

**AUCTION OF  
3G SPECTRUM RIGHTS (2010)**

**AUCTION RULES**

3 September 2010

(Updated on 24 September 2010)

INFO-COMMUNICATIONS DEVELOPMENT  
AUTHORITY

REPUBLIC OF SINGAPORE

# AUCTION RULES

---

<b>CONTENTS</b>	<b>Page</b>
PART 1 – PRE-AUCTION.....	1
1. SECTION 1 – 3G SPECTRUM LOTS AND 3G SPECTRUM RIGHTS (2010).....	1
3G Spectrum Lots and 3G Spectrum Rights (2010) .....	1
2. SECTION 2 – APPLICATION AND INITIAL OFFER PROCESS .....	1
Applications .....	1
Registration of Bidders .....	2
Associated Bidders.....	3
Initial Offers .....	7
Bank Guarantee .....	7
Determination as to whether Auction is to proceed .....	7
Provisional Awards where Auction does not proceed.....	9
3. SECTION 3 – AUTHORISED REPRESENTATIVES, INFORMATION SESSION AND TRAINING SESSION .....	10
PART II - AUCTION FRAMEWORK .....	12
4. SECTION 4 – PARTICIPATION IN AUCTION .....	12
5. SECTION 5 - COMMENCEMENT OF AUCTION.....	12
6. SECTION 6 – AUCTION BIDDING PROCEDURE .....	13
7. SECTION 7 – CONDUCT OF AUCTION.....	14
Rounds.....	14
Bidders’ Notifications .....	14
Valid Bids .....	15
Eligibility Points and Activity Level.....	16
Activity .....	17
Minimum and Maximum Bids .....	17
Waivers .....	18
Withdrawal.....	18
Recesses.....	20
Notification following end of Round .....	20
Continuation of the Auction .....	21
8. SECTION 8 – EXCLUSION/FORFEITURE OF GUARANTEED AMOUNT .....	21

Exclusion .....	21
Forfeiture of Guaranteed Amount.....	22
9. SECTION 9 –RESTARTING .....	23
10. SECTION 10 – CLOSE OF THE AUCTION.....	24
11. SECTION 11 – PROVISIONAL AWARDS OF 3G SPECTRUM RIGHTS (2010) .....	24
PART III - GRANT OF 3G SPECTRUM RIGHTS (2010) .....	26
12. SECTION 12 – SETTLEMENT OF 3G SPECTRUM RIGHT (2010) PAYMENT AND FORFEITURES (IF ANY) AND GRANT OF 3G SPECTRUM RIGHTS (2010).....	26
PART IV - PROHIBITED ACTIVITIES .....	28
13. SECTION 13 – COLLUSION, DISCLOSURE OF INFORMATION, MISLEADING OR FALSE INFORMATION, AND CONNECTED PERSONS.....	28
14. SECTION 14 – ANTI-COMPETITIVE ACTIVITY .....	29
PART V – GENERAL.....	30
15. SECTION 15 – IDA’S DISCRETIONARY POWERS AND DISCLAIMERS.....	30
PART VI – MISCELLANEOUS .....	30
16. SECTION 16 – QUERIES RELATING TO AUCTION RULES .....	30
17. SECTION 17 – COMMUNICATIONS AND NOTIFICATIONS .....	31
18. SECTION 18 – DUTY TO INFORM IDA.....	32
19. SECTION 19 – GOVERNING LAW AND JURISDICTION .....	33
PART VII- DEFINITIONS .....	33

# AUCTION RULES

## PART 1 – PRE-AUCTION

### SECTION 1 – 3G SPECTRUM LOTS AND 3G SPECTRUM RIGHTS (2010)

#### 3G Spectrum Lots and 3G Spectrum Rights (2010)

- 1.1 These Auction Rules set out the procedures by which IDA may grant 3G Spectrum Right(s) (2010) in respect of all or any of three 3G Spectrum Lots, as listed in the table below.

3G Spectrum Lot Number	Paired	
	Lower Band (MHz)	Upper Band (MHz)
A	1964.9-1969.9	2154.9-2159.9
B	1969.9-1974.9	2159.9-2164.9
C	1974.9-1979.7	2164.9-2169.7

- 1.2 No Bidder which is a member of the SingTel Group, StarHub Group or M1 Group may bid for or be granted a 3G Spectrum Right (2010) in respect of more than two (2) 3G Spectrum Lots in this Auction .
- 1.3 No more than one member of a Group may bid for or be granted a 3G Spectrum Right (2010).
- 1.4 A 3G Spectrum Right (2010) will be granted only to:
- (a) a company incorporated under the Companies Act (Cap. 50); or
  - (b) such other person as IDA considers appropriate.

### SECTION 2 – APPLICATION AND INITIAL OFFER PROCESS

#### Applications

- 2.1 A person wishing to be registered as a Bidder in order to participate in the Auction must submit a duly completed Application Form (accompanied by the documents specified in the Application Form), an Initial Offer Document and a Bank Guarantee for the Initial Guaranteed Amount in accordance with the requirements of these Auction Rules, delivered by hand to:

Info-communications Development Authority of Singapore  
8 Temasek Boulevard  
#14-00 Suntec Tower 3  
Singapore 038988

For the attention of: Ms Aileen Chia

no later than 5.00 pm on the Application Date. IDA will not accept any Application Form, Initial Offer Document and Bank Guarantee received after 5.00 pm on the Application Date.

## **Registration of Bidders**

2.2.1 IDA will review each Application Form, Initial Offer Document and Bank Guarantee, together with any other accompanying documents, submitted in accordance with Section 2.1: (a) for compliance with these Auction Rules; and (b) to determine whether any person which submitted such documents should be registered as a Bidder entitled to participate in the Auction.

2.2.2 In determining whether a person which submitted the documents referred to in Section 2.1 should be registered as a Bidder entitled to participate in the Auction, IDA may consider, among other things:

- (a) whether, in the opinion of IDA, such person has demonstrated that it has the financial and technical capability to acquire a 3G Spectrum Right (2010) and operate a 3G mobile communication system for the purpose of providing 3G services in relation to that 3G Spectrum Right (2010);
- (b) whether, in the opinion of IDA, such person is an Associated Bidder in relation to any other person(s) which submitted an Application Form;
- (c) whether it would be in the public interest for such person to be granted a 3G Spectrum Right (2010); and
- (d) all or any facts, circumstances or matters which IDA considers to be relevant including, but not limited to, 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 person which has submitted the documents referred to in Section 2.1, as may reasonably be required for the purpose of making its determination pursuant to Section 2.2.1. If that person fails to submit such clarification, information or documents to IDA by such time as has been specified by IDA, that person's Application Form and Initial Offer Document may be declared invalid by IDA by notice in writing to that person and if so, IDA will promptly return that person's Bank Guarantee to it.

2.2.4 If any change occurs to the ownership and/or control structure of the person which submitted an Application Form as described in paragraph

1.5 of that person's Application Form, such person will promptly inform IDA in accordance with Section 18.3.

- 2.2.5 Subject to Section 12.7, if a person wishing to participate in the Auction is a holder of an existing 3G FBO Licence, that person's Application Form and Initial Offer Document will be invalid unless such person agrees to the modification of its existing 3G FBO Licence, in such manner as IDA requires, if such person is provisionally awarded a 3G Spectrum Right (2010).
- 2.2.6 Subject to Section 12.7, if a person wishing to participate in the Auction is not a holder of an existing 3G FBO Licence, that person's Application Form and Initial Offer Document will be invalid unless such person agrees to apply for a 3G FBO Licence, within thirty Business Days of being provisionally awarded a 3G Spectrum Right (2010). That person will be subject to the specific terms and conditions contained in the 3G FBO Licence, including the Schedule in relation to the provision of 3G mobile communication systems and services. Such terms and conditions include a requirement to rollout 3G mobile communication systems and services nationwide and provide coverage for the whole island of Singapore (including Mass Rapid Transit underground stations/lines and road tunnels), the offshore islands and the territorial waters up to 15 km from the coast line of Singapore.
- 2.2.7 If IDA determines: (a) that the documents submitted by a person in accordance with Section 2.1 comply with the requirements of these Auction Rules, and (b) at IDA's discretion, that such person may be registered as a Bidder, IDA will notify that person, within five Business Days of the Application Date (or such later date as is determined by IDA), that it 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.
- 2.2.8 If IDA determines: (a) that the documents submitted by a person in accordance with Section 2.1 do not comply with the requirements of these Auction Rules, or (b) at IDA's discretion, that such person should not be registered as a Bidder, IDA will notify that person, within five Business Days of the Application Date (or such later date as is determined by IDA), that it is not registered as a Bidder and is not entitled to participate in the Auction. IDA has no obligation to give any reason for its decision in this respect.
- 2.2.9 If IDA notifies any person which submitted the documents referred to in Section 2.1 that it is not registered as a Bidder for any reason, IDA will promptly return that person's Bank Guarantee to it.

