

AUTHORITY COMMUNICATIONS LESOTHO

NETWORK SERVICES (SATELLITE NETWORKS) LICENCE

Issued In Terms of The Communications Act 2012

STARLINK LESOTHO (PTY) LTD NAME OF LICENSEE (REGISTRATION NO. 89154) LSO/2025/TL013/2 LICENCE NUMBER SATELLITE NETWORKS LICENSED SERVICES BROADBAND SERVICES OR INTERNET LICENSED SYSTEMS ACCESS BY SATELLITE 20 MOTŠOENE ROAD, ANWARY BUILDING, PLACE OF BUSINESS MASERU **POSTAL ADDRESS** 19/05/2025 LICENCE VALID FROM 18/05/2035 UNTIL SIGNED N. GOOLAM CHIEF EXECUTIVE OFFICER

THIS LICENCE IS SUBJECT TO :

- 1. The Communications Act 2012 and its subsidiary legislation.
- 2. Licence Conditions.

FAIRNESS TO ALL AND ALLEGIANCE TO NONE

A NETWORK SERVICES LICENCE

GRANTED

BY

THE LESOTHO COMMUNICATIONS AUTHORITY

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STARLINK LESOTHO (PTY) LTD (REGISTRATION NO. 89154)

(Licensee)

In terms of Section 5(1) (d) of the Act

FOR THE OPERATION OF SATELLITE NETWORK AND

PROVISION OF SATELLITE INTERNET SERVICES

Licence Number:

LSO/2025/TL013/2

Approved on:

Expiry Date:

Commencement Date:

19 May 2025

31 March 2025

18 May 2035

N. GOOLAM CHIEF EXECUTIVE OFFICER LESOTHO COMMUNICATIONS AUTHORITY

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THE LICENCE

TERMS

- 1. The Lesotho Communications Authority (the "Authority"), in accordance with section 5(1) (d) of the Communications Act, 2012 (the "Act"), hereby authorizes Starlink Lesotho (Pty) Ltd to operate a satellite network described herein as (the "Licensed System"), to provide broadband services described herein as (the "Licensed Services") and to connect the Licensed Systems to telecommunication systems within and outside Lesotho in accordance with the Conditions set out hereunder.
- 2. The Licensed System is a satellite network that provides services within the Kingdom of Lesotho and connected to such international networks as it may be necessary to provide Licensed Services.
- 3. The Licensed Services are provision of broadband services or internet access by satellite.
- 4. The Licensee is authorized to connect the Licensed System to:
 - a) Any other telecommunication system run under a Licence granted by the Authority in accordance with the Act;
 - b) Any telecommunication apparatus, which is type approved for connection by the Authority; and
 - c) Any telecommunication system authorized to operate in international commerce by any other nation, country or territory, and which operates pursuant to international telecommunications standards.
- 5. This Licence:
 - a) Is issued for a period of ten (10) years with effect from 19 May 2025 (the "Licence term"); and
 - b) Shall come into operation within 24 months of issue of this Licence, unless it is revoked earlier in accordance with the conditions set out below.

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- 6. Notwithstanding clause (5) of these terms, the Authority may at any time revoke this Licence by giving thirty (30) days' notice in writing in any of the following circumstances:
 - a) If the Licensee agrees in writing with the Authority that this Licence should be revoked;
 - b) If any amount payable to the Authority is unpaid thirty (30) days after the Authority has notified the Licensee that the payment was overdue, provided that such notification shall not have been given earlier than seven (7) days after the date on which the payment was due;
 - c) If the licensee fails to commence operations within the period stated in Clause 5 (b) above;
 - d) If the Licensee is dissolved or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors; or
 - e) If the Licensee contravenes these Licence Conditions, the Act, Rules, Regulations or any directive issued by the Authority.
- 7. The Authority may renew this Licence, upon application by the Licensee, for an additional period following the expiry of the Licence Term, provided that the Licensee has fulfilled its regulatory obligations set out in this Licence and provided further that the Authority has carried out a formal review to determine whether it is in the public interest that the Licence should be renewed.
- 8. The Licensee shall submit an application for renewal to the Authority not less than two (2) years prior to the expiry of the Licence.
- 9. This Licence shall be held subject to the Terms and Conditions set out herein, provisions of the Act, Rules and Regulations adopted pursuant to the Act.
- 10. The Licensee shall not assign, delegate, transfer or encumber in any manner the rights, interests or obligations under this Licence without the prior, express and written consent of the Authority.

