

**AUCTION OF  
10.5 GHz SPECTRUM RIGHTS**

**AUCTION RULES**

26 December 2007

INFO-COMMUNICATIONS DEVELOPMENT  
AUTHORITY

REPUBLIC OF SINGAPORE

# AUCTION RULES

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# **AUCTION RULES**

## **PART 1 – PRE-AUCTION**

### **SECTION 1 – 10.5 GHZ SPECTRUM LOTS AND 10.5 GHZ SPECTRUM RIGHTS**

#### **10.5 GHz Spectrum Lots and 10.5 GHz Spectrum Rights**

1.1 These Rules set out the procedures by which IDA may grant 10.5 GHz Spectrum Right(s) in respect of all or any of the eight Spectrum Lots specified in Annex 1.

1.2 The Reserve Price for each 10.5 GHz Spectrum Lot is S\$50,000, which price is exclusive of the applicable GST.

1.3 Only the existing holders of FBO Licences or the Singapore Armed Forces, the Singapore Police Force or the Singapore Civil Defence Force may submit an Initial Offer, participate in this Auction and/or be granted a 10.5 GHz Spectrum Right in respect of one or more 10.5 GHz Spectrum Lots.

### **SECTION 2 – APPLICATIONS AND INITIAL OFFER PROCESS**

#### **Submission of Applications**

2.1.1 A party wishing to be registered as a Bidder in order to participate in the Auction must submit a complete application in accordance with Sections 2.3.1, 2.3.2, 2.4.1 and 2.4.2 comprising:

(a) a duly completed Initial Offer Document (accompanied by the documents specified in the Initial Offer Document); and

(b) a Bank Guarantee for the Initial Guaranteed Amount,

delivered by hand to:

Info-communications Development Authority of Singapore  
8 Temasek Boulevard  
#14-00 Suntec Tower Three  
Singapore 038988

For the attention of: Mr Andrew J. Haire

by no later than 6.00 pm on the Application Date.

2.1.2 IDA shall reject any application (including any parts thereof) that is submitted after 6.00 pm on the Application Date.

#### **Registration of Bidders**

2.2.1 IDA will review each application submitted under Section 2.1.1 in order to determine whether:

- (a) the application complies with these Rules; and
- (b) the party who submitted the application should be registered as a Bidder entitled to participate in the Auction.

2.2.2 In determining whether a party who submitted an application under Section 2.1.1 should be registered as a Bidder entitled to participate in the Auction, IDA may consider, among other things:

- (a) whether it would be in the public interest for such party to be granted a 10.5 GHz Spectrum Right for the purpose of operating point-to-point (P2P) or point-to-multipoint (P2MP) radio systems for wireless backhaul; and
- (b) all or any facts, circumstances or matters which IDA considers to be relevant including the financial or personal probity and standing of the applicant or any company in the same corporate Group as the applicant or any director or shareholder of the applicant or of any such company.

2.2.3 IDA may request at any time such clarification or additional information or documents, from any party which has submitted an application under Section 2.1.1, as may reasonably be required for the purpose of making its determination pursuant to Section 2.2.1. If that party fails to submit such clarification, information or documents to IDA by such time as has been specified by IDA, that party's application may be declared invalid by IDA by notice in writing to that party and IDA will promptly return that party's Bank Guarantee to him.

2.2.4 If a party wishing to participate in the Auction is a holder of an existing FBO Licence, that party's Initial Offer Document will be invalid unless such party agrees to the modification of its existing FBO Licence, in such manner as IDA requires, if such party is provisionally awarded a 10.5 GHz Spectrum Right.

2.2.5 If IDA determines, at its discretion, that:

- (a) an application submitted by a party under Section 2.1.1 complies with these Rules; and
- (b) such party may be registered as a Bidder,

IDA will notify that party within five Business Days of the Application Date (or such later date as is determined by IDA), that he is registered as a Bidder entitled to participate in the Auction and of the identities of all other registered Bidders entitled to participate in the Auction.

2.2.6 If IDA determines, at its discretion, that:

- (a) an application submitted by a party under Section 2.1.1 does not comply with these Rules; or
- (b) such party should not be registered as a Bidder,

IDA will notify that party within five Business Days of the Application Date (or such later date as may be determined by IDA), that he shall not be registered as a Bidder and shall not be entitled to participate in the Auction. IDA shall be under no obligation to give any reason for its decision in this respect.

2.2.7 If IDA notifies any party who submitted an application under Section 2.1.1 that he shall not be registered as a Bidder, IDA will promptly return that party's Bank Guarantee to him.

### **Initial Offers**

2.3.1 An Initial Offer Document shall:

- (a) confirm a Bidder's commitment to participate in the Auction;
- (b) specify the 10.5 GHz Spectrum Lot(s) for which the Bidder is submitting an Initial Offer;
- (c) specify the names of a maximum of twelve Authorised Representatives of the Bidder; and
- (d) be accompanied by specimen signatures and documentary evidence satisfactory to IDA of the appointment of each of such Authorised Representatives as a person having authority to act alone on behalf of, and bind, the Bidder in the Auction.

2.3.2 An Initial Offer submitted by a Bidder in its Initial Offer Document shall be legally binding on that Bidder in respect of the 10.5 GHz Spectrum Lot(s) specified by that Bidder in its Initial Offer Document, until such time as IDA:

- (a) notifies such Bidder in accordance with Section 2.2.6 that it shall not be registered as a Bidder and shall not be entitled to participate in the Auction; or
- (b) issues a Provisional Award Notice in accordance with Section 2.6.1 in respect of each of the 10.5 GHz Spectrum Lot(s) specified by the Bidder in its Initial Offer Document to one or more other Bidders.

For the purpose of Sections 2.3.1 and 2.3.2, **Bidder** shall include a party who has submitted an application under Section 2.1.1.

### **Bank Guarantee and Additional Bank Guarantee**

2.4.1 The Initial Guaranteed Amount for a Bidder which submits an application under section 2.1.1 shall be calculated as follows:

***Initial Guaranteed Amount = 1.5 x Reserve Price x No. of 10.5 GHz Spectrum Lot(s) in Initial Offer***

2.4.2 If the Initial Guaranteed Amount for which a Bidder's Bank Guarantee is issued has not been calculated correctly and is lower than it would have been if calculated correctly, IDA shall notify that Bidder that he is required to submit a Bank Guarantee for the Initial Guaranteed Amount as correctly calculated within two Business Days of such notification. A Bidder which fails to submit such a Bank Guarantee within such period shall not be permitted to participate in the Auction.

2.4.3 If in any Round, the aggregate value of all Valid Bids submitted by a Bidder is equal to or exceeds the Initial Guaranteed Amount of that Bidder, that Bidder shall submit to IDA an Additional Bank Guarantee for an amount equal to the Initial Guaranteed Amount.

2.4.4 A Bidder must submit to IDA an Additional Bank Guarantee by not later than 9.00 am on the second Business Day after the day on which its obligation to submit such Additional Bank Guarantee arose under Section 2.4.3. IDA may, if requested in writing submitted in accordance with Section 17.1, allow a Bidder one further Business Day within which an Additional Bank Guarantee may be submitted. If IDA agrees to such a request, such Additional Bank Guarantee must be submitted by not later than 9.00 am on the third Business Day after the day on which its obligation to submit such Additional Bank Guarantee arose under Section 2.4.3.

2.4.5 Any Bidder which fails to submit an Additional Bank Guarantee in accordance with Section 2.4.4 will be deemed excluded from the Auction and may not be re-admitted to take part in the Auction or any restart of the Auction. IDA may determine that such a Bidder is subject to a Forfeiture in accordance with Section 8.2.2 and IDA may draw upon that Bidder's Bank Guarantee for an amount up to the Guaranteed Amount. Subject to that Bidder's payment of any Forfeiture Amount, IDA will promptly return that Bidder's Bank Guarantee to that Bidder.

2.4.6 Any Additional Bank Guarantee shall be in addition to and shall not replace any Bank Guarantee previously submitted pursuant to these Rules.

**Determination as to whether Auction is to proceed**

2.5.1 Subject to Section 2.5.2:

- (a) if IDA receives more than one Initial Offer in respect of each of the eight 10.5 GHz Spectrum Lots, the Auction will proceed; or
- (b) if IDA receives only up to one Initial Offer for each of the eight 10.5 GHz Spectrum Lots, the Auction will not proceed.

