

1800 MHz Auction

Auction Rules

| **159 November July 2015**

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1 Introduction and overall objectives for the auction

The Ministry of Transport and Communications (the Ministry) has decided that the available 2 x 15 MHz in the 1800 MHz band (1710-1725 MHz / 1805-1820 MHz) will be awarded by auction. The Ministry assigned the task of allocating the frequencies to the Norwegian Communications Authority (Nkom).

A letter of instruction from the Ministry to Nkom dated 28 March 2014¹ lists the primary objectives and the overall framework of the auction. The objectives are to ensure that the auction achieves an efficient allocation of spectrum and that the revenue reflects the market value of the spectrum.

Nkom conducted a public consultation on the framework of the auction in the period 3 April to 2 May 2014. The consultation document, the responses and a summary of the consultation responses including Nkom's assessments are available on Nkom's webpage². On the background of the consultation responses Nkom prepared draft auction rules and conducted a public consultation on the draft rules in the period 20 April to 1 June 2015. A document with Nkom's assessments of the consultation responses is available on Nkom's webpage³. The consultation responses will be published after the auction.

[Nkom published auction rules for the 1800 MHz auction on 15 July 2015. After that the Ministry received a petition from TeliaSonera to change the auction rules. The Ministry decided that section 10.4 \("Assignment Stage"\) of the auction rules of 15 July 2015 should be changed and told Nkom to conduct the necessary changes of the auction rules.](#)⁴

[Nkom conducted a public consultation on the auction format for an assignment auction from 19 to 30 October 2015. The consultation responses will be published after the auction. A document which contain Nkom's assessments of the consultation responses are available on Nkom's webpage.](#)

In this document Nkom presents the final auction rules.

¹ The letter is available on Nkom's webpage: <http://www.nkom.no/teknisk/frekvensauksjoner/auksjoner/planlagte-avsluttede/auksjon-23-1800-mhz> (in Norwegian only)

² <http://www.nkom.no/aktuelt/h%C3%B8ringer/h%C3%B8ring-om-auksjon-i-1800-mhz-b%C3%A5ndet>

³ <http://www.nkom.no/teknisk/frekvensauksjoner/auksjoner/planlagte-avsluttede/auksjon-23-1800-mhz> (in Norwegian only)

⁴ The Ministry's letter of instruction to Nkom is available on Nkom's webpage: <http://www.nkom.no/teknisk/frekvensauksjoner/auksjoner/planlagte-avsluttede/auksjon-23-1800-mhz> (in Norwegian only)

2 Available spectrum

2.1 Spectrum to be auctioned

As shown in figure 1 the lots in the auction will consist of three blocks in the 1800 MHz band of 2 x 5 MHz each.



Figure 1

The blocks will be made available in the auction as abstract lots.

The Ministry/Nkom may reassign the frequencies in this band when TeliaSonera's and Telenor's existing licences with duration until 31.12.2028 expire with the aim to minimise band fragmentation after reallocating this spectrum.⁵

2.2 Reserve prices

The reserve price is NOK 5 000 000 for each paired lot. The reserve prices do not indicate Nkom's estimate of the value of the lots.

2.3 Spectrum cap

There will be no spectrum cap in the auction.

3 Allocation process

The award of the frequencies will be conducted in a two-stage process, cf. Section 10.1. The first stage is to determine the amount of spectrum to be assigned to each winner (the Allocation Stage). The second stage is to determine the specific frequencies assigned to each winner (the Assignment Stage). The first stage will be conducted as an open multiround auction based on a simple Ascending Clock Auction format, i.e. bidding will be on quantities of lots in a single category and the real placement of the blocks will not be known before the auction. If there are more than one winner in the Allocation Stage, the actual placement will be decided by negotiation or by a first-price sealed-bid auction if negotiation fails.

⁵ This reservation was also made in the auction rules for the multiband auction in 2013, cf. Section 2.3.1.

~~administrative procedure in the second stage of the auction (Assignment Stage)~~, cf. Section ~~10.4_~~10.3.

4 Licence terms and conditions

4.1 Geographic scope

The spectrum licence will be assigned for use on Norwegian land territory, except Svalbard, Jan Mayen and Norwegian dependencies.

4.2 Duration

The duration of the licences will be aligned with the licences in the 1800 MHz band which was assigned in December 2013, so that these licences have the same expiry date. The licences will be valid from the date of issuance⁶~~1 January 2016~~ until 31 December 2033.

