



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
1919 M STREET, N.W.
WASHINGTON, D.C. 20554

News media information (202) 418-0500. Recorded listing of releases and texts (202) 418-2222.

DA 96-889
June 3, 1996

FCC ISSUES PROCEDURES, TERMS AND CONDITIONS FOR JULY 3 REACTION OF DEFAULTED C BLOCK LICENSES

This Public Notice contains several changes to the original Bidder Information Package released on May 19, 1995 as supplemented by the Supplemental Bidder Package released on December 11, 1995. This document is intended to replace the original Bidder Information Package and the Supplemental Bidder Package.

Synopsis

Licenses to be Auctioned: 18 licenses to provide Personal Communications Services (PCS) in the 2 GHz band. These licenses will authorize service on 30 MHz of spectrum over 18 Basic Trading Areas (BTAs) in the continental United States and American Samoa located on frequency block C (one of the "Entrepreneurs' Blocks"; 1895-1910 MHz paired with 1975-1990 MHz). A list of the 18 licenses is provided in Attachment A.

Auction Date: The C Block Reaction will commence at 9:00 a.m. Eastern Daylight Time (EDT) on July 3, 1996. The precise schedule for bidding in the first week will be announced by Public Notice prior to the start of the auction. Unless otherwise announced, bidding will be conducted on each business day until bidding has stopped on all BTA licenses.

Auction Number: The C Block Reaction will be the tenth auction scheduled by the FCC and will be referred to as Auction No. 10.

Bidding Methodology: Simultaneous multiple round bidding. Bidding in this auction will only be permitted from remote locations, either electronically (by computer) or telephonically.

Pre-Auction Deadlines:

- Short-Form Application (FCC Form 175) . . . 5:30 p.m., EDT, June 14, 1996
- Upfront Payments:
 - Wire Transfer 3:00 p.m., EDT, June 14, 1996
 - Cashier's Check 11:59 p.m., EDT, June 14, 1996
- Orders for Electronic Bidding Software 11:59 p.m., EDT, June 20, 1996

Telephone Contacts:

- FCC Wireless Telecommunications Bureau, Office of Operations 1-800-322-1117
- FCC Technical Support Hotline (202) 414-1250

List of Attachments

- **ATTACHMENT A:** List of Licenses To Be Offered
- **ATTACHMENT B:** FCC Form 175 Organizational Guidelines and Electronic Filing of FCC Form 175
- **ATTACHMENT C:** Upfront Payments: Instructions for Completing FCC Remittance Advice, FCC Form 159
- **ATTACHMENT D:** How to Monitor the FCC Auctions On-line
- **ATTACHMENT E:** Associated Fees and Ordering Instructions for the FCC Remote Electronic Access System Software

Those wishing to participate in the C Block Reauction must submit FCC Form 175 in accordance with the Commission's rules and instructions provided in this Public Notice. The FCC Form 175 must be received **no later than 5:30 p.m. EDT on June 14, 1996**, and must be received either electronically or manually pursuant to the instructions set forth in this Public Notice.

Applicants for the C Block Reauction are strongly encouraged to file their FCC Form 175 application electronically, although manual mailing will be permitted (*via hard copy*). Applicants should be aware that **only those applicants who file applications electronically will be permitted to bid electronically or telephonically**. Applicants who file their applications manually, however, will be permitted to bid telephonically only. Instructions regarding electronic filing are contained in Attachment B of this Public Notice. Applicants should be aware that if they previously filed an FCC Form 175 that was accepted for filing in Auction No. 5 (the PCS C Block Auction) they may utilize the abbreviated filing procedures described in this Public Notice. Applicants also are required to submit an upfront payment (in U.S. dollars) in conjunction with an FCC Remittance Advice Form (FCC Form 159), to be eligible to participate in Auction No. 10. The upfront payments may be made by wire transfer or cashier's check. The Commission strongly encourages applicants to submit upfront payments by wire transfer in order to expedite the processing of payments and potential future refunds. **Upfront payments submitted by wire transfer must be received no later than 3:00 p.m. EDT on June 14, 1996, at the Mellon Bank in Pittsburgh, Pennsylvania.** Applicants may also submit upfront payments by cashier's check. **Upfront payments made by cashier's check must be received no later than 11:59 p.m. EDT on June 14, 1996, at the Mellon Bank in Pittsburgh, Pennsylvania.**

The information contained in this Public Notice may be amended or supplemented. The FCC will issue Public Notices to convey the new or supplemental information to prospective

bidders. It is the responsibility of all prospective bidders, however, to remain fully informed regarding all FCC rules and Public Notices pertaining to this reauction. Copies of FCC documents, including FCC Public Notices, may be obtained for a fee by calling the FCC copy contractor, International Transcription Services, Inc., at (202) 857-3800. Additionally, prospective bidders may retrieve documents from the FCC Internet node via anonymous ftp@ftp.fcc.gov or the FCC World Wide Web site at www.fcc.gov.

Part I: PRE-AUCTION PROCEDURES

I. Eligibility to Bid in the C Block Reauction

Potential applicants should consult the Commission's *Sixth Report and Order*, 60 FR 37786 (July 21, 1995), *Fifth Report and Order*, 59 FR 37566 (July 22, 1994), and *Fifth Memorandum Opinion & Order*, 59 FR 63210 (December 7, 1994) for the eligibility rules for the C Block licenses.

II. Short Form Application (FCC Form 175)

A. FCC Form 175 Filing Options

Auction applicants will have the opportunity to file their applications either electronically or manually (*via hard copy*). Electronic filing will enable the applicant to: 1) receive interactive feedback while completing the application, 2) receive immediate acknowledgement that the FCC Form 175 has been submitted for filing and 3) bid electronically. Applicants for the C Block auction are encouraged to file their FCC Form 175 applications electronically. **Applicants should be aware that only those applicants who file applications electronically will be permitted to bid electronically.** Applicants who file their applications manually will only be permitted to bid telephonically. Late applications will not be accepted, the filing deadline for FCC Form 175 applications for Auction No. 10 is 5:30 p.m., EDT, June 14 on 1996. Detailed instructions on electronic filing of FCC Form 175 applications are provided in Attachment B to this Public Notice.

1. Abbreviated Filings for Qualified Bidders from Auction No. 5 (PCS C Block Auction)

Qualified Bidders from Auction No. 5 (*i.e.*, those whose applications appeared on the December 8, 1995 Public Notice "Qualified Bidders for December 18, 1995 Broadband PCS C Block Auction" or the December 15, 1995 Public Notice "Additional Qualified Bidder for December 18, 1995 Broadband PCS C Block Auction"), may make an abbreviated filing of the FCC Form 175 and its exhibits to qualify for Auction No. 10 (the C Block Reauction). To exercise this option, such applicants must:

- a) Complete a new FCC Form 175 (either manually or electronically) in its entirety, including items 1-12 and necessary certifications.

b) Applicants need not resubmit exhibits originally filed for Auction No. 5 if there have been no amendments to such exhibits since the May 6, 1996 close of that auction (*see* Attachment B for information on specific exhibits required). Applicants need only submit exhibits that have been amended or changed since May 6, 1996. In the event an applicant does not need to resubmit an exhibit (*e.g.*, there has been no change in "Applicant Identity and Ownership - Exhibit A) it must do the following:

- 1) certify in "Exhibit E" that there has been no change in the specified exhibit since May 6, 1996; and
- 2) provide a cross-reference to its earlier application(s) by providing the FCC Account Number(s).

For amended or changed exhibits, applicants need only include the amendments or changes that have occurred to exhibits A through D (and have not been reported) since the May 6, 1996 close of the C Block Auction. Such amendments should be placed in the appropriate exhibit attachment (A through D). In "Exhibit E", applicants should be sure to provide a cross-reference to earlier application(s) by FCC Account Number(s).

2. Electronic Filing of FCC Form 175 Applications

Detailed instructions on electronic filing of FCC Form 175 applications are provided in Attachment B to this Public Notice.

3. Manual Filing of FCC Form 175

Auction applicants will be permitted to file their FCC Form 175 applications in hard copy. A copy of the FCC Form 175 and FCC Form 175-S (Supplemental Form), with instructions, are included in Attachment B of this Public Notice. For those applicants who file manually, whether mailed, hand delivered, or sent by private courier, applications must be addressed to:

FCC Form 175 Filing, Auction No. 10
Federal Communications Commission
Office of Operations
1270 Fairfield Road
Gettysburg, PA 17325-7245

Applications will not be accepted if delivered to any other location. Only the revised FCC Form 175 will be accepted for filing. Additionally, applicants should be aware that if they file manually they will only be permitted to submit their bids telephonically. Electronic bidding is reserved for qualified bidders that submitted their applications electronically.

B. FCC Form 175 General Information

Because of the significance of the FCC Form 175 application to the auction, it is important to take note of the following requirements. Applicants will be required to complete all the items

on the FCC Form 175. Applicants should carefully review Sections 1.2105(a)(2), 24.705, and 24.813 of the Commission's Rules. In completing an FCC Form 175, applicants should note the following:

Applicants should apply for all licenses on which they wish to be eligible to bid in the auction. Bids will not be accepted on licenses for which an applicant has not applied on its FCC Form 175.

The C Block Reauction will be the tenth auction scheduled by the FCC. For "Auction No." in item 6 of FCC Form 175, applicants should enter "10."

