

National Post and Telecom Agency

Code of Statutes



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The National Post and Telecom Agency Regulations on licences to use radio transmitters in the 2500–2690 MHz band;

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decided on XXX.

Pursuant to Sections 18 to 20 of the Electronic Communications Ordinance (2003:396), the following is prescribed.

Scope and definitions

Section 1 These Regulations contain the National Post and Telecom Agency's provisions concerning limitation of the number of licences and regulation pertaining to the spectrum cap in addition to the application and auction procedures in connection with an open invitation to apply for a licence to use radio transmitters in the 2500–2690 MHz band in accordance with Chapter 3, Sections 7 and 8 of the Electronic Communications Act (2003:389).

Section 2 In this enactment the following are defined

Auction: A bidding procedure with bidding rounds where the price (bid) the bidder is willing to pay for each frequency block is decisive. This procedure pertains to the frequency blocks in accordance with Section 6.

Bid: A binding offer from a bidder to pay an amount in exchange for a certain frequency block included in the auction.

Bidder: A party who has submitted a complete application to the National Post and Telecom Agency that has been deemed to fulfil the requirements stipulated in Sections 9 to 13.

Bidding round: A round in the auction with the opportunity to place bids for frequency blocks.

Eligibility: The right of a bidder to place a bid in the auction. Eligibility is indicated as a number of points.

Standing highest bid: A bid which immediately after each bidding round has been determined to be the currently highest bid on a frequency block.

Group of companies: A group of companies consisting of a parent company and subsidiary(ies) in accordance with Chapter 1, Section 4 of the

Annual Accounts Act (1995:1554).

Points: The value that each frequency block has been assigned by the National Post and Telecom Agency. Points are used when calculating activity and eligibility.

Winning bid: The standing highest bid pertaining to a certain frequency block after the auction has been concluded, which means that the bidder has won the bidding for that frequency block.

Assignment procedure

Section 3 Licences are assigned through an auction in accordance with these Regulations. This auction is conducted electronically with the possibility of several bidding rounds.

Licences and points

Limitation of the number of licences and spectrum cap

Section 4 The National Post and Telecom Agency limits the number of licences for using a radio transmitter in the frequency band 2500–2690 MHz to a maximum of fifteen licences comprising one frequency block each.

The frequency band 2570–2620 MHz comprises one frequency block. The frequency bands 2500–2570 and 2620–2690 MHz comprise 14 frequency blocks of 2x5 MHz each.

Section 5 In each bidding round, bidders may bid for a maximum of 140 MHz.

Licence conditions and points

Section 6 Licences will in accordance with Chapter 3, Section 11 of the Electronic Communications Act be associated with the conditions stated in the second to fifth paragraphs together with the open invitation to apply for a licence that the National Post and Telecom Agency will issue.

These are national licences.

Each licence is associated with conditions concerning the assignment of frequencies and each frequency block in the auction has a number of points as shown below:

Frequency block	Terminal and repeater: uplink transmission (MHz)	Base station and repeater: downlink transmission (MHz)	Points
FDD1	2500–2505	2620–2625	1
FDD2	2505–2510	2625–2630	1
FDD3	2510–2515	2630–2635	1

FDD4	2515–2520	2635–2640	1
FDD5	2520–2525	2640–2645	1
FDD6	2525–2530	2645–2650	1
FDD7	2530–2535	2650–2655	1
FDD8	2535–2540	2655–2660	1
FDD9	2540–2545	2660–2665	1
FDD10	2545–2550	2665–2670	1
FDD11	2550–2555	2670–2675	1
FDD12	2555–2560	2675–2680	1
FDD13	2560–2565	2680–2685	1
FDD14	2565–2570	2685–2690	1

Frequency block	Terminal, base station, and repeater: uplink and downlink transmission (MHz)	Points
TDD1	2570–2620	5

The frequency blocks FDD1 to FDD14 are associated with required use of FDD, Frequency Division Duplex.