4.3 Usage

The spectrum licence will be technology and service neutral subject to clause 5 in the draft licences. Furthermore the frequencies must be used for terrestrial radio applications capable of providing electronic communications services.

The licence will be tradable, including sale, lease etc. according to the Electronic Communications Act Section 6-5. Under this provision the Authority may issue individual decisions that entitle the holder of a frequency licence the right to transfer the licence via sale or lease. Before any sale may take place, the holder of the licence shall inform the Authority of the planned transfer. The licensee shall inform the Authority of any planned leasing of frequencies that may have a significant impact on competition. The Authority may refuse the sale or lease of frequencies to prevent an anti-competitive effect.

The specific usage restrictions, allowed power levels, spectrum masks etc. are specified in the draft licences.

4.4 Administrative charges and annual fees

The licensee is required to pay annual administrative charges and annual spectrum fees.

⁶ See Section 11.5.

With reference to Section 12-1 of the Electronic Communications Act, the model for administrative charges is laid down in Regulation No. 168 of 21 February 2005 relating to Administrative Charges Payable to the Norwegian Post and Telecommunications Authority (Nkom). Licence holders must pay full annual administration charges in the year in which the licence is issued. Information on administrative charges payable to Nkom is available on www.nkom.no.

With reference to Section 12-2 of the Electronic Communications Act, the licensee is required to pay annual spectrum fees. The spectrum fee is adjusted yearly by the Norwegian Parliament (Stortinget).

Since the licences will be valid from 1 January 2016 the annual administrative charges and spectrum fees will be levied from 2016 onwards.

Estimated annual administrative charges based on numbers for 2015 (pr. 2 x 5 MHz)	
1800 MHz band	Approx. NOK 277 000

Estimated annual fees (pr. 2 x 5 MHz)	
1800 MHz band	Approx. NOK 6 890 000

5 Requirements for participation in the auction

5.1 Participants

Any person or undertakings registered in the European Economic Area (EEA) or Switzerland may register for the auction. Note that the undertakings must be registered with an organisation number from The Brønnøysund Register Centre (www.brreg.no) before a frequency licence will be issued.

In cases where persons or undertakings would be treated as a single economic unit with respect to Article 53 (1) of the EEA agreement (Article 101 (1) of the TEU Treaty), only one of these may register as a bidder. This implies that two or more undertakings within the same corporate group may not register for the auction.

5.2 Financial situation

A person or undertaking cannot participate in the auction if the person or the company:

- Is in suspension of payments

- Has entered into debt settlement negotiations/proceedings
- Is insolvent or is subject to a petition of bankruptcy or winding-up, or has passed a resolution for a voluntary winding up
- Has gone into bankruptcy/liquidation

5.3 Prohibition of collusive behaviour

Agreements or concerted practices which have as their object or effect the prevention, restriction or distortion of competition, i.e. collusive behaviour regarding bidding or bidding strategies, are prohibited under Section 10 of The Competition Act.

5.4 Registration

Only persons or undertakings who register in accordance with the provisions set in these auction rules are allowed to participate in the 1800 MHz-auction.

6 The registration process

6.1 Overview of the process

The registration process has three main steps, cf. figure 2:

1. Auction Registration: Parties register for the auction and place a Registration Bid – See Section 6.3
2. Registration Validity Check: Nkom checks the validity of the Registrations – See Section 6.7
3. Excess Demand Test: Nkom checks that an auction is necessary by comparing the aggregate demand from the Registration Bids against the available supply of 3 lots of 2 x 5 MHz – See Section 6.9

The remainder of this Section describes each step of the Registration Process in more detail.

