



Consultation on Review of ISP Licences

October 2017

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Legal and Regulatory Background

Issuing of Telecommunications Licences

Under the Telecommunications Act 1984 (of Tynwald), licences are required to run telecommunications systems on the Isle of Man. The types of systems and services to be provided are then authorised as a condition of the licence. Licences are issued under s.5 of the Telecommunications Act 1984. The Sections of a licence absent in an ISP licence but present in a full licence are contained in **Annex One**.

According to Section 1 of the Act, the Commission must ensure that operators providing telecommunications services on the Island are able to 'finance the provision of those services'.

Section 1 of the Act also states that the Commission must exercise its functions in a manner 'best calculated to promote the interests of consumers, purchasers and other users of telecommunication services or telecommunication apparatus in the Island (including in particular, those who are disabled or of pensionable age) in respect of the prices charged for, and the quality and variety of, services provided and apparatus supplied.'

Modification of licences

The Commission also has powers under s.10 of the Act to modify existing licences after allowing other parties to make representations. Council of Ministers has the power under s.10 of the Act to direct the Commission not to modify a licence.

The Need for Change

This review of ISP licences is prompted by technological change and also the commitment made in a consultation during 2014¹ to review licencing "Decision 2: The Commission will conduct a review of the activities of ISPs as well as Full Operators, and will further consult on the telecommunications licensing regime. The use of numbers and spectrum will be closely examined."

There is a global trend for telecom operators to migrate their networks to NGNs (Next Generation Networks) or all-IP (Internet Protocol). For example, Deutsche Telekom² expects to be all-IP in Germany by the end of 2018, while BT³ is aiming for the end of 2025 in the UK. In the Isle of Man, MT is withdrawing its legacy ISDN products. A main driver for this is the shift in traffic from being voice-dominated to being data-dominated. Previously, networks were optimised for voice (for example, by using circuit switching and TDM) but also carried data, whereas NGNs are optimised for data (for example packet switching and IP) but can also carry voice. This trend is evident also in the access network, and the increasing bandwidth available to customers in their businesses and homes means that it is possible to deliver high quality voice services as well as data services over a broadband connection. Government has identified the benefits of high quality broadband on the island⁴.

Customer demand for IP services is also increasing. This applies both to managed Voice over Broadband (VoB) calls, which are primarily used by business customers, and Over the Top (OTT) services such as Skype, Whatsapp and others. For instance, Ofcom notes that the average year-on-year increase in minutes of outgoing Voice over IP (VoIP) calls is around 23% since 2010, although this figure is caveated due to the fragmented nature of the industry. In Ireland⁵, just under a fifth of all voice minutes are now managed Voice over Broadband (VoB), but note that this figure does not include OTT services, so the actual number of non-traditional (POTS) voice minutes is likely to be considerably higher. Generally, the customer switch from traditional telephony to VoIP is prompted by cost savings and, for organisations, the flexibility offered in how networks can be structured. It is also fair to comment that the quality of service offered by VoIP has improved markedly.

¹ <https://www.iomcc.im/telecoms/closed-telecommunications-consultations/2014-increasing-isp-licence-fees/>

² <https://www.globaltelecomsbusiness.com/article/b11vy5xf5cqlk/mwc-deutsche-telekom-to-go-all-ip-by-2018>

³ <https://matttownend.wordpress.com/2015/05/01/bt-to-move-to-an-all-ip-network-by-2025/>

⁴ <https://www.gov.im/media/1354840/programme-for-government-210917.pdf>

⁵ <https://www.comreg.ie/publication/quarterly-key-data-report-q1-2017/>

This is largely due to the availability of higher speed broadband connections, and also to customer familiarity with alternative means of making voice calls.

As telecom operators move to an all-IP environment where voice and data services are delivered over IP right to the customer, Internet Service Providers (ISPs) are also now able to offer a wider range of services over an internet connection. The improvement in connectivity to the home or business means that ISPs can (and do) offer voice services in addition to their core internet data services. However, the current Isle of Man ISP licences were issued at a time when ISP service offerings were necessarily limited, and do not reflect the potential services which an ISP could offer, and indeed are already offering. Unlike fully licensed telecommunications providers, which are licensed to offer services over any telecommunications system, ISPs are licensed to provide only internet and internet-related services. Given the technological changes noted above, this is increasingly difficult to define in terms of any meaningful distinction between IP and non-IP communications. It means that the boundaries around services offered by fully licensed telecommunications providers and services offered by some ISPs are becoming increasingly blurred, which are now even more pronounced since the 2014 consultation on increasing ISP licence fees⁶.