- 11. Any word, phrase or expression used in this Licence shall have the same meaning as it has in the Act. Unless the context otherwise requires, the following terms shall have the following meanings:
 - "Act" means the Communications Act No. 4 of 2012;
 - "Authority" means the Lesotho Communications Authority established pursuant to the Act;
 - "Rules" means any regulations established by the Authority from time to time in accordance with the Act;
 - "Resale Services" means communication services purchased from the Licensee and made available to the end user;
 - "Universal Service Fund" means a fund for provision and availability of essential information and communications technologies (ICT) services to all sections of society as determined by the Authority and/or Universal Service Fund Committee;
 - "Licensee" means StarLink Lesotho with Registration Number 89154;
 - "Maintenance Services" means carrying out repairs and ensuring that communications systems and facilities perform in accordance with manufacturers' specifications or with international standards.

CONDITIONS

1 LOCATIONS AND ADDRESSES

- 1.1 The physical location of the Licensee's office must be situated within the Kingdom of Lesotho.
- 1.2 The Licensee must inform the Authority of the Licensee's physical location, which must not be changed without providing a written notice to the Authority one (1) month prior to the intended change.
- 1.3 The Licensee shall at all times display this Licence Notice in a conspicuous place at the Licensee's registered offices.

2 PROVISION OF SERVICES FOR RESALE

- 2.1 The Licensee shall be required to negotiate in good faith with persons making bona fide requests to purchase Licensed Services for resale and enter into an agreement within 30 days. The agreement shall include reasonable terms and conditions, including those relating to charges.
- 2.2 The obligation in Condition 2.1 above shall not apply in the event that, it is not, in the Authority's view, reasonable to require the Licensee to enter into such an agreement in the particular circumstances, including, but not limited to circumstances:
 - 2.2.1 Beyond the Licensee's control;
 - 2.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk to health, liability or safety; or
 - 2.2.3 Where it is not reasonably practicable.

3 SERVICE PROVISION BY OTHER PARTIES

- 3.1 The Licensee shall permit any licensed telecommunication operator to connect its telecommunication system to the Licensee's Systems so as to enable the provision of such operator's licensed services.
- 3.2 The obligation in Condition 3.1 above shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the service requested by means of the Licensed Systems in the particular circumstances, including, but not limited to circumstances:
 - 3.2.1 Beyond the Licensee's control;
 - 3.2.2 Where the provision of the service would have adverse effects to the Licensee's systems or expose any person engaged in its provision to undue risk to health, liability or safety; or
 - 3.2.3 Where it is not reasonably practicable.

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4 PROVISION OF CUSTOMER INFORMATION SERVICES

- 4.1 The Licensee shall establish and maintain efficient information services, accessible through multiple channels, to assist any person to whom it provides Licensed Services to answer questions regarding connection, charges, and any other questions relating to the Licensed Services.
- 4.2 The obligation in Condition 4.1 above shall not apply in the event that, it is not, in the Authority's view, reasonable to require the Licensee to comply with such an obligation in particular circumstances, including, but not limited to circumstances:
 - 4.2.1 Beyond the Licensee's control;
 - 4.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk to health or safety; or
 - 4.2.3 Where it is not reasonably practicable.