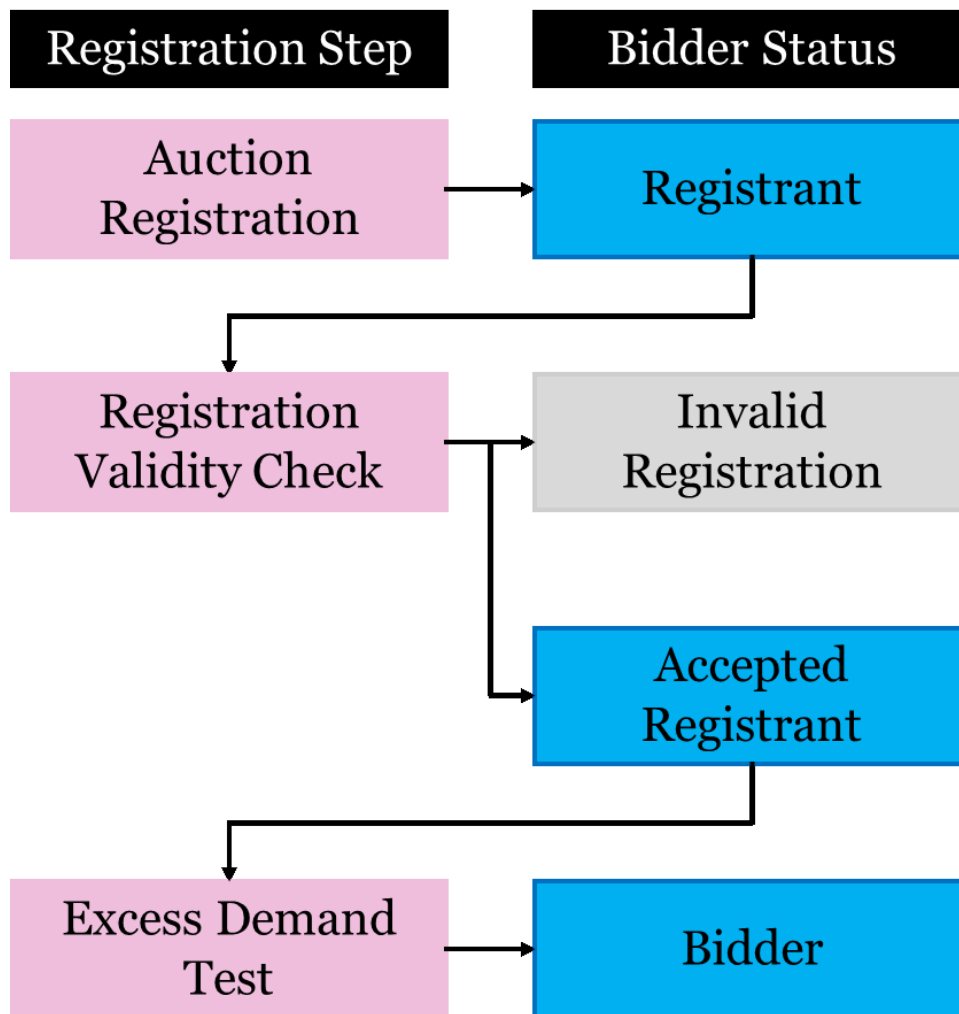


Figure 2

6.2 Required registration documents

Valid registration for participation in the auction requires delivery of:

1. The registration form provided in Annex 1
2. A registration bid form provided in Annex 2
3. A bank guarantee with wording conform to the template in Annex 3

6.3 Registration bid and default first round bid

Upon registration Registrants must submit a legally binding bid for minimum one lot at reserve price. However, the Registrants may bid on one, two or three lots. The registration bid is a legally binding commitment on behalf of the bidder to purchase the stated number of paired lots at the reserve price.

The excess demand test described in section 6.9 determines whether the allocation process will progress to bidding. In the case that the excess demand test determines that the aggregate demand is less than 3 lots each Registrant will be allocated the lots in their registration bid. If there is excess demand the allocation process will progress to bidding, cf. section 10.

Regardless of the number of lots specified in the Registration Bid, each Bidder will be credited with an initial eligibility of 3 lots should the auction commence.

Should Round 1 of the auction be opened, the auction system will automatically create a default bid on behalf of each Bidder for 1 lot. By registering for the auction, each bidder accepts at a minimum to make a commitment to this default first round bid. This bid can be overridden with a bid for a strictly higher quantity in the first round of the auction.

6.4 Bank guarantee

The bank guarantee is payable on first demand.

The Norwegian State acts as self-insurer, consequently central bodies and categories of bodies governed by public law are exempted from presenting a bank guarantee. Nkom decides which bodies fall under the exemption.

The guarantee must be issued by a financing institution registered in the EEA or Switzerland, and otherwise meet the requirements stipulated by Nkom.

The guarantee must be valid until 2 May 2016.

Regardless of the number of lots specified in the registration bid, the amount of the bank guarantee is equal to NOK 15 000 000.

The amount of the guarantee does not restrict bidders with regard to how much they are permitted to bid during the auction.

See Section 11.3 on payment under the guarantee.

6.5 Registration time frame

Registration documents can be delivered to Nkom from ~~1-October~~ 9 November 2015.

The closing date for registration is ~~26-October~~ 16 November 2015, 15:00 Norwegian time.

