



Český telekomunikační úřad
Czech Telecommunication Office

Sokolovská 219, Praha 9

Post Box 02, 225 02 Praha 025, Czech Republic

Appendix 3

to the Invitation to Tender for the award of rights
to use radio frequencies to provide an electronic communications network
in the 3600–3800 MHz band

Auction Rules

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1 INTRODUCTION

These Auction Rules are an appendix to the Invitation to Tender and specify in detail the rules of the Auction set out in Chapter 9 of the ITT.

2 AUCTION

2.1 General Information

The Auction is divided into 2 phases - the Auction Phase and Frequency Distribution Phase. Only Applicants who have satisfied the qualification requirements indicated in Chapter 8 of the ITT may participate in the Auction.

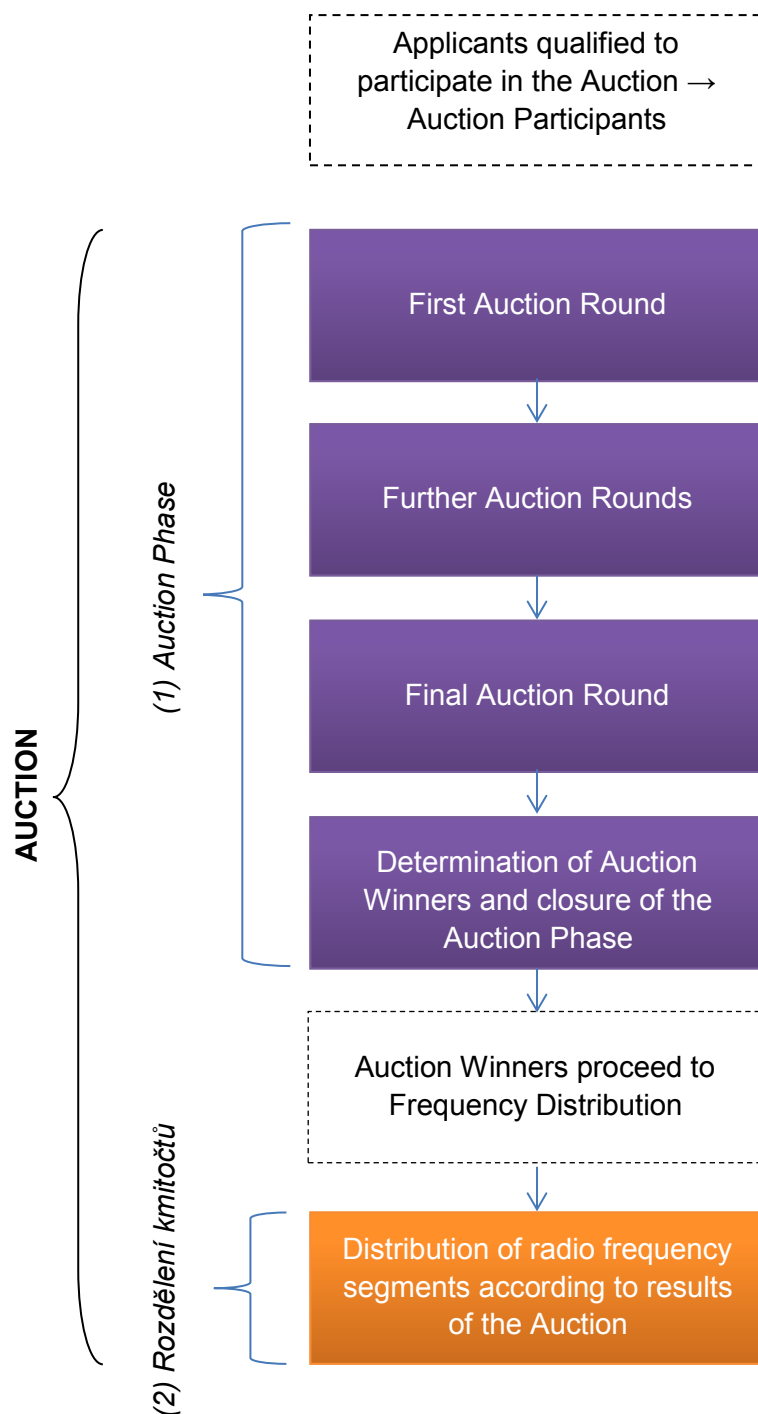
2.2 Auction Format

The Auction format to be used in the Auction Phase is a simultaneous multiple round Auction (SMRA), organized as an open, ascending-price Auction. The Auction Participant may change its auction strategy during the Auction Phase.