The Commission's prime objectives in this area are to ensure that the licensing regime supports and encourages the provision of services which best meet the needs of the Isle of Man's customers, and that licensees operate efficiently under the terms and conditions of their licence. We therefore need to ensure that, bearing in mind the significant technological development of recent years, there are no unreasonable barriers to Isle of Man operators developing and introducing new products and services, and that the licences are fit for purpose in setting out a framework within which operators can work.

⁶ <https://www.iomcc.im/telecoms/closed-telecommunications-consultations/2014-increasing-isp-licence-fees/>

Proposed change to licensing

Our view is that a review of licensing is overdue. The maintenance of two separate licences for the provision of services which, because of the shift to IP and the widespread take-up of IP-based services by customers are increasingly similar, appears to be increasingly artificial. It was originally designed in an era of dial-up internet access prior to the introduction of consumer broadband services, to facilitate market entry by service providers who wanted to offer internet data services to customers, where the customer would buy other fixed access services such as line rental and voice calls from other providers. The ISP was therefore offering a much more limited set of products and services than a fully licensed telecommunications provider, which was licensed to offer telecommunications services of all kinds, including for example, fixed, mobile and satellite services, which themselves were predominantly voice-based.

The technical developments described earlier mean that ISPs are now able to offer voice services as well as data services, and both providers and customers increasingly see benefits in being able to buy services bundled together. As ISPs can potentially offer more rather than fewer services and at least at a technical level can compete against fully licensed telecommunications providers in the provision of those services, it does not seem reasonable to reduce the level of regulation of ISPs. Because of this, we do not believe there is merit in considering the withdrawal of licensing for ISPs, and our focus should be on improving the licensing regime applied to all operators.

Q1. Do you agree that ISPs should continue to be licensed in some form? If not, why not?

We have considered whether the current ISP licence could be modified to take account of technological developments. Modification could be proposed under the provisions of Section 10(3) of the Telecommunications Act 1984, which sets out the conditions under which the Commission may make modifications to operators' licences. This could involve, for example, adding conditions to the ISP licence to address issues around ISPs offering a wider range of services than internet data services. Examples of the type of modification required could include conditions regarding use of Isle of Man numbers, and around access to, and use of, spectrum. However, it is likely that the conditions which would be required would take the ISP licence close to a full telecommunications licence.

This would mean that ISPs would be licensed to offer a wider range of services. However, where these services entail obligations when they are offered by fully licensed telecommunications providers, we would expect that similar obligations would be imposed on ISPs. We recognise that not all ISPs may wish to offer a wider range of services, and consider that the modified licence could have some obligations which were conditional on operators choosing to offer particular services.

Q2. Do you agree that the CC should consider modifying the ISP licence? If not, why not?

An example of a new service which ISPs could be licensed to offer would be services based on access to 01624 numbers. At present, ISPs do not have direct access to 01624 numbers, which are allocated by Ofcom on the advice of the Commission. ISPs can, however, access 01624 numbers via a fully licensed operator. Only fully licensed telecommunications providers can directly access 01624 numbers, and the Commission has maintained this stance due to several reasons including the preservation of 6-digit dialling (as numbers are a finite resource); the need to protect the island's reputation, and the desirability of keeping the geographical link of 01624 with the Isle of Man through preventing the sale of IOM numbers to off-island customers. The Commission is also concerned to ensure that customers who choose to change provider can take their 01624 number with them, and has recently required the fully licensed telecommunications providers to introduce [Fixed Number Portability](#)⁷. The current ISP licence does not contain conditions that would oblige the operator to comply with the Commission's approach to the use of numbers. Our preliminary view is that the modified ISP licence would contain a specific set of conditions relating to the use of 01624 numbers, including the following:

- It is our view that any operator in the IOM wishing to supply voice services from 01624 numbers must operate in accordance with the Commission's [Principles for the use of Isle of Man numbers](#)⁸. We would welcome comment on the continuing need to protect IOM 01624 numbers.
- Fully licensed telecommunications providers are obliged to ensure that their customers can keep their 01624 numbers should they decide to change provider. At present, ISPs do not have this obligation in their licence. Our preliminary view is that all operators with access to 01624 numbers must participate in the Fixed Number Portability consortium, and that this would be a condition in the modified ISP licence.
- ISPs currently do not have an obligation that customers purchasing voice services over broadband should be able to call emergency services. We understand that ISPs may voluntarily commit to ensure that customers are aware of such limitations on their service. However, it may be that if an 01624 number is provided, there needs to be clear requirement that calls to emergency services would be available.