5 PROVISION OF MAINTENANCE SERVICES

- 5.1 The Licensee shall provide or ensure the provision of maintenance services, in accordance with the Licensee's warranty on equipment it sells and on the reasonable request of any person to whom it provides Licensed Services, in respect of any Licensed System or any approved apparatus, which is under that person's control.
- 5.2 The obligation in Condition 5.1 above shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the service requested by means of the Licensed Systems in the particular circumstances, including, but not limited to circumstances:
 - 5.2.1 Beyond the Licensee's control;
 - 5.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk of health or safety;
 - 5.2.3 Where the Licensed System or apparatus is beyond economic repair or its components are no longer available; or
 - 5.2.4 Where it is not reasonably practicable.

6 INTERRUPTIONS OF THE LICENSED SERVICES

- 6.1 Subject to Conditions 6.2 and 6.3 below, the Licensee shall not intentionally interrupt the operation of the Licensed Systems or any part thereof, in the normal course of business, nor may it in the normal course of business suspend the provision of any type of Licensed Service without having first notified the Authority in writing and having provided notice to affected customers seven days before such interruption or suspension.
- 6.2 The provision in Condition 6.1 above shall not apply if, in the Authority's view, the interruption or suspension is due to an emergency, national security, or circumstances beyond the Licensee's control.
- 6.3 The provision in Condition 6.1 above shall not apply if, in the Authority's view, the interruption or suspension of a Licensed Service supplied by the Licensee is to a person whose system is endangering the integrity of the Licensed Systems.
- 6.4 The Licensee may interrupt or suspend the provision of the Licensed Service to any Customer if the Customer fails to comply with the terms and conditions of the service agreement between the Licensee and the Customer.
- 6.5 In case of unplanned network outage or fault, the Licensee shall provide immediate notice to the customers through SMS or any other communications mode and shall also provide a written notice to the Authority within 48Hrs of the occurrence of the outage.

7 **RESOURCES**

The Authority shall authorize usage of shared spectrum resources to enable provision of quality licensed services.

8 PUBLIC EMERGENCIES

8.1 In the case of an emergency or local, regional or national crisis such as earthquakes, floods, riots, or similar events which require special attention on the part of the Licensee, the Licensee shall provide the necessary services to the Government, giving priority to the activities required to overcome the emergency.

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8.2 In case of an emergency or crisis being related to aspects of national security, the Licensee shall co-ordinate with the Commissioner of Police who shall make any request in writing and provide the necessary services in accordance with the instructions of the Authority or the competent entity indicated thereby in accordance with the relevant laws.

9 CHARGES

- 9.1 The Licensee shall provide services on charges, terms and conditions approved by the Authority.
- 9.2 The Licensee shall file proposed charges, terms and conditions for provision of licensed services to the Authority prior to inception of business.
- 9.3 Charges made to any person and conditions for the provision of licensed Services shall be publicised by the licensee.
- 9.4 The Licensed Services shall be provided on standard terms and conditions, which must include provision for an effective dispute resolution mechanism, to any person on request.
- 9.5 The Licensee shall file with the Authority, for approval, changes it proposes to make on its rates, the charges and the terms and conditions upon which it proposes to offer the Licensed Services.

10 QUALITY OF SERVICE REQUIREMENTS

- 10.1 The Licensee shall meet the quality of service standards as may be prescribed under the Rules from time to time issued by the Authority.
- 10.2 The Licensee shall ensure that it maintains information records for the purpose of satisfying the Authority that the Licensee is meeting the Quality of Service requirements.

11 SERVICE LEVEL AGREEMENT

The Licensee shall prepare the service level agreement (SLA) which constitutes working relationship with the clients and resellers and shall be submitted to the Authority within thirty (30) days following the issuance of the licence.

The SLA shall cover but not limited to the following items

- a) Quality of service.
- b) Party's obligations.
- c) Tariffs.
- d) Termination of service conditions.
- e) Billing and payment methodology.
- f) Dispute resolution mechanism.

