

the date any space station was taken out of service or the malfunction identified.

(d) *Prohibition of certain agreements.* No license shall be granted to any applicant for a non-voice, non-geostationary mobile-satellite service system if that applicant, or any companies controlling or controlled by the applicant, shall acquire or enjoy any right, for the purpose of handling traffic to or from the United States, its territories or possessions, to construct or operate space segment or earth stations in the non-voice, non-geosynchronous mobile-satellite service, or to interchange traffic, which is denied to any other United States company by reason of any concession, contract, understanding, or working arrangement to which the licensee or any persons or companies controlling or controlled by the licensee are parties.

(e) *Spectrum priority.* (1) The non-voice, non-geosynchronous mobile-satellite service system that is authorized in the second application processing round to operate in the 148–148.25 MHz, 148.75–148.855 MHz, 148.905–149.81 MHz and 150–150.05 MHz uplink frequency bands and the 400.505–400.5517 MHz, 400.5983–400.645 MHz, 137.025–137.175 MHz, 137.333–137.4125 MHz, 137.475–137.525 MHz, 137.595–137.645 MHz, 137.753–137.787 MHz and 137.825–138 MHz downlink frequency bands (the “System 2 licensee”) will have a first priority to apply for and use a limited amount of downlink spectrum duly allocated worldwide and domestically to the non-voice, non-geosynchronous mobile-satellite service by the ITU, at WRC-97 or a subsequent World Radiocommunication Conference, and by the Commission, respectively (the “Future Spectrum”). The System 2 licensee will be eligible to apply for and use the first 210 kHz of Future Spectrum plus spectrum sufficient to account for Doppler frequency shift in the Future Spectrum (the “Supplemental Spectrum”) to implement its non-voice, non-geosynchronous mobile-satellite service system. The System 2 licensee’s application for and use of the Supplemental Spectrum is subject to the Commission’s Rules and policies, such reasonable operating conditions as may be imposed by the Commission,

and international spectrum coordination requirements. For so long as the System 2 licensee is permitted by the Government of France to operate in the 400.5517–400.5983 MHz band coordinated with the French system S80-1, the Supplemental Spectrum shall be reduced to an amount equivalent to 150 kHz of Future Spectrum plus spectrum sufficient to account for Doppler frequency shift in the Future Spectrum.

(2) The System 2 licensee’s priority to apply for and use the Supplemental Spectrum is conditioned on the System 2 licensee’s compliance with the terms and conditions of its second processing round authorization, including, but not limited to, its system construction, launch and operation milestones, and any modifications thereto, and the Commission’s Rules. The System 2 licensee’s priority to apply for and use the Supplemental Spectrum shall automatically terminate upon the occurrence of any of the following events:

(i) The System 2 licensee being permitted to operate in the Supplemental Spectrum;

(ii) The expiration or revocation of the System 2 licensee’s second processing round authorization;

(iii) The discontinuance of use of the spectrum assigned to the System 2 licensee under its second processing round authorization; or

(iv) The surrender of the System 2 licensee’s second processing round authorization to the Commission.

[58 FR 68060, Dec. 23, 1993, as amended at 62 FR 5930, Feb. 10, 1997; 62 FR 59295, Nov. 3, 1997]

§25.143 Licensing provisions for the 1.6/2.4 GHz mobile-satellite service.

(a) *System License:* Applicants authorized to construct and launch a system of technically identical non-geostationary satellite orbit satellites will be awarded a single “blanket” license covering a specified number of space stations to operate in a specified number of orbital planes.

(b) *Qualification Requirements.* (1) *General Requirements:* Each application for a space station system authorization in the 1.6/2.4 GHz mobile-satellite service shall describe in detail the proposed satellite system, setting forth all pertinent technical and operational aspects

of the system, and the technical, legal, and financial qualifications of the applicant. In particular, each application shall include the information specified in § 25.114.

(2) *Technical Qualifications:* In addition to providing the information specified in paragraph (b)(1) of this section, each applicant shall demonstrate the following:

(i) That the proposed system employs a non-geostationary constellation or constellations of satellites;

(ii) That the proposed system be capable of providing mobile satellite services to all locations as far north as 70° latitude and as far south as 55° latitude for at least 75% of every 24-hour period, *i.e.*, that at least one satellite will be visible above the horizon at an elevation angle of at least 5° for at least 18 hours each day within the described geographic area;

(iii) That the proposed system is capable of providing mobile satellite services on a continuous basis throughout the fifty states, Puerto Rico and the U.S. Virgin Islands, U.S., *i.e.*, that at least one satellite will be visible above the horizon at an elevation angle of at least 5° at all times within the described geographic areas;

(iv) That operations will not cause unacceptable interference to other authorized users of the spectrum. In particular, each application shall demonstrate that the space station(s) comply with the requirements specified in § 25.213.

(3) *Financial Qualifications:* Each applicant for a space station system authorization in the 1.6/2.4 GHz mobile-satellite service must demonstrate, on the basis of the documentation contained in its application, that it is financially qualified to meet the estimated costs of the construction and launch of all proposed space stations in the system and the estimated operating expenses for one year after the launch of the initial space station. Financial qualifications must be demonstrated in the form specified in § 25.140 (c) and (d). In addition, applicants relying on current assets or operating income must submit evidence of a management commitment to the proposed satellite system. Failure to

make such a showing will result in the dismissal of the application.