2.5.2 In the event that the total number of Initial Offers received by IDA does not exceed eight, but there is more than one Initial Offer received in respect of any of the eight 10.5 GHz Spectrum Lots, the Bidders agree that IDA may take the following action:

- (a) IDA may propose an allocation plan in respect of the Initial Offers submitted. Where possible, IDA will seek to allocate the 10.5 GHz Spectrum Lots to the Bidders on a “closest fit” basis provided that nothing shall limit IDA’s discretion to allocate in such manner as it considers appropriate. IDA will inform each of the Bidders individually of the 10.5 GHz Spectrum Lots that has been allocated to that Bidder. Where all the Bidders agree to accept the 10.5 GHz Spectrum Lots as allocated by IDA, the Auction will not proceed;
- (b) In the event that any Bidder rejects the 10.5 GHz Spectrum Lots that IDA has allocated to that Bidder, the Auction will proceed in respect of all eight 10.5 GHz Spectrum Lots;

2.5.3 Notwithstanding any other provision of these Rules, IDA may at any time prior to the Auction Start Date determine that the Auction will not proceed. In such event, IDA may elect not to grant 10.5 GHz Spectrum Right(s) in respect of all or any of the 10.5 GHz Spectrum Lots or may grant 10.5 GHz Spectrum Right(s) in respect of all or any of the 10.5 GHz Spectrum Lots by any manner which it considers appropriate.

2.5.4 If IDA determines that the Auction will not proceed, IDA will notify each Bidder. In addition, if IDA elects not to grant 10.5 GHz Spectrum Right(s) in respect of all of the 10.5 GHz Spectrum Lots, IDA will promptly return each Bank Guarantee to the relevant Bidder which submitted that Bank Guarantee.

2.5.5 If IDA determines that the Auction will proceed, IDA will notify each Bidder within seven Business Days of the Application Date that the Auction will proceed. For the avoidance of doubt, in the event that the Auction proceeds, IDA will auction all of the eight 10.5 GHz Spectrum Lots.

### **Awards at Reserve Prices**

2.6.1 If the Auction does not proceed in accordance with Section 2.5.1(b) or 2.5.2(a), IDA may provisionally award 10.5 GHz Spectrum Right(s) in respect of all or any of the 10.5 GHz Spectrum Lots to the relevant Bidder(s) pursuant to their Initial Offer(s) or in such manner as allocated by IDA, as the case may be. The Base Year Charge for each 10.5 GHz Spectrum Lot awarded under this Section 2.6.1 shall be equal to the sum of the Reserve Price and the Administrative Fee. The Annual Charge for each 10.5 GHz Spectrum Lot awarded under this Section 2.6.1 shall be equal to the Administrative Fee.

Such provisional awards will be made by issuing to each relevant Bidder a Provisional Award Notice notifying that Bidder of:



- (a) the specific 10.5 GHz Spectrum Lot(s) included in the 10.5 GHz Spectrum Right which that Bidder is provisionally awarded;
- (b) the sum of the Base Year Charges in respect of the 10.5 GHz Spectrum Lot(s) included in the relevant 10.5 GHz Spectrum Right;
- (c) the sum of the Annual Charges in respect of the 10.5 GHz Spectrum Lot(s) included in the relevant 10.5 GHz Spectrum Right;
- (d) the Application and Processing Fee in respect of the 10.5 GHz Spectrum Lot(s) included in the relevant 10.5 GHz Spectrum Right; and
- (e) details of the IDA Bank Account.

Any 10.5 GHz Spectrum Lot which is not provisionally awarded in accordance with this Section 2.6.1 may at any time after the Auction be offered by IDA in another auction or allocated in such other manner as IDA deems appropriate.

2.6.2 In the event that one or more 10.5 GHz Spectrum Lots are provisionally awarded under Section 2.6.1, IDA will issue Provisional Award Notices to the relevant Bidder(s) within ten Business Days of the Application Date.

2.6.3 A Bidder which has been issued a Provisional Award Notice will, prior to the date which is seven Business Days after the date of issue of the Provisional Award Notice (***Final Payment Date***), transfer to the IDA Bank Account the 10.5 GHz Spectrum Right Initial Payment. If the 10.5 GHz Spectrum Right Initial Payment is received in the IDA Bank Account prior to or on the Final Payment Date, IDA will: (a) grant that Bidder a 10.5 GHz Spectrum Right in respect of the 10.5 GHz Spectrum Lot(s) provisionally awarded to that Bidder, and (b) return that Bidder's Bank Guarantee within seven Business Days of the Final Payment Date. If the 10.5 GHz Spectrum Right Initial Payment is not received prior to or on the Final Payment Date, that Bidder will not be granted a 10.5 GHz Spectrum Right. IDA may determine that that Bidder is subject to a Forfeiture in accordance with Section 8.2.2 and IDA may draw down upon that Bidder's Bank Guarantee for an amount up to the Guaranteed Amount.

2.6.4 A 10.5 GHz Spectrum Right granted in accordance with Section 2.6.3 shall be effective as of the Effective Date in accordance with the terms and conditions of such 10.5 GHz Spectrum Right. If the procedure for award of the 10.5 GHz Spectrum Right has not been completed by that date, the 10.5 GHz Spectrum Right shall become effective on such later date as IDA may determine. Payment of a 10.5 GHz Spectrum Right Initial Payment shall constitute settlement of the Base Year Charge for a 10.5 GHz Spectrum Right.

### **SECTION 3 – AUTHORISED REPRESENTATIVES, INFORMATION SESSION AND TRIAL AUCTION**

3.1 If IDA has determined that the Auction will proceed, IDA will hold an Information Session on or before the twelve Business Day following the Application Date and a Trial Auction on or before the fourteenth Business Day following the Application Date.

3.2 IDA will notify all Bidders of the date, time and location of the Information Session and the date, time and location of the Trial Auction at least one Business Day in advance.

3.3 The purpose of the Information Session and Trial Auction is to provide the Bidders with an opportunity to clarify any matter relating to these Rules, the Auction framework and the Bidding Procedure, and to familiarise themselves with the Auction framework and the Bidding Procedure.

3.4 Each of a Bidder's Authorised Representatives must be named in the Disclosure List submitted by that Bidder in its Initial Offer Document. A Bidder must have at least one and may have no more than twelve Authorised Representatives at any time, provided that no more than six Authorised Representatives of any Bidder will be permitted at the Auction Location at any one time. No change in the Authorised Representatives present at the Auction Location will be permitted during a Session. A Bidder may replace any of its Authorised Representatives at any time prior to the commencement of the Information Session upon written notification to IDA submitted in accordance with Section 17.1, provided that:

- (a) the particulars and documentation referred to in Section 2.3.1 (c) and (d) in respect of the new Authorised Representative(s) are submitted to IDA at such time; and
- (b) each new Authorised Representative must be named in the Disclosure List submitted by that Bidder in its Initial Offer Document.

3.5 Each Authorised Representative of each Bidder is required to attend the Information Session and to take part in the Trial Auction and immediately thereafter will submit a written declaration to IDA (in the form stipulated by IDA) stating that such Authorised Representative understands the Rules and Auction framework and the Bidding Procedure and undertakes to observe the Rules and Auction framework and Bidding Procedure. Failure to do so will invalidate the relevant Authorised Representative's appointment.

3.6 If an Authorised Representative of a Bidder does not attend the Information Session and/or does not take part in the Trial Auction and/or does not submit the written declaration required by Section 3.5, that Authorised Representative will not be permitted to represent the Bidder in the Auction.

## **SECTION 4 – NON-PARTICIPATION IN AUCTION**

4.1 Once a Bidder has been notified that it is a registered Bidder in accordance with Section 2.2.5, that Bidder may not withdraw any offer contained in its Initial Offer Document or otherwise cease to participate in the Auction unless it is excluded by notice from IDA pursuant to these Rules or it is deemed to have retired from the Auction pursuant to Section 7.4.2.

## **PART II - AUCTION FRAMEWORK**

### **SECTION 5 – COMMENCEMENT AND DURATION OF AUCTION**

5.1 Only Bidders which have been notified that they are registered Bidders in accordance with Sections 2.2.5 will be permitted to participate in the Auction. A Bidder which has been excluded from the Auction by notice from IDA pursuant to these Rules or which has been deemed to have retired from the Auction pursuant to Section 7.4.2 will not be permitted to participate, or participate further, in the Auction or any restart of the Auction (save that a Bidder which has been deemed to have retired from the Auction shall remain bound by any Valid Bid it has submitted at an Exit Price in accordance with Section 7.4.3). IDA may exclude a Bidder from the Auction at any time by giving notice to such Bidder pursuant to Sections 2.4.5, 8.1, 13.2 and/or 18.2. Any Valid Bid submitted by a Bidder which is excluded from participation in the Auction pursuant to these Rules shall immediately lapse and cease to have any effect.