### **Associated Bidders**

- 2.3.1 If IDA determines that two or more Bidders are Associated Bidders in relation to each other, IDA will notify each of them that it is considered

to be an Associated Bidder and will identify the person or persons which IDA considers to be members of the same Associated Bidder Group.

2.3.2 Following receipt of a notice under Section 2.3.1, the members of each Associated Bidder Group will either:

- (a) determine which one of them will participate in the Auction; or
- (b) elect to reorganise themselves so that they cease to be an Associated Bidder Group by such date as has been specified by IDA in the relevant notice.

In either case the members of each Associated Bidder Group will submit a joint notification of their decision, signed by each of them, to IDA within two Business Days after receipt of the notice given pursuant to Section 2.3.1. If IDA is notified of the decision that one of the Associated Bidders in an Associated Bidder Group will participate in the Auction, no other Associated Bidders in the relevant Associated Bidder Group will be registered as a Bidder and permitted to participate in the Auction. If IDA is notified of the decision that the Associated Bidders in the Associated Bidder Group will reorganise themselves so that they cease to be Associated Bidders by the date specified by IDA, IDA will, upon receipt of such notification, reconsider in accordance with Section 2.2.1 whether each such person is eligible to be registered as a Bidder without taking into account that each such person is an Associated Bidder. IDA will notify each such person whether or not it is eligible to be registered as a Bidder within two Business Days of receipt of such notification.

2.3.3 If IDA does not receive a joint notification from the Associated Bidders in an Associated Bidder Group as required by Section 2.3.2, none of the Associated Bidders in such Associated Bidder Group will be permitted to participate in the Auction.

2.3.4 If at any time during the Auction, IDA determines that two or more Bidders are, or have become, an Associated Bidder Group in relation to each other as a result of merger and acquisition activity or otherwise, IDA will notify each of them that it is considered to be an Associated Bidder and will identify the person or persons which IDA considers to be members of such Associated Bidder Group. IDA may:

- (a) in the event that the Auction has not closed:
  - (i) permit the Associated Bidders in such Associated Bidder Group either:
    - (aa) to determine that one of them will continue to participate in the Auction; or

- (bb) to elect to reorganise themselves so that they cease to be an Associated Bidder Group by such date as is specified by IDA in the relevant notice.

In either case, the members of the Associated Bidder Group will submit a joint notification of their decision, signed by each of them, to IDA within two Business Days after receipt of the notice referred to above. If IDA is notified of the decision that one of the Associated Bidders in an Associated Bidder Group will continue to participate in the Auction, no other Associated Bidder in the relevant Associated Bidder Group will be permitted to participate in the Auction. If IDA is notified of the decision that the Associated Bidders in an Associated Bidder Group will reorganise themselves so that they cease to be Associated Bidders by the date specified by IDA, each such Bidder will be permitted to continue to participate in the Auction;

- (ii) exclude any of the Associated Bidders in an Associated Bidder Group from the Auction and may restart the Auction or any Round of the Auction in accordance with Section 9; and/or
  - (iii) suspend the Auction in accordance with Section 9 or 15;
- (b) in the event that the Auction has closed and any one or more Associated Bidder(s) is to be or has been provisionally awarded a 3G Spectrum Right (2010), IDA may require the members of the relevant Associated Bidder Group to reorganise themselves so that each of their members ceases to be an Associated Bidder in relation to the other(s) by such date as is specified by IDA. The relevant 3G Spectrum Right(s) (2010) will be granted to such Bidder(s) in accordance with, and subject to, Section 12, provided that each of them undertakes in writing that such a reorganisation will be completed by the relevant date. No 3G Spectrum Right (2010) will be granted to any Bidder which fails to give, or comply with, such an undertaking.

2.3.5 If by the date specified in the relevant notice given by IDA pursuant to Section 2.3.1 or Section 2.3.4, the members of the relevant Associated Bidder Group have failed to reorganise themselves so that they cease to be Associated Bidder(s) in relation to each other:

- (a) if the Auction has not started, IDA may notify each such Associated Bidder that it is not eligible to be registered as a Bidder and will not be permitted to participate in the Auction;
- (b) if the Auction has started, IDA may exclude any of the relevant Associated Bidders from the Auction; or



- (c) if the Auction has closed and any one or more of the relevant Associated Bidders has been, or is entitled to be, provisionally awarded or granted a 3G Spectrum Right (2010), IDA may by notice to the relevant Bidder(s) refuse to make, or may revoke, such provisional award(s) or grant(s).

2.3.6 An Application Form and an Initial Offer Document submitted by a member of an Associated Bidder Group which is not permitted to participate, or to participate further, in the Auction pursuant to Sections 2.2.8, 2.3.2, 2.3.3 or 2.3.4 or submitted by a member of an Associated Bidder Group which has failed to reorganise itself so that it ceased to be an Associated Bidder Group by the date specified by IDA pursuant to Sections 2.3.2 and 2.3.4, will be deemed not to have been submitted for the purposes of these Auction Rules.

2.3.7 IDA shall determine whether any Bidder which submits an Application Form and an Initial Offer Document is an Associated Bidder in relation to any other Bidder or Bidders which have submitted Application Forms and Initial Offer Documents. Two or more Bidders will not be determined to be Associated Bidders in relation to each other solely as a result of the fact that:

- (a) a member of one of such Bidder's Group (whether directly or indirectly):
  - (i) holds or is beneficially entitled or has a right to acquire or subscribe for 20 per cent or less of the share capital of any member of such other relevant Bidder's Group;
  - (ii) has a right to acquire or subscribe for shares which, when aggregated together with such shares which it holds or to which it is beneficially entitled, represent or would represent 20 per cent or less of the share capital of any member of such other relevant Bidder's Group; or
  - (iii) possesses voting power in respect of 20 per cent or less of the share capital of any member of such other Bidder's Group;
- (b) a director of a member of one of such Bidder's Group is also a director of a member of any other relevant Bidder's Group; and/or
- (c) the Bidders' ultimate holding company has a passive ownership interest in the Bidders.

2.3.8 For the purpose of this Section 2.3.1 – 2.3.8, **Bidder** shall include a person which has submitted an Application Form, Initial Offer Document and/or a Bank Guarantee in accordance with Section 2.1.

## **Initial Offers**

2.4.1 An Initial Offer Document will confirm a Bidder's commitment to participate in the Auction and will specify:

- (a) the specific 3G Spectrum Lot(s), subject to the maximum limits specified in Section 1.2, for which the relevant Bidder submits an Initial Offer at the Reserve Price; and
- (b) the names of at least two and a maximum of five Authorised Representatives of the Bidder (together with 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.

2.4.2 An Initial Offer Document which does not comply with Section 2.4.1 shall be deemed not to be a duly submitted Initial Offer Document and IDA will promptly return that Bidder's Bank Guarantee to it.

2.4.3 An Initial Offer submitted by a Bidder in its Initial Offer Document, which complies with Section 2.4.1, cannot be withdrawn and will remain a legally binding offer on that Bidder in respect of the 3G Spectrum Lot(s) specified by that Bidder in its Initial Offer Document, until such time as IDA:

- (a) notifies that such Bidder is not registered and is not entitled to participate in the Auction in accordance with Section 2.2.8; or
- (b) issues a Provisional Award Notice in respect of any of the relevant 3G Spectrum Lots to one or more other Bidders.

