

[Translation from Swedish into English]

**Open invitation to apply for a national licence
to use radio transmitters for the provision of
public electronic communications services
using digital technology in the 450 MHz band**

Information for applicants

23 December 2004
rev 17 January 2005

1. Open invitation

In accordance with Chapter 3, Section 8 of the Electronic Communications Act (EkomL) (2003:389) and the National Post and Telecom Agency's Regulations on a national licence to use radio transmitters for the provision of public electronic communications services using digital technology in the frequency range 463.0-464.8/453.0-454.8 MHz (PTS Code of Statutes – PTSFS 2004:13), the National Post and Telecom Agency (PTS) hereby invites all interested parties to apply for a licence and participate in the tender procedure that will constitute the basis of selection for the allocation of the licence.

To participate in the procedure, applicants must submit a written application and a tender. PTS will thereafter consider the applications and rank the tenders in accordance with the Regulations.

An applicant should, when formulating its application, observe the Regulations (PTSFS 2004:13).

References to Sections relate to these Regulations, unless otherwise stated.

2. Licence and licence conditions

The licence holder will be allowed access to the frequencies 463.0-464.8/453.0-454.8 MHz as soon as the auction procedure is concluded and PTS has issued the licence.

PTS intends to allow the licence and the licence conditions to apply for fifteen (15) years. (Section 8)

The licence will be combined with conditions, in accordance with the Appendix to this invitation.

The licence holder must, before starting to transmit, apply to PTS for a licence for individual radio transmitters in accordance with Chapter 3, Section 6, EkomL. Upon such an application, a consideration will be conducted in accordance with the said Section, among other things to ensure reasonable freedom from interference in adjacent frequency bands.

3. Processing charge

For those who wish to participate in the tender procedure, a processing charge of one hundred and twenty-five thousand (125 000) kronor shall be paid. (Section 12) Payments should be made into PTS's postal giro account 95 78 62-6 (payments from abroad, IBAN SE63 9500 0099 6026 0957 8626). It should be clearly stated on the paying-in slip that the payment relates to participation in the '450-auktionen' (for example, by the paying-in slip being endorsed with the text '*Ansökningsavgift 450*' [Application Fee 450]) together with details about which application the charge refers to.

If the processing charge has not been received by PTS by the end of the application period at the latest (i.e. no later than by 15.00 on 9 February 2005), the application will not be considered. (Section 16)

4. Application

The application, in duplicate, must have been received at PTS's head office at Birger Jarlsgatan 16, Stockholm, no later than by 15.00 on 9 February 2005. It may be appropriate to deliver it directly at PTS's offices.

Applications that are received after the expiry of the application period will not be considered. (Section 16) In accordance with Section 20 of the Electronic Communications Ordinance (2003:396), an application cannot be supplemented later, except at the direction of PTS.

The application should contain information about the applicant in the form of:

- details of contact person and address details,
- registration certificate from the Swedish Companies Registration Office (Bolagsverket) or equivalent documents with details of authorised signatory(ies), and
- any powers of attorney in original.

The applicant should show that it is probable that the application is technically feasible and that the applicant has the financial capacity to satisfy the licence conditions. (Section 11) This means that the applicant should state in its application what technology it is intended to use and comprehensively describe the planned network architecture and development. PTS will then with these details be able, among other things, to verify that that the technology that the applicant wishes to use can be placed in the 1.8 MHz bandwidth. Moreover, the applicant shall in its application briefly describe its assumptions concerning costs, revenue and investment requirements, briefly describe the capital requirements for the operation during the development period and also describe how the applicant intends to satisfy these requirements.

The applicant should clearly indicate any details that are deemed to comprise business secrets. Upon a request for the release of documents, in accordance with the principle of access to official information, PTS will decide whether secrecy should apply for the details in accordance with the Secrecy Act (1980:100).

5. Tender

The applicant shall submit, together with the application, a tender in a sealed envelope containing details of the amount that the applicant is willing to pay for the licence. (Section 13)

Tenders that are received after the expiry of the application period will not be entertained. (Section 17)

If a tender is not submitted, the application will not be considered.

6. Consideration of the applications

PTS will consider whether the applicant has shown that it is probable that the applicant is capable of conducting the operation in accordance with the licence. This consideration aims to ensure that the requirement contained in Chapter 3, Section 8, EkomL is satisfied; that is to say that there are more parties *who wishes and who would be able* to conduct the operation permitted by the licence. An applicant that has satisfied the requirements may participate in the subsequent tender procedure (auction procedure). Any applicant that has not been able to show in its application that it probably has the capacity will not be allowed to participate in the auction procedure. (Section 18)

If more than one applicant satisfies the requirements, consideration will proceed further with an auction procedure.

7. Auction procedure

The auction will be determined following submission of sealed tenders. The applicant that has submitted the highest tender will be allocated the licence after the tender amount has been paid. (Section 19)

The tenders will be opened on Thursday 17 February, at 13.00.

The tenders will be opened by the Registrar of PTS in the presence of the Director-General and the Senior Legal Officer. Any applicant that participates in the application procedure will have an opportunity to attend at the opening with one (1) representative.

After the opening of the tenders, the tenders will be ranked in accordance with the Regulations. (Section 19) If two or more applicants have submitted a tender for the same amount they will be ranked following the drawing of lots. (Section 20) The drawing of lots will take place in direct conjunction with the opening of the tenders. The tenders and ranking will be announced on PTS's website.

The applicant that has submitted the highest tender shall ensure that this amount is received by PTS within two weeks of the opening of the tenders.

If the applicant does not pay this amount within the said two weeks, the application will be rejected. (Section 21) The ranking will then be adjusted in such a way that the applicant that has submitted the next highest tender will instead be deemed to have submitted the highest tender and thereby be ranked highest. This will be announced on PTS's website. This applicant shall, within two weeks of the announcement, pay the amount it tendered in accordance with that stipulated above. The procedure will continue in the same way if that applicant does not pay within two weeks either. (Section 21)

When the tender amount has been paid, PTS will make a decision on the issue of a licence.

8. Summary – what should be submitted

In order to participate in the procedure, the following should be submitted to PTS no later than by 15.00 on 9 February 2005.

- An application in duplicate containing details of contact person, documents showing authorisation and description of the technical solution and financial capacity in accordance with that stated above,
- A sealed envelope with details of the amount the tenderer is prepared to pay for the licence (tender).

9. Coordination and protection

There are currently no coordination agreements with any of our neighbouring countries for radio use in this frequency band. Consequently, restrictions may be necessary in connection with an application for a licence for individual radio transmitters in border areas. Such restrictions may, for example, comprise limitations on the beam direction of the transmitters, etc.

10. Questions and information

Questions concerning the procedure can be presented by e-mail to address (450digital@pts.se).

Questions and PTS's answers will be published on PTS's website (www.pts.se) under the heading Spectrum – Sector Information – 450 MHz band – Questions and answers for applicants.

Appendix

Draft decision on licence