5.2 On the Notification Date, IDA will notify all Bidders of:

- (a) the Going Price for the first Round which shall be the same as the Reserve Price;
- (b) the Auction schedule, specifying:
  - (i) the time at which the Auction will start and finish on the first day of the Auction;
  - (ii) the time at which each Session and the first Round will start and finish on the first day of the Auction;
  - (iii) the minimum time period for each Round (which will be no less than ten minutes); and
  - (iv) the minimum time period between the end of a Round and the start of the following Round (which will be no less than ten minutes).

5.3 The Auction will commence simultaneously in respect of all 10.5 GHz Spectrum Lots. The Auction will commence on the Auction Start Date at the time specified in the notification given under Section 5.2 unless Bidders are notified otherwise. The Auction will continue until it is considered closed in

accordance with Section 10, unless cancelled, suspended or restarted by IDA pursuant to these Rules. Unless the Bidders are notified otherwise by IDA at any time, the Auction will consist of a series of Rounds which will take place during:

- (a) a morning session to be held on a Business Day, which will start at 9.30 am (or such other time as IDA may from time to time determine) and finish at 12.30 pm (or such other time as IDA may from time to time determine) (***Morning Session***); and
- (b) an afternoon session to be held on a Business Day, which will start at 2.30 pm (or such other time as IDA may from time to time determine) and finish at 5.30 pm (or such other time as IDA may from time to time determine) (***Afternoon Session***).

5.4 Following the end of the last Round of the last Session of each day of the Auction, IDA will notify each Bidder of:

- (a) the times at which the Auction will start and finish on the next Business Day; and
- (b) the times at which each Session will start and finish on the next Business Day;

which times will apply unless Bidders are notified otherwise by IDA.

## **SECTION 6 – BIDDING PROCEDURE**

6.1 All Bidders will participate in the Auction at the Auction Location using a manual bidding procedure.

6.2 At or before the Information Session, IDA will issue to each Bidder the bidding instructions to be used in connection with the Bidding Procedure in the Auction. These instructions will contain procedures for authentication and security measures in the Auction.

6.3 The following will apply to the Bidding Procedure:

- (a) each of a Valid Bid Form and a Recess request submitted using the Bidding Procedure will be deemed received by IDA at the time IDA's messenger receives the envelope containing the relevant documentation;
- (b) any communication to IDA by a Bidder must be made in accordance with such security procedure as is specified in the bidding instructions issued pursuant to Section 6.2;
- (c) IDA may assume that a bid sent or communication made by a Bidder using the security procedure specified in the bidding instructions issued pursuant to Section 6.2 has been authorised and sent by that Bidder

and that the information received by IDA is the information communicated by that Bidder;

- (d) no Bidder will in any way or in any proceedings dispute the authentication and/or accuracy of any document or any copy of any document in connection with the Bidding Procedure used in the Auction;
- (e) no Bidder will in any way intercept and/or modify or attempt to intercept and/or modify any communication between IDA and another Bidder using the Bidding Procedure or otherwise; and
- (f) no Bidder will communicate or attempt to communicate with any other Bidder using the Bidding Procedure or otherwise.

6.4 IDA will provide a helpdesk at the Auction Location which Bidders may contact by telephone between the hours of 9.00 am and 6.00 pm on each Business Day throughout the Auction. Bidders may contact the helpdesk for assistance only in relation to the Bidding Procedure.

## **SECTION 7 – CONDUCT OF AUCTION**

### **Rounds**

7.1.1 The Auction will consist of a series of Rounds.

7.1.2 The first Round will start and finish at the times specified by IDA in the notification referred to in Section 5.2. Each subsequent Round will start and finish at the times specified by IDA in the notification referred to in Section 7.10.1 for the relevant Round.

### **Bidders' Notifications**

7.2 In a Round, a Bidder must notify IDA, by submitting a Valid Bid Form in accordance with Section 7.3.1, of the following:

- (a) the 10.5 GHz Spectrum Lots for which the Bidder wishes to submit one or more Valid Bids at the Going Price;
- (b) the 10.5 GHz Spectrum Lots for which the Bidder wishes to submit one or more Valid Bids at an Exit Price, together with the relevant Exit Price(s); and/or
- (c) the 10.5 GHz Spectrum Lots for which the Bidder wishes to exercise one or more Withdrawals.

### **Valid Bid Form**

7.3.1 Subject to Section 7.3.3, only a bid form submitted in accordance with these Rules will be accepted by IDA as a Valid Bid Form. A Valid Bid Form:

- (a) must be submitted in accordance with the Bidding Procedure and the bidding instructions issued pursuant to Section 6.2;
- (b) must be duly authenticated using the security procedure specified in the bidding instructions issued pursuant to Section 6.2; and
- (c) must be received by IDA prior to the end of the relevant Round.

7.3.2 For the avoidance of doubt, a Bidder may only submit one Valid Bid Form in a Round and may submit Valid Bids in a Valid Bid Form on as many 10.5 GHz Spectrum Lots as it chooses subject to Section 7.6.2.

7.3.3 Subject to Section 8.1, in the event IDA discovers that a Bidder's bid form does not comply with these Rules, IDA shall have the discretion to permit the Bidder, at any time, to make a correction to the bid form in order to comply with these Rules and in such a case, the Bidder shall be deemed to have submitted a Valid Bid Form in respect of the relevant Round.

7.3.4 A Valid Bid can only be submitted at the Going Price or an Exit Price for the relevant Round.

7.3.5 For each Valid Bid at the Going Price submitted by a Bidder in an immediately preceding Round, the Bidder must indicate in the subsequent Round:

- (a) that the Bidder wishes to submit a Valid Bid for the 10.5 GHz Spectrum Lot at the Going Price or an Exit Price; or
- (b) that the Bidder wishes to exercise a Withdrawal.

7.3.6 A Valid Bid will constitute a legally binding offer made by the Bidder to IDA in respect of a 10.5 GHz Spectrum Lot. Subject to Section 9.4:

- (a) a Valid Bid at the Going Price for a 10.5 GHz Spectrum Lot will remain legally binding until the Bidder exercises a Withdrawal in respect of that Valid Bid; and
- (b) a Valid Bid at an Exit Price for a 10.5 GHz Spectrum Lot will remain legally binding until IDA has provisionally awarded that 10.5 GHz Spectrum Lot to another Bidder in accordance with Section 11.1.

7.3.7 All Bidders must submit at least one Valid Bid at the Going Price for a 10.5 GHz Spectrum Lot in the first round. A Bidder reserves the right to change the specific 10.5 GHz Spectrum Lots it wishes to submit Valid Bids from those specified in its Initial Offer Document.

### **Activity**

7.4.1 In a Round, a Bidder is active if that Bidder submits one or more Valid Bids in that Round.

7.4.2 A Bidder which is not active in a Round is deemed to have retired from the Auction with effect from the end of that Round.

7.4.3 A Bidder which is deemed to have retired in accordance with Section 7.4.2 and which has submitted a Valid Bid at an Exit Price in a previous Round will remain bound by the provisions of these Rules and such Valid Bid will remain legally binding on it in accordance with these Rules.

7.4.4 For the avoidance of doubt, any Bidder will be deemed to have retired from the Auction pursuant to Section 7.4.2 if, in the relevant Round, that Bidder does not submit a Valid Bid Form specifying at least one Valid Bid.

### **Going Price**

7.5.1 The Going Prices for each Round will be notified to all Bidders prior to the commencement of each Round in accordance with Section 7.10.1. A different Going Price may be specified for each 10.5 GHz Spectrum Lot in the relevant Round.

7.5.2 The Going Price shall be calculated as follows:

- (a) in the first Round, the Going Price shall be the Reserve Price;
- (b) for each 10.5 GHz Spectrum Lot which has no Valid Bid after the first Round, the Going Price will be maintained at the Reserve Price for any successive subsequent Round until a Valid Bid has been made;
- (c) for each 10.5 GHz Spectrum Lot which has more than one Valid Bid for an immediately preceding round, the Going Price in the subsequent round shall be the sum of the Going Price in the immediately preceding Round plus the relevant Bid Increment;
- (d) for each 10.5 GHz Spectrum Lot which has only one Valid Bid for an immediately preceding Round, the Going Price will be maintained in the subsequent round; and
- (e) for each 10.5 GHz Spectrum Lot which a Bidder with a Current Bid exercises a Withdrawal, the Going Price in the subsequent Round is determined in the following manner:
  - (i) where there is no other Valid Bid made by other Bidders for the 10.5 GHz Spectrum Lot before the Bidder with a Current Bid exercises a Withdrawal, the Going Price will be the Reserve Price;
  - (ii) where there are Valid Bids made by other Bidders for the 10.5 GHz Spectrum Lot in any preceding Round before the Bidder with a Current Bid exercises a Withdrawal, the Going Price will be the value of the highest Valid Bid made in such preceding Round; and

- (iii) where there are Valid Bids made by other Bidders for the 10.5 GHz Spectrum Lot in the preceding Rounds but all such Valid Bids have been withdrawn before the Bidder with a Current Bid exercises a Withdrawal, IDA may set a Going Price for any amount as it considers appropriate.