The auction principles mentioned in the preceding paragraph should be understood as follows:

- simultaneous Auction – all Auction Lots are offered simultaneously in the Auction Phase;
- multiple-round Auction – the Auction Phase is organized as a system of successive Auction Rounds, in which the Auction Participants place their Bids for selected Auction Lots. The Auction Phase ends with a final Auction Round according to the terms and conditions laid down in the Auction Rules;
- ascending-price Auction – the Auction Participants raise the Bid price of the Auction Lot from the previous Highest Bid during the Auction Phase;
- open Auction – information about the number of participants and the Highest Bid is available to all Auction Participants about all Auction Lots after the evaluation of each Auction Round, but the identity of the Auction Participants remains undisclosed throughout the Auction Phase;

2.3 Auction Scheme



3 SUBJECT MATTER OF THE AUCTION

Auction Lot Category	Frequency band	Frequencies [MHz]	Auction Lots	Spectral limit	Minimum price [CZK million/Lot]	Activity points [points/ 1 Lot]
A	3600-3800 MHz unpaired spectrum	3600-3800	5 abstract lots of a size of 40 MHz	For Incumbent Operators: 40 MHz Will be raised to 80 MHz if the terms and conditions laid down in Chapter 6.1 of the ITT are satisfied	29	1
				For other Applicants: 80 MHz		

4 AUCTION PHASE

4.1 Electronic Auction System (EAS)

The Electronic Auction System (EAS) is operated by the Office for the purpose of ensuring that the Auction Phase proceeds in the proper way. The EAS is operated on the secured servers of the EAS provider and will be accessible over the Internet with a high level of access security.

The EAS will enable Auction Participants to submit only such Bids that comply with the ITT and the Auction Rules. EAS interface allows Auction Participants to submit Bids in individual Auction Rounds and provides Auction Participants with information about the course of the Auction Phase to the extent defined in Chapter 4.5 of the Auction Rules.

Only those Auction Participants who have received access data and a digital certificate from the Office may log into the EAS. The Office will provide such access data only to Applicants that have duly qualified in accordance with the provisions of Chapter 8 of the ITT and that have received an Auction participation certificate. The digital certificate must be installed on the computer from which the Auction Participant connects to the EAS. The Auction Participant is responsible for securing its log-in data and allocated password against abuse. For security reasons, the EAS will only be accessible from the territory of the Czech Republic. Before the commencement of the Auction Phase, all Auction Participants must communicate 10 IP addresses from which they will be able to access the EAS. The EAS will not be accessible from any other IP addresses. The Participant must inform the Office without undue delay of any case of breach of security regarding the access data or the password.

An Auction Participant may only log into the EAS from one computer at any one time. In the event of any unforeseen technical problems or Internet connection outage, the Auction Participant will automatically be disconnected from the EAS and will then be able to log in from another computer in which the necessary certificate has been installed.

In such cases the Office may suspend the Auction Round at the Auction Participant's request. Cases of unforeseen technical problems are specified in more detail in Chapter 4.2 of the Auction Rules. No data are saved on the Auction Participant's computer during the Auction Round; all changes are recorded directly in the EAS.

The Office is not liable for any technical problems or Internet connection problems on the side of the Auction Participant which prevent the Auction Participant from connecting to the Electronic Auction System. Auction Participants should have an Internet connection which is sufficiently secure and sufficiently fast (download speed of at least 128-kbit/s) and there should be a standby computer in place, to be used if there are any technical problems. The Office recommends ensuring that the computers via which the Auction Participant accesses the EAS are not used for any other purpose during the Auction and that no other software which is not needed to access to the EAS is simultaneously used on such computers.

All Auction Participants will be entirely anonymous in the EAS and all communication during the Auction Phase will also be entirely anonymous. To this end, Auction Participants will be provided with code names and passwords before the start of the Auction Phase, in that such code names and passwords are to be used for communication during the Auction Phase. The identity of the Auction Participants will only be disclosed after the end of the Final Auction Round according to Chapter 4.3.4 of the Auction Rules. The technical devices of the EAS provider will be secured against attack and disclosure of the identity of Auction Participants by way of adequate HW and SW on the side of the EAS, by secured connection between the Auction Participant's web browser and the EAS system server using an encrypted network protocol and by a system-controlled mandatory minimum level of login data security.