Q3. Do you agree that all operators offering 01624 numbers should be bound by the same set of conditions and obligations as those currently imposed on fully licensed operators? If not, why not?

Q4. Do you agree that the ISP licence should be modified to include the right to directly access 01624 numbers, with the consequent obligations as currently imposed on fully licensed operators? If not, why not?

⁷ Fixed Number Portability Ordering and Process Specifications

<https://www.iomcc.im/media/1216/iom-fnp-service-portability-ordering-and-process-specifications-business-rules.pdf>

⁸ <https://www.iomcc.im/media/1076/principles-for-use-of-iom-numbers-april-2016.pdf>

An alternative to modifying ISP licences to allow direct access to 01624 numbers would be to address the ISP's ability to procure 01624 numbers from fully licensed operators. At present, ISPs can procure 01624 numbers from fully licensed operators, and the Principles of the Use of IOM Numbers provides for the fully licensed operator to impose the conditions set out in the Principles on the purchasing ISP. We envisage that, if a fully licensed operator sold 01624 numbers to an ISP, that operator would be responsible for all obligations to do with porting the number should the customer wish to change provider. However, there is no obligation on the operator to sell the numbers, and no mechanism for controlling the price which the operator may charge. This may be seen as a barrier to the introduction of new services, the removal of which could benefit IOM customers. The Commission has no power to address this under its current ex ante regime. We have no evidence either way whether this is a real or perceived issue.

Q5. Do you believe there is a real barrier to the purchase of 01624 numbers from fully licensed operators? If so what measures do you consider, given the Commission's powers, could remedy this situation?

If a new market entrant wishes to become a fully licensed operator under the current regime, it would need to go through the Commission's application process. This process requires the submission of material demonstrating that the organisation is able to finance the provision of the services it proposes to offer, and that it will exercise its functions in a manner best calculated to promote the interests of consumers and purchasers of telecom services. We have considered whether the modification of the current ISP licence should be accompanied by an application process which recognises the licensing of a wider range of services, and the obligations which would be imposed. We propose that the process could be simplified to address the extension of services which could be offered and the new obligations which would come into place. This would recognise that current ISPs already hold an IOM telecoms licence for the services they provide. Any organisation wishing to provide telecoms services on the island, but which does not currently hold an IOM full or ISP licence, would be expected to go through a full application process.

Q6. Do you agree that current ISPs should be subject to an application process reflecting new services to be offered?

All operators pay a licence fee which is made up of an annual fixed fee, and a fee based on a percentage of turnover above a certain level. We recognise that, at present, there is a significant difference in the minimum licence fees paid by fully licensed operators and ISPs, as a fully licensed operator pays 0.5% of Turnover over £1,000,000 with a minimum payment of £5,000 p.a. while ISPs pay a minimum of £500 p.a. plus 0.5% of Turnover exceeding £100,000. Both types of licensee then pay fees in proportion to their turnover on licensed activities.

The ISP licences were modified in 2014 following consultation in order to reflect the changing nature of technology and the widening remit of their services. Prior to 2014, the ISP licence fee was £300 on the granting of the licence, then starting from the 5th anniversary of the licence, and every 5 years thereafter, there was a licence fee of £300 plus 0.5% of Turnover in excess of £60,000 from the most recent financial year. (Relevant

turnover for the purposes of collecting the licence fee means revenue from licensed activities).

The 2014 changes were to reflect the fact that an ISP comparable in size to a Full Operator can engage in increasingly comparable activities and requires a comparable amount of regulatory effort. Jurisdiction comparisons at the time however, did indicate that the Isle of Man fees payable were (and are) competitive.

