FEES DUE FOR THE USE OF FREQUENCIES TARIFF IN FORCE SINCE 1 JANUARY 2009

With the publication of Administrative Rule No 1473-B/2008 of 17 December (http://www.anacom.pt/render.jsp?contentId=848821), a new tariff of fees due to ICP-ANACOM entered into force, with effect from 1 January 2009. Among the fees affected were those due for the use of frequencies, under the terms of point g) of paragraph 1 of article 105 of the Law of Electronic Communications (LEC).

According to the new tariff, the fees are no longer charged on a six-monthly basis as with previous tariffs but annually, thereby reducing the costs of ICP-ANACOM and of paying entities incurred through billing.

The new tariff includes a transition scheme – as established in paragraph 9 of the Administrative Rule referred to above – where the amount of fees due for the use of frequencies, with the exception of those assigned for the exercise of the activity of radio and television broadcasting, can be settled in instalments over a period of two years, in accordance with the formula presented in the following table:

| | Factors applicable during the transition period (2 years) for Radiocommunications Services (except broadcasting) | | |
|---|--|---------------------------|--|
| | Year 1 (2009) | Year 2 (2010) | |
| Value resulting from the application of the 2008 tariff (A) | 0.667 | 0.333 | |
| Value resulting from the application of the new tariff - Administrative Rule No 1473- B/2008 (N) | 0.333 | 0.667 | |
| Value of fees payable (€) | (A x 0.667) + (N x 0.333) | (A x 0.333) + (N x 0.667) | |

As established in paragraph 10 of the Administrative Rule, with respect to fees due for the use of frequencies assigned for the exercise of the activity of radio and television broadcasting, the transition period shall be 5 years, in accordance with the formula presented in the following table:

| | Factors applicable during the transition period (5 years) for frequency usage fees – Broadcasting Services | | | | | |
|--|---|------------------------------|--------------------------|------------------------------|------------------------------|--|
| | Year 1 (2009) | Year 2 (2010) | Year 3 (2011) | Year 4 (2012) | Year 5 (2013) | |
| Value resulting from the application of the 2008 tariff (A) | 0.834 | 0.668 | 0.5 | 0.332 | 0.166 | |
| Value resulting from the application of the new tariff - Administrative Rule No 1473-B/2008 (N) | 0.166 | 0.332 | 0.5 | 0.668 | 0.834 | |
| Value of fees payable (€) | (A x 0.834) + (N x 0.166) | (A x 0.668) + (N x 0.332) | (A x 0.5) + (N x 0.5) | (A x 0.332) + (N x 0.668) | (A x 0.166) + (N x 0.834) | |

The objective of the transition scheme is to provide for the progressive implementation of the new fees models with a more gentle adjustment to the new values of the fees, whether the value of the fees are more or less than those payable under the previous tariff.

It should be noted that the provisions of paragraphs 9 and 10 of the Administrative Rule does not apply to the use of the spectrum resulting from the allocation of new rights of use of frequencies, nor to the issue of new radio licenses, which shall be subject to the fees in force in the current tariff.

The amount of annual fees due for the use of frequencies corresponds to the number of days of use during the course of each civil year.

Where alterations are made to radio licenses during the course of the civil year, the annual fees shall be adjusted proportionally in the next payment, according to the date that the alteration request was granted.

In the event of cessation of activity, the annual fees for the use of frequencies are due until the date on which the cessation request was granted, whereby a revision will be made to the settlement, where this has already been made.