THE LICENCE TERMS

The Communications Authority of Kenya (the "Authority"), in accordance with the Kenya Information and Communications Act, Cap 411 (the "Act"), hereby authorizes (the "Licensee") to establish and provide Commercial Free to Air Television Broadcasting Services as described herein (the "Licensed Services") in accordance with the Terms and Conditions set out in this Licence.

1. This License is issued on (the **Issuance/Renewal Date)**

2. This Licence is issued for the "**Licence Term**" effective from the "**Licence/Renewal Date**" unless it is revoked earlier in accordance with the Licence Conditions herein.

3. The Licensee is authorized to provide Commercial Free-To-Air Television Broadcasting services, which shall be transmitted through licenced network(s), un-encrypted as approved by the Authority.

4. The licensed services shall be transmitted for reception by the general public through the digital infrastructure provided by duly licensed common carrier Broadcast Signal Distributor(s).

5. The Licensee is authorized to provide the Licensed Services provided that the Licensee has the related statutory authorizations from Governmental Authorities and such authorizations has been filed with the Authority;

6. All equipment and devices used to provide the licensed services shall in all respects be of approved industrial standards, type approved by the Authority where applicable and conforming to the Authority's regulations as may be issued from time to time.

7. This License is subject to the provisions of the Act including, but not limited to, licence modifications, enforcements and sanctions. The Authority may impose penalties, for the contravention of any licence terms, conditions or directive issued by the Authority, based on a consideration of several factors, which include, but are not limited to the following:

7.1. a determination of whether or not the contravention was deliberate or as a result of the Licensee's recklessness;
7.2. the duration of the contravention;
7.3. the cooperation or lack thereof of the Licensee in the investigation of any matter relating to the contravention;
7.4. the duration of the contravention;
7.5. Any demonstrable steps, or lack thereof, taken by the Licensee to remedy the contravention;
7.6. Any financial gain resulting from the contravention, including any unjustifiable cost incurred by consumers as a result of the contravention;
7.7. Whether or not the Licensee is a repeat offender of the particular condition or other Licence conditions.
7.8. Duration of operation without a compliance certificate for not having met all the compliance requirements

8. Words importing the singular shall include the plural and vice versa; words denoting persons shall include bodies corporate and unincorporated associations of persons and vice versa.

9. In this Licence the following terms shall have the following meanings:

9.1. "**Act**" means the Kenya Information and Communications Act, CAP411A of 1998, as amended, any successor legislation and any subsequent amendments made thereto;

9.2. '**Audio descriptions'** mean passages, which explain what is happening visually in the picture so as to facilitate television accessibility for persons with disabilities.

9.3. **Regulations** means the Kenya Information and Communications (Broadcasting) Regulations 2009 and any subsequent revisions made thereto and/or other Regulations developed under the Act as the case may be

9.4. '**Broadcast Signal Distributor'** means entity duly licensed by the Authority to provide common carrier infrastructure for transmission of digital terrestrial broadcasting services

9.5. **Authority** means the Communications Authority of Kenya, its predecessor or succesor;

9.6. **Licence** means instrument of authorization issued by the Authority stipulating the terms and conditions under which the licensed service (s) shall be offered by the holder in Kenya.

9.7. **Licensee** means legal person issued with a licence by the Authority to provide the licensed service(s) under specified Terms and Conditions;

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9.8. **Logical Channel Number (LCN)** means a unique number assigned to a TV/Radio service in a digital broadcast network, allowing viewers to easily find and select the channel on their receiver

9.9. **Terms and Conditions of Licence**: Terms and Conditions of Licence encompass general and special terms and conditions for programme broadcast. General terms and conditions are equal for all stations, while the special terms and conditions include the type of programmes that each individual station is broadcasting, as well as technical operations of each individual Licensee;

9.10. **Rules:** For the purpose of interpreting the Terms and Conditions of Licence, the Rules connote all codes, rules, guidelines, decisions and other acts that the Authority issues within its mandate and which are binding for radio and/or TV stations;

9.11. **Licence validity period** means the period between the date of issuance of the Licence and the expiration date of Licence.

9.12. **Station**: Employees and equipment used for the purpose of programme broadcast;

9.13. **Programme** is audio-visual presentation of a certain character which is legally produced and broadcast or distributed by radio or TV station under its sign, by terrestrial, cable or satellite means, and which is, as such, protected by copyrights and other related rights;

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9.14. **Programme segment:** Programme which in audio-visual sense presents one whole unit clearly separated from other segments and content with its beginning and end;

9.15. **Local programme**: Programme of station which is comprised of segments of programme of local production, co-production and bought/acquired programmes which satisfies the criteria as defined in the Broadcasting Regulations;

9.16. **Programme of local production**: Programme segments which the Licensee has in full produced by itself, with the aid of all of its material and human resources or which are produced by an independent production house by the request and for the payment of the Licensee;

9.17. **Co-produced programme:** Programme in whose production the Licensee participated with its material and human resources;

9.18. **Bought/acquired programme**: Programme for which the Licensee has acquired broadcasting rights;

9.19. **Re-broadcast programme**: Programme, including advertisement programme, which one station is broadcasting or has broadcast, and the other takes it in full for the purpose of broadcasting;

9.20. **Exchange of programme**: Programme segments which are exchanged by two or more providers of broadcast services;

9.21. **Programme schedule** means the hours of broadcasting of programme of an individual licensee;

9.22. **Official address**: Official address in the request for issuance of licence, or corrected in a written form in accordance with the Terms and Conditions of this Licence;

9.23. **Watershed** period means period in television and radio broadcasting schedules within which content intended for adult audience is not aired. For avoidance of doubt, the period shall be from 5.00am to 10.00pm Kenyan time.

