



Commission for
Communications Regulation

Information Notice

GSM Liberalisation Project: Publication of correspondence and other material provided by interested parties (and ComReg's written responses to same) relating to MBSA process dating from 13 July 2012 to 3 January 2013

Document No:	13/29a
Date:	22 March 2013

A.1 Non-confidential correspondence and other material provided by interested parties (and ComReg's written responses to same) relating to MBSA process dating from 13 July 2012 to 3 January 2013. Presented in six volumes (a – f).

Document 13/29a

1. ComReg: letter to Telefonica “Bidder Materials and mock auctions for Multi-Band Spectrum Award” [Redacted] (letter dated 26 July 2012)
2. ComReg: letter to Telefonica “Deposit” [Redacted] (letter dated 26 July 2012)
3. ComReg: letter to Telefonica “MBSA Application Clarifications” [Redacted] (letter dated 8 August 2012)
4. ComReg: letter to Telefonica “Review of MBSA Application” [Redacted] (letter dated 24 August 2012)
5. ComReg: letter to Telefonica “Multi-Band Spectrum Award – Adjustment to the auction timetable” (letter dated 14 September 2012)
6. ComReg: letter to Telefonica “Amendment to ComReg Document 12/52 Information Memorandum (“IM”)” (letter dated 20 September 2012)
7. ComReg: letter to Telefonica “ComReg’s letter to you of the 14 September 2012” (letter dated 27 September 2012)
8. ComReg: letter to Telefonica “Updated Bidder Materials for Multi-Band Spectrum Award” [Redacted] (letter dated 3 October 2012)
9. A&L Goodbody: letter to ComReg “Multi-Band Spectrum Auction - 800 MHz, 900 MHz & 1800 MHz (“the Auction”)” (letter dated 31 October 2012)
10. Irish Independent: Article “State can make €533m in digital switch” (article dated 25 October 2012)
11. Public Policy.ie: Article “Budget 2013 – Saorview Switchover a Windfall for Government” (article dated 24 October 2012)
12. ComReg: letter to A&L Goodbody “Multi-band Spectrum Auction – 800 MHz, 900 MHz & 1800 MHz” (letter dated 1 November 2012)
13. ComReg: letter to Telefonica “Article entitled “*Low phone use puts O2 on hold*” (letter dated 31 October 2012)
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16. ComReg: letter to Telefonica “MBSA – Deposit Call” [Redacted] (letter dated 2 November 2012)
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18. ComReg: letter to Telefonica “Deposit Call” [Redacted] (letter dated 6 November 2012)
19. ComReg: letter to Telefonica “MBSA – Receipt of Deposit Call” [Redacted] (letter dated 8 November 2012)
20. ComReg: letter to Telefonica “Telefonica’s participation in the MBSA process” (letter dated 15 November 2012)
21. ComReg: letter to Telefonica “MBSA process” (letter dated 20 November 2012)
22. ComReg: letter to Telefonica “Return of Surplus Deposit plus Interest Earned” [Redacted] (letter dated 22 November 2012)

23. Telefonica: letter to ComReg “Deposit Interest” [Redacted] (letter dated 28 November 2012)
24. ComReg: letter to Telefonica “Deposit Interest” [Redacted] (letter dated 30 November 2012)
25. ComReg: letter to Telefonica “Return of Additional Interest Earned” [Redacted] (letter dated 30 November 2012)
26. ComReg: letter to Telefonica “End of Assignment Stage and Auction” (letter dated 5 December 2012)
27. Telefonica: letter to ComReg “MBSA Assignments” (letter dated 28 November 2012)
28. ComReg: letter to Telefonica “MBSA process” (letter dated 4 December 2012)
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30. ComReg: letter to Vodafone “Joint Venture arrangement between Vodafone Ireland Limited and Hutchinson 3G Ireland Limited” (letter dated 13 July 2012)
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32. ComReg: letter to Vodafone “Bidder Materials and mock auctions for Multi-Band Spectrum Award” [Redacted] (letter dated 26 July 2012)
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48. ComReg: letter to Vodafone “Amendment to ComReg Document 12/52 Information Memorandum (“IM”)” (letter dated 20 September 2012)
49. ComReg: letter to Vodafone “ComReg’s letter to you of the 14 September 2012” (letter dated 27 September 2012)
50. Vodafone: letter to ComReg “Mock Auction for Multi-Band Spectrum Award Process (“Mock Auction”)” [Redacted] (letter dated 2 October 2012)
51. ComReg: letter to Vodafone “Mock Auction for Multi-Band Spectrum Award Process” (letter dated 3 October 2012)
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57. Vodafone: letter to ComReg “Multi-Band Spectrum Award (“MBSA”) Process” (letter dated 31 October 2012)
58. ComReg: letter to Vodafone “Multi-Band Spectrum Award (“MBSA”) Process” (letter dated 2 November 2012)
59. ComReg: letter to Vodafone “MBSA – Deposit Call” [Redacted] (letter dated 2 November 2012)
60. ComReg: letter to Vodafone “MBSA – Receipt of Deposit Call” [Redacted] (letter dated 7 November 2012)
61. ComReg: letter to Vodafone “Vodafone’s participation in the MBSA process” (letter dated 11 November 2012)
62. ComReg: letter to Vodafone “MBSA process” (letter dated 20 November 2012)
63. ComReg: letter to Vodafone “Return of Surplus Deposit plus Interest Earned” [Redacted] (letter dated 22 November 2012)
64. ComReg: letter to Vodafone “Return of Additional Interest Earned” [Redacted] (letter dated 30 November 2012)
65. ComReg: letter to Vodafone “End of the Assignment Stage and Auction” (letter dated 5 December 2012)
66. Vodafone: letter to ComReg “Multi-Band Spectrum Auction (“MBSA”) Process” (letter dated 21 November 2012)
67. ComReg: letter to Vodafone “MBSA process” (letter dated 23 November 2012)
68. ComReg: letter to Vodafone “Entitlement to apply for a Preparatory and a Liberalised Use Licence” (letter dated 18 December 2012)

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69. ComReg: letter to MMC “Bidder Materials and mock auctions for Multi-Band Spectrum Award” [Redacted] (letter dated 26 July 2012)
70. ComReg: letter to MMC “Deposit” [Redacted] (letter dated 26 July 2012)

71. ComReg: letter to MMC “MBSA Application Clarifications” [Redacted] (letter dated 8 August 2012)
72. ComReg: letter to MMC “Review of MBSA Application” [Redacted] (letter dated 24 August 2012)
73. MMC: letter to ComReg “Multi-Band Spectrum Award” [Redacted] (letter dated 7 September 2012)
74. ComReg: letter to MMC “Letter of the 7th September” (letter dated 14 September 2012)
75. ComReg: letter to MMC “Multi-Band Spectrum Award – Adjustment to the auction timetable” [Redacted] (letter dated 14 September 2012)
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79. ComReg: letter to MMC “ComReg’s letter to you of the 14 September 2012” [Redacted] (letter dated 27 September 2012)
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84. ComReg: letter to MMC “MBSA – Deposit Call” [Redacted] (letter dated 2 November 2012)
85. MMC: letter to ComReg “Multi-Band Spectrum Auction” [Redacted] (letter dated 6 November 2012)
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87. ComReg: letter to MMC “MBSA – Receipt of Deposit Call” [Redacted] (letter dated 7 November 2012)
88. ComReg: letter to MMC “Meteor’s participation in the MBSA process” (letter dated 15 November 2012)
89. ComReg: letter to MMC “MBSA process” (letter dated 20 November 2012)
90. ComReg: letter to MMC “Return of Surplus Deposit plus Interest Earned” [Redacted] (letter dated 22 November 2012)
91. ComReg: letter to MMC “Return of Additional Interest Earned” [Redacted] (letter dated 30 November 2012)
92. ComReg/MMC: Email exchange between MMC and ComReg “MBSA – next steps” (final email dated 19 November 2012)
93. MMC: email to ComReg “T1 Licences” (email dated 20 November 2012)
94. ComReg: letter to MMC “Multi-Band Spectrum Award” (letter dated 23 November 2012)
95. MMC: email to ComReg “SUF Timing” (email dated 15 November 2012)
96. MMC: letter to ComReg “Multi-Band Spectrum Award – Notification of Lots retained for GSM purposes” (letter dated 28 November 2012)

97. ComReg: letter to MMC “Multi-Band Spectrum Award – Notification of Lots retained for GSM purposes” (letter dated 4 December 2012)
98. ComReg: letter to MMC “End of Assignment Stage and Auction” (letter dated 5 December 2012)
99. ComReg: letter to MMC “Entitlement to apply for a Preparatory and a Liberalised Use Licence” (letter dated 18 December 2012)

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100. ComReg: letter to H3GI “Joint Venture arrangement between Vodafone Ireland Limited and Hutchinson 3G Ireland Limited” (letter dated 13 July 2012)
101. ComReg: letter to H3GI “Bidder Materials and mock auctions for Multi-Band Spectrum Award” [Redacted] (letter dated 26 July 2012)
102. ComReg: letter to H3GI “Deposit” [Redacted] (letter dated 26 July 2012)
103. ComReg: letter to H3GI “MBSA Application Clarifications” [Redacted] (letter dated 8 August 2012)
104. ComReg: letter to H3GI “Review of MBSA Application” [Redacted] (letter dated 24 August 2012)
105. H3GI: letter to ComReg “COMREG DOC. NO. 12/52” (letter dated 4 September 2012)
106. ComReg: letter to H3GI “Letter of the 4th September” (letter dated 12 September 2012)
107. ComReg: letter to H3GI “Multi-Band Spectrum Award – Adjustment to the auction timetable” (letter dated 14 September 2012)
108. H3GI: letter to ComReg “COMREG DOC. NO. 12/52 – POSSIBLE ERROR” (letter dated 13 September 2012)
109. ComReg: letter to H3GI “Letter of 13 September 2012” (letter dated 20 September 2012)
110. ComReg: letter to H3GI “Amendment to ComReg Document 12/52 Information Memorandum (“IM”)” (letter dated 20 September 2012)
111. H3GI: letter to ComReg “COMREG DOC. NO. 12/52 – MOCK AUCTION ASSIGNMENT ROUND OPTIONS” (letter dated 20 September 2012)
112. ComReg: letter to H3GI “Mock Auction Assignment Round Options” (letter dated 26 September 2012)
113. ComReg: letter to H3GI “ComReg’s letter to you of the 14 September 2012” [Redacted] (letter dated 27 September 2012)
114. H3GI: letter to ComReg “COMREG DOC. NO. 12/52” (letter dated 1 October 2012)
115. ComReg: letter to H3GI “Updated Bidder Materials for Multi-Band Spectrum Award” [Redacted] (letter dated 3 October 2012)
116. H3GI: letter to ComReg “COMREG DOC. NO. 12/52” [Redacted] (letter dated 12 October 2012)
117. ComReg: letter to H3GI “Letter of 12 October” (letter dated 12 October 2012)
118. ComReg: letter to H3GI “MBSA –Deposit Call” (letter dated 2 November 2012)
119. ComReg: letter to H3GI “H3GI’s participation in the MBSA process” (letter dated 15 November 2012)
120. H3GI: letter to ComReg “MULTI-BAND SPECTRUM AWARD” (letter dated 15 November 2012)

121. ComReg: letter to H3GI “Multi-Band Spectrum Award” (letter dated 21 November 2012)
122. ComReg: letter to H3GI “MBSA process” (letter dated 20 November 2012)
123. ComReg: letter to H3GI “Return of Surplus Deposit plus Interest Earned” [Redacted] (letter dated 22 November 2012)
124. ComReg: letter to H3GI “End of Assignment Stage and Auction” (letter dated 5 December 2012)
125. H3GI: email to ComReg “MBSA – Preparatory and Test and Trial Licences” (email dated 21 November 2012)
126. ComReg: letter to H3GI “Multi-Band Spectrum Award” (letter dated 23 November 2012)
127. H3GI: letter to ComReg “MULTI-BAND SPECTRUM AWARD” (letter dated 28 November 2012)
128. ComReg: letter to H3GI “MBSA process” (letter dated 4 December 2012)
129. ComReg: letter to H3GI “Entitlement to apply for a Preparatory and a Liberalised Use Licence” (letter dated 18 December 2012)
130. ComReg: letter to H3GI “Correction to Letter of 18 December 2012” (letter dated 3 January 2013)

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131. ComReg: to All Bidders “Dot econ : Downloadable files” (Report dated 14 September 2012)
132. ComReg: to All Bidders “Dot econ Report: Eligibility-reducing relaxed primary bids in ComReg’s multiband auction” (Report dated 20 September 2012)
133. ComReg: to All Bidders “Clarification on Multi-Band Spectrum Auction” (letter dated 3 October 2012)

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134. ComReg: to All Bidders “Dot-econ: WebBidder User Manual for the Irish Multi-Band Spectrum Award” (Manual dated October 2012)
135. ComReg: to All Winning Bidders “Clarification in response to query received by ComReg” (letter dated 28 November 2012)
136. ComReg: letter to DCENR “ComReg’s Multi-Band Spectrum Award (MBSA process)” (letter dated 1 October 2012)
137. DCENR: letter to ComReg “letter of 1 October” (letter dated 16 October 2012)

A.1 Non-confidential correspondence and other material provided by interested parties (and ComReg's written responses to same) relating to MBSA process dating from 13 July 2012 to 3 January 2013.

