

GUIDELINES FOR SUBMISSION OF APPLICATION FOR SERVICES-BASED OPERATOR LICENCE

1 INTRODUCTION

- 1.1 The Singapore telecommunication services market was fully liberalised from 1 April 2000. As required under the Telecommunications Act (Cap. 323), any person operating and providing telecommunication systems and services in Singapore has to be licensed.
- 1.2 The Info-communications Development Authority of Singapore (IDA) has adopted a two-pronged licensing approach that differentiates between licensees based on the nature of their operations i.e. whether facilities-based or services-based type of operations. This set of Guidelines is intended to provide interested parties with an overview of the licensing framework for licence applicants intending to deploy services-based operations in Singapore and to guide them in applying for the relevant licences.

2 DESCRIPTION OF SERVICES-BASED OPERATIONS

- 2.1 Operators intending to lease telecommunication network elements (such as transmission capacity and switching services) from any Facilities-Based Operator (FBO) licensed by the IDA so as to provide their own telecommunication services, or to resell the telecommunication services of FBOs, to third parties; may apply to IDA for a Services-Based Operator (SBO) Licence. Operators who have deployed telecommunication network, systems and facilities within their own property boundaries, but wish to offer telecommunication services to third parties resident within their property boundaries, should also apply for an SBO licence.
- 2.2 The SBO licences issued by IDA fall under two categories: the **SBO (Individual) Licence** category, where individual licensing is required for the stipulated types of operations and services; and the **SBO (Class) Licence**¹ category, where interested



¹ A Class Licence is a licensing scheme where the terms and conditions are gazetted. Anyone who provides the services within the scope of the class licence will be deemed to have read and agreed to the terms and conditions of the class licence. Interested parties must first register online through www.business.gov.sg/licences together with the necessary supporting documents.

parties will only be required to register with IDA before providing the stipulated types of services. Parties providing SBO operations and services will thus either be individually or classed licensed by IDA, depending on the scope of the operations and nature of the services. In general, operators who lease international transmission capacity for the provision of their services will be licensed individually. Interested parties should also note that separate licences or authorisation may be required from other relevant government agencies for the provision of certain types of SBO services and operations².

2.3 With effect from 1 April 2003, no SBO (Class) Licensees shall collect money deposits or use prepaid cards (other than credit cards) as a means of collecting payment from its customers.

2.4 The range of operations and services that requires individual licensing under the SBO (Individual) Licence category includes, but is not limited to, the following:

- International Simple Resale (ISR)³
- Resale of Leased Circuit Services
- Public Internet Access Services
- Internet Exchange Services
- Virtual Private Network Services
- Managed Data Network Services
- Store-and-Forward (S&F) Value-Added Network Services
- Mobile Virtual Network Operation
- Bandwidth Capacity Exchange Operation
- Backhaul Bandwidth Capacity Services
- Live Audiotex Services
- Prepaid Services for other telecommunication services such as:
 - Call-back / Call Re-origination Services
 - Internet Based Voice and Data Services
 - Store-and-Retrieve (S&R) Value-Added Network Services
 - International Calling Card (ICC) Services
 - Resale of Public Switched Telecommunication Services
- Global Mobile Personal Communications by Satellite (GMPCS) Services

² For example, an SBO (Individual) Licensee providing Internet access services will need to comply with terms and conditions that may be imposed by the Media Development Authority on the content transmitted.

³ This includes both voice and data traffic.

2.5 The range of operations and services that falls under the SBO (Class) Licence category includes, but is not limited to, the following:

- Call-back/Call Re-origination Services
- Internet Based Voice and Data Services
- Resale of Public Switched Telecommunication Services
- Store-and-Retrieve (S&R) Value-Added Network Services
- International Calling Card (ICC) Services
- Audiotex Services
- Public Chain Payphone Services

3 GENERAL LICENSING AND REGULATORY FRAMEWORKS

Licensing Framework

- 3.1 The scope and specific conditions for the provision of the respective services under the SBO (Individual) and SBO (Class) licences are provided in **Annexes 1 and 2** respectively. The general conditions of an SBO (Class) licence can be found in the Telecommunications (Class Licences) Regulations. Parties interested to apply for an SBO (Individual) Licence should submit their proposals to IDA in accordance with the procedural requirements outlined in Section 4 of this Guidelines.
- 3.2 There is no limit on the operators who can be class-licensed. IDA will also not pre-determine the number of SBO (Individual) licences to be issued. The SBO (Individual) Licence will be granted if IDA is satisfied with the applicant's ability to deliver its proposed service and its quality of service standards commitments. There will be no foreign equity limit imposed for licensees. The Licensee shall be a company incorporated or a foreign company registered under the Singapore Companies Act, Chapter 50.
- 3.3 A single SBO licence will be issued to the successful applicant (or licensee) for each service category applied for, regardless of the range and types of operations and services to be provided under each service category. The Licensee however must register with and/or seek the prior approval of IDA for any subsequent changes to the scope of its operations and services. IDA will update its licence accordingly where applicable.

Regulatory Framework

- 3.4 All SBO licensees will be regulated in accordance with the licensing and regulatory frameworks established by IDA, which are formulated under the provisions of the Telecommunications Act (Cap. 323). Licensees are also required to comply with the Code of Practice for Competition in the Provision of Telecommunication Services (Telecom Competition Code), which aims to ensure the development of a fair and competitive telecommunication environment in Singapore. SBO (Individual) licensees may be required to comply with the Accounting Separation Guidelines. Interested parties may refer to the IDA website for copies of a generic SBO (Individual) licence, the Telecom Competition Code and other relevant guidelines issued by the IDA⁴.
- 3.5 IDA recognises that the info-communications environment is dynamic and ever-changing. IDA will continue to review and refine the regulatory frameworks to ensure their relevance, taking into consideration market trends and developments.

Licence Fees and Duration

- 3.6 Applicants for the SBO (Individual) and SBO (Class) Licences will be required to pay the fees as stipulated in the table below.