6.6 Delivery of registration documents

The registration documents must be delivered in person or by courier or sent by mail.

Address for delivery:

Nasjonal kommunikasjonsmyndighet
Nygård 1
4790 Lillesand

If registration documents are to be delivered in person or by courier, please inform Nkom beforehand. Please contact Espen Slette (esl@nkom.no) or Vibeke Skofsrud (vsk@nkom.no) by e-mail or telephone number + 47 22 82 46 00.

Mail address:

Nasjonal kommunikasjonsmyndighet
Postboks 93
N-4791 Lillesand

6.7 Valid registration

Only approved registration documents can be used as registration documents.

Original registration documents must be received by Nkom within the closing date.

The person or undertaking assumes the risk of ensuring that:

- Original registration documents are complete and duly signed and in accordance with requirements
- Registration documents are delivered and received by Nkom within the closing date

Nkom will assess the registrations and decide whether a registration is valid or not based on the provisions set in the auction rules. Nkom may give a short deadline for rectification of minor errors or incorrections. Nkom will not extend the deadline for registration unless extraordinary circumstances occur.

Nkom will notify the person or undertaking whether the registration is considered valid or not within three working days after deadline for registration.

6.8 Principal legal consequences of registration

Persons or undertakings that register for participation in the auction accepts and agrees to be legally bound in accordance with the rules set in the framework and auction rules.

Persons or undertakings that register in the auction also accept and agree to be legally bound by a registration bid for N lots and to pay for up to N lots at the reserve price and to a default bid for 1 lot if the auction goes ahead cf. Section 6.3.

6.9 Procedure for Acceptance of Registrants and the Excess Demand Test

After the registration deadline has passed, Nkom will assess each Registrant in turn. If Nkom determines that registration documents are in accordance with the rules for registration the status of the respective Registrant will be promoted to 'Accepted Registrant', see figure 2.

Once the final list of Accepted Registrants has been determined, Nkom will perform an excess demand test on the submitted registration bids. The list of Accepted Registrants will be treated as confidential.

This test will sum the quantities of the registration bids across the Accepted Registrants and determine if the aggregate demand is greater than the available supply of 3 lots. If there is deemed to be excess demand based on the accepted registration bids, Nkom will announce that the auction process will go ahead and the status of each Accepted Registrant will be elevated to 'Bidder'.

In the case where there is deemed not to be excess demand, and there are more than one Accepted Registrants, the assignment of the blocks will be conducted in accordance with the process described in Section 10.3. Nkom will make an administrative allocation based on the committed registration bids at the reserve price.

Any unallocated blocks after this process will stay at the jurisdiction of Nkom. Any unsold block(s) will be located at the bottom of the band. If there is more than one block, the blocks will be contiguous.

7 General rules on bidding

7.1 Assumption that bids are submitted on behalf of bidder

The representative(s) stated in the registration form will be considered authorized to act on behalf of the relevant person or undertaking, here after referred to as the bidder.

Nkom will assume that any bids submitted in the auction by the authorised representative(s) are submitted on behalf of the relevant bidder.

7.2 Liability of foreseeable situations

The bidder is liable for all foreseeable situations, such as circumstances on bidder's side, for instance delay, technical failures, breakdowns of the bidder's machinery/equipment, unavailability of the authorised representative(s) and the loss or damage of confidential material and information received from Nkom.

7.3 Principal legal consequences of bidding

Bids placed at registration by Registrants and bids placed during the Allocation Stage and Assignment Stage by Bidders are legally binding, unconditional and irrevocable commitments to accept up to the specified number of lots at the prevailing price per lot.

Bids remain binding until 2 May 2016. Bidders may be released from their bids by notification from Nkom before this date.

Bidders are liable for the full amount of their winning bid(s).

Bidders are obliged to pay the price of winning bid(s) within the term of payment and to the place of payment described in Sections 11.1 and 11.2.

8 Exclusion from the auction

Breach of rules set in the overall framework and auction rules may lead to exclusion.

If a bidder is excluded from the auction, the bidder will remain liable for its bids and any payment following from these bids in case that the excluded bidder would have become a winner. However, an expelled bidder may not be awarded a licence.

Nkom may decide to void bids of a bidder who has been expelled. Voiding of bids may require a recalculation of winning bids and prices.

9 The auction process

9.1 Time frame

Bidders will receive auction system user manual, digital certificates, username and passwords after the registration process have been finalized. A mock auction will be held a few daysweeks before the auction.

