

the crops and circumstances of the nomination.

(b) That production and consumption, if any, of methyl bromide for a critical use should be permitted only if:

(i) All technically and economically feasible steps have been taken to minimize the critical use and any associated emission of methyl bromide;

(ii) Methyl bromide is not available in sufficient quantity and quality from existing stocks of banked or recycled methyl bromide, also bearing in mind the developing countries' need for methyl bromide;

(iii) It is demonstrated that an appropriate effort is being made to evaluate, commercialize and secure national regulatory approval of alternatives and substitutes, taking into consideration the circumstances of the particular nomination * * *. Non-Article 5 Parties [e.g., the U.S.] must demonstrate that research programmes are in place to develop and deploy alternatives and substitutes * * *.

In the context of the phaseout program, the use of the term consumption may be

misleading. Consumption does not mean the "use" of a controlled substance, but rather is defined as the formula: Consumption = production + import - exports, of controlled substances (Article 1 of the Protocol and Section 601 of the CAA). A Class I controlled substance that was produced or imported through the expenditure of allowances prior to its phaseout date can continue to be used by industry and the public after that specific chemical's phaseout under EPA's phaseout regulations, unless otherwise precluded under separate regulations.

In addition to the language quoted above, the Parties further agreed to request the TEAP to review nominations and make recommendations for approval based on the criteria established in paragraphs (a)(ii) and (b) of Decision IX/6.

III. How Will the U.S. Implement the Critical Use Exemption?

A. When will the exemption become available to U.S. users of methyl bromide?

Under the provisions of both the CAA and the Montreal Protocol, the Critical Use

Exemption became available to approved users on January 1, 2005. Allowances for subsequent years will be authorized through regulations. Until that date, all production and import of methyl bromide (except for those quantities that qualify for the quarantine and preshipment exemption) were required to conform to the phasedown schedule listed above (see Supplementary Information Section II A). For more information on the quarantine and preshipment exemption, please refer to 68 FR 238 (January 2, 2003).

B. What is the projected timeline for the Critical Use Exemption application process?

There is both a domestic and international component to the Critical Use Exemption process. The following outline projects a timeline for the process for the next three years.

May 23, 2005	Solicit applications for the methyl bromide Critical Use Exemption for 2007 and beyond.
August 8, 2005	Deadline for submitting Critical Use Exemption applications to EPA.
Fall 2005	U.S. government (EPA, Department of State, U.S. Department of Agriculture, and other interested federal agencies) create U.S. Critical Use nomination package.
January 31, 2006	Deadline for U.S. government to submit U.S. nomination package to the Protocol Parties.
Early 2006	Review of the nominations packages for Critical Use Exemptions by the Technical and Economic Assessment Panel (TEAP) and Methyl Bromide Technical Options Committee (MBTOC).
Mid 2006	Parties consider TEAP/MBTOC recommendations.
Late 2006	Parties authorize Critical Use Exemptions for methyl bromide for production and consumption in 2007 (supplemental request) and 2008.
Early-Mid 2007	EPA publishes proposal and final rule for 2007 supplemental request.
Mid 2007	EPA publishes proposed rule for allocating Critical Use Exemptions in the U.S. for 2008.
Late 2007	EPA publishes final rule allocating Critical Use Exemptions in the U.S. for the 2008 control period.
January 1, 2008	Critical Use Exemption permits the limited production and import of methyl bromide beyond the phaseout date for specific uses for the 2008 control period.

Authority: 42 U.S.C. 7414, 7601, 7671-7671q.

Dated: May 16, 2005.

Brian J. McLean,

Director, Office of Atmospheric Programs.

[FR Doc. 05-10195 Filed 5-20-05; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

[Report No. AUC-05-61-B (Auction No. 61); DA 05-1047]

Automated Maritime Telecommunications System Licenses Auction, Notice and Filing Requirements, Minimum Opening Bids, Upfront Payments and Other Auction Procedures

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: This document announces the procedures and minimum opening bids for the upcoming auction of licenses of Automated Maritime Telecommunications System (AMTS) spectrum. This document is intended to familiarize prospective bidders with the procedures and minimum opening bids for this auction.

DATES: Auction No. 61 is scheduled to begin on August 3, 2005.

FOR FURTHER INFORMATION CONTACT: Auctions and Spectrum Access Division, WTB: For legal questions: Howard Davenport at (202) 418-0660. For general auction questions: Debbie Smith, Roy Knowles or Barbara Sibert at (717) 338-2888. For service rule questions: Public Safety and Critical Infrastructure Division, WTB: Jeff Tobias or James Shaffer at (202) 418-

0680. Media Contact: Lauren Patrich at (202) 418-7944.

SUPPLEMENTARY INFORMATION: This is a summary of the *Auction No. 61 Procedures Public Notice* released on April 21, 2005. The complete text of the *Auction No. 61 Procedures Public Notice*, including attachments, as well as related Commission documents, are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY-A257, Washington, DC 20554. The *Auction No. 61 Procedures Public Notice* and related Commission documents may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc. (BCPI), Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC 20554, telephone 202-488-5300, facsimile 202-488-5563, or you may contact BCPI

at its Web site: <http://www.BCPIWEB.com>. The *Auction No. 61 Procedures Public Notice* and related documents are also available on the Internet at the Commission's Web site: <http://wireless.fcc.gov/auctions/61/>.

I. General Information

A. Introduction

1. The *Auction No. 61 Procedures Public Notice* announces the procedures and minimum opening bids for the upcoming auction of licenses of Automated Maritime Telecommunications System (AMTS) spectrum, scheduled for August 3, 2005 (Auction No. 61). On February 2, 2005, in accordance with Section 309(j)(4) of the Communications Act of 1934, as amended, the Wireless Telecommunications Bureau (Bureau) released a public notice seeking comment on reserve prices or minimum opening bids and the procedures to be used in Auction No. 61. The Bureau received two comments, one reply comment, and a response to the reply comment in response to the *Auction No. 61 Comment Public Notice*, 70 FR 7270, February 11, 2005.

i. Background of Proceeding

2. The Maritime Services provide for the unique distress, operational and personal communication needs of vessels at sea and on inland waterways. AMTS is a maritime service that was established in 1981 as an alternative to VHF public coast service (VPCS). In the *Public Coast Second Report and Order and Second Further Notice*, 62 FR 40281, July 28, 1997, the Commission described AMTS as a specialized system of public coast stations providing integrated and interconnected marine

voice and data communications, somewhat like a cellular phone system, for tugs, barges, and other commercial vessels on waterways.

3. Section 309(j)(2) of the Communications Act formerly stated that mutually exclusive applications for initial licenses or construction permits were auctionable if the principal use of the spectrum was for subscriber-based services, and competitive bidding would promote the expressed objectives of the Communications Act. The Commission concluded that the public coast service, including VPCS, high seas, and AMTS public coast stations, was a Commercial Mobile Radio Service (CMRS) and subsequently decided that mutually exclusive applications for public coast station licenses would be resolved through competitive bidding.

4. On August 5, 1997, after release of the *Public Coast Second Report and Order and Second Further Notice*, President Clinton signed into law the Balanced Budget Act of 1997 ("Balanced Budget Act"), which expanded the Commission's auction authority by amending Section 309(j) of the Communications Act to provide that all mutually exclusive applications for initial licenses or construction permits shall be auctioned, with certain exceptions not applicable here.

5. In the *Public Coast Second Report and Order and Second Further Notice*, the Commission adopted AMTS rules that permit service on land, so long as marine-originating communications receive priority. In the *Public Coast Second Memorandum Opinion and Order and Fifth Report and Order*, 67 FR 48560, July 25, 2002, the Commission adopted a geographic licensing system for AMTS with service

areas (AMTSAs) based upon maritime VPCS areas (VPCSA), with the modification that the inland VPCSAs would be consolidated into a single, inland geographic service area. The Commission announced that it would conduct an auction to resolve mutually exclusive applications for AMTS licenses. Additionally, the Commission concluded that the general competitive bidding rules, and the rules regarding the participation of small businesses in auctions that were applied to the auction of VPC licenses, should be used for auctioning AMTS licenses.

6. On February 2, 2005, the Bureau released the *Auction No. 61 Comment Public Notice* announcing that Auction No. 61 will commence on August 3, 2005, setting forth a complete list of licenses for Auction No. 61, and seeking comment on reserve prices or minimum opening bid amounts and other auction procedures.

ii. Licenses To Be Auctioned

7. Auction No. 61 will offer ten licenses in the AMTS Service in the 217/219 MHz bands. Licenses will be offered in each of 10 AMTSAs where available. These licenses remained unsold in Auction No. 57, which closed on September 15, 2004. For Auction No. 61, licenses are not available in each spectrum block in every market. A complete list of the licenses available in Auction No. 61 and their descriptions is included in Attachment A of the *Auction No. 61 Procedures Public Notice* at <http://wireless.fcc.gov/auctions/61/>.