12 SAFETY AND ENVIRONMENT OBLIGATIONS

The Licensee shall ensure that the operation and maintenance of the Licensed Network are performed in accordance with applicable international and domestic environmental laws, regulations and practices.

13 BILLING SYSTEM AND ACCURACY

- 13.1 The billing system shall capture true and correct customer charges.
- 13.2 The Licensee shall ensure that its customers pay their bills into the account of a locally registered financial service providers.
- 13.3 The Licensee shall not render any bill in respect of any Licensed Service unless every amount stated in the bill is derived in accordance with the billing system.
- 13.4 The Licensee shall on request provide each of its Customers, at no additional cost, with an itemized bill which shall contain, amongst other details, billing period, the name, address, telephone number, account number.
- 13.5 The Licensee shall keep such records of customer accounts for the purpose of satisfying the Authority that the billing system is accurate. The Licensee shall retain the records for at least three (3) years from the date on which they came into being.
- 13.6 In order for the Authority to be satisfied that the billing system is accurate, the Authority (or an independent auditor appointed by the Authority at its own discretion) may require the Licensee to:
 - 13.6.1 Furnish the Authority with any information it requires;

- 13.6.2 On reasonable notice, allow the Authority (or any person authorized by the Authority) access to any relevant premises of the Licensee; or
- 13.6.3 On reasonable notice, allow the Authority (or any person authorized by the Authority) to examine or test the whole or any part of the billing process.

14 CUSTOMER SERVICE STANDARDS

- 14.1 The Licensee shall develop, publish and file with the Authority guidelines for use by its personnel for handling enquiries and complaints from customers to whom it supplies licensed services. The customer service standards shall include the timeframe for handling complaints.
- 14.2 The guidelines relating to enquiries and complaints shall be published and be made available to customers at the commencement of service to such customers in both official languages (Sesotho and English) of Lesotho.
- 14.3 The Licensee shall keep and maintain statistics on enquiries and complaints made to the Licensee's network services and shall submit such information to the Authority annually or as may be required by the Authority.

15 PEERING

15.1 The Licensee may enter into peering agreements with similarly licensed service providers both in Lesotho and internationally.

16 DATA PRIVACY AND CONFIDENTIALITY

- 16.1 The Licensee shall treat the customers information in line with the laws relating to the protection of personal data and privacy.
- 16.2 The Licensee shall use industry standard practices to ensure the privacy and confidentiality of information and business secrets obtained in the course of its business from any person to whom it provides Licensed Services and any person with whom it has a peering agreement.

- 16.3 The Licensee shall not use or allow use of any apparatus which is capable of recording, silently monitoring, or intruding into transmission of any messages unless the licensee complies with Condition [16.4] below.
- 16.4 The Licensee may deviate from provisions of Conditions [16.1 and 16.2 and 16.3] only to comply with a court order. The Licensee shall maintain a record of all requests and court orders indicating how they were implemented. The Licensee shall furnish to the Authority such information on request.
- 16.5 The Licensee shall ensure that the licensed system has industry standard security features and safeguards to protect customers data and information.

17 FAIR COMPETITION

- 17.1 Without prejudice to other obligations imposed on the Licensee under this Licence, the Licensee shall not engage in any activities, whether by act or omission, which have, or are intended to or likely to have, the effect of unfairly preventing, restricting or distorting competition in relation to any business activity relating to the Licensed Services. Without limiting the generality of the foregoing, any such act or omission shall include:
 - 17.1.1 Any activity by the Licensee, either independently or with others, which unfairly excludes or limits competition between the Licensee and any other party;
 - 17.1.2 Entering into any contract or engaging in any concerted practice with any other party, which unfairly prevents, restricts or distorts competition; or
 - 17.1.3 Effecting anti-competitive changes in the market structure, and in particular anti-competitive mergers and acquisitions.