9.24. **Local Content** shall have the same meaning as defined in the Kenya Information and Communications (Broadcasting) Regulations of 2009 including any amendment thereafter.

9.25. **Public Interest** with respect to radio and television programming means the obligation for licensees to observe the following among others:

i. Provision of uninterrupted services throughout the entire term of their respective licences;
ii. Protection of minors and viewers from indecent programming;
iii. Safeguarding the right of citizens and groups to defend themselves if they have been attacked on air and promoting accuracy and fairness in news programming;
iv. Promoting democracy by providing equitable and fair coverage to all parties during election periods and ensuring access to civic education information by the public.
v. Provision of public notices and announcements during emergency, public disasters and crisis situations and provision of safety and security information to the general public at such occasions at no cost upon the request;
vi. Provision of a special rate card for government, public agencies and non-profit organizations for announcements on topics of national interest.
vii. Ensuring access to broadcasting services by persons with disabilities especially during news, emergencies and events of national importance.
viii. Dedicate a minimum of five hours a week to educational and information shows for children;
ix. Promote values of nationhood and include minority groups in programming content;

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x. Make available the station editorial policy and communicate this with their viewers from time to time.

xi. Promotion of local content that reflects the diversity and cultural heritage of Kenya.

9.26. **'KFCB classification and rating'** means classification issued by the Kenya Film Classification Board specifying the manner in which the programmes should be labeled to ensure protection of vulnerable audience.

9.27. **Tribunal** means Communications and Multimedia Appeals Tribunal established under section 102 of the Act

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LICENSE CONDITIONS

1. CONDITION 1: GENERAL TERMS AND CONDITIONS OF LICENCE

1.1 The Licensee shall provide commercial free to air television broadcasting services in Kenya under this licence issued by the Authority by complying with the terms and conditions stipulated herein.

1.2 The Licensee shall ensure the Licensed Services offered are desirable to the public and in particular ensure that the content does NOT:

1.2.1 contain anything which is in breach of the law, or omit anything which the law requires. Furthermore, services and promotional material must not facilitate or encourage anything, which is in any way unlawful.

1.2.2 be of a kind that is likely to mislead through inaccuracy, ambiguity, exaggeration, omission or otherwise and it should be clear to the consumers when time-sensitive information was last updated;

1.2.3 result in any unreasonable invasion of privacy;

1.2.4 induce an unacceptable sense of fear or anxiety;

1.2.5 induce or promote tribal, religious, gender and/or racial disharmony;

1.2.6 seek to take unfair advantage of any characteristic or circumstance which may make Consumers vulnerable.

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1.3 The Authority reserves the right to review, change, adjust and interpret the terms for issuance of Licence through a consultative process and any changes will be enforced at least thirty (30) days from the day of adoption.

1.4 Nothing in this Licence reverses the obligation of the licensee to fulfill all other statutory, legal or contractual obligations necessary for provision of the said broadcasting services.

1.5 During the validity of this Licence, the licensee shall ensure at least minimum requirements that include but not limited to programmes, finances and technical operations for which it has received the Licence are maintained.

1.6 Acceptance of this licence constitutes a binding contract on the part of the Licensee to comply with all its Terms and Conditions.

1.7 The validity of this licence is contingent on compliance with the terms of the licence.

1.8 The Licensee shall also observe the requirements of the appendices 1 to 3 of this Licence

1.9 This Licence replaces broadcast permit(s), if any, issued to the Licensee by the Ministry then in charge of Information and/or broadcasting before the enactment of the Kenya Communications Amendment Act No.1 of 2009.

2. CONDITION 2: NAME AND STATION IDENTITY

2.1 The Licensee's free to air television station identification shall be known as **xxxxx**

2.2 It shall be the responsibility of the Licensee to ensure that the station identification is consistently used. In the event of a clash with another licensee station identity, the entity which registered the name first with Registrar of Business Names shall retain the identity.

2.3 The Licensee shall not change its station identification without prior written consent from the Authority, which consent shall not be withheld unreasonably.

2.4 The licensee shall pay to the Authority the prescribed fee for change of name and station identification upon application for change of name.

2.5 The Licensee must clearly identify itself by displaying its station identification logo and/or name throughout its broadcasting period.

2.6 The Licensee shall ensure that it clearly and consistently identifies the source of rebroadcast programme, if its station rebroadcasts programmes that are produced by other television stations.