The EAS and its individual processes will be set in such a way so as to eliminate any risk of inadvertent error (e.g. double click) by the Auction Participant to the maximum possible extent.

User interface will be available to Auction Participants within the EAS and will provide Auction Participants with all the forms required to submit Bids. It will also provide the range of information about the sequence of the Auction defined in Chapter 4.5 of the Auction Rules and access to other notices which the Office posts for Auction Participants during the Auction. Interface also encompasses a clock that is synchronized with the Auction server and that provides information about time, such as the time remaining to the end of the time limit for the Auction Round, the exact time when the Auction Participant submitted its Bid etc.

All rules laid down in the Auction Rules as being required to carry out the Auction Phase, in particular the rules for submitting Bids, adherence to the Spectral Limit, calculation of Activity within an Auction Round and the Eligibility points available, identifying the Highest Bid Holder, determining the final Auction Round etc., are applied in the EAS and are automatically applied and/or checked during the Auction Phase. When determining the Highest Bid Holder if two or more Bids are submitted at the same time, the deterministic algorithm implemented in the EAS will be used according to Chapter 4.4.3.; this deterministic algorithm will create one (or more, if necessary) pseudo-random 128-bit binary number for each Auction Round based on the input data provided by the Office and by the Auction Participants and with the use of other deterministic data (e.g. the order number of the round etc.). The procedure laid down in Chapter 4.4.3 of the Auction Rules will guarantee that individual Auction Participants cannot directly influence the determination of the Highest Bid Holder. This procedure also means that the determination of the Highest Bid Holder can be checked retrospectively. Before the start of the Auction Phase, each Auction Participant will have the opportunity to enter one piece of input data for the subsequent calculation of pseudo-random numbers. This pseudo-random

number calculation process is fully applied in the EAS. The Office will notify Auction Participants of the format of input data during training.

The EAS contains a one-way message-sending system that allows the Office to send messages to Auction Participants throughout the Auction Phase. The Office expects this manner of communication between itself and the Auction Participants to be the primary channel of communication during the Auction Phase. Messages will be considered as having been delivered to the Auction Participant at such time as they are made public in EAS user interface. A telephone number will be available to Auction Participants to call half an hour before the Auction and during the Auction if they need to contact the Office. EAS technical support will also be provided on this telephone number.

Auction Participants will be able to familiarize themselves with the EAS environment, with EAS functions and with the processes associated with the implementation of the Auction Phase, including the process of anonymization and the problem-reporting and incident-reporting process during the Auction Phase, at EAS training and during a test Auction. An EAS user manual will also be available to Auction Participants. This manual will be presented to them at training and contains the information which Auction Participants should familiarize themselves with before the start of the Auction Phase, in particular, HW and SW requirements, login instructions and a description of interface and of the use of the EAS. System requirements and a list of the operating systems supported and recommended and the software required to access the EAS (primarily web browser) will be specified in the EAS user manual.

The EAS as a whole, its parts, subsystems and databases and the graphic appearance of the Internet application and its structure are covered by copyright protection. All ownership rights to these are exercised by the EAS provider.

Auction Participants are not allowed to use or apply any software, scripts or similar mechanisms and measures which could disrupt the functions of the EAS or disrupt the activity of the EAS in any way and which could overload EAS servers and the EAS infrastructure.

4.2 Force Majeure

The Office may temporarily interrupt an Auction Round or suspend or discontinue the entire Auction Phase if there is need to check that the course of the Auction Phase complies with the terms and conditions of the ITT or if any other important circumstances need to be verified, and in the case of unpredictable events that may significantly affect the course of the Auction Phase.

The Office may proceed as follows when an individual Auction Round is interrupted:

- resume the Auction Round at the point where it was suspended, complete the time limit for submitting Bids, close and evaluate the Auction Round and continue the Auction Phase; or
- declare the Auction Round to be void and repeat such an Auction Round that has not yet been evaluated.

The Office may proceed as follows when the Auction Phase is suspended:

- resume the Auction Phase and continue with the Auction Round subsequent to the last completed Auction Round (after which the Auction Phase was suspended); or

- declare the last, as-yet uncompleted Auction Round to be void, repeat such Auction Round (not yet having been evaluated) and continue with the resumed Auction Phase; or
- declare the entire Auction Phase to be void and start the Auction Phase again from the very beginning¹.

