



This document includes amendments made since the first edition of the Information Memorandum was published including, but not limited to, the amendments in the latest version (14 December 00).

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Important Notice 1 Introduction	1.1.1	1st paragraph 1 st Paragraph	List of advisors updated. Now reads “This Memorandum provides information for interested parties wishing to participate in the forthcoming auction for a licence to operate a digital mobile telecommunications network in Nigeria. The Commission has decided to award four national licences, one of which has been reserved for NITEL/M-TEL. The remaining three licences are therefore available for auction.”
1 Introduction	1.1.1	3 rd Paragraph	Now reads “Upon receipt of their licences, the four licensees will be the only operators legally authorised to deploy second-generation digital mobile networks in Nigeria.”
	1.1.1	2 nd Set of bullet points 1 st Point	Now reads “Financial and technical plans are not required for pre-qualification. However a deposit will be required along with details of company ownership structures and confirmation of compliance with the rules of the Auction. A Bank Guarantee will not be required. A Bidder must be a limited liability company incorporated in Nigeria and must not be related to any other Bidder. Subject to the requirement for a Bidder to be a Nigerian incorporated limited liability company, consortia may bid for a licence.”
	1.1.3	2 nd Paragraph 1 st Sentence	Now reads “The Commission has elected to auction three of the four Digital Mobile Licences (“DMLs”) featuring an auction design known as an ascending bid auction with the possibility of using a sealed bid method (the circumstances under which a sealed bid method would be used are outlined in Chapter 4).”
	1.1.3	Final Paragraph	“four” has been changed to “three”.
	1.1.6	Bullet points	Now reads:

			<ul style="list-style-type: none"> • Provide a USD\$20 million Deposit; • Submit a completed Application Form including: <ul style="list-style-type: none"> - Supporting information on corporate structures; - Evidence of relevant experience in the telecommunications sector.
	1.1.7		Indicative timetable of activities has been revised.
2 Regulatory Issues	2.2	1 st Paragraph	Now reads “Digital Mobile Operators will have the right to interconnect their networks to the network of a carrier or other licensed operators, under Condition 16 of Schedule 1 of the Licence. If the carrier or licensed operator does not agree on the terms of interconnection, the Commission is authorised to set up a process of arbitration through which the dispute can be resolved. The Commission also has the power to determine, in writing, the principles that apply when agreeing charges payable between licensees or between licensees and a carrier or other operators for the following:”
	2.4.2		Addition of “and licence fee” to subheading.
	2.4.2	2 nd Paragraph	Now highlighted in bold.
	2.4.2	2 nd Paragraph	“second” has been changed to “first”.
	2.4.2	Final Paragraph	Now reads “The four spectrum packages identified by the Commission will be assigned using a random selection method following the conclusion of the auction.”
	2.4.3.1	4 th Line	Heading now reads “Licence Revocation”
	2.4.3.1	Paragraph (c)	Original paragraph has been deleted.
	2.4.3.1	Paragraph (k)	Now reads “A term providing that the commercial launch for licensees shall not be earlier than 90 days after the date of award of the licence. This is to allow licensees to compete equally.”
	2.5		<p>This section now reads “Although currently state-owned, both NITEL and M-TEL are limited liability companies and operate financially independent of the Federal Government. The two organisations are also to be privatised during 2001. The Commission has decided to reserve a licence for NITEL/M-TEL. NITEL/M-TEL will pay the full market price for its licence, which will be determined by the auction. Upon grant of the Digital Mobile Licence NITEL/M-TEL will be subject to the same licence terms as the other licensees.”</p>

3 Spectrum Issues	3.1.3	Penultimate Paragraph 1 st Sentence	Now reads “From these bands the Commission is to auction three equally sized spectrum packages.”
	3.3	1 st Sentence	Now reads “Under the terms of the Licence the Commission has the capacity to vary the technical parameters of licences in line with co-ordination arrangements with neighbouring countries.”
4 Auction	4.2	1 st Paragraph	“four” has been changed to “three”.
	4.3		Indicative timetable of activities revised.
	4.4.1	2 nd Paragraph	“30%” has twice been changed to “25%”.
	4.4.1		Section reference now reads “4.4.2 below”.
	4.4.4	Bullet Points	“Chase Manhattan Bank” has been removed.
	4.5	2 nd Paragraph	2 nd Bullet point now reads “Bidder Compliance Certificate”.
	4.5	2 nd Paragraph	3 rd Bullet point now reads “Deposit”.
	4.5.1	Paragraph (a)	Section reference now reads “4.5.2”.
	4.5.1	Paragraph (c) (ii)	Addition of final sentence “Account will be taken of responses to all the questions in the Application Form in assessing whether a Bidder is a fit and proper person”.
	4.6	2 nd Paragraph	Date has been changed from “22 December” to “8 January 2001”.
	4.7.1	1 st Paragraph	Section reference now reads “4.4.4”.
	4.7.1	2 nd Paragraph	“five (5)” has been changed to “four (4)”.
	4.7.1	5 th Paragraph	“during the Auction Stage” has been replaced with “from the Application Date through to the end of the Auction Stage”.
	4.7.2	1 st Paragraph	Section reference now reads “4.7.3”.
	4.7.2	1 st Paragraph	“five (5)” has twice been changed to “four (4)”.
	4.7.2	2 nd Paragraph	Section reference now reads “4.7.2.1”.
	4.7.2	2 nd Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.2	Penultimate Paragraph	Now reads “The Announced Price will be stated in multiples of USD\$1 million and will increase by a bid increment, typically not more than 10% (rounded up) between any two consecutive Rounds. The Announced Price on an Auction Day will not increase by more than 50% (rounded up) than the Announced Price in the Final Round in the previous Auction Day. On Auction Day 1 the Announced Price cannot

