

CLARIFICATION OF QUERIES RELATING TO THE AUCTION OF 10.5 GHz SPECTRUM RIGHTS RELEASED ON 26 DECEMBER 2007

IMPORTANT NOTICE

Terms and expressions used in this document (“Clarification”) are as defined in the Auction Rules relating to the Auction of 10.5 GHz Spectrum Rights released by IDA on 26 December 2007.

This Clarification sets out IDA’s response to the queries submitted by the industry relating to the Auction. This Clarification is for informational purposes only and does not form any part of the Auction Rules or the Information Memorandum. Nothing in this Clarification shall be construed as imposing any binding legal obligation on IDA.

This Clarification is not intended to form any part of the basis of any investment decision or other evaluation of any decision to participate in the Auction and should not be considered as a recommendation by IDA or IDA’s advisers to participate in the Auction. Each interested person must make its own independent assessment of the potential value of a 10.5 GHz Spectrum Right after making such investigation as it may deem necessary.

While the information contained in this Clarification is believed to be accurate as at the time of posting on IDA’s website, it has not been independently verified by IDA or its advisers. Neither IDA nor any of IDA’s advisers nor any of their respective directors, partners, officers or employees make any representation or warranty (express or implied) nor has nor will have any responsibility or liability in relation to the accuracy or completeness of the information contained in this Clarification or any other written or oral information made available to any interested person or its advisers. Any responsibility or liability in respect of any such information or any inaccuracy in this Clarification or omission from this Clarification is expressly disclaimed.

Each recipient of this Clarification should consult its own professional advisers as to financial, legal, tax and other matters concerning any potential participation in the Auction or any grant of a 10.5 GHz Spectrum Right.

Q1: Will parties such as the Singapore Armed Forces, the Singapore Police Force or the Civil Defence Force need to acquire the Spectrum Right as well as a corresponding FBO Licence if they successfully acquire spectrum during the Auction?

IDA's Response: The Singapore Armed Forces, the Singapore Police Force and Civil Defence Force will only be required to apply for a corresponding FBO Licence and Radio-communication Station/Network Licences if they intend to provide telecommunication services to third parties in relation to that 10.5 GHz Spectrum Right.

Q2: If the Singapore Armed Forces, the Singapore Police Force and the Civil Defence Force are not required to obtain an FBO Licence and/or Spectrum Rights, how does the IDA intend to enforce the conditions in Clause 5.1 of the Spectrum Rights on such parties?

IDA's Response: Please see IDA's response to Q1 above.

Q3: Post-auction, should interested parties be interested in acquiring spectrum in the 10.5 GHz frequency band, and there is sufficient spectrum remaining, could such interested parties apply to the IDA for an administrative allocation?

IDA's Response: Please refer to A.16 of the Information Memorandum. IDA reserves the right to allocate any remaining spectrum in the 10.5 GHz frequency band. IDA will decide on any future allocation of 10.5 GHz Spectrum Lots based on market demand and industry interest and will not impose any moratorium on future allocation.