon with minimum assets, as at the date of the last audited balance sheet of US\$3 billion or its equivalent in Lebanese Pounds; or (b) an international bank,

acceptable to the TRA, with minimum assets, as at the date of the last audited balance sheet, of US\$10 billion and possessing a current credit rating of A or higher from Standard and Poor's or Fitch IBCA or A1 or higher from Moody's;

"RFA" means the Request for Applications to participate in a tender process for twenty year licenses together with the acquisition of the businesses of two existing mobile network operators, issued by the TRA and the HCP, dated 2 November 2007, as amended from time to time.

"Tender Process" means the tender process for the combined mobile businesses and mobile licenses as set out in the RFA, the Information Memorandum and other applicable documents and communications, as the same may be modified, supplemented or withdrawn from time to time.

Capitalized terms not otherwise defined shall have the meaning set forth in the License.

1.2 **Construction**

In this Performance Bond, unless the contrary intention appears, a reference to:

- (i) any document shall include that document as it may be amended, novated or supplemented from time to time;
- (ii) a Clause is a reference to a Clause of this Performance Bond;
- (iii) a person includes its successors and assigns; and
- (iv) headings are for convenience only and are to be ignored in construing this Performance Bond.

2. **PERFORMANCE BOND**

- 2.1 On the delivery by the TRA to the Bank of a certificate stating that the Licensee is in breach of its obligations or default under the terms and conditions in the License, the Bank undertakes to the TRA that it will, upon first written demand by the TRA, notwithstanding any objection which may be made by the Licensee or any other person and without requiring or obtaining any evidence or proof that the relevant events have in fact occurred, pay, satisfy and discharge without any 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 either payment by the Bank to the TRA of the Bonded Sum in full, in accordance with sub-Clause 2.1, and of the aggregate of all sums payable under Clauses 5 and 8, or the release of this Performance Bond by the TRA in accordance with sub-Clause 2.4.
- 2.4 This Performance Bond shall be released by the TRA on the earlier of (i) the third anniversary of the Effective Date or (ii) issuance by the TRA of a certificate

confirming that the Licensee has satisfied its rollout and coverage obligations in Annex F of the License.

3. **INDEMNITY**

As a separate, additional, continuing, primary and direct obligation, the Bank hereby unconditionally and irrevocably undertakes to the TRA that, should the Bonded Sum not be recoverable from the Bank under Clause 2 for any reason, then, notwithstanding that the reason may have been known to the Bank or the TRA, the Bank shall, upon first written demand by the TRA, indemnify the TRA against all losses, claims, costs, charges and expenses to which it may be subject or which it may incur under or in connection with this Performance Bond.

4. **MAXIMUM LIMIT**

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

- (i) the Bonded Sum; and
- (ii) the aggregate of all sums payable under Clauses 5 and 8.

5. **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 any arbitral award) at 10 per cent per annum. The interest shall be payable on demand and shall accrue from day to day on the basis of the number of days elapsed and a 360 day year.

6. **WAIVER OF NOTICES ETC.**

The Bank hereby unconditionally waives, to the fullest extent permitted by applicable law:

- (i) any and all notices which may be required by statute, rule of law or otherwise to preserve intact any rights of the TRA against the Licensee, including, without limitation, any demand, presentment, protest or notice of acceptance, notice of any liability to which this Performance Bond may apply or proof of notice of non-payment;
- (ii) promptness, diligence and any right to the enforcement, assertion or exercise by the TRA of any right, power, privilege or remedy;
- (iii) any amendment, supplement or modification of the License or any other document related thereto;
- (iv) any requirement that the TRA or any other person exhaust any right, power, privilege or remedy, or mitigate any damages resulting from a default, in respect of the Bonded Sum, or proceed or take any action against the TRA or any other person under or in respect of the Bonded

Sum, or protect, secure, perfect or ensure any lien or security interest on any property at any time constituting collateral security for the Bonded Sum;

- (v) any rights of discussion or divisibility it may have under Lebanese law; and
- (vi) the liquidation, administration, dissolution, lack of capacity or authority, or any change in the name or consultation of the Licensee or the Bank.

