



PUBLIC NOTICE

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

News Media Information: (202) 418-0500
Fax-On-Demand: (202) 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

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SUPPLEMENT TO ATTACHMENT B

AUCTION OF C, D, E, AND F BLOCK BROADBAND PCS LICENSES

Notice and Filing Requirements for Auction of C, D, E, and F Block Broadband Personal Communications Services Licenses Scheduled for March 23, 1999

Minimum Opening Bids and Other Procedural Issues

The following attachment supplements and replaces Attachment B of the Public Notice released December 23, 1998 ("*Announcement Public Notice*") announcing the auction and filing requirements for the Auction of C, D, E, and F Block Broadband PCS Licenses scheduled for March 23, 1999 (Auction No. 22).¹ Specifically, this Public Notice adds to Attachment B, Part B ("Exhibits and Attachments"), an additional exhibit, Exhibit G, in which an applicant applying for one or more licenses in frequency blocks C and/or F must demonstrate its eligibility as an entrepreneur. The following attachment also replaces Tab F, 151-57, in the Bidder Information Package for Auction No. 22.

In addition, this Public Notice corrects the *Announcement Public Notice* at Part 2.F.(3) ("Application Showing"), page 15, lines 8-9. Specifically, the words "Sections 1.2105(a), 1.2112(b), and 24.709" are corrected to read "Sections 1.2105(a), 1.2112(a), and 24.709."

¹ See "Auction of C, D, E, and F Block Broadband PCS Licenses; Notice and Filing Requirements for Auction of C, D, E, and F Block Broadband Personal Communications Services Licenses Scheduled for March 23, 1999; Minimum Opening Bids and Other Procedural Issues," *Public Notice*, DA 98-2604 (rel. December 23, 1998); see also "Correction to Attachment A; Auction of C, D, E, and F Block Broadband PCS Licenses; Notice and Filing Requirements for Auction of C, D, E, and F Block Broadband Personal Communications Services Licenses Scheduled for March 23, 1999; Minimum Opening Bids and Other Procedural Issues," *Public Notice* (rel. January 21, 1999).

ATTACHMENT B

GUIDELINES FOR COMPLETION OF FCC FORM 175 AND EXHIBITS

A. FCC Form 175

Because of the significance of the FCC Form 175 application to the auction, bidders should especially note the following:

Items 2-5: Give a street address (not a Post Office box number) for the applicant, suitable for mail or private parcel delivery. The FCC will send all registration materials and other written communications to the applicant at this address.

Item 8: Applicants must indicate their legal classification. The FCC Form 175 requires the applicant to classify itself as an individual, joint venture, partnership, trust, corporation, consortium, association, limited liability company (LLC) or government entity.

Item 10: Be advised that this is the sole opportunity applicants have to elect small business status and bidding credit level (if applicable) for C and F block licenses, and there is no opportunity to change the election once the short-form filing deadline passes. Applicants are also requested to indicate their status as a rural telephone company, minority-owned business and/or women-owned business, so that the FCC can monitor its performance in promoting economic opportunities for these designated entities.

- Applicants that are small or very small businesses, or consortia of small or very small businesses, should enter the applicable bidding credit in Item 10. Applicants should be aware that this is the sole opportunity that they will have to elect the appropriate bidding credit.

Item 11 (License Selection): Applicants should identify all licenses on which they want to be eligible to bid in the auction. Be advised that there is no opportunity to change this list once the short-form filing deadline passes. The FCC auction system will not accept bids on licenses for which an applicant has not applied on its FCC Form 175.