Examples of the unpredictable events to be addressed in the way described above include, without being limited to, technical problems on the side of the EAS provider which could have an adverse impact on the Office or on the Auction Participants, exclusion of an Applicant from further participation in the Tender according to Section 21(6) of the Act or serious blanket Internet connection outage.

Auction Participants will be informed of the proceedings of the Office under this provision through the EAS. The contact persons of the Auction Participants specified in the Application will also be informed of the Office's decision to suspend the Auction Phase.

4.3 The Sequence of Events in the Auction Phase

4.3.1 Bid Submission by Auction Participants

Auction Rounds take place on business days between 9.00 and 17.00 hours according to the firmly set Auction Day Schedule. The Auction Day Schedule specifies the Bid Submission times for each Auction Participant. Once this time has expired, the Auction Round is closed by evaluating all Bids and determining the Highest Bid Holders in that Auction Round.

The time available for the submission of Bids in each Auction Round is restricted by a time limit. Unless the Office provides otherwise, Auction Rounds will start at the following fixed times: 9:30, 10:00, 10:30, 11:00, 11:30, 14:00, 14:30, 15:00, 15:30 and 16:00. The time available for Bid Submission in each Auction Round is set at 15 minutes and the length of the break before the commencement of the next round is set at 15 minutes. The length of the Auction Rounds, the length of the break before the next Auction Round and the Auction Round start times may be changed by the Office during the Auction. Auction Participants will be informed about any change in the schedule via the EAS.

The time for submitting Bids in an Auction Round is cut short if all Auction Participants have already made a Bid in the Auction Round or actively used the possibility of abstention. All Auction Participants will be informed of premature termination of an Auction Round via the EAS.

Auction Participants who connect to the EAS during an Auction Round before the expiry of the time for submitting Bids will receive a blank form for the submission of Bids. The range of information contained in the Bid Submission form is defined in Chapter 4.5 of the Auction Rules.

Bids are only accepted during an Auction Round before the expiry of the time for the submission of Bids. The time at which a Bid is received, recorded by the EAS, is the decisive time for the submission of Bids rather than the time at which the Bid is sent from the Auction Participant's computer. Auction Participants should be aware that there is a certain time lag between the sending of the data and the receipt thereof by the EAS system. The Office therefore recommends that Auction Participants submit their Bids in sufficient time before the

¹ If the entire Auction Phase is repeated, the original Spectral Limits will apply in the first Auction Round, i.e. 40 MHz for Incumbent Operators and 80 MHz for other Auction Participants.

expiry of the time for the submission of Bids within each Auction Round in order to avoid possible delays caused by transmission.

An Auction Participant submits a Bid in an Auction Round:

- a) automatically for the Auction Lots for which it is the Highest Bid Holder at the beginning of the relevant Auction Round;
- b) by active selection for Auction Lots for which it is not the Highest Bid Holder at the beginning of the Auction Round.

Unless the Auction Participant actively provides information that it is not submitting a Bid in a given Auction Round before the expiry of the time for the submission of Bids in that Auction Round, it will be assumed that the Auction Participant has automatically submitted a Bid for the Auction Lots for which it was the Highest Bid Holder at the beginning of the given Auction Round.

The EAS will allow Auction Participants to submit only such Bids that comply with the rules of the Auction set out in the Auction Rules. If a Bid is submitted in contravention of these rules, the EAS will automatically generate an alert that the Bid has not been accepted because of incorrect submission and the Auction Participant will be able to amend its Bid to ensure that it complies with the rules of the Auction, if the time limit of the Auction Round allows.

Each Auction Participant has the right to submit one binding Bid in an Auction Round. Once a Bid is confirmed, it may not be taken back or changed by the Auction Participant. The Auction Participant is informed that his Bid has been accepted after submission of the Bid.

Information about the Bids made by other Auction Participants is not available during the Auction Round. The closing and evaluation of the Auction Round proceeds in the EAS at the instruction of the Office after the expiry of the time limit for the submission of Bids within the Auction Round.

4.3.2 The First Auction Round

The Auction Phase commences with the first Auction Round. The first Auction Round starts with the simultaneous start of the Auction for all Auction Lots at the minimum price specified in Chapter 6.2 of the ITT. Auction Participants may not abstain from bidding in the first Auction Round.