Licences	Licence/Registration Fee
Services-Based Operators to be Individually Licensed	
SBO (Individual)	Initial Fee: None Annual Fee: S\$5,000
Live Audiotex services only	S\$200 every three-yearly
Services-Based Operators to be Class-Licensed	
Audiotex services	S\$200 every three-yearly
Call-back and call-origination services	S\$200 every three-yearly
Internet based voice and data services	S\$200 every three-yearly
International calling card services	S\$200 every three-yearly
Store-and-retrieve value-added network services (where leased circuits are used)	S\$200 every three-yearly
Store-and-retrieve value-added network services (where no leased circuits are used)	No fee payable

⁴ IDA's website address is www.ida.gov.sg. The documents can be found under the Policy and Regulation section.

Resale of public switched telecommunication services	No fee payable
Public Chain Payphone Service	No fee payable

- 3.7 All SBO licences are valid for a period of three years and renewable every three-yearly. No renewal is required for licences to provide resale of public switched telecommunication services, public chain payphone services and store-and-retrieve (S&R) value-added network services (without the use of leased circuits).

Banker's Guarantee

- 3.8 The SBO (Individual) Licensee shall procure a banker's guarantee of S\$100,000 to be provided to and made in favour of IDA if it intends to collect money deposits and/or issue prepaid cards for collection of payments from their customers (other than credit cards). The banker's guarantee must be issued by a Monetary Authority of Singapore (MAS) licensed bank in Singapore acceptable to IDA and shall be in such form and contain such terms and conditions as IDA may specify from time to time (a specimen copy of the Banker's Guarantee is attached in **Annex 3**).

4 LICENCE APPLICATION PROCEDURE

- 4.1 Interested parties who wish to apply to IDA for an SBO Licence under the Individual category or register as an SBO Class Licensee, are invited to complete the relevant application or registration form, for submission to:

Info-communications Development Authority of Singapore
8 Temasek Boulevard
#14-00 Suntec Tower Three
Singapore 038988
Fax: 62112230
Attn: The Deputy Director
Licensing and Operations Department

Applicants can apply online for the SBO Licences through www.business.gov.sg/licences. The names of all licensees will also be posted on IDA's website.

- 4.2 IDA may seek clarification and additional information from any party arising from their application. Each application should include an address, contact telephone and facsimile numbers, and the name and designation of the contact person(s) for communication with IDA.

- 4.3 Successful applicants for the SBO (Individual) Licence will be awarded their licence within four weeks of application submission, provided that the applicants have submitted all the necessary information requested by IDA for evaluation purposes and that IDA has completed all the clarifications with the applicants. Similarly, applicants registering for the SBO (Class) Licence will be notified within two weeks if the registration is recorded, provided that the applicants have submitted all the necessary information.
- 4.4 Applicants must use their best efforts to ensure that the information and representations submitted in their applications are accurate in all aspects. Any change in the information contained in the application form, and subsequent information provided to IDA, must be immediately notified to IDA.
- 4.5 IDA reserves the right not to consider any applicant that includes any company related and/or associated with any FBO, and/or any of its subsidiary companies. A company is deemed to be related and/or associated with such an FBO, and/or its subsidiaries, if the FBO and/or its subsidiaries have influence on the company's policies and/or management.

5 CORRESPONDENCE/ENQUIRY

- 5.1 Any enquiry concerning this invitation to submit applications is welcomed. Enquiries in writing should indicate clearly on the cover "**Enquiries on SBO Licensing**" and should be addressed to:

Info-communications Development Authority of Singapore
8 Temasek Boulevard
#14-00 Suntec Tower Three
Singapore 038988
Fax: 62112230
Attn: The Deputy Director
Licensing and Operations Department

Notes:

- 1 This document has no legal standing and is not intended as a substitute for legal advice. While every effort has been made to provide an accurate and authoritative account of the licensing regime, the licence(s) to be granted to successful applicants will be the complete authoritative text.**

- 2 The information contained in this document is intended to assist interested parties in applying for the relevant licences. It does not bind IDA to any particular course of action in relation to the handling of any application, or to the terms of any licence to be granted, or to grant any licence to any party. IDA reserves the right to change its policies and/or to amend this document without prior notice.**

- 3 The grant of a Licence is at the sole discretion of IDA. IDA reserves the right not to accept any application submitted. IDA will undertake to explain to the applicant concerned, on the applicant's request, why the applicant is unsuccessful in its application for a licence.**

- 4 The IDA reserves the right to disclose the identities of parties who have submitted applications. All other information received will be treated in confidence.**

**SCOPE AND SPECIFIC CONDITIONS FOR SERVICES
TO BE OFFERED UNDER THE
SERVICES-BASED OPERATOR (INDIVIDUAL) LICENCE**

1. International Simple Resale

Scope

- 1.1 International Simple Resale (ISR) is an alternative International Direct Dial (IDD) service provided by an SBO to customers using the international transmission facilities, such as frame-relay, ATM and leased circuits, owned by other FBOs. In the case of outgoing calls (originated from Singapore), the SBO collects traffic from the public telecommunication network of any FBO who owns international transmission facilities, transfers it to a line leased from any FBO, and then hands it over to a public telecommunication operator in an overseas country who will deliver the calls to their destinations. It therefore involves breakout onto the public telecommunication network at both ends, but with the international leg of the call being carried on leased circuit, frame-relay circuit, ATM or other international transmission facilities.

Specific Conditions

- 1.2 Licensee intending to provide ISR service is required to seek IDA's approval on a route-by-route basis for the provision of the service. The Licensee shall not operate the ISR service between Singapore and any foreign destination unless the legislation and/or policies at that destination permits or does not prohibit the operation of such service.
- 1.3 The successful applicant (or Licensee) shall not enter into any agreement or arrangement (whether legally enforceable or not) that will in any way prevent or restrict competition in relation to the operation of the systems or provision of services by the Licensee or any other telecommunication system and/or services licensed by IDA. 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, if IDA is of the opinion that the Licensee's competitor could be placed at a significant competitive disadvantage or that competition would be prevented or substantially restricted.
- 1.4 The Licensee shall not enter into any agreement or arrangement with any supplier of international public switched services in another country, that has the effect of substantially and effectively distorting competition in the supply of international telecommunication services between that country and Singapore.