2.4.4 For the purpose of Section 2.4.1 - 2.4.4, **Bidder** shall include a person which has submitted an Application Form, an Initial Offer Document and/or a Bank Guarantee in accordance with Section 2.1.

## **Bank Guarantee**

2.5.1 An Application Form and an Initial Offer Document must be submitted with a Bank Guarantee for the Guaranteed Amount.

2.5.2. The Guaranteed Amount to be submitted under the Bank Guarantee for an application under Section 2.1 shall be S\$20 million.

2.5.3 Bank Guarantees will be returned to the relevant Bidders in accordance with Sections 2.2.3, 2.2.9, 2.4.2, 2.6.4, 2.7.3 and 12.

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

2.6.1 Subject to Section 2.6.2, if IDA receives:

- (a) more than one Initial Offer in respect of each of the three 3G Spectrum Lots, the Auction will proceed; and
  - (b) only up to one Initial Offer in respect of each of the three 3G Spectrum Lots, the Auction will not proceed.
- 2.6.2 In the event that the total number of Initial Offers received by IDA does not exceed three, but there is more than one Initial Offer received in respect of any of the three 3G Spectrum Lots, the Bidders agree that IDA may take the following action:
- (a) IDA may propose an allocation plan(s). Where possible, IDA will seek to allocate the 3G 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 3G Spectrum Lots that has been allocated to that Bidder. Where all the Bidders agree to accept the 3G Spectrum Lots as allocated by IDA, the Auction will not proceed; and
  - (b) In the event that any Bidder rejects the 3G Spectrum Lots that IDA has allocated to that Bidder in IDA’s proposed allocation plan(s) referred to in Section 2.6.2(a), the Auction will proceed in respect of all three 3G Spectrum Lots and subject to Sections 7.2.1 and 7.4.1 to 7.4.6, the Bidders participating in the Auction may bid for any of the three 3G Spectrum Lots.
- 2.6.3 Notwithstanding any other provision of these Auction 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 3G Spectrum Right(s) (2010) in respect of all or any of the 3G Spectrum Lots and/or may grant 3G Spectrum Right(s) (2010) in respect of all or any of the 3G Spectrum Lots by any manner which it considers fit and appropriate.
- 2.6.4 If IDA determines that the Auction will not proceed, IDA will notify each Bidder. In addition, if IDA elects not to grant 3G Spectrum Right(s) (2010) in respect of all of the 3G Spectrum Lots, IDA will promptly return each Bank Guarantee to the relevant Bidder which submitted that Bank Guarantee.
- 2.6.5 If IDA determines that the Auction will proceed, IDA will notify each Bidder within ten 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 award and/or allocate the 3G Spectrum Lots in accordance with Section 11.

## **Provisional Awards where Auction does not proceed**

2.7.1 If the Auction does not proceed in accordance with Section 2.6.1(b) or 2.6.2(a), IDA may provisionally award 3G Spectrum Right(s) (2010) in respect of all or any of the 3G 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 3G Spectrum Lot Fee for each 3G Spectrum Lot (2010) allocated under this Section 2.7.1 shall be equal to the Reserve Price. Such provisional awards will be made by issuing to each relevant Bidder a Provisional Award Notice notifying that Bidder of:

- (a) the specific 3G Spectrum Lot(s) included in the 3G Spectrum Right (2010) which that Bidder is provisionally awarded;
- (b) the sum of the 3G Spectrum Lot Fees in respect of the 3G Spectrum Lot(s) included in the relevant 3G Spectrum Right (2010);
- (c) the Application and Processing Fee in respect of the 3G Spectrum Lot(s) included in the relevant 3G Spectrum Right (2010); and
- (d) details of the IDA Bank Account.

Any 3G Spectrum Lot for which a 3G Spectrum Right (2010) has not been provisionally awarded in accordance with this Section 2.7.1 may be offered by IDA in another auction or allocated in such other manner as IDA deems fit and appropriate.

2.7.2 In the event that IDA has provisionally awarded under Section 2.7.1 the 3G Spectrum Right (2010) in respect of one or more 3G Spectrum Lots, IDA will issue Provisional Award Notices to the relevant Bidder(s) within ten Business Days of the Application Date.

2.7.3 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 (**Payment Date**), transfer to the IDA Bank Account the 3G Spectrum Right (2010) Initial Payment. If the 3G Spectrum Right (2010) Initial Payment is received in the IDA Bank Account prior to or on the Payment Date, IDA will: (a) grant that Bidder a 3G Spectrum Right in respect of the 3G Spectrum Lot(s) provisionally awarded to that Bidder, and (b) return that Bidder's Bank Guarantee within seven Business Days of the Payment Date. If the 3G Spectrum Right (2010) Initial Payment is not received prior to or on the Payment Date, that Bidder will not be granted a 3G Spectrum Right (2010). 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.

- 2.7.4 A 3G Spectrum Right (2010) granted in accordance with Section 2.7.3 shall be effective as of the Effective Date in accordance with the terms and conditions of such 3G Spectrum Right (2010). If the procedure for award of the 3G Spectrum Right (2010) has not been completed by that date, the 3G Spectrum Right (2010) shall become effective on such later date as IDA may determine.

### **SECTION 3 – AUTHORISED REPRESENTATIVES, INFORMATION SESSION AND TRAINING SESSION**

- 3.1 If IDA has determined that the Auction will proceed, IDA will hold an Information Session at least three Business Days before the Auction Start Date. IDA will notify all Bidders of the date, time and location of the Information Session at least one Business Day in advance.
- 3.2 The purpose of the Information Session is to provide the Bidders with an opportunity to clarify any matter relating to these Auction Rules, the Auction framework and the bidding procedures in the Auction, and to familiarise themselves with the Auction framework and the bidding procedures in the Auction.
- 3.3 At the Information Session, IDA will make available to each Bidder a document entitled “Instructions to Bidders”. This document will provide detailed instructions to Bidders on the processes relevant to the Auction, including where relevant, the use of the Auction System and instructions on how each Bidder should communicate with IDA during the Auction.
- 3.4 If IDA determines that the Auction will be conducted using an Auction System, Training Sessions on the use of the Auction System will be conducted by IDA or the Auction Service Provider for all Authorised Representatives following the Information Session. Each Bidder must schedule a Training Session with IDA which must be attended by all its Authorised Representatives.
- 3.5 Each of a Bidder’s Authorised Representatives must be named in the Disclosure List submitted by that Bidder in its Application Form. A Bidder must have at least two and may have no more than five Authorised Representatives at any time. 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 2.4.1(b) 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 Application Form.

- 3.6 Each Authorised Representative of each Bidder is required to attend the Information Session and complete a Training Session and thereafter submit a written declaration to IDA (in the form stipulated by IDA), at least one Business Day before the Auction Start Date, stating that such Authorised Representative understands the Auction Rules, Auction framework, bidding procedures in the Auction and “Instructions to Bidders”, and undertakes to observe the Auction Rules, Auction framework, bidding procedures in the Auction and “Instructions to Bidders”. Failure to do so will invalidate the relevant Authorised Representative’s appointment.
- 3.7 If an Authorised Representative of a Bidder does not attend the Information Session and/or does not complete a Training Session and/or does not submit the written declaration required by Section 3.6, that Authorised Representative will not be permitted to represent the Bidder in the Auction.
- 3.8 Notwithstanding that a Bidder has been successfully registered as a Bidder entitled to participate in the Auction under Section 2, if a Bidder does not have at least two Authorised Representative who is permitted to represent the Bidder in the Auction, such Bidder shall not and shall no longer be entitled to participate in the Auction. The Auction will not proceed if there is no more than one Bidder entitled to participate in the Auction.
- 3.9 Representatives of each Bidder in addition to the Bidder’s Authorised Representatives will be permitted to attend the Information Session, provided that no more than eight natural persons (including the Authorised Representatives) may attend on behalf of any Bidder. Only the Authorised Representatives may attend the Training Sessions. Each Bidder must submit to IDA as a separate annex to its Initial Offer Document, a list of its representatives (other than Authorised Representatives) whom it proposes to attend the Information Session on behalf of that Bidder, by listing their respective names and identity card/passport numbers. Any person (other than Authorised Representatives) not included in such a list will not be permitted to attend the Information Session. A Bidder may replace any of the representatives identified in such list at any time prior to the commencement of the Information Session upon written notification to IDA submitted in accordance with Section 17.1. Such notification must identify the representatives (by their respective names and identity card/passport numbers) whom the Bidder wants to replace, and provide the names and identity card/passport numbers of the representatives to be appointed in replacement thereof.