If an Auction Participant does not submit any Bid in the first Auction Round, i.e. its Activity in the first Auction Round is nil according to Chapter 4.4.2. of the Auction Rules, its Eligibility points will be reduced to nil and the Auction Participant will not be allowed to take any further part in the Auction. The Auction Participant will also lose its access to the EAS.

4.3.3 Subsequent Auction Rounds

The options of submitting Bids for individual Auction Lots in subsequent Auction Rounds are defined in different ways depending on whether there is, or is not, a Highest Bid Holder for the Auction Lot and if there is none, then why.

- A. If there is a Highest Bid Holder for an Auction Lot, the Auction Participants that are interested in acquiring that Auction Lot may submit a Bid in the amount of the current Highest Bid for that Auction Lot raised by 10 % of the minimum price of the Auction Lot.

- B. If no Highest Bid Holder is identified because there has not yet been a Highest Bid Holder for the given Auction Lot, the Auction Participants may submit a Bid for that Auction Lot of the minimum price of the Auction Lot.

Auction Participants may use the abstention option laid down in Chapter 4.4.4 of the Auction Rules from the second Auction Round on. If an Auction Participant chooses to do so, the number of its Eligibility points does not change for the next Auction Round.

Should the number of an Auction Participant's Eligibility points decrease to nil in any Auction Round, the Auction Participant shall not be allowed to take any further part in the Auction.

4.3.4 The Final Auction Round

An Auction Round becomes the final Auction Round if the following conditions are simultaneously met:

- a) The Bids of the individual Auction Participants contain only the Auction Lots for which those Auction Participants were the Highest Bid Holders at the start of the Auction Round;
- b) The option of abstaining has not been actively exercised.

An Auction Round is also the final round when the condition laid down in point (a) in the first paragraph of this Chapter 4.3.4 of the Auction Rules is met in two consecutive Auction Rounds, i.e. when all of the Auction Participants have only submitted a Bid in two consecutive Auction Rounds for the Auction Lots for which they are the Highest Bid Holders. After the end of each Auction Round in which the condition laid down in point (a) is met, the Office will inform all Auction Participants via the EAS that if this happens again in the following Auction Round, then that Auction Round will be the final Auction Round in accordance with this Chapter 4.3.4 of the Auction Rules.

In addition to the situations described above in this Chapter 4.3.4 of the Auction Rules, the Office will also determine a final Auction Round in the case that only one Auction Participant with Eligibility above 0 remains in the Auction. In such a case the Office will inform all Auction Participants to that effect after the completion of the round preceding the final Auction Round.

After completion of the final Auction Round, Notification of the Results of the Auction Phase will be delivered to all Auction Participants via the EAS in accordance with Chapter 4.4.5 of the Auction Rules.

4.4 The Rules of the Auction and the Options Open to Auction Participants

4.4.1 The Rules of Conduct

The conditions of how Applicants must conduct themselves throughout the Tender are specified in Chapter 11 of the ITT.

4.4.2 The Rules of Activity during the Auction Phase

The Activity of Auction Participants during the Auction Phase is limited:

- a. by the number of Eligibility points which an Auction Participant has at its disposal for the relevant Auction Round;
- b. by the Spectral Limit laid down in Chapter 4.4.5 of the Auction Rules.

The Auction Participant may set various combinations of individual Auction Lots in its Bid based on the number of Eligibility points, while respecting the following rules:

- all Auction Lots are included in one Auction Category to which 1 Activity point is allocated. The sum of the Activity points of all selected Auction Lots within a Bid may not be higher than the number of Eligibility points which the Auction Participant has at its disposal in the relevant Auction Round;
- the Eligibility of an Auction Participant in the first Auction Round is determined according to Chapter 8.3 of the ITT at 2 Eligibility points. Eligibility is not increased any further in individual Auction Rounds;
- the number of Eligibility points in subsequent Auction Rounds is based on the Activity of the Auction Participant in the last, closed Auction Round.

The Activity of an Auction Participant in an Auction Round is calculated as follows:

- + total number of Activity points for all Auction Lots for which the Auction Participant was not the Highest Bid Holder at the start of the relevant Auction Round and for which the Auction Participant submitted a Bid in the relevant Auction Round;
- + total number of Activity points for all Auction Lots for which the Auction Participant was the Highest Bid Holder at the start of the Auction Round;

= TOTAL NUMBER OF ACTIVITY POINTS IN THE AUCTION ROUND.