Applicants are required to create a ten-digit FCC Account Number, which the Commission will use to identify and track applicants. Each applicant must create this FCC account number by using its taxpayer identification number (TIN), if it has one, with a prefix of '0', e.g., 0123456789. If an applicant does not have a TIN, the applicant should use its ten-digit area code and telephone number (e.g., 5552345678). Each applicant must include its FCC Account Number when submitting any amendments, additional information or other correspondence regarding its application, and must include this number on each FCC Form 159 (FCC Remittance Advice) accompanying required auction deposits or payments submitted to the Commission. This number also must be used whenever an applicant writes, calls, or otherwise inquires about its application. Applicants will also need this number to bid in the auction.

Applicants must indicate on their FCC Form 175, if applicable, their status as a small business (businesses or small business consortia with gross revenues not more than \$40 million, in accordance with 47 C.F.R § 24.720(b)). If applicable, applicants are requested to indicate their status as a minority-owned business or women-owned business, so that the Commission can monitor its compliance with Section 309(j) of the Communications Act. Applicants that qualify as small businesses or small business consortia must enter "25" next to "% Bidding Credit Eligibility" and must enter "C" next to "Installment Payment Plan Type." Installment Payment Plan C allows qualified winning bidders to pay the remaining 90% due on their license according to the following terms: Interest will be imposed based on the rate for 10-year U.S. Treasury obligations applicable on the date the license is granted; payment will include interest only for the first six years and payments of interest and principal amortized over the remaining four years of the license term. Applicants with gross revenues greater than \$40 million, but not more than \$75 million, must enter "B" next to "Installment Payment Plan Type." Installment Payment Plan B allows qualified winning bidders to pay the remaining 90% due on their license according to the following terms: Interest will be imposed based on the rate for 10-year U.S. Treasury obligations applicable on the date the license is granted plus 2.5 percent; payment will include interest only for the first year and payments of interest and principal amortized over the remaining nine years of the license term. Applicants with gross revenues greater than \$75 million, but less than \$125 million, must enter "A" next to "Installment Payment Plan Type." Installment Payment Plan A allows qualified winning bidders to pay the remaining 90% due on their license according to the following terms: Interest will be imposed based on the rate for 10-year U.S. Treasury obligations applicable on the date the license is granted plus 3.5 percent; payments will include both interest and principal amortized over the term of the license.

All applicants should pay particular attention to the Commission's *Sixth Report and Order*, PP Docket No. 93-253, (released July 18, 1995), 60 FR 37786 (July 21, 1995) and the provisions of 47 C.F.R. §§ 24.709 and 24.720. In accordance with 47 C.F.R. § 24.709(c) and (d), the FCC will conduct random audits to ensure that applicants meet the financial eligibility requirements.

In items 9 and 10 of the FCC Form 175, applicants must indicate their eligibility to participate in this auction and their Applicant Status if applicable. To qualify for this auction applicants must meet the two conditions specified in item 9. Regarding item 10, Designated Entities include rural telephone companies, small businesses, and businesses owned by members of minority groups or women. The indication of an applicant's status as a minority-owned or women-owned business is for statistical purposes only. All applicants should pay particular attention to the provisions of 47 C.F.R. §§ 24.709 and 24.720.

Applicants will have to identify on the FCC Form 175 the market number for each of the 18 licenses on which they want to bid. The market number for each BTA is listed in Attachment A. The upfront payment amount also is included so that applicants can calculate the upfront payment amount required to be eligible to bid on the maximum number of bidding units, also referred to as activity units, in any single round of bidding. Applicants should note that the BTAs have been organized by population within the corresponding Major Trading Area ("MTA"). BTA service areas are based on Rand McNally 1992 Commercial Atlas & Marketing Guide, 123rd Edition, at pages 38-39 ("BTA/MTA Map").

Applicants will be required to list the name(s) of the person(s) (up to a maximum of three) authorized to represent them at the reauction. **Only those individuals listed on the FCC Form 175 will be authorized to place or withdraw bids for the applicant during the reauction.**

Applicants should read the "Certifications" listed on the FCC Form 175 carefully before signing their manually filed applications or submitting their electronically filed applications. Applicants who file their FCC Form 175 application electronically will not be required to transmit an original or electronic signature. However, by submitting the form electronically, the certifying official has made a representation that he or she is an authorized representative of the applicant for the license(s) selected, and that he or she has read the instructions and the certifications, and that all matters and things stated in the application and attachments, including exhibits, are true and correct. These certifications help to ensure a fair and competitive reauction and require, among other things, disclosure to the Commission of certain information on applicant ownership and agreements or arrangements concerning the reauction. Submission of a false certification to the Commission may result in penalties, including monetary forfeitures, license forfeitures, ineligibility to participate in future auctions, and criminal prosecution.

If the Commission wishes to communicate with the applicant by telephone or fax, those communications will be directed to the contact person identified on the FCC Form 175. Space is provided for a telephone number, fax number, and e-mail address. All written communications and registration information will be directed to the applicant's contact person at the address specified on the FCC Form 175. (Applicants must provide a street address; no P.O. box addresses may be used.)

Section 24.813 of the Commission's Rules requires each applicant to submit certain ownership information as an exhibit to its FCC Form 175 application. Specifically, each applicant must attach:

(a) A list of its subsidiaries, if any. Subsidiary means any business five percent or more whose stock, warrants, options or debt securities are owned by the applicant or an officer, director, stockholder or key management personnel of the applicant. This list must include a description of each subsidiary's principal business and a description of each subsidiary's relationship to the applicant.

(b) A list of its affiliates, if any. Affiliates means any business which holds a five percent or more interest in the applicant, or any business in which a five percent or more interest is held by another company which holds a five percent interest in the applicant (e.g., Company A owns 5% of Company B (the applicant) and 5% of Company C; Companies A and C are affiliates).

(c) A list of names, addresses, citizenship and principal business of any person holding five percent or more of each class of stock, warrants, or options or debt securities together with the amount and percentage held, and the name, address, citizenship and principal place of business of any person on whose account, if other than the holder, such interest is held. If any of these persons are related by blood or marriage, include such relationship in the statement.

(d) In the case of partnerships, the name and address of each partner, each partner's citizenship and the share of interest participation in the partnership. This information must be provided for all partners, regardless of their respective ownership interests in the partnership.

The FCC waives the information disclosure requirement of Section 24.813(a)(1) and 24.813(a)(2) with respect to other, outside ownership interests of attributable stockholders of applicants, except that direct, attributable ownership interests in other Commercial and Private Mobile Radio Service licensees or applicants shall be disclosed on the FCC Form 175.

Applicants must also attach an exhibit identifying all parties with whom they have entered into any consortium arrangements, joint ventures, partnerships or other agreements or understandings which relate in any way to the competitive bidding process of Auction No. 10.

Applicants should be aware that all information required by the Commission's Rules in connection with applications to participate in spectrum auctions is necessary to determine the applicants' qualifications and, as such, will be available for public inspection. Required proprietary information may be redacted, or confidentiality can be sought pursuant to Section 0.459 of the Commission's Rules, 47 C.F.R. § 0.459. Applicants requesting confidential treatment for any information required as a condition to participate in the auction must follow the procedures set out in Section 0.459 of the Commission's Rules (47 CFR § 0.459). Any such requests must be manually submitted, even if the winning bidder chooses to file electronically. If filing electronically, the winning bidder must indicate in an electronic exhibit that it has a confidentiality request on file. Because the required information bears on an applicant's qualifications, the Commission envisions that confidentiality requests will not be routinely granted.

An applicant's request for confidentiality must include a demonstration that it would suffer substantial competitive harm from the public disclosure of the confidential information.

Microfiche copies of manually filed FCC Form 175 and 175-S are required for all submissions in excess of five pages in accordance with Section 24.806(e) of the Commission's rules. However, for this reauction the FCC will allow submission of a 3.5" diskette (in lieu of microfiche) which contains **ASCII text (.TXT)** files of all ownership documentation attached to the FCC Form 175.

Failure to sign a manually filed FCC Form 175 or to submit the required ownership information (for both electronic and manual filers) will result in dismissal of the application and inability to participate in the auction. Only original signatures will be accepted for manually filed applications.

C. Application Fee

There is no application fee required when filing a FCC Form 175. However, to be eligible to bid, an applicant will have to submit an upfront payment. See Section III below.

D. Procedures after FCC Form 175 Applications are Filed and Processed for Minor Corrections

After the deadline for filing FCC Form 175 applications has passed, the Commission will process all applications to determine whether they are acceptable for filing. The Commission will issue a Public Notice listing all applications which are accepted for filing, rejected, and those which have minor defects that may be corrected. The Public Notice announcing accepted, incomplete, and rejected applications will also announce the deadline and procedures for filing corrected applications. As described more fully in the Commission's Rules, applicants may make only minor corrections to their FCC Form 175 applications. See 47 C.F.R. § 24.822. Applicants will not be permitted to make major modifications to their applications, e.g., changes to license selections, certifying official or de facto and/or de jure control of the applicant.

Applicants should note that the financial eligibility requirements for this auction require the computation of gross revenues and total assets of the applicant it attributable investors, and all its affiliates. **Merely certifying that an applicant is financially eligible is insufficient; each applicant must provide an amount which demonstrates eligibility.**

III. Upfront Payments

In order to be eligible to bid at the auction, applicants must submit an upfront payment together with an FCC Remittance Advice (FCC Form 159) to Mellon Bank.