The real auction will start on [925](#) November 2015.

Information on the daily auction schedule [for the Allocation Stage of the auction](#) will be available to bidders at least one day in advance. The auction will be conducted on weekdays between 08:00 and 16:00. The actual progress of the auction will be decided on a day to day basis and set at the discretion of Nkom.

9.2 Preparations for the bidders

Nkom will give digital certificates, security codes, username and passwords to the authorised representative(s).

Any loss or damage of received confidential material must be reported to Nkom immediately.

The [Allocation Stage of the](#) auction will be conducted over the public Internet using an Electronic Auction System (EAS).

The auction system will run in a standard web browser - no specialist software is required. Bidders will need a reliable Internet connection with a recommended download bandwidth of at least 512 kb/s. Bidders should follow the recommended setup for hardware and software provided in the auction system user manual, which will be provided for registered bidders. Bidders will need to install the digital certificates provided by Nkom for authentication purposes on any computer they may intend to use to access the auction system. Detailed instructions for installing the digital certificates used for authentication, accessing the auction system and submitting bids will be provided in the auction system user manual.

Bidders will be given an opportunity to test their computers and familiarise themselves with the auction system in a mock auction, cf. Section 9.1.

10 Conduct of the auction

10.1 Overview of the auction stages

The main auction progresses through two main stages – the Allocation Stage and the Assignment Stage, cf. figure 3. The remainder of this Section describes each of these stages in turn and the flow of the auction within each stage.

