



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

DA 14-1584
October 31, 2014

TRIBAL MOBILITY FUND PHASE I SUPPORT FOR FIFTY-ONE WINNING BIDS READY TO BE AUTHORIZED

Listed Auction 902 Winning Bidder Must Submit Letters of Credit and Legal Counsel's Opinion Letters by November 17, 2014

By this Public Notice, the Wireless Telecommunications Bureau and Wireline Competition Bureau ("Bureaus") announce they are ready to authorize Mobility Fund Phase I support for the Auction 902 winning bids identified in Attachment A of this Public Notice. To be authorized to receive the support listed in Attachment A, the winning bidder identified in that attachment is required to submit for each of its specified winning bids an acceptable irrevocable stand-by letter of credit (LOC) and Bankruptcy Code opinion letter from its legal counsel in accordance with the instructions provided below by the applicable deadline – **6:00 p.m. ET on November 17, 2014.**

On February 28, 2014, the Commission announced the 80 winning bids and associated winning bidders in the Mobility Fund Phase I Auction 902 and established the deadline for winning bidders to submit their long-form applications for Mobility Fund Phase I support.¹ For each of the winning bids identified in Attachment A, the Bureaus have reviewed the long-form application. Based on the representations and certifications in the relevant long-form application, the Bureaus are prepared to authorize support, subject to submission of the required LOC and Bankruptcy Code opinion letter, for each of the winning bids identified in Attachment A.²

Pursuant to section 54.1005(b)(3)(v) of the Commission's rules, no later than 10 business days after the Commission releases a public notice identifying winning bidders that may be authorized to receive Mobility Fund Phase I support, such winning bidders must submit an irrevocable stand-by LOC, issued in substantially the same form as set forth in the model LOC provided in Appendix N of the *USF/ICC Transformation Order*³ by a bank that is acceptable to the Commission.⁴ A separate LOC must be submitted for each authorized winning bid in an amount equal to one-third of the winning bid amount,

¹ Tribal Mobility Fund Phase I Auction Closes; Winning Bidders Announced for Auction 902, AU Docket No. 13-53, *Public Notice*, DA 14-263, 29 FCC Rcd 1974 (WTB 2014) (*Auction 902 Closing Public Notice*).

² See 47 C.F.R. § 54.1005(b)(3)(v).

³ Connect America Fund, WC Docket No. 10-90, *Report and Order and Further Notice of Proposed Rulemaking*, FCC 11-161, 26 FCC Rcd 17663, 18319 Appendix N (*USF/ICC Transformation Order*).

plus an additional 10 percent of the winning bid amount which, in the event of a performance default, shall serve as the performance default payment.⁵

The Commission's rules list specific requirements, as defined in section 54.1007(a)(1), for a bank to be acceptable to the Commission to issue the LOC. The requirements for United States banks are different from the requirements for non-U.S. banks. In addition, a winning bidder is required to provide with the LOC an opinion letter from legal counsel clearly stating, subject only to customary assumptions, limitations and qualifications, that, in a proceeding under the Bankruptcy Code, the bankruptcy court would not treat, under section 541 of the Bankruptcy Code, the LOC or proceeds of the LOC as property of the winning bidder's bankruptcy estate or the bankruptcy estate of any other bidder-related entity requesting issuance of the LOC.⁶

By future public notice, the Bureaus will authorize support for specific winning bids for which all requirements, including submission of the LOC and opinion letter, have been met.

Details concerning the next steps are set forth below.

Instructions for Submission of Letter of Credit and Opinion Letter

The winning bidder identified in Attachment A of this Public Notice must submit a separate LOC and an opinion letter for each winning bid identified in Attachment A. The amount of the LOC for each winning bid is also identified in Attachment A.

The original of the LOC and opinion letter must be submitted to the Universal Service Administrative Company by the applicable deadline – **6:00 p.m. ET on November 17, 2014** – at the following address: Mobility Fund LOC, USAC, 2000 L Street, Suite 200, Washington, DC 20036. We recommend that the winning bidder send the original of the LOC and the opinion letter by means of delivery requiring signature.

A copy of the LOC and opinion letter must also be submitted in the FCC Auction System by the applicable deadline. An applicant must provide this required information in two attachments. The LOC attachment should be designated as "Letter of Credit" and the opinion letter attachment should be designated as "Opinion Letter." Each attachment must be uploaded within the applicant's long-form application to each relevant winning bid identified in Attachment A of this public notice.

Failure to File Constitutes an Auction Default

Any winning bidder identified in Attachment A that fails to file the required documents⁷ for any of the identified winning bids by the applicable deadline – **6:00 p.m. ET on November 17, 2014** – will be in default on such bid(s) and will be subject to an auction default payment.⁸ Agreeing to such payment

⁴ 47 C.F.R. §§ 54.1005(b)(3)(v), 54.1007(a)(1).

⁵ 47 C.F.R. § 54.1007.

⁶ 11 U.S.C. § 541; *see* 47 C.F.R. § 54.1007(b).

⁷ 47 C.F.R. § 54.1005(b)(3)(v).

⁸ 47 C.F.R. §§ 1.21004, 54.1005(b); *see USF/ICC Transformation Order*, 26 FCC Rcd at 17808 ¶ 436, 17814 ¶ 460-61.

in event of a default was a condition for participating in bidding.⁹ In the event of an auction default, a default payment of five percent of the total defaulted bid will be assessed.¹⁰

Further Information Contact:

FCC Technical Support

Technical assistance in filing a Form 680 is available at (877) 480-3201, option nine; (202) 414-1250; or (202) 414-1255 (text telephone (TTY)); hours of service are Monday through Friday, from 8:00 a.m. to 6:00 p.m. ET. In order to provide better service to the public, all calls to Technical Support are recorded.

News Media

Wireless Telecommunications Bureau
Cecilia Sulhoff at (202) 418-0587

General Universal Service Information

**Wireline Competition Bureau,
Telecommunications Access Policy Division**
Alex Minard at (202) 418-7400

Auction 902 Information

General Auction Information, Process, and Procedures

Auctions and Spectrum Access Division
Debbie Smith at (717) 338-2868

Post-Auction Rules, Policies, and Regulations

Audra Hale-Maddox
(202) 418-0660

Tribal Issues

Additional information for entities seeking to provide service to Tribal lands and Tribal governments

Office of Native Affairs and Policy
(202) 418-2930
native@fcc.gov

Accessible Formats

Braille, large print, electronic files, or audio format for people with disabilities

Consumer and Governmental Affairs Bureau
(202) 418-0530 or (202) 418-0432 (TTY)
fcc504@fcc.gov

FCC Internet Sites

<http://www.fcc.gov>
<http://wireless.fcc.gov/auctions>
<http://wireless.fcc.gov/uls>

This Public Notice contains the following Attachment:

Attachment A: Ready to Authorize Winning Bidders and Bids

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⁹ *USF/ICC Transformation Order*, 26 FCC Rcd at 17813-14 ¶¶ 458-460.

¹⁰ Tribal Mobility Fund Phase I Auction Rescheduled for December 19, 2013; Notice and Filing Requirements and Other Procedures for Auction 902, AU Docket No. 13-53, *Public Notice*, DA 13-1672, 28 FCC Rcd 11628, 11692-93 ¶¶ 216-219 (WTB 2013).