7. 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 TRA as security for the obligations of the Licensee. The rights, powers and remedies of the TRA under this Performance Bond are in addition to and not exclusive of those provided by law.

8. NO DEDUCTIONS AND TAXES

All sums payable by the Bank under this Performance Bond shall be paid in full in immediately available and freely transferable US dollars 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, levies, imposts, duties, fees or other charges of any nature whatsoever and by whomsoever imposed. 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 TRA any additional amounts as shall result in the TRA receiving a net amount equal to the full amount which it would have received had no payment, deduction or withholding been required.

9. REPRESENTATIONS AND WARRANTIES

The Bank hereby represents and warrants to the TRA as follows:

- (i) that this Performance Bond constitutes its legally binding obligation enforceable in accordance with its terms 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;
- (ii) that it is a Qualified Bank; and
- (iii) that the payment obligations of the Bank under this Performance Bond will constitute the direct, general, unconditional, unsubordinated and unsecured obligations of the Bank and will at all times rank at least *pari passu* in priority of payment with all other present and future unsecured and unsubordinated indebtedness of the Bank, except for any obligations that may be preferred by provisions of law that are both mandatory and of general application.

10. **UNDERTAKING**

The Bank undertakes to the TRA that, from the date of this Performance Bond until the Bonded Sum has been released to the Licensee, it will not claim as a creditor of the Licensee or any co-surety in competition with the TRA.

11. **INFORMATION AND CONSENTS**

11.1 The Bank shall supply the TRA with publicly available information as to itself and (if applicable) its subsidiaries as the TRA may reasonably request.

11.2 The Bank warrants that all consents, licenses and authorizations required or desirable under existing law for the entry into and performance by the Bank of its obligations under this Performance Bond have been obtained.

12. **NOTICES**

12.1 All notices, requests, demands or other communications arising out of or in connection with this Performance Bond shall be delivered in writing:

- (i) to the TRA at its address stated in the RFA;
- (ii) to the Bank, at its address stated in this Performance Bond.

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

12.3 Any notice, demand or communication sent to the TRA 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.

13. **ASSIGNMENTS**

The Bank shall not assign, transfer, novate or dispose of any of its rights and obligations under this Performance Bond. The TRA 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.

14. **REMEDIES AND WAIVERS**

No delay or omission of the TRA 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 farther 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 TRA would otherwise have.

15. **VALIDITY**

This Performance Bond shall not be valid with respect to any written notice received by the Bank after the date which is 12 months from the date of this Performance Bond and shall thereafter be null and void. When the validity of this Performance Bond has expired it must be returned to the Bank for cancellation but the Bank shall be released from any obligation hereunder even if, in breach of this provision, such return has not taken place.

16. **GOVERNING LAW**

This Performance Bond shall be governed by and construed in accordance with the laws of the Republic of Lebanon.

17. **DISPUTE RESOLUTION**

The competent courts of the Republic of Lebanon shall have exclusive jurisdiction in respect of any dispute arising out of or in connection with this Performance Bond.

IN WITNESS of which this Performance Bond has been signed on behalf of the Bank on the date which appears first on page 1.

[Bank]

By: _____

Name:

Title:

Address:

Annex H

Lock-up Undertaking

Dr. Kamal Shehadi,
Chairman and CEO
Telecommunications Regulatory Authority, Lebanon
Marfaa 200 Building
Beirut Central District
Beirut Lebanon

_____, 2008

Dear Sir,

Re: Lock-up Undertaking

The Republic of Lebanon has conducted a tender process pursuant to the Request for Applications leading to the award of twenty year licenses together with the acquisition of the businesses of two existing mobile network operators, dated 2 November 2007, as such may have been amended from time to time (the "**RFA**").