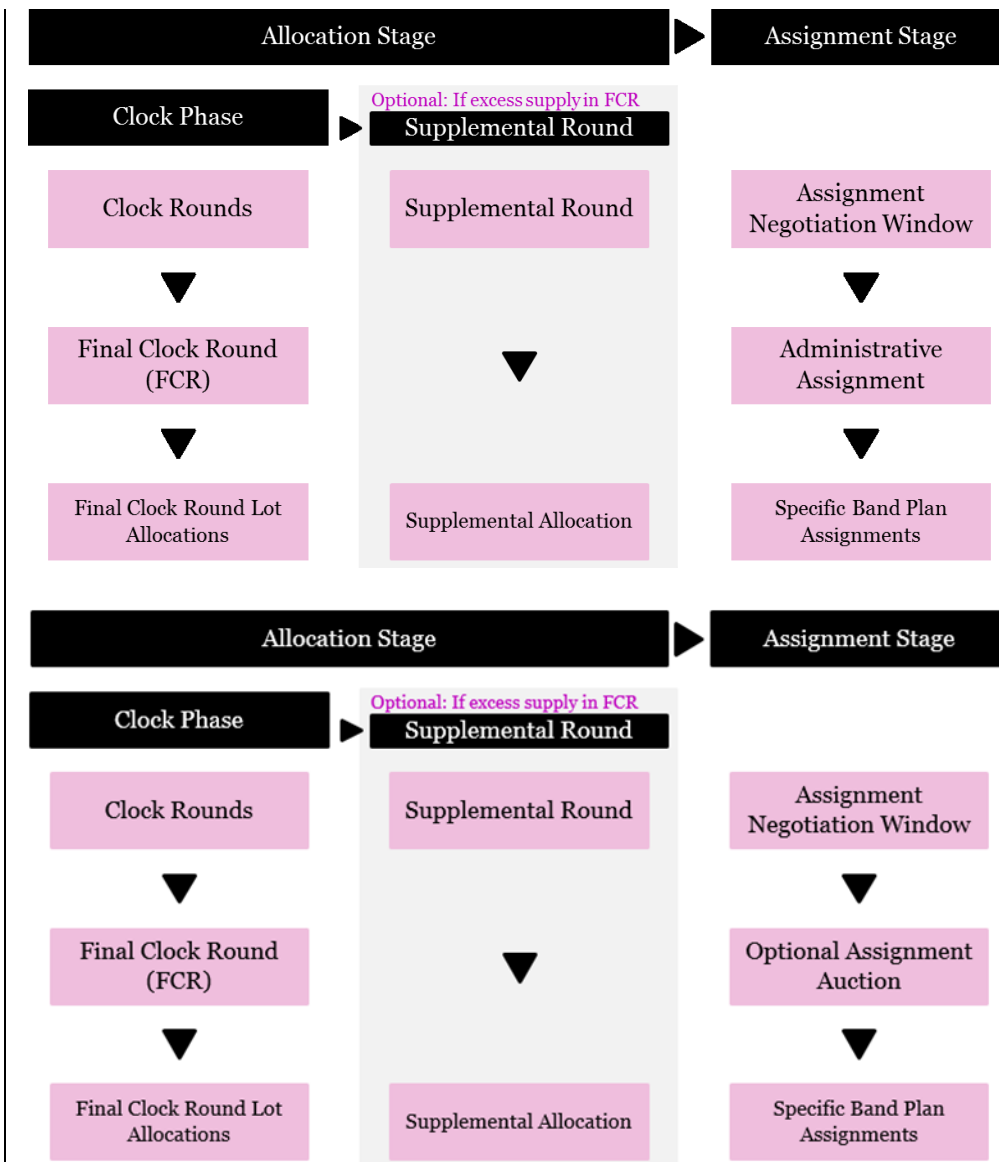


Figure 3

10.2 Allocation Stage

10.2.1 Structure of the Allocation Stage

The objective of the Allocation Stage is to determine the amount of spectrum to be awarded to each winning bidder.

The Allocation Stage will begin with a Clock Phase followed by an optional Supplemental Round. The Supplemental Round will be activated in the case that there is excess supply in the Final Clock Round.

The Clock Phase will comprise of a number of discrete Clock Rounds where bidders will be notified of a prevailing clock price per lot and then invited to place bids on the required quantity of lots at that prevailing price.

10.2.2 Clock Phase Procedure

During the Clock Phase, the price level will increase until demand for lots does not exceed supply. Nkom sets a price per lot, before each clock round. Price increments are set at the discretion of Nkom. However, Nkom will inform the bidders of the plan for the auction and the expected increments at latest one day in advance, cf. Section 9.1.

Each clock round starts and ends at a predetermined time, set (and changed if needed) by Nkom. Auction system time shall be used. The bidders specify how many lots they are willing to buy at the prevailing price. If there is deemed to be excess demand at the end of a Clock Round, Nkom increases the price in the subsequent round. This process continues until the Aggregate Demand is lower than or equal to the supply of available lots. If the Clock Phase closes with excess supply, then the auction will move to the Supplemental Round, cf. Section 10.2.6.

10.2.3 Eligibility and Activity in the Clock Phase

A bidder's eligibility is defined as the maximum number of blocks on which a bidder is permitted to bid in a given round.

A Bidder's Activity in a given round is defined as the number of lots that the bidder submits a bid for in the given round.

A strict activity rule is applied during the Clock Phase meaning that a Bidder can only place bid in the Clock Phase for which it has sufficient eligibility. In other words, the number of lots that a Bidder bids for on a round by round basis can only stay the same or fall. It can never increase.

In the Clock Rounds, eligibility is the number of lots the bidder placed a bid for in the previous clock round. The initial eligibility for each bidder is set to 3 lots.

10.2.4 Information to Bidders in the Allocation Stage

Prior to each Clock Round the following information will be published (and will be possible to access throughout the bidding round) to each bidder through the auction system:

- Prevailing price per block – Round Price
- The Bidder's current eligibility
- Aggregate demand in the previous round – interval or absolute value
- Start and end time for the upcoming round

At all times during the Allocation Stage-auction the auction system will continuously update the current system time. Each Bidder will also be able to see the information for earlier rounds

(price per block, the bidder's eligibility, aggregate demand, start and end time for rounds) and the bidder's past bids at all times during the auction. This information will also be available for download⁷.

If the aggregate demand is 4, 5 or 6 for a previous round, bidders will be shown in interval 4-6. In all other cases, i.e. if aggregate demand in the previous round was not 4, 5 or 6, bidders will be informed of the level of aggregate demand (i.e. the exact number of lots demanded) in the previous round.

Bidders that have bid for zero blocks will not receive any information prior to a new clock bidding round after they have placed their zero bid.

10.2.5 End of the Clock Phase

The Clock Phase ends when aggregate demand is less than or equal to the available supply. Bidders that submitted bids in the Final Clock Round win the number of lots that they bid for in the round and pay a price for each of these lots equal to the prevailing Clock Price in the Final Clock Round.

10.2.6 Progression to the Optional Supplemental Round

If the Clock Phase ends with excess supply, i.e. demand drops below supply instead of reaching equilibrium, the Supplemental Round will be held. The Supplemental Round will however not be carried out if there is excess supply in the first clock round. Unsold blocks after the first clock round will remain within the jurisdiction of Nkom.

