

GUIDELINES FOR APPLICANTS FOR STV LICENCES

- I. All prospective applicants for STV licences are required to satisfy the Commission that they have:
- a) the ability to adequately staff the business, technically and administratively;
 - b) a business plan for the viable operations of the business;
 - c) the capability to offer the service for at least eight continuous hours per day;
 - d) secure the relevant permission or have entered into agreements or arrangements necessary for the operations of the business;
 - e) an implementation plan and a timetable for the provision of service in the area for which application is made;
 - f) the capacity to meet the technical standards set out in the Second Schedule; and
 - g) the capacity to offer a minimum of ten channels to each subscriber.

II. REQUIRED DOCUMENTS

Applicants are required to submit the following documents:

- a) Copies of:
 - Certificate of Incorporation
 - Articles of Association (where applicable)
 - Memorandum of Association (where applicable)
 - Articles of Incorporation
- b) Certified Copy of list of Directors (Form 23)
- c) The prescribed application form
- d) Clearly labelled technical information in keeping with the requirements of the applications form
- e) Jamaica Public Service Co. Ltd. Application form for Attachment to Utility Poles (where applicable)
Note: Pole maps are not to be included in this application
- f) Business Plan – The following documents are required:
 - Trading, Profit and Loss Account
 - Projected Balance Sheet (Years One and Two)
 - Projected Revenue Schedule
 - Projected Expense Schedule (Establishment Operating and Administration)
 - Projected Cash Flow Schedule
 - Loan Repayment Schedule
- g) An implementation plan and timetable for the provision of service in the area(s) for which application is made;

- h) Permits for programming use:
 - Letters of intent
 - Properly executed contracts
- i) All Applicants shall submit:
 - a. an original and six (6) copies of the completed Application Form;
 - b. a certified copy (original) and one (1) copy of Incorporation documents;
 - c. an original and one (1) copy of any other supporting documents;
 - d. two (2) sets of any accompanying maps and diagrams.
- j) Application Form is to be accompanied by attachments and supporting documents and submitted in individual envelopes, with the applicant's name on each, addressed to the Broadcasting Commission in one overall Package marked, "*Application for Wireless STV Licence.*"
- k) Applications and supporting documents must be addressed to: **The Chairman, Broadcasting Commission, 9 Central Avenue, Kingston 10.**
- l) Applications must be delivered by appointment to the offices of the Broadcasting Commission.

III. RECEIPT OF APPLICATIONS

As an Applicant, you are responsible for ensuring that you submit all the necessary documents. However, the Commission will verify, on receipt, that a complete package has been presented. If your application is missing any documents, the Commission will immediately advise you what materials need to be provided before your application can be evaluated. Please note that at this point the Commission officers only verify completeness. This is NOT A GUARANTEE that your application meets the required standards for the Commission's recommendation that you be granted a licence by Minister.

IV. FORM OF PRESENTATION

- a. Applicants must ensure that the material submitted is clear and self-explanatory. Applicants should focus their efforts on the specific requirements as detailed in the Regulations and application forms and should not submit information not asked for and which is unlikely to further the understanding of the application. Where necessary, documents and diagrams must be labelled with diagram keys. The evaluation Committees will not attempt to guess the meaning of unmarked and/or ambiguous diagrams and maps. The use of contrasting colours on diagrams is particularly helpful.
- b. Submitted documents should be collated, in sequence and should be secured firmly e.g. with staples or bull dog clips. The documents presented should be labelled and each application package should be numbered and parcelled separately. A list of

documents, or a content list, should be included in the application package. The evaluation committees will not attempt to identify pages out of sequence. The sequence of documents must be:

- i. Lists of contents
 - ii. Documents of incorporation
 - iii. Application form with technical checklist
 - iv. A business plan
 - v. Implementation plan
 - vi. Jamaica Public Service Co. Ltd Application Form for Attachment to Utility Poles.
 - vii. All other supporting documents
- c. Applicants must ensure that all information requested on the prescribed forms is provided, including signatures and certifying stamps or seals.
- d. Applications must ensure that all written instructions in the Regulations and on the application forms are noted and followed.