If the Auction Participant's Activity in the relevant Round is lower than the number of its Eligibility points for the relevant Round, the number of the Auction Participant's Eligibility points for the next Auction Round is reduced to the level of the number of its Activity points in the relevant Auction Round.

This rule will be modified during the first Auction Round, in which the minimum Activity level at which the Auction Participant retains the full number of Eligibility Points for the next Auction Round will be determined at 1 Activity point.

If the number of Activity points in an Auction Round reaches the required minimum Activity level for the relevant Auction Round, the Auction Participant retains the number of Eligibility points for the subsequent Auction Round. For example, if an Auction Participant having 2 Eligibility points for the first Auction Round submits a Bid for one Auction Lot, meaning that the total number of Activity points in the relevant Auction Round equals 1 point, it retains the original number of 2 Eligibility points for the next Auction Round.

If, however, the Auction Participant fails to adhere to the minimum Activity level in an Auction Round, i.e. if the number of Activity points in the Auction Round is lower than the number of points for the minimum required Activity, the number of this Auction Participant's Eligibility points will be reduced for the next Auction Round.

In the first Auction Round, when the minimum Activity level is set at 1 Activity point, it stands that if an Auction Participant submits a Bid with lower, i.e. zero, Eligibility or fails to submit a Bid in the first Auction Round in accordance with Chapter 4.3.2 of the Auction Rules, the number of Eligibility points of this Auction Participant will be reduced to zero and this Auction Participant will lose the opportunity to take any further part in the Action according to the provisions of Chapter 4.3.3 of the Auction Rules or, where appropriate, according to the provisions of Chapter 4.3.2 in the case of failure to submit a Bid in the first Auction Round.

If the Auction Participant's Activity in the second Auction Round and subsequent Auction Rounds is lower than the number of its Eligibility points for the relevant Round, the number of

the Auction Participant's Eligibility points for the next Auction Round is reduced to the level of the number of its Activity points in the relevant Auction Round.

The number of Eligibility points according to this Chapter 4.4.2 is not reduced if the option of abstaining is exercised in the relevant Auction Round in accordance with Chapter 4.4.4 of the Auction Rules.

4.4.3 Highest Bid Holder

The Highest Bid Holder will be identified at the end of each Auction Round for each Auction Lot on which a Bid has been submitted in that Auction Round. The Auction Participant that submits the Highest Bid for an Auction Lot in the relevant Auction Round is the Highest Bid Holder.

If two or more Auction Participants concurrently submit the same Highest Bid for an Auction Lot, then the EAS will determine the Highest Bid Holder using a selection process which cannot be directly influenced by the Auction Participants. The principle of selecting the Highest Bid Holder is based on the use of 128-bit binary numbers generated according to Chapter 4.1 of the Auction Rules. When Highest Bids are submitted concurrently by two or more Auction Participants, the EAS system will clearly determine the order of all Highest Bids for the given Auction Lot according to the predetermined fixed serial numbers of the individual Auction Participants. For each Highest Bid submission, the EAS selects from the binary chain, from the left, the relevant number of binary numbers (1 bit when there are 2 Highest Bids, 2 bits for 3 to four Highest Bids etc.) so as to make it possible to determine the Highest Bid Holder for the given Auction Lot. When evaluating each Auction Round, this procedure will be applied separately to all concurrent Highest Bids (repeatedly, if necessary) until the Highest Bid Holders are clearly determined for all Auction Lots for which concurrent Highest Bids were submitted.

4.4.4 Abstention and Time-out

Each Auction Participant may exercise its option to abstain when submitting Bids in no more than **one** Auction Round. The option to abstain may not be exercised in the first Auction Round. Abstention allows the Auction Participant to prevent the loss of Eligibility points that it could otherwise lose due to the application of the Activity rules defined in Chapter 4.4.2 of the Auction Rules to a Bid submitted in an individual Auction Round.

Abstention may be used in the following ways:

- actively when submitting a Bid by selecting in the EAS;
- passively, if the Auction Participant fails to submit a Bid within the time limit for submitting Bids in the Auction Round, resulting in the loss of Eligibility for the next Auction Round according to the application of Activity rules.

Eligibility is not lost if the option to abstain is used in an Auction round.

The application of passive abstention does not hinder the closure of the Auction Phase according to Chapter 4.3.4 of the Auction Rules.