Item 12: Applicants must list the name(s) of the person(s) (no more than three) authorized to represent them at the auction. Only those individuals listed on the FCC Form 175 will be authorized to place or withdraw bids for the applicant during the auction. **Note: Applicants may only share a common authorized bidder(s) if each applicant has selected separate markets. See 47 C.F.R. § 1.2105(c).**

Certifications: Applicants should carefully read the list of certifications on the FCC Form 175. These certifications help to ensure a fair and competitive auction and require, among other things, disclosure to the Commission of certain information on applicant ownership and

agreements or arrangements concerning the auction. Submission of an FCC Form 175 application constitutes a representation by the certifying official that he or she is an authorized representative of the applicant, has read the form's instructions and certifications, and that the contents of the application and its attachments are true and correct. Submission of a false certification to the Commission may result in penalties, including monetary forfeitures, license forfeitures, ineligibility to participate in future auctions, and/or criminal prosecution. Applicants should type the name of the certifying official in the Name of Person Certifying block.

Contact person: 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 communication 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.

Completeness: Applicants must submit all information required by the FCC Form 175 and by applicable rules. **Failure to submit required information by the resubmission date will result in dismissal of the application and inability to participate in the auction.** See 47 C.F.R. § 1.2105(b).

NOTE: Applicants must press the "Submit Form 175" button on the "Submit" page to successfully submit their FCC Form 175.

Continuing Accuracy: Each applicant is responsible for the continuing accuracy and completeness of information furnished in the FCC Form 175 and its exhibits. See 47 C.F.R. § 1.65. It is the FCC's position that during the conduct of an auction, thirty business days from a reportable change is a reasonable period of time. Applicants are reminded that Certification 6 on the FCC Form 175 includes consent to be audited.

B. Exhibits and Attachments

In addition to the FCC Form 175 itself, applicants must submit additional information required by the FCC's rules. Although the FCC does not require a particular format for this information, it has developed the following guidelines that will facilitate the processing of short-form applications. The FCC encourages applicants to submit this information using the following format.

When electronically uploading attachments in the FCC Form 175 Submission, applicants may use a variety of file formats including Word, Wordperfect, Adobe PDF, Excel, Lotus, and ASCII text and should verify that the files contain all exhibit information. Graphics file uploads (e.g., .bmp, .tiff, .jpg) are not supported, and graphics images should not be imported into any word processing files that are uploaded.

If you find that an attachment has not converted properly to Adobe PDF format, take the following steps:

1. Re-upload the attachment.
2. Simplify the formatting of the file. For example, if using a Table structure in a Wordperfect document, remove the Table structure and leave the contents of the table, and then re-upload.

NOTE: Applicants should not list their TIN numbers on any Exhibits to their FCC Form 175s.

Exhibit A -- Applicant Identity and Ownership Information: 47 C.F.R. § 1.2105(a)(2)(ii) requires each applicant to fully disclose the real party or parties-in-interest in an exhibit to its FCC Form 175 application. Each member of an applicant applying to bid as very small or small business consortium must provide this information. The following information is required:

1. General Information

Applicant Status

Required Information

General Partnership Name, citizenship, and address of all partners, and the share or

interest participation of each partner

Limited Partnership

percent (as
paid in and the

Name, citizenship, and address of each limited partner whose
interest in the applicant is equal to or greater than 10
calculated according to the percentage of equity
percentage of distribution of profits and losses)

Corporation

Corporate name and address; and name, title, and citizenship of
a responsible officer or director

Limited Liability
Corporation

Corporate name and address; and name, address, and citizenship
of all members

Trust

Name, citizenship, and address of trustee

None of the above

Name, citizenship, title or other relation to the applicant, and
address of a principal or other responsible person

2. Ownership Information

Applicant Status

Required Information

All applicants Name, citizenship, and address of all attributable interests of the applicant as defined in Section 24.709.

All applicants Name, citizenship, and address of all parties holding 10 percent or more of each class of stock, warrants, options or debt securities and the amount and percentage held

All applicants Name of all parties holding a 10 percent or greater interest in the applicant and the specific amount held

All applicants List of any FCC-licensed entity or applicant for an FCC license, in which

- a. the applicant;
- b. any party with a 10 percent or greater interest in the applicant; or
- c. an attributable interest (as defined in Section 24.709 of the Commissions Rules) of the applicant owns a 10 percent or greater interest or 10 percent or more of any class of stock, warrants, options or debt securities. This list must include a description of each such entities' principal business and a description of each such entities' relationship to the applicant.