18 PROHIBITION OF UNDUE DISCRIMINATION

18.1 Without prejudice to the obligations imposed on the Licensee under this Licence, the Licensee shall not (whether in respect of the rates or other terms and conditions applied or otherwise) show
10 | P a g e undue preference to, or exercise undue discrimination against particular persons or persons of any class or description regarding the provision of the Licensed Services.

- 18.2 The Licensee may be deemed to have shown undue discrimination if it unfairly favours to a material extent a business carried on by it in relation to the provision of the Licensed Services so as to place at a significant competitive disadvantage persons competing with that business.
- 18.3 The Authority shall determine any question relating to whether any act done or course of conduct by the Licensee amounts to undue preference or undue discrimination.

19 ACCOUNTING REQUIREMENTS

- 19.1 The Licensee shall adopt an accounting system that allows the licensee to keep records in accordance with International Accounting Standards.
- 19.2 Within ninety (90) days of the end of the Licensee's financial year, the Licensee shall submit to the Authority its balance sheet, profit and loss statements, cash flows and other related statements as of the end of such financial year. The submission shall include certification by independent auditors stating that such financial statements fairly present the financial position of the Licensee as at the dates indicated and were prepared in accordance with International Accounting Standards.
- 19.3 The Authority may request the Licensee to submit other accounting information it may require in order to effectively supervise and enforce the terms of this Licence.

20 REQUIREMENT TO PROVIDE INFORMATION

- 20.1 The Licensee is required to maintain such information as will enable the Authority to carry out its functions under the Act. The Licensee shall submit to the Authority quarterly reports on:
 - 20.1.1 Number of subscribers on the last day of the preceding quarter.

- 20.1.2 Number and category of customer complaints received.
- 20.1.3 Quality of service performance.
- 20.1.4 Full details of data traffic (upload and download) per service category (business/residential) generated in Lesotho.
- 20.1.5 Any other information, as the Authority may from time-totime request.
- 20.2 In making a request for information, the Authority shall balance its regulatory and enforcement obligations under the Act against the burden imposed on the Licensee in procuring and furnishing such information.
- 20.3 In particular, the Licensee shall submit annual compliance report within ninety (90) days of the end of the Licensee's financial year or such date as the Authority may direct outlining the Licensee's progress in respect of its obligations under this Licence.
- 20.4 The Authority shall have the right to publish information which it received under this Condition unless, following representations by the Licensee, it is satisfied that the information is of such confidential nature that its disclosure would have a material adverse effect on the Licensee's business.

21 INSPECTION

- 21.1 The Licensee shall grant unhindered access to all its premises, facilities, installations, files and records to all officers authorized by the Authority for inspection and monitoring purposes.
- 21.2 The Licensee shall provide details of its premises, facilities, installations, and networks to the Authority.

22 CHANGE OF SHAREHOLDING STRUCTURE

- 22.1 The Licensee shall not change its shareholding structure without the approval of the Authority.
- 22.2 The Licensee shall notify the Authority if any entity becomes a parent undertaking or controlling entity in relation to the Licensee.

- 22.3 The Licensee shall notify the Authority of any change in the proportion of shares held in a Licensee by any person, the acquisition of any shares in a Licensee by a person not already holding shares, and the proportion of such shares held by that person immediately before acquisition if, by reason of that acquisition or change, the total number of shares in that Licensee held by that person together with any shares held by any nominee or trustee for that person immediately after the change or acquisition exceeds fifteen percent (15%) of the total number of voting shares in that company.
- 22.4 In any case referred to in Conditions 22.2 or 22.3 above, notification shall be given by a date which is thirty (30) days prior to the taking effect of such change or acquisition, as the case may be, or as soon as practicable.
- 22.5 In the event that the Authority disapproves of the change in shareholding, it shall notify the Licensee within thirty (30) days of receipt of notification.
- 22.6 The Licensee and other interested parties may, within thirty (30) days of receipt of the notification envisaged in 22.5 above, make representations to the Authority requesting reconsideration of its disapproval.
- 22.7 The Authority shall, within sixty (60) days of receipt of the request envisaged in Condition 22.6 above and having taken into account representations made by interested parties, make a final determination and giving reasons for its decision.