### **Exit Price**

7.6.1 An Exit Price can be specified by a Bidder in accordance with Section 7.2 for one or more 10.5 GHz Spectrum Lots in respect of which a Valid Bid is submitted. In any Round, an Exit Price must be an amount which is higher than the Going Price for the immediately preceding Round but not higher than the Going Price for that Round, rounded up to the nearest dollar.

7.6.2 For the avoidance of doubt, a Bidder which submits a Valid Bid at an Exit Price for a 10.5 GHz Spectrum Lot remains bound by that Valid Bid in accordance with Section 7.4.3 (whether or not that Bidder is subsequently deemed to have retired from the Auction), and that Bidder may not submit any further Valid Bid in respect of that 10.5 GHz Spectrum Lot.

### **Bid Increment**

7.7 The Bid Increment for each 10.5 GHz Spectrum Lot will be determined by IDA for each Round and shall be up to twenty-five per cent (25%) of the Going Price in the immediately preceding Round, as IDA may determine in its discretion. For the avoidance of doubt, the Bid Increment for each 10.5 GHz Spectrum Lot may be different in any specific Round.

### **Recesses**

7.8.1 Each Bidder is entitled to request one Recess during the Auction.

7.8.2 A Recess may only be requested by a Bidder:

- (a) after the close of a Round and before the start of the next Round;
- (b) after the start of a Session but before the start of the first Round in that Session; or
- (c) following the end of the last Round in a Session but before the end of that Session,

(each a ***Recess Request Period***).

Recesses may be requested only by notifying IDA in accordance with the Recess request procedure in the Bidding Procedure.

7.8.3 If IDA receives a Recess request notification during a Recess Request Period:



- (a) during a Morning Session, IDA will notify all Bidders following the end of that Recess Request Period that the Auction is in recess and no Rounds will take place for the remainder of that Business Day and that the Auction will recommence at the beginning of the Morning Session of the following Business Day; or
- (b) during an Afternoon Session, IDA will notify all Bidders following the end of that Recess Request Period that the Auction is in recess and no Rounds will take place for the remainder of that Business Day and the Morning Session of the following Business Day and that the Auction will recommence at the beginning of the Afternoon Session of the following Business Day.

7.8.4 If more than one Bidder notifies IDA in the same Recess Request Period that they each request a Recess in accordance with Section 7.8.2, IDA will employ a random draw method to determine which Bidder will be deemed to have requested a Recess.

7.8.5 IDA may at any time notify Bidders that the current or any subsequent Business Day or any part thereof will be a Recess during which no Rounds will take place.

### **Bid Withdrawal**

7.9.1 Each Bidder may exercise a Withdrawal on a 10.5 GHz Spectrum Lot from the previous round that it has a Current Bid on, by giving notification to IDA in accordance with Section 7.2(c).

7.9.2 A Bidder is liable to pay a Withdrawal Penalty if

- (a) the total number of withdrawals exercised by the Bidder in respect of all the 10.5 GHz Spectrum Lots exceeds 24; or
- (b) the Bidder exercises a Withdrawal on a particular 10.5 GHz Spectrum Lot and:
  - (i) no other Bidder submits a Valid Bid in a subsequent Round on the same 10.5 GHz Spectrum Lot but:
    - (A) one or more Bidders had submitted Valid Bids at an Exit Price on the 10.5 GHz Spectrum Lot in any preceding Round; or
    - (B) no other Bidder had submitted Valid Bid at an Exit Price on the 10.5 GHz Spectrum Lot in any preceding Round;

or

- (ii) one or more Bidders submit Valid Bids in a subsequent Round on the same 10.5 GHz Spectrum Lot but:

- (A) none of the subsequent Valid Bids are higher than the withdrawn bid (irrespective of whether the Valid Bids are also withdrawn); and
- (B) the successful bid price on the 10.5 GHz Spectrum Lot at the close of the Auction is less than the withdrawn bid.

7.9.3 The Withdrawal Penalty shall be calculated as follows:

- (a) in the case of Section 7.9.2(a), it shall be the sum of \$50,000;
- (b) in the case of Section 7.9.2(b)(i)(A), it shall be the difference between the value of the withdrawn bid and the Valid Bid with the highest Exit Price;
- (c) in the case of Section 7.9.2(b)(i)(B), it shall be the difference between the value of the withdrawn bid and the Reserve Price; and
- (d) in the case of Section 7.9.2(b)(ii), it shall be the difference between the value of the withdrawn bid and the value of the next subsequent highest Valid Bid (irrespective of whether the next subsequent highest Valid Bid is withdrawn or is the successful bid price).

For illustration purposes:

**Scenario 1**

Bidder A submits a Bid for S\$60,000 for Lot 1 in Round 4 and withdraws in Round 5. Bidder B submits a Bid for S\$64,000 for Lot 1 in Round 5 and withdraws in Round 6. Bidder C submits a Bid for S\$59,000 for Lot 1 in Round 8 and withdraws in Round 9. Bidder D submits a Bid for S\$61,000 for Lot 1 in Round 9 and withdraws in Round 10.

IDA sets the going price at \$58,000 for Lot 1 in Round 12 and Bidder E submits a winning Bid for \$58,000.

Pursuant to 7.9.2(b)(ii), Bidder A is not liable for a withdrawal penalty because Bidder B has submitted a higher bid.

Pursuant to 7.9.3(d), Bidder B is liable for a withdrawal penalty of S\$3,000 because the next highest Valid Bid (which is withdrawn) is S\$61,000.

Pursuant to 7.9.2(b)(ii), Bidder C is not liable for a withdrawal penalty because Bidder D has submitted a higher bid.

Pursuant to 7.9.3(d), Bidder D is liable for a withdrawal penalty of S\$3,000 because the next highest Valid Bid (which is the successful Bid price) is S\$58,000.

**Scenario 2**

Bidder A submits a Valid Bid at the Going Price of S\$64,000 for Lot 1 in Round 4 and withdraws in Round 5.

Bidder B submits a Valid Bid at the Exit Price of S\$62,000 for Lot 1 in Round 4.

No subsequent Valid Bids were received for Lot 1 and IDA sets the going price at \$62,000 for Lot 1 in Round 6.

Pursuant to 7.9.3(b), Bidder A is liable for a withdrawal penalty of S\$2,000 because the highest Valid Bid (which is the successful Bid price) is S\$62,000.

### **Notification by IDA before the start of each Round**

7.10.1 Before the start of each Round, IDA will notify all Bidders which have not been excluded or deemed to have retired from the Auction, of:

- (a) the time at which that Round will start and finish;
- (b) the Going Price for the immediately preceding Round;
- (c) the number of Valid Bid(s) at Going Price and/or Exit Price, or Withdrawal(s) for each specific 10.5 GHz Spectrum Lot in the immediately preceding Round;
- (d) the identity of Bidders which are excluded from the Auction at the end of the immediately preceding Round in accordance with the provisions of these Rules;
- (e) the Going Prices for each specific 10.5 GHz Spectrum Lot for that Round; and
- (f) the Exit Prices exercised for any specific 10.5 GHz Spectrum Lot in the preceding Rounds.

7.10.2 Before the start of each Round, IDA will notify separately each Bidder which has not been excluded or deemed to have retired from the Auction, of:

- (a) the amount of any Exit Price(s) specified by that Bidder in previous Rounds and the Rounds in which Valid Bid(s) at such Exit Price(s) were submitted, which will remain legally binding on that Bidder in accordance with these Rules; and
- (b) the amount of any Valid Bid made by that Bidder in previous Rounds (which has not been withdrawn by the Bidder) and the Rounds in which such Valid Bid was submitted, which will remain legally binding on that Bidder in accordance with these Rules.

### **Continuation of the Auction**

7.11.1 The Auction will continue until it is closed in accordance with Section 10.

7.11.2 If IDA determines to restart the Auction in accordance with Section 9.3(ii), IDA will notify all Bidders (except any excluded Bidder(s)) that the Auction will be restarted and the information referred to in Sections 7.10.1(a), (b) and (d).

