

6- Intermediate services providers may set up service centres for long distance calls. Furthermore, the PTS franchisee may provide public telephone service outside its franchise area.

### ***5.3 Telecommunications Development Fund***

1- Creation of a telecommunications development fund for a 4-year period in order to increase telephone coverage in rural areas, deprived regions and regions with a low telephone penetration rate.

2- Project proposals must be submitted before September each year.

3- The types of projects accepted are: public telephones and call centres in the regions covered by the companies; for the other regions, the same projects but also installation of residence lines.

### ***5.4 Rates***

1- Definitive rates for long distance calls will be determined in accordance with formulas. National long distance rates consist of charges for access to the local network and national long distance rates for the intermediate provider. For international calls, rates consist of access charges, national long distance charges and costs associated with international connections.

2- A maximum rate structure will be adopted and must not be applied on a discriminatory basis.

3- Development costs, long term incremental costs and the rate structure will be calculated by means of a special study at 5-year intervals for each service.

### ***5.5 Market Share Restrictions***

1- Restrictions are for a 4-year period for national long distance and for 3 years for international calls.

2- Restrictions are based on a maximum number of billed minutes.

3- Penalties will be assigned if the carrier exceeds its permitted market share of accumulated minutes by 3%.

Finally, it should be noted that there is no specific law governing the cable market, the cellular market or the multimedia market. Thus, there is no standard governing provision of telephone service via cable or any restriction on rates. However, certain CTC executives claim that regulation of the cable sector will be introduced within a few years. However, Subtel executives do not share this view, since they say that their policy will always be to increase competition and allow the market to be regulated by competition.