The low minimum payment of £500—versus £5,000 for a Full Operator— was to recognise that the Island’s ISPs tend to operate on a smaller scale than Full Operators. Based on the most recent fee amounts paid by the Island’s ISPs, smaller ISPs pay significantly less than £5,000 per annum under the new fee schedule. The tendency of ISPs to pay a lower amount than Full Operators also reflects the fact that ISPs continue to have certain licence restrictions. However, an ISP that wishes to move into providing voice services to 01624 numbers would potentially (subject to the consultation questions above) face fewer restrictions than at present.

Q7. Do you consider that the CC should review the licence fee?

The Communications Commission recognises that licence fees were last reviewed three years ago. At this time, the Commission indicated that changes in the market suggested that further development of the licensing regime may be required. It is important that, should we move to a single licencing regime, fees payable by licensees remain equitable. We see the options available, to be applied to all licensees, as including the following:

- a. Reducing the minimum fixed fee for all licensees to £500, and 0.5% of turnover in excess of £100,000 to be payable to the Commission.
- b. Removing the minimum fixed payment and applying a 0.5% fee on all turnover.

Q8. Do you agree with proposal (a) or (b) above? Why or why not?

There are potential risks around spectrum allocation when opening up the market in this way, given ISPs currently have more limited access to spectrum, which is a scarce resource which must be carefully managed to ensure it is used in a manner which promotes the best interests of consumers and the Island.

At the same time, opening the opportunity to new players to provide innovative, wireless-based services is a potential development that the CC would not want to discourage. In managing access to spectrum assignments on the Island, the CC works in close co-operation with Ofcom (which is responsible for issuing Wireless Telegraphy licences to operators in relation to specific spectrum assignments, on recommendation from the CC) and it also seeks to ensure that such assignments are in line with those granted in other jurisdictions, pursuant to international spectrum co-ordination arrangements and the development of new wireless-based services.

Q9. Do you foresee any issues with spectrum allocation should the Isle of Man move to a single licensing regime?

The Appendix contains the proposed licence conditions from the full Telco licences that could be included in ISP licences in relation to voice service. Some of these conditions are unlikely to apply to a provider, for example a provider is unlikely to supply pay phones, but would apply if such a service was provided.

Q.10. Do you have any comments on the inclusion of these licence conditions.

Q11. Are there any other comments that you would like us to consider?

Next steps

The Commission will consider responses to this consultation before coming to a conclusion on how, and indeed whether, it should address licensing reform.

Responding to This Consultation

Your views are sought on this Consultation paper and the questions contained within. Please respond in writing by 17:00 on **xx November** 2017 to:

Katy Collister
Regulatory Manager,
Communications Commission Ground Floor,
Murray House
Mount Havelock,
Douglas Isle of Man,
IM1 2SF
or by email: cc@iomcc.im

Electronic copies of this document are also available at www.iomcc.im.

When submitting your views please indicate if you are responding on behalf of an organisation. To ensure that the process is open and honest and in line with the Government's Code of Practice on Consultation, responses can only be accepted if you provide your name with your response. Unless specifically requested otherwise, any responses received may be published either in part or in their entirety, within three months of the closing date for this consultation, and will be available on the Commission's website.

It is the Commission's view that it is important that consultations are carried out in a transparent manner, that the views of respondents are published, and that the reasoning behind the Commission's consideration of these views can be made clear. Please put any parts of your response you consider should be kept confidential in a separate annex to your response and include your reasons why this part of your response should not be published. Please indicate clearly if any part of your response should be considered to be commercially sensitive, and so required to be confidential. Confidential responses will be included in any statistical summary and numbers of comments received. All information in responses, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2015 and the Data Protection Act 2002). An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding.

The purpose of consultation is not to be a 'referendum' but an information, views and evidence gathering exercise from which to make an informed decision. In any consultation exercise the responses received do not guarantee changes will be made to what has been proposed.

Direct Consultees

The following is a list of consultees who we have contacted directly to inform them of this consultation document:

Licensed Operators⁹

Potential Operators (commercially confidential)

Attorney General's Chambers

Cabinet Office

Department of Economic Development

Isle of Man Chamber of Commerce

Manx ICT Association (MICTA)

⁹ <https://www.iomcc.im/licensing/licence-holders/>

Annex One – Sections of a Full Licence Not Currently Included in an ISP Licence

Proper and Effective Functioning of the Network

The Communications Provider shall take all reasonably practicable steps to maintain, to the greatest extent possible:

the proper and effective functioning of the Public Telephone Network provided by it at fixed locations at all times;
in the event of catastrophic network breakdown or in cases of force majeure the availability of the Public Telephone Network and Publicly Available Telephone Services provided by it at fixed locations; and
uninterrupted access to Emergency Organisations as part of any Publicly Available Telephone Services offered at fixed locations.