7.11.3 If IDA determines to restart the Auction in accordance with Section 9.3(iii), IDA will notify each Bidder separately of the Round at which the

Auction will be restarted and the information referred to in Sections 7.10.1 and 7.10.2 in respect of that Round.

7.11.4 If IDA determines to suspend the Auction in accordance with Section 9.3(iv), IDA will notify each Bidder that the Auction is suspended and, if determined at such time, the time and date at which the Auction will be restarted.

## **SECTION 8 – EXCLUSION/FORFEITURE OF GUARANTEED AMOUNT**

### **Exclusion**

8.1 If at any time IDA determines that a Bidder has failed to comply with one or more of Sections of these Rules or the procedures relating to the Auction (including without limitation the Bidding Procedure) or otherwise acted in a manner which IDA considers to be prejudicial to the Auction, IDA may upon notification to that Bidder at any time exclude that Bidder from the Auction and in such circumstances that Bidder may not participate, or participate further, in the Auction or any restart of the Auction.

### **Forfeiture of Guaranteed Amount**

8.2.1 IDA may determine that a Bidder shall forfeit all or part of that Bidder's Guaranteed Amount in any of the circumstances specified in Section 8.2.2 by serving a Forfeiture Notice on that Bidder. A Forfeiture Notice shall be given and deemed to be received in accordance with Section 17.2. Forfeitures shall be settled in accordance with Section 12.

8.2.2 IDA may serve a Forfeiture Notice on a Bidder in each of the following circumstances:

- (a) if that Bidder acts in a manner that disrupts the Auction;
- (b) if that Bidder is excluded from the Auction pursuant to Section 8.1;
- (c) if that Bidder engages in any of the prohibited activities specified in Sections 13 or 14;
- (d) if that Bidder does not comply with any of its obligations under Section 18;
- (e) if that Bidder fails to make any payment due to IDA under Sections 2.6.3 or 12 within the relevant time period specified in those Sections;
- (f) if that Bidder fails to submit an Additional Bank Guarantee in accordance with Section 2.4.3;
- (g) if that Bidder does not participate in the Auction having submitted an Initial Offer; or

- (h) if that Bidder fails to submit a Valid Bid Form, or submits a bid or notifies IDA of the exercise of a Withdrawal or a Recess request, otherwise than in accordance with these Rules or the Bidding Procedure.

8.2.3 The sum forfeited from a Bidder's Guaranteed Amount under Section 8.2.2 shall be such sum as is determined by IDA, provided that the aggregate of all amounts forfeited from a Bidder's Guaranteed Amount shall not exceed the Bidder's Guaranteed Amount at the time the Forfeiture is determined.

## **SECTION 9 – RESTARTING**

9.1 If at any time before or during a Round, IDA considers it necessary to cancel, suspend or abandon that Round due to any circumstance, IDA will notify all Bidders:

- (a) that such Round will not proceed or will be suspended or abandoned (as the case may be); and
- (b) of the time at which such Round will be restarted.

9.2 When IDA has notified Bidders that a Round will be abandoned after its commencement, it will be restarted as if that Round had not taken place.

9.3 In the event that:

- (a) one or more Bidders are excluded from the Auction and IDA considers that the conduct of the excluded Bidder(s) or the fact of their exclusion may have a material effect on the identity of the Bidder(s) which would be granted a 10.5 GHz Spectrum Right or the amount payable for the 10.5 GHz Spectrum Right Initial Payment; or
- (b) IDA becomes aware that an error has occurred in registering the value of a bid submitted by a Bidder in a previous Round and IDA considers that the error is such that, if the Auction proceeds, the error may have a material effect on the identity of the Bidder(s) which would be granted a 10.5 GHz Spectrum Right or the amount of the 10.5 GHz Spectrum Right Initial Payment,

IDA may, having consulted all Bidders (other than, in the event of Section 9.3(a), the excluded Bidder(s)),

- (i) continue the Auction;
- (ii) restart the Auction with the first Round;
- (iii) restart the Auction commencing with the start of the Round in which the error referred to in Section 9.3(b) occurred or, in the event of an exclusion due to grounds set out in Section 9.3(a), commencing with the start of the Round in which the results of the Auction were or may

have been materially affected by the conduct of the excluded Bidder(s);  
or

(iv) suspend the Auction until such time and date as IDA may determine.

9.4 In the event that IDA determines to restart the Auction:

(a) any excluded Bidder(s) will not be entitled to participate in the Auction or any restart of the Auction;

(b) each Bidder's number of Recesses which may be requested by each Bidder shall be re-calculated to equate with such number as applied to the relevant Bidder at the original start of the Round at which the Auction is restarted; and

(c) any Round(s) subsequent to the original Round at which the Auction is restarted shall, subject to Section 9.5, be deemed not to have taken place and any Valid Bid submitted in the original Round at which the Auction is restarted shall be legally binding and capable of acceptance by IDA.

9.5 Any restart of a Round or the Auction will not affect any Forfeiture determined by IDA pursuant to Section 8.2.1.

9.6 If IDA returns Bank Guarantees to Bidders during a suspension of the Auction, equivalent Bank Guarantees must be submitted to IDA prior to any restart of the Auction.

#### **SECTION 10 – CLOSE OF THE AUCTION**

10.1 The Auction will close simultaneously in relation to each of the 10.5 GHz Spectrum Lots.

10.2 The Auction will be closed at the first time a Round ends during which there is only one or no Valid Bid submitted for each 10.5 GHz Spectrum Lot.

10.3 IDA will notify each Bidder of the close of the Auction.

#### **SECTION 11 – PROVISIONAL AWARDS OF 10.5 GHz SPECTRUM RIGHTS**

11.1 In the case where the Auction proceeds, the 10.5 GHz Spectrum Rights will be provisionally awarded within two Business Days following the close of the Auction (or such longer period as IDA determines, which will not exceed four Business Days), as follows:

(a) each Bidder which submitted a Valid Bid at the respective Going Prices in the Final Round will be provisionally awarded a 10.5 GHz Spectrum Right in respect of the specific 10.5 GHz Spectrum Lots for which its Valid Bid was submitted;

- (b) in the event that there are any 10.5 GHz Spectrum Lots not awarded in accordance with Section 11.1(a) above, then such 10.5 GHz Spectrum Lots will be provisionally awarded to the Bidder(s) which submitted Valid Bids specifying the highest Exit Price(s); and
- (c) in the event that more than one Bidder submitted Valid Bids in relation to any 10.5 GHz Spectrum Lot specifying the same Exit Price under Section 11.1(b) above, a random draw method will be used to select the Bidder to which the relevant 10.5 GHz Spectrum Lot will be provisionally awarded.

11.2 The Base Year Charge and the Annual Charge for a 10.5 GHz Spectrum Lot shall be determined as follows:

- (a) The Base Year Charge for a 10.5 GHz Spectrum Lot awarded pursuant to Section 11.1(a) shall be equal to the sum total of its Going Price in the Final Round and its Administrative Fee;
- (b) The Base Year Charge for a 10.5 GHz Spectrum Lot awarded pursuant to Section 11.1(b) or (c) shall be equal to the sum total of the Exit Price submitted by the Bidder to which such 10.5 GHz Spectrum Lot is awarded and its Administrative Fee; and
- (c) The Annual Charge for a 10.5 GHz Spectrum Lot, which shall be payable from the second year for the duration of a 10.5 GHz Spectrum Right, shall be equal to its Administrative Fee.

11.3 Within two Business Days of the close of the Auction (or such longer period as IDA determines, which will not exceed four Business Days), IDA will issue to each Bidder entitled to the provisional award of a 10.5 GHz Spectrum Right in accordance with Section 11.1 a Provisional Award Notice notifying that Bidder of:

- (a) the specific 10.5 GHz Spectrum Lot(s) included in the 10.5 GHz Spectrum Right which that Bidder is provisionally awarded;
- (b) the sum of the Base Year Charges in respect of the 10.5 GHz Spectrum Lots included in the relevant 10.5 GHz Spectrum Right;
- (c) the sum of the Annual Charges in respect of the 10.5 GHz Spectrum Lots included in the relevant 10.5 GHz Spectrum Right;
- (d) the Application and Processing Fee in respect of each 10.5 GHz Spectrum Right;
- (e) the sum of any Withdrawal Penalties incurred in the course of the Auction;
- (f) the aggregate of any Forfeitures to be settled by that Bidder (**Forfeiture Amount**); and

(g) details of the IDA Bank Account.