All payments must be made in U.S. dollars and shall be in the form of a wire transfer or cashier's check. The Commission strongly encourages applicants to submit upfront payments by

wire transfer to expedite the processing of payments and potential future refunds. Wire transfer payments must be received at the Mellon Bank in Pittsburgh, Pennsylvania by 3:00 p.m. EDT, June 14, 1996. Upfront payments submitted by cashier's check must be received at the Mellon Bank in Pittsburgh, Pennsylvania by 11:59 p.m. EDT, June 14, 1996. Failure to deliver a timely and sufficient upfront payment will result in dismissal of the application and inability to participate in the auction.

A. Making Auction Upfront Payments by Wire Transfer

To make an auction payment by wire transfer, an applicant must fax a completed FCC Remittance Advice Form (FCC Form 159) to Mellon Bank at (412) 236-5702 **at least one hour prior to placing the order for the wire transfer** (but on the same business day). On the cover sheet of the fax, the applicant should write "Wire Transfer - Auction Payment for Auction Event # 10 ". To submit funds by wire transfer, you will need the following information:

ABA Routing Number: 043000261
Receiving Bank: Mellon Pittsburgh
BNF: FCC/AC--9116878
OBI Field: (Skip one space between each information item)
"AUCTIONPAY"
FCC ACCOUNT NO. (SAME AS FCC FORM 159, BLOCK 1)
PAYMENT TYPE CODE "AWCU" (SAME AS FCC FORM 159,
BLOCK 14)
FCC CODE (SAME AS FCC FORM 159, BLOCK 17)
PAYOR NAME (SAME AS FCC FORM 159, BLOCK 3)
LOCKBOX NO. 358400

Note: The BNF and Lockbox No. are specific to the upfront payments for the C Block Reauction. Do not use BNF or Lockbox numbers from previous auctions.

Failure to deliver the upfront payment in a timely manner will result in dismissal of the application and disqualification from participation in the auction.

For small businesses the upfront payment for Auction No. 10 is \$0.015 per bidding unit (in this auction, bidding units are the equivalent of MHz-pops) for the largest combination of bidding units upon which a bidder wishes to bid in a single round of bidding. The upfront payment submitted by each applicant is not attributed to specific licenses but instead will define the maximum number of bidding units on which the applicant will be permitted to bid in any single round of bidding. The upfront payment amounts for the 18 licenses to be reauctioned are listed in Attachment A.

In calculating the upfront payment amount, an applicant should determine the maximum number of bidding units on which it wishes to bid in any single round and submit an upfront payment covering that number of bidding units. In this reauction, all of the licenses are for 30 MHz of spectrum. Thus, if an applicant wants to be eligible to bid in any single bidding round on

licenses in BTAs with a total population of 750,000 persons, the applicant must submit an upfront payment of \$337,500.00 (30 MHz times 750,000 times \$0.015).

An applicant may, on its FCC Form 175, apply for every license being offered, but its actual bidding in any round will be limited by the bidding units reflected in its upfront payment. As explained under Activity Rules, in Part II of the Procedures, Terms and Conditions, bidders will be required to remain active in each round of the auction on a specified percentage of the bidding units for which they are currently eligible.

Detailed directions for completing the FCC Form 159 and a blank form are included in this Public Notice as Attachment C.

B. Making Auction Payments by Cashier's Check

Each cashier's check and corresponding FCC Remittance Advice Form (FCC Form 159) must be in an separate envelope, (only one check and one FCC Form 159 is required to be submitted with the upfront payment) addressed to:

Mellon Bank
Attention: Auction No. 10
P.O. Box 358400
Pittsburgh, PA 15251 - 5850

If delivering an auction payment in person or by courier, the cashier's check and FCC Remittance Advice Form (FCC Form 159) must be delivered to:

Mellon Bank
Attention: Wholesale Lockbox Shift Supervisor
27th Floor (153-2713)
3 Mellon Bank Center
525 William Penn Way
Pittsburgh, PA 15259 - 0001
(Note: Please indicate on the inside envelope "Lockbox No. 358400".)

Detailed directions for completing the FCC Form 159 and a blank form are included in this Public Notice as Attachment C.

IV. Registration for the Reauction

Only qualified applicants who have submitted timely and sufficient upfront payments will be permitted to register for the reauction. Registration materials will only be sent to the address and contact person identified in an applicant's FCC Form 175. Registration will be completed prior to the auction in two separate overnight mailings. The first registration package will include the bidder's login code and login password. A second registration mail-out will include the bidder's identification number and a schedule for bidding in the first week of the auction. At the

end of the registration mail-out process, bidders will be in possession of the following information:

- FCC Account Number (self-assigned on the FCC Form 175)
- Login password
- Login code
- Bidder identification number

After the release of the FCC Public Notice announcing qualified applicants, the auction registration process will begin. The two overnight mailings will take place within three business days of each other. Any applicant who has not received both mailings within five business days after the release of the Public Notice should contact Louis Sigalos at (202) 418-0660.

All applicants will be pre-registered prior to the auction event; no on-site registration will be available. Applicants who have not received the two separate registration packages will not be able to submit bids. It is the applicant's responsibility to ensure all registration information has been received.

Qualified bidders must be aware that lost login codes, passwords or bidder identification numbers can only be replaced at the FCC Auction Center located at 2 Massachusetts Avenue, NE, Washington, DC 20002. Additionally, only an authorized representative or certifying official, as designated on an applicant's FCC Form 175, may appear in person with two forms of identification (one of which must be a photo identification) in order to receive replacement codes.

Part II: AUCTION EVENT

Auction No. 10 will begin at 9:00 a.m. EDT on July 3, 1996. The precise schedule for bidding in the first week of the reauction will be announced by Public Notice prior to the start of the auction. Bidders are required to bid from remote locations and will have the option of bidding electronically or telephonically.

The times of the bidding periods for the first week will be announced by Public Notice prior to the start of the auction. The Commission may, however, increase or decrease the amount of time for bid submission as well as the number of rounds per day depending upon the bidding activity level and the aggregate amount of high bids. There will generally be several rounds of bidding per day. Each bidding round contains the following periods:

- Bid submission period
- Bid submission round results
- Bid withdrawal period
- Bid withdrawal round results

Bids must be submitted before the conclusion of the bid submission period and bid withdrawals must be submitted before the conclusion of the bid withdrawal period. Bidders are encouraged to print a hard copy confirmation after electronic bid submission or after withdrawing a high bid.

All FCC auction announcements will be available on the FCC remote electronic bidding system and through the Internet and the FCC Auction Bulletin Board System, including the schedule for bid submission and bid withdrawal periods. The FCC will make a further announcement if it decides to extend a bid submission or withdrawal period.

Round results will be available after the conclusion of each period on the FCC electronic bidding system, via the Internet and the FCC Auction Bulletin Board System. The FCC electronic bidding system provides the flexibility for a user to define their own file formats. Round results file formats will be available through the Internet and the FCC Auction Bulletin Board System and are included in this Public Notice as Attachment D.

I. Auction Procedures

The 18 reaucted C Block broadband PCS licenses will be awarded through a simultaneous multiple round auction. Bids generally will be accepted on all 18 licenses in each round of the auction until there are no new valid bids on any of the licenses. High bid amounts will be posted after the end of the bid submission period and the bid withdrawal period in each round of bidding. In addition, information regarding all valid bids submitted and all bid withdrawals in each round will be provided.

A. Bid Submission and Withdrawal Procedures

1. Bid Submission

Bidders will be able to place their bids electronically or by telephone. **Applicants should be aware that only those applicants who file applications electronically will be permitted to bid electronically.** Applicants who file their applications manually will be permitted to bid telephonically only. Each bidder will be required to log in to the FCC auction computer system, using a login code and confidential password unique to that bidder, and in addition must provide its bidder identification number and FCC account number in order to place or withdraw a bid. To place a bid telephonically, bidders must call the FCC Bidding Line during the bid submission period. This telephone number will be provided to all qualified bidders in their registration materials. The bid operator will request the login name, login password, FCC account number, bidder identification number, authorized bidder name, and fax number. Detailed instructions regarding remote bidding access are contained in the Remote Bidding System User Manual provided with your software. Once a bidder has submitted bids during a round, the bidder will not be permitted to place additional bids until the start of the next round.

2. Bid Withdrawals

A high bidder who wishes to withdraw one or more of its high bids during the bid withdrawal period may do so electronically or telephonically subject to the bid withdrawal penalty specified in the Commission's Rules, 47 C.F.R. § 24.704(a)(1). If a high bid is withdrawn, the license will be offered (without a minimum bid increment - see explanation below) in the next round at the second highest bid price, which may be less than or equal to (in the case of tie bids) the amount of the withdrawn bid. The FCC will be identified as the "place holder" on the license until a new valid bid is submitted on that license. In addition, to prevent a bidder from strategically delaying the close of the auction, the FCC retains the discretion to limit the number of times that a bidder may re-bid on a license from which it has withdrawn a high bid.

B. Minimum Bid Increments and Tie Bids

There will be no minimum opening bid and no minimum bid increment on a license until the license has received an initial bid. The minimum bid increments for the auction will be announced by Public Notice prior to the start of the auction. The Commission retains the discretion to vary the minimum bid increments in each round of the auction for individual licenses or groups of licenses by announcement prior to each round.

Each bid will be date and time stamped when it is entered into the computer system. In the event of tie bids, the Commission will identify the high bidder on the basis of the order in which bids are received by the Commission, starting with the earliest bid.