- 1.5 The Licensee shall ensure that any metering equipment used in connection with the services operated under the Licence is accurate and reliable.
- 1.6 Where required by IDA, the Licensee shall conduct tests on metering equipment to assess its accuracy, reliability and conformity to the technical standards, if any, as specified by IDA. The Licensee shall submit the test results to IDA within 14 days after the date of the test or such other longer period as IDA may determine.
- 1.7 The Licensee may apply for an access code that allows callers to gain access to the ISR services. Upon justification and subject to the availability of such codes, IDA may assign a 4-digit access code (in the 15xx level) for the specified purposes. The Licensee shall ensure that such access code is used efficiently and effectively.
- 1.8 The Licensee shall provide the following arrangements in providing any international call service to consumers in Singapore:
- (a) Service application or registration procedures for signing-up of customers before any service activation to ensure that subscribers are properly signed up for the international call services and that the right parties are being billed (except for prepaid card services).
 - (b) Some form of international call barring facilities to any consumer who wish to bar the Licensee's international call services, regardless of whether the consumer is a subscriber of any service provided by the Licensee, to further prevent any unauthorised or fraudulent activation of international call services⁵.
- 1.9 The Licensee shall comply with the minimum Quality of Services (QoS) standards below for the international voice and data services provided:
- (a) At least 95% of calls should not have a post dialing delay of more than 25 seconds.
 - (b) At least 90% of calls made are able to seize a circuit.

IDA may modify the above standards from time to time, and will notify the Licensee of such modified standards for compliance.

⁵ IDA has required FBOs, with direct connection to end-users, to provide open network access to International Direct Dial (IDD) service providers such that each IDD service provider is its own "gatekeeper". Hence, the requirement for call-barring facilities is to further prevent any unauthorised or fraudulent service activation.

2. Resale of Leased Circuit Services

Scope

- 2.1 Parties interested to apply for an SBO (Individual) Licence to provide resale of leased circuit services may subscribe to leased circuit services from FBOs licensed by IDA. The Licensee may either resell the services or use the leased circuits on a shared basis for the conveyance of its own telecommunication traffic.

Specific Conditions

- 2.2 The Licensee may resell leased circuit services to the following two categories of customers:
- (a) Customers who are not holders of any SBO or FBO Licence – The Licensee shall ensure that these customers do not use the leased circuit services for the carriage of any third party traffic or to offer any form of public switched telecommunication services over the leased circuits. The leased circuits shall not be connected to any public switched networks at either or both ends of the circuit(s), whether in Singapore or in other countries. Only direct, point-to-point leased circuit connections between Singapore and the final destination for corporate communication of the customers is allowed.
 - (b) Customers who are holders of SBO or FBO Licences – Such customers may connect the leased circuits provided by the Licensee to any public switched networks at either or both ends of the circuit(s) for the provisioning of the services licensed by IDA.
- 2.3 The Licensee shall ensure that its customers declare in writing the usage of the leased circuits and their compliance with all licensing and regulatory conditions and requirements of IDA. The Licensee will be required to terminate its agreement with its customers if these customers are found to infringe any of the conditions in the Licence, the Telecommunications Act (Cap. 323) or any licensing/regulatory condition or requirement stipulated by IDA.
- 2.4 For the resale of international leased circuit services, the Licensee shall provide documentary proof from either:
- (a) the relevant authorities in the foreign country that resale of leased circuit services between Singapore and the foreign country is permitted and approved; or

- (b) a licensed operator in the foreign country that the overseas licensed operator is authorised to provide resale of leased circuit services in the foreign country and that the overseas licensed operator would treat all similarly-situated operators licensed in Singapore on a non-exclusive and non-discriminatory basis.

3. Public Internet Access Services

Scope

- 3.1 Any interested party may apply for an SBO (Individual) Licence to establish, install and maintain a public Internet access facility or system to provide public Internet access services in Singapore.

Specific Conditions

- 3.2 The Licensee shall comply at its own cost with any guideline established by IDA on electronic-mail address portability to be implemented by the Licensee.
- 3.3 The Licensee shall comply with such terms and conditions as may be imposed by the Media Development Authority (MDA) for the content that is transmitted through its system.

4 Internet Exchange Services

Scope

- 4.1 An Internet Exchange is a physical interconnection site for any operator, except holder of an SBO (Class) Licence, to link to the global Internet backbone that serves as a form of international transmission media. Such an exchange aggregates the operators' traffic before sending it via leased circuits to the Internet backbone in the US or other countries, thus reducing the need for each operator to set up its own direct links. An Internet Exchange may also act as a connection point for the exchange of local traffic between operators within Singapore.
- 4.2 Any interested party may apply for an SBO (Individual) Licence to establish, install and maintain an Internet Exchange facility or system for providing high-speed bandwidth connections to the Internet backbone to any operator licensed by IDA, except a holder of an SBO (Class) Licence, or to operators and corporations operating overseas.

5. Virtual Private Network Services

Scope

- 5.1 The Virtual Private Network (VPN) services enable a customer to establish a private network over an FBO's international switching and transmission facilities or the Internet access facilities of a licensed SBO, for the purpose of providing telecommunication (including voice and data) services.

Specific Conditions

- 5.2 The Licensee shall comply with any technical specifications prescribed by IDA for the purposes of ensuring technical compatibility, avoiding technical harm to the telecommunication network of any FBO or preventing safety hazards to the personnel in the connection of telecommunication equipment and/or systems to the network.
- 5.3 The Licensee shall conform to any numbering plan made or approved by IDA and any direction given by IDA in respect of the numbering plan.
- 5.4 The Licensee shall take all reasonable steps to ensure that any metering equipment used in connection with the services operated under the Licence is accurate and reliable.
- 5.5 Under the written request of IDA, the Licensee shall conduct tests on metering equipment to assess its accuracy, reliability and conformity to the technical standards, if any, as specified by IDA. The Licensee shall submit the test results to IDA within 14 days after the date of the test or such other longer period as IDA may determine.