11.4 Within two Business Days of the close of the Auction (or such longer period as IDA determines, which will not exceed four Business Days), IDA will publicly announce:

- (a) the identity of each Bidder entitled to a provisional award of a 10.5 GHz Spectrum Right in accordance with Section 11.1; and
- (b) the Base Year Charge and the Annual Charge payable in respect of each 10.5 GHz Spectrum Lot.

## **PART III - GRANT OF 10.5 GHZ SPECTRUM RIGHTS**

### **SECTION 12 – SETTLEMENT OF 10.5 GHZ SPECTRUM RIGHT INITIAL PAYMENT AND FORFEITURES (IF ANY) AND GRANT OF 10.5 GHZ SPECTRUM RIGHTS**

12.1 If at the close of the Auction, a Bidder is not entitled to a provisional award of a 10.5 GHz Spectrum Right and is not subject to any Forfeitures, that Bidder's Bank Guarantee will be returned to that Bidder within ten Business Days of the close of the Auction.

12.2 If upon the close of the Auction, a Bidder is not entitled to a provisional award of a 10.5 GHz Spectrum Right but is subject to one or more Withdrawal Penalties and/or Forfeitures, the Withdrawal Penalties and/or Forfeiture Amounts payable by that Bidder shall be paid by that Bidder into the IDA Bank Account within seven Business Days of the close of the Auction. If the full amount of all such Withdrawal Penalties and Forfeiture Amounts is paid into the IDA Bank Account within seven Business Days of the close of the Auction, that Bidder's Bank Guarantee will be returned to that Bidder within twenty Business Days of the close of the Auction. If the full amount of all such Withdrawal Penalties and Forfeiture Amounts is not paid into the IDA Bank Account within seven Business Days of the close of the Auction, IDA may draw upon that Bidder's Bank Guarantee for the unpaid amount of the Withdrawal Penalties and Forfeiture Amounts.

12.3 If upon the close of the Auction, a Bidder is entitled to a provisional award of a 10.5 GHz Spectrum Right in respect of one or more 10.5 GHz Spectrum Lots, within seven Business Days of the close of the Auction that Bidder shall pay into the IDA Bank Account the 10.5 GHz Spectrum Right Initial Payment and, if that Bidder is subject to one or more Withdrawal Penalties and/or Forfeitures, the full amount of the Withdrawal Penalties and Forfeiture Amounts payable by that Bidder. If the 10.5 GHz Spectrum Right Initial Payment, and the full amount of all such Withdrawal Penalties and Forfeiture Amounts is paid into the IDA Bank Account on or prior to the date which is seven Business Days after the date of the close of the Auction (***Final Payment Date***), IDA will: (a) grant that Bidder a 10.5 GHz Spectrum Right in respect of the 10.5 GHz Spectrum Lot(s) provisionally awarded to that Bidder, and (b) return that Bidder's Bank Guarantee to that Bidder within seven Business Days of the Final Payment Date. If the 10.5 GHz Spectrum Right



Initial Payment and the full amount of all such Withdrawal Penalties and Forfeiture Amounts is not paid into the IDA Bank Account on or prior to the Final Payment Date, that Bidder will not be granted a 10.5 GHz Spectrum Right and IDA may determine that that Bidder is subject to a further Forfeiture in accordance with Section 8.2.2. In such circumstances, IDA may draw upon that Bidder's Bank Guarantee for the aggregate amount of the Forfeitures and the amount of any further Forfeitures payable pursuant to this Section 12.3.

12.4 A 10.5 GHz Spectrum Right granted in accordance with Section 12.3 shall be effective as of the Effective Date in accordance with the terms and conditions of such 10.5 GHz Spectrum Right. If the procedure for award of the 10.5 GHz Spectrum Right has not been completed by that date, the 10.5 GHz Spectrum Right shall become effective on such later date as IDA may determine. Payment of a 10.5 GHz Spectrum Right Initial Payment shall constitute settlement of the Base Year Charge for a 10.5 GHz Spectrum Right.

12.5 In the event that the 10.5 GHz Spectrum Right Initial Payment and the full amount of any Withdrawal Penalties and Forfeiture Amounts payable by a Bidder is not paid to IDA in accordance with Section 12.3 by a Bidder which has been provisionally awarded a 10.5 GHz Spectrum Right (a **Defaulting Bidder**), IDA will revoke such provisional award and no 10.5 GHz Spectrum Right will be granted to the Defaulting Bidder. IDA may allocate the 10.5 GHz Spectrum Lot(s) provisionally awarded to the Defaulting Bidder in another auction which may be subject to rules which are different from these Rules or by any other allocation method which IDA considers appropriate.

12.6 The Annual Charge payable from the second year of the duration of a 10.5 GHz Spectrum Right in respect of each 10.5 GHz Spectrum Lot included in a 10.5 GHz Spectrum Right shall be payable in accordance with the terms and conditions of such 10.5 GHz Spectrum Right.

12.7 Any GST payable on any sum payable to IDA pursuant to these Rules or a 10.5 GHz Spectrum Right, including a Base Year Charge, an Annual Charge or an Application and Processing Fee shall be payable by the relevant Bidder.

## **PART IV - PROHIBITED ACTIVITIES**

### **SECTION 13 – COLLUSION, DISCLOSURE OF INFORMATION, MISLEADING OR FALSE INFORMATION, AND CONNECTED PERSONS**

13.1 Before and during the Auction, no Bidder may:

- (a) disclose any Confidential Information, whether directly or indirectly, to any party other than IDA or the persons named in the Disclosure List submitted by that Bidder, provided that no Confidential Information may be disclosed by a Bidder to a person named in such Disclosure List if IDA has notified that Bidder that disclosure is not permitted to such

person because that person is also named in the Disclosure List submitted by any other Bidder or otherwise; or

- (b) collude or enter into any arrangement for purposes of colluding with any other Bidder(s) in an attempt to influence the proceedings or results of the Auction or any allocation of the 10.5 GHz Spectrum Lots.

Each Bidder will remain bound by the provisions of this Section 13.1 until the earlier of the grant of the 10.5 GHz Spectrum Rights or the close of the Auction, notwithstanding that any such Bidder may be deemed to have retired from the Auction or may be excluded from the Auction in accordance with the provisions of these Rules.

13.2 If IDA determines that any Bidder has disclosed any Confidential Information in breach of the obligation pursuant to Section 13.1 or has colluded or is colluding with any other Bidder(s), such Bidder will upon notification be excluded from the Auction and may not participate, or participate further, in the Auction or any restart of the Auction.

13.3 If IDA does not become aware of any breach of Section 13.1 until after the grant of the 10.5 GHz Spectrum Rights or the close of the Auction, and any Bidder considered by IDA to have been involved in such breach was provisionally awarded or granted a 10.5 GHz Spectrum Right, then if IDA in its sole discretion determines appropriate, the provisional award or grant of the 10.5 GHz Spectrum Right (as the case may be) will be revoked.

13.4 No Bidder will submit an Initial Offer Document or any document attached thereto, or any document submitted in response to a request for clarification from IDA, which contains any information which the Bidder knows to be, or has reason to believe may be, false or misleading.

13.5 Any person who is an employee of a Bidder or a member of a Bidder's Group and who is also an employee of one or more other Bidders or other Bidders' Group(s) (for the purpose of this Section 13, a **Connected Person**) will be excluded from participating, directly or indirectly, in the Auction. Each Bidder is obliged to ensure that:

- (a) any Connected Person is not in any way involved in the Bidder's preparation for, or participation in, the Auction;
- (b) no Confidential Information is disclosed to or otherwise enters the possession of any Connected Person; and
- (c) no Connected Person is an Authorised Representative.

13.6 For the purpose of this Section 13, **Bidder** shall include a party which has submitted an application under Section 2.1.1.

## SECTION 14 – ANTI-COMPETITIVE ACTIVITY

14.1 No Bidder will enter into, or permit to subsist, any arrangement whatsoever, (whether oral or in writing, formal or informal) with any equipment provider or software supplier or other person which places or may place any restriction on the quantities of equipment or software or other goods or services which the provider, supplier or other person supplies or offers to supply to another Bidder or on the price or any other term or condition upon which such equipment or software or other goods or services is supplied or offered to be supplied to any other Bidder in connection with planning, building or operating a network to be operated in relation to a 10.5 GHz Spectrum Lot.

14.2 For the purpose of this Section 14, **Bidder** shall include any party which has submitted an application under Section 2.1.1.