C. Number of Licenses that May be Acquired & Other Licensing Restrictions

No bidder may hold more than 98 Entrepreneurs' Blocks licenses (frequency blocks C and F). See 47 C.F.R. § 24.710. Additionally, broadband PCS applicants will only be permitted to

aggregate broadband PCS licenses up to a total of 40 MHz in any geographic area. Bidders should also be aware that there is a Commercial Mobile Radio Service (CMRS) spectrum cap. See 47 C.F.R. §§ 24.204, 24.229, 20.6.

II. Activity Rules

In order to ensure that the auction closes within a reasonable period of time, the Commission will impose an activity rule to discourage bidders from waiting until the end of the auction before participating. The activity rule provides for three stages with increasing levels of minimum activity required in each stage if a bidder is to maintain its current eligibility.

A. Stage Transition Rule

The C Block Reauction may have three stages. The Commission retains the discretion to determine and announce during the course of an auction when, and if, to move from one auction stage to the next. These determinations will be based on a variety of measures of bidder activity including, but not limited to, the auction activity level defined above, the percentage of licenses (measured in terms of activity units) on which there are new bids, the number of new bids, and the percentage increase in revenue.

B. Activity Requirements

A bidder will be considered "active" on a license in the current round if it is either the high bidder at the end of the bid withdrawal period in the previous round or submits a bid in the current round which meets or exceeds the minimum valid bid. A bidder's activity level in a round is the sum of the bidding units associated with licenses on which the bidder is active. The minimum required activity levels for each stage of the auction are as follows:

1. Stage One: In each round of the first stage of the auction, a bidder who wishes to maintain its current eligibility is required to be active on licenses encompassing at least 60% of the bidding units for which it is currently eligible. Failure to maintain the requisite activity level will result in a reduction in the number of bidding units upon which a bidder will be eligible to bid in the next round of bidding (unless an activity rule waiver is used). During the first stage, if activity is below the required minimum level, eligibility in the next round will be calculated by multiplying the current round activity by five-thirds (5/3). Eligibility for each applicant at the start of the auction is determined by the amount of the upfront payment received.

2. Stage Two: In each round of the second stage, a bidder who wishes to maintain its current eligibility is required to be active on 80% of the bidding units for which it is eligible in the current round. During the second stage, if activity is below the required minimum level, eligibility in the next round will be calculated by multiplying the current round activity by five-fourths (5/4).

3. Stage Three: In each round of the third stage, a bidder who wishes to maintain its current eligibility is required to be active on licenses encompassing 95 percent of the

bidding units for which it is eligible in the current round. In the final stage, if activity in the current round is below 95 percent of current eligibility, eligibility in the next round will be calculated by multiplying the current round activity by twenty-nineteenths (20/19).

As stated above, activity requirements increase in each auction stage, therefore, it is necessary for bidders to check current activity during the bid submission period in the first round following a stage transition. Bidders who do not wish to submit any new bids in that round should check to determine whether their activity level is sufficient to maintain their current eligibility. Bidders may do this either telephonically or through the FCC WAN by entering the bid submission module and comparing the current activity to the activity required.

C. Activity Rule Waivers

Bidders will be provided five activity rule waivers that may be used in any round during the course of the auction. If a bidder's activity level is below the required activity level a waiver will automatically be applied, if a bidder still has waivers remaining and does not submit an automatic waiver override. That is, if a bidder fails to submit a bid in a round or bids below the required activity level, and its activity level from any standing high bids (high bids at the end of the bid withdrawal period in the previous round) falls below its required activity level, a waiver will be automatically applied unless the bidder overrides the automatic waiver function. A waiver will preserve current eligibility in the next round. An activity rule waiver applies to an entire round of bidding and not to a particular license. **An automatic waiver invoked in a round in which there are no new valid bids will not keep the auction open.**

Bidders will be afforded an opportunity to override the automatic waiver mechanism if they wish to intentionally reduce their eligibility and do not want to use a waiver to retain their eligibility at its current level. If a bidder overrides the automatic waiver mechanism, its eligibility will be permanently reduced and it will not be permitted to regain its bidding eligibility from a previous round.

Bidders will have the option of proactively entering an activity rule waiver during the bid submission period. If a bidder submits a proactive waiver in a round in which no other bidding activity occurs, **the auction will remain open.** Therefore in the later rounds of the auction, if a bidder does not intend to bid but wants to ensure that the auction does not close, it should enter a proactive waiver in place of a bid. The submission of a proactive waiver will prevent the auction from closing.

III. Stopping Rules

Bidding will normally remain open on all licenses until bidding stops on every license. The auction will close after one round passes in which no new valid bids or proactive waivers are submitted. The Commission retains the discretion, however, to keep an auction open even if no new valid bids and no proactive waivers are submitted. In the event that the Commission exercises this discretion, the effect will be the same as if a bidder had submitted a proactive waiver. Thus, if a bidder has any activity rule waivers left, an automatic waiver will be applied if its activity from standing high bids does not meet its required activity level. Bidders whose

activity from the standing high bid does not meet its required activity level and that have no activity rule waivers remaining will have their maximum eligibility reduced according to the activity rules as described above.

The Commission may also declare at any time after 40 rounds that the auction will end after a specified number of additional rounds. If the Commission invokes this stopping rule, it will accept bids in the final round(s) only for licenses on which the high bid increased in at least one of the preceding three rounds. The Commission also retains the discretion to close bidding on a particular license or licenses. In the unlikely event that we use such a license-by-license stopping rule, we would anticipate doing so only after 40 rounds and only on licenses where three or more rounds have passed without new bids.

The Commission does not intend to exercise these options except in extreme circumstances such as where the auction is proceeding very slowly, there is minimal overall bidding activity and it appears unlikely that the auction will close within a reasonable period of time. Before exercising these options, however, the Commission would first attempt to increase the pace of the auction by announcing that the auction will move into the next stage, where bidders would be required to maintain a higher level of bidding activity. Under these circumstances, the Commission may also first increase the number of bidding rounds per day and increase the amount of the minimum bid increments for those limited number of licenses where there is still a high level of bidding activity.

IV. Additional Auction Information

A. Collusion

To prevent collusion, the Commission's rules prohibit communications during the course of the auction among applicants for the same geographic license areas when such communications concern bids, bidding strategies or settlements. *See* 47 C.F.R. § 1.2105(c).

B. Delay, Suspension or Cancellation of the Auction

The Commission may, by Public Notice or by announcement during the auction, delay, suspend or cancel the auction in the event of natural disaster, technical obstacle, evidence of an auction security breach, unlawful bidding activity, administrative necessity, or for any other reason that affects the fair and competitive conduct of competitive bidding. In such cases, the Commission may, in its sole discretion, resume the auction starting from the beginning of the current or some previous round or cancel the auction in its entirety. Network failure at the auction may cause the Commission to delay or suspend the auction.

C. Bid Withdrawal Payments

Any high bidder who withdraws a high bid during the course of an auction will be subject to a payment equal to the difference between the gross amount of the withdrawn bid and the gross amount of the winning bid or the difference between the net amount of the withdrawn bid and net amount of the winning bid, whichever is less. No withdrawal payment will be assessed if the

subsequent winning bid exceeds the withdrawn bid. This payment will be deducted from any upfront payments or down payments that the withdrawing bidder has deposited with the Commission.

D. Releasing Bidder Identities

Bidders' identities, FCC Account Numbers, and the licenses for which they have applied will be disclosed prior to the auction. Thus, bidders will know in advance of the auction the identities of the bidders against whom they are bidding. During the course of the auction, bidder identities and all bids submitted and withdrawn will be disclosed during the round results period.

Part III: POST-AUCTION PROCEDURES FOR HIGH BIDDERS

I. Down Payment

The winning bidder for each license must submit sufficient additional funds (a "down payment") to bring the amount of money on deposit with the government to 5 percent of their net winning bid within five (5) business days after bidding is declared closed and the high bidders are announced. In the event that a bidder is subject to a bid withdrawal payment, the bidder's upfront payment (and down payment, if required) will be applied first to satisfy the withdrawal payment, and then toward its down payment. If the amount of the withdrawal payment cannot yet be determined, the bidder will be required to make a deposit of 20 percent of the net amount bid on such licenses.

The remainder of the down payment, an additional 5 percent of the applicant's net winning bid, will be due within 5 business days after the license is granted. Further instructions for making auction down payments will be included in the Public Notice announcing the auction winners.

II. Installment Payments

Instructions for making quarterly installment payments will be included in the Public Notice announcing auction winners.

III. Submission of Long-Form Applications (FCC Form 600) and Award of Licenses

Unless otherwise announced by Public Notice, winning bidders must timely submit a properly completed FCC Form 600 application (either electronically or manually) for each C Block license within ten (10) business days after a Public Notice is issued announcing the high bidders and/or instructions on filing the FCC Form 600. Winning bidders must complete an FCC Form 600, Long-Form Application and Schedule "A" for each individual BTA license won through the auction. Detailed filing instructions will be released by the Commission in the Public Notice announcing the auction winners. FCC Form 600 applications may be submitted electronically, by hand-delivery, by certified U.S. Mail (return receipt requested) or by private courier. Detailed electronic filing instructions will be included in a future Public Notice. Manual

submission of the FCC Form 600 must be sent to:

**FCC Form 600 Filing, Auction No. 10
Federal Communications Commission
Office of Operations
1270 Fairfield Road
Gettysburg, PA 17325-7245**

Once a winning bidder has submitted its down payment and an acceptable FCC Form 600, the Commission will release a Public Notice announcing the acceptability of the long-form application, triggering the 30-day filing window for petitions to deny. After resolving any petitions to deny, and if it is otherwise satisfied that the applicant is qualified, the Commission will issue the C Block license. The remainder of the winning bidder's down payment, an additional five (5) percent of the applicant's net winning bid, is due within five (5) business days after the license is granted. All license grants will be conditioned on timely payments of the remaining down payment and all installment payments as set forth in 47 C.F.R. § 24.711 of the Commission's Rules. Once the final down payment is received, the license is awarded.