A *Example of a.* The applicant owns 10 percent of Company A (an FCC-licensed entity or an applicant for an FCC license). The applicant must list Company A on its Form 175 Exhibit and provide the required information.

Example of b. Company A owns 10 percent of the applicant and 10 percent of Company B (an FCC-licensed entity or an applicant for an FCC license). The applicant must list both Company A and Company B on its Form 175 Exhibit A and provide the required information.

applicant
required
A *Example of c.* A owns 55% of the applicant and owns 10 percent of Company B (an FCC-licensed entity or an applicant for an FCC license). The applicant must list both A and Company B on its Form 175 Exhibit A and provide the information.

All applicants List of all parties holding indirect ownership interests in the applicant as determined by successive multiplication of the ownership percentages in each link of the vertical ownership chain, that equals 10 percent or more of the applicant, except

that if the ownership percentage for any link in the chain exceeds 50 percent or represents actual control, it shall be reported as if it were a 100 percent interest.

Company

Example. A owns 10% of Company B, which owns 60% of Company C, which owns 25% of the applicant. Company B's interest in the applicant would be 25% (the same as Company C's interest since Company B's interest in C exceeds 50%), and A's interest in the applicant would be 2.5% ($0.1 * 0.25$). Under the 10% attribution benchmark, Company B's interest in the applicant must be reported on the applicant's FCC Form 175 Exhibit A, while A's interest in the applicant need not be reported. However, if A owned 40% of Company B in the above example, then A's interest in the applicant would be 10% ($0.4 * 0.25$), and the applicant would need to report it on the applicant's FCC Form 175 Exhibit A.

Exhibit B -- Agreements with Other Parties/Joint Bidding Arrangements: Applicants must attach an exhibit identifying all parties with which they have entered into any agreements, arrangements or understandings which relate in any way to the licenses being auctioned, including any relating to the post-auction market structure. See 47 C.F.R. § 1.2105(a)(2)(viii).

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 bid amounts, bidding strategies, or the particular licenses 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 communication among applicants for the same license areas between the initial short-form applications filing deadline and the down payment on licenses won, when such communications concern bids, bidding strategies, or settlements.* 47 C.F.R. § 1.2105(c).

Exhibit C -- Status as a Very Small Business or Small Business: Applicants claiming status as a very small business or small business must attach an exhibit providing the following information regarding this status.

Entity

Required Information

Applicant

Average gross revenues for the preceding three years set forth *both separately* (e.g., for each of the three preceding three years individually) *and in the aggregate* (for all of the preceding three years combined). Certification that the average gross revenues for the preceding three years do not exceed the required limit, or providing average gross revenues for the 3-year period

without providing the gross revenues for each of the preceding three years, is **insufficient**.

Applicant's Affiliates
see 47 C.F.R.
§ 1.2110(b)(4)

same information required as discussed above

Applicant's
Attributable Interests
see 47 C.F.R. § 24.709

same information required as discussed above

Example. The applicant had gross revenues of \$500,000 in 1995, \$1,000,000 in 1996, and \$3,000,000 in 1997, with average gross revenues for that time period of \$1,500,000. The applicant owns 60% of Company A, making Company A an affiliate of the applicant under Section 1.2110(b)(4)(i)(B), and Company B owns 52% of the applicant (making Company B an attributable interest of the applicant under Section 24.709). The applicant's Exhibit C would look like this:

Applicant Name

1995 gross revenues	\$ 500,000
1996 gross revenues	\$ 1,000,000
1997 gross revenues	\$ 3,000,000
Average gross revenues for the preceding 3 years	\$ 1,500,000