The Communications Provider shall ensure that any restrictions imposed by it on access to and use of a Public Telephone Network provided by it at a fixed location on the grounds of ensuring compliance with paragraph XX above are proportionate, non-discriminatory and based on objective criteria identified in advance.

This Condition applies to the Communications Provider only to the extent that it provides a Public Telephone Network at a fixed location and/or provides Publicly Available Telephone Services at a fixed location.

Emergency Call Numbers

The Communications Provider shall ensure that any End-User can access Emergency Organisations by using the emergency call numbers "112" and "999" at no charge and, in the case of a Pay Telephone, without having to use coins or cards.

The Communications Provider shall, to the extent technically feasible, make Caller Location Information for all calls to the emergency call numbers "112" and "999" available to the Emergency Organisations handling those calls.

In this Condition:

paragraph XX only applies to the extent that the Communications Provider provides Publicly Available Telephone Services, or provides access to such Publicly Available Telephone Services by means of a Pay Telephone; and

paragraph XX only applies to the extent that the Communications Provider provides a Public Telephone Network.

For the purposes of this Condition:

"Caller Location Information" means any data or information processed in an Electronic Communications Network indicating the geographic position of the terminal equipment of a person initiating a call;

"Pay Telephone" means a telephone for the use of which the means of payment may include coins and/or credit/debit cards and/or pre-payment cards, including cards for use with dialling codes. For the avoidance of any doubt, references to a Pay Telephone include references to a Public Pay Telephone.

Emergency Planning

Subject to paragraph XX, the Communications Provider shall, on the request of and in consultation with:

the authorities responsible for Emergency Organisations; and

such departments of central and local government as the Commission may from time to time direct for the purposes of this Condition,

make arrangements for the provision or rapid restoration of such communications services as are practicable and may reasonably be required in Disasters.

Subject to paragraph XX, the Communications Provider shall, on request by any person as is designated for the purpose in any such arrangements, implement those arrangements insofar as is reasonable and practicable to do so.

Nothing in this Condition precludes the Communications Provider from:

recovering the costs incurred in making or implementing any such arrangements; or

making the implementation of any such arrangements conditional upon being indemnified by the person for whom the arrangements are to be implemented for all costs incurred as a consequence of the implementation.

This Condition applies to the Communications Provider only to the extent that it provides a Public Telephone Network and/or provides Publicly Available Telephone Services.

For the purposes of this Condition "**Disaster**" includes any major incident having a significant effect on the general public; and for this purpose a major incident includes any incident of contamination involving radioactive substances or other toxic materials.

Operator Assistance, Directories and Directory Enquiry Facilities

The Communications Provider shall ensure that any End-User can access:

operator assistance services;

a Directory Enquiry Facility containing Directory Information on all Subscribers in the Island who have been assigned Telephone Numbers by any provider of Publicly Available Telephone Services in the Island, except those Subscribers who have requested that their Directory Information be removed;

a Directory Enquiry Facility containing Directory Information on all Subscribers in the UK who have been assigned Telephone Numbers by any provider of Publicly Available Telephone Services in the UK, except those Subscribers who have requested that their Directory Information be removed; and

an International Directory Enquiry Facility,

except where such services or facilities have been rendered inaccessible to a particular End-User by the Communications Provider at the End-User's request or for the purposes of debt management.

Where the Communications Provider assigns Telephone Numbers to Subscribers, it shall ensure that each of those Subscribers is, on request, supplied with a Directory containing Directory Information on all Subscribers who have been assigned Telephone Numbers in the Island. Directories containing Directory Information for Subscribers in the UK who have been assigned Telephone Numbers by any provider of Publicly Available Telephone Services must be supplied to the Subscriber on request. Any Directories supplied shall not contain Directory Information for those Subscribers who have requested that their Directory Information be removed.

A Directory may be produced by the Communications Provider, or by another person. Where a Directory is produced by the Communications Provider, the Communications Provider shall ensure that it is updated on a regular basis (at least once a year). The Commission may from time to time direct that a Directory is available in a particular form.