IV. Default and Disqualification

After bidding closes, a defaulting auction winner (*i.e.*, a winner who fails to remit the required down payment within the prescribed period of time, fails to submit a long-form application, fails to make full payment, or is otherwise disqualified) will be subject to the penalties set forth in the Commission's Rules. In addition, if a default or disqualification involves gross misconduct, misrepresentation or bad faith by an applicant, the Commission may also declare the applicant and its principals ineligible to bid in future auctions, and may take any other action that it may deem necessary, including institution of proceedings to revoke any existing licenses held by the applicant. *See Competitive Bidding Second Report and Order in PP Docket No. 93-253, 9 FCC Rcd 2348 (1994) at ¶ 198.*

V. Construction Requirements

Licensees of 30 MHz blocks must serve with a signal level sufficient to provide adequate service to at least one-third of the population in their licensed area within five years of being licensed and two-thirds of the population in their licensed area within 10 years of being licensed. Licensees may choose to define population using the 1990 census or the 2000 census. **Failure by any licensee to meet these requirements will result in forfeiture or non-renewal of the license and the licensee will be ineligible to regain it.**

Licensees must file maps and other supporting documents showing compliance with the respective construction requirements within the appropriate five-year and ten-year benchmarks of the date of their initial licensees. *See 47 C.F.R. § 24.203.*

VI. Bidder Alert

A. Applicant Certification Requirements

The Terms contained in the Commission's Report and Orders, Public Notices and in Bidder Packages are not negotiable. Prospective bidders should review these auction documents thoroughly prior to the auction to make certain that they understand all of the provisions and are willing to be bound by all of the Terms before making any bid.

All applicants must certify under penalty of perjury on their FCC Form 175 applications that they are legally, technically, financially and otherwise qualified to hold a license. Prospective bidders are reminded that submission of a false certification to the Commission is a serious matter that may result in severe penalties including monetary forfeitures, license revocations, being barred from participating in future auctions, and/or criminal prosecution.

B. A Note on Possible Deceptive Solicitations

As is the case with many business investment opportunities, some unscrupulous entrepreneurs may attempt to use the PCS auctions to deceive and defraud unsuspecting investors. According to the Securities and Exchange Commission ("SEC"), common warning signals of such fraud include the following: the first contact is a "cold call" from a telemarketer or made in response to an inquiry prompted by a television or radio infomercial; the offering materials used to invest in the venture appear to be targeted at IRA funds by, for example, including all documents and papers needed for the transfer of funds maintained in IRA accounts; the amount of the minimum investment is less than \$20,000; the sales representative makes verbal representations that (1) the IRS, FTC, SEC, FCC, or some other government agency has approved the investment; (2) the investment is not subject to state or federal securities laws; (3) the investment will yield unrealistically high short-term profits. In addition, the offering materials often include actual copies of FCC releases, or quotes from Commission personnel, giving the appearance of FCC approval or knowledge of the solicitation.

The Commission does not approve any individual investment proposal, nor does it provide a warranty with respect to any license being auctioned. Potential applicants or investors are reminded that winning a license in the C Block auction is not a guarantee of success in the marketplace. Information about deceptive telemarketing investment schemes is available from the Federal Trade Commission (FTC) at (202) 326-2222 and from the Securities and Exchange Commission (SEC) at (202) 942-7040. Complaints about specific deceptive telemarketing investment schemes should be directed to the National Fraud Information Center at 1 (800) 876-7060, the FTC or the SEC. Consumers who have concerns about specific PCS investment proposals may also call the FCC Wireless Telecommunications Bureau, Office of Operations at 1-800-322-1117.

Attachment A
Summary of Licenses to be Reauctioned in Block C

Market No.	Basic Trading Area	License No.*	Population**	Upfront Payment***
	<u>M012 - Minneapolis-St. Paul</u>			
B298	Minneapolis, MN	PBB298C	2,840,561	\$1,278,252.45
B391	St Cloud, MN	PBB391C	243,888	\$109,749.60
	<u>M022 - Denver</u>			
B110	Denver, CO	PBB110C	2,073,952	\$933,278.40
B089	Colorado Spring, CO	PBB089C	409,482	\$184,266.90
B149	Ft Collins, CO	PBB149C	186,136	\$83,761.20
	<u>M024 - Seattle (Excluding Alaska)</u>			
B413	Seattle, WA	PBB413C	2,708,949	\$1,219,027.05
B331	Olympia, WA	PBB331C	258,937	\$116,521.65
B055	Bremerton, WA	PBB055C	189,731	\$85,378.95
B036	Bellingham, WA	PBB036C	127,780	\$57,501.00
	<u>M027 - Phoenix</u>			
B347	Phoenix, AZ	PBB347C	2,404,760	\$1,082,142.00
B447	Tucson, AZ	PBB447C	666,880	\$300,096.00
	<u>M030 - Portland</u>			
B358	Portland, OR	PBB358C	1,690,930	\$760,918.50
B395	Salem, OR	PBB395C	440,062	\$198,027.90
B133	Eugene, OR	PBB133C	282,912	\$127,310.40
B261	Longview, WA	PBB261C	85,446	\$38,450.70
	<u>M039 - El Paso-Albuquerque</u>			
B008	Albuquerque, NM	PBB008C	688,612	\$309,875.40
B407	Santa Fe, NM	PBB407C	174,526	\$78,536.70
	<u>M051 - American Samoa</u>			
B492	American Samoa	PBB492C	47,000	\$21,150.00

Notes:

* This license number must be used on the FCC Form 159 in FCC Code 2 block when making down payments, final payments, or installment payments.

Do not specify individual licenses on the FCC Form 159 accompanying an upfront payment.

** All population figures are 4/1/90 U.S. Census, U.S. Department of Commerce, Bureau of the Census

*** Upfront Payment = Population X Block Size in MHz x \$.015

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FEDERAL COMMUNICATIONS COMMISSION
C Block Reauction, Auction No. 10

ATTACHMENT B

FCC Form 175 Organizational Guidelines and Electronic Filing of FCC Form 175

FCC Form 175 Organizational Guidelines

In addition to completing the FCC Form 175 (short form), applicants are encouraged to submit the information required by the Commission's rules as exhibits to the short form using the format and checklist indicated below. It is our intent that applicants may use this format for both manual and electronic filing of the FCC Form 175. Although our suggested organizational approach to these exhibits is discretionary, submission of the required materials in the manner described below is expected to facilitate the processing of short form applications. Applicants bear full responsibility for submission of timely and complete short form applications. Applicants should read the instructions on the FCC Form 175 carefully and should consult our rules to ensure that, aside from the materials described below, all the information that they are required to submit under our regulations is included with their FCC Form 175s. Incomplete or defective applications will be returned. 47 C.F.R. §§ 1.12105(b), 24.820. Also, pursuant to Section 1.65 of the Commission's Rules, 47 C.F.R. § 1.65, each applicant is responsible for the continuing accuracy and completeness of information furnished in the FCC Form 175. Applicants are reminded that they must certify on the FCC Form 175 that they consent to be audited. 47 C.F.R. § 24.709(d).

I. Information Required of All Applicants

EXHIBIT A: Applicant Identity and Ownership Information. Attach as Exhibit A the information, certified as truthful, that is required pursuant to 47 C.F.R. §§ 1.2105(a)(2) and 24.813(a) of the Commission's rules concerning the identity of the applicant (i.e., disclosure of the real party or parties-in-interest) and ownership interests held in the applicant and in investors in the applicant.

EXHIBIT B: Agreements With Other Parties/ Joint Bidding Arrangements. Attach as Exhibit B the information, certified as truthful, that is required pursuant to 47 C.F.R. § 1.2105(a)(2)(viii). This information should identify all parties with whom the applicant has entered into partnerships, joint ventures, consortia or other agreements, arrangements or understandings of any kind relating to the licenses being auctioned, including any such agreements relating to the post-auction market structure.

Be aware that pursuant to Certification (4) on the FCC Form 175 the applicant certifies that it will not enter into any explicit or implicit agreements or understandings of any kind with parties not identified in the application regarding the amount to be bid, bidding strategies or the particular licenses on which the applicant will or will not bid. See 47 C.F.R. §§ 1.2105(a)(2)(ix). To

prevent collusion, the Commission's rules generally prohibit communications during the course of the auction among applicants for the same license areas when such communications concern bids, bidding strategies, or settlements. 47 C.F.R. § 1.2105(c)

EXHIBIT C: Status as an Eligible C Block Auction Applicant. Attach as Exhibit C information, certified as truthful, concerning the gross revenues and total assets of the applicant, its affiliates, persons or entities that hold attributable interests in the applicant and their affiliates, as specified in 47 C.F.R. § 24.709(a). See also 47 C.F.R. § 24.709(c)(1)(i)-(iii). The information contained in this exhibit should demonstrate that the applicant is eligible to participate in the C Block auction, either because it satisfies the general rule set forth in 47 C.F.R. § 24.709(a) or because it satisfies an exception set forth in 47 C.F.R. § 24.709(b).