## PART V – GENERAL

### SECTION 15 – IDA’S DISCRETIONARY POWERS AND DISCLAIMERS

15.1 Notwithstanding any other provision in these Rules, IDA may at any time:

- (a) change any of the times or dates and/or shorten or extend any of the time periods referred to in or determined pursuant to these Rules (including the date on which a 10.5 GHz Spectrum Right is to become effective), provided that IDA will give all Bidders at least twenty-four hours notice of any such change, save in emergency situations where such changes may be made without notice;
- (b) change the Auction Location, provided that IDA will give all Bidders at least twenty-four hours notice of any such change;
- (c) change the address of the Auction Website, provided that IDA will publicly announce the new address on its website; and/or
- (d) delay, cancel or suspend a Round, a Session and/or the Auction if in the opinion of IDA this is in the public interest; and/or
- (e) amend, supplement and/or vary these Rules, provided that any such amendment, supplement and variation are made at least two Business Days prior to the Application Date, and are publicly announced on its website.

15.2 IDA will have sole discretion in making any determination pursuant to these Rules and may take into account all or any facts, circumstances or matters which it considers to be relevant.

## **PART VI – MISCELLANEOUS**

### **SECTION 16 – QUERIES RELATING TO RULES**

16.1 Any party participating in the Auction must take all necessary steps to carefully examine and acquaint itself with these Rules. The submission of an application under Section 2.1.1 shall be deemed to constitute such party's acknowledgement of, and agreement to abide by, these Rules.

16.2 Any party considering participating in the Auction may submit to IDA written queries relating to these Rules or the Auction, provided that any such queries are received by IDA on or before 9 January 2008.

16.3 IDA has no obligation to respond to any such query. If IDA responds to any such query, IDA will notify its response to the party which submitted the query and any other interested parties.

### **SECTION 17 – COMMUNICATIONS AND NOTIFICATIONS**

17.1 Any notification or other communication (other than an Initial Offer Document) to be given to IDA by a Bidder must be in writing and signed by or on behalf of the party giving it and must be delivered by hand or sent by fax to:

Info-communications Development Authority of Singapore  
8 Temasek Boulevard  
#14-00 Suntec Tower Three  
Singapore 038988

Facsimile No.: (65) 6211-2116

For the attention of: Mr Andrew J. Haire

Any such notification or other communication:

- (a) if delivered by hand, will be deemed received by IDA when delivered; and
- (b) if sent by fax, will be deemed received by IDA at the time of transmission (provided instantaneous confirmation of transmission is received by the sender),

provided that where delivery occurs after 6.00 pm on a Business Day or on a day which is not a Business Day, receipt will be deemed to occur at 9.00 am on the following Business Day.

17.2 Unless specified otherwise, any notification or other communication to be given by IDA to a Bidder must be in writing and delivered by hand or sent by fax to the address or fax number given for such purposes in the Initial Offer Document.

Any notification or other communication:

- (a) if delivered by hand, will be deemed received when delivered; and
- (b) if sent by fax, will be deemed received at the time of transmission (provided instantaneous confirmation of transmission is received by the sender),

provided that where delivery occurs after 6.00 pm on a Business Day or on a day which is not a Business Day, receipt will be deemed to occur at 9.00 am on the following Business Day.

17.3 During the Auction, all notifications and other communications made pursuant to Part II of these Rules between IDA and any Bidder must be sent using the Bidding Procedure, provided that IDA may at any time send any notification or other communication by fax in accordance with Section 17.2.

### **SECTION 18 – DUTY TO INFORM IDA**

18.1 If at any time during the Auction, a Bidder knows or ought reasonably to have known that IDA has made an error with regard to a bid or other information communicated to one or more Bidders, the Bidder will inform IDA in accordance with Section 17.3 of the error at the earliest opportunity.

18.2 If a Bidder becomes aware of any change in the ownership and/or control structure of the Bidder (direct or indirect) or of any shareholder of the Bidder, or any other material information submitted in the Initial Offer Document or any documents attached thereto, or any document submitted in response to a request for clarification from IDA, the Bidder will notify IDA of such change in writing in accordance with Sections 17.1 or 17.3 at the earliest opportunity. If IDA determines that such Bidder is no longer eligible to be granted a 10.5 GHz Spectrum Right as a result of such change in ownership and/or control structure:

- (a) IDA may upon notification to that Bidder exclude that Bidder from the Auction and that Bidder may not participate, or participate further, in the Auction or any restart of the Auction, or
- (b) if the close of the Auction has taken place and the relevant Bidder is entitled to a provisional award of a 10.5 GHz Spectrum Right, IDA may upon notification to that Bidder determine that the 10.5 GHz Spectrum Lot(s) included in the 10.5 GHz Spectrum Right provisionally awarded to that Bidder will not be provisionally awarded to that Bidder and that no 10.5 GHz Spectrum Right will be granted to that Bidder.

18.3 Any change in ownership and/or control as referred to in Section 18.2 shall be deemed to take place on the earlier of the date on which the relevant transaction documentation is signed (whether conditional or unconditional) and the date on which the relevant transaction is completed.

## SECTION 19 – GOVERNING LAW AND JURISDICTION

19.1 These Rules and the relationship between IDA and each of the Bidders shall be governed, by and interpreted in accordance with, Singapore law.

19.2 The courts of Singapore are to have exclusive jurisdiction to settle any disputes which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by, these Rules or otherwise arising in connection with these Rules. The submission of an Initial Offer Document shall be deemed to constitute each of such Bidder's irrevocable submission to the jurisdiction of the courts of Singapore.

## PART VII- DEFINITIONS

In these Rules, unless the context otherwise requires, the following definitions shall apply:

**10.5 GHz Spectrum Lot** means the specific frequency bandwidth which may be used to operate point-to-point (P2P) and point-to-multipoint (P2MP) radio systems for wireless backhaul, subject to the grant of a 10.5 GHz Spectrum Right in respect of the 10.5 GHz Spectrum Lot;

**10.5 GHz Spectrum Right** means the right to use the frequencies specified in that 10.5 GHz Spectrum Right to operate P2P and P2MP radio systems for wireless backhaul in accordance with the relevant terms and conditions;

**10.5 GHz Spectrum Right Initial Payment** means, in relation to a 10.5 GHz Spectrum Right, the sum total of the Base Year Charge and the Application and Processing Fee for each 10.5 GHz Spectrum Lot included in that 10.5 GHz Spectrum Right;

**Additional Bank Guarantee** means a Bank Guarantee submitted pursuant to Section 2.4.3;

**Administrative Fee** means the spectrum management fee of S\$15,900 for each 10.5 GHz Spectrum Lot, excluding the applicable GST;

**Afternoon Session** has the meaning given in Section 5.3(b);

**Annual Charge(s)** means the annual Administrative Fee payable from the second year for the duration of a 10.5 GHz Spectrum Right in respect of each 10.5 GHz Spectrum Lot awarded pursuant to the Auction excluding the applicable GST;

**Application and Processing Fee** means the application and processing fee for use of radio frequencies of S\$2,700 for each 10.5 GHz Spectrum Lot included in a 10.5 GHz Spectrum Right, excluding the applicable GST;

**Application Date** means 16 January 2008, or such later date as IDA may otherwise notify the Bidders, provided that the Application Date will be no less than five Business Days before the Auction Start Date;

**Auction** means the procedure specified in these Rules for granting 10.5 GHz Spectrum Right(s) in respect of all or any of eight 10.5 GHz Spectrum Lots, as specified in Annex 1;

**Auction Location** means the location at which the Auction is held;

**Auction Start Date** means the date on which the Auction will start, being 13 February 2008, or such later date as IDA may otherwise notify the Bidders provided that such notification will be made no later than two Business Days before the relevant dates specified above;

**Auction Website** means IDA's Internet Website at [www.ida.gov.sg](http://www.ida.gov.sg);

**Authorised Representative** means a person whom a Bidder has authorised to act in the Auction on its behalf, the particulars of whom have been submitted to IDA in accordance with Section 2.3.1 (c) or Section 3.4, as the case may be;

**Bank Guarantee** means an irrevocable, standby bank guarantee issued by a financial institution, licensed by the Monetary Authority of Singapore to provide the full scope of services falling within the definition of banking business in the Banking Act (Cap. 19) substantially in the form set out in Appendix 2 to these Rules or with such amendments as may be approved in writing by IDA, and where appropriate **Bank Guarantee** includes an Additional Bank Guarantee (provided that the form of the Additional Bank Guarantee shall be provided to Bidders at the Trial Auction and shall be substantially in the form set out in Appendix 2 to these Rules);

