

SUBJECT TO CONTRACT

**Reference Offer for the provision of
Network Access
in respect of**

FM Local Commercial Radio Licence for Bath

with Power Increase



Version 2

Publication Date: 24th January 2011

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1. Introduction

This Reference Offer is issued pursuant to paragraph 12.4.3 of the Undertakings in respect of Ofcom's recent re-advertisement of the FM Local Commercial Radio Licence for Bath ("Advertisement").

This Reference Offer sets out the terms and conditions and charges on which Arqiva is willing to provide Network Access (as such term is defined in the Undertakings) in respect of the FM Local Commercial Radio Licence for Bath.

This Reference Offer is subject to the Reference Offer Terms and Conditions set out in Section 5 of this Reference Offer, and the defined terms used in this Reference Offer can be found at Schedule 1 of the Reference Offer Terms and Conditions.

The specification and prices in this Reference Offer are current at 14 December 2010 and valid for 90 days after which time they will be revalidated by Arqiva. A copy of this Reference Offer, as updated from time to time, will be placed on Arqiva's website: www.arqiva.com (or any replacement or successor website).

2. Scope & Specification

The scope and specification of Network Access that will be provided by Arqiva pursuant to the Framework Reference Offer for the Provision of Radio Network Access is subject to the detailed terms in the Reference Offer Terms and Conditions, as summarised below.

This Reference Offer is for the provision to the Customer of Network Access. Network Access comprises:

- Provision of access to the Bath station (referred to by Ofcom as the Bathampton site) (National Grid Reference ST 769 654) and its existing accommodation;
- Provision of access to the existing combiner and antenna as specified below;
- Provision of station security/safety (including perimeter fencing);
- The electricity supply including distribution within the site and shared accommodation;
- An allowance for supervision by Arqiva of Customer access to the Station, in accordance with the Arqiva Code of Practice.

The Customer will be responsible for providing or procuring all other equipment and services required in order for it to comply with the requirements of any Ofcom licence including, but not limited to, any Managed Transmission Services ("MTS").

Access to the Station

Access to the Station is via a private road, owned by a third party and is such that it is suitable for all standard sized vehicles.

Accommodation on the ground*

The accommodation is 2.66 square meters, including an access area around the equipment, in existing shared accommodation

Antenna on the tower*

The antenna, shared with other services, comprises a single tier of 4 panels at 40.2m on 0, 90, 180 and 270⁰ plus an additional single panel, also on 270⁰ at 43m.

Access to the antenna will be provided via a port on an existing combiner

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*The accommodation and antenna may only be used for the purposes specified in the Advertisement and in the Reference Offer

The Reference Offer transmission parameters for the Bath station (referred to by Ofcom as the Bathampton site) transmitter are as follows:

Location	Bath station (referred to by Ofcom as the Bathampton site)
National Grid Reference	ST 769 654
Total Maximum Erp	200Watts (100 Watts in both the vertical and horizontal planes of polarisation)
Frequency	107.9 MHz

Reference Offer Antenna System Horizontal Radiation Pattern is predicted to be contained within the following restrictions. It is not proposed to change the Antenna System from the one in use by the existing Ofcom licensee at the time of writing

Bearing ETN (degrees)	0	10	20	30	40	50	60	70	80
Restriction	6	6	6	6	4	4	4	6	6
Bearing ETN (degrees)	90	100	110	120	130	140	150	160	170
Restriction	6	6	6	4	4	4	6	6	6
Bearing ETN (degrees)	180	190	200	210	220	230	240	250	260
Restriction	6	6	6	3	3	2	2	0	0
Bearing ETN (degrees)	270	280	290	300	310	320	330	340	350
Restriction	0	0	0	2	2	3	3	6	6

Should a variation from the design set out in the Advertisement, or the terms of the Reference Offer, be required, then please contact the Reference Offer Manager, Broadcast & Media at Arqiva, as this Reference Offer will not apply in such circumstances.

3. Operation

Following provision of Network Access to the Customer, Arqiva will be responsible for:

- Maintenance of the Station, including maintenance of access, perimeter fencing;
- Security of the Station;
- Maintenance of the accommodation on the ground;
- Maintenance of the antenna;
- Maintenance of the tower.

The Customer will be responsible for all other elements of ensuring that the Customer Output Signal is received by listeners in accordance with the Advertisement and relevant Ofcom licence, including maintenance of the Transmitter System.