2.7 The Licensee shall maintain a website under the TV station's own name, providing essential station details, including:

2.7.1 TV station name and abbreviation
2.7.2 Assigned LCN number
2.7.3 Name of the license holder
2.7.4 Name of the responsible editor
2.7.5 Contact information (address and email)
2.7.6 A brief or detailed description of the TV station
2.7.7 Information on the station's broadcast areas

3. CONDITION 3: TRANSMISSION OF TV CHANNEL ON DIGITAL PLATFORM

3.1 The Licensee shall enter into a contractual agreement with a licensed common carrier Broadcast Signal Distributor of its choice as applicable and sign a Service Level Agreement (SLA) for transmission of its television signal in areas authorized in this licence as prescribed in the relevant Determination issued by the Authority. The SLA shall stipulate the commitments and responsibilities of each party.

3.2 The Licensee shall fully adhere to the terms and conditions stipulated in the SLA.

3.3 The Licensee shall provide its television signal to the licensed Broadcast Signal Distributor in the format and quality specified by the said Broadcast Signal Distributor.

3.4 It shall be the responsibility of the Licensee to deliver its studio television signal stream to the multiplexing centre of the broadcast signal distributor or specified site in the case of local insertion of the TV channel.

3.5 The licensee shall provide the broadcast signal distributor with a 7-day electronic programme guide (EPG) complete with KFCB classification rating for each month in advance and provide updates as appropriate to ensure the most updated version of the EPG is available on the digital platform.

3.6 The Licensee shall pay the applicable accommodation and carriage fees to the signal distributor in accordance with the tariff duly approved by the Authority.

3.7 The licensee shall not interrupt or withdraw its free to air television signal stream from the licensed broadcast signal distributor's platform without written authorization by the Authority.

4. CONDITION 4: HOURS OF SERVICE

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4.1 The Licensee shall provide the broadcasting service authorized under this licence for a continuous period of **24** hours per day.

4.2 The licensee shall broadcast continuously during the licensed programming hours and may not stop broadcasting unless with the written permission of the Authority.

5. CONDITION 5: LANGUAGE

The licensee shall provide its programming in the following language(s)

5.1 **(**Languages listed)

6. CONDITION 6: TECHNICAL OPERATIONAL PROCEDURES

6.1 The Licensee shall, in the provision of the licensed service, comply with international technical standards

6.2 The Licensee shall operate all broadcast systems and facilities with due regard to the health and safety of employees and the general public, and in accordance with any applicable laws of Kenya.

6.3 The Licensee shall commence the scheduled broadcast operations as specified in the licence application within twelve months from the date when the Authority issues a broadcast

licence, unless the Authority specifically grants a written extension of this period. Failure to comply with this requirement may result in forfeiture of the licence.

6.4 The Authority shall have the right to conduct such tests as may be necessary on any of the Licensee's technical equipment used by or on behalf of the Licensee. This may include requiring the Licensee to switch off certain equipment and cease broadcasting for such reasonable period, as the Authority may need to conduct the test in question.

6.5 The equipment and apparatus of the Licensee must be operated and maintained by competent persons at all times.

6.6 The Licensee must ensure that the equipment used for provisioning of the licensed broadcast service are duly type approved /accepted by the Authority where applicable, and complies with the authorised technical parameters prior to Authorising and use.

6.7 The Licensee shall not offer its services in other areas other than the licensed geographical target areas listed in this licence or otherwise authorised by the Authority from time to time.

6.8 The Licensee shall ensure that associated services outsourced such as broadcast signal distribution are obtained only from duly licensed entities

6.9 The Licensee shall notify the Authority the physical address of location of its broadcasting production and studio facilities prior to commencement of the licensed broadcasting services.

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6.10 The licensee shall not alter any of the assigned technical and geographical parameters, where applicable, without prior authorization of the Authority.

6.11 The Licensee shall establish the Licensed Systems taking into account the need for equipment co-location and/or infrastructure sharing with other licensees as applicable, and where feasible, allow other licensees to collocate, share infrastructure and other facilities on terms that are reasonable, fair and non-discriminatory

6.12 The Licensee shall ensure that non-ionising radio emissions from any radiocommunication installation operated under its licence are within the limits specified by the guidelines published by the International Authority for Non-Ionising Radiation Protection (ICNIRP) and any radiation emission standards adopted and published from time to time.

6.13 The Licensee shall meet all quality of service requirements in providing commercial free to air television broadcasting services as stipulated in the SLA and/or as shall be specified by the Authority from time to time.

7. CONDITION 7: DELAYED TRANSMISSION OF LIVE EVENTS

7.1 The licensee shall ensure that a minimum delay of seven (7) seconds is incorporated in its licensed system when airing live events or programmes to prevent unintended airing of undesirable material

8. CONDITION 8: INTERRUPTIONS TO THE LICENSED SERVICES

8.1 The Licensee shall not intentionally interrupt or suspend the provision of any type of Licensed Service without having first notified the Authority in writing and having provided reasonable advance notice to persons affected by such interruption or suspension.

8.2 In the event of an unintentional/unforeseen interruption of the Licensed Services or part thereof, which lasts more than three continuous hours, the Licensee shall inform the public and notify the Authority in writing within 12 hours outlining the cause of such interruption and the steps being undertaken to rectify such interruption.

8.3 Interruption of licensed service by the licensed broadcast signal distributor due to failure by the broadcast licensee to meet its obligations necessary for accommodation of the broadcast service on the digital platform shall be construed as unauthorised interruption.