8. The following table contains the AMTS block/frequency bands cross-reference list for Auction No. 61:

Block	Frequency bands (MHz)	Total bandwidth	Pairing	Geo-graphic area type	Number of licenses
A	217.5–218.0/219.5–220.0	1 MHz	2 x 500 kHz	AMTSA	9
B	217.0–217.5/219.0–219.5	1 MHz	2 x 500 kHz	AMTSA	1

Note: The above table displays the band edges of spectrum blocks A and B using the twenty 25 kHz channels that comprise each block as listed in 47 CFR 80.385(a)(2). It should be noted that pursuant to 47 CFR 80.481, licensees are not required to use 25 kHz channelization and may choose any channelization scheme; however, regardless of the channelization scheme used, emissions at these band edges must be attenuated within the limitation that would be required under 47 CFR 80.211 if the licensee were using 25 kHz channels.

B. Rules and Disclaimers

i. Relevant Authority

9. Prospective applicants must familiarize themselves thoroughly with the Commission's rules, particularly those relating to the AMTS service contained in Title 47, Part 80, of the Code of Federal Regulations, and those relating to application and auction procedures, contained in Title 47, Part 1, of the Code of Federal Regulations. Prospective applicants must also be thoroughly familiar with the procedures, terms and conditions

(collectively, terms) contained in the *Auction No. 61 Procedures Public Notice*; the *Auction No. 61 Comment Public Notice*; *Public Coast Second Memorandum Opinion and Order and Fifth Report and Order*; and the *Public Coast Fourth Report and Order and Third Further Notice of Proposed Rule Making* (as well as prior and subsequent Commission proceedings regarding competitive bidding procedures, application requirements, and obligations of Commission licensees).

10. The terms contained in the Commission's rules, relevant orders,

and public notices are not negotiable. The Commission may amend or supplement the information contained in the Bureau's public notices at any time, and will issue public notices to convey any new or supplemental information to applicants. It is the responsibility of all applicants to remain current with all Commission rules and with all public notices pertaining to this auction.

ii. Prohibition of Collusion

11. To ensure the competitiveness of the auction process, § 1.2105(c) of the Commission's rules prohibits applicants for any of the same geographic license areas from communicating with each other during the auction about bids, bidding strategies, or settlements unless such applicants have identified each other on their FCC Form 175 applications as parties with whom they have entered into agreements under § 1.2105(a)(2)(viii). Thus, applicants for any of the same geographic license areas must affirmatively avoid all discussions with each other that affect, or in their reasonable assessment have the potential to affect, bidding or bidding strategy. This prohibition begins at the short-form application filing deadline and ends at the down payment deadline after the auction. *This prohibition applies to all applicants regardless of whether such applicants become qualified bidders or actually bid.* For purposes of this prohibition, § 1.2105(c)(7)(i) defines applicant as including all controlling interests in the entity submitting an application to participate in the auction, as well as all holders of partnership and other ownership interests and any stock interest amounting to 10 percent or more of the entity, or outstanding stock, or outstanding voting stock of the entity submitting a short-form application, and all officers and directors of that entity.

12. Applicants for licenses in any of the same geographic license areas are encouraged not to use the same individual as an authorized bidder. A violation of the anti-collusion rule could occur if an individual acts as the authorized bidder for two or more competing applicants, and conveys information concerning the substance of bids or bidding strategies between the applicants he or she is authorized to represent in the auction. A violation could similarly occur if the authorized bidders are different individuals employed by the same organization (e.g., law firm or consulting firm). In such a case, at a minimum, applicants should certify on their applications that precautionary steps have been taken to prevent communication between

authorized bidders and that applicants and their bidding agents will comply with the anti-collusion rule. However, the Bureau cautions that merely filing a certifying statement as part of an application will not outweigh specific evidence that collusive behavior has occurred, nor will it preclude the initiation of an investigation when warranted.

13. The Commission's anti-collusion rule allows applicants to form certain agreements during the auction, provided the applicants have not applied for licenses covering any of the same geographic areas. In addition, applicants that apply to bid for all markets will be precluded from communicating with all other applicants until after the down payment deadline. However, all applicants may enter into bidding agreements before filing their FCC Form 175, as long as they disclose the existence of the agreement(s) in their Form 175. If parties agree in principle on all material terms prior to the short-form filing deadline, those parties must be identified on the short-form application pursuant to § 1.2105(c), even if the agreement has not been reduced to writing. If the parties have not agreed in principle by the filing deadline, an applicant would not include the names of those parties on its application, and may not continue negotiations. By signing their FCC Form 175 short-form applications, applicants are certifying their compliance with § 1.2105(c).

14. Section 1.65 of the Commission's rules requires an applicant to *maintain* the accuracy and completeness of information furnished in its pending application and to notify the Commission within 30 days of any substantial change that may be of decisional significance to that application. Thus, § 1.65 requires auction applicants that engage in communications of bids or bidding strategies that result in a bidding agreement, arrangement or understanding not already identified on their short-form applications to promptly disclose any such agreement, arrangement or understanding to the Commission by amending their pending applications. In addition, § 1.2105(c)(6) requires all auction applicants to report prohibited discussions or disclosures regarding bids or bidding strategy to the Commission in writing immediately but in no case later than five business days after the communication occurs, even if the communication does not result in an agreement or understanding regarding bids or bidding strategy that must be reported under § 1.65.

15. Applicants that are winning bidders will be required to disclose in their long-form applications the specific terms, conditions, and parties involved in all bidding consortia, joint ventures, partnerships, and other arrangements entered into relating to the competitive bidding process. Any applicant found to have violated the anti-collusion rule may be subject to sanctions, including forfeiture of its upfront payment, down payment or full bid amount, and may be prohibited from participating in future auctions. In addition, applicants are reminded that they are subject to the antitrust laws, which are designed to prevent anticompetitive behavior in the marketplace. If an applicant is found to have violated the antitrust laws in connection with its participation in the competitive bidding process, it may be subject to forfeiture of its upfront payment, down payment, or full bid amount and may be prohibited from participating in future auctions.

16. A summary listing of documents issued by the Bureau addressing the application of the anti-collusion rule may be found in Attachment E of the *Auction No. 61 Procedures Public Notice*.

iii. Interference Protection

17. Incumbent AMTS site-based licensees are entitled to co-channel protection by AMTS geographic area licensees. Among other licensing and technical rules, AMTS geographic area licensees will be required to afford interference protection to incumbent systems, on a fixed separation basis as provided in § 80.385(b)(1). Geographic area licensees must also provide co-channel interference protection to other geographic area licensees in accordance with §§ 80.479(b) and 80.70(a) of the Commission's rules.

18. Incumbents will be prohibited from renewing, transferring, assigning, or modifying their licenses in any manner that extends their system's service area or results in their acquiring additional frequencies, unless there is consent from each affected geographic area licensee. If an incumbent fails to construct, discontinues operations, or otherwise has its license terminated, the spectrum covered by the incumbent's authorization will automatically revert to the geographic area licensee.

19. In addition, AMTS licensees that cause interference to television reception or to the U.S. Navy Space Surveillance System (SPASUR) system must cure the problem or discontinue operations.

iv. Coordination Requirements

20. AMTS geographic area licensees may place stations anywhere within their service areas to serve vessels or units on land, so long as incumbent operations are protected, marine-originating traffic is given priority and certain major waterways are served. However, geographic area licensees must individually license any base station that requires an Environmental Assessment pursuant to § 1.1307 of the Commission's Rules or international coordination, or would affect the radio frequency quiet zones described in § 80.21 of the Commission's rules, or would require broadcaster notification and an engineering study described in § 80.215(h) of the Commission's rules.

21. AMTS licensees must obtain written consent from all affected licensees prior to using AMTS frequencies for mobile-to-mobile communications.

v. Due Diligence

22. The Commission makes no representations or warranties about the use of this spectrum for particular services. Applicants should be aware that a Commission auction represents an opportunity to become a Commission licensee in this service, subject to certain conditions and regulations. A Commission auction does not constitute an endorsement by the Commission of any particular services, technologies or products, nor does a Commission license constitute a guarantee of business success. Applicants should perform their individual due diligence before proceeding as they would with any new business venture.