1. ComReg: letter to Telefonica "Bidder Materials and mock auctions for Multi-Band Spectrum Award" [Redacted] (letter dated 26 July 2012)

Mr. Paul Whelan
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

BY HAND – 26 July 2012

Confidential

Bidder Materials and mock auctions for Multi-Band Spectrum Award

I am writing to you in your capacity as first Authorised Agent for Telefonica concerning Telefonica's participation in the Commission for Communications Regulation's (ComReg) Multi-Band Spectrum Award (MBSA).

Bidder Materials

Please find enclosed the Bidder Materials for accessing and using the Electronic Auction System ("EAS"), comprising:

- a CD-ROM, containing:
 - the digital certificates required to access the EAS for both the mock auction and the real auction, if required.;
 - a set of one-time passwords for authenticating telephone and fax communications during the actual auction, if required;
 - the EAS User Manual (in PDF format); and
- a sheet detailing your login credentials for Telefonica's mock auction.

The certificate password for your digital certificates (required to decrypt and install the digital certificates on your bidding computer) has been handed over under separate cover.

The enclosed CD-ROM contains two digital certificates, being:

- a certificate authority (CA) certificate (cacert.der); and
- a bidder key certificate (with a filename of the form X.pfx).

You will need to install both digital certificates on your bidding computer (and backups) to be able to access the EAS for both the mock auction and the actual auction if required. You may also need to install Java (if this is not already installed). This process is described in the enclosed EAS User Manual. You should leave sufficient time for these preparations.

Mock Auction

ComReg has scheduled a mock auction for Telefonica on Thursday, 2 August 2012. If Telefonica is not able to participate on that date, you should contact Dr. Samuel Ritchie at ComReg to agree upon another date for the mock auction. Please note that no other day in the week commencing 30 July is available.

The EAS will be made available for use from 10am on the day of the mock auction.¹ It is expected that the first bidding round will start at 11am, with the mock auction concluding at around 3pm.

You should use the time prior to the start of the first round of the mock auction to ensure that you can log into the EAS. If you have technical problems, telephone support will be available from 10am (on the telephone number identified in the attached sheet). Please note that support will only be provided on technical issues related to accessing and using the EAS. Please also note that telephone and fax bids will not be accepted for the mock auction - you must use the EAS to make bids in the mock auction.

Please note that the Primary Bid rounds in the mock auction are likely to be as short as possible to allow the mock auction to run through all stages of the auction within a reasonable time. For the avoidance of doubt, this does not in any way indicate the approach that ComReg may or may not adopt in the actual auction, if required.

¹ Please note that whilst the EAS is currently under testing, ComReg is providing access to the EAS at an early stage to assist in your preparations for the actual auction. Consequently, it is possible that changes may be made to the EAS prior to the actual auction, if required. ComReg therefore reserves the right to issue a revised EAS User Manual.

For the purposes of the mock auction, all participating Bidders will have initial eligibility set at the maximum possible (i.e. 14 eligibility points). This may differ from Telefonica's initial eligibility in the actual auction (as will be determined by Telefonica's Application and Deposit), if required.

The attached sheet details your login credentials for the mock auction (which are required in addition to the digital certificates provided in the Bidder Materials). These login credentials are specific to the mock auction. Please note that new login credentials will be used for the actual auction, if required, and will be distributed to an Authorised Agent of Qualified Bidders. However, the same digital certificates will be used in both the mock auction and the actual auction, if required, to assist participants in determining that the certificates are properly installed and operational. Therefore, it is essential that appropriate steps be taken to secure any computer on which you install these certificates and to maintain its security between the mock auction and the actual auction, if required.

Please note that a revised support number along with telephone and fax numbers for backup bidding will be provided prior to the actual auction together with your login credentials.

Your Bidder Materials contains a set of 100 random passwords on your CD-ROM. These are only for use in the actual auction, if required, not during the mock auction. These may be used for authentication of telephone and fax communications. For example, on a telephone call you might be asked to provide character N from password M. You can also use this sheet to authenticate communication from the Auctioneer by asking the Auctioneer to provide characters from your sheet.

Yours sincerely

Dr. Samuel Ritchie

Telefonica’s MOCK AUCTION – Thursday, 2 August 2012

Bidder identifier (This serial number appears only on our digital certificate CD)	[REDACTED]
URL to login to EAS for mock auction (Note: this is Case sensitive)	https [REDACTED] [REDACTED]
Login password for mock auction (Note: This is case sensitive)	[REDACTED]
Telephone support number for technical issues (from 10am)	[REDACTED]


Bidder identifier (This serial number appears on your digital certificate CD)	[REDACTED]
Certificate installation password	[REDACTED]

2. ComReg: letter to Telefonica “Deposit” [Redacted] (letter dated 26 July 2012)

Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Paul Whelan

I am writing to you in your capacity as first Authorised Agent for Telefonica concerning Telefonica's application submitted as part of ComReg's Multi-Band Spectrum Award Process.

I confirm that ComReg received, in its bank account on 17 July 2012, the sum of  from Telefonica.

Yours Sincerely

Dr. Samuel Ritchie

26 July 2012

3. ComReg: letter to Telefonica “MBSA Application Clarifications” [Redacted]
(letter dated 8 August 2012)



Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey

I refer to the application submitted by Telefonica Ireland Limited (the "Applicant") in connection with ComReg's Multi Band Spectrum Award (the "Application") received by ComReg on 20 July 2012.

I am writing to you in your capacity as principal Authorised Agent for the Applicant. ComReg has reviewed the Application and, in line with section 3.4.2 of the Information Memorandum (Document 12/52), is now seeking the following clarifications and further information in relation to the Application.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

In view of the anomalies identified above, please certify that all information provided with respect to group structure and ownership is to the best of your knowledge, true, complete and accurate, subject to any corrections of information (in addition to the above) that you may consider appropriate to make. Please also certify that, in light of any additional/amended information provided, the ownership structure is still compliant with the ownership rules set out in section 3.3.4 of the Information Memorandum. Please also incorporate the above information in the ownership structure document which was furnished with the Application, as appropriate.

In accordance with the Application process, your response to the above information request must be provided in the form of **four identical paper copies** and **one** electronic copy in an editable format on CD-ROM. The container(s) in which the documents and CD-ROM are submitted must not in any way disclose the identity of the Applicant.

ComReg will only accept this information during the period **Thursday 16 August 2012 to Friday 17 August 2012** between 10.00 and 16.00 hours (Irish time). You are required to make an appointment with ComReg to submit this information. To make an appointment, you are required to contact **Dr Samuel Ritchie** on **Tuesday 14 August 2012** between 10.00 to 13:00 and 14:00 to 16.00 hours (Irish time) at phone number 00 353 (0)1 804 9619

Yours sincerely



Dr. Samuel Ritchie

4. ComReg: letter to Telefonica “Review of MBSA Application” [Redacted]
(letter dated 24 August 2012)



24 August 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey

I refer to the application (the "Application") submitted by Telefonica Ireland Limited to the Commission for Communications Regulation ("ComReg"), on 20 July 2012, concerning the Multi Band Spectrum Award, and to subsequent clarifications received by ComReg in relation to same. I am writing to you in your capacity as principal Authorised Agent for the Applicant.

ComReg has now completed its review of the Application and in accordance with section 3.4.1 of the Information Memorandum (Document 12/52). ComReg confirms:

- that the Applicant has qualified to become a Bidder (and is hereafter referred to as the "Bidder") and
- that an Auction Main Stage is required and will now proceed.

ComReg also confirms that the Bidder's Initial Eligibility to Bid for Lots in each Time Slice in the first Primary Bid Round is as follows:

- Time Slice 1: [REDACTED]
- Time Slice 2: [REDACTED]

This eligibility is broken down as follows:

Lot Category number and name	Number of Lots available	Eligibility points per Lot	Eligibility points associated with Lots applied for in Lot Category by Bidder
800/1	6	2	[REDACTED]
800/2	6	2	[REDACTED]
900/1	5	2	[REDACTED]
900/2	7	2	[REDACTED]

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Abbey Court Irish Life Centre Lower Abbey Street Dublin 1 Ireland
Telephone +353 1 804 9600 Fax +353 1 804 9680 Email info@comreg.ie Web www.comreg.ie

Lot Category number and name	Number of Lots available	Eligibility points per Lot	Eligibility points associated with Lots applied for in Lot Category by Bidder
1800/1	6	1	
1800/2	15	1	
1800/1/TO2	3	1	

Please also note that, following requests for same, ComReg has decided to facilitate one additional mock auction for each Bidder prior to commencement of the Auction. An additional mock auction has been scheduled for the Bidder, starting at **10 a.m.** (Irish time) on **4 September 2012**.¹

The Bidder must confirm to ComReg whether it wishes to avail of the additional mock auction by contacting Dr Samuel Ritchie before **4 p.m.** (Irish time) on **Thursday 30 August 2012**, at telephone number **00 353 (0)1 804 9619**. If no such confirmation is received, ComReg will proceed on the basis that the Bidder does not wish to participate in a mock auction and the scheduled mock auction will be cancelled.

In light of the additional mock auctions, the start date of the first Primary Bid Round will be **10 a.m.** (Irish time) on **Monday 24 September 2012**. However, this start date is subject to such change as may be necessitated by amendments to the Auction software or other unforeseen issues as may arise.

The Electronic Auction System (EAS) will be made available from **10 a.m.** on **Friday 21 September 2012** for Bidders to ensure connectivity issues are resolved.² On successful logon, each Bidder will have access to information on the aggregate demand for lots in each of Lot Categories 1 to 6 and the Round Price for each Lot Category in the first Primary Bid Round.

Yours sincerely

Dr. Samuel Ritchie

¹ Bidders participating in the additional mock auction are required to use the same certificates, URL and passwords as previously used.

² It is intended that the EAS will remain continuously online from 10 am on Friday 21 September 2012 until the end of the auction.

5. ComReg: letter to Telefonica “Multi-Band Spectrum Award – Adjustment to the auction timetable” (letter dated 14 September 2012)



Commission for
Communications Regulation
Coimisiún Um
Rialáil Cumarsáide

By Hand – Strictly Confidential

14 September 2012

Mr. Tom Hickey
Telefonica Ireland Limited
28-29 Sir John Rogerson's Quay
Docklands
Dublin 2

Matter: Confidential - Multi-Band Spectrum Award – Adjustment to the auction timetable

Dear Mr. Hickey

In accordance with the provisions of the Information Memorandum (ComReg Document 12/52) (the "IM"), ComReg hereby gives notice of an adjustment of the Auction timetable.

ComReg now intends that the Main Stage of the auction will start on Tuesday 16 October, with access to the Electronic Auction System (EAS) being made available from Monday 15 October. ComReg apologises for any inconvenience arising from the adjustment of the Auction timetable.

Developments

Three developments have influenced ComReg's decision to alter the Auction timetable:

1. Together with this notice, ComReg has included a document and sample files on CD that detail the formats to be used for downloadable data

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from the EAS. Some minor changes have been made to the format of this data in light of comments and queries received in the course of the two rounds of mock auctions;

2. In the course of testing the EAS and the performance of the Auction Rules, it has become apparent that, in certain circumstances, the current Auction Activity Rules are too permissive. Accordingly, ComReg intends to make a minor modification to the Auction Rules as described in more detail below; and
3. In addition, one Qualified Bidder has specifically requested a further mock auction in order to verify its understanding of the formats of the downloadable data.

After careful consideration, ComReg has decided that it is appropriate to adjust the previously announced timetable in order to allow Qualified Bidders to fully consider the effects of 1 and 2 above. Moreover, in light of these changes and the request at 3 above, ComReg is of the view that it is appropriate to give all Qualified Bidders the opportunity to participate in a further set of mock auctions to enhance their familiarity and understanding of the downloadable data formats and the modification to the Auction Rules described below.