The Communications Provider may charge End-Users a reasonable fee for making available a Directory Enquiry Facility, Island Directory and any additional or UK Directories, and may charge its Subscribers a reasonable fee for inclusion of Directory Information in a Directory or as part of a Directory Enquiry Facility.

This Condition applies subject to the requirements of Relevant Data Protection Legislation.

This Condition applies to the Communications Provider to the extent that it provides Publicly Available Telephone Services (except Public Pay Telephones).

For the purposes of this Condition, an "**International Directory Enquiry Facility**" means the provision by means of a Public Telephone Network of a Telephone Number, or

information that the Telephone Number may not be supplied, of any natural or legal person located outside both the Island and the UK.

Transparency and Publication of Information

The Communications Provider shall ensure that clear and up to date information on its applicable prices and tariffs (which for the avoidance of doubt shall not include bespoke or individual prices and tariffs), and on its standard terms and conditions, in respect of access to and use of Publicly Available Telephone Services by End-Users is published, in accordance with paragraphs XX and XX.

The information published shall include at least the following:

the Communications Provider's name and Major Office address;

a description of the Publicly Available Telephone Services offered;

where the Communications Provider renders any subscription charge or periodic rental charge, details of which Publicly Available Telephone Services are included within any such charge;

the Communications Provider's standard tariffs, including details of standard discounts and special and targeted tariff schemes, with regard to:

access;

all types of usage charges; and

any maintenance services;

any compensation and/or refund policy, including specific details of any compensation and/or refund schemes offered;

any types of maintenance service offered;

the standard contract conditions offered, including any relevant minimum contractual period; and

any available dispute resolution mechanisms, including those developed by the Communications Provider.

Publication of the information shall be effected by:

sending a copy of such information or any appropriate parts of it to any End-User who may reasonably request such a copy; and

placing a copy of such information on any relevant website operated or controlled by the Communications Provider, or, where no such website exists, placing a copy of such information in every Major Office of the Communications Provider such that it is readily available for inspection free of charge by members of the general public during normal office hours.

This Condition applies to the Communications Provider only to the extent that it provides End-Users with access to and use of Publicly Available Telephone Services, except Public Pay Telephones.

For the purposes of this Condition "**Major Office**" means the Communications Provider's registered office and such other of its offices as the Commission may from time to time direct.

Itemised Bills

The Communications Provider shall provide to each of its Subscribers, on request, a basic level of itemised billing, either at no extra charge or for a fee which is, in the opinion of the Commission, reasonable. The Communications Provider shall ensure that each itemised bill shows a sufficient level of detail to allow the Subscriber to:

verify and control the charges incurred by the Subscriber in using a Public Telephone Network and/or related Publicly Available Telephone Services; and

adequately monitor the Subscriber's usage and expenditure and thereby exercise a reasonable degree of control over their bills.

The Commission may from time to time direct the minimum level of itemisation to be provided by the Communications Provider.

The Communications Provider shall ensure that calls which are made from a Subscriber's telephone which are free of charge to that Subscriber, including calls to helplines, shall not be identified in the Subscriber's itemised bill.

The Communications Provider shall not be subject to this Condition in respect of any Subscriber where:

it provides Publicly Available Telephone Services to the Subscriber on a pre-paid basis; and

the Subscriber has an alternative means, free of charge, of adequately monitoring the Subscriber's usage and expenditure.

This Condition applies to the Communications Provider only to the extent that it provides Publicly Available Telephone Services.

For the purposes of this Condition "**Subscriber**" means an End-User who is party to a contract with the Communications Provider for the provision of Publicly Available Telephone Services.

Non-Payment of Bills

Where a Subscriber of the Communications Provider has not paid the Communications Provider all or part of a bill for Publicly Available Telephone Services provided by the Communications Provider, any measures taken by the Communications Provider to effect payment or disconnection shall:

be proportionate and not unduly discriminatory;

give due warning to the Subscriber beforehand of any consequent service interruption or disconnection; and

except in cases of fraud, persistent late payment or non-payment, confine any service interruption to the service concerned, as far as technically feasible.

The Communications Provider shall publish details of measures it may take to effect payment or disconnection in accordance with paragraph XX above, by:

sending a copy of such information or any appropriate parts of it to any Subscriber who may request such a copy; and

placing a copy of such information on any relevant website operated or controlled by the Communications Provider.