9. CONDITION 9: COPYRIGHT OBLIGATIONS AND EXCLUSIVE RIGHTS

9.1 Licensee shall be responsible for all obligations and liabilities to any third party associated with copyright or other rights that may arise from the broadcast of copyright programme.

9.2 The Licensee must close legal contracts with copyright licensing bodies or authorized legal vendors before broadcasting copyrighted material.

9.3 Copies of all contracts specified in No. 9.2 shall be filed with the Authority and such contracts shall be treated as confidential.

9.4 No copyright consent will be necessary for carriage of the licensee's television channel by other relevant licensees of the Authority under the 'must carry' rule.

9.5 The Licensee with exclusive rights of acquired broadcast content shall deposit a certified copy of the original document of such rights to the Authority before airing the programme(s).

9.6 Where the Licensee acquires exclusive rights on any premium broadcast content, the licensee shall be under obligation to sub-let the content to other interested licensees at reasonable mutually agreed charge, which shall be determined by the Authority in the event of disagreement or dispute.

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10. CONDITION 10: ADHERENCE TO BROADCASTING CONTENT STANDARDS AND COMPLAINTS HANDLING PROCEDURE

10.1. Broadcasting Content Standard

The Licensee shall ensure the Licensed Services offered are in conformity with the applicable industry code or content standards as may be prescribed from time to time.

10.2. Resolution of Complaints from the Public

10.2.1. The Licensee shall, ensure the implementation of the approved procedure for handling complaints received from the public in respect of all programming which is included in the Licensee's broadcast schedule..

10.2.2. The Licensee's complaints handling procedure shall by all means be in conformity with the prescriptions provided in the Regulations or any amendments for the time being in force.

10.2.3. Such procedures shall, inter alia, include a requirement that members of the public who complain to the Licensee about programmes included in the Licensee's schedule are informed that they have a right to refer the matter complained of to the Authority or the Tribunal.

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10.2.4. The Licensee shall broadcast regularly, at least three times in every twenty four hour period, information regarding the manner in which aggrieved members of the public may file complaints in respect of any aspect of its broadcasting service.

10.2.5. The Licensee shall resolve consumer complaints within the timelines provided for in its approved complaints procedure.

10.2.6. The Licensee shall not dispose off broadcast transcripts or recordings related to a complaint so long as it has not been summarily resolved either by the broadcaster, the Authority, the Tribunal or the High Court;

10.2.7. The Licensee shall for a period of one year keep a written record of such complaints received from the general public and make such records available to the Authority in writing on quarterly and annual basis.

10.2.8. The Licensee shall notify the Authority regarding the details of its authorized officers designated to handle complaints related to the licensed services.

11. CONDITION 11: ACCESSIBILITY TO PERSONS WITH DISABILITIES (PWDs)

11.1 The licensee shall:-

i) take specific steps as provided for in the Constitution to promote the understanding and enjoyment of its programmes by Persons with Disabilities and in particular, persons who are deaf or hard of hearing, or who are blind or partially sighted.

ii) provide sign language insert or subtitles in all newscasts, educational programmes, information relating to emergencies and in all programmmes covering events of national significance. Such events shall include but not limited to parliamentary proceedings, national celebrations, sporting activities, vetting of public officers, general elections and referendums.

iii) ensure accessibility to those with seeing disabilities by using 'audio descriptions'

iv) ensure the use of experienced sign language interpreters with relevant qualifications in the Kenyan Sign Language Interpretation from the Kenya National Examination Council (KNEC), or its equivalent.

v) ensure incorporation of accessibility features for PWDs as an integral part of their broadcast programmes. Activation of accessibility to PWDs features especially on programmes carried on digital platform shall be by use of a button on the remote control.

vi) be sensitive to the rights and dignity of people who are mentally or physically challenged;

vii) not broadcast programmes which patronize and promote myths about persons with disabilities.

11.2 The licensee shall fully comply with other requirements necessary to make the licensed broadcasting service accessible to PWDs within the set timelines as may be specified and duly published in Kenya Gazette by the Authority from time to time.

12. CONDITION 12: FAIR TRADING

12.1 Without prejudice to other obligations imposed on the Licensee under this Licence, the Licensee shall not engage in any activities, whether by act or omission, which have, or are intended to or likely to have, the effect of unfairly preventing, restricting or distorting competition in Kenya (or a part of it), in relation to any business activity relating to the Licensed Systems and services. Without limiting the generality of the foregoing, any such act or omission shall include:

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12.1.1 any abuse by the Licensee, either independently or with others, of a dominant position in Kenya which unfairly excludes or limits competition between the Licensee and any other party;

12.1.2 entering into any contract or engaging in any concerted practice with any other party, which unfairly prevents, restricts or distorts competition in Kenya, or

12.1.3 effecting anti-competitive changes in the broadcasting market in Kenya, and in particular, anti-competitive mergers and acquisitions in the sector.

12.2 In the event it appears to the Authority that the Licensee is in breach of 20.1, the Authority shall give written notice to the Licensee:

12.2.1 stating that the Authority is investigating a possible contravention;

12.2.2 setting out detailed reasons why it appears to the Authority that there is a breach by the Licensee of this Condition, and

12.2.3 setting out the steps the Authority believes the Licensee should take in order to remedy the alleged breach and giving the Licensee a reasonable time in which to correct the alleged breach.