23. Applicants are reminded that there are a number of incumbent licensees already licensed and operating on frequencies that will be subject to the upcoming auction, such as AMTS Station licensees. Such incumbents must be protected from harmful interference by AMTS Station geographic area licensees in accordance with the Commission's rules. These limitations may restrict the ability of such AMTS geographic area licensees to use certain portions of the electromagnetic spectrum or provide service to certain areas in their geographic license areas. The Bureau therefore cautions potential applicants in formulating their bidding strategies to investigate and consider the extent to which AMTS frequencies are occupied by incumbents.

24. *Applicants are solely responsible for identifying associated risks and for investigating and evaluating the degree to which such matters may affect their*

ability to bid on, otherwise acquire, or make use of licenses available in Auction No. 61.

25. In establishing the AMTS service, the Commission considered the potential for interference to television reception, particularly Channels 13 and 10. Consequently, geographic licensees will be required to file individual applications for authority to operate a new AMTS transmitter within 169 kilometers (105 miles) of a Channel 13 television station or 129 kilometers (80 miles) of a Channel 10 television station, or with an antenna height greater than 61 meters (200 feet) above ground. Such applications must include an engineering study showing how harmful interference to television reception will be avoided, and the applicant must notify each television station that may be affected so that the broadcaster can comment on the proposed construction. Moreover, any AMTS licensee that causes such interference must cure the problem or cease operations. AMTS licensees are permitted to construct "fill-in" sites without filing individual applications, but such sites are fully subject to the requirement that AMTS stations cause no harmful interference to television reception, and must discontinue operations if unable to meet this requirement.

26. In addition, AMTS operations must not cause harmful interference to the United States Navy's SPASUR which operates in the 216.880–217.080 MHz band. Also, law enforcement tracking operations are currently authorized on a primary basis in certain markets in AMTSAs 3, 4, 6, 9 and 10 on a frequency in block A. These operations are scheduled to be converted to non-AMTS frequencies by 2007. It is the responsibility of bidders to be aware of these and all other technical or regulatory matters affecting the spectrum licenses available in this auction.

27. With respect to the geographic boundaries for AMTSAs, the Commission defined the AMTSA boundaries to include "the adjacent waters under the jurisdiction of the United States." Regarding the boundary between AMTSA 3, which includes the west coast of Florida, and AMTSA 4, which includes the Gulf of Mexico EA-like area, the Bureau hereby clarifies that, for AMTSA 3, the boundary extends only to the limit of the U.S. territorial waters in the Gulf (12-nautical mile limit); and the boundary for AMTSA 4 extends from the 12-nautical mile line outward to the broadest geographic limits consistent with international agreements.

28. To date, no existing agreements between the United States and Mexico or Canada restrict AMTS channel availability in the Mexican and Canadian border areas. Licensees will, however, be subject to any future agreements regarding international assignments and coordination of such channels; and it is the responsibility of applicants to be familiar with all relevant governing international agreements; and that such agreements and amendments thereto may affect the use, utility or value of the spectrum at issue.

29. Applicants should also be aware that certain pending and future applications (including those for modification), petitions for rulemaking, requests for special temporary authority, waiver requests, petitions to deny, petitions for reconsideration, informal oppositions, and applications for review before the Commission may relate to particular applicants or incumbent licensees or the licenses available in Auction No. 61. In addition, pending and future judicial proceedings may relate to particular applicants or incumbent licensees, or the licenses available in Auction No. 61. Prospective bidders are responsible for assessing the likelihood of the various possible outcomes, and considering their potential impact on spectrum licenses available in this auction.

30. Applicants should perform due diligence to identify and consider all proceedings that may affect the spectrum licenses being auctioned. The Bureau notes that resolution of such matters could have an impact on the availability of spectrum for Auction No. 61. In addition, although the Commission may continue to act on various pending applications, informal objections, petitions, and other requests for Commission relief, some of these matters may not be resolved by the time of the auction.

31. Applicants may obtain information about incumbent licenses that may have an effect on availability of licenses in Auction No. 61 through the Bureau's licensing databases on the World Wide Web at <http://wireless.fcc.gov/uls>. Applicants may query the database online and download a copy of their search results if desired. Detailed instructions on using License Search (including frequency searches and the GeoSearch capability) and downloading query results are available online by selecting the "?" button at the upper right-hand corner of the License Search screen. Applicants should direct questions regarding the search capabilities to the FCC ULS/Technical Support hotline at (877) 480-3201,

option two. Potential bidders may research the Media Bureau's licensing database on the Internet in order to determine the location of Channel 13 or Channel 10 television stations. Television station information is contained in the Media Bureau's TVQ TV Database and may be researched on the Internet at <http://www.fcc.gov/mb/video/tvq.html>.

32. The Commission makes no representations or guarantees regarding the accuracy or completeness of information in its databases or any third party databases, including, for example, court docketing systems. To the extent the Commission's databases may not include all information deemed necessary or desirable by an applicant, applicants may obtain or verify such information from independent sources or assume the risk of any incompleteness or inaccuracy in said databases. Furthermore, the Commission makes no representations or guarantees regarding the accuracy or completeness of information that has been provided by incumbent licensees and incorporated into the database.

33. *Potential applicants are strongly encouraged to physically inspect any sites located in, or near, the service area for which they plan to bid, and also to familiarize themselves with the environmental assessment obligations described in section I.B.7.*

vi. Bidder Alerts

34. As is the case with many business investment opportunities, some unscrupulous entrepreneurs may attempt to use Auction No. 61 to

deceive and defraud unsuspecting investors.

35. Information about deceptive telemarketing investment schemes is available from the FTC at (202) 326-2222 and from the SEC at (202) 942-7040. Complaints about specific deceptive telemarketing investment schemes should be directed to the FTC, the SEC, or the National Fraud Information Center at (800) 876-7060. Consumers who have concerns about specific proposals regarding Auction No. 61 may also call the FCC Consumer Center at (888) CALL-FCC ((888) 225-5322).

vii. National Environmental Policy Act Requirements

36. Licensees must comply with the Commission's rules regarding the National Environmental Policy Act ("NEPA"). The construction of a wireless antenna facility is a federal action and the licensee must comply with the Commission's NEPA rules for each such facility.

C. Auction Specifics

i. Auction Date

37. The auction will begin on Wednesday, August 3, 2005, as announced in the *Auction No. 61 Comment Public Notice*. With respect to commenters seeking a delay of the start of Auction No. 61, for reasons explained in the *Auction No. 61 Procedures Public Notice*, the Bureau does not believe it would be in the public interest to do so.

ii. Auction Title

38. Auction No. 61—AMTS.

iii. Bidding Methodology

39. The bidding methodology for Auction No. 61 will be simultaneous multiple round bidding. The Commission will conduct this auction over the Internet using the FCC's Integrated Spectrum Auction system ("ISAS" or "FCC Auction System"), and telephonic bidding will be available as well. Qualified bidders are permitted to bid telephonically or electronically.

iv. Pre-Auction Dates and Deadlines

ISAS Orientation Session April 21, 2005
 Auction Seminar May 25, 2005
 Short-Form Application (FCC Form 175) Filing Window Opens May 25, 2005; 12 p.m. ET
 Short-Form Application (FCC Form 175) Filing Window Deadline June 9, 2005; 6 p.m. ET
 Upfront Payments (via wire transfer) July 8, 2005; 6 p.m. ET
 Mock Auction August 1, 2005
 Auction Begins August 3, 2005

v. Requirements for Participation

40. Those wishing to participate in the auction must:

- Submit a short-form application (FCC Form 175) electronically by 6 p.m. eastern time (ET), June 9, 2005.
- Submit a sufficient upfront payment and an FCC Remittance Advice Form (FCC Form 159) by 6 p.m. ET, July 8, 2005.
- Comply with all provisions outlined in the *Auction No. 61 Procedures Public Notice*.

vi. General Contact Information

General Auction Information:

General Auction Questions FCC Auctions Hotline (888) 225-5322, option two; or (717) 338-2888, Hours of service: 8 a.m.—5:30 p.m. ET, Monday through Friday.
 Seminar Registration

Auction Legal Information:

Auction Rules, Policies, Regulations Auctions and Spectrum Access Division, (202) 418-0660.

Licensing Information:

Rules, Policies, Regulations Public Safety and Critical Infrastructure Division, (202) 418-0680.

Licensing Issues

Due Diligence

Incumbency Issues

Technical Support:

Electronic Filing FCC Auctions Technical Support Hotline (877) 480-3201, option nine; or (202) 414-1250 (202) 414-1255 (TTY), Hours of service: 8 a.m.—6 p.m. ET, Monday through Friday.
 FCC Auction System

Payment Information:

Wire Transfers FCC Auctions Accounting Branch, (202) 418-0578 (202) 418-2843 (Fax).
 Refunds

Telephonic Bidding Will be furnished only to qualified bidders.