Company A (an affiliate of the applicant)

1995 gross revenues	\$ enter amount
1996 gross revenues	\$ enter amount
1997 gross revenues	\$ enter amount

Average gross revenues for the preceding 3 years	\$ enter amount
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Company B (has an attributable interest in the applicant)

1995 gross revenues	\$ enter amount
1996 gross revenues	\$ enter amount
1997 gross revenues	\$ enter amount

Average gross revenues
for the preceding 3 years \$ enter amount

TOTAL: **combined average gross revenues for the
preceding three years of the applicant, the
applicant's affiliates and their attributable
interests**

NOTE: **Each member of an applicant that is applying to bid as a consortium of
small or very small businesses must provide this information and qualify
for the claimed status.**

Exhibit D -- Information Requested of Designated Entities: Applicants owned by minorities or women, as defined in 47 C.F.R. § 1.2110(b), or that are rural telephone companies, may attach an exhibit regarding this status. This information, in conjunction with the information in Item 10, will assist the Commission in monitoring the participation of these "designated entities" in its auctions.

Exhibit E -- Miscellaneous Information: Applicants wishing to submit additional information should include it in Exhibit E.

Exhibit F -- Information Required of All C Block Applicants Regarding Prior Defaults and Prior Delinquencies: Each C block applicant must include at Exhibit F a statement made under penalty of perjury indicating whether or not the applicant has ever been in default on any Commission licenses or has ever been delinquent on any non-tax debt owed to any Federal agency. See 47 C.F.R. §§ 1.2105(a)(2)(xi), 24.709(a)(5).

Exhibit G -- Information to Establish Eligibility Required of All Applicants for C Block and/or F Block Licenses: Each applicant applying to bid on one or more C block and/or F block licenses must attach an exhibit demonstrating eligibility as an entrepreneur under 47 C.F.R. §§ 24.709 and 24.720. The information in this exhibit should demonstrate that the applicant is eligible as an entrepreneur to bid on C block and F block licenses, either because it satisfies the general rule set out in 47 C.F.R. § 24.709(a) or because it satisfies an exception described in 47 C.F.R. § 24.709(b). Applicants that were eligible for and participated in either of the prior C block auctions, Auction No. 5 and Auction No. 10, are not be required for Auction No. 22 to meet the revenue and asset requirements of 47 C.F.R. § 24.709 for C block licenses. Applicants that participated in either of the prior C block auctions must still meet the revenue and asset requirements of 47 C.F.R. § 24.709 -- and demonstrate in Exhibit G that they have met these requirements -- if they apply to bid on any F block licenses.

- For an applicant claiming eligibility under the general rule, include:
 - A certified statement that the applicant is eligible to bid on and obtain C block and F block licenses.

- The identity of each affiliate of the applicant, if not disclosed in Exhibit A.
 - The gross revenues for the two preceding years and the total assets of the applicant (including affiliates), computed as prescribed by 47 C.F.R. § 24.709.
- For an applicant claiming eligibility as a publicly traded corporation with widely dispersed voting power, include:
 - A certified statement that the applicant is eligible to bid on and obtain C block and F block licenses, and that the applicant complies with the definition in 47 C.F.R. § 24.720(m) of a publicly traded corporation with widely dispersed voting power.
 - The identity of each affiliate of the applicant, if not disclosed in Exhibit A.
 - The gross revenues for the two preceding years and the total assets of the applicant (including affiliates), computed as prescribed by 47 C.F.R. § 24.709.
 - For an applicant claiming eligibility using a control group structure, include:
 - A certified statement that the applicant is eligible to bid on and obtain C block and F block licenses.
 - The identity and citizenship of each member of the applicant's control group, and the percentage and type of interest held by each.
 - The status of each control group member that is an institutional investor, an existing investor, and/or a member of the applicant's management.
 - The identity of each affiliate of the applicant, and each affiliate of the individuals and entities identified in this exhibit (if not disclosed in Exhibit A).
 - A certification that the applicant's sole control group member is a preexisting entity, if applicable.
 - The gross revenues for the two preceding years and the total assets of the applicant (including affiliates), computed as prescribed by 47 C.F.R. § 24.709.