12.3 The Authority shall allow the Licensee thirty (30) days from the date of the notice to make representations to the Authority, before the Authority takes further action.

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13. CONDITION 13: PROHIBITION OF CROSS-SUBSIDIZATION

13.1 The Licensee shall not subsidise or cross-subsidise, or permit itself to be subsidised or cross-subsidised or give or receive undue preference to or from, any of its associated businesses or persons as concerns the provision of the Licensed Services and/or any other licences granted to the Licensee by the Authority.

13.2 The Licensee shall maintain necessary records to evidence resource transfers between its associated businesses or persons. The Authority may at its discretion request the licensee to submit this or other information related to the licensed businesses to satisfy the Authority that no cross-subsidy is taking place.

13.3 In the event that the Authority determines that cross-subsidy has occurred the Authority shall give written notice to the licensee setting out the steps the Authority believes the Licensee should take in order to remedy the alleged breach and giving the Licensee a reasonable time in which to correct the alleged breach. The Authority shall allow the Licensee 30 days from the date of the notice to make representations to the Authority, before the Authority takes further action.

13.4 Where the Authority deems it necessary and appropriate to supervise compliance with the provisions of this Licence, it may order the Licensee to provide the free to air television broadcasting services through a separate division or divisions, a separate branch or branches or a separate subsidiary or subsidiaries.

14. CONDITION 14: NOTIFICATION OF CHANGE IN SHAREHOLDING

14.1 The shareholding of a licensee shall at all times comply with the prevailing Government's Communications Sector Policy, as may be published from time to time.

14.2 The Shareholding as at the date of licence Issuance is as detailed in Appendix 3

14.3 The licensee shall notify the Authority of any proposed change in ownership, control or proportion of shares held in it at least thirty (30) days prior to effecting such change, provided that:

14.3.1 any change in shareholding exceeding 15 % of the issued share capital; or

14.3.2 the acquisition by an existing shareholder of at least 5% additional shares;

14.4 The licensee shall require prior written consent of the Authority, provided that the Authority shall notify the applicant of its acceptance or refusal with the reasons thereon, within thirty (30) days of receipt of the said notification

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15. CONDITION 15: HUMAN RESOURCE DEVELOPMENT

15.1 The Licensee shall submit to the Authority its Human Resource Development Plan outlining strategic success plan on empowerment of local staff.

15.2 The Licensee shall annually furnish the Authority with a report of implementation of Human Resource Planning.

15.3 Any proposal for employment of Non Kenyans, duly approved by Kenya's Directorate of Immigration and Registration of Persons, shall be filed with the Authority.

15.4 The Licensee shall facilitate participation of its staff in training within and outside Kenya.

15.5 The Licensee shall ensure that its officers, consultants and contractors, including scriptwriters adhere to the relevant Codes of practice relating to programming, advertising and technical standards.

16. CONDITION 16: PRE-NOTIFICATION OF JOINT VENTURES

16.1 The Licensee shall notify the Authority not later than thirty (30) days before the taking effect of any of the agreements or arrangements to which this Condition applies giving particulars of the agreements and/or arrangements. The agreements or arrangements are

an agreement with any person for the establishment or control of anybody corporate for the purpose of:

16.1.1 the running of a broadcasting system in Kenya which requires a licence under the Act;

16.1.2 providing broadcasting services in Kenya which requires a licence under the Act;

16.1.3 carrying of content over broadcasting systems which requires a licence under the Act;

16.1.4 the production of broadcasting apparatus for supply in Kenya where that production would lead, in the Authority's view, to a monopoly situation which would not otherwise exist in relation to the supply of broadcasting apparatus of any description in Kenya;

16.1.5 an agreement for the establishment of a partnership for any of those purposes and in those circumstances, and

16.1.6 any other agreement or arrangement in the nature of the joint venture for the purpose of running a business which requires a licence under the Act or for the purpose of providing broadcasting services in Kenya.

16.2 The above applies only in relation to an agreement or arrangement for the establishment or control of anybody corporate or partnership where the Licensee has or is to have not less than twenty (20%) per cent of the voting power in any organ controlling that body.

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17. CONDITION 17: PUBLIC EMERGENCIES

17.1 The Licensee shall make the Licensed Systems available and accessible for the provision of Emergency Services free of charge.

17.2 In case of a major disaster such as earthquakes, floods and similar events or any other situation of emergency or a crisis of either local, regional or national crisis and similar events which require emergency communication services, the Licensee shall facilitate provision of information to the public as may be directed by the Government giving priority to the support activities required to overcome the emergency. For this purpose, the Licensee shall comply with the instructions of the Authority as may be directed.

17.3 In case the emergency or crisis is related to aspects of national security, the Licensee shall co-ordinate with the competent entity indicated by the Authority and provide the necessary services in accordance with the instructions of the Authority or the competent entity indicated thereby.

17.4 Within three (3) months following the Renewal, the Licensee shall submit to the Authority its plan for procedures and operations it shall follow in the event of any such emergency and shall update such plan upon request by the Authority.