FCC Copy Contractor:

Additional Copies of Commission Documents Best Copy and Printing, Inc., 445 12th Street, SW., Room CY-B402 Washington, DC 20554, (800) 378-3160 <http://www.bcpweb.com>
 Lauren Patrich (202) 418-7944, (800) 418-3676 (outside Washington, DC), (202) 418-3676 (in the Washington area), <http://www.fcc.gov/formpage.html>.

Press Information—FCC Forms

FCC Internet Sites

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

II. Short-Form (FCC Form 175) Filing Requirements

41. Guidelines for completion of the short-form (FCC Form 175) are set forth in Attachment C of the *Auction No. 61 Procedures Public Notice*. Applicants to participate in Auction No. 61 must file FCC Form 175 electronically by 6 p.m. ET on June 9, 2005. All applicants must certify on their FCC Form 175 applications under penalty of perjury that they are legally, technically, financially and otherwise qualified to hold a license.

A. Preferences for Small Businesses and Others

i. Size Standards for Bidding Credits

42. In the *Public Coast Third Report and Order and Memorandum Opinion and Order*, 63 FR 40059, July 27, 1998, the Commission adopted bidding credits to promote and facilitate the participation of small businesses in auctions of public coast licenses. A bidding credit represents the amount by which a bidder's winning bids are discounted. The size of the bidding credit depends on the average of the aggregated annual gross revenues for each of the preceding three years of the bidder, its affiliates, its controlling interests, and the affiliates of its controlling interests.

43. For Auction No. 61 bidding credits will be available to small businesses and very small businesses, or consortia thereof, as follows:

- A bidder with attributed average annual gross revenues that do not exceed \$3 million for the preceding three years ("very small business") will receive a 35 percent discount on its winning bids.
- A bidder with attributed average annual gross revenues that exceed \$3 million and do not exceed \$15 million for the preceding three years ("small business") will receive a 25 percent discount on its winning bids.

44. Bidding credits are not cumulative; a qualifying applicant receives the 35 percent or 25 percent bidding credit on its winning bid, but only one credit per license.

45. Applicants should note that they will be required to provide information regarding revenues attributable to the applicant and related parties on their FCC Form 175 short-form applications to establish that they satisfy the eligibility requirements to qualify as a small business or very small business (or consortia of a small business or very small business) for this auction. See Bidding Credit Revenue Disclosures section, in Attachment C of the *Auction No. 61 Procedures Public Notice*.

ii. Installment Payments

46. Installment payment plans will not be available in Auction No. 61.

B. License Selection

47. In Auction No. 61, applicants must select the licenses on which they want to bid from the "Eligible Licenses" list. The applicant may select all the licenses in the list (by using the SELECT ALL option) or select and add individual licenses from the list. Be advised that there is no opportunity to change license selection after the short-form filing deadline. It is critically important that you confirm your license selection because the FCC Auction System will not accept bids on licenses that an applicant has not selected on its FCC Form 175.

C. Consortia and Joint Bidding Arrangements

48. Applicants will be required to indicate on their applications whether they have entered into any explicit or implicit agreements, arrangements or understandings of any kind with any parties, other than those identified, regarding the amount of their bids, bidding strategies, or the particular licenses on which they will or will not bid. Applicants will also be required to identify on their short-form applications any parties with whom they have entered into any consortium arrangements, joint ventures, partnerships or other agreements or understandings that relate in any way to the licenses being auctioned, including any agreements relating to post-auction market structure. If an applicant has had discussions, but has not reached a joint bidding agreement by the short-form deadline, it would not include the names of parties to the discussions on its applications and may not continue such discussions with applicants for any of the same geographic license areas after the deadline.

49. A party holding a non-controlling, attributable interest in one applicant will be permitted to acquire an ownership interest in, form a consortium with, or enter into a joint bidding arrangement with other applicants for licenses in the same geographic license area provided that (i) the attributable interest holder certifies that it has not and will not communicate with any party concerning the bids or bidding strategies of more than one of the applicants in which it holds an attributable interest, or with which it has formed a consortium or entered into a joint bidding arrangement; and (ii) the arrangements do not result in a change in control of

any of the applicants. While the anti-collusion rules do not prohibit non-auction related business negotiations among auction applicants, applicants are reminded that certain discussions or exchanges could touch upon impermissible subject matters because they may convey pricing information and bidding strategies.

D. Ownership Disclosure Requirements

50. All applicants must comply with the uniform Part 1 ownership disclosure standards and provide information required by § 1.2105 and 1.2112 of the Commission's rules. Specifically, in completing FCC Form 175, applicants will be required to fully disclose information on the real party or parties-in-interest and ownership structure of the bidding entity. The ownership disclosure standards for the short form are set forth in § 1.2112 of the Commission's rules.

E. Bidding Credit Revenue Disclosures

51. Entities applying to bid as small businesses or very small businesses (or consortia of small businesses or very small businesses) will be required to disclose on their FCC Form 175 short-form applications the gross revenues for the preceding three years of each of the following: (1) The applicant, (2) its affiliates, (3) its controlling interests, and (4) the affiliates of its controlling interests. *Certification that the average annual gross revenues for the preceding three years do not exceed the applicable limit is not sufficient. In order to comply with disclosure requirements for bidding credit eligibility, an applicant must provide separately for itself, its affiliates, its controlling interests, and the affiliates of its controlling interests, the gross revenues for each of the preceding three years.* If the applicant is applying as a consortium of small businesses or very small businesses, this information must be provided for each consortium member.

52. *Controlling interest standard.* The Commission uses a "controlling interest" standard for attributing to auction applicants the gross revenues of their investors and affiliates in determining small business eligibility for future auctions. The Commission has modified its rules governing the attribution of gross revenues for purposes of determining small business eligibility. These changes included exempting the gross revenues of the affiliates of a rural telephone cooperative's officers and directors from attribution to the applicant if certain specified conditions are met. The Commission also clarified that in calculating an applicant's gross

revenues under the controlling interest standard, the personal net worth, including personal income, of its officers and directors will not be attributed to the applicant.

53. *Control*. The term “control” includes both *de facto* and *de jure* control of the applicant. Typically, ownership of at least 50.1 percent of an entity’s voting stock evidences *de jure* control. *De facto* control is determined on a case-by-case basis. The following are some common indicia of *de facto* control:

- The entity constitutes or appoints more than 50 percent of the board of directors or management committee;
- The entity has authority to appoint, promote, demote, and fire senior executives that control the day-to-day activities of the licensee; or
- The entity plays an integral role in management decisions.

54. *Attribution for small business and very small business eligibility*. In determining which entities qualify as small businesses or very small businesses, the Commission will consider the gross revenues of the applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests. The Commission does not impose specific equity requirements on controlling interest holders. Once the principals or entities with a controlling interest are determined, only the revenues of those principals or entities, the affiliates of those principals or entities, and the applicant and its affiliates will be counted in determining small business eligibility.

55. A consortium of small businesses or very small businesses is a “conglomerate organization formed as a joint venture between or among mutually independent business firms,” each of which individually must satisfy one of the definitions of small business or very small business in §§ 1.2110(f), 80.1252. Thus, each consortium member must disclose its gross revenues along with those of its affiliates, its controlling interests, and the affiliates of its controlling interests. The Bureau notes that although the gross revenues of the consortium members will not be aggregated for purposes of determining eligibility for small business or very small business, this information must be provided to ensure that each individual consortium member qualifies for any bidding credit awarded to the consortium.

F. Provisions Regarding Former and Current Defaulters

56. Each applicant must indicate on its FCC Form 175 application under

penalty of perjury whether or not the applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests, as defined by § 1.2110, have ever been in default on any Commission licenses or have ever been delinquent on any non-tax debt owed to any Federal agency. In addition, each applicant must certify on its FCC Form 175 application under penalty of perjury that the applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests, as defined by § 1.2110, is not in default on any payment for Commission licenses (including down payments) and that it is not delinquent on any non-tax debt owed to any Federal agency. Prospective applicants 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, exclusion from participation in future auctions, and/or criminal prosecution.

57. *Former defaulters—i.e.*, applicants, including their attributable interest holders, that in the past have defaulted on any Commission licenses or been delinquent on any non-tax debt owed to any Federal agency, but that have since remedied all such defaults and cured all of their outstanding non-tax delinquencies—are eligible to bid in Auction No. 61, provided that they are otherwise qualified. However, as discussed *infra* in Section III.E.3, former defaulters are required to pay upfront payments that are fifty percent more than the normal upfront payment amounts.