## **PART II - AUCTION FRAMEWORK**

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

- 4.1 Only Bidders which have been notified that they are registered Bidders in accordance with Sections 2.2.7 or 2.3.2 and have at least two Authorised Representatives who are permitted to represent the Bidder in the Auction will be permitted to participate in the Auction. Bidders which have been excluded from the Auction by notice from IDA pursuant to these Auction Rules, or which have been deemed to have retired from the Auction pursuant to Section 7.5.2, will not be permitted to participate, or participate further, in the Auction or any restart of the Auction. IDA may exclude a Bidder from the Auction at any time by giving notice to such Bidder pursuant to Sections 2.3.4, 2.3.5, 8.1, 13.2 and/or 18.3. Any Valid Bid or Standing Highest Bid submitted or held by a Bidder (as the case may be) which is excluded from participation in the Auction pursuant to these Auction Rules shall immediately lapse and cease to have any effect.
- 4.2 Subject to Section 4.1, by agreeing to participate in the Auction, each Bidder agrees to be bound by the outcome of the Auction, including the allocation of the specific 3G Spectrum Lot(s) that may be allocated to each Bidder as a result of the Auction.

### **SECTION 5 - COMMENCEMENT OF AUCTION**

- 5.1 If the Auction proceeds pursuant to Section 2.6.1(a), IDA will, on the Notification Date, notify all Bidders minimally of the following:
- (a) the Auction Start Date;
  - (b) the number of Waivers and Withdrawals available to every Bidder for the first Round;
  - (c) the Minimum Bid for each 3G Spectrum Lot for the first Round being equal to the Reserve Price for that 3G Spectrum Lot;
  - (d) the Maximum Bid for each 3G Spectrum Lot for the first Round; and
  - (e) 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 the first Round will start and finish, and an indicative schedule of subsequent Rounds for 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).
- 5.2 On the Notification Date, IDA will notify each Bidder separately, amongst other things, of that Bidder's own number of Eligibility Points which will be equal to the number of 3G Spectrum Lots for which that Bidder is eligible to bid for subject to Section 1.2.
- 5.3 The Auction will commence simultaneously in respect of all 3G Spectrum Lots. The Auction will commence on the Auction Start Date at the time specified in the notification given under Section 5.1 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 Auction Rules.

#### **SECTION 6 – AUCTION BIDDING PROCEDURE**

- 6.1 If the Auction proceeds pursuant to Section 2.6.1(a), IDA will determine the means by which the Auction will be conducted. IDA may decide to conduct the Auction using an online software application (the "Auction System") provided for this purpose. In this event, the Auction System will be the primary means by which Bidders will submit their bids. The Auction System will be password-protected, and access will be limited to Authorised Representatives of Bidders and the auction manager.
- 6.2 If an Auction System is used, every Bidder will be provided with one bidding account. Each Authorised Representative of each Bidder will be notified of the Bidder's username and password for the Auction System and of the appropriate web address at which the Auction will be held, prior to the Auction.
- 6.3 The Auction shall commence at the scheduled time on the Auction Start Date notified by IDA in accordance with Section 5.1.
- 6.4 All communications between each Bidder and IDA during the Auction must be made in accordance with the protocols set out in the "Instructions to Bidders" (including protocols pertaining to message content, message format and means of communication). IDA, at its sole discretion, determine the means by which bids may be submitted, whether electronically, manually or by fax, in accordance with the "Instructions to Bidders".



## **SECTION 7 – CONDUCT OF AUCTION**

### **Rounds**

- 7.1.1 The Auction will be a simultaneous multiple round auction and will be conducted in a series of Rounds.
- 7.1.2 The first Round will start and finish at the timings specified by IDA in the notification referred to in Section 5.1. Each subsequent Round will start and finish at the timings specified by IDA in the notification referred to in Section 7.1.3 for the relevant Round. IDA may, at any time, adjust the Auction schedule and timings for any reason, including extending the time period of an ongoing Round.
- 7.1.3 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 timings at which that Round will start and finish;
  - (b) the Minimum Bid for each 3G Spectrum Lot for that Round;
  - (c) the Maximum Bid for each 3G Spectrum Lot for that Round; and
  - (d) the Standing Highest Bid for each 3G Spectrum Lot in relation to the Round immediately preceding that Round (if any).
- 7.1.4 Before the start of each Round, IDA will notify each Bidder which has not been excluded or deemed to have retired from the Auction of:
- (a) the number of Eligibility Points, Waivers and Withdrawals available to that Bidder in that Round;
  - (b) the 3G Spectrum Lot(s) in respect of which that Bidder is the Standing Highest Bidder (if any); and
  - (c) the 3G Spectrum Lot(s) in respect of which that Bidder has withdrawn a Standing Highest Bid or have been outbid.

### **Bidders' Notifications**

- 7.2.1 In the first Round, each Bidder must bid for at least the same 3G Spectrum Lot(s) that the Bidder had submitted Initial Offers for in its Initial Offer Document. For the avoidance of doubt, a Bidder may bid for more 3G Spectrum Lot(s) than those in its Initial Offer Document subject to its Eligibility Points. If a Bidder fails to bid for at least this number of Valid Bids in the first Round, IDA may forfeit all or part of that Bidder's Guaranteed Amount by way of a Forfeiture Notice under Section 8.2.2.
- 7.2.2 In a Round other than the first, a Bidder may notify IDA of the following:

- (a) subject to Section 7.3.1 and Section 7.4, any bid amounts that the Bidder wishes to bid for in respect of 3G Spectrum Lot(s);
- (b) subject to Section 7.8.1, any Standing Highest Bids that the Bidder wishes to Withdraw; and/or
- (c) subject to Section 7.7.1, the exercise of a Waiver.

7.2.3 If an Auction System is used, Bidder notifications will consist of a two-stage process. First, the Bidder will need to submit any notifications to the Auction System, which will check whether these are valid. If the notifications submitted are valid, the Bidder may confirm them in a second step. Only notifications that have been confirmed will be taken into account by the system at the end of the Round. For the avoidance of doubt, if a Bidder submits a notification, but fails to confirm it before the end of the Round, then this notification will be discarded.

### **Valid Bids**

7.3.1 The Auction will be conducted over multiple Rounds. For a bid to be considered a Valid Bid in respect of a 3G Spectrum Lot in a Round, the submitted bid price must be a sum which:

- (a) is in multiples of S\$10,000.00;
- (b) is at or above the Reserve Price for the relevant 3G Spectrum Lot; and
- (c) is at or above the Minimum Bid but does not exceed the Maximum Bid for that 3G Spectrum Lot for that Round.

7.3.2 The Standing Highest Bid and the Standing Highest Bidder in respect of a 3G Spectrum Lot is determined at the end of a Round as follows:

- (a) For each 3G Spectrum Lot which has one or more Valid Bids in that Round, subject to Section 7.3.3, the Standing Highest Bid for that 3G Spectrum Lot is the highest Valid Bid submitted for that 3G Spectrum Lot in that Round, and the Standing Highest Bidder is the Bidder who submitted that Valid Bid in that Round;
- (b) For each 3G Spectrum Lot which has no Valid Bid in that Round and for which there was a Standing Highest Bid at the end of the previous Round, that Standing Highest Bid (unless it was withdrawn) will remain as the Standing Highest Bid for that 3G Spectrum Lot, and the relevant Standing Highest Bidder will remain as the Standing Highest Bidder;
- (c) For each 3G Spectrum Lot which has no Valid Bid in that Round and for which the Standing Highest Bid at the end of the previous Round was withdrawn, there will be no Standing

Highest Bid and no Standing Highest Bidder for that 3G Spectrum Lot;

- (d) For each 3G Spectrum Lot which has no Valid Bid in that Round and for which there was no Standing Highest Bid at the end of the previous Round, there will be no Standing Highest Bid and Standing Highest Bidder for that 3G Spectrum Lot.