6. Managed Data Network Services

Scope

- 6.1 A Managed Data Network Service (MDNS) is a telecommunication service operated by an SBO who, through the use of leased circuits subscribed from an FBO or an SBO licensed to resell leased circuit services, establishes and manages the services, circuits and networks for the conveyance of data and voice messages, on behalf of the customers. The MDNS includes at least one or more of the following types of features:

- (a) co-ordination with telecommunication operators in the establishment and management of private circuits and networks;
- (b) provision of circuit capacity or bandwidth upon customer demand;
- (c) fault or traffic congestion monitoring;
- (d) alternative routing provision for fault restoration or relief of traffic congestion; and
- (e) a single point of contact for customers and a single bill.

Unlike store-and-forward (S&F) value-added network services, MDNS do not necessarily include format, code and protocol conversion.

Specific Conditions

- 6.2 The Licensee shall comply with any technical specifications prescribed by IDA for the purposes of ensuring technical compatibility, avoiding technical harm to the telecommunication network and/or systems of FBOs or preventing safety hazards to personnel in the connection of telecommunication equipment and/or systems to the network.
- 6.3 The Licensee shall take all reasonable steps to ensure that any metering equipment used in connection with the services operated under the Licence is accurate and reliable.
- 6.4 Under the written request of IDA, the Licensee shall conduct tests on metering equipment to assess its accuracy, reliability and conformity to the technical standards, if any, as specified by IDA. The Licensee shall submit the test results to IDA within 14 days after the date of the test or such other longer period as IDA may determine.

7. Store-and-Forward (S&F) Value-Added Network Services

Scope

- 7.1 A Store-and-Forward (S&F) value-added network (VAN) service may comprise the following two categories of services ⁶:

⁶ Examples of S&F VAN services are:

- a) Value-added data services via dial-up access, e.g., protocol conversion between asynchronous and X.25, and value-added data services provided via leased line access subject to justification of users.
- b) X.400 based interpersonal messaging service with at least one value-added function listed in paragraph 7.1(b).

- (a) Value-added data services – These are packet switched data services which convey end-to-end non-voice traffic by providing the value-added function of code and protocol conversion; or
- (b) Value-added messaging services – These include value-added S&F electronic-messaging service, value-added S&F facsimile, value-added S&F telex (excluding telegram) and value-added S&F voice mail services that provide one or more of the following value-added S&F functions on a non real-time basis ⁷:
 - (i) deferred delivery;
 - (ii) multi-addressing;
 - (iii) content and/or format conversion such as text-to-fax, text-to-telex, text-to-voice, fax-to-telex, fax-to-voice, telex-to-voice or vice versa with or without change in content;
 - (iv) processing of control information (e.g. destination address) with or without modification to the content; or
 - (v) any other conversion that provides the users with additional, different or restructured information.

7.2 An S&F VAN service may have a value-added function at one end (e.g. originating end) and no value-added function at the other end (e.g. terminating end). The value-added function however shall be provided on a call-by-call basis.

Specific Conditions

7.3 A VAN service does not include hosting a service (such as information and electronic transactions on the Internet) which is provided through a licensed IASP and which does not have direct access to Internet hosting sites.

7.4 An S&F VAN licence is required for any party (including an IASP or any of its resellers) who wishes to set up its own messaging gateway (e.g. fax gateway) for providing S&F VAN services such as in-bound and/or out-bound S&F facsimile services to users (both Internet and non-Internet users) over its VAN network.

7.5 The Licensee shall establish a service node in Singapore and make available the information on the routing table, subscriber database, call traffic statistics and/or other records maintained by the service node for IDA's inspection whenever requested. A Licensee without a service node in Singapore may nevertheless provide S&F services

⁷ These value-added functions exclude those that are performed solely for the inherent benefit of the network. An example of exclusion is any protocol conversion that is performed automatically in order to establish the call through the network which results in the same type of protocol being provided at both ends of the call.

through a local access node which is connected to the public switched telecommunication networks of an FBO licensed by IDA.

- 7.6 The Licensee may carry its S&F VAN traffic over dedicated leased circuits or switched/permanent virtual circuits such as frame relay circuits. The Licensee may also transmit its S&F VAN traffic through virtual private network (VPN) links over the Internet.
- 7.7 The Licensee may make arrangement with a licensed IASP in Singapore to resell Internet access service. The access to the Internet including exchange of emails must be routed via the IASPs out of Singapore. The reseller may also resell email-to-fax or PC-to-fax services operated by the IASPs to Internet users without obtaining an SBO Licence for the provision of S&F VAN services.

8 Mobile Virtual Network Operation

Scope

- 8.1 This Licence enables the Licensee to operate as a Mobile Virtual Network Operator (MVNO). An MVNO is an operator who provides mobile subscription and call services to its customers with no allocation of spectrum. The MVNO must use part of the networks of the mobile operator(s) licensed by IDA under the FBO Licence to originate and deliver its customers' calls. The MVNO must pay the licensed mobile operator(s) with the FBO Licence(s) for the use of the network and/or the essential radio segment of the network(s).

Specific Conditions

- 8.2 The Licence shall ensure that any person through functioning mobile terminal equipment may at any time and without charge, contact the relevant police service (namely 999 or its substitute number), the fire and ambulance services (namely 995 or its substitute number) and any other national emergency services which the Minister may from time to time designate, for the purpose of notifying them of any emergency.
- 8.3 The Licensee shall implement number portability from commencement of service.
- 8.4 The Licensee shall comply, at its own cost, with any requirements and guidelines established by IDA on number portability to be implemented by the Licensee.
- 8.5 IDA reserves the right to establish minimum quality of service standards for the Services provided by the Licensee with which the Licensee shall comply.

- 8.6 The Licensee shall comply with the following additional conditions for distribution of prepaid SIM cards for sale to end-users:
- i) Keep a register of all its retailers and the buyers of the prepaid cards; and
 - ii) Control the allocation of prepaid cards to the retailers based on actual sales and activation.

9 Bandwidth Capacity Exchange Operation

Scope

- 9.1 This licence enables the Licensee to established, install and maintain telecommunication exchange facility or system, which is established over an FBO's international or local transmission facilities, for delivering international or local telecommunication bandwidth capacity by facilitating buyers and sellers to enter bids and offers for bandwidth capacity offered in forms or platforms such as clear channel, frame relay, IP bandwidth, international circuit-switched voice minutes or voice-over-IP. The system established usually includes facilities for network monitoring, clearing and settlement of transactions.