58. *Current defaulters—i.e.*, applicants, including their attributable interest holders, that are in default on any payment for Commission licenses (including down payments) or are delinquent on any non-tax debt owed to any Federal agency—are not eligible to bid in Auction No. 61.

G. Other Information

59. Applicants owned by minorities or women, as defined in § 1.2110(c)(2), may identify themselves in filling out their FCC Form 175 short-form application regarding this status. This applicant status information is collected for statistical purposes only and assists the Commission in monitoring the participation of “designated entities” in its auctions.

H. Minor Modifications to Short-Form Applications (FCC Form 175)

60. After the short-form filing deadline (6 p.m. ET June 9, 2005), applicants may make only minor changes to their applications.

Applicants will not be permitted to make major modifications to their applications (*e.g.*, change their license selections, change the certifying official, change control of the applicant, or change bidding credit eligibility). Permissible minor changes include, for example, deletion and addition of authorized bidders (to a maximum of three) and addresses and phone numbers of the applicants and their contact persons. Applicants must press the SUBMIT button in the FCC Auction System for the changes to be submitted and considered by the Commission. After the revised application has been submitted, a confirmation page will be displayed that states the submission time and date, along with a unique file number. In addition, applicants should submit a letter, briefly summarizing the changes, by electronic mail to the attention of Margaret Wiener, Chief, Auctions and Spectrum Access Division, at the following address: auction61@fcc.gov. The electronic mail summarizing the changes must include a subject or caption referring to Auction No. 61 and the name of the applicant. The Bureau requests that parties format any attachments to electronic mail as Adobe® Acrobat® (pdf) or Microsoft® Word documents.

I. Maintaining Current Information in Short-Form Applications (FCC Form 175)

61. Section 1.65 of the Commission’s rules requires an applicant to maintain the accuracy and completeness of information furnished in its pending application and to notify the Commission within 30 days of any substantial change that may be of decisional significance to that application. Amendments reporting substantial changes of possible decisional significance in information contained in FCC Form 175 applications will not be accepted and may in some instances result in the dismissal of the FCC Form 175 application.

III. Pre-Auction Procedures

A. Auction Seminar—May 25, 2005

62. On Wednesday, May 25, 2005, the Commission will sponsor a seminar for parties interested in participating in Auction No. 61 at the Federal Communications Commission, located at 445 12th Street, SW., Washington, DC. The seminar will provide attendees with information about pre-auction procedures, completing FCC Form 175, auction conduct, the FCC Auction System, auction rules, and the AMTS service rules.

63. For individuals who are unable to attend, Audio/Video of this seminar will be available via webcast from the FCC's Audio/Video Events page at <http://www.fcc.gov/realaudio/>.

B. Short-Form Application (FCC Form 175)—Due June 9, 2005

64. In order to be eligible to bid in this auction, applicants must first submit an FCC Form 175 application. This application must be submitted electronically and received at the Commission no later than 6 p.m. ET on June 9, 2005. Late applications will not be accepted. There is no application fee required when filing an FCC Form 175. However, to be eligible to bid, an applicant must submit an upfront payment. See Section III.E, below.

C. Application Processing and Minor Corrections

65. After the deadline for filing the FCC Form 175 applications has passed, the FCC will process all timely submitted applications to determine which are acceptable for filing, and subsequently will issue a public notice identifying: (1) Those applications accepted for filing; (2) those applications rejected; and (3) those applications which have minor defects that may be corrected, and the deadline for resubmitting such corrected applications.

D. Upfront Payments—Due July 8, 2005

66. In order to be eligible to bid in the auction, applicants must submit an upfront payment accompanied by an FCC Remittance Advice Form (FCC Form 159). After completing the FCC Form 175, filers will have access to an electronic version of the FCC Form 159 that can be printed and faxed to Mellon Bank in Pittsburgh, PA. All upfront payments must be received at Mellon Bank by 6 p.m. ET on July 8, 2005.

i. Making Auction Payments by Wire Transfer

67. Wire transfer payments must be received by 6 p.m. ET on July 8, 2005. To avoid untimely payments, applicants should discuss arrangements (including bank closing schedules) with their banker several days before they plan to make the wire transfer, and allow

sufficient time for the transfer to be initiated and completed before the deadline.

68. Applicants must fax a completed FCC Form 159 (Revised 2/03) to Mellon Bank at (412) 209-6045 at least one hour before placing the order for the wire transfer (but on the same business day). On the cover sheet of the fax, write "Wire Transfer—Auction Payment for Auction Event No. 61." In order to meet the Commission's upfront payment deadline, an applicant's payment must be credited to the Commission's account by the deadline. Applicants are responsible for obtaining confirmation from their financial institution that Mellon Bank has timely received their upfront payment and deposited it in the proper account.

Please note that:

- All payments must be made in U.S. dollars.
- All payments must be made by wire transfer.
- Upfront payments for Auction No. 61 go to a lockbox number different from the lockboxes used in previous FCC auctions, and different from the lockbox number to be used for post-auction payments.
- Failure to deliver the upfront payment by the July 8, 2005, deadline will result in dismissal of the application and disqualification from participation in the auction.

ii. Amount of Upfront Payment

69. In 47 CFR Part 1, 62 FR 13540, March 21, 1997, the Commission delegated to the Bureau the authority and discretion to determine appropriate upfront payment(s) for each auction. In addition, in 47 CFR Part 1 Fifth Report and Order, 65 FR 52323, August 29, 2000, the Commission ordered that former defaulters, *i.e.*, applicants that have ever been in default on any Commission license or have ever been delinquent on any non-tax debt owed to any Federal agency, be required to pay upfront payments 50 percent greater than non-former defaulters. For purposes of this calculation, the "applicant" includes the applicant itself, its affiliates, its controlling interests, and affiliates of its controlling interests, as defined by § 1.2110 of the Commission's rules.

70. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed that the amount of the upfront payment would determine a bidder's initial bidding eligibility, the maximum number of bidding units on which a bidder may place bids. In order to bid on a license, otherwise qualified bidders that applied for that license on Form 175 must have a current eligibility level that meets or exceeds the number of bidding units assigned to that license. At a minimum, therefore, an applicant's total upfront payment must be enough to establish eligibility to bid on at least one of the licenses applied for on Form 175, or else the applicant will not be eligible to participate in the auction. An applicant does not have to make an upfront payment to cover all licenses for which the applicant has applied on Form 175, but rather to cover the maximum number of bidding units that are associated with licenses on which the bidder wishes to place bids and hold provisionally winning bids at any given time.

71. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed upfront payments on a license-by-license basis using a formula based on bandwidth and the license area population: \$0.005 * MHz * License Area Population with a minimum of \$1,000 per license.

72. The specific upfront payments and bidding units for each license are set forth in Attachment A of the *Auction No. 61 Procedures Public Notice*.

73. In calculating its upfront payment amount, an applicant should determine the maximum number of bidding units on which it may wish to be active on (bid on or hold provisionally winning bids on) in any single round, and submit an upfront payment amount covering that number of bidding units. In order to make this calculation, an applicant should add together the upfront payments for all licenses on which it seeks to bid in any given round. Applicants should check their calculations carefully, as there is no provision for increasing a bidder's eligibility after the upfront payment deadline.

EXAMPLE: UPFRONT PAYMENTS AND BIDDING FLEXIBILITY

Market number	Block	Market name	Bidding units	Upfront payment
AMTSA001	A	Northern Atlantic	184,000	\$184,000
AMTSA006	A	Southern Pacific	170,000	170,000

74. Former defaulters should calculate their upfront payment for all licenses by multiplying the number of bidding units on which they wish to be active by 1.5. In order to calculate the number of bidding units to assign to former defaulters, the Commission will divide the upfront payment received by 1.5 and round the result up to the nearest bidding unit. If a former defaulter fails to submit a sufficient upfront payment to establish eligibility to bid on at least one of the licenses applied for on its Form 175, the applicant will not be eligible to participate in the auction.

iii. Applicant's Wire Transfer Information for Purposes of Refunds of Upfront Payments

75. The Commission will use wire transfers for all Auction No. 61 refunds. To ensure that refunds of upfront payments are processed in an expeditious manner, the Commission is requesting that all pertinent information as listed below be supplied to the FCC. Applicants can provide the information electronically during the initial short-form filing window after the form has been submitted. Wire Transfer Instructions can also be manually faxed to the FCC, Financial Operations Center, Auctions Accounting Group, ATTN: Gail Glasser, at (202) 418-2843. All refunds will be returned to the payer of record as identified on the FCC Form 159 unless the payer submits written authorization instructing otherwise. For additional information, please call Gail Glasser at (202) 418-0578.