ComReg is aware of the limited time for transition available after the Auction and has consequently adjusted the timetable by the minimum amount that it considers necessary to ensure that all Qualified Bidders are appropriately prepared to participate in the Auction. ComReg does not anticipate any further changes to the exportable files formats but, in the event that it is necessary to do so, ComReg will provide adequate notice to all Qualified Bidders.

Modification to Auction Rules

Whereas the clear intention of the Auction Rules is to create a chain of Relative Caps constraining the Bids that may be made for larger packages relative to smaller packages, this link may in certain limited cases become broken.

Specifically, where a Bidder makes a Relaxed Primary Bid that reduces Eligibility in one category, then further Bids in respect of packages bid for up to

this point may not be constrained by Relative Caps created by subsequent reductions in Eligibility. Such Bids would still remain constrained by the Final Price Cap, but the continuity of the chain of Relative Caps from larger to smaller packages would be broken. This is contrary to the underlying intent of the Activity Rules (see paragraph 4.156 of the IM).

This issue arises due to there being two categories of Eligibility, one for each Time Slice. It is a consequence of the rule that Eligibility in a round is determined to be the smaller of bidding activity and previous Eligibility in each Time Slice. This rule creates the possibility of a Relaxed Primary Bid that reduces Eligibility. However, the IM omits to include a modification of the Relative Cap rules that addresses this scenario to prevent the continuity of the chain of Relative Caps being broken.

ComReg, along with its advisors DotEcon, have carefully considered the impact of this omission in the Auction Rules. Although we consider that the circumstances in which it could be exploited are limited, we cannot rule out the possibility that it could be relevant and affect the Auction outcome. The issue can be addressed by ensuring that, where a Bidder does make a Relaxed Primary Bid that reduces Eligibility, the first subsequent reduction in Eligibility (if any) will create a Relative Cap back to a constraining package already bid for.

Given that this omission can be addressed with only a small modification to the Auction Rules, and this change is entirely consistent with the spirit and intent of the Auction Rules as consulted upon, ComReg is amending the IM in accordance with paragraph 5.30 to correct this omission.

Next Steps

In relation to data file formats, ComReg has together with this notice, included a document and sample files on CD that detail the formats to be used for downloadable data from the EAS.

The small amendment of the IM and the modification of the Auction Rules mentioned above, together with a report explaining in detail the nature of the issue and the implications of the change, will be distributed to Qualified Bidders shortly. This notice is being issued prior to the report being ready for

distribution as ComReg wishes to give Qualified Bidders the earliest possible notice of this change.

ComReg will shortly make contact with all Qualified Bidders with regards to the further round of mock auctions. Your mock auction will take place in the week beginning Monday 8 October 2012.

You should note that ComReg continues to reserve its rights to exercise its discretion in relation to the Award Process, including, without limitation to the generality of the foregoing, the right to make further amendments to the IM.

ComReg would also like to remind you of your obligations in relation to confidentiality under the terms of the IM, including under section 5.2.4 of the IM.

Furthermore, in order to ensure the confidentiality and integrity of communications in relation to the Award Process, all further communication relating to the Award Process must be hand delivered in a sealed envelope marked "Strictly Confidential" and for the attention of Samuel Ritchie to:

Dr. Samuel Ritchie
Commission for Communications Regulation
Abbey Court, Irish Life Centre,
Dublin 1.

Save where ComReg in writing and from this date explicitly permit otherwise (and specifically provided for in the IM), ComReg hereby gives notice that it will not be accepting communication from, or on behalf of, Qualified Bidders in any other form or by any other means until the completion of the Award Process.

Yours sincerely



Dr. Samuel Ritchie

6. ComReg: letter to Telefonica “Amendment to ComReg Document 12/52 Information Memorandum (“IM”)” (letter dated 20 September 2012)



By Hand – ~~Strictly Confidential~~

20 September 2012

Mr. Tom Hickey
Telefonica Ireland Limited
28-29 Sir John Rogerson's Quay
Docklands
Dublin 2

Matter: ~~Confidential~~ – Amendment to ComReg Document 12/52 Information Memorandum ("IM").

Dear Bidder,

As notified to you by letter of 14 September, in the course of testing the EAS and the performance of the Auction Rules, it has become apparent that, in certain circumstances, the current Auction Activity Rules are too permissive. Whereas the clear intention of the Auction Rules is to create a chain of Relative Caps constraining the Bids that may be made for larger packages relative to smaller packages, this link may in certain limited cases become broken. This is contrary to the underlying intent of the Activity Rules (see paragraph 4.156 of the IM).

ComReg has discussed this matter in detail with its advisors DotEcon and has carefully considered the impact of this omission on the Auction Rules. Although ComReg considers that the circumstances in which it could be

1

exploited are limited, we cannot rule out the possibility that it could be relevant and affect the Auction outcome. As a result, ComReg has concluded that it is necessary to address this issue.

The attached DotEcon report "*Eligibility reducing relaxed bids in ComReg's multiband auction*" explains in detail the nature and implications of the issue and contains recommendations on how the issue can be corrected through a modification of the Auction Rules. It is clear that this issue can be addressed with only a minor modification to the Auction Rules and that this modification is entirely consistent with the spirit and intent of the Auction Rules as consulted upon. After careful consideration, ComReg has therefore decided to modify the Auction Rules, in accordance with paragraph 5.30 of the Information Memorandum, by adopting the amendments to the Information Memorandum proposed in Annexes B and C of the Report. The Information Memorandum, as amended, should now be read in conjunction with Annexes B and C of the Report.

Additionally, and consequent to our letter of 14 September, some concern has been expressed with regard to the time now available to conclude transitional activities in advance of the expiry of existing Interim GSM 900 MHz rights of use. Please note that ComReg is aware of the limited time now available for transition before the commencement of Time Slice 1. ComReg is also aware of the expiration of existing GSM 900 MHz interim licences on 31 January 2013. ComReg can, therefore, confirm that it has now commenced consideration of the requirement for and details of a consultation on the need for the short term extension of the duration of existing Interim GSM rights of use in the 900 MHz band. You will appreciate, of course, that the ability to issue such a consultation is severely curtailed in advance of knowing the precise nature of the transition activities required to be undertaken by Existing GSM licensees. ComReg can assure all Qualified Bidders that it will act swiftly to resolve any such issues arising as soon as the auction outcome is clear.

You should note that ComReg continues to reserve its rights to exercise its discretion in relation to the Award Process, including, without limitation to the generality of the foregoing, the right to make further amendments to the IM.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'S. Ritchie', is positioned above the printed name.

Dr. Samuel Ritchie

7. ComReg: letter to Telefonica “ComReg’s letter to you of the 14 September 2012” (letter dated 27 September 2012)



BY HAND - ~~CONFIDENTIAL~~

27 September 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey

I refer to ComReg's letter to you of 14 September 2012 and write to you in your capacity as principal Authorised Agent for Telefonica Ireland Limited ("the Bidder").

Mock Auction

As stated in ComReg's letter of the 14 September 2012, an additional mock auction is being made available for the Bidder. I can now confirm that this will commence at **1p.m** (Irish time) on **Tuesday, 9 October 2012**.

I would be grateful if the Bidder would confirm to ComReg whether it wishes to avail of the additional mock auction in writing to Dr Samuel Ritchie by **close of business Wednesday 3 October 2012**. This confirmation must be hand delivered in a sealed envelope marked "Strictly Confidential" and for the attention of Samuel Ritchie to:

Dr. Samuel Ritchie
Commission for Communications Regulation,
Abbey Court, Irish Life Centre,
Dublin 1.

Please note that if no confirmation is received by that time, ComReg will proceed on the basis that the Bidder does not wish to avail of the mock auction and the provisioned mock auction will be cancelled.

Should the Bidder avail of the additional mock auction, I would draw your attention to the following:

1

- the Bidder is required to use the same certificates, URL and passwords as used in its previous mock auctions; and
- primary bid rounds will be of 10 minute duration.

Main Stage of Live Auction

Further to ComReg's letter of 14 September 2012, the start date of the first Primary Bid Round for the **Live Auction** will be **10.00AM** (Irish time) on **Tuesday 16 October 2012**. The Electronic Auction System (EAS) will be made available from 10.00AM (Irish time) on Monday 15 October 2012 to enable Bidders to satisfy themselves that their connectivity arrangements are in place. The EAS will remain continuously online from 10.00AM Monday 15 October 2012 until the end of the Auction.

Please note that the above start date is subject to change, such as to take into account any amendments to the auction software or other unforeseen issues as may arise. You should also note that ComReg continues to reserve its rights to exercise its discretion in relation to the Award Process, including the right to make further amendments to the Information Memorandum (IM).

As you will be aware, an article was published in the Sunday Times (Ireland) on 23 September 2012 revealing the fact that the commencement date for the Live Auction had been adjusted to a new date of 16 October. ComReg treats any breach of confidentiality obligations under statute or under the terms of the IM extremely seriously. Given this development and in order to ensure the integrity of the Award Process, ComReg requires that you notify it through the designated communication channels for this process of any breaches of the above confidentiality obligations by the Bidder or its personnel on or after 14 September 2012, or of other confidentiality breaches which may affect the Auction. ComReg reserves its right to request further information in relation to same.

Finally, ComReg would like to remind you of your obligations in relation to confidentiality under statute and under the terms of the IM, including under section 5.2.4 of the IM.

Yours sincerely



Dr. Samuel Ritchie

8. ComReg: letter to Telefonica “Updated Bidder Materials for Multi-Band Spectrum Award” [Redacted] (letter dated 3 October 2012)



Commission for
Communications Regulation
 Coimisiún Um
Rialáil Cumarsáide

BY HAND - ~~Confidential~~

3 October 2012

Mr. Tom Hickey
 Telefonica Ireland Limited
 28-29 Sir John Rogerson's Quay
 Docklands
 Dublin 2

Updated Bidder Materials for Multi-Band Spectrum Award

Dear Mr. Hickey

I am writing to you in your capacity as **Authorised Agent** for Telefonica Ireland Limited ("the Bidder") concerning the Bidder's participation in the Commission for Communications Regulation's (ComReg) Multi-Band Spectrum Award (MBSA).

Updated Bidder Materials

Please find enclosed on a DVD the following updated Bidder Materials:

- an updated Electronic Auction System (EAS) User Manual¹ (in PDF format). This version replaces the one issued on 25 July 2012; and
- an updated sample downloadable file "Lots Won" (in three different formats) – which replaces those issued on 14 September 2012².

¹ Please note that ComReg reserves the right to issue a revised EAS User Manual if necessary.

² This updated downloadable file is now consistent with section B.1.5 of the EAS user Manual.

Mock Auction

The EAS will be made available at least 30 minutes prior to the starting time of Bidder’s mock auction (details of which were provided in ComReg’s letter of 27 September 2012). You should use the time prior to the start of the first round of the mock auction to ensure that you can log into the EAS.

If technical matters arise during the course of Bidder’s Mock Auction, telephone support will be available on the day on telephone number [REDACTED].

Please note that support will only be provided on issues related to accessing and using the EAS. Please also note that telephone and fax bids will not be accepted for the mock auction - you must use the EAS to make bids in the mock auction.

Live Auction

The certificates and passwords used for Bidder’s mock auctions will be the ones applicable for the Live Auction.

Further to our letter of 27 September 2012, the following information is relevant to the **Live** auction:

Support Telephone Number	[REDACTED]
FAX number for backup Bidding	[REDACTED]
URL	[REDACTED]

Yours sincerely



Dr. Samuel Ritchie

9. A&L Goodbody: letter to ComReg “Multi-Band Spectrum Auction - 800 MHz, 900 MHz & 1800 MHz (“the Auction”)” (letter dated 31 October 2012)

A&L Goodbody Solicitors International Financial Services Centre North Wall Quay Dublin 1
Tel: +353 1 649 2000 Fax: +353 1 649 2649 email: info@algoodbody.com website: www.algoodbody.com dx: 29 Dublin

A&L Goodbody

our ref | JFW/MEH 01366740

your ref |

date | 31 October 2012

BY EMAIL AND BY POST

F.A.O. Mr Samuel Ritchie
Commission for Communications Regulation
Abbey Court
Irish Life Centre
Lower Abbey Street
Dublin 1



Multi-band Spectrum Auction – 800 MHz, 900 MHz & 1800 MHz (“the Auction”)

Dear Sirs

We refer to the above matter and our previous correspondence to you *inter alia* dated 13 June, 25 June and 12 July 2012 respectively, in which we raised our client’s concerns regarding the risk of commercially sensitive data being disclosed by ComReg to third parties during the Auction.