7.3.3 If in any Round, two or more Bidders submit Valid Bids for the same 3G Spectrum Lot with an identical bid amount, the Auction System will randomly determine one of these Bids to be the Standing Highest Bid.

7.3.4 A Valid Bid will constitute a legally binding offer made by the Bidder to IDA in respect of a 3G Spectrum Lot until a Standing Highest Bid in relation to that 3G Spectrum Lot has been determined in accordance with Section 7.3.2 and Section 7.10. A Standing Highest Bid for that 3G Spectrum Lot shall constitute a legally binding offer made by the relevant Standing Highest Bidder to IDA until it is withdrawn in accordance with Section 7.8.

7.3.5 A Standing Highest Bidder may exercise a Withdrawal in respect of its Standing Highest Bid for the relevant 3G Spectrum Lot(s) in accordance with Section 7.8.

7.3.6 For the avoidance of doubt, there shall be at most one Standing Highest Bid and Standing Highest Bidder existing at any point in time for each 3G Spectrum Lot. For example, where 2 Rounds have been conducted and no Bidder has exercised a Withdrawal, the highest Valid Bid submitted at the end of Round 2 (i.e. Standing Highest Bid for Round 2) shall take precedence over the highest Valid Bid submitted at the end of Round 1 (i.e. Standing Highest Bid for Round 1).

#### **Eligibility Points and Activity Level**

7.4.1 Each Bidder shall be allocated three Eligibility Points in the first Round, save that the M1 Group, the SingTel Group and the StarHub Group shall be allocated two Eligibility Points each in the first Round if they participate in the Auction.

7.4.2 Subject to Section 7.4.5, in each subsequent Round, a Bidder's Eligibility Points shall be equal to that Bidder's Activity Level in the previous Round.

7.4.3 A Bidder's Activity Level in a Round is determined at the end of that Round to be the aggregate number of 3G Spectrum Lots for which that Bidder:

- (a) submits a Valid Bid in that Round; or

- (b) holds the Standing Highest Bid(s) at the end of the previous Round and does not withdraw this bid during this round

7.4.4 A Bidder's Activity Level of in a Round shall not exceed its Eligibility Points for that Round.

7.4.5 Where a Bidder exercises a Waiver in a Round, that Bidder's Eligibility Points in the following Round will be equal to the Bidder's Eligibility Points at the start of the Round in which the Bidder exercised the Waiver.

7.4.6 A Bidder's number of Eligibility Points cannot be increased in the Auction.

### **Activity**

7.5.1 A Bidder shall be deemed to be active in the Auction if that Bidder has Eligibility Points to bid.

7.5.2 A Bidder shall be deemed to have retired from the Auction with effect from the end of a Round after which the Bidder has no Eligibility Points to bid in subsequent Rounds.

### **Minimum and Maximum Bids**

7.6.1 Subject to Sections 8.1.2, the Minimum Bid for a 3G Spectrum Lot in a Round is calculated as follows:

- (a) in the first Round, the Minimum Bid is the Reserve Price;
- (b) for each subsequent Round after the first Round,
  - (i) the Minimum Bid is the Standing Highest Bid for that 3G Spectrum Lot plus the relevant Minimum Bid Increment; and
  - (ii) where there is no Standing Highest Bid for that 3G Spectrum Lot at the end of the previous Round, the Minimum Bid will be set by IDA. Such Minimum Bid will be not less than the Reserve Price and not more than the maximum Standing Highest Bid in relation to that 3G Spectrum Lot in any preceding Rounds. IDA may reduce the Minimum Bid in subsequent Rounds provided that such amount shall never be lesser than the Reserve Price.

7.6.2 In each Round, IDA will determine the Minimum Bid Increment for each 3G Spectrum Lot, which increment may differ for each 3G Spectrum Lot. A Minimum Bid Increment for a 3G Spectrum Lot shall be at least

S\$10,000.00 and will not exceed ten per cent of the relevant Standing Highest Bid for that 3G Spectrum lot.

- 7.6.3 The Maximum Bid for a 3G Spectrum Lot in a Round is the Minimum Bid for that 3G Spectrum Lot in that Round, plus an amount equal to eighty per cent of the Minimum Bid for that 3G Spectrum Lot for that Round.

## **Waivers**

- 7.7.1 Each Bidder is entitled to exercise up to two Waivers in the Auction. In any Round other than the first Round, a Bidder may exercise a Waiver if that Bidder's Activity Level in that Round is lower than its Eligibility Points for the Round, provided that the Bidder has remaining Waivers to be exercised. The exercise of a Waiver during a Round will preserve the Bidder's Eligibility Points in that Round (i.e. will ensure that the Bidder's Eligibility Points at the beginning of the next Round equals the Bidder's Eligibility Points at the beginning of that Round), even though the Bidder's Activity Level in that Round is lower than its Eligibility Points for the Round. If a Bidder exercises a Waiver, the number of Waivers that the Bidder may exercise in subsequent Rounds will be reduced by one.

- 7.7.2 A Bidder has submitted a Valid Decision in a Round if it has confirmed the submission specifying the Valid Bids and Withdrawals (if any) submitted in the Round and (where applicable) whether to submit a Waiver. For the avoidance of doubt, a Bidder may choose to not submit any Valid Bids, Withdrawals or Waivers as part of the submission. A Bidder which before the end of a Round other than the first Round has not:

- (a) submitted a Valid Decision in that Round; and
- (b) previously exercised all its available Waivers in accordance with Section 7.7.1 or Section 7.7.2;

will automatically be deemed to have exercised a Waiver in respect of that Round if that Bidder's Activity Level is less than its Eligibility Points for that Round."

*(Section 7.7.2 updated on 24 September 2010)*

## **Withdrawal**

- 7.8.1 Each Bidder is entitled to exercise up to two Withdrawals during the Auction.
- 7.8.2 Subject to Section 7.8.1, a Bidder may exercise Withdrawal(s) in respect of the 3G Spectrum Lot(s) for which the Bidder is the Standing

Highest Bidder holding the Standing Highest Bid. A Standing Highest Bid that is withdrawn is no longer legally binding on the Bidder.

7.8.3 A Bidder is liable for a Withdrawal Penalty if the Bidder exercises a Withdrawal in respect of its Standing Highest Bid on a particular 3G Spectrum Lot in a Round and:

- (a) there is no other Standing Highest Bid for the same 3G Spectrum Lot from that Round until the end of the Auction; or
- (b) there is one or more subsequent Standing Highest Bids for the same 3G Spectrum Lot, but none of the subsequent Standing Highest Bids are higher than the withdrawn bid (irrespective of whether the subsequent Standing Highest Bids are also withdrawn).

7.8.4 The Withdrawal Penalty is an amount that shall be calculated as follows:

- (a) in the case of Section 7.8.3(a), the difference between the value of the withdrawn bid and the Reserve Price; and
- (b) in the case of Section 7.8.3(b), the difference between the value of the withdrawn bid and the value of the next subsequent highest Standing Highest Bid (irrespective of whether the next subsequent highest Standing Highest Bid is withdrawn or is the successful bid price).

For illustration purposes:

In Round 6, Bidder 1 withdraws its Standing Highest Bid of S\$23 mil for Lot A. Bidder 2 submits a bid of S\$23.5 mil for Lot A. At the end of Round 6, the Standing Highest Bid for Lot A is determined to be S\$23.5 mil, and Bidder 2 shall be the relevant Standing Highest Bidder.

In Round 7, Bidder 2 withdraws its Standing Highest Bid of S\$23.5 mil for Lot A. No other Bidder submit bids for Lot A. At the end of Round 7, there is no Standing Highest Bid for Lot A.

In Round 8, IDA sets the Minimum Bid for Lot A as S\$22 mil. Bidder 3 submits a bid of S\$22.5 mil for Lot A. At the end of Round 8, the Standing Highest Bid for Lot A is determined to be S\$22.5 mil, and Bidder 3 shall be the relevant Standing Highest Bidder.

In Round 9, Bidder 3 withdraws its Standing Highest Bid of S\$22.5 mil for Lot A. No other Bidder submit bids for Lot A. At the end of Round 9, there is no Standing Highest Bid for Lot A.