Each Auction Participant may request time-out during the Auction Phase. The remaining part of the Auction day schedule will be cancelled based on the Auction Participant's request for a time-out and the next Auction Round will automatically be set at 09:30 on the next business day or at the first time window for the Auction Round according to the valid schedule. The Auction Phase will then continue in accordance with the valid Auction day schedule. Each Auction Participant may use the time-out option only once during the Auction Phase. All Auction Participants are informed of time-outs by the EAS.

Only an Auction Participant whose Eligibility is higher than zero may use abstention and time-out.

4.4.5 Spectral Limit

The Spectral Limit determines the maximum range of Auction Lots which an Applicant may win based on this Tender. An Auction Participant may only submit such a Bid in the Auction Phase which meets the Spectral Limits. The size of Spectral Limits is defined in Chapter 6.1 of the ITT as being different for Auction Participants that are Incumbent Operators and for other Auction Participants.

It stands for the submission of Bids in the first Auction Round that an Auction Participant that is also an Incumbent Operator may submit a Bid with a Spectral Limit of 40 MHz. It also stands that an Auction Participant that is not an Incumbent Operator may submit a Bid with a Spectral Limit of 80 MHz in the first Auction Round.

The EAS shall ascertain, based on evaluation of the first Auction Round, whether Auction Participants that are not Incumbent Operators also submitted Bids in accordance with Chapter 4.3.2 of the Auction Regulations.

Should the situation arise that, based on evaluation of the first Auction Round, the aggregate Bid of one or more Auction Participants that are not Incumbent Operators reaches at least 2 Activity points, the Spectral Limits determined for the submission of Bids in the first Auction Round shall also apply to the next Auction Round. Otherwise, a uniform Spectral Limit of 80 MHz will apply to all Auction Participants from the next Auction Round onwards.

Auction Participants are informed of any change to the Spectral Limit via EAS report after evaluation of the first Auction Round.

4.4.6 Identification of Auction Winners and Closing the Auction Phase

The Auction Participant who is the Highest Bid Holder for an Auction Lot after the final Auction Round according to the terms and conditions of the Auction Rules is the Auction Winner for the relevant Auction Lot.

Notification of the close and results of the Auction Phase containing the following information will be delivered to all Auction Participants by the Office:

- a) identification of the Applicants that are the Auction Winners and the number of Auction Lots they won;
- b) the prices of the Winning Bids for all the Auction Lots sold at the Auction and the sum of all Winning Bid prices for the Auction Lots which an Auction Participant won in the Auction Phase;
- c) a list of the Auction Lots that remained unallocated in the Auction Phase;
- d) a list of the Auction Participants that are not Auction Winners for any of the Auction Lots.

4.5 Information Provided by the EAS during the Auction Phase

Auction Participants will have the following information about the course of the Auction Phase at their disposal throughout the Auction Phase:

- evaluation of all Bids in each Auction Round according to the last paragraph of this Chapter 4.5 of the Auction Rules;
- all messages sent to that individual Auction Participant via the EAS;

- the expected start time of the next Auction Round.

Auction Participants will be informed of the time remaining until the end of the time limit for submitting Bids during an ongoing Auction Round. The following information will be available in the Bid submission form to an Auction Participant having Eligibility higher than zero:

- a list of Auction Lots, with information about Bid price options for the relevant Auction Round and about the Highest Bid Holder (without disclosing the identity of the Highest Bid Holder);
- the current number of its Eligibility points for the relevant Auction Round;
- the number of Activity points of the Bid;
- information about its minimum Activity for the relevant Auction Round;
- the number of usable abstention options which it has;
- the Bid prices for each Auction Lot and the total price of the Bid it has prepared in the relevant Auction Round;
- information about errors (violations of the Auction Rules) which mean that it cannot submit a Bid in its current form.

A detailed description of the form will be available in the EAS User Manual.