Our client is extremely concerned by recent reports in the media, in particular the recent statements attributed to your advisors Dot Econ in the Irish Independent on Thursday, 25 October 2012 in which DotEcon is quoting its current predictions as to what the Auction will raise. Our clients would like ComReg to confirm in writing that neither ComReg nor its advisors have discussed with any third party, including briefings which may have been given to either the Department of Communications, Energy and Natural Resources or the Department of Finance, any financial or bidding data from the primary round.

We reserve our client’s position in relation to this issue and in relation to the fact that these confidentiality concerns have previously been raised by our client.

Yours faithfully

M-14036220-2

Dublin Belfast London New York Palo Alto

R.B. Buckley	B.M. Cotter	S.M. Doggett	M.P. McKenna	E.A. Roberts	A.C. Burke	D.R. Baxter	B. Walsh	R.M. Moore	K. Furlong	D.R. Francis
P.M. Law	J.G. Grennan	B. McDermott	K.A. Feeney	C. Rogers	J. Given	A. McCarthy	A.M. Curran	D. Main	P.T. Fahy	L.A. Murphy
J.H. Hickson	J. Coman	C. Duffy	M. Sherlock	G. O’Toole	D. Widger	J.F. Whelan	A. Roberts	J. Cahir	A.J. Johnston	A. Walsh
M.F. O’Gorman	P.D. White	E.M. Brady	E.P. Conlon	J.N. Kelly	C. Christle	J.B. Somerville	C. Widger	M. Traynor	M. Rasdale	A. Casey
C.E. Gill	V.J. Power	P.V. Maher	E. MacNeill	N. O’Sullivan	S. Ó Cróinín	M.F. Barr	M. Dale	P.M. Murray	D. Inverarity	B. Hosty
E.M. FitzGerald	L.A. Kennedy	S. O’Riordan	K.P. Allen	M.J. Ward	J.W. Yarr	M.L. Stack	C. McCourt	N. Ryan	M. Coghlan	

10. Irish Independent: Article “State can make €533m in digital switch” (article dated 25 October 2012)

into page 3

25.10.12

State can make €533m in digital switch

Aideen Sheehan
Consumer Correspondent

THE State will net a windfall of up to €533m from the switch to digital TV broadcasts.

Communications Minister

Pat Rabbitte said the current auction of airwave space left free by the turning off of analogue broadcasts was officially projected to reap €185m for the Exchequer, but he now hoped to raise even more.

DotEcon, the consultants to regulator ComReg, the state body carrying out the current sell-off of space for high-speed mobile broadband, has predicted it could raise up to €533m.

Mr Rabbitte said the revenue would provide a welcome boost to state coffers, and the new space being sold would greatly enhance mobile broadband services for consumers.

He said: "The budgetary figures anticipate a revenue stream of €185m. If it yields more than that . . . any money the Exchequer can get its hands on at the present time is very welcome.

"But as Communications Minister I'm even more interested in the capacity released to improve the quality of broadband in different parts of the country."

Dividend

Telecom companies are bidding for chunks of the airwaves left free by the digital switch-over as they want to use it to provide high-speed 4G mobile phone services allowing consumers to quickly download large amounts of data.

Mr Rabbitte said the results of the auction were due within four to six weeks.

Yesterday's switch-over heralded "the dawn of the digital broadcasting era for this country and the release of an important dividend which will boost

competitiveness", he said.

Only a small number of households would be faced with blank screens as there had been a "mad rush" over the past month to prepare for the switch.

Charity network The Wheel said it had worked with 2,500 local voluntary groups to identify and reach out to 52,000 people nationwide who were found to need particular help with switching to RTE's new Saorview digital service, often because they lived alone and didn't have technical know-how.

Some householders found it particularly hard to adjust to using two remote controls instead of one with their new Saorview set-top boxes.

But one elderly man who had never owned a TV decided to get one when he heard about the new digital TV service, said Wheel volunteer Alisha McCaffrey from Cavan.

RTE has invested €70m in the new Saorview service which includes eight TV channels and 10 radio stations, with the capacity to add many more. The digital service needed only 64 masts instead of the 176 used for analogue broadcasts.

RTE's Aertel teletext service has now also been moved on to an enhanced digital version.

Ireland is one of the last countries in Europe to change to digital free-to-air broadcasts, with Northern Ireland also completing its switch this week.

Notification to AIB Business Customers who use Payment File Origination.

We would like to advise customers that with effect from 1st January 2013, AIB's Electronic Money Transfer System originator charges will increase from €0.05 to €0.07 per originated transaction on bulk credit and direct debit files.

There will be no change to the minimum charge of €6.35 per month.

Your continued use of the service after 1st January 2013 will be deemed to confirm your acceptance of this change. This change does not in any way affect your entitlement to terminate your contract at any time, without charge, subject to the payment of all sums owing at that time including interest, fees and charges accrued up to date of closure.



Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland.

11. Public Policy.ie: Article “Budget 2013 – Saorview Switchover a Windfall for Government” (article dated 24 October 2012)

Budget 2013 – Saorview Switchover a Windfall for Government

By Cormac O’Sullivan

By now most people will have heard about the switch to Saorview, whereby the analogue signal currently used to broadcast TV will be switched off at 10am on October 24th and replaced with a digital signal. Despite the high level of awareness of this event, approximately 100,000 people are yet to prepare themselves for the switchover and one in four do not think it will actually happen. There is, however, a very important reason to believe that the switchover will happen: it’s worth money. The Saorview switchover will coincide with a windfall for the government that could raise €205 million immediately, and double that over the next fifteen years. This note explains how.

We currently receive our terrestrial television broadcasts via an analogue signal. This signal is emitted via the electromagnetic spectrum – the medium through which we communicate wirelessly, be it broadcasting TV and radio or using our mobile phones. The new digital signal that will replace the old analogue one will be more efficient, in that it will use less spectrum to broadcast the same content.

This spectrum is a national resource, owned by us all and regulated on behalf of the government by ComReg, the Communications Regulator. It is also a finite resource: spectrum used for one purpose cannot be simultaneously used for another. This means that the spectrum no longer used by the analogue signal can be redirected elsewhere, with the obvious alternative being to increase the spectrum allocated for use by mobile phones.

The timing is fortuitous: Demand for mobile spectrum is increasing at a rapid clip as we come to expect to be able to download videos, music, books and games while on the move. Furthermore, the latest 4G technologies will require yet more spectrum allocations in order to operate effectively. The particular frequency of spectrum being vacated is of ideal quality for operating a mobile network, as signals travel further for a given energy input, allowing for coverage over a large geographic area at low cost. This confluence of factors, which is occurring right across Europe, has been dubbed the Digital Dividend.

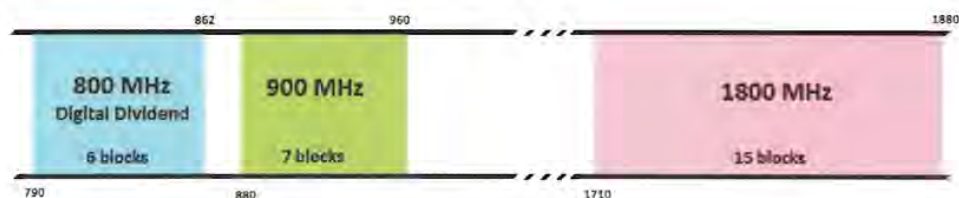
Because the demand for spectrum from mobile network operators exceeds the available supply, it is important that spectrum licences are allocated efficiently. ComReg will seek to do this by holding an auction where operators can bid against each other, thus replicating a free market outcome: the company that values the spectrum the most – and

will therefore be more likely to make the most efficient use of it – will be willing to pay a higher price for it. Although efficient use of scarce spectrum is the overriding objective of the auction, it will also yield valuable revenue for our government.

Determining a Guide Price

As the Saorview switchover is coinciding with the expiration of existing 2G licences, ComReg has decided to hold one multi-frequency auction. The frequencies to be auctioned can be seen in Figure 1 below. They will be divided into 28 blocks – 13 in the more desirable 800-900 MHz range and 15 in the 1800 MHz range.

Figure 1: Spectrum Frequencies Involved in the Auction



ComReg has placed a minimum price on each block of spectrum to be sold, which is to be split evenly between a reserve price – below which the spectrum block will not be sold, ensuring revenue will be generated even if competition at the auction is weak – and an annual usage fee. The minimum price for a fifteen year licence has been set at €20m for each of the thirteen blocks in the 800MHz and 900MHz ranges and €10m for each of the fifteen blocks in the 1800MHz range. Provided all spectrum blocks are sold at auction, this will result in immediate revenue windfall of €205m via the reservation price, and total revenue of €410m over the life time of the licences. To put this in perspective, the value of the government's share in Aer Lingus is estimated to be in the region of €170m. If competition between network operators drives up the auction price, the windfall could be even greater.

This raises the question of imposing a higher reservation price in order to ensure greater revenues at a time when they are so urgently required. But setting the reservation price too high runs the risk of causing potential bidders to balk and/or spectrum going unallocated. Ultimately the losses of such an outcome will be borne by us as the end consumers of wireless services, and would greatly exceed the extra revenue gained. The true value of this spectrum auction will be the improved products and services that will enhance both our competitiveness and our lives.

12. ComReg: letter to A&L Goodbody “Multi-band Spectrum Auction – 800 MHz, 900 MHz & 1800 MHz” (letter dated 1 November 2012)



Commission for
Communications Regulation
Coimisiún Um
Rialáil Cumarsáide

~~Confidential~~ – By Hand

1 November 2012

A&L Goodbody Solicitors
International Financial Services Centre
North Wall Quay
Dublin 1

Your Ref: JFW/MEH 01366740

Multi-band Spectrum Auction – 800 MHz, 900 MHz & 1800 MHz

Dear Sirs

I refer to your letter of 31 October 2012 raising your “*client’s concerns regarding the risk of commercially sensitive data being disclosed by ComReg to third parties during the Auction*”.

I can confirm that neither ComReg nor its advisors have discussed with any third party, including briefings which may have been given to either the Department of Communications Energy and Natural Resources or the Department of Finance, any financial or bidding data from the primary round.

Furthermore, I would ask you to draw your client’s attention to the attached message, sent to your client via the Electronic Auction System on 25 October 2012 and read by your client or your client’s representatives at 14:55 on the same day.

Yours sincerely

Dr. Samuel Ritchie

The following excerpt is taken from the Electronic Auction System

Confidentiality Obligations

Message sent on 25 October 2012 at 14:50 (6 days, 18 hours ago)

As you may be aware, the media are and will continue to report and comment on the Award Process. While media reports might suggest otherwise, neither ComReg nor its consultants have engaged with the media since the commencement of the Award Process in relation to its operation or potential outcomes. ComReg and its consultants will continue this policy of non-engagement until ComReg publicly announces the results of the Award Process in accordance with the Information Memorandum.

Given the present levels of media interest in the Award Process, ComReg wishes to remind bidders that they are strictly prohibited from engaging with the media in relation to the Award Process. At this crucial juncture in the Award Process, any such engagement would have very serious and detrimental consequences for the Award Process and for the disclosing party. We look forward to your continued compliance with the confidentiality obligations described in the Information Memorandum.

Announcement on scheduling of Supplementary Bids Round will be sent at 15.00 IST.

Recipient

O2

Read on

Read on 25 October 2012 at 14:55

13. ComReg: letter to Telefonica “Article entitled “*Low phone use puts O2 on hold*” (letter dated 31 October 2012)



BY HAND - ~~CONFIDENTIAL~~

31 October 2012

Tom Hickey
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey

I am writing to you as Authorised Agent of Telefonica Ireland Limited in the context of Telefonica's participation in the Commission for Communications Regulation's (ComReg) ongoing Multi-Band Spectrum Award (MBSA) process.

I refer to an article entitled "*Low phone use puts O₂ on hold*" which appeared in the Sunday Times on 28 October 2012 and, specifically, part of the final paragraph which states:

"The company is bidding for a fourth-generation (4G) mobile licence."

Whilst the source of this disclosure is not clear, ComReg would nevertheless wish to remind Telefonica that it is strictly prohibited from engaging with the media in relation to the Award Process. Indeed, at this crucial juncture in the Award Process, any further engagement could have very serious and detrimental consequences for the Award Process and for the disclosing party.

We therefore look forward to strict compliance with the confidentiality obligations described in the Information Memorandum by Telefonica and its Connected Persons.