17.5 The Licensee may be entitled to reimbursement by the Government of its direct costs for the provision of the services mentioned in 17.2 and 17.3 if the Authority is convinced such costs are reasonable after evidence of such incurred costs is provided.

17.6 The obligation in 17.1 shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the connectivity requested by means of the Licensed Systems in the particular circumstances where provision is beyond the Licensee's control.

18. CONDITION 18: FORCE MAJEURE

18.1 When in its opinion, the Licensee is impeded, hindered or otherwise prevented from carrying out any obligation contained herein, or as required by the Authority, by an act of God, fire, flood, natural disaster, action of government, state of war, civil commons or insurrection, riots, embargo, industrial disputes, sabotage or any other cause beyond the control of the Licensee, other than wrongful acts, neglect or default of the Licensee or its employees or agents, the Authority may exempt the Licensee from performing such obligation for as long as and to the extent that the performance of the obligation is affected by such force majeure, provided:

18.1.1 the Licensee has, without undue delay, duly notified the Authority the nature of the event and the extent to which the Licensee is prevented from complying with the terms and conditions of this licence;

18.1.2 the Authority has duly received the notification, assessed the nature of event and is convinced that the occurrence is beyond the control of the Licensee.

18.2 The Licensee seeking to rely on force majeure as an exemption shall demonstrate to the Authority that it took all reasonable steps to minimize the impact of the force majeure on the performance of its obligations and where any Licensed Systems were damaged by such force majeure, that it took reasonable steps to repair or rebuild such systems once the force majeure had ceased or been eliminated.

18.3 The exemption in 18.1 shall not apply where the Licensee has been hindered by accident or breakdown of any equipment caused by the wrongful act, neglect or default on the part of the Licensee, its servants or agents;

18.4 The exemption of force majeure shall not be held to permit suspension of licence fee payments.

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19. CONDITION 19: PROVISION OF INFORMATION TO THE AUTHORITY

19.1 The Licensee shall provide information to the Authority in such manner and at such times as Authority shall reasonably request, for purposes of ensuring compliance with this Licence.

19.2 The Authority shall have the right to request the Licensee to submit periodic reports, statistics and other data as well as request additional information with a view to supervise and enforce effectively the terms of this Licence.

19.3 In particular, by the 15th July of every year or as agreed by the Authority, the Licensee shall submit an annual Compliance Report detailing the performance of the previous operational year ended 30th June. The licensee shall also submit to the Authority quarterly compliance returns, before the expiry of the deadline specified, in the format prescribed by the Authority.

19.4 : The Licensee shall be required to submit compliance returns at such intervals as prescribed by the Authority. The Authority shall review the Compliance Returns and:

19.4.1 If the Licensee is in compliance with the Licence, issue the Licensee with a Compliance Certificate in respect of compliance for the year under review, and

19.4.2 If the Licensee is not in compliance with the Licence, require the Licensee to remedy the area of non-compliance in accordance with the provisions of this Licence and the Act.

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19.5 The Licensee shall in addition be required to:

19.5.1 Make and retain for one year's recordings of all broadcast programs complete with inbuilt date and time stamp, including advertising and trailers; or for a period as Authority may direct in individual cases; with the exception of material recordings related to a prevailing complaint or court case; in which case the period may be extended in accordance with the approved complaint handling procedure;

19.5.2 Provide copies of such recordings to the Authority promptly upon request, in accordance with provided deadlines.

19.6 Regardless of obligation of Licensee to get from the Authority in advance the permission for certain changes, as envisaged by the Terms and Conditions of this Licence, the Licensee is also obliged to notify the Authority in writing on all changes in relation to the following information, which have been submitted in the original licence application:

19.6.1 Station's address, telephone, fax and other contact information;

19.6.2 Management structure or personnel listed in the licence application;

19.6.3 Significant changes in operating hours, programme schedule or programme content;

19.6.4 New or expired agreements for programme rebroadcast and/or exchange;

19.6.5 Interruptions in broadcasting greater than three hours of programme schedule; and

19.6.6 Changes to any technical, engineering or studio specifications.

19.7 In making a request for information, the Authority will ensure that no undue burden is imposed on the Licensee in procuring and furnishing such information, unless the Authority considers such information essential to enable it to exercise its functions under the Act.

19.8 The Authority shall have the right to publish information which it receives under this Condition unless, following representations by the Licensee, the Authority is satisfied that the information is of such confidential nature that disclosure would have a material adverse effect on the Licensee's business.

20. CONDITION 20: ACCOUNTING REQUIREMENTS

20.1 The licensee shall submit to the Authority the accounting principles relating to the running of the Licensed Systems and which allows the recording of investments, expenses and revenues in accordance with accounting standards recognised in Kenya.

20.2 Within sixty (60) days of the end of each fiscal year of the Licence, the Licensee shall deliver to the Authority its balance sheet as at the end of such fiscal year and the related statements of operations, equity and cash flows, in each case accompanied by a report thereon of independent auditors stating that such financial statements fairly present the financial position of the Licensee at the dates indicated and were prepared in accordance with accounting principles submitted to the Authority in accordance with 20.1 above.