This letter of undertaking is issued in connection with the issuance of the License dated _____ 2008 (the "**License**") to [insert name of the Licensee] (the "**Licensee**") as a result of the Tender Process conducted pursuant to the RFA. Capitalized terms used and not otherwise defined in this letter shall have the meanings set forth in the License.

[Insert name of MNO/Affiliate member of the Consortium] (the "**MNO Member**") and the other parties undersigned (the "**Other Consortium Members**") are each founder shareholders of the Licensee and, as required in the RFA, hereby undertake as follows:

1. Undertaking by MNO Member

[The MNO Member shall maintain ownership of at least fifteen (15) per cent of the ordinary voting share capital of the Licensee on a fully diluted basis at least until the fifth anniversary of the Effective Date, subject to dilution resulting from any equity issuance of the Licensee where such issuance is approved by the TRA, such approval not to be unreasonably withheld.]¹¹

¹¹ Paragraph to be included if the Licensee has entered into a Management Agreement as provided in clause 4.4 of the RFA (i.e., if it is not subject to the exemption in clause 4.4(b) of the RFA).

[The MNO Member shall maintain ownership of at least fifty (50) per cent of the ordinary voting share capital of the Licensee on a fully diluted basis at least until the fifth anniversary of the Effective Date.]¹²

2. Undertaking by Other Consortium Members

The Other Consortium Members shall not sell, transfer or otherwise divest part or all of their shareholdings in the Licensee at least until the third anniversary of the Effective Date unless the TRA in its discretion removes such lock-up restriction upon satisfaction by the Licensee of the network upgrade, rollout and coverage requirements set forth in the License.

3. Acknowledgement

The undersigned hereby acknowledge that any breach of any of their respective undertakings in this letter shall put the Licensee in material default under Clause 13.5 of the License entitling the TRA to apply such remedies as are provided in the License, in any Telecommunications Legislation and any other applicable law for a default under the License, including without limitation amending, suspending or revoking the License and making a demand under the Performance Bond.

SIGNED BY:

MNO MEMBER:

[Signature of Authorized Signatory of the MNO/Affiliate]
[Name of Authorized Signatory of MNO/Affiliate]
[Name of MNO/affiliate]

OTHER CONSORTIUM MEMBERS:

[Signature of Authorized Signatory(ies) of each non-MNO Consortium member]
[Name of Authorized Signatory(ies) of each non-MNO Consortium member]
[Name of each non-MNO Consortium member]

¹² Paragraph to be included if the Licensee will not enter into a Management Agreement because it is subject to the exemption in clause 4.4(b) of the RFA.

Annex I

Acknowledgement

Dr. Kamal Shehadi,
Chairman and CEO
Telecommunications Regulatory Authority, Lebanon
Marfaa 200 Building
Beirut Central District
Beirut Lebanon

_____, 2008

Dear Sir,

Re: Acknowledgement

The Republic of Lebanon has conducted a tender process pursuant to the Request for Applications leading to the award of twenty year licenses together with the acquisition of the businesses of two existing mobile network operators, dated 2 November 2007, as such may have been amended from time to time (the "RFA").

This letter of undertaking is issued in connection with the issuance of the License dated _____ 2008 (the "**License**") to [insert name of the Licensee] (the "**Licensee**") as a result of the tender process conducted pursuant to the RFA. Capitalized terms used and not defined in this letter shall have the meanings set forth in the License.

The Licensee hereby represents to the Authority that it is incorporated as a Lebanese joint stock company (*Société Anonyme Libanaise*) and is resident for tax purposes in the Republic of Lebanon and that, by commencement of the Mobile Services under the License, it will have, and thereafter maintain, within the Republic of Lebanon the requisite financial, operational, technical and other experience and resources to provide Mobile Services under the License in full compliance with the terms and conditions set forth therein.

The Licensee hereby acknowledges and accepts the terms and conditions of the License. The Licensee hereby undertakes to comply with all such terms and conditions and acknowledges the power and rights of the Telecommunications Regulatory Authority of the Republic of Lebanon to apply such remedies as are provided in the License, in any Telecommunications Legislation and any other applicable law for a breach of or default under the License, including without limitation amending, suspending or revoking the License and making a demand under the Performance Bond.

