

REGULATION

on the operations of electronic communications undertakings domiciled in states outside the European Economic Area

Article 1

An undertaking domiciled in a member state of the World Trade Organisation (WTO) but outside the European Economic Area (EEA) may operate an electronic communications network and provide electronic communications services in this country upon meeting the requirements set forth in Section III of the Telecommunications Act.

Article 2

The provisions of Section XVI of the Act on Public Limited Companies, no. 2/1995, concerning branches of foreign limited companies shall apply to branches and agency offices of foreign companies that operate electronic communications networks or provide electronic communications services in this country pursuant to this Regulation. The same shall apply to Section XVI of the Act Respecting Private Limited Companies, no. 138/1994, concerning branches of foreign private limited companies.

Article 3

The foreign undertaking's application for the authority to operate electronic communications services or networks shall include information on the proposed activities in this country, cf. Article 5 of the Telecommunications Act, no. 107/1999. The Post and Telecom Administration may require further information, including information on ownership and financial position, if the activities require a licence.

Article 4

The general authorisation or licence of the foreign undertaking shall specify the operating conditions for the undertaking. These shall be the same as those governing electronic communications undertakings that have been granted licences and that maintain headquarters in this country. The term *operating conditions* refers to the requirement that the operations be subject to Icelandic law and jurisdiction, such as legislation on taxation, administration of financial affairs, consumer affairs, and competition.

All legal transactions taking place as a result of the operation of electronic communications networks and services in this country shall be subject to Icelandic law and jurisdiction.

Article 5

Branches and agency offices of foreign electronic communications undertakings shall maintain separate accounting for the operations taking place in this country.

Article 6

Should the Post and Telecom Administration revoke a foreign undertaking's licence for operations, its branches or agency offices in this country shall be closed.

Article 7

Should a foreign undertaking become insolvent, or should it be dissolved or its operations discontinued in another manner, this shall be reported immediately, and no more than fourteen (14) days later, to the Post and Telecom Administration and, as appropriate, to the Register of Limited Companies or the Register of Firms.

Article 8

This Regulation, which is set based on the authority contained in Article 4 of the Telecommunications Act, no. 107/1999, shall enter into force immediately.

Ministry of Communications, 19 September 2000

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