[1] Applicants claiming to satisfy eligibility under the general rule (47 C.F.R. § 24.709(a)) as an entrepreneur should submit as Exhibit C the following information:

- * The identity of all affiliates as required by 47 C.F.R. § 24.709(c)(ii)(D).
- * The applicant's gross revenues and total assets computed in accordance with 47 C.F.R. § 24.709(a) and (b).

[2] Applicants claiming to satisfy eligibility under 47 C.F.R. § 24.709(b)(2) as a publicly traded corporation with widely dispersed voting power should submit Exhibit C the following information:

- * A certified statement that the applicant complies with the requirements of the definition of publicly traded corporation with widely dispersed voting power as set forth in 47 C.F.R. § 24.720(m). See 47 C.F.R. § 24.709(c)(1)(i)(A).
- * The identity of all affiliates as required by 47 C.F.R. § 24.709(c)(ii)(D).
- * The applicant's gross revenues and total assets computed in accordance with 47 C.F.R. § 24.709(a) and (b).

[3] Applicants claiming to satisfy eligibility under 47 C.F.R. § 24.709(b)(3)-(6) using a control group structure should submit as Exhibit C the following information (as applicable):

- * The identity of each member of the applicant's control group, regardless of each member's total interest in the applicant, and the percentage and type of interest held by each member in the applicant (e.g., voting and non-voting stock, preferred stock, warrants). 47 C.F.R. § 24.709(c)(1)(ii)(A).
- * The status of each control group member that is an institutional investor, an existing investor, and/or a member of the applicant's management team. 47 C.F.R. § 24.709(c)(1)(ii)(C). See also 47 C.F.R. §§ 24.720.
- * The identity of all affiliates as required by 47 C.F.R. § 24.709(c)(1)(ii)(D).
- * A certification that the applicant's sole control group member is a pre-existing entity, if the applicant is making that election under 47 C.F.R. § 24.709(b)(5)(ii) or (b)(6)(ii). See also 47 C.F.R. § 24.720.
- * The applicant's gross revenues and total assets computed in accordance with 47 C.F.R. § 24.709(a) and (b).

[4] Each applicant claiming to satisfy eligibility under the small business consortia exception to the general rule (47 C.F.R. § 24.709(b)(1)), should submit as Exhibit C any applicable information in [3] above (specified in 47 C.F.R. § 24.709(c)(1)(ii)) for each member of a consortium. The term "consortium of small businesses" is defined in 47 C.F.R. § 24.720.

Basic eligibility requirements for participation in the C Block auctions are contained in Section 24.709 of the Commission's Rules, 47 C.F.R. § 24.709. All applicants must certify under Item 9 on the FCC Form 175 that they are eligible to participate in the C Block auction. Only applicants that are able to meet certain financial thresholds described in our rules are eligible to participate in the C Block auction. 47 C.F.R. § 24.709(a). Applicants need to evaluate whether they can satisfy the financial thresholds in our rules before certifying that they are eligible to participate in the auction. Applicants must also certify under Item 9 of the FCC Form 175 whether their gross revenues exceed \$75 million pursuant to 47 C.F.R. §§ 24.711(b), 24.720(f). This is because different installment payments are available to entrepreneurs with gross revenues that do not exceed \$75 million. The special provisions available to C Block applicants are specified in 47 C.F.R. § 24.711. Important definitions (such as how "affiliate" is defined) are contained in 47 C.F.R. § 24.720.

II. Information Required of Designated Entities

EXHIBIT D: Applicant status. Attach as Exhibit D information, certified as truthful, concerning the applicant's status as a small business or rural telephone company required pursuant to 47 C.F.R. § 24.709. The definitions of these entities are specified in 47 C.F.R. § 24.720. The status of the applicant as a minority-owned or women owned business is required for statistical purposes only.

[1] Applicants claiming status as a small business must compute gross revenues in accordance with 47 C.F.R. § 24.720(b)(1) to demonstrate status as a small business under our rules.

[2] Applicants claiming status as a rural telephone company must certify that they meet the definition set forth in 47 C.F.R. § 24.720(e).

Applicants certify that they qualify for special bidding credits and/or installment payment plans in Item 10 of the FCC Form 175. Before claiming a bidding credit and/or an installment payment plan, applicants should evaluate whether they meet the definitions and eligibility criteria set forth in our rules. 47 C.F.R. §§ 24.709, 24.720.

Electronic Filing of FCC Form 175

The Commission has implemented a remote access system to allow applicants to submit their FCC Form 175 applications electronically. The remote access system for initial filing of the FCC Form 175 applications will generally be available 24 hours per day beginning at approximately the same time as the release of this Public Notice. FCC Form 175 applications that are filed electronically using this remote access system must be submitted and confirmed by **5:30 p.m. EDT on June 14, 1996**. Late applications or unconfirmed submissions of electronic data will not be accepted. The electronic filing process consists of an initial filing period and a resubmission period to make minor corrections.

Parties interested in reviewing, printing, or downloading other applicants' FCC Form 175 applications should be aware that this feature will be provided via a 900 number telephone service at a cost of \$2.30 per minute. The first minute of connection time to the 900 number service will be at no charge.

Those applicants who wish to file their FCC Form 175 electronically or review other FCC Form 175 applications on-line will need the following hardware and software:

Hardware Requirements:

- o CPU: Intel 80486 or above
- o RAM: 8MB RAM (more recommended if you intend to open multiple applications)
- o Hard Disk: 11MB available disk space
- o Modem: v.32bis 14.4kbps Hayes compatible modem
- o Monitor: VGA or above
- o Mouse or other pointing device

To create backup installation disks for the FCC Form 175 Application, you will need the following:

- o 1.44MB 3.5" Floppy Drive
- o Three blank MS-DOS® formatted 1.44MB floppy disks

Software Requirements:

- o FCC Form 175 Application Software (available through the Internet and the FCC Bulletin Board System)
- o Microsoft Windows 3.1 or Microsoft Windows for Workgroups v3.11 in an enhanced mode

Note: The FCC Form 175 Application has not been tested in a Macintosh, OS/2, or Windows95 environment. Therefore, the FCC will not support operating systems other than Microsoft Windows 3.1 or Microsoft Windows for Workgroups v3.11 in an enhanced mode. This includes any other emulated Windows environment. If your Windows is in a networked environment, you

should check with your local network administrator for any potential conflicts with the PPP (Point-to-Point Protocol) Dialer that is incorporated into the FCC Form 175 Application. This usually includes any TCP/IP installed network protocol.

The PPP Dialer that is incorporated into the FCC Form 175 Application will establish a point-to-point connection from your PC to the FCC Network. THIS POINT-TO-POINT CONNECTION IS NOT ROUTED THROUGH THE INTERNET.

Applicants who wish to file their FCC applications electronically or who wish to view other applicants' applications must first download the software from either the Internet or the FCC Bulletin Board System (File Name: **F175V8.EXE**).

Internet Access:

In order to download the compressed file from the Internet, you will need to have access to the Internet and an ftp client software as follows:

- o **FTP:** The following instructions are for the command line version of ftp.
 1. Connect to the FCC ftp server by typing ftp ftp.fcc.gov
 2. At the user name prompt, type anonymous **[Enter]**
 3. At the password prompt, type your Internet e-mail address **[Enter]**
 4. To allow the file to be downloaded type: binary **[Enter]**
 5. Change your current directory to the Programs directory by typing:
cd /pub/Auctions/PCS/Broadband/BTA/Auction_10/Programs **[Enter]**
 6. Use the get command to download the file from the FCC ftp server by typing:
get f175v8.exe **[Enter]**
 7. If you wish to exit, type:
bye **[Enter]**
- o **Gopher:** gopher.ftp.fcc.gov or use any gopher to get to "all the gophers in the world" then 'U.S.' then 'DC' then 'FCC'.
- o **World Wide Web:** ftp://ftp.fcc.gov

Once you connect to the FCC ftp server, select the following directory and download the following file:

Directory: /pub/Auctions/PCS/Broadband/BTA/Auction_10/Programs

File: **F175V8.EXE**

Dial-In Access to the FCC Auction Bulletin Board System (BBS):

The FCC Auction Bulletin Board System provides dial-in access for the FCC Form 175 Application Software. In order to access the FCC Auction BBS, use a communications package that can handle at least xmodem protocol (e.g., pcAnyWhere, Telix, Procomm) to dial in to (202) 682-5851. Use the settings of 8 data bits, no parity and 1 stop bit (8,N,1).

- o **For new users follow steps 1-5, otherwise go to step 6 in the ANSI Protocol Instructions section or the Non-ANSI Protocol Instructions section (whichever is applicable):**
 1. Type New and press **[Enter]**. If the word ANSI is blinking, type Y for yes. If the word ANSI is not blinking, type N for No
 2. Type in your first and last name and press **[Enter]**. This will be your login name
 3. Type in Y and press **[Enter]** when asked to verify your login name
 4. Type in what you want your password to be and press **[Enter]**
 5. Retype the password for verification and press **[Enter]**
- o **ANSI Protocol Instructions (once the account is generated):**
 6. Type B for Broadband PCS Auction Files and press **[Enter]**
 7. Type B for Basic Trading Areas and press **[Enter]**
 8. Type B for Auction 10 and press **[Enter]**
 9. Type P for Programs and press **[Enter]**
 10. Type C for Current Library and press **[Enter]**
 11. Move the cursor to the file named **F175V8.EXE** and type **[Control]-D** (hold the Ctrl key down and press the D key) for Download and press **[Enter]**
 12. Type the letter representing the transfer protocol desired and press **[Enter]**. How the file is downloaded and where it gets downloaded depends on the transfer protocol package used.
 13. The FCC Auction BBS will begin transferring the file. You may need to give your terminal emulation software a command to receive the file; please consult your

terminal emulation software manual for instructions concerning how to do so.