The following information about the course and results of an Auction Round will be made available to each individual Auction Participant in the form of a report after evaluation of each Auction Round:

- overview of the Bid which the Auction Participant submitted in the relevant Auction Round;
- overview of all Auction Lots for which the Auction Participant currently holds the Highest Bid and the prices of these Auction Lots;
- overview of the Auction Lots for which the Auction Participant submitted a Bid in the Auction Round for which it is not the Highest Bid Holder;
- the number of the Auction Participant's Eligibility points at the beginning and at the end of the Auction Round;
- the Auction Participant's abstention options at the beginning and at the end of the Auction Round;
- overview of all Auction Lots, with information about the Highest Bid Holder (without disclosing the identity of the Highest Bid Holder), the current price of the Auction Lot (Highest Bid and/or Minimum Price) and the total number of Activity points of all Auction Participants applied to the relevant Auction Lot in the Auction Round;
- the total number of Activity points of all Auction Participants applied in the Auction Round;
- the total number of Eligibility points of all Auction Participants after closure of the Auction Round as valid for the next Auction Round.

An Auction Participant that does not submit a Bid in the first Auction Round or an Auction Participant that is excluded from taking part in the Auction according to Chapter 6 of the ITT will be entirely disabled from accessing the EAS, and indeed all the information specified above.

5 DISTRIBUTION OF FREQUENCIES

To ensure the maximum effectiveness of distribution of the frequencies won, the Office allows the possibility of the Auction Winners that won Auction Lots to agree on the allocation of such abstract Auction Lots to specific individual sections of the radio frequencies defined within the scope of the Tender in Chapter 6 of ITT.

The distribution of radio frequency segments must naturally take into consideration the rule of integrity of frequency allocations. The rule of integrity guarantees the continuity of the spectrum allocated to individual Allocation Holders in the relevant frequency band and the continuity of available frequencies that were not allocated within the bounds of the Tender.

The procedure of distributing frequency segments that draws on the principles of openness, transparency and non-discrimination will be conducted according to the following rules:

1. Auction Winners will be provided the opportunity of agreeing on the distribution of the radio spectrum segments which are the subject of the Tender among themselves within a time limit of one month following the close of the Auction Phase. Such an agreement must be made by all Auction Winners freely and solely with the aim of effectively distributing radio frequency segments. An agreement on the distribution of all frequency segments offered in this Tender (excepting segments which correspond to the scope of abstract Auction Lots which none of the Auction Participants won in the Auction Phase), confirmed in writing by all Auction winners, must be submitted to the Office within the time limit specified above.
2. The Office will accept agreements among all Auction Winners provided that it is clear that the proposed distribution of frequencies is not in contravention of the principle of integrity defined in the second paragraph of this Chapter 5 of the Auction Rules;
3. If an agreement among all Auction Winners on the distribution of radio frequency segments is not submitted to the Office within the time limit laid down in the first paragraph of this Chapter 5 of the Auction Rules, frequency segments will be distributed as follows:
 - a) first of all, specific, continuous frequency segments will be allocated to an Auction Winner or to Auction Winners that won two abstract Auction Lots. Such continuous frequency segments are allocated from the upper end of the 3600–3800 MHz frequency band, i.e. from the identifier of radio frequency segment E. If there are two such Auction Winners, the order of placement of such continuous frequency segments is determined by drawing lots.
 - b) Abstract Auction Lots of which no Auction Winner is the holder will then be allocated from the lower end of the 3600–3800 MHz band, i.e. from the identifier of radio frequency segment A.
 - c) At the final stage, the remaining specific frequency segments shall be allocated to Auction Winners who won one Auction Lot. The order of placement of these frequency segments will again be determined by drawing lots.

6 EXCLUDING AN APPLICANT DURING THE AUCTION

An Applicant may be excluded from further participation in the Tender during the Auction according to the terms and conditions laid down in Chapters 8 and 11 of the ITT.

The Office will decide on onward procedure if an Applicant is excluded during Frequency Distribution. If the Applicant excluded in this way is an Auction Winner, the Office may, at its own discretion, either continue with Frequency Distribution without the participation of the excluded Applicant or decide to repeat the Auction Phase or to cancel the Tender.

7 THE CLOSE OF THE AUCTION

The Office will inform all Applicants about the closing of the Auction and about the distribution of radio frequencies to the Auction Winners by publishing an announcement of the close of the Auction, which it shall deliver to all Applicants. The Office will also announce the close of the Auction on the Office website.

Such announcement will comprise the following information:

- a) identification of the winning Applicants;
- b) identification of the radio spectrum segments won by individual Applicants (Auction Winner);
- c) the prices of all radio spectrum frequency segments allocated in this Tender;
- d) a list of the radio spectrum frequency segments that were not allocated;
- e) a list of the Auction Participants who were not successful in bidding for radio frequencies.