20.3 The Authority may request the Licensee to submit other accounting information it may require in order to effectively supervise and enforce the terms of this Licence and in particular if the accounting principles established by the Licensee fail to achieve the objectives set forth in this condition.

20.4 The licensee shall clearly show the accounts related to this license in its financial reporting.

21. CONDITION 21: CONTRIBUTION TO THE UNIVERSAL SERVICE FUND

21.1 The Licensee shall contribute such an amount to the Universal Service Fund based on a specified percentage (%) of the Gross Annual Turnover as shall be specified by the Authority from time to time in accordance with section 84J (3) of the Act and the USF Regulations

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21.2 The Authority shall invoice the licensee at the start of the financial year for the USF as the Authority may prescribe from time to time.

22. CONDITION 22: PUBLIC RECORDS

22.1 The Licensee shall conform to guidelines or instructions from Authority or other applicable rules for making available to the public the terms and conditions of licence, ownership or such other operating documents as the Authority may deem to be in the public interest.

22.2 The Authority may in its discretion make this Licence publicly available in any manner it thinks fit, in whole or in part.

23. CONDITION 23: ACCESS TO FACILITIES AND INSPECTION

23.1 The Authority reserves the right to access the Licensee's premises, facilities, files, records and other data to conduct inspections, and tests thereof, to verify continued compliance with terms and conditions of this licence and the Act.

23.2 The Licensee shall, upon request, provide unlimited access to all its sites and operational areas to duly authorised officers of the Authority, any person authorised by the Authority or law enforcement agency in order for the said to effectively perform their duties under the Act.

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23.3 The Licensee shall establish and maintain information records in regard to its operations, in a format prescribed by the Authority from time to time, for a minimum period of three (3) years from the date such records came into being, for purposes of availing such information on request by the Authority, its authorised agents or any law enforcement agency.

23.4 The licensee shall provide, upon request by the Authority (or its authorised agents), any information it requires during an inspection including access to any content information logs. Such information may be required to be generated from the Licensee's systems in the presence of Authority's inspectors at the time of the inspection

24. CONDITION 24: PENALTIES FOR BREACH OF LICENCE CONDITIONS

24.1 The Authority shall apply the relevant penalties and fines against the Licensee for breach of the terms and conditions of the Licence in accordance with the provisions of the Act and the Regulations

25. CONDITION 25: DISPUTES

25.1 In the event of any dispute arising regarding the interpretation of any provision of the licence, the Authority shall be entitled to make a ruling regarding the interpretation of that provision, provided that the Licensee shall be afforded an opportunity to make submissions to the Authority before any such ruling is made.

25.2 The dispute settlement mechanism set out in the Act and/or Regulations shall apply to any dispute or disputes that arise out of the provisions of this Licence.

26. CONDITION 26: LICENCE FEES

26.1 The Licensee shall pay to the Authority such fees as may be prescribed by the Authority in accordance with its approved fee schedule. Such fees shall include

26.1.1 An initial Licence and annual operating fees to be paid before a licence is issued for the specified licence duration;

26.1.2 On 1st July of each year, an annual operating fee based on a specified percentage (%) of the audited annual gross revenues accruing from the Licensed Services during the previous financial year, subject to a minimum fee as the Authority may prescribe from time to time

26.1.3 Annual frequency utilisation fees based on the amount of frequency resources utilized, if any, and computed in accordance with the approved methodology for charging broadcasting frequency fees by the Authority

26.1.4 Any other fee payable under this Licence including but not limited to Licence Renewal, ,Licence Transfer, licence amendment and change of business name/service identity.

26.2 Any of the fees due to the Authority under 26.1.1 to 26.1.3 that remain unpaid for ninety (90) days after they become due shall attract a penalty at the rate of 2% per cent per month, which shall become a debt owed to the Authority

26.3 The payment of any prescribed fee shall not be construed to be an automatic approval by the Authority for the service requested for.

27. CONDITION 27: RENEWAL OF THE LICENCE

27.1 The Authority may renew this Licence at the request of the Licensee following the expiry of the Licence Period for another licence term provided that the Authority has carried out a formal review to determine whether or not the Licence should be renewed.

27.2 The licence shall terminate upon expiry of the licence period if it is not renewed.

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27.3 The licensee shall submit an application for renewal twelve months before the licence expiry date and pay the prescribed licence renewal fee.

27.4 The Authority shall communicate the decision to the Licensee within six months from the date of application.

28. CONDITION 28: LICENCE TRANSFER

28.1 The Licensee shall not assign, delegate, transfer or encumber in any manner the rights, interests or obligations under this Licence without the prior, express and written consent of the Authority, such consent not to be unreasonably withheld or delayed.

28.2 The transfer of the license shall not include resources, if any, assigned by the Authority to the licensee whose license is subject of the transfer unless explicitly authorized by the Authority

29. CONDITION 29: LICENCE SUSPENSION

29.1 The Authority may suspend some/part of the operations of the licensee where the Licensee has breached a Condition in this Licence, and in the Authority's opinion the breach is of a material nature, and the Licensee has been notified of the breach of the license and has been given notice to comply within a specified period and failed to comply and even after being issued with a penalty has failed to pay the penalty and/or continues with the non-compliance.