Yours sincerely



Dr. Samuel Ritchie

14. Sunday Times: Article “Low phone use puts O2 on hold” (article dated 28 October 2012)

Low phone use puts O₂ on hold

Slump in profits forces telco to warn of challenges ahead as it prepares to bid for a 4G licence, writes Gavin Daly

PROFITS at O₂ Ireland, the country's second-biggest mobile operator, fell 40% last year as the downturn hit spending on phones.

The company made €80.6m profit before tax in 2011, down from €134.5m the previous year, according to new figures. Revenues fell 14% to €703m, compared with €815m in 2010.

O₂ is owned by Telefonica, the Spanish telco and has 1.6m customers in Ireland.

The number of calls and text messages carried on the network fell last year, with traffic down 13%. The amount of cash generated by the business declined sharply, from €267m in 2010 to €180m last

year. The figures put revenues at O₂ back at 2003 levels, and 25% off their peak.

At the height of the economic boom in 2007, the mobile operator had revenues of €941m and made nearly €172m in pre-tax profits.

The company warned it could face "further challenges" if economic conditions in Ireland continue to deteriorate.

Subscriber numbers fell 3.5% in 2011, with O₂ suffering a big decline in the number of its pre-pay subscribers. The company cited "strong competition in the market" when reporting a 10% drop in pre-pay subscribers.

The number of bill-paying

customers rose 5.2%. The company has continued to lose pre-pay subscribers in the first half of this year, and filings show its customer base was down 5.4% in the year to last June.

Average revenue per user (ARPU), a key measure of performance in the mobile market, fell 12.4% in the same period. The ARPU in Ireland is still comfortably the highest in the Telefonica group.

A breakdown shows O₂ cut staff costs last year by €8m to €57.3m. Marketing costs fell by €8m to €77m and the company made a €9.4m provision for doubtful debts.

Telefonica has about 1,000 staff here after shedding 120 workers in a voluntary redundancy programme this year. The company reported a €7.1m gain from the staff cuts in the first half of this year. Margins fell as the company absorbed "higher commercial costs stemming from increased demand for smart-phones". Directors of O₂

including Tony Hanway, the chief executive, shared €2.6m in salaries and share-based payments last year. The corresponding figure for 2010 was €6.2m, reflecting a retirement payout to Danuta Gray, the former chief executive.

Telefonica Retail Ireland, a separate company that runs O₂'s network of shops, made a €10.5m loss last year after it franchised some stores. Retail revenues fell €30m to €47.5m.

In 2010, the retail unit made €4.6m profit. The stores had 194 staff after the franchise split, down from 251 in 2010.

O₂ spent heavily on marketing during the boom, buying the naming rights to the former Point Depot venue in Dublin and sponsoring the Irish rugby team.

The company is bidding for a fourth-generation (4G) mobile licence. The 4G auction is expected to be completed by ComReg, the communications regulator, within weeks.

15. Telefonica: letter to ComReg “Letter dated 31st October 2012” (letter dated 1 November 2012)

Telefonica

1st November 2012

Dr Samuel Ritchie
Commission for Communication Regulation
Abbey Court
Irish Life Centre
Lower Abbey Street
Dublin 1

Dear Dr Ritchie

I refer to your letter dated 31st October 2012 concerning an article in the Sunday Times on 28th October, and Telefónica Ireland's compliance with confidentiality obligations. I can confirm that Telefónica Ireland was not contacted by the Sunday Times concerning this article prior to its publication, nor did it provide any comments of any nature in relation to any aspect of this article at any stage. In that regard Telefónica is satisfied that it and its Connected Persons are in "strict compliance with the confidentiality obligations described in the Information Memorandum".

Should ComReg decide to publish its letter of 31st October 2012 concerning compliance, we request that this response making Telefónica Ireland's compliance very clear, be published alongside it.

Yours Sincerely



Tom Hickey

16. ComReg: letter to Telefonica “MBSA – Deposit Call” [Redacted] (letter dated 2 November 2012)



Commission for
Communications Regulation
 Coimisiún Um
Rialáil Cumarsáide

By Hand - ~~Confidential~~

2 November 2012

Tom Hickey
 Regulatory Manager
 Telefonica Ireland Limited
 28/29 Sir John Rogerson's Quay
 Dublin 2

Dear Mr. Hickey

MBSA – Deposit Call

ComReg is writing to you in your capacity as the primary Authorised Agent of Telefonica Ireland Limited ('Telefonica').

As you are aware, the Supplementary Bids Round has come to an end. ComReg notes that the highest Bid made by Telefonica during the Main Stage of the Auction exceeded the amount currently held by ComReg on Deposit. Therefore, in accordance with paragraphs 4.188 and 4.189 of the Information Memorandum (Document 12/52), ComReg requires Telefonica to increase its Deposit by [REDACTED].

Telefonica is required to pay the above amount into the following ComReg bank account:

Bank:	Bank of Ireland, 2 College Green, Dublin 2, Ireland.
Account Number:	96614639
Sort Code:	90-00-17
BIC Code:	BOFIE2D
IBAN No:	IE96 BOFI 9000 1796 6146 39

If making a bank transfer/EFT, please ensure that:

- the reference is "MBSA"; and
- your Bank quotes your Account Number in making the transfer to ComReg.

1

The above amount must be received as cleared funds in the above account before 12:00 pm (noon) on Friday, 9 November 2012. ComReg will hold this money in accordance with the provisions of the Information Memorandum, including, section 3.3.3. I will write you on behalf of ComReg to confirm receipt of these funds in due course. Under no circumstances should you or any representative of Telefonica contact any other ComReg staff on this matter.

Please note that the next notification by ComReg will be via the EAS on Monday, 12 November.

ComReg would like to remind you of your obligations in relation to confidentiality under statute and under the terms of the IM, in particular Section 5.2.4 of the IM.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'S. Ritchie', is written over a light blue circular stamp.

Dr Samuel Ritchie

17. Telefonica: letter to ComReg “Deposit Call” [Redacted] (letter dated 2 November 2012)



~~Strictly Confidential~~

2nd November 2012

By Hand

Dr Samuel Ritchie
Commission for Communication Regulation
Abbey Court, Irish Life Centre
Dublin 1

Dear Dr Ritchie

Deposit Call

I refer to your letter received today concerning a deposit call of [REDACTED].

Telefonica Ireland must complete internal shareholder governance approval for the release of funds in time for the deadline of Friday 9th November. To facilitate this approval process, can you please confirm the following:

- that ComReg intends to refund any surplus between the Upfront Fee and the total deposit within 2 weeks of the release of the results of the Assignment Round? (s3.149 of the IM)
- the exact basis upon which the figure of [REDACTED] was arrived at.
- that all Bidders have been treated exactly equally in this deposit call process, with the exact same rules, time-frames, notice and processes applied, in particular in calculating whether a deposit was required and in calculating the amount of that deposit.
- the consequences for a Bidder and for the auction generally of failure to comply with a deposit call, and in particular whether ComReg considers that a Bidder might not be excluded in the event of failure to meet a deposit call, and what would be the consequences for their Bids.
- that ComReg will act transparently in the event of failure by any Bidder to comply with a deposit call, and will notify all Bidders of what has transpired and the consequences, including the implications for Bids, Winner and Price Determination and final prices

Telefonica will need to receive a response to the above questions no later than close of business on Tuesday 6th November in order to satisfy shareholder governance approval and release funds in time for for the deadline of Friday 9th November.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Tom Hickey', with a long horizontal flourish extending to the right.

Tom Hickey

18. ComReg: letter to Telefonica “Deposit Call” [Redacted] (letter dated 6 November 2012)



Commission for
Communications Regulation
 Coimisiún Um
Rialáil Cumarsáide

6 November 2012

By Hand - ~~Confidential~~

Tom Hickey
 Telefonica Ireland Limited
 28 – 29 Sir John Rogerson's Quay
 Docklands
 Dublin 2

Dear Mr. Hickey

Deposit Call

Thank you for your letter of 2 November 2012 in relation to the above.

ComReg welcomes the opportunity to confirm that it continues to apply the provisions of the Information Memorandum (Document 12/52) (IM), in a manner consistent with its statutory functions, objectives and duties, with regard to substantive and procedural matters concerning its Multi-Band Spectrum Award (MBSA) process. ComReg would also like to remind Telefonica Ireland Limited ('Telefonica') that it has agreed to comply with the Auction Rules described in the IM and that Telefonica is expected to comply with these Auction Rules.

ComReg would also make the following comments in relation to the issues raised by you in your letter.

First, ComReg intends, acting consistently with the provisions of paragraphs 3.148 and 3.149 of the IM, to refund any surplus between the Upfront Fee and the total deposit no later than the Payment Deadline defined in paragraph 3.148. You should note that this deadline will be approximately two weeks after the release of results of the "Assignment Stage" to bidders. You might also note that the results of the Assignment Stage will be released after the conclusion of the Negotiation Phase as described in paragraph 4.195 of the Information Memorandum (IM).

Second, the figure of [REDACTED] was calculated in accordance and in compliance with the IM. As you are no doubt be aware:

- paragraph 4.188 of the IM provides that, at the end of the Supplementary Bids Round and prior to the notification to Bidders on the outcome of the Main Stage, ComReg may give notice to one or more Bidders that they need to increase their Deposits to an amount specified by ComReg; and
- paragraph 4.189 states that ComReg reserves the right to issue a Deposit Call of up to 100% of a Bidder's highest Bid at this point.

1

Given these particular provisions which bind Telefonica and ComReg, and noting (i) the quantum of the Deposit Call issued to Telefonica and (ii) that Telefonica's highest Bid at this point is [REDACTED], it should be readily apparent to Telefonica that ComReg is acting well within the discretion reserved to it under the terms of the IM in making its deposit call to Telefonica.

Third, ComReg can confirm that, in calculating any deposit calls which it may have made, it has adhered at all times to the principle of non-discrimination.

Fourth, the IM is quite clear in relation to the rights reserved to ComReg and the actions it may take in the event of a breach of the Auction Rules such as non-payment of a deposit call in accordance with a prescribed timeline. ComReg would view such an issue as being extremely serious.

Fifth, ComReg will continue to act in a transparent manner in conducting this Award Process while ensure to comply with confidentiality obligations which may also arise in discharging its functions.

Finally, ComReg would like to reiterate that it has, at all times, conducted this process in a manner consistent with its statutory functions, objectives and duties, and would strongly rebut any suggestion to the contrary.

Yours sincerely



Dr. Samuel Ritchie

19. ComReg: letter to Telefonica “MBSA – Receipt of Deposit Call” [Redacted]
(letter dated 8 November 2012)



Commission for
Communications Regulation
Coimisiún Um
Rialáil Cumarsáide

By Hand - ~~Confidential~~

8 November 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey

MBSA – Receipt of Deposit Call

On 2 November 2012, ComReg issued Telefonica with a Deposit Call via hand delivered letter. In this letter, ComReg committed to providing Telefonica with acknowledgement of receipt of Deposit Call if Telefonica deposited the correct amount in the designated bank account within the timeframe stipulated.

In this regard, ComReg formally acknowledges that it successfully received Telefonica's required Deposit Call of [REDACTED] in cleared funds in the designated bank account within the timeframe stipulated.

Yours sincerely

Dr. Samuel Ritchie

20. ComReg: letter to Telefonica “Telefonica’s participation in the MBSA process”
(letter dated 15 November 2012)



from the chairperson

By Hand

15 November 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey


Re: Telefonica's participation in the MBSA process.

On behalf of the Commission I am pleased to inform in writing that you have been successful in acquiring liberalised rights of use in the Multi-band Spectrum Award. The details of this have been communicated through the Electronic Auction System.

As you will note from the Information Memorandum there are a number of stages that together we need to complete, and ComReg very much anticipates your continued full co-operation in bringing this Award to a speedy final conclusion. In due course, ComReg will write to Telefonica separately at working level in this regard.

On completion of these matters, ComReg will be in a position to arrange for the issue of your licences.

Yours Sincerely



Alex Chisholm
Chairperson

21. ComReg: letter to Telefonica “MBSA process” (letter dated 20 November 2012)

**By Hand**

20 November 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

MBSA process

Dear Mr. Hickey

I am writing to you in your capacity as principal Authorised Agent of Telefonica further to the conclusion of the Assignment Round of the Multi-Band Spectrum Award on Wednesday 14 November 2012.

Negotiation Phase

As mentioned in Wednesday's EAS announcement, the Negotiation Phase has, in accordance with paragraph 3.157 of the Information Memorandum ('IM'), commenced and will run for a two week period until 16.00 GMT Wednesday 28 November 2012.