In Round 10, IDA sets the Minimum Bid for Lot A as S\$20 mil. Bidder 4 submits a bid of S\$20 mil for Lot A. At the end of Round 10, the Standing Highest Bid for Lot A is determined to be S\$20 mil, and Bidder 4 shall be the relevant Standing Highest

Bidder.

No other bids are submitted for Lot A after Round 10 until the end of the Auction.

Pursuant to 7.8.3(b), Bidder 1 is not liable for a withdrawal penalty because there is a subsequent Standing Highest Bid of S\$23.5 mil which is higher than the withdrawn bid.

Pursuant to 7.8.4(b), Bidder 2 is liable for a withdrawal penalty of S\$1 mil because the next highest Standing Highest Bid (which is withdrawn) is S\$22.5 mil.

Pursuant to 7.8.4(b), Bidder 3 is liable for a withdrawal penalty S\$2.5 mil because the next highest Standing Highest Bid (which is the successful Bid price) is S\$20 mil.

## **Recesses**

7.9.1 Each Bidder is entitled to request two Recesses during the Auction. The duration of each Recess is 90 minutes.

7.9.2 A Recess may only be requested by a Bidder after the close of a Round and at least five minutes before the start of the next Round. Recesses may be requested only by notifying IDA in accordance with Section 6.4.

7.9.3 If IDA receives a Recess request notification, IDA will, before the scheduled start of the next Round, notify all Bidders that the Auction is in Recess, and the revised date and time at which the next Round will commence.

7.9.4 For the avoidance of doubt, if more than one Bidder notifies IDA that it requests a Recess in accordance with 7.9.2 before the same Round, each Bidder will be deemed to have exercised their entitlement for a Recess.

7.9.5 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.

## **Notification following end of Round**

7.10. Following the end of each Round, IDA will notify each Bidder minimally of the following:

- (a) the Standing Highest Bid for each 3G Spectrum Lot in that Round determined in accordance with Section 7.3.2 and 7.3.3.
- (b) the Valid Bid(s) submitted by that Bidder in that Round;
- (c) the 3G Spectrum Lot(s) in respect of which that Bidder is the Standing Highest Bidder holding the Standing Highest Bid;

- (d) the number of Eligibility Points and Activity Level of that Bidder in that Round and the number of Eligibility Points of that Bidder in the following Round; and
- (e) the number of Waivers and Withdrawals exercised by that Bidder in that Round and the number of Waivers and Withdrawals available to the Bidder in the following Round.

### **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 decides 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 of the information referred to in Sections 7.1.3 and 7.1.4 in respect of that Round.

7.11.3 If IDA decides 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 of the information referred to in Sections 7.1.3 and 7.1.4 in respect of that Round.

7.11.4 If IDA decides 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**

8.1.1 If at any time IDA determines that a Bidder has failed to comply with one or more of the Auction 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 that Bidder may not participate, or participate further, in the Auction or any restart of the Auction.

8.1.2 If a Bidder which is excluded from the Auction was the Standing Highest Bidder in respect of any 3G Spectrum Lot(s) at the time of that Bidder's exclusion from the Auction, that Bidder's Standing Highest Bid(s) in respect of the 3G Spectrum Lot(s) will be deemed invalid. If IDA decides to continue the Auction in accordance with Section 9.3.(i), there will be no Standing Highest Bid for the relevant 3G Spectrum Lot(s) in the following Round. The Minimum Bid for the relevant 3G Spectrum Lot(s) in the following Round will be set by IDA. Such Minimum Bid will be not less than the Reserve Price and not more than



the maximum Standing Highest Bid for the relevant 3G Spectrum Lots in any preceding Rounds before the Round in which the exclusion took place. IDA may reduce the Minimum Bid in subsequent Rounds.

### **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 will be given, and deemed received, in accordance with Section 17.2. Forfeitures will 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 referred to 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 2.7.3 or 12 within the relevant time period specified in the relevant Section;
  - (f) if that Bidder does not participate in the Auction having submitted an Initial Offer;
  - (g) if that Bidder fails to submit a Valid Bid, or submits a bid or notifies IDA of the exercise of a Waiver, Withdrawal or a Recess request, otherwise than in accordance with these Auction Rules or the Bidding Procedure; or
  - (h) if that Bidder fails to submit at least the equivalent number of Valid Bids for any of the 3G Spectrum Lot(s) based on the number of 3G Spectrum Lot(s) that the Bidder had submitted Initial Offer(s) for in its Initial Offer Document
- 8.2.3 The amount which shall be forfeited by a Bidder in any of the circumstances specified in Section 8.2.2 shall be determined by IDA, provided that the aggregate of the amounts forfeited by a Bidder shall not exceed the relevant 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 3G Spectrum Right (2010) and/or the amount payable for the 3G Spectrum Right (2010) 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 3G Spectrum Right (2010) and/or the amount of the 3G Spectrum Right (2010) 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 unless permitted by IDA;
  - (b) each Bidder's number of Waivers and Withdrawals remaining, the number of Recesses which may be requested by each Bidder and the Bidder's Eligibility Points 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.
- 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 3G Spectrum Lots.
- 10.2 The Auction will be closed at the first time a Round ends during which:
- (a) no Bidder has submitted Valid Bid(s) for any 3G Spectrum Lot in accordance with Section 7.3.1;
  - (b) no Bidder has exercised Withdrawal(s) in accordance with Sections 7.8.1 and 7.8.2; and
  - (c) no Bidder has exercised Waiver(s) in accordance with Sections 7.7.1 and 7.7.2.
- 10.3 IDA will notify each Bidder of the close of the Auction.

#### **SECTION 11 – PROVISIONAL AWARDS OF 3G SPECTRUM RIGHTS (2010)**

- 11.1 Subject to Section 1.2, in the case where the Auction proceeds, each Bidder holding a Standing Highest Bid at the end of the Final Round in respect of the 3G Spectrum(s) (2010) for which it is the Standing Highest Bidder will be provisionally awarded a 3G Spectrum Right (2010) in respect of those 3G Spectrum Lots within two Business Days following the close of the Auction (or such longer period as IDA determines, which will not exceed four Business Days).
- 11.2 The 3G Spectrum Lot Fee for a 3G Spectrum Lot awarded pursuant to Section 11.1 shall be equal to the Standing Highest Bid for that 3G Spectrum Lot in the Final Round.

- 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 3G Spectrum Right (2010) in accordance with Section 11.1 a Provisional Award Notice notifying that Bidder of:
- (a) the specific 3G Spectrum Lot(s) included in the 3G Spectrum Right (2010) which that Bidder is provisionally awarded;
  - (b) the sum of the 3G Spectrum Lot Fees in respect of the 3G Spectrum Lots included in the relevant 3G Spectrum Right (2010);
  - (c) the Application and Processing Fee in respect of each 3G Spectrum Right (2010);
  - (d) the sum of any Withdrawal Penalties incurred in the course of the Auction;
  - (e) the aggregate of any Forfeitures to be settled by that Bidder (**Forfeiture Amount**); and
  - (f) 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 3G Spectrum Right (2010) in accordance with Section 11.1; and
  - (b) the 3G Spectrum Lot Fee payable in respect of each 3G Spectrum Lot (2010).
- 11.5 In the event that a 3G Spectrum Lot is not awarded in accordance with Section 11.1 above, IDA may within 1 month from the close of the Auction, subject to Section 1.2, offer Bidder(s) which had submitted Valid Bid(s) in any of the Rounds prior to the final Round in respect of that 3G Spectrum Lot during the Auction, the opportunity to acquire that 3G Spectrum Lot at their highest Valid Bid. Such Bidder(s) will be required to confirm if they will accept IDA's offer within such period as may be prescribed by IDA. Upon acceptance, IDA will then proceed to award that 3G Spectrum Lot to the Bidder with the highest Valid Bid in such manner as IDA may specify at that point in time.
- 11.6 In the event that more than one Bidder has confirmed that they will accept IDA's offer in accordance with Section 11.5 and such Bidders hold the same highest Valid Bids, IDA will determine which Bidder will be awarded the relevant 3G Spectrum Lot by way of a random draw method.