The Customer's design of the Transmitter System will be subject to approval by Arqiva prior to installation; charges in respect of same are included in the charges set out at Section 4 below.

The Customer will be required to comply with the requirements of Arqiva's Access Regulations "Gateway access regulations document - BOP034.3" as updated and amended from time to time and which is published on Arqiva's web page.

Prior to being given access to the Station, the Customer will be required to execute a Station

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Licence in addition to the Reference Offer Terms and Conditions.

Certain access to the Station and works must be supervised by Arqiva as set out in the Site Access regulations. An allowance for charges in respect of supervision of the installation of the Transmitter System is included in charges set out at Section 4 below.

An allowance for Arqiva supervisory charges in respect of the OFCOM testing of the Antenna and Transmitter System is included in charges set out at Section 4 below.

No provision has been made in this Reference Offer for spares or access to emergency reserve facilities or equipment. Accordingly, no provision has been made for a reserve antenna or a generator.

In the event that the Customer wishes at any time to locate and/or use reserve equipment at the Station, it will be subject to availability of accommodation and Arqiva's specific permission will be required in advance. Any generator must be supplied, installed, and maintained by Arqiva and will be subject to Arqiva's standard charges in respect of same.

4. Charges

Charges for provision of Network Access	Annual fee £
Network Access	8,629
Forecast Pass-Through Costs	792
Total	9,421

The Pass-Through Costs comprise electricity for the Customer Equipment plus an apportionment of the applicable Local Authority Business Rates.

5. Payment Terms

The Annual Network Access Fee is payable annually in advance. Forecast Pass-Through Costs will be calculated and payable in accordance with Clause 7.17 of the Framework Reference Offer

6. Basis of Charges

Compliance with the Undertakings

Charges for Network Access are calculated in accordance with the applicable sections of the Undertakings. Accordingly, charges:

- (i) are reasonably derived from the costs of provision;
- (ii) include an appropriate mark up for recovery of common costs;
- (iii) include an appropriate return;
- (iv) only include costs that Arqiva will reasonably and efficiently incur;
- (v) electricity charges will be passed through with no markup on the actual charges paid by Arqiva.

Basis of charges

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- (i) The charges are stated at 8 December 2010 prices and are subject to change in accordance with the Reference Offer Terms and Conditions, including (but not limited to): as a result of indexation as provided in the Reference Offer Terms and Conditions; and/ or as a result of matters outside Arqiva's control.
- (ii) The charges in this Reference Offer are valid for 90 days from the date of their publication and will accordingly be revalidated by Arqiva as required.
- (iii) The charges are based on Network Access (including electricity and other utilities) being provided on a 24/7 basis, regardless of the number of hours a day the Customer transmits the Customer Output Signal.
- (iv) The Pass-Through Cost which has been included in respect of electricity is an indicative estimate based on current levels and in respect of rates is based on current rateable values and general use of the site.
- (v) The charges are stated exclusive of VAT.
- (vi) The charges are subject to the Reference Offer Terms and Conditions.