In addition, and in accordance with Section 4.5.10 of the IM, during this two week period Winning Bidders have the opportunity to agree amongst themselves an alternative configuration of assignments to facilitate contiguity of spectrum holdings. If Winning Bidders generate and agree on an alternative assignment plan for a band, ComReg will adopt this plan for that band.

As noted in paragraph 4.236 of the IM, as part of this Negotiation Phase ComReg will allow two or more Winning Bidders to 'swap' equivalent radio frequency assignments which they would otherwise have been allocated pursuant to the Assignment Round, providing that this is agreed among these Winning Bidders and does not affect the other Winning Bidders or is consented to by affected Winning Bidder(s). This would require only the consent of those parties swapping the relevant frequency assignments and affected parties as appropriate, which might not be all parties. Unaffected Winning Bidders (and Existing GSM Licensees if

1

applicable) from the Assignment Round would have no power to block this negotiated outcome.

In the IM (see for example paragraph 4.211) ComReg stated that any unallocated Lots would be located contiguously in the presentation of assignment options in the Assignment Round. Winning Bidders will note that there are three unallocated Lots in a contiguous block (Lots I, J, K) in Time Slice 1 in the 1800 MHz band. Noting ComReg's position in Decision D04/12 that unsold lots will not be allocated for a reasonable period after the process, and, in any event, will not be allocated for a period of at least 1 year, ComReg considers that it would be appropriate, in terms of ensuring the effective management and encouraging the efficient use of radio frequencies and in the circumstances of avoiding the requirement for Transition Activities between Time Slice 1 and Time Slice 2, to permit assignment outcomes where the location of one or more of these unallocated Lots would vary from its current location in Lots I, J or K. Winning Bidders should therefore consider the above when considering and suggesting alternative assignment outcomes in the Negotiation phase,

Any negotiated agreement to which Telefonica is a party must be signed by an Authorised Agent of Telefonica and submitted in hardcopy format to Dr. Samuel Ritchie at ComReg by 16.00 GMT on Wednesday 28 November 2012. This submission is also to include an electronic version of this negotiated agreement on CD-ROM.

Please note that the parties to any such agreement need to ensure that it is drafted to reflect the conditional nature of the agreement which will be subject to ComReg's approval and subject to the Notification and Grant Stage concluding as the parties anticipate.

Notification of Lots retained for GSM Purposes

For the purposes of implementing the Notification and Grant Stage, Winning Bidders who partially liberalised existing GSM rights in Time Slice 1 must identify the Lots that they wish to retain as part of their existing GSM Licence.

Additionally where the position of these GSM Lots is adjacent to another Winning Bidder, the Winning Bidder is to indicate to ComReg whether it has a technical co-existence agreement with this neighbouring Winning Bidder that would permit it to use less stringent technical parameters than those set out in the Annex to EC Decision 2009/766/EC, as amended. As stated in the IM, the number of GSM channels that can be maintained in any Lots retained as part of their existing GSM Licence will be determined by ComReg using the technical co-existence rules set out in EC Decision 2009/766/EC, as amended.

This information is to be submitted in writing to Samuel Ritchie in ComReg by 16.00 GMT on Wednesday 28 November 2012.

Transition Project Proposal

ComReg will write to you in due course on the Transition Project Proposal.

Competition Law Restrictions

When engaging in communications and/or meetings with other parties during the Negotiation Phase and the formulation of a Transition Project Proposal, as appropriate, Winning Bidders should remain cognisant of their obligations under the IM and under Irish and EU competition law, in particular, the prohibitions under section 4 of the Competition Act 2002 (as amended) and Article 101 of the Treaty on the Functioning of the European Union. Nothing in this notice, in the IM or in any other communication issued by ComReg under the Award Process, should be construed as permitting, requiring or facilitating a breach of Irish or EU competition law or any other statute or law.

ComReg would point out that communications and/or meetings between Winning Bidders and Existing GSM Licensees concerning the Negotiation Phase and the formulation of a Transition Project Proposal should be strictly confined to those topics and to the minimum communications necessary to achieve the relevant objectives set out in the IM.

Where a party to such communications and or meetings knows or has reason to suspect that a breach of competition law may have occurred or may occur by virtue of such communications, they are required to notify ComReg immediately of this possibility and ComReg may engage with the Competition Authority further to such notification.

Confidentiality

Finally, ComReg would like to remind you of your obligations in relation to confidentiality under statute and under the terms of the IM.

Yours Sincerely



Dr. Samuel Ritchie

22. ComReg: letter to Telefonica “Return of Surplus Deposit plus Interest Earned”
[Redacted] (letter dated 22 November 2012)



By Hand - ~~Confidential~~

22 November 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Return of Surplus Deposit plus Interest Earned

Dear Mr. Hickey

I am writing to you in your capacity as principal Authorised Agent of Telefonica further to the conclusion of the Assignment Round of the Multi-Band Spectrum Award on Wednesday 14 November 2012.

In accordance with paragraph 3.149 of the Information Memorandum (ComReg Document 12/52) ComReg has transferred the amount of [REDACTED] to the account specified on page 3 of the Application form submitted by Telefonica.

Please note that Rebates i.e. Relocation Rebates and Early Liberalisation Rebates, if applicable, will be addressed separately in accordance with the Information Memorandum in due course.

The amount of [REDACTED] was calculated as follows:

Item	Amount (€)	Balance (€)
Initial Deposit	[REDACTED]	[REDACTED]
Deposit Call	[REDACTED]	[REDACTED]
Upfront Fees	[REDACTED]	[REDACTED]
Interest Earned	[REDACTED]	[REDACTED]
Surplus Deposit plus Interest Returned	[REDACTED]	0.00

Yours Sincerely

Dr. Samuel Ritchie

23. Telefonica: letter to ComReg “Deposit Interest” [Redacted] (letter dated 28 November 2012)



28th November 2012

Dr Samuel Ritchie
Commission for Communication Regulation
Abbey Court, Irish Life Centre
Lower Abbey Street
Dublin 1

Deposit Interest

Dear Samuel

I refer to your letter of 22nd November, and the surplus deposit and interest returned to Telefonica.

Your letter states that the interest earned was [REDACTED]. Can you please provide a detailed explanation of the method calculation of this number, including the interest rate that applied throughout the period of the deposit.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Tom Hickey".

Tom Hickey



24. ComReg: letter to Telefonica “Deposit Interest” [Redacted] (letter dated 30 November 2012)



30 November 2012

By Hand - ~~Confidential~~

Tom Hickey
Telefonica Ireland Limited
28 – 29 Sir John Rogerson’s Quay
Docklands
Dublin 2

Dear Mr. Hickey

Deposit Interest

Thank you for your letter of 28 November 2012 requesting details on the Interest received on MBSA deposits previously held by ComReg.

Paragraph 3.40 of the Information Memorandum (Document 12/52) states: “ComReg will place all monies received from each Applicant into an NTMA “Exchequer Account”. Interest will be paid by ComReg on funds held by it during the Award Process and Applicants will receive all interest accrued in this account”.

I attach all the relevant NTMA statements associated with all funds held by ComReg in relation to Telefónica’s participation in the MBSA process¹. These statements verify that Telefonica has now received all interest accrued and address your enquiries concerning interest rates and periods of deposits.

Yours sincerely



Dr. Samuel Ritchie

¹ Please note that in order to maintain confidentiality the initial deposit made by Telefónica was distributed between two NTMA Exchequer Accounts. Furthermore, the duration of the MBSA process necessitated the periodic reinvestment of funds as Exchequer Accounts expired.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
 STRICTLY PRIVATE & CONFIDENTIAL
 FAO : Settlements Department

Date 18-Jul-2012

Serial No. 324748 *TO2*

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE
Settlement Amount	EUR	Yield %	0.38000000
Discount Amount	EUR	Value Date	18-Jul-2012
Nominal Amount	EUR	Maturity Date	18-Oct-2012
Our dealer	Nicola Commins	Contract Date	18-Jul-2012
Your dealer	Michael Fox		

	<u>NTMA Settlement Instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE26IRCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency

[Handwritten Signature]
 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
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 FAO : Settlements Department

Date 18-Jul-2012

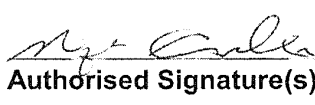

Serial No. 324750 702

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE
Settlement Amount	EUR	Yield %	0.38000000
Discount Amount	EUR	Value Date	18-Jul-2012
Nominal Amount	EUR	Maturity Date	18-Oct-2012
Our dealer	Nicola Commins	Contract Date	18-Jul-2012
Your dealer	Michael Fox		

	<u>NTMA Settlement Instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE26IRCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency

 
 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
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 FAO : Settlements Department

Date 18-Oct-2012

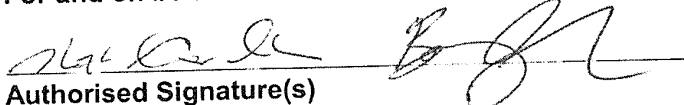
Serial No. 328577 702

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE
Settlement Amount	EUR	Yield %	0.11000000
Discount Amount	EUR	Value Date	18-Oct-2012
Nominal Amount	EUR	Maturity Date	19-Nov-2012
Our dealer	Dymphna McHugh	Contract Date	18-Oct-2012

	<u>NTMA Settlement Instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE26IRCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency


 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
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 FAO : Settlements Department

Date 18-Oct-2012

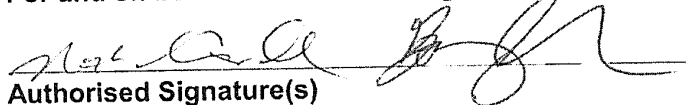
Serial No. 328575 T02

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE	
Settlement Amount	EUR			Yield % 0.11000000
Discount Amount	EUR			Value Date 18-Oct-2012
Nominal Amount	EUR			Maturity Date 19-Nov-2012
Our dealer	Dymphna McHugh			Contract Date 18-Oct-2012

	<u>NTMA Settlement Instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE261RCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency


 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
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 FAO : Settlements Department

Date 21-Nov-2012

Serial No. 329932

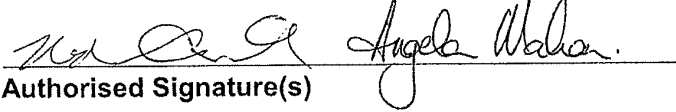
102

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE	
Settlement Amount	EUR			Yield % 0.11000000
Discount Amount	EUR			Value Date 19-Nov-2012
Nominal Amount	EUR			Maturity Date 21-Nov-2012
Our dealer	Dymphna McHugh			Contract Date 21-Nov-2012

	<u>NTMA Settlement instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE26IRCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency


 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
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 FAO : Settlements Department

To2

Date 21-Nov-2012

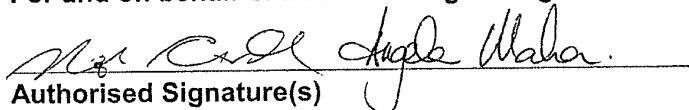
Serial No. 329931

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE	
Settlement Amount	EUR			Yield % 0.11000000
Discount Amount	EUR			Value Date 19-Nov-2012
Nominal Amount	EUR			Maturity Date 21-Nov-2012
Our dealer	Dymphna McHugh			Contract Date 21-Nov-2012

	<u>NTMA Settlement Instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE26IRCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency


 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

TO2 NTMA Statements

National Treasury Management Agency
 Treasury Building
 Lower Grand Canal Street
 Dublin 2

COMREGCG
 Block DEF
 Abbey Court
 Lower Abbey Street
 Dublin 1
 STRICTLY PRIVATE & CONFIDENTIAL
 FAO : Settlements Department

Date 21-Nov-2012

Serial No. 329542 *T02*

We hereby confirm the following;

Product	Exchequer Note	Transaction Type	SALE
Settlement Amount	EUR	Yield %	0.11000000
Discount Amount	EUR	Value Date	09-Nov-2012
Nominal Amount	EUR	Maturity Date	21-Nov-2012
Our dealer	Stephen Moran PRI	Contract Date	09-Nov-2012

	<u>NTMA Settlement Instructions</u>	<u>Counterparty Settlement Instructions</u>
Pay At:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D	Bank of Ireland 34 College Green 34 College Green Dublin BOFIE2D
IBAN:	IE26IRCE92040523350058	
For:	National Treasury Management Agency Treasury Building Dublin NTMAIE2D /DIRECT VIA TARGET	COMREGCG Block DEF Dublin /IE96BOFI90001796614639

For and on behalf of Ireland acting through the National Treasury Management Agency

Stephen Moran

 Authorised Signature(s)

This advice and the Exchequer Note are subject to the prevailing conditions of issue.