14. Type X to return to the Programs menu, then type X again. Type X to Exit and press **[Enter]** and continue to do so until asked if you want to Exit the BBS. Press Y for Yes when asked to verify that you want to exit.

o **Non-ANSI Protocol Instructions (once the account is generated):**

6. Type B for Broadband PCS Auction Files and press **[Enter]**
7. Type B for Basic Trading Areas and press **[Enter]**
8. Type B for Auction 10 and press **[Enter]**
9. Type P for Programs and press **[Enter]**
10. Type C for Current Library and press **[Enter]**
11. Type the letter next to the file named **F175V8.EXE** and press **[Enter]**
12. Type D for Download now and press **[Enter]**
13. Type the letter representing the transfer protocol desired and press **[Enter]**. How the file is downloaded and where it gets downloaded depends on the transfer protocol package used.
14. The FCC Auction BBS will begin transferring the file. You may need to give your terminal emulation software a command to receive the file; please consult your terminal emulation software manual for instructions concerning how to do so.
15. Type X, then type X to Exit and press **[Enter]** and continue to do so until asked if you want to Exit the BBS. Press Y for Yes when asked to verify that you want to exit.

Extracting the FCC Form 175 Application

The FCC Form 175 Application available through the Internet and the FCC Auction BBS will be in a self-extracting compressed file format. To extract the software, start File Manager in the Main Program group, open the file folder where you downloaded the executable, and double-click on **F175V8.EXE**. A message will appear listing the default directory to which the software will extract. If this directory does not exist, it will be created automatically. Press Unzip to begin extracting the software.

When the extraction is complete, a message will appear listing the number of files that were unzipped. Press OK to start the FCC Form 175 Application setup program.

Installing the FCC Form 175 Application

After you extract the software, the FCC Form 175 Application setup program will run automatically. If you choose not to install the FCC Form 175 Application, you can run the setup program later by starting File Manager, opening the file folder to which you extracted the software and double-clicking on **SETUP.EXE**.

When the setup program begins, a screen will appear listing the default directory to which the software will install. Press the Install button, then press OK to install to the specified directory. If the directory does not exist, the setup program will create it automatically.

When the installation is complete, a message will appear asking you to restart Windows so that the changes made by the installation may take effect. Press Restart to restart Windows, or press Stay Here to prevent the restart. Do not use the FCC Form 175 Application until you restart Windows.

Uninstalling the FCC Form 175 Application

To uninstall the FCC Form 175 Application, double-click on the Uninstall icon. When the Uninstaller window appears, press Start. Press Yes when asked to confirm whether you want to remove the software from your system. The installed files will be removed from your PC. If a message appears asking you whether to delete the installation directory and all its subdirectories, press Yes. When the uninstall is complete, press Quit to exit.

Please note that the Uninstall feature will **not** remove the files from the directory to which you extracted the software.

For technical assistance in downloading, extracting or installing the FCC Form 175 Application contact the FCC Technical Support Hotline at (202) 414-1250. The FCC Technical Support Hotline will be generally available Monday through Friday, from 9 a.m. to 6 p.m. EDT.

Creating Backup Installation Disks for the FCC Form 175 Application

To create backup installation disks for the FCC Form 175 Application, go to File Manager, open the file folder to which you extracted the software, double-click on **backup.bat**, and follow the instructions on the screen.

Running the FCC Form 175 Application

When the installation process is complete, you will have a new Program Manager group called FCC Form 175 Application v8 with the following icons: Configure PPP, Submit FCC Form 175,

Review FCC Form 175, Suggestion Box, Readme File, and Uninstall.

You must verify/modify the parameters in the Configure PPP program prior to establishing a PPP connection. Please consult the readme.txt file included with the software for information regarding Configure PPP.

Double-click on an icon to start the respective system.

For technical assistance in installing or using the FCC Form 175 Application, contact the FCC Technical Support Hotline at (202) 414-1250. The FCC Technical Support Hotline will be generally available Monday through Friday, from 9 a.m. to 6 p.m. EDT.

DETAILED INSTRUCTIONS FOR USING ALL FCC REMOTE ELECTRONIC AUCTION SYSTEM SOFTWARE CAN BE FOUND IN THE README FILE ASSOCIATED WITH THE SOFTWARE AND IN THE CONTEXT-SENSITIVE HELP FUNCTION ASSOCIATED WITH EACH SOFTWARE SYSTEM.

FEDERAL COMMUNICATIONS COMMISSION

C Block Reauction, Auction No. 10

ATTACHMENT C

Upfront Payments:

Instructions for Completing FCC Remittance Advice, FCC Form 159

The following instructions are specifically written for the submission of upfront payments for the reauction of the defaulted C Block licenses. These instructions are intended as a supplement to the standard instructions issued by the FCC's Billings and Collections Branch, at telephone (202) 418-1995. Bidders should ensure that they complete the FCC Form 159 accurately, since mistakes may affect their bidding eligibility. Please note that it is vital that all forms, applications, correspondence, etc. submitted to the Commission by an applicant contain identical information necessary for verification purposes. To this end, appropriate references between the FCC Form 159 Remittance Advice and the FCC Form 175 Short-Form Application have been provided below:

<u>Block Number</u>	<u>Required Information</u>
1	<u>FCC Account Number</u> - Same as FCC Form 175, block "7". This is a self-assigned ten-digit personal identification number. If you have a taxpayer identification number (TIN), you must add a zero (0) prefix and place the number here (i.e., "0"123456789). If you do not have a TIN you may use your current ten-digit telephone number (including area code -i.e., 555 335 3456).
2	Total Amount Paid - Enter the total remittance based on the payment amount.
3	<u>Payor Name</u> - Same as FCC Form 175, block "1". Enter the full name of the person or company (i.e., maker of the check) responsible for payment.
4	<u>Street Address (Line 1)</u> - Same as FCC Form 175, block "2". The street address to which correspondence should be sent.
5	<u>Street Address (Line 2)</u> - Same as FCC Form 175, block "2". This line may be used if further identification of the address is required.
6	<u>City</u> - Same as FCC Form 175, block "3". The name of the city associated with the street address given in block (4) of the FCC Form 159.
7	<u>State</u> - Same as FCC Form 175, block "4". Enter the appropriate two-character abbreviation here.

- 8 Zip Code - Same as FCC Form 175, block "5". Enter the appropriate five-digit or nine-digit code here.
- 9 Daytime Telephone Number - Same as FCC Form 175, lower right hand corner of the page. Enter the "payor's" ten-digit telephone number here.
- 10 Country Code - Used for payors who have addresses outside the U.S. Proper codes may be obtained from the Mailing Requirements Dept. of the U.S. Postal Service.

NOTE - IF APPLICANT, LICENSEE, REGULATEE OR DEBTOR IS THE SAME AS THE PAYOR, DO NOT COMPLETE BLOCKS 11, 13, 18, 19, 20, & 21. THIS AUCTION DOES NOT INVOLVE MULTIPLE APPLICATIONS OR FILINGS, SO WE ARE CONCERNED ONLY WITH THE REMAINING BLOCKS 12A, 14A, 15A, 16A & 17A.

ITEM # "1" INFORMATION

- 12A FCC Call Sign/Other Identifier - Leave blank.
- 14A Payment Type Code - Enter " AWCU ".
- 15A Quantity - Enter the number "1".
- 16A Amount Due - Enter total upfront payment indicated in block (2).
- 17A FCC Code 1 - Enter the number "10".

NOTE - IN THE UPPER LEFT HAND CORNER OF THE FCC FORM 159 IS A RECTANGLE WITH THE WORD "(RESERVED)" TYPED IN THE MIDDLE OF IT. PLEASE ENTER THE NUMBER "358400" SOMEWHERE IN THIS RECTANGLE.

FEDERAL COMMUNICATIONS COMMISSION
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ATTACHMENT D

How to Monitor the FCC Auctions On-line

The auction announcements and round results for Auction 10 will be accessible through the FCC Wide Area Network, the Internet and the FCC Auction Bulletin Board System (BBS). You can check on round results and also read any material released by the Commission during the course of the auction. This fact sheet provides the information that you need to track the auction that begins on **July 3, 1996** from your computer.

Option 1.

FCC Wide Area Network: The FCC recently implemented a remote access system capable of allowing 500 concurrent users to dial in directly to the FCC to view round results, auction announcements and messages and to make suggestions to the FCC regarding the FCC auction process. The FCC will make the software available free-of-charge through the Internet and the Auction BBS. Installation and access instructions are included in the README.TXT associated with the software.

The remote access system software will be located in the following directory: /pub/Auctions/PCS/Broadband/BTA/Auction_10/Programs of the FCC ftp server. The software is in a self-extracting compressed file. The file name is VIEWER2.EXE. The installation instructions for this software are located in VIEWER2.TXT located in the same directory. The file can also be downloaded from the BBS under B for Broadband PCS Auction Files, B for Basic Trading Areas, B for Auction 10 and P for Programs. For additional information contact the FCC Technical Support Hotline at (202) 414-1250.