This Condition applies to the Communications Provider only to the extent that it provides Publicly Available Telephone Services at a fixed location.

For the purposes of this Condition "**Subscriber**" means an End-User who is party to a contract with the Communications Provider for the provision of Publicly Available Telephone Services.

Dispute Resolution

Basic Code of Practice regarding provision of Public Electronic Communications Services

The Communications Provider shall produce a basic code of practice for its Domestic and Small Business Customers which sets out at least where such Customers may avail themselves of the information required to be published under Condition XX as relevant to the provision of Public Electronic Communications Services. The code of practice shall be drafted in language which is easy to understand, and copies of the code of practice shall be provided on request and free of charge to any Domestic and Small Business Customer.

Codes of Practice for Complaints

Within six months of this Licence entering into force, the Communications Provider shall establish and thereafter maintain procedures that conform with any applicable Code of Practice for Complaints for the handling of complaints made by its Domestic and Small Business Customers in relation to the provision of Public Electronic Communications Services.

Dispute resolution

The Communications Provider shall establish and maintain, or otherwise implement and comply with, dispute resolution procedures for the resolution of disputes between it and any of its Domestic and Small Business Customers. Such procedures shall:

enable disputes to be settled fairly and promptly;

be easy to use, transparent and effective; and

be free of charge to any Domestic and Small Business Customer using the procedures.

This Condition applies to the Communications Provider only to the extent that it provides Public Electronic Communication Services to Domestic and Small Business Customers.

For the purposes of this Condition:

"Code of Practice for Complaints" means a code of practice approved from time to time by the Commission for the purpose of this Condition;

"Domestic and Small Business Customer" means a Customer of the Communications Provider who is neither:

himself a provider of Public Electronic Communications Network or Public Electronic Communications Services; nor

a Customer in respect of an undertaking carried on by him for which more than ten individuals work (whether as employees or volunteers or otherwise).

Special Measures for End-Users with Disabilities

The Communications Provider shall from time to time consult the Commission or such body or bodies as the Commission may direct from time to time to ensure that the requirements and interests of disabled End-Users are fully taken into account in the development and provision of its services.

Subject to paragraph XX, the Communications Provider shall ensure that any End-User of its services who is so visually impaired or otherwise disabled as to be unable to use a printed Directory, can access, free of charge, Directory Information and Directory Enquiry Facilities in a form which is appropriate to meet their needs. The Communications Provider shall ensure that such a Directory Enquiry Facility is capable of connecting such an End-User to a requested Telephone Number at the request of that End-User.

Subject to paragraph XX, the Communications Provider shall ensure that such of its Subscribers who, because of their disabilities, need to make calls in which some or all of the call is made or received in text format, are able to access a Relay Service. Such Subscribers shall be charged for the conveyance of messages to which a Relay Service applies at no more than the equivalent price as if that conveyance had been made directly between the caller and the called person without use of a Relay Service:

except that the calling person may be charged standard local prices for the call made to a Relay Service provider in order to make a call irrespective of whether the call is successful; and

applying a special tariff scheme designed to compensate Subscribers who need to make calls to which a Relay Service applies for the additional time to make telephone calls using a Relay Service.

Subject to paragraph XX, the Communications Provider shall ensure that any End-Users of its services who need to make calls to which a Relay Service applies:

have access to Emergency Organisations, operator assistance services and a Directory Enquiry Facility using short code numbers; and

are able to receive call progress voice announcements in a suitable form.

Subject to paragraph XX, the Communications Provider shall provide a priority Fault Repair Service as swiftly as practicable to any Subscriber with disabilities who has a genuine need for an urgent repair. Charges for a priority Fault Repair Service shall not exceed the Communications Provider's standard charge for a Fault Repair Service.

Subject to paragraph XX, the Communications Provider shall ensure that such of its Subscribers who are so disabled such that they are dependent on the telephone are able to participate in a scheme to safeguard telephone services to such Subscribers. The scheme shall:

enable such Subscribers to give prior notification to the Communications Provider of a nominee to whom:

that Subscriber's telephone bill shall initially be sent; or
any enquiry to establish why a telephone bill has not been paid shall be made;
permit the nominee to pay that Subscriber's bill on their behalf;
require the nominee to give prior consent to the Communications Provider to act in such capacity;
not require the nominee to accept liability to pay the telephone bills of that Subscriber; and
be provided at no cost to such a Subscriber.