Specific Conditions

- 9.2 The Licensee shall disclose the relevant details of the parties entering into any transaction, through the Licensee, to the transacting parties. The details must include the terms and conditions of the telecommunication services provided, the quality of service and other relevant transaction/services details.
- 9.3 The Licensee shall not provide the Services to any SBOs licensed by IDA for establishing a direct connection through the System for International Simple Resale (ISR) operations in either direction between Singapore and any foreign destination unless the legislation and/or policies at that destination permits or does not prohibit ISR operation.
- 9.4 The Licensee shall seek IDA's approval before establishing any direct connection to any foreign destination where the legislation and/or policies at that destination does not permit or prohibits ISR operation. The Licensee shall also submit a report to IDA on a monthly basis on the transacting parties for all service deliveries between Singapore and any such foreign destinations.

10 Backhaul Bandwidth Capacity Service

Scope of Service

- 10.1 This Licence enables the Licensee to establish, install and maintain a telecommunication facility or system for the provision of any bandwidth capacity and connection services at Cable Landing Stations owned and operated by FBOs. All transmission capacity and facilities required for establishing and providing the bandwidth capacity and connection services shall be leased from a licensed FBO.

Technical Compatibility

- 10.2 The Licensee shall comply with any technical specifications prescribed by IDA for the purposes of ensuring technical compatibility, avoiding technical harm to the telecommunication network and/or systems of FBOs or preventing safety hazards to personnel in the connection of telecommunication equipment and/or systems to the network.

11 Live Audiotex Services

Scope

- 11.1 Live Audiotex services are value-added network (VAN) services that connect callers to a live operator who provide information on specific topics over the phone.

Conditions

- 11.2 The Licensee shall comply with the following transmission standards in the delivery of the announcement or programme:
- (a) There shall be no delay in starting the announcement or programme when a call is connected;
 - (b) Each of the live Audiotex services shall be assigned a different telephone number; and
 - (c) There shall be no interruption during the announcement or programme.
- 11.3 The Licensee shall ensure that the number of attempted calls at any time does not significantly exceed the number of call-in lines for the service and shall subscribe for additional lines from an FBO to adequately handle calls for the Live Audiotex services and to prevent congestion to other users of the public telecommunication network.

- 11.4 The Licensee shall not, except with the prior arrangement with an FBO, organise any mass calling event which will generate a high influx of calls to the Live Audiotex services.
- 11.5 The Licensee shall not enable callers to communicate amongst themselves directly in real-time.
- 11.6 The Licensee shall be solely responsible for the content and its accuracy and shall obtain all necessary approvals from the relevant authorities in Singapore.
- 11.7 The Licensee shall announce the current call charges for the Live Audiotex services at the beginning of the call and shall provide a grace period during which calls are not charged. The Licensee shall also arrange for the live operator to announce the call duration to callers at regular intervals of a maximum of 15 minutes.

12 Prepaid Services

12.1 (A) Prepaid Call-back / Call Re-origination Services

Scope of Services

- 12.1.1 Call-back and call re-origination services are International Direct Dial (“IDD”) call reversal services passing over any FBO’s international telephone gateway and public switched telecommunication network or local call reversal services passing over any FBO’s public switched telecommunication network. It does not include the carriage of voice and data traffic over frame-relay or through leased circuits.

Specific Conditions

- 12.1.2 The Licensee shall not route the voice or data traffic or both over frame-relay or through leased circuits.
- 12.1.3 The Licensee shall distinguish its services from IDD services by including the term “call-back”, “call re-origination” or its equivalent in their marketing and promotion materials.
- 12.1.4 The Licensee shall comply with the following minimum Quality of Services (QoS) standards:
 - (a) At least 90% of calls should not have a post dialing delay of more than 25 seconds; and
 - (b) At least 80% of calls made are able to seize a circuit.

12.1.5 IDA reserves the right to modify the above-mentioned standards in paragraph 12.1.4 from time to time, and the Licensee shall comply with such modified standards accordingly.

12.2 (B) Prepaid Internet Based Voice and Data Services

Scope of Services

12.2.1 The Internet based voice and data services are the carriage of voice and data services through the Internet access facilities provided by an SBO.

Specific Conditions

12.2.2 The Licensee shall comply with the following minimum Quality of Services (QoS) standards:

- (a) At least 90% of calls should not have a post dialing delay of more than 25 seconds; and
- (b) At least 80% of calls made are able to seize a circuit.

12.2.3 IDA reserves the right to modify the above-mentioned standards in paragraph 12.2.2 from time to time, and the Licensee shall comply with such modified standards accordingly.

12.3 (C) Prepaid International Calling Card Services

Scope of Services

12.3.1 The International Calling Card (“ICC”) services are services that use Personal Identification Number (“PIN”) validation and call routing through an FBO’s international telephone gateway to provide IDD services.

Specific Condition

12.3.2 The Licensee shall not route voice or data traffic or both over frame-relay or through leased circuits.

12.4 (D) Prepaid Resale of Public Switched Telecommunication Services

Scope of Services

12.4.1 The public switched telecommunication services specified in paragraph 12.4.2 may be resold where they are provided through:

- (a) an FBO who is licensed to provide public basic telecommunication services, public cellular mobile telephone services or public radio paging services; or
- (b) an SBO who is licensed to provide international simple resale, mobile virtual network operation, international calling card services, Internet based voice and data services, or call-back and call re-origination services.

12.4.2 The telecommunication services referred to in paragraph 12.4.1 are the following public switched telecommunication services (whether domestic or international):

- (a) public switched telephone services, other than public chain payphone services;
- (b) public cellular mobile telephone services;
- (c) public radio paging services;
- (d) public switched message services;
- (e) public switched data services; and
- (f) public integrated services digital network services.

Specific Conditions

12.4.3 The Licensee shall not, except with the approval of IDA, engage in the construction or building of any telecommunication system.

12.4.4 Where the Licensee subscribes to any domestic or international leased circuit, it shall not, except with the approval of IDA, provide its users with any direct or indirect connection to that leased circuit.