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29.2 Where the Authority intends to suspend any of the services under this Licence pursuant to 29.1, the Authority shall issue a forty five (45) days' notice of its intention to suspend such service, which shall identify the breach and give the Licensee an opportunity to rectify the breach and/or make representations within that period.

29.3 After the expiry of the notice in 29.2 above, where the Authority is satisfied with the rectification of the cited breach and/or the representations made by the Licensee, it shall lift the suspension notice.

29.4 After the expiry of the notice in 29.2 above, and where the Authority is not satisfied with the rectification of the cited breach and/or the representations made by the Licensee, the Authority will issue the Licensee a notice that after a period of fifteen (15) days, the cited service shall be suspended.

29.5 The notice issued in 29.4 shall specify the duration of the suspension and the conditions for lifting of the suspension.

29.6 Where the Licensee rectifies the breach after suspension in 29.4 above, the suspension notice shall be lifted.

29.7 Where the licensee fails rectify the breach at the expiry of the suspension period, the Authority may revoke the License in accordance with Condition 30

30. CONDITION 30: LICENCE REVOCATION

30.1 Notwithstanding any other Condition in this License, the Authority may at any time revoke this Licence by giving six (6) months' notice in writing in any of the following circumstances:

30.1.1 If the Licensee has provided false information or withheld information with the intention of causing the Authority to be misled, either in purporting to comply with any condition of the license or in connection with the application for the license;

30.1.2 if the licensee communicates to the Authority in writing on their intention to terminate the Licence;

30.1.3 if the Licensee does not provide evidence of commencement of the provision of the Licensed Systems within the period stipulated herein from the Effective Date. The Licensee shall satisfy the Authority that it has complied with this requirement after a successful inspection by the officers of the Authority;

30.1.4 if any amount payable under Condition 26.2 is unpaid forty-five (45) days after the Authority notifies the Licensee that the payment is overdue, such notification not to be given earlier than fourteen (14) days after the date on which the payment is due;

30.1.5 if the Licensee has breached a Condition in this Licence, and in the Authority's opinion the breach is of a material nature, and the Licensee has failed to comply with any notice issued by the Authority under the Act or under the Regulations and thereafter has been given by the Authority a further sixty (60) days in which to make representations in relation to the matters set out in the earlier notice which the Authority has taken into account or matters which the Authority believes are relevant and the Licensee appears not to have taken into account;

30.1.6 if the Licensee is dissolved or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors.

30.2 After the end of the six (6) months' notice, the Authority shall publish a notice in the Kenya Gazette stating that it intends to revoke this Licence and setting out the reasons on which this intention is based. Revocation shall take effect seven (7) days following publication of the notice in the Kenya Gazette.

30.3 The revocation of the licence shall not in any way absolve the licensee from responsibility to settle debts and any other liabilities incurred as a result of previously providing the broadcasting service.

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31. CONDITION 31: LICENSEE'S TERMINATION RIGHT

31.1 The Licensee shall have the right to terminate this License provided a notice to terminate under this Section shall be given to the Authority and its clients, in writing, explaining the basis of such determination, with such termination to subsequently take effect no sooner than one hundred and twenty (120) days after such written notice was provided to the Authority. The Licensee shall also give its advertisers at least ninety (90) days notice of its decision to cease providing free to air television broadcasting services

31.2 The licensee shall be responsible for settling any claims or compensation demanded by its clients prior to termination of the licensed service.

31.3 The terminating licensee, in liaison with its clients may, upon obtaining consent by the Authority, appoint other licensed free to air television broadcasting service providers to take over its un-aired advertisements and programmes under mutually agreed terms and conditions.

32. CONDITION 32: INDEMNITY

32.1 The Licensee shall indemnify and keep indemnified the Authority against any and all losses, claims, charges, expenses, actions and demands whatsoever which it may incur or be subject to, as the case may be, as a result or in relation to:

32.1.1 any breach or alleged breach of or failure or alleged failure to observe or perform any condition of this licence by or on behalf of the Licensee; or

32.1.2 any act or omission by or on behalf of the Licensee in the actual or purported operation or performance of the Service or conditions of this Licence; or

32.1.3 any loss of business incurred by the licensee as a result of the Authority carrying out enforcement action due to licensee's non-compliance with any or a combination of licence terms and conditions.

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APPENDIXES

Appendix 1: Coverage Area(s)

List of Coverage area(s) provided in Appendix 1

Appendix 2: Programming

Appendix 2A: List of Programme Services

	Programme Segments	Total Weekly (%)
1	Community Programs	
2	Children Programs	
3	Music	
4	Sport	
5	Informative programs	
6	Marketing	
7	Educational Programs	
8	Others (Please specify)	
	Total	100%

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Appendix 2B: Programme Structure

Programme Structure		Total Weekly (%)
1	Local Programme	
	a) Self-produced Production	
	b) Co-production	
	c) Bought or owed program	
2	Re-broadcast programme	

3	**Exchanged program**	
4	**Other (Station Promos/Ads)**	
	Total	**100%**

APPENDIX 3: LICENSEE'S SHAREHOLDING STRUCTURE

The licensee shareholding structure as at the date of licence/renewal is as shown Appendix 3

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