23 PRE-NOTIFICATION OF JOINT VENTURES

- 23.1 The Licensee shall notify the Authority not later than sixty (60) days before the taking effect of any of the agreements or arrangements to which this Condition applies, giving particulars of the agreements or arrangements.
- 23.2 The agreements and arrangements are:
 - 23.2.1 An agreement with any person for the establishment or control of any body corporate for the purpose of:

- 23.2.2 The running of a communication system which requires a Licence under the Act;
- 23.2.3 Providing communication services in Lesotho which necessarily involves control over all or a portion of such a system;
- 23.2.4 The production of communication apparatus for supply in Lesotho where that production could lead, in the Authority's view, to a monopoly situation, which would not otherwise exist in relation to the supply of communication apparatus of any description in Lesotho.
- 23.2.5 An agreement for the establishment of a partnership for any of the purposes and circumstances mentioned in Condition 23.2.1 above.
- 23.2.6 Any other agreement or arrangement in the nature of a joint venture for the purpose of running a telecommunication system which requires a Licence under the Act or for the purpose of providing communication services in Lesotho which necessarily involves controlling all or a portion of such a system.
- 23.3 Conditions 23.2.1 and 23.2.2 apply in relation to an agreement or arrangement for the establishment or control of any body corporate or partnership where the Licensee has or is to have not less than 20 percent of the voting power in an organ controlling that body.
- 23.4 In the event that the Authority disapproves of the arrangements referred to in Condition 23.2 above, the Authority shall inform the Licensee in writing within thirty (30) days after such notification.
- 23.5 The Licensee and other interested parties may, within thirty (30) days of receipt of the notification envisaged in Condition 23.4 above, make representations to the Authority requesting reconsideration of its disapproval.
- 23.6 The Authority shall, within sixty (60) days of receipt of the request envisaged in Condition 23.5 above and having taken into account

representations made by interested parties, make a final determination and giving reasons for its decision.

24 PAYMENT OF FEES

22.1 The Licensee shall pay to the Authority licence fees as prescribed by the Rules.

25 UNIVERSAL SERVICE OBLIGATIONS

- 23.1 The Licensee shall pay fees into the Universal Service Fund as prescribed by the Authority in accordance with the Act.
- 23.2 The licensee shall meet any other Universal Service obligations as required by the Authority from time to time subject to reasonable compensation from the above-mentioned Fund.

26 PROVISION OF SERVICES THROUGH CONTRACTORS OR AGENTS

- 26.1 Licensee may exercise any rights permitted in this License or pursuant to the Act through agents, dealers, subcontractors, or licensed service providers acting under and for the Licensee.
- 26.2 The Licensee shall be responsible for the acts and omissions of its agents, dealers, subcontractors and licensed service providers in relation to acts or omissions done under Condition [26.1] above.

27 INTERNATIONAL OBLIGATIONS

- 27.1 The Authority may designate the Licensee to participate in and be signatory to operating agreements relating to international telecommunication organizations to which Lesotho is a party.
- 27.2 The Licensee may on its own accord participate in international telecommunication organizations as a Sector Member, Private Sector Member, or Associate Member and shall notify the Authority of such participation.

28 DEVELOPMENT INITIATIVES

The Licensee shall submit to the Authority its corporate social investment (CSI) and national development plan within three months of the issuance of its Licence.

29 NOTICES

All written notices to the Authority shall be marked for the attention of the Chief Executive Officer and shall be delivered to:

Lesotho Communications Authority 30 Princess Margaret Road Old Europa Maseru 100 Lesotho

Or to such other address as the Authority may specify in writing to the Licensee.

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