Recently, the Commission established a fee schedule for on-line access to the Commission's wide area network. A charge of \$2.30 per minute will be applied to a user's telephone bill when this software is used for the FCC Auction Remote Access System (this includes Auction Announcements, Messages, Suggestion Box, and Round Results Viewer).

Option 2.

Internet Access: In order to access the FCC ftp server, you will need to have access to the Internet and an ftp client software. The following are instructions for the command line version of ftp. Graphical ftp interfaces may slightly differ; please check with your local computer specialist.

FTP: The following instructions are for the command line version of ftp.

1. Connect to the FCC ftp server by typing: **ftp ftp.fcc.gov**

2. At the user name prompt, type anonymous **[Enter]**
3. At the password prompt, type your Internet e-mail address **[Enter]**
4. To allow the file to be downloaded type: binary **[Enter]**
5. Change your current directory to the PCS directory by typing:
cd /pub/Auctions/PCS/Broadband/BTA/Auction_10/Results [Enter]
6. Use the get command to download files from the FCC ftp server. For example, to get all bid submissions for round 10 in DBF format, type: get 10_010S.DBF **[Enter]**
7. If you wish to exit, type bye **[Enter]**

Gopher: gopher.ftp.fcc.gov or use any gopher to get to “all the gophers in the world” then ‘U.S.’ then ‘DC’ then ‘FCC’.

World Wide Web:

<http://www.fcc.gov>

Once you connect to the FCC web site, select Auctions and then Current Auction Results: Data Files. Select the appropriate auction listed in the Download Round Results section.

Click on the file you wish to download.

OR

<ftp://ftp.fcc.gov>

Once you connect to the FCC ftp server, select the following directory:

[/pub/Auctions/PCS/Broadband/BTA/Auction_10/Results](ftp://ftp.fcc.gov/pub/Auctions/PCS/Broadband/BTA/Auction_10/Results)

Click on the file you wish to download.

You can access the files through service providers such as America Online or Delphi. The files will be presented on the ftp.fcc.gov ftp Internet server. Go to this location and look for the files.

Option 3.

Bulletin Board System (BBS): To access auction round results through the BBS, you need a personal computer, a standard Hayes compatible modem and a communications program, like pcANYWHERE, TELIX, PROCOMM, etc. Next, dial (202) 682-5851, use the setting of No parity, 8 data bits and 1 stop bit (N,8,1).

- o **For new users follow steps 1-5, otherwise go to step 6 in the ANSI Protocol Instructions section or the Non-ANSI Protocol Instructions section (whichever is applicable):**
 1. Type New and press **[Enter]**. If the word ANSI is blinking, type Y for yes. If the word ANSI is not blinking, type N for No
 2. Type in your first and last name and press **[Enter]**. This will be your login name
 3. Type in Y and press **[Enter]** when asked to verify your login name
 4. Type in what you want your password to be and press **[Enter]**
 5. Retype the password for verification and press **[Enter]**
- o **ANSI Protocol Instructions (once the account is generated):**
 6. Type B for Broadband PCS Auction Files and press **[Enter]**
 7. Type B for Basic Trading Areas and press **[Enter]**
 8. Type B for Auction 10 and press **[Enter]**
 9. Type R for Results and press **[Enter]**
 10. Type C for Current Library and press **[Enter]**
 11. Move the cursor to the file which you would like to download, type **[Control]-D** and press **[Enter]**
 12. Type the letter representing the transfer protocol desired and press **[Enter]**. How the file is downloaded and where it gets downloaded depends on the transfer protocol package used.
 13. The FCC Auction BBS will begin transferring the file. You may need to give your terminal emulation software a command to receive the file; please consult your terminal emulation software manual for instructions concerning how to do so.
 14. Type X to return to the Programs menu, then type X again. Type X to Exit and press **[Enter]** and continue to do so until asked if you want to Exit the BBS. Press Y for Yes when asked to verify that you want to exit.
- o **Non-ANSI Protocol Instructions (once the account is generated):**
 6. Type B for Broadband PCS Auction Files and press **[Enter]**

7. Type B for Basic Trading Areas and press **[Enter]**
8. Type B for Auction 10 and press **[Enter]**
9. Type R for Results and press **[Enter]**
10. Type C for Current Library and press **[Enter]**
11. Type the letter next to the file which you would like to download press **[Enter]**
12. Type D for Download now and press **[Enter]**
13. Type the letter representing the transfer protocol desired and press **[Enter]**. How the file is downloaded and where it gets downloaded depends on the transfer protocol package used.
14. The FCC Auction BBS will begin transferring the file. You may need to give your terminal emulation software a command to receive the file; please consult your terminal emulation software manual for instructions concerning how to do so.
15. Type X, then type X to Exit and press **[Enter]** and continue to do so until asked if you want to Exit the BBS. Press Y for Yes when asked to verify that you want to exit.

Round Results File Formats

For each round, dBase-compatible database files will be uploaded with the following naming conventions:

- 10_xxxS.DBF [contains all bids submitted in a particular round]
- 10_xxxW.DBF [contains all bids withdrawn in a particular round]
- 10_xxxM.DBF [contains the minimum bid increments for the next round]
- 10_xxxE.DBF [contains the maximum eligibility and remaining # of waivers for each bidder]
- 10_xxxX.DBF [contains the high bids before withdrawal in a particular round]
- 10_xxxY.DBF [contains the high bids after withdrawal in a particular round]

where xxx represents the round number.

For those that cannot use the dBase-compatible database files, we will also upload the ASCII text version of these files with the following naming conventions:

- 10_xxxS.TXT [contains all bids submitted in a particular round]
- 10_xxxW.TXT [contains all bids withdrawn in a particular round]
- 10_xxxM.TXT [contains the minimum bid increments for the next round]
- 10_xxxE.TXT [contains the maximum eligibility and remaining # of waivers for each bidder]

10_XXX.X.TXT [contains the high bids before withdrawal in a particular round]

10_XXX.Y.TXT [contains the high bids after withdrawal in a particular round]

where xxx represents the round number.

The following file will be uploaded at the beginning of the auction to map the bidder number to the FCC Account Number and company name:

10_XREF.DBF [contains the bidder name, FCC account number and bidder number]

or

10_XREF.TXT [Same file in text format]

This file is used to identify which bidder is associated with each bid in the submission, withdrawal and bidder eligibility files.

FEDERAL COMMUNICATIONS COMMISSION
C Block Reauction, Auction No. 10

ATTACHMENT E

**Associated Fees and Ordering Instructions
for the FCC Remote Electronic Access System Software**

The FCC Remote Electronic Access System was recently developed to provide auction applicants the opportunity to fully participate in an FCC auction from their offices. The Remote Electronic Access System allows auction participants to:

1. file an FCC Form 175/600 application;
2. review other FCC Form 175/600 applications filed;
3. submit and withdraw bids;
4. receive auction messages/announcements and submit suggestions; and
5. create and download customized round results files.

The FCC issued a *Report and Order*, FCC 95-308, 60 FR 38,276 (July 26, 1995) establishing fair and reasonable fees for auction software and on-line access to the Commission's wide area network which can also be used to place and withdraw bids and access other auction information. The *Report and Order* established the following schedule of fees:

	SOFTWARE	ACCESS PER MINUTE
FCC Form 175/600 Filing	\$0.00	\$0.00
FCC Form 175/600 Review	\$0.00	\$2.30
Bid Submission	\$175.00	\$2.30
Messages/Announcements	\$0.00	\$2.30
Suggestion Box	\$0.00	\$2.30
Round Results Viewer	\$0.00	\$2.30

Payments for software must be received by the FCC no later than 11:59 p.m. EDT, June 20, 1996. Send orders to: Remote Bidding Software, Auction No. 10, "Federal Communications Commission", Office of Operations, 1270 Fairfield Road, Gettysburg, PA 17325-7245.

Payments may be made by credit card (Visa or Mastercard only) or check made payable to the Federal Communications Commission or "FCC" (see order form). Access charges will appear on the customer's long distance telephone bill.

Hardware and software requirements vary by application. See appropriate application documentation for specific requirements.

**FCC Remote Electronic Access System Software
Order Form**

Please return this Order Form no later than 11:59 p.m. EDT, June 20, 1996 to: Remote Bidding Software, Auction No. 10, FCC, Office of Operations, 1270 Fairfield Rd, Gettysburg, PA 17325-7245.

The cost of the FCC Remote Bidding Software is \$175.00. Payment may be made by credit card (Visa or Mastercard only) or check made payable to the "Federal Communications Commission" or "FCC". Only those qualified bidders that filed their FCC Form 175 applications electronically have the option of using the FCC Remote Bidding Software to participate in the auction bidding process.

Name _____

Company _____

FCC Account # _____

Address* _____

Phone Number _____

Fax Number _____

Fax Modem Number _____

Credit Card ___ Visa ___ Mastercard

Card Number _____ Expiration Date _____

Name on Card _____

Amount ___ \$175.00

Signature _____ Date _____

The software is Microsoft Windows compatible and will be provided in 3.5 inch high density diskettes. See hardware and software requirements for installation of electronic filing software in this Bidder Information Package. A user manual will accompany your software package which will include detailed instructions for installing and using the FCC remote bidding software.

* Software packages will be delivered to the contact person at the address specified on the FCC Form 175 application filed with the Commission.