Form of the Supplemental Round

The Supplemental Round will commence as a first-price sealed-bid single unit auction.

Supply in the Supplemental Round

The difference between the auction supply of 3 lots and the aggregate demand in the Final Clock Round will represent the supply in the Supplemental Round.

If the supply is more than 1 lot the available blocks will be packaged together in to one lot for the purposes of the Supplemental Round. This lot is referred to as the Supplemental Lot.

Eligibility in the Supplemental Round

All Bidders will have the opportunity to place a bid in the Supplemental Round regardless of whether or not they were allocated spectrum lots in the Final Clock Round.

Reserve price for the Supplemental Lot

⁷ A file with an example of the downloadable format will be provided to bidders before the auction.

The reserve price for the Supplemental Lot will be equivalent to NOK 5 000 000 per 2 x 5 MHz blocks.

Bid Submission in the Supplemental Round

There is no obligation for bidders to place a bid in the Supplemental Round. But all Bidders will have the opportunity to place a single sealed bid for the Supplemental Lot. All bids must be integer amounts in NOK.

Winner Determination and Pricing in the Supplemental Round

After bids have been submitted, the winner determination process for the Supplemental Round will commence as follows:

1. Supplemental Bids will be ranked according to their bid amount
2. Any ties will be broken via a further ranking according to a pseudo random number
3. This will produce a discretely ranked list without ties
4. The highest ranked bid will be determined as the winning bid
5. The price associated with the winning bid will be equal to the bid amount

Any unallocated blocks after the Supplement Round will stay at the jurisdiction of Nkom. Any unsold block(s) will be located at the bottom of the band. If there is more than one block, the blocks will be contiguous.

10.2.7 Back up procedures

Nkom may, at its discretion, decide to offer backup procedures for bidding in case that a bidder experiences technical problems (e.g. fax or telephone bidding). However, bidders should not rely on the availability of such backup procedures and should ensure that they have available redundant systems they can use in response to any technical problems they may experience.

~~**10.3 Exceptional circumstances**~~

~~In the case of exceptional circumstances during any stage of the auction, Nkom has the discretion to:~~

- ~~• Reschedule a round that has been scheduled but has not yet started~~
- ~~• Postpone the end of a round in progress or the release of results of the stage~~
- ~~• Postpone the scheduling of a round~~
- ~~• Cancel a round that is underway or has already been completed, and re-schedule the round~~
- ~~• Void all bids received in the auction, and either cancel the auction or start the auction again~~

~~Nkom determines whether a situation of exceptional circumstances has arisen. Exceptional circumstances could include, for example, widespread technical failure or concern about possible collusion amongst bidders.~~

~~10.4~~10.3 **Assignment Stage**

10.3.1 Negotiation phase

~~The winners in the Allocation Stage will get at least four weeks to negotiate placement of frequency blocks in the 1800 MHz band. The negotiation will be on a voluntary basis and will not be facilitated by Nkom. If a signed agreement, between winners and/or between winners and existing licensees about agreed placement, is not presented to Nkom within the announced deadline, an assignment stage auction will be conducted, see cf. 10.3.2.~~

10.3.2 Optional Assignment Stage auction

~~The Assignment Stage auction will be a first-price sealed-bid auction. Existing licences in the 1800 MHz band will not be included in the Assignment Stage. Bidders will be allowed to make one single submission of bids for placement. Bidders may bid on all possible placement options.~~

~~Bidders shall use the Assignment Stage bid form published by Nkom. Bids are to be delivered to Nkom by post or in person. Nkom will as soon as possible inform winners in the Allocation Stage auction about the deadline for delivery of bids in the Assignment Stage auction if the negotiation phase is unsuccessful.~~

10.3.3 Determination of winners in an Assignment Stage auction

~~After the deadline for delivery of bids in an Assignment Stage auction, Nkom will determine winners of the Assignment Stage. The determination of winning bids will be as follows:~~

~~If there are 2 Bidders:~~

- ~~1. The Bidder that submitted the highest bid for any placement option will be assigned this placement.~~
- ~~2. The Second Bidder will be assigned the other available placement option.~~

~~If there are 3 Bidders:~~

- ~~1. Nkom will first assign the placement option that received the highest bid. The Bidder that submitted this bid will be assigned this placement.~~
- ~~2. The Bidder that submitted the highest bid for any of the two remaining placement options will be assigned this placement.~~
- ~~3. The remaining Bidder will be assigned the last placement option.~~

If placement cannot be decided by the criteria's above, it will be decided by randomisation.