E. Auction Registration

76. Approximately ten days before the auction, the FCC will issue a public notice announcing all qualified bidders for the auction. Qualified bidders are those applicants whose FCC Form 175 applications have been accepted for filing and have timely submitted upfront payments sufficient to make them eligible to bid on at least one of the licenses for which they applied.

77. All qualified bidders are automatically registered for the auction. Registration materials will be distributed prior to the auction by overnight mail. The mailing will be sent only to the contact person at the contact address listed in the FCC Form 175 and will include the SecureID cards which will be required to place bids (or access the FCC Auction System) and the telephonic bidding phone number.

78. Qualified bidders that do not receive this registration mailing will not be able to submit bids. Therefore, any qualified bidder that has not received this mailing by noon on Thursday, July 28, 2005, should contact the Auctions

Hotline at (717) 338-2888. Receipt of this registration mailing is critical to participating in the auction, and each applicant is responsible for ensuring it has received all of the registration material.

79. Qualified bidders should note that lost SecurID cards can be replaced only by appearing in person at the FCC headquarters, located at 445 12th St., SW., Washington, DC 20554. 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 replacements. Qualified bidders requiring replacements must call technical support prior to arriving at the FCC.

F. Remote Electronic Bidding

80. The Commission will conduct this auction over the Internet, and telephonic bidding will be available as well. Qualified bidders are permitted to bid telephonically or electronically. Each applicant should indicate its bidding preference "electronic or telephonic—on the FCC Form 175. In either case, each authorized bidder must have its own SecurID card, which the FCC will provide at no charge. Each applicant with one authorized bidder will be issued two SecurID cards, while applicants with two or three authorized bidders will be issued three cards. For security purposes, the SecurID cards, the telephonic bidding phone number, and the Integrated Spectrum Auctions System (ISAS) Bidder's Guide are only mailed to the contact person at the contact address listed on the FCC Form 175. Please note that each SecurID card is tailored to a specific auction; therefore, SecurID cards issued for other auctions or obtained from a source other than the FCC will not work for Auction No. 61.

81. Please note that the SecurID cards can be recycled, and the Bureau encourages bidders to return the cards to the FCC. The Bureau will provide pre-addressed envelopes that bidders may use to return the cards once the auction is over.

G. Mock Auction

82. All qualified bidders will be eligible to participate in a mock auction on Monday, August 1, 2005. The mock auction will enable applicants to become familiar with the FCC Auction System prior to the auction. Participation by all bidders is strongly recommended. Details will be announced by public notice.

IV. Auction Event

83. The first round of bidding for Auction No. 61 will begin on Wednesday, August 3, 2005. The initial bidding schedule will be announced in a public notice listing the qualified bidders, which is released approximately 10 days before the start of the auction.

A. Auction Structure

i. Simultaneous Multiple Round Auction

84. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed to award all licenses in Auction No. 61 in a simultaneous multiple round auction. In a simultaneous multiple round auction, all licenses are available during the entire auction, and bids are accepted on any license until the auction concludes. The Bureau concludes that it is operationally feasible and appropriate to auction the AMTS licenses through a simultaneous multiple round auction. Unless otherwise announced, bids will be accepted on all licenses in each round of the auction. This approach, the Bureau believes, allows bidders to take advantage of synergies that exist among licenses and is administratively efficient.

ii. Eligibility and Activity Rules

85. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed that the amount of the upfront payment submitted by a bidder would determine the initial (maximum) eligibility (as measured in bidding units) for each bidder. The Bureau received no comments on this issue.

86. For Auction No. 61 the Bureau adopts this proposal. The amount of the upfront payment submitted by a bidder determines initial bidding eligibility, the maximum number of bidding units on which a bidder may place bids. Note again that each license is assigned a specific number of bidding units equal to the upfront payment listed in Attachment A of the *Auction No. 61 Procedures Public Notice* on a bidding unit per dollar basis. Bidding units for a given license do not change as prices rise during the auction. A bidder's upfront payment is not attributed to specific licenses. Rather, a bidder may place bids on any combination of licenses as long as the total number of bidding units associated with those licenses does not exceed its current eligibility. Eligibility cannot be increased during the auction; it can only remain the same or decrease. Thus, in calculating its upfront payment amount, an applicant must determine the maximum number of bidding units it

may wish to bid on (or hold provisionally winning bids on) in any single round, and submit an upfront payment amount covering that total number of bidding units. The total upfront payment does not affect the total dollar amount a bidder may bid on any given license.

87. In order to ensure that the auction closes within a reasonable period of time, an activity rule requires bidders to bid actively throughout the auction, rather than wait until late in the auction before participating. Bidders are required to be active on a specific percentage of their current bidding eligibility during each round of the auction.

88. A bidder's activity level in a round is the sum of the bidding units associated with licenses on which the bidder is active. A bidder is considered active on a license in the current round if it is either the provisionally winning bidder at the end of the previous bidding round and does not withdraw the provisionally winning bid in the current round, or if it submits a bid in the current round (see "Minimum Acceptable Bid Amounts and Bid Increment Amounts" in Section IV.B.3, below). The minimum required activity is expressed as a percentage of the bidder's current eligibility, and increases by stage as the auction progresses. Because these procedures have proven successful in maintaining the pace of previous auctions (as set forth under "Auction Stages" in Section IV.A.3 and "Stage Transitions" in Section IV.A.4, below), the Bureau adopts them for Auction No. 61.

iii. Auction Stages

89. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed to conduct the auction in two stages and employ an activity rule. The Bureau received no comments on this proposal.

90. The Bureau adopts its proposals for the activity rules and stages. Below are the activity levels for each stage of the auction. The Bureau reserves the discretion to further alter the activity percentages before and/or during the auction.

Stage One: During the first stage of the auction, a bidder desiring to maintain its current bidding eligibility will be required to be active on licenses representing at least 80 percent of its current bidding eligibility in each bidding round. Failure to maintain the required activity level will result in a reduction in the bidder's bidding eligibility in the next round of bidding (unless an activity rule waiver is used). During Stage One, reduced eligibility for the next round will be calculated by

multiplying the bidder's current round activity (the sum of bidding units of the bidder's provisionally winning bids and bids during the current round) by five-fourths (5/4).

Stage Two: During the second stage of the auction, a bidder desiring to maintain its current bidding eligibility is required to be active on 90 percent of its current bidding eligibility. Failure to maintain the required activity level will result in a reduction in the bidder's bidding eligibility in the next round of bidding (unless an activity rule waiver is used). During Stage Two, reduced eligibility for the next round will be calculated by multiplying the bidder's current round activity (the sum of bidding units of the bidder's provisionally winning bids and bids during the current round) by ten-ninths (10/9).

Caution: Since activity requirements increase in Stage Two, bidders must carefully check their activity during the bidding period of the first round following a stage transition to ensure that they are meeting the increased activity requirement. This is especially critical for bidders that have provisionally winning bids and do not plan to submit new bids. In past auctions, some bidders have inadvertently lost bidding eligibility or used an activity rule waiver because they did not re-verify their activity status at stage transitions. Bidders may check their activity against the required activity level by either logging in to the FCC Auction System or by accessing the "Bidder Summaries" on the public results page.

91. Because the foregoing procedures have proven successful in maintaining proper pace in previous auctions, the Bureau adopts them for Auction No. 61.

iv. Stage Transitions

92. Thus, the auction will start in Stage One and will generally advance to the next stage (*i.e.*, from Stage One to Stage Two) when, in each of three consecutive rounds of bidding, the provisionally winning bids have been placed on 20 percent or less of the licenses being auctioned (as measured in bidding units). In addition, the Bureau will retain the discretion to regulate the pace of the auction by announcement. This determination will be based on a variety of measures of bidder activity, including, but not limited to, the auction activity level, the percentages of licenses (as measured in bidding units) on which there are new bids, the number of new bids, and the percentage increase in revenue. The Commission believes that these stage transition rules, having proven successful in prior auctions, are appropriate for use in Auction No. 61.

v. Activity Rule Waivers and Reducing Eligibility

93. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed that each bidder in the auction would be provided three activity rule waivers. Bidders may use an activity rule waiver in any round during the course of the auction. The Bureau received no comments on this issue.