NOTE: Each member of an applicant that is applying to bid as a consortium of small or very small businesses must provide the information described above and establish eligibility as an entrepreneur.

Applicants are reminded that all information required 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 may be requested, following the procedures set forth in 47 C.F.R. § 0.459. Such requests must be submitted in writing to Amy Zoslov, Chief, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, Federal Communications Commission, 2025 M Street, N.W., Room 5202, Washington, D.C. 20554 (with a separate copy mailed to Audrey Bashkin, Legal Branch, Auctions and Industry Analysis Division), in which case the applicant must indicate in Exhibit E that it has filed a confidentiality request. Because the required information bears on applicants' qualifications, the FCC envisions that confidentiality requests will not be routinely granted.

Waivers: Applicants requesting waiver of any rules must submit a statement of reasons sufficient to justify the waiver sought. See 47 C.F.R. § 1.3.

AUCTION-SPECIFIC INSTRUCTIONS FCC REMITTANCE ADVICE, FCC FORM 159

UPFRONT PAYMENTS

The following information supplements the standard instructions for FCC Form 159, and is provided to help ensure correct completion of FCC Form 159 for upfront payments for the C, D, E, and F Block Broadband PCS auction (Auction No. 22). Applicants need to complete FCC Form 159 carefully, since:

- Mistakes may affect their bidding eligibility; and
- Lack of consistency between information set forth in FCC Form 159, FCC Form 175, long-form application, and correspondence about an application may cause processing delays.

Therefore appropriate cross-references between the FCC Form 159 Remittance Advice and the FCC Form 175 Short Form Application are described below.

<u>Block Number</u>	<u>Required Information</u>
1	LOCKBOX # - Enter "358410"
2	Payer Name - Enter the name of the person or company making the payment. If the applicant itself is the payer, this entry would be the same as FCC Form 175.
3	Total Amount Paid – Enter the amount of the upfront payment associated with the FCC Form 159.
4-8	Street Address, City, State, ZIP Code – Enter the street mailing address (not Post Office box number) where mail should be sent to the payer. If the applicant is the payer, these entries would be the same as FCC Form 175, blocks 2 through 5.
9	Daytime Telephone Number – Enter the telephone number of a person knowledgeable about this upfront payment.
10	Country Code – For addresses outside the United States, enter the appropriate postal country code (available from the Mailing Requirements Department of the U.S. Postal Service).

- 20A Payment Type Code – Enter "APCU"
- 21A Quantity – Enter the number "1"
- 22A Amount Due – Enter the total upfront payment due.
- 23A FCC Code 1 – Enter the number "22" (indicating Auction No. 22).
- 26 Applicant TIN - Same as FCC Form 175, block 7.

- NOTES:
- Do not use Remittance Advice (Continuation Sheet), FCC Form 159-C, for upfront payments.
 - If applicant is different from the payer, complete blocks 11 through 18 for the applicant, using the same information shown on FCC Form 175. Otherwise leave them blank.
 - Since credit card payments will not be accepted for this auction, leave this area blank.

WINNING BIDDER REQUIREMENTS

AUCTION-SPECIFIC INSTRUCTIONS FOR FCC REMITTANCE ADVICE, FCC FORM 159: DOWN PAYMENTS AND FINAL PAYMENTS

Specific information regarding down payments and final payments will be included in a post-auction Public Notice announcing the winning bidders.

POST-AUCTION LONG FORM FILING

Within 10 business days after release of the auction closing notice, winning bidders must submit a properly completed long-form application and required exhibits for each license won through Auction No. 22. Further filing instructions will be provided to auction winners at the close of the auction.