Bidders shall pay the bid they submitted for the placement option they are assigned.

~~In the case that TeliaSonera or ICE wins spectrum in this auction the spectrum will not be assigned contiguous with their existing spectrum holdings in the band. However in such a case, winners in the auction and existing licence holders will have the opportunity to negotiate placement in the band to allow for contiguous spectrum for all licence holders. The negotiation will be on a voluntary basis and will not be facilitated by Nkom. However, Nkom grants a two week "negotiation window" after the Allocation Stage process is completed.~~

~~For Nkom to take an agreement between a winner in the auction and existing licence holders about actual placement in the band into account, the winner must present a written agreement that states the agreed placement of the frequency blocks and are signed by all parties, to Nkom within the two week deadline.~~

~~If such an agreement is not received by Nkom within the deadline, or in the case that a negotiation window is unnecessary, the placement of specific frequency blocks to winners of the auction will be decided by administrative procedure by taking into account the following, in prioritised order:~~

- ~~1. Any winner of more than one block will be assigned the blocks won in this auction as contiguous spectrum.~~
- ~~2. If the license holder located next to the available lots⁸ acquires frequencies in the auction these blocks will be contiguous with their existing licence.~~
- ~~3. Any unsold blocks will be contiguous.~~

~~If placement cannot be decided by the above priorities, it will be decided by randomisation.~~

10.4 Exceptional circumstances

In the case of exceptional circumstances during any stage of the auction, Nkom has the discretion to:

- Reschedule a round that has been scheduled but has not yet started
- Postpone the end of a round in progress or the release of results of the stage
- Postpone the scheduling of a round

⁸ -Currently Telcelor.

- Cancel a round that is underway or has already been completed, and re-schedule the round
- Void all bids received in the auction, and either cancel the auction or start the auction again

Nkom determines whether a situation of exceptional circumstances has arisen. Exceptional circumstances could include, for example, widespread technical failure or concern about possible collusion amongst bidders.

11 Payment and issuing for licences

11.1 Notification and term of payment

After the auction has been concluded, winning bidders will receive a notification from Nkom. The notified bidders shall pay their bids in full within ten - 10 - working days after Nkom submitted the notification.

11.2 Payment of bids

Payment shall be made to:

Nasjonal kommunikasjonsmyndighet
Postboks 93
N-4791 Lillesand
Norway

DNB - acc.nr. 7694 05 01632

In case of international money transfers, the following additional information must be included:

IBAN: NO 79 7694 05 01632
SWIFT: DNBANOKK
Bank: DNB

11.3 Cover under the bank guarantees

In case of non-payment, delayed or incomplete payment of the bid, Nkom has the right to demand payment under the bank guarantee to cover the bid in full or any unpaid portion of the bid.

If delayed payment is caused by events constituting force majeure under Norwegian law, Nkom will prolong the deadline for payment accordingly.

Nkom may claim damages under the bank guarantee.

11.4 Return of the bank guarantee

The guarantee is returned to the bidder in the case where:

- The application to register for the auction is rejected
- The licensing procedure has been completed and the bidder had no licence assigned
- The licensing procedure has been completed and the bidder had a licence assigned and paid the full amount of the licence price

11.5 Issuing of licences

Licences will be issued after payments have been received.

12 Announcement and publication of results

After the auction process has been finalized and winning bidders have been notified with the result of the auction, Nkom will make a public announcement with the following information:

- The number of bidders that participated in the action
- The identity of the winning bidders
- The licence price to be paid by each winning bidder
- The frequencies assigned to the winning bidders

Bids submitted in the auction will be treated as confidential. Nkom will not publish information about losing bids. Public disclosure of bids is subject to Norwegian Public Administration Act and the act relating to public access to documents in the public administration (Freedom of Information Act).

13 Communication with Nkom

Questions concerning the auction rules and the auction process should be addressed to Nkom. All interested parties are entitled to submit questions to Nkom. Questions and other communication should be made in writing to 1800mhz-auction@nkom.no

Questions should be submitted in Norwegian with an English translation. The estimated response time to questions could be up to five working days. Nkom reserves the right not to answer questions received within the last five working days before the auction.

Nkom will produce an anonymous version of all questions and the answers will be published on Nkom's website. The identity of the questioner will not be published.

A dedicated phone number at Nkom will be provided for registered bidders for use during the mock auction and the real auction in case a bidder needs to contact Nkom, for example if the bidder should experience technical problems.