12.4.5 The Licensee shall market itself as a reseller of telecommunication services.

12.4.6 The Licensee shall not charge its users any usage rate higher than the published rates of the FBO or SBO through which it provides its services.

12.4.7 Notwithstanding paragraph 12.4.6, the Licensee may charge a maximum set-up charge of 30 cents for every successful IDD call and 10 cents for every successful subscriber trunk dialling (“STD”) call.

12.4.8 The Licensee shall list the rental of equipment charge and the usage charge separately in its bills to its users.

12.4.9 Where the Licensee provides the services through resale or shared use of PABX, the Licensee shall not restrict the occupants of the premises served by the PABX from subscribing to services or facilities directly from any FBO or SBO.

12.4.10 The Licensee shall enter into a written service agreement with each of its users.

12.5 (E) Prepaid Store-and-Retrieve Value-Added Network Services

Scope of Services

12.5.1 Store-and-retrieve (“S&R”) value-added network services are any of the following services provided by telecommunication systems, built over and above the telecommunication systems operated by an FBO and accessed through public telecommunication systems or leased circuits, which allow telecommunication traffic between a user and the value-added network or between users:

- (a) on-line information and database retrieval services;
- (b) on-line information and data processing services;
- (c) voice information services;
- (d) electronic broking services;
- (e) transaction services such as on-line shopping, on-line reservation service, etc.;
- (f) remote computing services;
- (g) on-line games;
- (h) mailbox services including e-mailbox, voice-mailbox, facsimile-mailbox and multimedia mailbox;
- (i) electronic data interchange services;
- (j) store-and-retrieve file transfer services;
- (k) electronic chatting services;
- (l) bulletin board services; and
- (m) other multimedia services where the content or format of the telecommunication traffic is changed or processed.

Specific Conditions

12.5.2 The Licensee shall not, except with the prior approval of IDA, carry any store-and-forward telecommunication traffic through the value-added network.

12.5.3 The Licensee shall not, except with the prior approval of IDA, provide value-added network services of another value-added network through a leased circuit connecting its value-added network to the other value-added network.

12.5.4 The licensee must publish its name as registered with the Accounting and Corporation Regulatory Authority in any advertisement of its services.

13 Global Mobile Personal Communications by Satellite (GMPCS) Services

Scope of Services

13.1 The Licence enables the Licensee to provide global mobile personal communications services such as voice telephony, paging, data messaging or broadband multimedia services on a regional or global basis, using Low Earth Orbit (“LEO”), Medium Earth Orbit (“MEO”) or Geostationary Orbit (“GEO”) satellite technologies.

13.2 For avoidance of doubt, the Licence is only for providing GMPCS services and not for setting up the operation of a GMPCS system.

Quality of Service Standards

13.3 IDA reserves the right to establish minimum quality of services standards for the Services provided by the Licensee with which Licensee shall comply.

**SCOPE AND SPECIFIC CONDITIONS FOR SERVICES
TO BE OFFERED UNDER THE
SERVICES-BASED OPERATOR (CLASS) LICENCE**

1. Call-back / Call Re-origination Services

Scope

- 1.1 Call-back and call re-origination services are International Direct Dial (“IDD”) call reversal service passing over any FBO’s international telephone gateway and public switched telecommunication network or local call reversal services passing over any FBO’s public switched telecommunication network. It does not include the carriage of voice and data traffic over frame-relay or through leased circuits. SBOs who wish to provide such services should apply for an SBO (Individual) Licence for the provision of International Simple Resale (ISR) services.

Specific Conditions

- 1.2 The Licensee is required to distinguish its services from IDD services provided by FBOs by including the term “call-back”, “call re-origination” or its equivalent in their marketing and promotion materials.
- 1.3 The Licensee shall comply with the minimum Quality of Services (QoS) standards below:
- (a) At least 90% of calls should not have a post dialing delay of more than 25 seconds.
 - (b) At least 80% of calls made are able to seize a circuit.
- 1.4 IDA reserves the right to modify the above standards from time to time, and inform the Licensee accordingly for compliance.
- 1.5 The Licensee must not route voice or data traffic or both over frame relay or through leased circuits.

2 Internet Based Voice and Data Services

Scope

- 2.1 Internet based voice and data services are the carriage of voice and data services through the public Internet access facilities provided by licensed SBOs.

Specific Conditions

- 2.2 The Licensee shall comply with the minimum Quality of Services (QoS) standards below:
- (a) At least 90% of calls should not have a post dialing delay of more than 25 seconds.
 - (b) At least 80% of calls made are able to seize a circuit.
- 2.3 IDA reserves the right to modify the above standards from time to time, and inform the Licensee accordingly for compliance.

3. International Calling Card Services

Scope

- 3.1 The International Calling Card (“ICC”) services use PIN validation and call routing through a licensed FBO’s international telephone gateway to provide IDD services. The SBO (Class) Licence for the ICC services does not include the carriage of voice and data traffic over frame-relay or through leased circuits. SBOs who wish to provide such services should apply for an SBO (Individual) Licence for the provision of International Simple Resale (ISR) services.

4. Resale of Public Switched Telecommunication Services

Scope

- 4.1 The telecommunication services specified in paragraph 4.1(A) may be resold under this class licence where they are provided through:
- a) an FBO who is licensed to provide public basic telecommunication services, public cellular mobile telephone services or public radio paging services; or
 - b) an SBO who is licensed to provide international simple resale, mobile virtual network operation, Internet based voice and data services or call-back and call re-origination services.
- (A) The telecommunication services referred to in paragraph 4.1 are the following public switched telecommunication services (whether domestic or international):

- (i) Public switched telephone services, other than public chain payphone services;
- (ii) Public cellular mobile telephone services;
- (iii) Public radio paging services;
- (iv) Public switched message services;
- (v) Public switched data services; and
- (vi) Public integrated services digital network services.