## **PART III - GRANT OF 3G SPECTRUM RIGHTS (2010)**

### **SECTION 12 – SETTLEMENT OF 3G SPECTRUM RIGHT (2010) PAYMENT AND FORFEITURES (IF ANY) AND GRANT OF 3G SPECTRUM RIGHTS (2010)**

- 12.1 If at the close of the Auction, a Bidder is not entitled to a provisional award of a 3G Spectrum Right (2010) 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 3G Spectrum Right (2010) but is subject to one or more Withdrawal Penalties and/or Forfeitures, the Withdrawal Penalties and/or Forfeiture Amounts payable by that Bidder will be transferred by that Bidder within seven Business Days of the close of the Auction to the IDA Bank Account. If the aggregate Withdrawal Penalties and/or Forfeiture Amounts are received in 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 Withdrawal Penalties and/or Forfeiture Amounts are not received in 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 amount of the Withdrawal Penalties and/or Forfeitures.
- 12.3 If upon the close of the Auction, a Bidder is entitled to a provisional award of a 3G Spectrum Right (2010) in respect of one or more 3G Spectrum Lots, within seven Business Days of the close of the Auction that Bidder will transfer to the IDA Bank Account the 3G Spectrum Right (2010) Payment and, if that Bidder is subject to one or more Withdrawal Penalties and/or Forfeitures, the amount of the Withdrawal Penalties and/or Forfeitures payable by that Bidder. If the 3G Spectrum Right (2010) Payment, and any Withdrawal Penalties and/or Forfeiture Amounts payable, are received in the IDA Bank Account on or prior to the date which is seven Business Days after the date of the close of the Auction (**Payment Date**), IDA will: (a) grant that Bidder a 3G Spectrum Right (2010) in respect of the 3G 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 Payment Date. If the 3G Spectrum Right (2010) Initial Payment or any Forfeiture Amounts or any Withdrawal Penalties payable by that Bidder are not received in the IDA Bank Account on or prior to the Payment Date, that Bidder will not be granted a 3G Spectrum Right (2010) and IDA may determine that that Bidder is subject to a further Forfeiture in accordance with Section 8.2.2 and 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 3G Spectrum Right (2010) granted in accordance with Section 12.3 shall be effective as of the Effective Date in accordance with the terms and conditions of such 3G Spectrum Right. If the procedure for award of the 3G Spectrum Right (2010) has not been completed by that date, the 3G Spectrum Right (2010) shall become effective on such later date as IDA may determine.
- 12.5 In the event that the 3G Spectrum Right (2010) Initial Payment and any Withdrawal Penalties and/or Forfeiture Amounts are not received by IDA in accordance with Section 12.3 from a Bidder which has been provisionally awarded a 3G Spectrum Right (2010) (a **Defaulting Bidder**), IDA will revoke such provisional award and no 3G Spectrum Right (2010) will be granted to the Defaulting Bidder. IDA may allocate the 3G Spectrum Lot(s) provisionally awarded to the Defaulting Bidder in another auction which may be subject to rules which are different from these Auction Rules or by any other allocation method which IDA considers appropriate.
- 12.6 Any GST payable on any sum payable to IDA pursuant to these Auction Rules or a 3G Spectrum Right (2010) shall be payable by the relevant Bidder. In particular, the relevant Bidder shall be responsible for the payment of GST on the Application and Processing Fee.
- 12.7 A Bidder which is provisionally awarded a 3G Spectrum Right (2010) and which has paid the 3G Spectrum Right (2010) Initial Payment and any Forfeiture Amount or Withdrawal Penalty payable by that Bidder prior to the Payment Date in accordance with Section 12.3 may, by notice in writing delivered to IDA prior to the Payment Date, request that:
- (a) the relevant 3G Spectrum Right (2010) be granted to an entity which complies with Section 1.4 and which is owned and controlled by the Bidder (whether wholly or together with other persons) in accordance with the information provided in that Bidder's Application Form and Initial Offer Document and any clarification or additional information and documents submitted by that Bidder; and
  - (b) the time period set out in Section 12.3 for grant of the relevant 3G Spectrum Right (2010) be extended by up to fourteen Business Days from the Payment Date in order that the entity referred to in Section 12.7(a) can be established,
- provided that:
- (i) such Bidder has indicated in its Application Form and Initial Offer Document that it may wish to serve such a notice under this Section 12.7; and

- (ii) that entity must submit to IDA, prior to the grant of the relevant 3G Spectrum Right (2010), its application for an 3G FBO Licence in relation to that 3G Spectrum Right.

No 3G Spectrum Right (2010) will be granted to an entity which does not comply with Section 1.4 and is not owned and controlled by the relevant Bidder (whether wholly or together with other persons), if any, in accordance with the information provided in that Bidder's Application Form and Initial Offer Document and any clarification or additional information and documents submitted by that 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 person 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 3G Spectrum Lots.

Each Bidder will remain bound by the provisions of this Section 13.1 until the earlier of the grant of the 3G Spectrum Rights (2010) 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 Auction 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 3G Spectrum Rights (2010) 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 3G Spectrum Right (2010), then if IDA in its sole discretion determines appropriate, the

provisional award or grant of the 3G Spectrum Right (2010) (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 person which has submitted an Application Form, Initial Offer Document and/or a Bank Guarantee in accordance with Section 2.1.

#### **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 3G Spectrum Lot.
- 14.2 For the purpose of this Section 14, **Bidder** shall include any person which has submitted an Application Form, Initial Offer Document and/or a Bank Guarantee in accordance with Section 2.1.



## **PART V – GENERAL**

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

- 15.1 Notwithstanding any other provision in these Auction 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 Auction Rules (including the date on which a 3G Spectrum Right (2010) 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 address of the Auction Website, provided that IDA will publicly announce the new address on its website;
  - (c) delay, cancel or suspend a Round, and/or the Auction if in the opinion of IDA this is in the public interest; and/or
  - (d) amend, supplement and/or vary these Auction 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 Auction Rules and may take into account all or any facts, circumstances or matters which it considers to be relevant.
- 15.3 For the avoidance of doubt, IDA is not bound by any determination made pursuant to these Auction Rules to make a similar determination in future reallocation exercise over these 3G Spectrum Lots. All determinations by IDA will be based on its policy objectives and on the facts at that point in time.

## **PART VI – MISCELLANEOUS**

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

- 16.1 Any person participating in the Auction must take all necessary steps to carefully examine and acquaint itself with these Auction Rules. The submission of an Application Form, Initial Offer Document and/or Bank Guarantee in accordance with Section 2.1 shall be deemed to constitute such person’s acknowledgement of, and agreement to abide by, these Auction Rules.
- 16.2 Any person considering participating in the Auction may submit to IDA written queries relating to these Auction Rules or the Auction, provided

that any such queries are received by IDA on or before 20 September 2010.

- 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 person which submitted the query and any other interested persons.

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

- 17.1 Subject to Section 17.3, any notification or other communication (other than the submission of the Application Form and the Initial Offer Document) to be given to IDA by a Bidder must be in writing and signed by or on behalf of the person 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 3  
Singapore 038988

Facsimile No.: (65) 6211-2116

For the attention of: Ms Aileen Chia

Any such notification or other communication:

- (a) if delivered by hand, will be deemed received by IDA when delivered; and/or
- (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 Application Form.