**Base Year Charge** means the charge payable in the first year of the five year duration of each 10.5 GHz Spectrum Right, in respect of each 10.5 GHz Spectrum Lot awarded pursuant to the Auction, as determined in accordance with Section 2.6.1, or Sections 11.2(a), (b) or (c), excluding the applicable GST;

**Bid Increment** means the amount by which the Going Price in a Round is increased in the immediately following Round as determined in accordance with Section 7.7;

**Bidder** means any party which: (a) is an entity which complies with Section 1.3; (b) has submitted an application under Section 2.1.1; (c) is notified that he is a registered Bidder pursuant to Section 2.2.5; (d) has not been notified of its exclusion from the Auction by IDA, and (e) has not been deemed to have retired from the Auction pursuant to Section 7.4.2;

**Bidding Procedure** means the manual bidding procedure described in the bidding instructions referred to in Section 6.2;

**Business Day** means a day excluding Saturdays, Sundays and public holidays;

**Confidential Information** means any information whatsoever directly or indirectly relating to any proposed action or omission by a Bidder relating to the Auction, any information pertaining to the results or the proceedings of the Auction or any information, whether oral or in writing, which has not been made public by IDA, which if made public or disclosed would be likely to have an effect on the amount which any Bidder proposes to bid, including without limitation information relating to a Bidder's business case, auction strategy and any amount a Bidder is willing to bid, but excluding any information which enters the public domain other than as a result of a breach by any Bidder of these Rules. For the purposes of this definition, a reference to a Bidder will be deemed to include any Bidder excluded from the Auction by IDA or deemed to have retired from the Auction pursuant to Section 7.4.2;

**Connected Person** has the meaning given in Section 13.5;

**Current Bid** means, in the Round, a price a Bidder has submitted a Valid Bid for in the immediately preceding Round;

**Defaulting Bidder** has the meaning given in Section 12.5;

**Disclosure List** means a list of all persons to whom Confidential Information has been disclosed or it is proposed that Confidential Information will be disclosed by any Bidder which has submitted an Initial Offer Document, which list is provided to IDA by that Bidder in accordance with paragraph 1.10 of the Initial Offer Document;

**Effective Date** means the date on which a 10.5 GHz Spectrum Right takes effect, being 1 March 2008, or such other date as IDA may determine in accordance with these Rules;

**Exit Price** means, in a Round, a price a Bidder specifies in respect of a Valid Bid for a 10.5 GHz Spectrum Lot which is in accordance with the limits set out in Section 7.6.1;

**FBO Licence** means a licence to provide facilities-based operations issued by IDA under Section 5 of the Telecommunications Act (Cap. 323);

**Final Payment Date** for the purpose of Section 2.6.3 has the meaning given in Section 2.6.3 and, for the purpose of Section 12.3 has the meaning given in Section 12.3;

**Final Round** means the last Round prior to the close of the Auction in accordance with Section 10.2;

**Forfeiture** means the forfeiture of all or part of a Bidder's Guaranteed Amount as may be determined by IDA in accordance with Section 8.2;



**Forfeiture Amount** has the meaning given in Section 11.3(f);

**Forfeiture Notice** means a notice in writing of the imposition of a Forfeiture pursuant to Section 8.2.1;

**Going Price** means, in a Round, the price specified by the IDA at which Valid Bids may be submitted for the 10.5 GHz Spectrum Lots, as determined in accordance with Section 7.5.2;

**Group** means, in relation to a Bidder:

- (a) any holding company of the Bidder;
- (b) any subsidiary of the Bidder;
- (c) any subsidiary of any holding company of the Bidder; and
- (d) any other company in which two or more of the shareholders or directors (directly or indirectly) own more than fifty per cent (50%) of or control more than fifty per cent (50%) of the voting rights attaching to, shares of the Bidder.

For the purpose of this definition, the terms **holding company** and **subsidiary** will have the meanings given in the Companies Act (Cap. 50); **GST** means goods and services tax payable in accordance with the Goods and Services Tax Act (Cap. 117A);

**Guaranteed Amount** means, in relation to a Bidder, the aggregate of that Bidder's Initial Guaranteed Amount and, where applicable, the face amount for which any Additional Bank Guarantee has been submitted in accordance with Section 2.4.3;

**IDA** means the Info-communications Development Authority of Singapore;

**IDA Bank Account** means the bank account to which payments are to be made as notified by IDA;

**Information Memorandum** means the information memorandum issued by IDA dated 26 December 2007 relating to the grant of 10.5 GHz Spectrum Rights in respect of all or any of the 10.5 GHz Spectrum Lots;

**Information Session** means the information session held in accordance with Section 3;

**Initial Guaranteed Amount** means the face amount for which a Bank Guarantee is submitted with an Initial Offer Document, which amount is specified in Section 2.4.1;

**Initial Offer** means, in relation to a 10.5 GHz Spectrum Lot, a legally binding offer made by a Bidder in its Initial Offer Document to acquire that 10.5 GHz Spectrum Lot;

**Initial Offer Document** means an initial offer document to be submitted by a Bidder under Section 2.1.1, the form of which is set out in Appendix 1 to these Rules;

**Morning Session** has the meaning given in Section 5.3(a);

**Notification Date** means the date on which IDA notifies Bidders of all possible Valid Bids in respect of the 10.5 GHz Spectrum Lots for the first Round and such other information as is specified in Section 5.2, which date will be no later than two Business Days before the Auction Start Date;

**Person** means any natural person, or company incorporated under the Companies Act (Cap. 50);

**Provisional Award Notice** means a provisional award notice issued to a Bidder pursuant to Section 2.6.1 or Section 11.3;

**Recess** means a period of time during which there are no further Rounds as determined in accordance with Section 7.8.1 to Section 7.8.5;

**Recess Request Period** has the meaning given in Section 7.8.2;

**Reserve Price** means the price below which the 10.5 GHz Spectrum Lot will not be awarded, being S\$50,000 for each 10.5 GHz Spectrum Lot.

**Round** means any single period in which Valid Bids may be submitted;

**Rules** means these rules published by IDA relating to the procedures by which IDA may allocate the 10.5 GHz Spectrum Lots and/or grant 10.5 GHz Spectrum Rights in respect of the 10.5 GHz Spectrum Lots, as amended or varied by IDA from time to time in accordance with these rules;

**Section** includes all sub-sections comprised within the specified section of these Rules;

**Session** means a Morning Session or an Afternoon Session, as appropriate;

**Trial Auction** means the trial auction held in accordance with Section 3;

**Valid Bid** means a bid submitted in a Round by a Bidder using a Valid Bid Form which complies with Section 7.3.1 and which constitutes a legally binding offer in accordance with Section 7.3.6;

**Valid Bid Form** means a form submitted in accordance with Section 7.3.1;

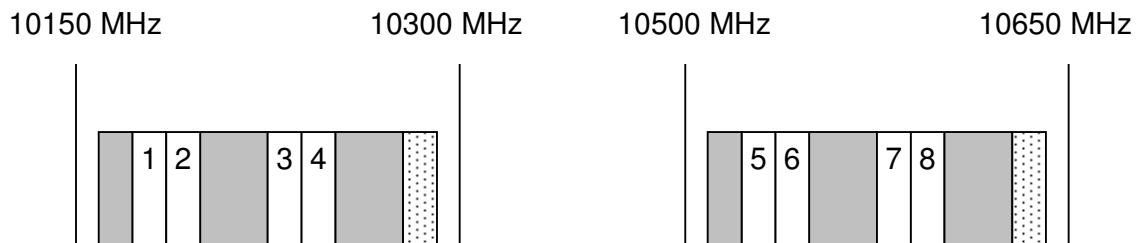
**Withdrawal** means the withdrawal of a Current Bid held by a Bidder; and

**Withdrawal Penalty** means the penalty a Bidder exercising a Withdrawal is liable for in accordance with Section 7.9.3.

10.5 GHz Spectrum Lots

10.5 GHz Spectrum Lot Number	Starting Frequency (MHz)	Ending Frequency (MHz)	Frequency Block (MHz)	Reserve Price	Admin Fee
1	10168	10182	14	S\$50,000	S\$15,900
2	10182	10196	14	S\$50,000	S\$15,900
3	10224	10238	14	S\$50,000	S\$15,900
4	10238	10252	14	S\$50,000	S\$15,900
5	10518	10532	14	S\$50,000	S\$15,900
6	10532	10546	14	S\$50,000	S\$15,900
7	10574	10588	14	S\$50,000	S\$15,900
8	10588	10602	14	S\$50,000	S\$15,900

Band Plans of Singapore and Neighbouring Countries



- Band assigned to Neighbouring Countries
- Spectrum not available for auction
- Spectrum available for auction (14 MHz each)