The frequency block TDD1 is associated with required use of TDD, Time Division Duplex.

Prohibitions against collusion

Section 7 Bidders may not collude before or during this auction.

Application

Section 8 The National Post and Telecom Agency announces that it will accept applications for licences to use radio transmitters in the frequency blocks stated in Section 4 through an open invitation.

Section 9 Applicants must submit a written application under sealed cover to the National Post and Telecom Agency in order to be allowed to participate in the auction. Applications are to have been received no later than the date stated in the invitation.

Applications will be opened on the date stated in the invitation.

Section 10 The application must be made on a special application form drawn up by the National Post and Telecom Agency and be signed by an authorised signatory. If this party is not an authorised signatory according to an extract from the Trade and Industry Register, or the equivalent for foreign applicants, a power of attorney for such authorisation must be submitted together with the application.

The application form is available as an appendix to the invitation and will also be published on the National Post and Telecom Agency’s website,

Section 11 The application must contain the following:

Information about the applicant

- the name of the applicant's authorised signatory supplemented with, an extract from the Trade and Industry Register or the equivalent for foreign applicants,
- organisation/corporate identity/personal identity (ID) number or the equivalent for foreign applicants,
- postal address,
- the name of the contact person authorised to represent the applicant during the auction, including his or her telephone number and e-mail address.

Information about companies associated with the applicant

- which legal entities are a part of the same group of companies as the applicant.

A declaration stating that

- the applicant is not insolvent,
- bids that are placed in the auction are made by the applicant,
- the applicant has not had a licence revoked by the National Post and Telecom Agency in accordance with Chapter 7, Section 6, items 2 and 4 of the Electronic Communications Act in the four most recent years prior to the application deadline for the auction,
- the applicant fulfils or will fulfil the provisions in these Regulations by the point in time of the application and during the auction procedure.

Associated companies

Section 12 If two or more applicants are associated companies only one of them may participate in the auction. Such applicants shall, as requested by the National Post and Telecom Agency, state which applicant is to participate in the auction. If this request is not complied with, none of the associated companies may participate in the auction.

Associated companies are deemed to be applicants that are part of the same group of companies.

Bank guarantee

Section 13 Applicants must submit a bank guarantee to the National Post and Telecom Agency within the period of time and in the manner and with the content indicated in the invitation.

The National Post and Telecom Agency may only exercise the bank

guarantee if the bidder does not pay the processing charge or auction amount according to Section 30.

The bank guarantee must be issued in Swedish kronor (SEK). The bank guarantee must be issued by a bank in a country that is a member of the EEA (European Economic Area) Agreement.

The bank guarantee must at least correspond to the number of points the applicant intends to place a bid for in the first bidding round. The amount of the bank guarantee per point is indicated in the invitation.

Auction procedure

Bidding

Section 14 The National Post and Telecom Agency will only consider bids having arrived within the period of time and in the manner decided by the National Post and Telecom Agency during the auction procedure and will be announced to the bidders via the auction system.

The starting and end times of the bidding rounds are decided by the National Post and Telecom Agency and are announced to bidders via the auction system before the start of the bidding round.

The standing highest bids are known to bidders in the auction.

Section 15 The first bidding round of the auction will start with a minimum bid for each frequency block. The minimum bids are stated in the invitation.

Section 16 Before each bidding round, the National Post and Telecom Agency will determine one or more permitted bidding increments. The bidding increments are announced to bidders via the auction system.

Section 17 A bidder may in each bidding round place bids for frequency blocks whose total number of points correspond to the bidder's eligibility. Eligibility is determined at the end of each bidding round.

Eligibility

Section 18 In the first bidding round the bidder's eligibility amounts to the number of points corresponding to the bank guarantee. The eligibility of the bidder may, however, never exceed 14 points.

Section 19 In each bidding round after the first bidding round, the bidder's eligibility amounts to the level of activity in accordance with Section 20 in the newly concluded bidding round and possible points received in accordance with the second paragraph through a bid being reactivated.

