

like satellite system license to operate in a portion of the bandwidth made available as a result of the cancellation of the initial applicant's license. Parties already holding licenses to operate an NGSO-like satellite system in that frequency band will not be permitted to participate in that processing round.

(3) There is a presumption that three satellite licensees in a frequency band are sufficient to make reasonably efficient use of the frequency band.

(h) Services offered pursuant to an NGSO-like license in a frequency band granted before the Commission has adopted frequency-band-specific service rules for that band will be subject to the default service rules in § 25.217.

[68 FR 51505, Aug. 27, 2003]

**§ 25.158 Consideration of GSO-like satellite applications.**

(a) This section specifies the Commission's procedures for considering license applications for "GSO-like satellite systems." For purposes of this section, the term "GSO-like satellite system" is defined as a GSO satellite designed to communicate with earth stations with directional antennas. Examples of GSO-like satellite systems are those which use earth stations with antennas with directivity towards the satellites, such as FSS, and MSS feeder links which use GSO satellites. GSO-like satellite systems are satellite systems that are not NGSO-like satellite systems within the meaning of § 25.157(a).

(b) Applications for GSO-like satellite system licenses will be placed in a queue and considered in the order that they are filed, pursuant to the following procedure:

(1) The application will be reviewed to determine whether it is acceptable for filing within the meaning of § 25.112. If not, the application will be returned to the applicant.

(2) If the application is acceptable for filing, the application will be placed on public notice pursuant to § 25.151, and interested parties will be given an opportunity to file pleadings pursuant to § 25.154.

(3) The application will be granted only if it meets each of the following criteria:

(i) After review of the application and any pleadings filed in response to that application, the Commission finds that the application meets the standards of § 25.156(a); and

(ii) The proposed satellite will not cause harmful interference to any previously licensed operations.

(c) An applicant for a GSO-like satellite system license is not allowed to transfer, assign, or otherwise permit any other entity to assume its place in any queue.

(d) In the event that two or more GSO-like satellite system applications are mutually exclusive within the meaning of § 25.155(c), the Commission will consider those applications pursuant to the following procedure:

(1) Each application will be reviewed to determine whether it is acceptable for filing within the meaning of § 25.112. Any application not found acceptable for filing will be returned to the applicant.

(2) All applications that are acceptable for filing will be placed on public notice pursuant to § 25.151, and interested parties will be given an opportunity to file pleadings pursuant to § 25.154.

(3) Each application will be granted if it meets the criteria of paragraph (b)(3) of this section, and otherwise will be denied.

(4) In the event that two or more applications are granted pursuant to paragraph (d)(3) of this section, the available bandwidth at the orbital location or locations in question will be divided equally among those licensees.

(5) Licensees whose licenses are granted pursuant to paragraph (d)(4) of this section will be allowed to select the particular band segment it wishes to use no earlier than 60 days before they plan to launch the first satellite in its system, and no later than 30 days before that date, by submitting a letter to the Secretary of the Commission. The licensee shall serve copies of this letter to the other participants in the processing round pursuant to § 1.47 of this chapter.

(6) Licensees whose licenses are granted pursuant to paragraph (d)(4) of this section shall request contiguous bandwidth in both the uplink and

downlink band. Each licensee's bandwidth selection shall not preclude other licensees from selecting contiguous bandwidth.

(7) If two or more licensees whose licenses are granted pursuant to paragraph (d)(4) of this section request the same band segment, all licensees other than the first one to request that particular band segment will be required to make another selection.

(e) Services offered pursuant to a GSO-like license in a frequency band granted before the Commission has adopted frequency-band-specific service rules for that band will be subject to the default service rules in § 25.217.

[68 FR 51506, Aug. 27, 2003]

**§ 25.159 Limits on pending applications and unbuilt satellite systems.**

(a) Applicants with a total of five applications for GSO-like space station licenses on file with the Commission in a particular frequency band, or a total of five licensed-but-unbuilt GSO-like space stations in a particular frequency band, or a combination of pending GSO-like applications and licensed-but-unbuilt GSO-like space stations in a particular frequency band that equals five, will not be permitted to apply for another GSO-like space station license in that frequency band.

(b) Applicants with an application for one NGSO-like satellite system license on file with the Commission in a particular frequency band, or one licensed-but-unbuilt NGSO-like satellite system in a particular frequency band, will not be permitted to apply for another NGSO-like satellite system license in that frequency band.

(c) If an applicant has an attributable interest in one or more other entities seeking one or more space station licenses, the pending applications and licensed-but-unbuilt satellite systems filed by those other entities will be counted as filed by the applicant for purposes of the limits on the number of pending space station applications and licensed-but-unbuilt satellite systems in this paragraph. For purposes of this paragraph, an applicant has an "attributable interest" in another entity if:

(1) It holds equity (including all stockholdings, whether voting or non-voting, common or preferred) and debt

interest or interests, in the aggregate, exceed thirty-three (33) percent of the total asset value (defined as the aggregate of all equity plus all debt) of that entity, or

(2) It holds a controlling interest in that entity, or is the subsidiary of a party holding a controlling interest in that entity, within the meaning of 47 CFR 1.2110(b)(2).

(3) For purposes of paragraphs (c)(1) and (c)(2) of this section, ownership interests shall be calculated on a fully diluted basis, *i.e.*, all agreements, such as warrants, stock options, and convertible debentures, will generally be treated as if the rights thereunder already have been fully exercised.

(d) In the event that a licensee misses three or more milestones within any three-year period, the Commission will presume that the licensee obtained one or more of those licenses for speculative purposes. Unless the licensee rebuts this presumption, it will not be permitted to apply for a GSO-like satellite or an NGSO-like satellite system in any frequency band if it has two or more satellite applications pending, or two licensed-but-unbuilt satellite systems of any kind. This limit will remain in effect until the licensee provides adequate information to demonstrate that it is very likely to construct its licensed facilities if it were allowed to file more applications.

(e) For purposes of this section, "frequency band" means one of the paired frequency bands available for satellite service listed in § 25.202.

[68 FR 51506, Aug. 27, 2003]

**FORFEITURE, TERMINATION, AND REINSTATEMENT OF STATION AUTHORIZATION**

**§ 25.160 Administrative sanctions.**

(a) A forfeiture may be imposed for failure to operate in conformance with the Communications Act, license specifications, any conditions imposed on an authorization, or any of the Commission's rules and regulations; or for failure to comply with Commission requests for information needed to complete international coordination or for failure to cooperate in Commission investigations with respect to international coordination.