Specific Conditions

- 4.2 The Licensee shall not engage in the construction or building of any telecommunication system.
- 4.3 Where the Licensee subscribes to any domestic or international leased circuit, it shall not, except with the prior approval of IDA provide its users with any direct or indirect connection to that leased circuit.
- 4.4 The Licensee shall market itself as a reseller of telecommunication services and not the provider of these services.
- 4.5 The Licensee shall not charge its users any usage rate higher than the published rates of the FBO or SBO through which it provides its services.
- 4.6 Notwithstanding paragraph 4.5 the Licensee may charge a maximum set-up charge of 30 cents for every successful IDD call and 10 cents for every successful subscriber trunk dialling (“STD”) call.
- 4.7 The Licensee shall list the rental of equipment charge and the usage charge separately in its bills to its users.
- 4.8 Where the Licensee provides the services through resale or shared use of PABX, the Licensee shall not restrict the occupants of the premises served by the PABX from subscribing to services or facilities directly from any FBO or SBO licensed by IDA.
- 4.9 The Licensee shall enter into a written service agreement with each of its users.

5. Store-and-Retrieve Value-Added Network Services

Scope

- 5.1 Store-and-retrieve (“S&R”) value-added network services comprises the following services provided by telecommunication systems, built over and above the telecommunication systems operated by an FBO and accessed through public telecommunication systems or leased circuits, which allow telecommunication traffic between a user and the value-added network or between users.
- (a) On-line information and database retrieval services;
 - (n) On-line information and data processing services;
 - (o) Voice information services;
 - (p) Electronic broking services;
 - (q) Transaction services such as on-line shopping, on-line reservation service, etc;
 - (r) Remote computing services;
 - (s) On-line games;
 - (t) Mailbox services including e-mailbox, voice-mailbox, facsimile-mailbox and multimedia mailbox;
 - (u) Electronic data interchange services;
 - (v) Store-and-retrieve file transfer services;
 - (w) Electronic chatting services;
 - (x) Bulletin board services; and
 - (y) Other multimedia services where the content or format of the telecommunication traffic is changed or processed.

Specific Conditions

- 5.2 A party registered for the Licence (or Licensee) shall ensure that no store-and-forward value-added network telecommunication traffic is carried through its value-added network.
- 5.3 The Licensee shall not, except with the prior approval of IDA provide value-added network services of another value-added network through a leased circuit connecting its value-added network to the other value-added network.
- 5.4 In the event that the Licensee decides to terminate its value-added network services, it must notify IDA in writing regarding its intent in advance.
- 5.5 The licensee must publish its name as registered with the Accounting and Corporate Regulatory Authority in any advertisement of its services.

6. Audiotex Services

Scope

6.1 Audiotex services are telecommunication systems and services which enable a caller, by dialling a designated telephone number beginning with “1900”, to receive a recorded announcement or to interact with a programme whereby he/she may communicate, by means of a dual-tone multi-frequency telephone key pad, a touch-tone telephone or other similar device, with a value-added network connected to the public switched telephone system for the purposes of sending or receiving information.

Specific Conditions

6.2 Access to the Audiotex services by users shall be through the public switched network.

6.3 The Licensee shall ensure that all announcements and programmes on the Audiotex services are pre-recorded and stored in the Audiotex system and shall not enable callers to communicate directly in real-time with other callers.

6.4 The Licensee shall comply with the following transmission standards:

- (a) There shall be no delay in starting the announcement or programme when a call is connected.
- (b) Each Audiotex service shall be assigned a different telephone number.
- (c) There shall be no interruption during the announcement or programme.
- (d) Each call shall be for a maximum period of 10 minutes with an option for the caller to extend his/her call.
- (e) Where callers are required to enter a unique code to access the Audiotex services, such codes shall be made available to the public either in lists published by the Licensee or through a telephone answering line available for enquiries 24 hours a day, the number for which shall be published in all advertisements for the Audiotex services.

6.5 The Licensee shall ensure that the number of attempted calls at any time does not significantly exceed the number of call-in lines for the Audiotex services and, if IDA determines that additional lines are required to adequately handle calls for the Audiotex services and to prevent congestion to other users of the public switched telephone system, the Licensee shall subscribe for such number of additional lines as IDA may direct.

6.6 The Licensee shall not, except with the prior approval of IDA, organise any mass calling event which will generate a high influx of calls to its Audiotex system.

- 6.7 The Licensee shall ensure that its current call charging rate is published in all advertisements for the Audiotex services and announced via a pre-recorded charge announcement played immediately after every call is connected.
- 6.8 The Licensee shall provide a grace period during which callers are not charged, either:
- (a) the first 6 seconds of a call where the charge announcement lasts 4 seconds; or
 - (b) the first 12 seconds of a call where the charge announcement lasts 10 seconds
- 6.9 The Licensee shall not claim any propriety right to any telephone number assigned to it.
- 6.10 In the event that the Licensee decides to terminate its Audiotex services, it must notify IDA in writing regarding its intent in advance.
- 6.11 The licensee must publish its name as registered with the Accounting and Corporate Regulatory Authority in any advertisement of its services.

7 Public Chain Payphone Services

Scope

- 7.1 Public chain payphone services are the provision of payphone services in multiple customer premises through the resale of public switched telephone services.

Specific Conditions

- 7.2 The Licensee must not, except with the approval of the IDA, engage in the construction or building of any telecommunication system.
- 7.3 Where the Licensee subscribes to any domestic or international leased circuits, it must not, except with the approval of the IDA, provide its users with any direct or indirect connection to that leased circuit.
- 7.4 The Licensee must market itself as a reseller of telecommunication services.
- 7.5 The Licensee must not charge its users any usage rate higher than the published rates of the FBO or SBO through which it provides its services.
- 7.6 Notwithstanding paragraph 7.5, the Licensee may charge a maximum set-up charge of 30 cents for every successful IDD call and 10 cents for every successful subscriber trunk dialling (“STD”) call.