Subject to paragraph XX, the Communications Provider shall make available, free of charge, and in a format reasonably acceptable to any Subscriber who is blind or whose vision is impaired, upon their request:

any contract (or any subsequent variation) with that Subscriber for the provision of Publicly Available Telephone Services, including any publicly available terms or conditions referred to in that contract or variation;

any bill rendered in respect of those services.

An acceptable format would, for these purposes, consist of print large enough for such Subscriber to read, Braille or electronic format appropriate to the reasonable needs of the Subscriber.

Subject to paragraph XX, the Communications Provider shall take all reasonable steps to ensure that the services which it provides in order to comply with the obligations contained in paragraphs XX to XX above are widely publicised, taking into consideration the need to disseminate information in appropriate formats through appropriate channels for disabled End-Users.

Where, prior to the entry into force of this Licence, the Communications Provider was not required, by virtue of any condition to a licence granted under section 5 of the Act, to provide equivalent services and facilities to those required by paragraphs XX to XX above, the Communications Provider shall comply with those paragraphs by no later than 12 months after the coming into force of this Licence.

This Condition applies to the Communications Provider only to the extent that it provides Publicly Available Telephone Services.

For the purposes of this Condition:

"Fault Repair Service" means a service consisting of such repair, maintenance, adjustment or replacement of any part of the Communications Provider's Network, or such repair or adjustment of any connected or connectable Electronic Communications Network, or such repair or replacement of any Apparatus for which the Communications Provider has undertaken the responsibility for repair and maintenance, as is necessary to restore and maintain a sufficient service;

"Relay Service" means any service which:

provides facilities for the receipt and translation of voice messages into text and the conveyance of that text to the terminal of customers of any provider of Publicly Available Telephone Services and vice versa; and

has been approved by the Commission to be a text relay service for the purposes of this Condition;

"Subscriber" means an End-User who is party to a contract with the Communications Provider for the provision of Publicly Available Telephone Services.

Number Portability

The Communications Provider shall provide Number Portability to any of its Subscribers who so requests, as soon as it is reasonably practicable and on terms, including charges, which in the opinion of the Commission are reasonable.

For the purposes of this Condition:

"Number Portability" means a facility whereby Subscribers who so request can retain their Telephone Number on a Public Telephone Network in the Island, independently of the person providing the service at the Network Termination Point of a Subscriber:

in the case of Geographic Numbers, at a specific location; or

in the case of Non-geographic Numbers, at any location,

provided that such retention of a Telephone Number is in accordance with the UK Telephone Numbering Plan;

"Publicly Available Telephone Service" means a service made available to the public for originating and receiving, or only receiving, on-Island, UK and international calls through a number or numbers in a national or international telephone numbering plan;

"Subscriber" means any person who is party to a contract with the provider of Publicly Available Telephone Services for the supply of such Services in the Island.

Notification of changes in shareholdings

The Communications Provider shall notify the Commission if an undertaking becomes a Holding Company in relation to the Communications Provider.

The Communications Provider shall notify the Commission of any acquisition of Shares or change in the Shareholding of a Relevant Company by any person only if, by reason of that acquisition or change, the total number of Shares in that Relevant Company held by that person (otherwise than as trustee or nominee for another person) together with any Shares held by any nominee or trustee for that person immediately after that change or acquisition:

exceeds 15 per cent of the total number of Shares in that company (where it did not exceed 15 per cent prior to that change or acquisition);

exceeds 30 per cent of the total number of Shares in that company (where it did not exceed 30 per cent prior to that change or acquisition); or

exceeds 50 per cent of the total number of Shares in that company (where it did not exceed 50 per cent prior to that change or acquisition).

Any notification under this Condition shall be given by a date which is 30 days prior to the taking effect of such change or acquisition as the case may be, or as soon as practicable after that date.

For the purposes of this Condition:

"Holding Company" has the same meaning as in section 1(4) of the Companies Act 1974.

"Relevant Company" means the Communications Provider or a Holding Company in relation to the Communications Provider;

"Share" has the same meaning as in section 341 of the Companies Act 1931, and the terms "Shares" and "Shareholding" shall be construed accordingly.

"Subsidiary Company" has the same meaning as "subsidiary" in section 1 of the Companies Act 1974.