25. ComReg: letter to Telefonica “Return of Additional Interest Earned” [Redacted]
(letter dated 30 November 2012)



Commission for
Communications Regulation
Coimisiún Um
Rialáil Cumarsáide

By Hand - ~~Confidential~~

30 November 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

Dear Mr. Hickey

Return of Additional Interest Earned

I am writing to you in your capacity as principal Authorised Agent of Telefonica further to my letter of 22 November and noting your letter of 28 November.

Following receipt of final statements from the National Treasury Management Agency (NTMA), noting that a small amount of additional Interest has been earned by Telefonica, and in accordance with paragraph 3.149 of the Information Memorandum (ComReg Document 12/52) ComReg has transferred the amount of [REDACTED] to the account specified on page 3 of the Application form submitted by Telefonica.

Yours Sincerely

Dr. Samuel Ritchie

26. ComReg: letter to Telefonica “End of Assignment Stage and Auction” (letter dated 5 December 2012)



BY HAND

5 December 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

End of the Assignment Stage and Auction

Dear Mr. Hickey

I am writing to you in your capacity as principal Authorised Agent of Telefonica Ireland Limited.

As you will be aware, the two week Negotiation Phase, as provided for in Sections 3.6.2 and 4.5.10 of the Information Memorandum ("the IM"), has now ended. ComReg can confirm that, during this period, it was not notified of any agreement entered into pursuant to the Negotiation Phase.

In accordance with paragraph 3.142 of the IM, ComReg hereby notifies Telefonica Ireland Limited that as Bidders (and Existing GSM Licensees) have not come to an alternative configuration of frequency assignments, ComReg will rely on the results of the Assignment Round, as previously notified to you in accordance with paragraph 3.139 of the IM.

ComReg confirms that the Auction has now ended and, in accordance with paragraphs 4.238 and 4.240 of the IM, the results of the Auction are set out in Annex 1 below. Please note that, in accordance with paragraph 4.239 of the IM, ComReg will make these results public in due course.

Finally, ComReg will shortly be writing to you in relation to your entitlement to apply for a Liberalised Use Licence and a Preparatory Licence in accordance with the results of the Auction and the provisions of the Notification and Grant Stage as set out in section 3.7 of the IM.

Yours sincerely,



Dr Samuel Ritchie



Annex 1: Results of the Auction

The 800 MHz band

	Meteor Mobile Communications Ltd.	Telefonica Ireland Ltd.	Vodafone Ireland Ltd.
Time Slice 1	800/1/A, 800/1/B	800/1/C, 800/1/D	800/1/E, 800/1/F
Time Slice 2	800/2/A, 800/2/B	800/2/C, 800/2/D	800/2/E, 800/2/F

The 900 MHz band

	Hutchison 3G Ireland Ltd.	Meteor Mobile Communications Ltd.	Telefonica Ireland Ltd.	Vodafone Ireland Ltd.
Time Slice 1	900/1/G	900/1/A,* 900/1/B	900/1/C, 900/1/D	900/1/E, 900/1/F
Time Slice 2	900/2/G	900/2/A, 900/2/B	900/2/C, 900/2/D	900/2/E, 900/2/F

* Lot 900/1/A is to be assigned to Meteor Mobile Communications Ltd. on a non-liberalised basis under the terms of its Existing GSM Licence and in line with the provisions of the IM.

The 1800 MHz band

	Hutchison 3G Ireland Ltd.	Meteor Mobile Communications Ltd.	Telefonica Ireland Ltd.	Vodafone Ireland Ltd.
Time Slice 1	1800/1/D, 1800/1/E	1800/1/L,** 1800/1/M,** 1800/1/N, 1800/1/O	1800/1/A,*** 1800/1/B,*** 1800/1/C***	1800/1/F, 1800/1/G, 1800/1/H
Time Slice 2	1800/2/I, 1800/2/J, 1800/2/K, 1800/2/L	1800/2/M, 1800/2/N, 1800/2/O,	1800/2/A, 1800/2/B, 1800/2/C	1800/2/D, 1800/2/E, 1800/2/F, 1800/2/G, 1800/2/H

** Lots 1800/1/L and 1800/1/M are to be assigned to Meteor Mobile Communications Ltd. on a non-liberalised basis under the terms of its Existing GSM Licence and in line with the provisions of the IM.

*** Lots 1800/1/A, 1800/1/B, 1800/1/C are to be assigned to Telefonica Ireland Ltd. on a non-liberalised basis under the terms of its Existing GSM Licence (expiry date of 31 December 2014) and in line with the provisions of the IM.



Breakdown of the Upfront Fee¹

	Hutchison 3G Ireland Ltd.	Meteor Mobile Communications Ltd.	Telefonica Ireland Ltd.	Vodafone Ireland Ltd.
Base Price	€51,137,000	€144,689,000	€124,634,000	€158,737,000
Additional Price – 800 MHz band	N/A	€0	€200,029	€200,029
Additional Price – 900 MHz band	€0	€0	€100,029	€1,895,294
Additional Price – 1800 MHz band	€0	€89,136	€0	€13,952
Total Upfront Fee	€51,137,000	€ 144,778,136	€ 124,934,058	€ 160,846,275

¹ Final Upfront Fees is contingent on: any Licence fee refunds or adjustments in respect of delayed commencement arising from Transition; Relocation Rebates; Early Liberalisation Rebates; and/or any Advanced Commencement fees due. These are detailed in the Information Memorandum. The amounts will be finalised over the course of the transition process.

27. Telefonica: letter to ComReg “MBSA Assignments” (letter dated 28 November 2012)

28th November 2012

Dr Samuel Ritchie
Commission for Communication Regulation
Abbey Court, Irish Life Centre
Lower Abbey Street
Dublin 1

MBSA Assignments

Dear Samuel

I refer to your letter dated 20th November which addresses assignments in the 800MHz, 900MHz, and 1800MHz bands. Your letter specifically discusses the Negotiation Phase of ComReg's Multiband Spectrum Award (MBSA) and the requirement for operators to notify ComReg whether any modification to the MBSA Assignment Round Result was agreed between licensees.

In relation to the above matter, I can inform ComReg that one meeting was held, at which all four of the MBSA bidders attended. One proposal was made to re-configure assignments in the 1800MHz band. The proposal would have amended the outcome of the Assignment Round for all four bidders. As stated at the meeting, Telefonica was willing to consider the revised assignments, however the specific proposal was not agreeable to one of the other licensees. As no other proposal was suggested, it seems there will be no change resulting from the Negotiation Phase.

One other matter remains to be addressed regarding the MBSA and assignments in the 1800MHz band. ComReg will be aware that Telefonica Ireland currently holds a GSM 1800MHz licence, and is entitled to renew that licence until 31st December 2014. This licence was not amended by the MBSA process (i.e. was not liberalised) and accordingly Telefonica should remain entitled to hold the licence without amendment until its expiry. The current assignment largely corresponds to Lots I, J, and K in the MBSA bandplan, which are unassigned in ComReg's provisional assignment plan. As no amendment to the provisional band plan has been agreed, these three lots will remain unassigned until the commencement of Time-slice 2 in 2015. ComReg itself has accepted that in circumstances where relocation is imposed on existing licensees, then they would be entitled to an appropriate relocation rebate¹. In the current circumstances, it would seem pointless for ComReg to attempt to impose such relocation, causing unnecessary relocation cost, particularly as Telefonica maintains its right to hold its existing assignment unaltered until expiry in 2014.

Telefonica recognises that there are some practical difficulties for ComReg in that the existing licence assignments do not "snap to" the band structure used by ComReg in the MBSA. Telefonica believes it can accommodate ComReg in this matter by making a minor adjustment to its assigned

¹ ComReg Document 12/52, Annex 4, paragraph A 4.7

spectrum such that the 2 x 14.4MHz is contained entirely within Lots I, J, and K. We believe the transition to this position can be agreed with existing and future neighbouring licensees in the Transition Plan discussions.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Tom Hickey', with a horizontal line underneath it.

Tom Hickey

28. ComReg: letter to Telefonica “MBSA process” (letter dated 4 December 2012)



Commission for
Communications Regulation
Coimisiún Um
Rialáil Cumarsáide

By Hand

4 December 2012

Tom Hickey
Regulatory Manager
Telefonica Ireland Limited
28/29 Sir John Rogerson's Quay
Dublin 2

MBSA process

Dear Mr. Hickey

I refer to the above matter and to your letter of 28 November 2012.

In your letter you request that Telefónica Ireland be permitted to remain in its existing frequency assignment in the 1800 MHz band until 31 December 2014 (i.e. the expiry of its Existing GSM Licence in that band).

As you will be aware, the recently concluded Negotiation Phase provided Winning Bidders with the opportunity to agree an alternative configuration of assignments to that determined by the Assignment Round and to notify ComReg of a re-organisation of a band (paragraph 3.140 of the Information Memorandum ('IM')). ComReg notes that Telefónica Ireland's proposal is of a unilateral nature and does not therefore fall within the scope of agreements envisaged under the Negotiation Phase.

As you will also be aware, if Winning Bidders do not agree and notify ComReg of a re-organisation of a particular band, ComReg will rely on the results of the Assignment Round (paragraph 3.142 of the IM). As ComReg notes it did not receive any notification of an agreement to re-organise any particular band further to the Negotiation Phase and, in accordance with the IM, ComReg will therefore provide spectrum rights for the frequency assignments as determined by the Assignment Round in the Notification and Grant stage of the MBSA process. Telefónica Ireland will therefore be required to transition to its new

spectrum assignment in accordance with the results of the Assignment Round and its Existing GSM Licence will be amended accordingly.

Notwithstanding the above, ComReg would bring to your attention Regulation 6(3) of the Wireless Telegraphy (GSM and TACS Mobile Telephony Licence) Regulations, 1999 (as amended) which makes it clear that ComReg can, upon request from a Licensee, amend a Licence where it considers it appropriate to do so. For the avoidance of doubt, ComReg would assess any such request in accordance with the Authorisation Regulations.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'S. Ritchie', written in a cursive style.

Dr. Samuel Ritchie

29. ComReg: letter to Telefonica “Entitlement to apply for a Preparatory and a Liberalised Use Licence” (letter dated 18 December 2012)



Commission for
Communications Regulation
 Coimisiún Um
Rialáil Cumarsáide

By Hand

18 December 2012

Tom Hickey
 Regulatory Manager
 Telefonica Ireland Limited
 28/29 Sir John Rogerson's Quay
 Dublin 2

Entitlement to apply for a Preparatory and a Liberalised Use Licence

Dear Mr. Hickey

I am writing to you in your capacity as principal Authorised Agent of Telefonica Ireland Limited ('Telefonica') further to my letter of 4 December 2012 concerning the end of the Assignment Stage and Auction.

In accordance with Regulation 4 of the Wireless Telegraphy (Liberalised Use and Preparatory Licences in the 800 MHz, 900 MHz and 1800 MHz Bands) Regulations 2012 (the "Regulations"), section 3.7 of the Information Memorandum ("IM") and the results of the Multi-Band Spectrum Award process (see Document 12/131¹), ComReg is now notifying you of Telefonica's entitlement to apply for a Preparatory and a Liberalised Use Licence (as defined in the IM and the Regulations).

Telefonica's entitlement to be granted a Licence is subject to its compliance with certain administrative obligations the most important of which are discussed below.

1. Payment of the Upfront Fee

In accordance with paragraph 3.148 of the IM, a Winning Bidder is required to pay the Upfront Fee prior to the receipt of a Preparatory or a Liberalised Use Licence.

As noted in ComReg's letter of 22 November 2012, Telefonica's Upfront Fee has been paid in full to ComReg and this obligation has therefore been met by Telefonica.

¹ Document 12/131, "Frequency Arrangements and Results of the Multi-Band Spectrum Award Process", Information Notice, published 5 December 2012.



2. The Preparatory Licence

Paragraphs 3.150 and 3.151 of the IM outline the notification and grant process associated with a Preparatory Licence.

In accordance with these provisions, ComReg has prepared an **Application Form for a Preparatory Licence** (see attached document) in order to collect the information necessary to populate a Winning Bidder's Preparatory Licence.

Should Telefonica wish to obtain a Preparatory Licence, Telefonica is first required to:

- submit a completed Application Form for a Preparatory Licence to ComReg; and
- pay the €100 fee for a Preparatory Licence.

Following receipt of the above, and noting that the Upfront Fee obligation has already been met, ComReg will proceed to grant a Preparatory Licence to Telefonica.