If a bid for a frequency block becomes the standing highest bid in the newly concluded bidding round as a result of the bidder previously having

the standing highest bid switching its bid, the eligibility of the bidder will be raised with the number of points of the frequency block in the following bidding round. If the bidder lacked eligibility previously and only one bid is reactivated, and the number of points of the frequency block amounts to one, the eligibility of the bidder is raised to two points.

Section 20 The bidder's level of activity in a bidding round is determined immediately after the bidding round and is indicated as a number of points. The level of activity amounts to the total of a) points in terms of the standing highest bid(s) on frequency blocks possessed at the beginning of the bidding round, plus b) points pertaining to bids on frequency blocks placed during the bidding round, less c) points for standing highest bid(s) on frequency blocks cancelled during the bidding round in accordance with Section 21.

Cancelling bids

Section 21 By cancelling a bid, the bidder is no longer bound to pay the relevant amount. A placed bid may only be cancelled if the bidder replaces it with a higher bid for the same frequency block or if the bidder replaces it with one or more switched bids in accordance with Section 22.

Switching bids

Section 22 If the bidder has sufficient eligibility, the bidder may switch one or more bids placed to refer to one or more other frequency blocks if the respective bid is higher than the standing highest bid for the frequency block the bid is switched to.

If the switch means that a bidder switches back to a frequency block where the bidder previously had a bid placed, the new bid must also be placed at a greater amount than the bidder's previous bid.

Bids may not be switched to frequency blocks where the bidder already has placed a bid.

The number of points pertaining to the bid(s) switched must be the same before and after the switch.

Waivers

Section 23 A bidding round may be waived on no more than three occasions during the auction without eligibility being reduced. However, it is not possible to waive the first bidding round.

Ranking of bids

Section 24 Immediately following each bidding round, all bids will be ranked in order of size.

If two or more bidders have placed equal bids, these bids will be ranked by drawing lots.

The bid on each frequency block that has been ranked first is the standing highest bid on that frequency block.

Barred participation

Section 25 During the auction, if it becomes known to the National Post and Telecom Agency that a bidder has submitted incorrect information in its application or otherwise not complied with the provisions in these Regulations, the National Post and Telecom Agency may bar this party from participation in the auction.

Interruption of the auction

Section 26 The National Post and Telecom Agency may, if unforeseen events have a major impact on the auction, temporarily or entirely interrupt a certain bidding round or the auction. Under such circumstances, the National Post and Telecom Agency is entitled to, when appropriate

- resume the auction or bidding round at the phase when the bidding was interrupted, or
- declare the auction or one or more bidding rounds to be invalid and restart the auction from the beginning or from a certain bidding round.

Conclusion of the auction

Section 27 The auction is at the earliest concluded when a bidding round in the auction has been concluded without any bidding having taken place or anyone waived a bidding round in accordance with Section 23.

When the auction has been concluded, the party with the standing highest bid for each frequency block has won the bidding for that frequency block.

A bid ceases to be binding after the auction has been concluded if the bid is not a winning bid.

Assignment

Section 28 The party that won the bidding for at least one frequency block will be assigned the licence through a decision following the conclusion of the auction.

Section 29 If, following the conclusion of the auction, it becomes known to the National Post and Telecom Agency that bidders have submitted incorrect information or otherwise have not complied with the provisions in these Regulations, the outcome of the auction will not be changed for other

bidders.

Auction amount and processing charge

Section 30 The winning bidder must pay the auction amount and processing charge within the period of time and in the manner indicated in the invitation.

The processing charge amounts to x kronor per MHz.

If the bank guarantee must be exercised, it will primarily be used to pay for the processing charge and, secondarily, the auction amount.

This enactment enters into force on ~~XXX~~ and applies until the end of 30 June 2009.

On behalf of the National Post and Telecom Agency

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