			exceed the amount stated on the Bidder Participation Form.”
	4.7.2	Final Paragraph	This has been deleted.
	4.7.2.1.2	1 st Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.2.1.2	2 nd Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.2.2	1 st Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.2.2	2 nd Paragraph	“three (3)” has been changed to “two (2)”.
	4.7.2.2	3 rd Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.2.2	2 nd Paragraph	Section reference now reads “4.7.3 below”.
	4.7.2.2.1	(i)	“four (4)” has been changed to “three (3)”.
	4.7.2.2.1	(ii)	“four (4)” has been changed to “three (3)”.
	4.7.3	(i)	“five (5)” has been changed to “four (4)”.
	4.7.3	(ii)	“four (4)” has been changed to “three (3)”.
	4.7.3.1	1 st Sentence	“five (5)” has been changed to “four (4)”.
	4.7.3.1	5 th Sentence	“four (4)” has been changed to “three (3)”.
	4.7.3.1	Final Sentence	“four” has been changed to “three”.
	4.7.3.1	Final Sentence	“fourth” has been changed to “third”.
	4.7.3.2	1 st Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.3.2	1 st Paragraph	“0, 1, 2 or 3” has been changed to “0, 1 or 2”.
	4.7.3.2	2 nd Paragraph	“Waives” has been changed to “Waive”.
	4.7.3.2	5 th Paragraph	“four (4)” has been changed to “three (3)”.
	4.7.3.2.1	2 nd Paragraph	“4-X” has been changed to “3-X”.
	4.7.3.2.1	4 th Paragraph	“4-X” has been changed to “3-X”.
	4.7.3.2.2		“4-X” has been changed to “3-X”.
	4.7.6		All of the examples have been revised to reflect that three licences are to be auctioned.
	4.7.10		Now reads “Following the Auction, the Commission will notify each Successful Bidder of the DML which it has been provisionally awarded, the price at which the relevant DML will be awarded, and the identity of all other successful Bidders.



	4.7.11		“on” has twice been changed to “of”.
5 Application Instructions		1 st Paragraph	Now reads “Applications must be submitted to the Commission in hard copy (3 copies) between 9am and 3pm Nigerian local time on 21 December 2000 at the following address:”.
		Deposit details	<p>Now reads “By midnight on 21 December 2000 Applicants must have transferred the Initial Deposit amount (US\$20million) so that it is received in cleared funds in an account with Chase Manhattan Bank. This is part of pre-qualification. In the event that the Bidder is successful in the Auction the Deposit will be offset against payments for the 2G licence.</p> <p>The Account to which bidders must send USD funds is:</p> <p>To: The Chase Manhattan Bank, New York SWIFT: CHASUS33 For Account of: The Chase Manhattan Bank, London Account Number: 001-0-962009 For Further Credit: NCC Flow Account Account Number: 24069501</p> <p>The payment should be marked with a unique identifier consisting of the registered name of the Bidder prefaced by ‘NCC’.</p> <p>The funds for each bidder will be transferred into sub-accounts specific to each bidder. The funds will earn interest. The interest will be calculated using the Chase overnight LIBOR rate minus 50 base points. The Chase overnight LIBOR rate is defined as being the rate at which overnight deposits are offered by the Chase Manhattan Bank, London, to prime banks in the London Inter-bank market at or about 11am (London time) on each day. Interest is calculated on the outstanding balance on a daily basis and credited to the account on a monthly basis. Interest earned on deposits will be used to pay the Escrow Agent’s fees on a pro-rata basis prior to the bidder earning interest for himself.</p>

			When the auction is completed, the deposits of the successful bidders will be transferred to the Central Bank of Nigeria and at the same time, deposits from unsuccessful bidders will be returned. Any penalties incurred by the bidders during the auction will be deducted from the deposits before they are released. Penalties will be deducted on the day that they are incurred and interest will cease on the penalty amount.”
	1.8		The details requested on telecommunications experience have been revised.
Appendix 1			This is now the Glossary of Terms.
Appendix 2			This is now the Digital Mobile Licence
Glossary of Terms		Active Bidders	Section reference now reads “4.7.2.1”.
		Auction Control Team	Section reference now reads “4.4.4”.
		Bidder Participation Notice	Section reference now reads “4.6.1”.
		Bidder Relationship	Section reference now reads “4.4.1”.
		Case One Sealed Bid Notice	“five (5)” has been changed to “four (4)”.
		Case Two Sealed Bid Notice	“four (4)” has been changed to “three (3)”.
		Deposit	Section reference now reads “4.5.2”.
		End Round	“four (4)” has been changed to “three (3)”.
		Last Round	Section reference now reads “4.7.2.2.1”.
		Sealed Bid Phase	Section reference now reads “4.7.3”.
		Tied Eligible Bidders	“four (4)” has been changed to “three (3)”.