Yours truly,

[Signature of Authorized Signatory(ies) of Licensee]
[Name of Authorized Signatory(ies) of the Licensee]
[Name of the Licensee]

[Annex J]¹³

Revenue Share Deed

THIS REVENUE SHARE DEED is made on _____, 2007 (the "Revenue Share Deed").

BY:

- (1) [_____], a Lebanese joint stock company (*Société Anonyme Libanaise*) (the "Licensee");

IN FAVOR OF:

- (2) The Republic of Lebanon (the "Republic").

WHEREAS:

The Republic of Lebanon has conducted a tender process pursuant to the Request for Applications leading to the award of twenty year licenses together with the acquisition of the businesses of two existing mobile network operators, dated 2 November 2007, as such may have been amended from time to time (the "RFA").

As a result of the tender process conducted pursuant to the RFA, the Licensee has acquired or will acquire the subscriber and other contracts, network and certain other assets and liabilities of Mobile Interim Company [1][2] S.A.L. pursuant to the Sale and Purchase Agreement, dated _____ 2008 (the "SPA"), and has received or will receive a license to provide mobile services, dated _____ 2008 (the "License").

It is a condition precedent to (i) the obligations of the Sellers in the Closing under the SPA (as such terms are defined in the SPA) and (ii) the effectiveness of the License, that this Revenue Share Deed be entered into in favor of the Republic.

REVENUE SHARE

As part of the consideration for the acquisition of the aforementioned subscriber and other contracts, network and certain other assets and liabilities, and the issuance of the License to the Licensee, the Licensee hereby undertakes to pay to the Republic an amount equal to ten per cent (10%) of its Gross Revenues (the "Revenue Share") in accordance with the terms and subject to the conditions of this Revenue Share Deed. "Gross Revenues" has the meaning provided in the License.

The Licensee shall pay the Revenue Share monthly in arrears in the following manner:

¹³ Annex to be deleted if the Council of Ministers decides there will be no revenue share obligation.

On the first (1st) day of every calendar month, the Licensee shall transmit to the Republic fifty per cent (50%) of the total amount of the anticipated Revenue Share due for the forthcoming month (the "Advance Revenue Share"), accompanied by a duly executed certificate of the Chief Executive Officer (CEO) or Chief Financial Officer (CFO) of the Licensee attesting as to the reasonable sufficiency and reasonable accuracy of the Advance Revenue Share.

On the fourteenth (14th) day of every calendar month, the Licensee shall transmit to the Republic the total amount of the Revenue Share then due for the prior month (the "Actual Revenue Share") less the amount of the Advance Revenue Share paid in respect of such prior month, accompanied by a duly executed certificate of the Chief Executive Officer (CEO) or Chief Financial Officer (CFO) of the Licensee certifying as to the accuracy of (i) the amount of the Actual Revenue Share for such prior month, and (ii) the reconciliation between the Actual Revenue Share and the Advance Revenue Share for the applicable month.

The Licensee shall pay the sums referred to in the foregoing paragraphs to:

[insert account details], or

such other account as the Minister of Finance of the Republic shall direct.

In the event of a default by the Licensee in the payments when due under this Revenue Share Deed, the Licensee shall pay interest on the amount from time to time due and unpaid from the period beginning on its due date and ending on the date of its payment in full, which interest shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 365 day year. The applicable rate of interest shall be the average of the prevailing prime lending rates of the banks and finance companies quoted and published by the Central Bank of the Republic of Lebanon.

This Revenue Share Deed shall be governed by the laws of the Republic of Lebanon and any disputes hereunder shall be subject to the jurisdiction of the courts of the Republic of Lebanon.

SIGNED BY:

[Signature of Authorized Signatory(ies) of Licensee]

[Name of Authorized Signatory(ies) of the Licensee]

[Name of the Licensee]

[Signature]

[]

Republic of Lebanon