- 7.7 The Licensee must comply with the coverage obligations as may, from time to time, be set by the IDA for public chain payphone operations.
- 7.8 The Licensee must comply with such quality of service requirements as may, from time to time, be determined by the IDA.
- 7.9 The Licensee must comply with such equal access requirements as may, from time to time, be determined by the IDA.
- 7.10 The Licensee may only resell only the services of the following:
- i) an FBO who is licensed to provide public basic telecommunication services, public cellular mobile telephone services or public radio paging services; or
 - ii) an SBO who is licensed to provide international simple resale, mobile virtual network operation, international calling card service, internet based voice and data services or call-back and call re-origination services, and not those of any other licensee.
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[LETTERHEAD OF INSURANCE COMPANY/BANK]

[Date]

To: Info-communications Development Authority of Singapore
8 Temasek Boulevard, #14-00 Suntec Tower Three,
Singapore 038988
Attn: Deputy Director
Licensing and Operations Department

WHEREAS

- (A) Pursuant to an application dated **[date of submission of application for licence]** (the “Application”) made by **[name of licensee]** (the “Licensee”) of **[registered address of licensee]** to the Info-communications Development Authority of Singapore (“IDA”) to be a licensed Services-based Operator (“SBO”) in Singapore under Section 5 of the Telecommunications Act (Cap. 323) (“the Act”), IDA has granted an SBO (Individual) licence (the “Licence”) to the Licensee on **[date of grant of licence]**.
- (B) The Licence conditions state that the Licensee is required to provide a guarantee in favour of IDA if it intends to collect money deposits or use prepaid cards for the collection of payments from its customers.
- (C) We, **[name of approved insurance company/bank]** (the “Guarantor”), agree to provide this unconditional guarantee (the “Guarantee”) to IDA pursuant to the Licence conditions subject to the terms and conditions herein.

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. In consideration of IDA’s approval for the Licensee to collect money deposits or use prepaid cards for the collection of payments from its customers pursuant to the Licence, the Guarantor agrees to provide this unconditional Guarantee to secure the due performance of the Licensee’s commitments as stated in the Application in accordance with the terms and conditions herein.
2. The Guarantor irrevocably undertakes and covenants to pay in full upon written demand by IDA, any sum or sums that may, from time to time, be demanded by IDA up to a maximum aggregate sum of **One Hundred Thousand Singapore Dollars**

(S\$100,000.00) (the “Guaranteed Sum”) if in IDA’s sole and absolute opinion, which shall be conclusive for this purpose, the Licensee fails to perform the commitments indicated in the Application.

3. Any sum or sums so demanded by IDA under this Guarantee pursuant to the terms and conditions hereof shall be paid forthwith by the Guarantor:
 - a. Within five (5) business days after the date of receipt of the written demand by IDA, failing which the Guarantor shall pay interest to IDA at the prevailing prime rate of the Guarantor;
 - b. Unconditionally;
 - c. Without any deductions whatsoever;
 - d. Without any enquiry, reference or notice whatsoever to the Licensee or any other party;
 - e. Without requiring any proof whatsoever that IDA is entitled to such sum or sums, or that the Licensee has otherwise failed to meet its commitments indicated in the Application; and
 - f. Notwithstanding the existence of any differences or disputes between IDA and the Licensee pending before any court, tribunal arbitrator, or any other authority.

4. Each demand by IDA shall be by way of a certificate signed by an authorised officer of IDA substantially in the form as set out in Annex A. The authorised officer shall be any person who is appointed as such by IDA and shall be subject to such change as may be deemed necessary by IDA. IDA may not make a demand in any other manner except as expressly provided in this Guarantee.

5. All payments by the Guarantor to IDA shall be by way of a Singapore dollar crossed cheque, drawn on a bank in Singapore and made in favour of the “Info-communications Development Authority of Singapore”.

6. Any written demand or notice by IDA under this Guarantee shall be sent to the Guarantor by hand delivery, courier service or postage prepaid registered mail and shall be deemed received by the Guarantor one (1) business day after the date of such written demand.

7. For the avoidance of doubt, IDA may make more than one (1) demand under this Guarantee so long as the total sums demanded do not exceed Guaranteed Sum. Any payments under this Guarantee by the Guarantor shall reduce the Guarantor’s liability under this Guarantee for such amounts accordingly.

- 8 The Guarantor shall not be discharged or released from this Guarantee by any arrangement made between IDA and the Licensee with or without the Guarantor's consent including but not limited to:
- a. any alteration in the obligations or commitments undertaken by the Licensee; or
 - b. any forbearance on the part of IDA whether as to amount, time, performance, or any other obligation or commitment undertaken by the Licensee.
- 9 For the purpose of this Guarantee, the Guarantor expressly waives any right it may have under law to require that IDA proceeds against the Licensee or any other party or to take any procedures or steps other than as specified herein prior to proceedings against the Guarantor under this Guarantee.
- 10 This Guarantee shall take effect as of the date of the grant of the Licence [**date of grant of the licence**] and shall remain in force up to and including [**expiry date of the licence**] (the "Guarantee Validity Period").
11. Any demand under this Guarantee shall be made before the expiry of three (3) calendar months from the Guarantee Validity Period. Thereafter, save to the extent that IDA shall have previously made any demand under this Guarantee and the sum so demanded by IDA remains outstanding and owing to IDA by the Guarantor, all liability under this Guarantee shall cease and this Guarantee shall become null and void notwithstanding that it is not returned to the Guarantor for cancellation.
12. The Guarantor agrees that it shall not revoke this Guarantee during its currency without IDA's prior written consent.
13. A person who is not a party to this Guarantee has no right under the Contracts (Rights of Third Parties) Act 2001 to enforce any terms of this Guarantee.
- 14 This Guarantee shall be governed by and construed in accordance with the laws of Singapore and the Guarantor hereby submits to the exclusive jurisdiction of the courts of Singapore.

For and on behalf of [**name of aforementioned insurance company/bank**]:

Signature of authorised officer:

Name:

NRIC No:

Designation:

CERTIFICATE OF DEFAULT

[date]

To: **[name of Guarantor]**
[address of Guarantor]

Dear Sirs

GUARANTEE ON COMMITMENTS OF [name of Licensee]

We refer to the Guarantee dated **[date of Guarantee]**. Terms defined in the Guarantee shall, unless otherwise defined herein, have the same meaning in this certificate of default.

We hereby certify that **[name of Licensee]** has failed to perform the commitments made to IDA as indicated in the Application.

Pursuant to the Guarantee, we now make a demand for the sum of S\$[**].

[Insert name of authorised officer of IDA]

For and on behalf of

Info-communications Development Authority of Singapore