Annex 1 of this letter explains a number of the specific details that ComReg intends to include in Telefonica's Preparatory Licence should it apply for such a Licence.

3. The Liberalised Use Licence

Paragraphs 3.152 and 3.153 of the IM outline the notification and grant process associated with a Liberalised Use Licence.

In accordance with these provisions, and based on information currently available to ComReg in relation to the MBSA process:

- **Annex 2** sets out a number of details specific to a Winning Bidder's Liberalised Use Licence, and amongst other things, Annex 2:
 - explains how the commencement date and expiry date of a Liberalised Use Licence will be set;
 - sets out the specific details that ComReg intends to include in Part 1 of Telefonica's Liberalised Use Licence;
 - sets out the commencement date and expiry date of Telefonica's Liberalised Use Licence, noting that this commencement date could be brought forward should Telefonica request Advanced Commencement for any of the Spectrum Blocks that are not required



- for Transition purposes (i.e. those Spectrum Blocks with a commencement date of 1 February 2013); and
- sets out the Spectrum Usage Fees (SUF) associated with SUF Period 1² of the Liberalised Use Licence noting that the SUFs associated with certain Spectrum Blocks will only be determined at a later stage, as the commencement date of these Spectrum Blocks is contingent upon finalisation and implementation of the Transition Project Plan (see, in this regard, section 3.8 of the IM); and
- ComReg has prepared an **Application Form for a Liberalised Use Licence** (see attached document) in order to collect the information necessary to populate a Winning Bidder's Liberalised Use Licence.

SUF for SUF Period 1

As mentioned above, Annex 2 sets out:

- specific details that ComReg intends to include in Part 1 of Telefonica's Liberalised Use Licence (including the expected commencement date for each Spectrum Block); and
- the Spectrum Usage Fees (SUF) associated with SUF Period 1 of Telefonica's Liberalised Use Licence.

As noted in Annex 2, ComReg is currently not in a position to set the commencement date for all Spectrum Blocks in Telefonica's Liberalised Use Licence and, given this, ComReg is not in a position to issue a SUF invoice for all the Spectrum Blocks that will eventually be included in Telefonica's Liberalised Use Licence. In that regard:

- for the Spectrum Blocks in Annex 2 with a commencement date of 1 February 2013, ComReg intends to send an invoice to Telefonica in the coming days for the SUF associated with SUF Period 1 for these Spectrum Blocks. This invoice will be for €2,160,000 and will state that this fee will have to be paid prior to the commencement date of the Liberalised Use Licence (currently envisaged to be 1 February 2013); and
- for the Spectrum Blocks in Annex 2 with commencement dates yet to be determined (or "TBD") ComReg will write to Telefonica in due course specifying the commencement date of these Spectrum Blocks in line with the

² Based upon a Licence Commencement Date of 1 February 2013, the first SUF period ('SUF Period 1') would be from 1 February 2013 to 31 January 2014.



finalisation and implementation of the Transition Project Plan and the SUF associated with SUF Period 1 for these Spectrum Blocks.

Surrender/Amendment of an Existing GSM Licence

As set out in paragraph 3.152 of the IM, *“where an Existing GSM Licensee has been allocated Lots in Lots Categories 7, 8, 9 or 10 in the Award Process, or has obtained a Liberalised Use Licence with an advanced commencement date, the Existing GSM Licensee is required to amend or surrender the rights associated with its GSM Licence (whichever is appropriate) in line with the outcome of the Award Process.”*

As ComReg is currently in the process of finalising the Transition Project Plan for the 900 MHz and 1800 MHz bands, ComReg is not yet in a position to specify the dates for the amendment or surrender of Existing GSM Licences.

ComReg will write to the Existing GSM Licensees in due course on this matter.

Transition Process

ComReg is currently in the process of finalising a Transition Project Plan for the 900 MHz and 1800 MHz bands and, in this regard, ComReg notes that it recently received transition information from all the Winning Bidders.

ComReg will be writing to all Winning Bidders in due course on this matter with the aim of finalising a Transition Project Plan in January 2013.

All Winning Bidders have agreed to be bound by and to comply with the Transition Rules and are required to abide by the finalised Transition Project Plan. In that regard, ComReg has reserved the right to make a final and binding decision in relation to the Transition Project Plan and will take appropriate and effective measures to ensure that there is no undue delay in the availability of liberalised spectrum.

Advanced Commencement Method 2

As set out in paragraphs 2.31 and 2.32 of the IM, Advanced Commencement Method 2 is available to a Winning Bidder, should it wish to apply.



Refunds, Adjustments or Rebates

Please note that Refunds or Adjustments related to the Upfront Fee and Rebates in relation to Early Liberalisation and/or Relocation will be addressed in due course in accordance with the IM.

Process for applying for a Liberalised Use Licence

To apply for a Liberalised Use Licence, Telefonica is required to:

- submit a completed Application Form for a Liberalised Use Licence to ComReg; and
- pay the SUFs amount as set out above (or as otherwise notified) in line with the payment date as specified on the invoice.

Following receipt of the above, and subject to Telefonica's compliance with above obligations and the other obligations as set out in the IM, ComReg will proceed to grant a Liberalised Use Licence to Telefonica.

Publication of the Liberalised Use Licence on ComReg's website

As set out in paragraph 3.155 of the IM, and as subsequently discussed in Document 12/73³ (see ComReg's answer to Q62 in particular), once a Liberalised Use Licence has been issued, ComReg will publish on its website the text of the Liberalised Use Licence⁴, and subsequent amendments to same, in accordance with ComReg's Guidelines on the treatment of confidential information (Document 05/24)⁵.

Subsequent amendments to a Liberalised Use Licence

ComReg is currently not in a position to finalise all details associated with Telefonica's Liberalised Use Licence. ComReg will write to Telefonica in due course

³ Document 12/73, "Multi-band Spectrum Release: Questions & Answers and Clarifications", Information Notice, published 06 July 2012.

⁴ For the avoidance of doubt, this includes all Parts of the Liberalised Use Licence.

⁵ Document 05/24, "Guidelines on the treatment of confidential information", Response to Consultation and final text of Guidelines, published 22 March 2005



on any outstanding items (e.g. commencement date of certain Spectrum Blocks, etc.) relating to Telefonica's Liberalised Use Licence.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'S. Ritchie', is positioned above the name of the signatory.

Dr. Samuel Ritchie



Annex 1: Preparatory Licence - specific details

The following explains a number of specific details that ComReg intends to include in a Winning Bidder's Preparatory Licence.

1. The **Commencement Date of the Preparatory Licence** will be the date that the Winning Bidder's Preparatory Licence is issued;
2. The **Commencement Date of each Authorised Band in Part 2 of the Preparatory Licence** will be the date that the Winning Bidder's Preparatory Licence is issued;
3. The **Expiry Date of each Authorised Band in Part 2 of the Preparatory Licence** will coincide with the earliest commencement date of spectrum rights in that Authorised Band in the Winning Bidder's Liberalised Use Licence (see Annex 2 for further details); and
4. The **Expiry Date of the Preparatory Licence** will coincide with the latest expiry date of an Authorised Band in Part 2 of the Winning Bidder's Preparatory Licence.

Based upon the results of the MBSA process as set out in Document 12/131 and the information currently available to ComReg, the following sets out the specific details that ComReg intends to include in Part 2 of Telefonica's Preparatory Licence.

Part 2 of Telefónica's Preparatory Licence

Authorised Band	Commencement Date	Expiry Date	Description of Apparatus
800 MHz	Same date as the Licence issue date	31 January 2013	Apparatus compliant with EC Decision 2010/267/EU as amended
900 MHz	Same date as the Licence issue date	To be determined (TBD) in line with the MBSA Transition Process	Apparatus compliant with EC Decision 2009/766/EC as amended
1800 MHz	Same date as the Licence issue date	12 July 2015	Apparatus compliant with EC Decision 2009/766/EC as amended



Annex 2: Liberalised Use Licence - specific details

The following explains a number of specific details that ComReg intends to include in a Winning Bidder's Liberalised Use Licence:

1. The **Commencement Date of the Liberalised Use Licence** will coincide with the earliest commencement date for a Spectrum Block as set out in Part 1 of the Winning Bidder's Liberalised Use Licence;
2. The **Uplink / Downlink Frequency Assigned to each Spectrum Block in Part 1 of the Liberalised Use Licence** will be set in accordance with the results of the MBSA process as set out in Document 12/131;
3. The **Commencement Date of each Spectrum Block in Part 1 of the Liberalised Use Licence** will be set in accordance with the results of the MBSA process as set out in Document 12/131 and the provisions of the IM which, amongst other things, note that the commencement date of Spectrum Blocks in Time Slice 1 may be delayed due to Transition issues or brought forward under the Advanced Commencement provisions;
4. The **Expiry Date of each Spectrum Block in Part 1 of the Liberalised Use Licence** will be set in accordance with the results of the MBSA process as set out in Document 12/131 and the provisions of the IM; and
5. The **Expiry Date of the Liberalised Use Licence** will be set to coincide with the latest expiry date for a Spectrum Block as set out in Part 1 of the Winning Bidder's Liberalised Use Licence.

Based upon the results of the MBSA process as set out in Document 12/131 and the information currently available to ComReg on the MBSA Transition process and in the absence of a request for Advanced Commencement, the following sets out:

- the specific details that ComReg intends to include in Part 1 of Telefonica's Liberalised Use Licence;
- the expected commencement date and expiry date of Telefonica's Liberalised Use Licence; and
- the Spectrum Usage Fees (SUF) for SUF Period 1 of Telefonica's Liberalised Use Licence.



Part 1 of Telefónica's Liberalised Use Licence

Authorised Band	Name of Spectrum Block	Uplink / Downlink Frequency Assigned to Spectrum Block	Commencement Date per Spectrum Block	Expiry Date per Spectrum Block
800 MHz	800/C	842.0 - 847.0 MHz 801.0 - 806.0 MHz	1 February 2013	12 July 2030
800 MHz	800/D	847.0 - 852.0 MHz 806.0 - 811.0 MHz	1 February 2013	12 July 2030
900 MHz	900/C	890.0 - 895.0 MHz 935.0 - 940.0 MHz	TBD in line with the MBSA Transition Process	12 July 2030
900 MHz	900/D	895.0 - 900.0 MHz 940.0 - 945.0 MHz	TBD in line with the MBSA Transition Process	12 July 2030
1800 MHz	1800/A	1710.0 - 1715.0 MHz 1805.0 - 1810.0 MHz	13 July 2015	12 July 2030
1800 MHz	1800/B	1715.0 - 1720.0 MHz 1810.0 - 1815.0 MHz	13 July 2015	12 July 2030
1800 MHz	1800/C	1720.0 - 1725.0 MHz 1815.0 - 1820.0 MHz	13 July 2015	12 July 2030

Based upon the above and subject to its compliance with its Licence obligations and obligations under the IM:

- the **commencement date of Telefónica's Liberalised Use Licence** will be **1 February 2013**, although this date could be brought forward should Telefónica request Advanced Commencement for any of the Spectrum Blocks that are not required for Transition purposes (i.e. those Spectrum Blocks with a commencement date of 1 February 2013); and
- the **expiry date of the Telefónica's Liberalised Use Licence** will be **12 July 2030**.



Spectrum Usage Fees for SUF Period 1 of Telefónica's Liberalised Use Licence

Based upon a Licence Commencement Date of 1 February 2013, the first SUF period ('SUF Period 1') associated with Telefónica's Liberalised Use Licence is from 1 February 2013 to 31 January 2014.

The following sets out the SUFs associated with SUF Period 1 of Telefónica's Liberalised Use Licence.

Name of Spectrum Block	Commencement Date per Spectrum Block	Expiry Date per Spectrum Block	Days in SUF Period 1	Base SUF Fee	CPI Adjust ment	Actual SUF Fee (Adjusted for CPI and duration of Spectrum Block in SUF period 1)
800/C	1 February 2013	12 July 2030	Full year	€1,080,000	0%	€1,080,000
800/D	1 February 2013	12 July 2030	Full Year	€1,080,000	0%	€1,080,000
900/C	TBD in line with the MBSA Transition Process	12 July 2030	TBD	€1,080,000	0%	TBD
900/D	TBD in line with the MBSA Transition Process	12 July 2030	TBD	€1,080,000	0%	TBD

Given the above:

- the SUFs associated with Spectrum Blocks 800/C and 800/D can be calculated now. The sum of these SUFs is **€2,160,000**; and
- the SUFs associated with Spectrum Blocks 900/C and 900/D cannot be calculated at this time as the commencement date of these Spectrum Block are to be determined in line with the MBSA Transition Process.