94. Based upon the Bureau's experience in previous auctions, the Bureau adopts its proposal that each bidder be provided three activity rule waivers. Bidders may use an activity rule waiver in any round during the course of the auction. Use of an activity rule waiver preserves the bidder's current bidding eligibility despite the bidder's activity in the current round being below the required minimum activity level. An activity rule waiver applies to an entire round of bidding and not to a particular license. Activity rule waivers can be either applied proactively by the bidder (known as a "proactive waiver") or applied automatically by the FCC Auction System (known as an "automatic waiver") and are principally a mechanism for auction participants to avoid the loss of bidding eligibility in the event that exigent circumstances prevent them from placing a bid in a particular round. The Bureau is satisfied that its practice of providing three waivers over the course of the auction provides a sufficient number of waivers and flexibility to the bidders, while safeguarding the integrity of the auction.

95. The FCC Auction System assumes that bidders with insufficient activity would prefer to apply an activity rule waiver (if available) rather than lose bidding eligibility. Therefore, the system will automatically apply a waiver at the end of any round where a bidder's activity level is below the minimum required unless: (1) There are no activity rule waivers available; or (2) the bidder overrides the automatic application of a waiver by reducing eligibility, thereby meeting the minimum requirements. If a bidder has no waivers remaining and does not satisfy the required activity level, the eligibility will be permanently reduced, possibly eliminating the bidder from further bidding in the auction.

96. A bidder with insufficient activity that wants to reduce its bidding eligibility rather than use an activity rule waiver must affirmatively override the automatic waiver mechanism during the bidding round by using the "reduce eligibility" function in the FCC Auction System. In this case, the bidder's eligibility is permanently reduced to

bring the bidder into compliance with the activity rules as described in "Auction Stages" (see Section IV.A.3 above). Once eligibility has been reduced, a bidder will not be permitted to regain its lost bidding eligibility.

97. Finally, a bidder may apply an activity rule waiver proactively as a means to keep the auction open without placing a bid. If a bidder proactively applies an activity waiver (using the "apply waiver" function in the FCC Auction System) during a bidding round in which no bids or withdrawals are submitted, the auction will remain open and the bidder's eligibility will be preserved. However, an automatic waiver applied by the FCC Auction System in a round in which there are no new bids or withdrawals will not keep the auction open. **Note:** Applying a waiver is irreversible; once a proactive waiver is submitted that waiver cannot be unsubmitted, even if the round has not yet closed.

vi. Auction Stopping Rules

98. For Auction No. 61, the Bureau proposed to employ a simultaneous stopping rule approach. The Bureau also sought comment on a modified version of the simultaneous stopping rule. The modified version of the stopping rule would close the auction for all licenses after the first round in which no bidder applies a waiver, places a withdrawal, or submits any new bids on any license on which it is not the provisionally winning bidder.

99. The Bureau further proposed retaining the discretion to keep the auction open even if no new bids or proactive waivers are submitted and no previous provisionally winning bids are withdrawn in a round. In this event, the effect will be the same as if a bidder had applied a waiver.

100. In addition, the Bureau proposed that it reserve the right to declare that the auction will end after a specified number of additional rounds ("special stopping rule"). If the Bureau invokes this special stopping rule, it will accept bids in the specified final round(s) and the auction will close.

101. The Bureau proposed to exercise these options only in circumstances such as where the auction is proceeding very slowly, where there is minimal overall bidding activity or where it appears likely that the auction will not close within a reasonable period of time. Before exercising these options, the Bureau is likely to attempt to increase the pace of the auction by, for example, increasing the number of bidding rounds per day, and/or increasing the amount of the minimum bid increments for the limited number of licenses where

there is still a high level of bidding activity.

102. The Bureau received no comments concerning the auction stopping rules; therefore the Bureau adopts the above proposals. Auction No. 61 will begin under the simultaneous stopping rule approach, and the Bureau will retain the discretion to invoke the other versions of the stopping rule.

vii. Auction Delay, Suspension, or Cancellation

103. Because the Bureau's approach to notification of delay during an auction has proven effective in resolving exigent circumstances in previous auctions, the Bureau adopts its proposed auction cancellation rules. By public notice or by announcement during the auction, the Bureau may delay, suspend, or cancel the auction in the event of natural disaster, technical obstacle, evidence of an auction security breach, unlawful bidding activity, administrative or weather necessity, or for any other reason that affects the fair and competitive conduct of competitive bidding. In such cases, the Bureau, in its sole discretion, may elect to resume the auction starting from the beginning of the current round, resume the auction starting from some previous round, or cancel the auction in its entirety. Network interruption may cause the Bureau to delay or suspend the auction. The Bureau emphasize that exercise of this authority is solely within the discretion of the Bureau, and its use is not intended to be a substitute for situations in which bidders may wish to apply their activity rule waivers.

B. Bidding Procedures

i. Round Structure

104. The initial schedule of bidding rounds will be announced in the public notice listing the qualified bidders, which is released approximately 10 days before the start of the auction. Each bidding round is followed by the release of round results. Multiple bidding rounds may be conducted in a given day. Details regarding round results formats and locations will also be included in the qualified bidders public notice.

105. The FCC has discretion to change the bidding schedule in order to foster an auction pace that reasonably balances speed with the bidders' need to study round results and adjust their bidding strategies. The Bureau may increase or decrease the amount of time for the bidding rounds and review periods, or the number of rounds per day, depending upon the bidding activity level and other factors.

ii. Reserve Price or Minimum Opening Bid

106. Section 309(j) of the Communications Act of 1934, as amended, calls upon the Commission to prescribe methods by which a reasonable reserve price will be required or a minimum opening bid established when applications for FCC licenses are subject to auction (*i.e.*, because they are mutually exclusive), unless the Commission determines that a reserve price or minimum opening bid is not in the public interest. Consistent with this mandate, the Commission directed the Bureau to seek comment on the use of a minimum opening bid and/or reserve price prior to the start of each auction. Among other factors, the Bureau must consider the amount of spectrum being auctioned, levels of incumbency, the availability of technology to provide service, the size of the geographic service areas, the extent of interference with other spectrum bands, and any other relevant factors that could have an impact on the spectrum being auctioned. The Commission concluded that the Bureau should have the discretion to employ either or both of these mechanisms for future auctions.

107. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed to establish minimum opening bids for Auction No. 61 and to retain discretion to lower the minimum opening bids. Specifically, for Auction No. 61, the Bureau proposed the following license-by-license basis using a formula based on bandwidth and license area population: $\$0.005 * \text{MHz} * \text{License Area Population}$ with a minimum of \$1,000 per license.

108. In the alternative, the Bureau sought comment on whether, consistent with the § 309(j), the public interest would be served by having no minimum opening bid or reserve price.

109. The Bureau adopts its proposal. The minimum opening bid amounts the Bureau adopts for Auction No. 61 are reducible at the discretion of the Bureau. The Bureau emphasize, however, that such discretion will be exercised, if at all, sparingly and early in the auction, *i.e.*, before bidders lose all waivers and begin to lose substantial eligibility. During the course of the auction, the Bureau will not entertain requests to reduce the minimum opening bid amount on specific licenses.

110. The specific minimum opening bid amounts for each license available in Auction No. 61 are set forth in Attachment A of the *Auction No. 61 Procedures Public Notice*.

iii. Minimum Acceptable Bid Amounts and Bid Increment Amounts

111. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed to use a minimum acceptable bid increment of five percent. This means that the minimum acceptable bid amount for a license will be approximately five percent greater than the provisionally winning bid amount for the license. The minimum acceptable bid amount will be calculated by multiplying the provisionally winning bid amount times one plus the minimum acceptable bid percentage—*e.g.*, if the minimum acceptable bid percentage is 5 percent, the minimum acceptable bid amount calculation is (provisionally winning bid amount) * (1 + 0.05), rounded or (provisionally winning bid amount) * (1.05), rounded. The Bureau will round the result using the Bureau's standard rounding procedures. The Bureau further proposed to retain the discretion to change the minimum acceptable bid amounts and bid increments amounts if it determines that circumstances so dictate. The Bureau received no comment on this issue. The Bureau will begin the auction with a minimum acceptable bid percentage of 5%.

112. In each round, each eligible bidder will be able to place a bid on a particular license for which it applied in any of nine different amounts. The FCC Auction System will list the nine acceptable bid amounts for each license. Until a bid has been placed on a license, the minimum acceptable bid amount for that license will be equal to its minimum opening bid amount.

113. The nine acceptable bid amounts for each license consist of the minimum acceptable bid amount and eight other bid amounts based on the bid increment percentage. The first additional acceptable bid amount, above the minimum acceptable bid amount, equals the minimum acceptable bid amount times one plus the bid increment percentage, rounded—*e.g.*, if the bid increment percentage is 5 percent, then the next bid amount will equal (minimum acceptable bid amount) * 1.05, rounded, the second additional acceptable bid amount equals the minimum acceptable bid amount times one plus two times the bid increment percentage, rounded, or (minimum acceptable bid amount) * 1.10, rounded; the third additional acceptable bid amount equals the minimum acceptable bid amount times one plus three times the bid increment percentage, rounded, or (minimum acceptable bid amount) * 1.15, rounded, etc. The Bureau will begin the auction with a bid increment

percentage of 5%. Note that the bid increment percentage need not be the same as the minimum acceptable bid percentage.