(c) *Replacement of Space Stations Within the System License Term.* Licensees of 1.6/2.4 GHz mobile-satellite systems authorized through a blanket license pursuant to paragraph (a) of this section need not file separate applications to construct, launch and operate technically identical replacement satellites within the term of the system authorization. However, the licensee shall certify to the Commission, at least thirty days prior to launch of such replacement(s) that:

(1) The licensee intends to launch a space station that is technically identical to those authorized in its system authorization, and

(2) Launch of this space station will not cause the licensee to exceed the total number of operating space stations authorized by the Commission.

(d) *In-Orbit Spares.* Licensees need not file separate applications to operate technically identical in-orbit spares authorized as part of the blanket license pursuant to paragraph (a) of this section. However, the licensee shall certify to the Commission, within 10 days of bringing the in-orbit spare into operation, that operation of this space station did not cause the licensee to exceed the total number of operating space stations authorized by the Commission.

(e) *Reporting requirements.* (1) All operators of 1.6/2.4 GHz mobile-satellite systems shall, on June 30 of each year, file with the International Bureau and the Commission's Columbia Operations Center, Columbia, Maryland, a report containing the following information current as of May 31st of that year:

(i) Status of satellite construction and anticipated launch dates, including any major problems or delays encountered;

(ii) A listing of any non-scheduled space station outages for more than 30 minutes and the cause or causes of the outage;

(iii) A detailed description of the utilization made of the in-orbit satellite system. That description should identify the percentage of time that the system is actually used for U.S. domestic or transborder transmission, the amount of capacity (if any) sold but

not in service within U.S. territorial geographic areas, and the amount of unused system capacity; and

(iv) Identification of any space stations not available for service or otherwise not performing to specifications, the cause or causes of these difficulties, and the date any space station was taken out of service or the malfunction identified.

(2) All operators of 1.6/2.4 GHz mobile-satellite systems shall, within 10 days after a required implementation milestone as specified in the system authorization, certify to the Commission by affidavit that the milestone has been met or notify the Commission by letter that it has not been met. At its discretion, the Commission may require the submission of additional information (supported by affidavit of a person or persons with knowledge thereof) to demonstrate that the milestone has been met.

(f) *Safety and distress communications.* (1) Stations operating in the 1.6/2.4 GHz Mobile-Satellite Service that are voluntarily installed on a U.S. ship or are used to comply with any statute or regulatory equipment carriage requirements may also be subject to the requirements of sections 321(b) and 359 of the Communications Act of 1934. Licensees are advised that these provisions give priority to radio communications or signals relating to ships in distress and prohibits a charge for the transmission of maritime distress calls and related traffic.

(2) Licensees offering distress and safety services should coordinate with the appropriate search and rescue organizations responsible for the licensees service area.

(g) *Considerations involving transfer or assignment applications.* (1) "Trafficking" in bare licenses issued pursuant to paragraph (a) of this section is prohibited, except with respect to licenses obtained through a competitive bidding procedure.

(2) The Commission will review a proposed transaction to determine if the circumstances indicate trafficking in licenses whenever applications (except those involving *pro forma* assignment or transfer of control) for consent to assignment of a license, or for transfer of control of a licensee, involve facili-

ties licensed pursuant to paragraph (a) of this section. At its discretion, the Commission may require the submission of an affirmative, factual showing (supported by affidavits of a person or persons with personal knowledge thereof) to demonstrate that no trafficking has occurred.

(3) If a proposed transfer of radio facilities is incidental to a sale of other facilities or merger of interests, any showing requested under paragraph (g)(2) of this section shall include an additional exhibit which:

(i) Discloses complete details as to the sale of facilities or merger of interests;

(ii) Segregates clearly by an itemized accounting, the amount of consideration involved in the sale of facilities or merger of interest; and

(iii) Demonstrates that the amount of consideration assignable to the facilities or business interests involved represents their fair market value at the time of the transaction.

(h) *Prohibition of certain agreements.* No license shall be granted to any applicant for a space station in the mobile satellite service operating at 1610-1626.5/2483.5-2500 MHz if that applicant, or any persons or companies controlling or controlled by the applicant, shall acquire or enjoy any right, for the purpose of handling traffic to or from the United States, its territories or possession, to construct or operate space segment or earth stations, or to interchange traffic, which is denied to any other United States company by reason of any concession, contract, understanding, or working arrangement to which the Licensee or any persons or companies controlling or controlled by the Licensee are parties.

[59 FR 53328, Oct. 21, 1994, as amended at 61 FR 9945, Mar. 12, 1996; 62 FR 5930, Feb. 10, 1997]

§ 25.144 Licensing provisions for the 2.3 GHz satellite digital audio radio service.

(a) Qualification Requirements:

(1) Satellite CD Radio, Primosphere Limited Partnership, Digital Satellite Broadcasting Corporation, and American Mobile Radio Corporation are the applicants eligible for licensing in the satellite digital audio radio service.