V. TECHNICAL REQUIREMENTS

a. Personnel

The applicant must demonstrate the ability to hire an adequate number of appropriately trained technical staff. Applicants should note that the Regulations clearly state the Licensee shall employ and keep employed at all times, a Chief Technical Officer (CTO). Applicants are advised that persons employed as a CTO with one licensee, cannot hold the same position with any other licensee. Note also that the application form asks for a list of engineers, technicians and pole line men staff, along with their qualifications. A list of proposed staffing may be submitted in a separate document, or included in the implementation plan.

b. Zone Layout

Applicants must clearly define the zone(s) for which they are applying. The zone layout must show the cable layout within the zones including the head end location.

c. Block and Signal Level Diagram

The block and signal level diagram is a critical component of the technical submission, and it is important that the diagram be clear, easily understandable, and properly labelled. The diagram should be clearly annotated with information to display and depict the following:

- i. **Head End.** All parts of this system must be clearly labelled, and the annotations should provide explicit, understandable information on the:
 - o Frequency and number of channels inserted into the trunk system
 - o Standard channel band

ii. Trunk Cable System. The diagram must show the distribution of amplifiers along the cable and the separation distance between amplifiers. Annotation must clearly show the:

- size of the cable
- gain of amplifiers
- attenuation along the cable
- input and output signal levels of trunk amplifiers in dBmV

iii. Feeder Cables. The diagram must show how cable will split from the trunk cable, the dispersal of feeder amplifiers, of the extenders along the cable and the separation distance between amplifiers. Annotation and /or quantitative notes must clearly show the:

- size of the cable
- gain of amplifiers
- attenuation along cable
- input and output signal levels of distribution amplifier in dBmV

iv. Test Drop. The diagram may demonstrate at least one subscriber residence “drop”. The schematic annotation and notes must clearly provide information on:

- the customer tap
- the size of flexible drop cable
- converters and descramblers (Where applicable)

d. Head-end-Site Plan

This plan view of the head -end location must show the major buildings and structures within the site, as well as walls, fences, poles, antenna and other significant structures.

e. Head-end Equipment Block Diagram

The equipment must show channel allocations and use of encryption equipment combiners, modulators and other significant components.

f. Customer Service Facilities

Customer service facilities such as telecommunications equipment, service vehicles and decoders for channel presenting adult programming should clearly be listed.

g. Technical Checklist

The technical checklist is to be filled out, cross checked with actual documentation and signed and stamped with the company seal.

h. The Children’s Code for Programming

Information on the technology to be used to implement the code such as negative traps or addressable systems should be provided. Also, the Commission must be advised which member/s of staff will be responsible for rating of channels and coordinating information on channel rating to be supplied to subscribers.

VI. FINANCIAL REQUIREMENTS

- It is important that information is arranged in an orderly manner to facilitate an understanding of the business plan.
- The financial statements must be checked for any errors in calculations.
- All financial information requested must be submitted.
- To enable proper evaluation of applications, it is critical that all assumptions used in arriving at the projected revenue and expenses are clearly documented.

a. Financing

It is important that adequate information regarding the financing of the company is made available e.g. the amount of capital each shareholder will inject into the company. The business plan must show how any possible shortfall will be met if the capital is not adequate to operate the business. If the company is to use debt capital, e.g. loans, to fund the shortfall, the terms of the loans must be stated, and commitment letters made available.

b. Operating Costs

The operating cost must be clearly outlined and as much documentation as possible should be presented to support assumptions made in arriving at the costs. It is important that the projected costs are consistent with the level of operation. If the project is to be financed [partly by debt capital, e.g. loans, the projected profit and loss statement should include the cost of interest and other charges.

NOTE: Allocation should be made for the payment of annual licence fees which is 5% of all fees received from subscribers. These costs must include allocation for expenditure on technology to be used in the implementation of the Children's Code for Programming.

c. Revenue

The projected revenue must be consistent with the projected number of subscribers and assumed rate.

d. Cash Flow

The cash flow proposed in the business plan must be consistent with expected revenue and projected expenses. It must also incorporate all loan proceeds and repayments (if any).

e. Profit and Loss

It is important to ensure that all items included as expenses are genuine expense items. In particular, the repayment of loan principal cannot be considered as an expense and therefore should not be included in the expense items.

f. The Balance Sheet

The figures must be consistent with all other projections made. For example, if all equipment is not purchased in the first year of operation, the equipment purchased in subsequent years should not be included in the first year's projected balance sheet.

VII. GENERAL SUMMARY

It is intended that the information presented in these guidelines should assist applicants in filling the criteria required for a complete and easily understandable application. The substance of the material submitted should be checked on a point by point basis against the requirements of the regulations, the application form and these guidelines.

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