Any notification or other communication:

- (a) if delivered by hand, will be deemed received when delivered; and/or
- (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 Auction Rules between IDA and any Bidder must be made in accordance with the protocols set out in the “Instructions to Bidders”, 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 18.3 of the error at the earliest opportunity.
- 18.2 If a Bidder ought reasonably to have known that IDA would be likely to determine it to be an Associated Bidder in relation to one or more of the other Bidders in the Auction if IDA were aware of all relevant information, such Bidder will notify IDA of all relevant information at the earliest opportunity.
- 18.3 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 Application Form and 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 3G Spectrum Right (2010) 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 3G Spectrum Right (2010), IDA may upon notification to that Bidder determine that the 3G Spectrum Lot(s) included in the 3G Spectrum Right (2010) provisionally awarded to that Bidder will not be provisionally awarded to that Bidder and that no 3G Spectrum Right (2010) will be granted to that Bidder.
- 18.4 Any change in ownership and/or control as referred to in Section 18.3 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 Auction 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 Auction Rules or otherwise arising in connection with these Auction 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

**3G FBO Licence** means a FBO Licence for the provision of 3G mobile communication systems and services;

**3G Spectrum Lot** means the specific frequency bandwidth which may be used for provision of third generation mobile communication services, as referred to in Section 1.1 and Annex 1, subject to the grant of a 3G Spectrum Right (2010) in respect of the 3G Spectrum Lot;

**3G Spectrum Lot Fee** means the fee payable, in addition to the Application and Processing Fee, in respect of each 3G Spectrum Lot allocated pursuant to the Auction, as determined in accordance with Section 2.7.1, or Section 11.2, including the applicable GST;

**3G Spectrum Right (2010) Initial Payment** means, in relation to a 3G Spectrum Right (2010), the sum total of the 3G Spectrum Lot Fee and the Application and Processing Fee for each 3G Spectrum Lot included in that 3G Spectrum Right;

**3G Spectrum Right (2010)** means the right to use the frequencies specified in that 3G Spectrum Right (2010) for the provision of third generation mobile communication services in accordance with the relevant terms and conditions;

**Activity Level** means, in relation to a Bidder, that Bidder's level of activity in a Round and is determined in accordance with Section 7.4.3.

**Application and Processing Fee** means the application and processing fee for use of radio frequencies of S\$5,400.00 for each 3G Spectrum Lot included in a 3G Spectrum Right (2010), excluding the applicable GST;

**Application Date** means 4 October 2010, or such later date as IDA may otherwise notify the Bidders, provided that the Application Date will be no less than ten Business Days before the Auction Start Date;

**Application Form** means the application form to be submitted by an interested person, the form of which is attached as Appendix 1 to this Auction Rules;

**Associated Bidder** means any person which has submitted an Application Form which is determined by IDA to be associated with any other person which has submitted an Application Form. For purposes of this definition, where an Application Form submitted indicates that a notice may be served under Section 12.7, **any person** shall include any person or company which will be a shareholder or proprietor of, or partner in, or otherwise an owner of, the entity to be established which complies with Section 1.4;

**Associated Bidder Group** means two or more persons which IDA has determined are Associated Bidders in relation to each other;

**Auction** means the procedure specified in these Auction Rules for granting 3G Spectrum Right(s) (2010) in respect of all or any of three 3G Spectrum Lots, as specified in Annex 1;

**Auction Bidding Procedure** means the procedure as set out in Section 6;

**Auction Rules** means these rules published by IDA relating to the procedures by which IDA may allocate the 3G Spectrum Lots and/or grant 3G Spectrum Rights (2010) in respect of the 3G Spectrum Lots, as amended or varied by IDA from time to time in accordance with these rules

**Auction Service Provider** means the service provider engaged by IDA to conduct the Auction;

**Auction System** means the system provided by the IDA's Auction Service Provider for this Auction referred to in Section 6.1 of the Auction Rules;

**Auction Start Date** means the date on which the Auction will start, being 15 November 2010, 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) or other website as notified by IDA;

**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 2.4.1(b) or Section 3.5, 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 attached as Appendix 3 to this Auction Rules or with such amendments as may be approved in writing by IDA;

**Bidder** means any person which: (a) is an entity which complies with Section 1.4; (b) has submitted an Application Form, Initial Offer Document and Bank Guarantee in accordance with Section 2.1; (c) is notified that it is a registered Bidder pursuant to Section 2.2.7; (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 7.5.2;

**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 Auction 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 7.5.2;

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

**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 1.8 of the Application Form;

**Effective Date** means the date on which a 3G Spectrum Right (2010) takes effect, being 1 December 2010, or such other date as IDA may determine in accordance with these Auction Rules;

**Eligibility Points** means the maximum Activity Level allowed for a Bidder in a Round and is determined in accordance with Section 7.4.3 except in the first Round where the Eligibility Points of a Bidder is the maximum number of 3G Spectrum Lots that it may make an Initial Offer for in its Initial Offer Document subject to Section 1.2;

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

**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(e);

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

**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 50 per cent of or control more than 50 per cent 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 the face amount for which a Bank Guarantee is submitted with an Initial Offer Document, which amount is specified in Section 2.5.2;

**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 3 September 2010 relating to the grant of 3G Spectrum Rights (2010) in respect of all or any of the 3G Spectrum Lots;

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

**Initial Offer** means, in relation to a 3G Spectrum Lot, a legally binding offer made by a Bidder in its Initial Offer Document to acquire that 3G Spectrum Lot;

**Initial Offer Document** means an initial offer document submitted by a Bidder in accordance with Section 2.1, the form of which is attached as Appendix 2 to this Auction Rules;

**Maximum Bid** means, in relation to a 3G Spectrum Lot, the maximum amount as determined in accordance with Section 7.6.3 in which a Valid Bid may be submitted in a Round;

**Minimum Bid** means, in relation to a 3G Spectrum Lot, the minimum amount as determined in accordance with Section 7.6.1 in which a Valid Bid may be submitted in a Round;

**Minimum Bid Increment** means the minimum bid increment for a 3G Spectrum Lot in a Round as determined in accordance with Section 7.6.2;

**M1 Group** means M1 Limited and its related corporations (as defined in the Companies Act (Cap. 50));

**Notification Date** means the date on which IDA notifies Bidders of such information as is specified in Section 5.1, which date will be no later than two Business Days before the Auction Start Date;

**Payment Date** for the purpose of Section 2.7.3 has the meaning given in Section 2.7.3 and, for the purpose of Section 12.3 has the meaning given in Section 12.3;

**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 2.7.1 or Section 11.3;

**Recess** means a period of time during which there are no further Rounds as determined in accordance with Section 7.9.1 to Section 7.9.5;

**Related Person** means, in relation to a person which submits an Application Form:

- (a) any member of that person's Group; and
- (b) where it is proposed that a Singapore Entity (as defined in the Application Form) be established to which a 3G Spectrum Right (2010) is to be granted if the person which submits an Application Form is successful:
  - (i) any Proposed Investor (as defined in the Application Form);
  - (ii) any member of any Proposed Investor's Group; and
  - (iii) any entity which any two or more Proposed Investors control (as defined in the Application Form);



**Reserve Price** means the price below which the 3G Spectrum Lot will not be awarded, being S\$20 million for each 3G Spectrum Lot;

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

**SingTel Group** means Singapore Telecommunications Ltd and its related corporations (as defined in the Companies Act (Cap. 50));

**Standing Highest Bid** means, in relation to a 3G Spectrum Lot, the highest Valid Bid submitted for that 3G Spectrum Lot in that Round;

**Standing Highest Bidder** means, in relation to a 3G Spectrum Lot, the bidder which submitted the highest Valid Bid for that 3G Spectrum Lot in that Round or which has been selected as such pursuant to Section 7.3.3 in the event of a tie;

**StarHub Group** means StarHub Ltd and its related corporations (as defined in the Companies Act (Cap. 50));

**Training Session** means the training session conducted by IDA or IDA's Auction Service Provider in accordance with Section 3;

**Valid Bid** means a bid submitted in a Round by a Bidder which complies with Section 7.3.1;

**Waiver** means a right exercisable in a Round by a Bidder in accordance with Section 7.7.1 to enable a Bidder to retain its Eligibility Points in a Round to the immediately following Round, whether or not that Bidder's Activity Level in that Round equals his Eligibility Points in that Round;

**Withdrawal** means the withdrawal of a Standing Highest Bid held by a Bidder in respect of a 3G Spectrum Lot for which it is a Standing Highest Bidder; and

**Withdrawal Penalty** means the penalty a Bidder exercising a Withdrawal is liable for in accordance with Section 7.8.4.

**ANNEX 1**  
**3G Spectrum Lots**

<b>3G Spectrum Lot</b>	<b>Paired</b>	
	<b>Lower Band (MHz)</b>	<b>Upper Band (MHz)</b>
A	1964.9-1969.9	2154.9-2159.9
B	1969.9-1974.9	2159.9-2164.9
C	1974.9-1979.7	2164.9-2169.7