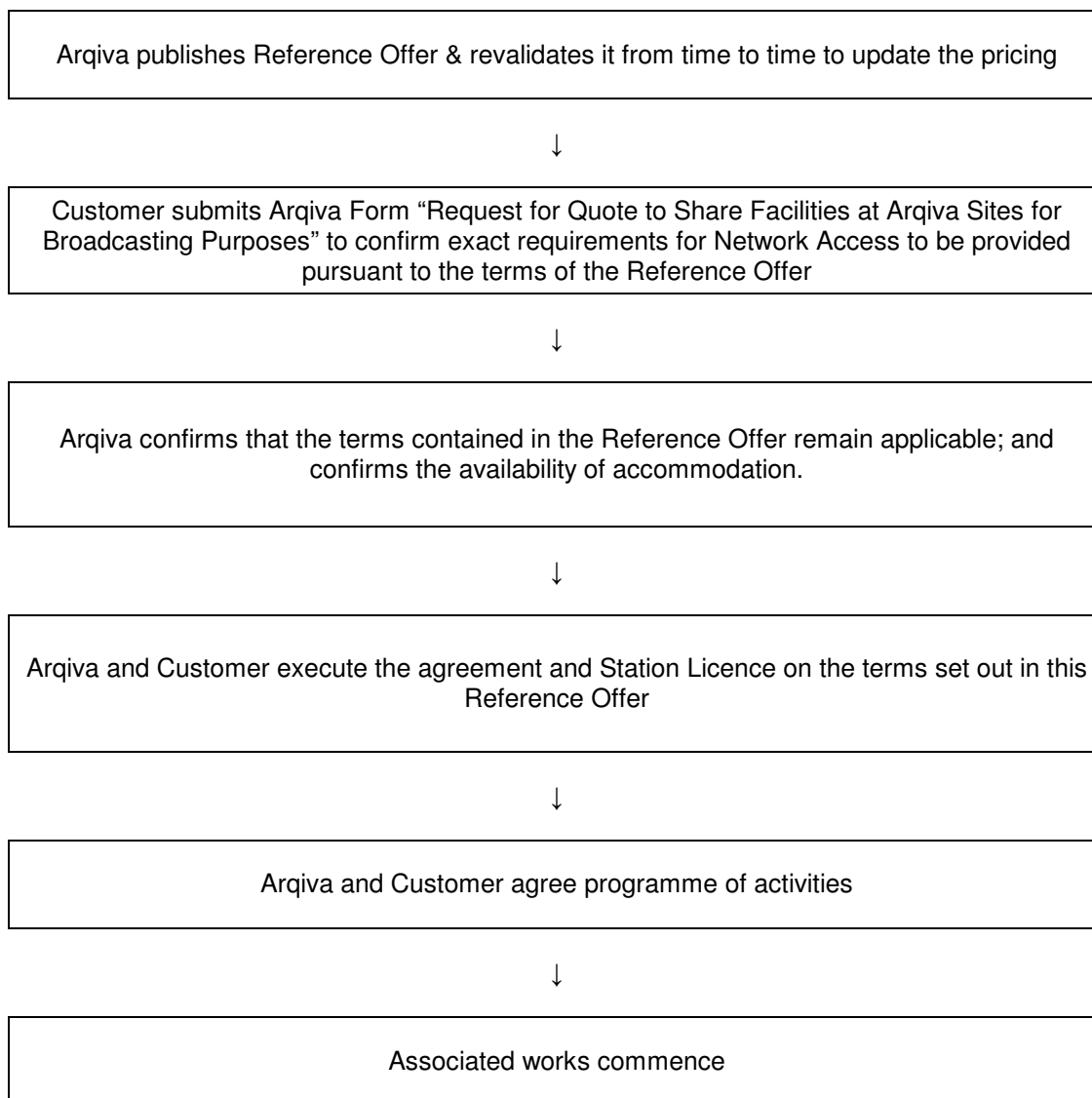
Applicability of the Reference Offer and additional costs

- (i) The charges include an allowance for up to 2 day's supervision of Customer installation of the Customer Equipment. Additional charges at the rate of £400 per day will be applicable in respect of supervision of Customer access to the Station which is in addition to the allowance.
- (ii) The charges include an allowance for up to 1 day's supervision of OFCOM testing the Antenna and the Customer Equipment. Additional charges at the rate of £690 per day will be applicable in respect of supervision by an Antenna Engineer for access to the Station for such tests which are in excess of the allowance.
- (iii) The charges include provision of Network Access based on the above specification, and are subject to the Reference Offer Terms and Conditions. Should a Customer wish to vary the design or terms and conditions from the provision in this Reference Offer, they should contact the Reference Offer Manager, Broadcast and Media of Arqiva as this Reference Offer will not apply.
- (iv) Arqiva is able to provide various other services and equipment, including: advice, consultancy, distribution of the Customer Output Signal, telemetry/monitoring, additional equipment or equipment which differs from that included in this Reference Offer, or any services other than Network Access as set out in this Reference Offer. Should a Customer require such additional services or equipment they should contact the Reference Offer Manager, Broadcast and Media of Arqiva as this Reference Offer will not apply and a separate quote and contractual arrangements will be provided.

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7. Engagement Process - Ordering and Processing

It will be a pre-requisite to any Network Access being provided under this Reference Offer that the Customer first enters into an agreement and a Station Licence with Arqiva in the form set out in Schedule 5 of the Framework Reference Offer, which contains the terms and conditions that will apply to the Customer's receipt of Network Access. The Engagement Process shall be as follows:



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8. Reference Offer Terms and Conditions

This offer is made subject to the terms and conditions in the Framework Reference Offer for the Provision of Radio Network Access, which may be viewed through the following link:

http://www.arqiva.com/corporate/pdf/ReferenceOffers/Arqiva_-_Framework_Radio_NA_RO_-_v2%202010.pdf