114. In the case of a license for which the provisionally winning bid amount has been withdrawn, the minimum acceptable bid amount will equal the amount of the second highest bid amount received for the license. The additional bid amounts above the minimum acceptable bid amount are calculated using the bid increment percentage as described in the previous paragraph.

115. The Bureau retains the discretion to change the minimum acceptable bid amounts, the minimum acceptable bid percentage, and the bid increment percentage if it determines that circumstances so dictate. The Bureau will do so by announcement in the FCC Auction System. The Bureau may also use its discretion to adjust the minimum bid increment amount without prior notice if circumstances warrant.

iv. Provisionally Winning Bids

116. At the end of each bidding round, a provisionally winning bid amount will be determined based on the highest bid amount received for each license. A high bid from a previous round is referred to as a "provisionally winning bid." A "provisionally winning bid" will remain the provisionally winning bid until there is a higher bid on the same license at the close of a subsequent round. Bidders are reminded that provisionally winning bids are counted as activity for purposes of the activity rule.

117. In the *Auction No. 61 Comment Public Notice*, the Bureau proposed to use a random number generator to select a provisionally winning bid in the event of identical high bid amounts being submitted on a license in a given round (*i.e.*, tied bids). No comments were received on this proposal. Therefore, the Bureau adopts its proposal. A Sybase® SQL pseudo-random number generator based on the L'Ecuyer algorithms will be used to assign a random number to each bid. The tied bid having the highest random number will become the provisionally winning bid. Eligible bidders, including the provisionally winning bidder, will be able to submit a higher bid in a subsequent round. If no bidder submits a higher bid in subsequent rounds, the provisionally winning bid from the previous round will win the license, unless that provisionally winning bid was withdrawn. If any bids are received on the license in a subsequent round, the provisionally winning bid will once again be determined based on the

highest bid amount received for the license.

v. Bidding

118. During a round, a bidder may submit bids for as many licenses as it wishes (subject to its eligibility), withdraw provisionally winning bids from previous bidding rounds, remove bids placed in the same bidding round, or permanently reduce eligibility. Bidders also have the option of making multiple submissions and withdrawals in each round. If a bidder submits multiple bids for a single license in the same round, the system takes the last bid entered as that bidder's bid for the round. Bidders should note that the bidding units associated with licenses for which the bidder has removed or withdrawn its bid do not count towards the bidder's activity at the close of the round.

119. Please note that all bidding will take place remotely either through the FCC Auction System or by telephonic bidding. (Telephonic bid assistants are required to use a script when entering bids placed by telephone. Telephonic bidders are therefore reminded to allow sufficient time to bid by placing their calls well in advance of the close of a round. Normally, five to ten minutes are necessary to complete a telephonic bid submission). There will be no on-site bidding during Auction No. 61.

120. A bidder's ability to bid on specific licenses in the first round of the auction is determined by two factors: (1) the licenses applied for on FCC Form 175 and (2) the upfront payment amount deposited. The bid submission screens will allow bidders to submit bids on only those licenses for which the bidder applied on its FCC Form 175.

121. In order to access the bidding function of the FCC Auction System, bidders must be logged in during the bidding round using the password generated by the SecurID card and a personal identification number (PIN) created by the bidder. Bidders are strongly encouraged to print a "round summary" for each round after they have completed all of their activity for that round.

122. In each round, eligible bidders will be able to place bids on a given license in any of nine different amounts. For each license, the FCC Auction System interface will list the nine acceptable bid amounts in a drop-down box. Bidders may use the drop-down box to select from among the nine bid amounts. The FCC Auction System also includes an "upload" function that allows bidders to upload text files containing bid information.

123. Until a bid has been placed on a license, the minimum acceptable bid amount for that license will be equal to its minimum opening bid amount. Once there is a provisionally winning bid on a license, the FCC Auction System will calculate a minimum acceptable bid amount for that license for the following round, as described in Section IV.B.3.

124. Finally, bidders are cautioned to select their bid amounts carefully because, as explained in the following section, bidders that withdraw a provisionally winning bid from a previous round, even if the bid was mistakenly or erroneously made, are subject to bid withdrawal payments.

vi. Bid Removal and Bid Withdrawal

125. In the *Auction No. 61 Comment Public Notice*, the Commission proposed bid removal and bid withdrawal procedures. With respect to bid withdrawals, the Commission proposed limiting each bidder to withdrawals in no more than one round during the course of the auction. The round in which withdrawals are used would be at the bidder's discretion. The Bureau received no comments on this issue.

126. *Procedures.* Before the close of a bidding round, a bidder has the option of removing any bids placed in that round. By using the "remove bids" function in the FCC Auction System, a bidder may effectively "unsubmit" any bid placed within that round. A bidder removing a bid placed in the same round is not subject to withdrawal payments. Removing a bid will affect a bidder's activity for the round in which it is removed, *i.e.*, a bid that is removed does not count toward bidding activity. These procedures will enhance bidder flexibility during the auction, and therefore the Bureau adopts them for Auction No. 61.

127. Once a round closes, a bidder may no longer remove a bid. However, in later rounds, a bidder may withdraw provisionally winning bids from previous rounds using the "withdraw bids" function in the FCC Auction System (assuming that the bidder has not reached its withdrawal limit). A provisionally winning bidder that withdraws its provisionally winning bid from a previous round during the auction is subject to the bid withdrawal payments specified in 47 CFR 1.2104(g). **Note:** Once a withdrawal is submitted during a round, that withdrawal cannot be unsubmitted.

128. In previous auctions, the Bureau had detected bidder conduct that, arguably, may have constituted strategic bidding through the use of bid withdrawals. While the Commission

continues to recognize the important role that bid withdrawals play in an auction, *i.e.*, reducing risk associated with efforts to secure various licenses in combination, the Commission concludes that, for Auction No. 61, adoption of a limit on the use of withdrawals to one round per bidder is appropriate. By doing so the Bureau believes that it strikes a reasonable compromise that will allow bidders to use withdrawals. The Commission's decision on this issue is based upon the Bureau's experience in prior auctions, particularly the PCS D, E and F block and 800 MHz SMR auctions, and is in no way a reflection of the Bureau's view regarding the likelihood of any speculation or "gaming" in this auction.

129. The Bureau will therefore limit the number of rounds in which bidders may place withdrawals to one round. The round will be at the bidder's discretion and there will be no limit on the number of bids that may be withdrawn in the round. Withdrawals during the auction will be subject to the bid withdrawal payments specified in 47 CFR 1.2104(g). Bidders should note that abuse of the Commission's bid withdrawal procedures could result in the denial of the ability to bid on a market.

130. If a provisionally winning bid is withdrawn, the minimum acceptable bid amount will equal the amount of the second highest bid received for the license, which may be less than, or in the case of tied bids, equal to, the amount of the withdrawn bid. To set the additional bid amounts, the second highest bid amount also will be used in place of the provisionally winning bid in the formula used to calculate bid increment amounts. The Commission will serve as a "place holder" provisionally winning bidder on the license until a new bid is submitted on that license.

131. *Calculation.* Generally, the Commission imposes payments on bidders that withdraw high bids during the course of an auction. If a bidder withdraws its bid and there is no higher bid in the same or subsequent auction(s), the bidder that withdrew its bid is responsible for the difference between its withdrawn bid and the provisionally winning bid in the same or subsequent auction(s). In the case of multiple bid withdrawals on a single license, within the same or subsequent auctions(s), the payment for each bid withdrawal will be calculated based on the sequence of bid withdrawals and the amounts withdrawn. No withdrawal payment will be assessed for a withdrawn bid if either the subsequent winning bid or any of the intervening

subsequent withdrawn bids, in either the same or subsequent auctions(s), equals or exceeds that withdrawn bid. Thus, a bidder that withdraws a bid will not be responsible for any withdrawal payments if there is a subsequent higher bid in the same or subsequent auction(s). This policy allows bidders most efficiently to allocate their resources as well as to evaluate their bidding strategies and business plans during an auction while, at the same time, maintaining the integrity of the auction process. The Bureau retains the discretion to scrutinize multiple bid withdrawals on a single license for evidence of anti-competitive strategic behavior and take appropriate action when deemed necessary.

132. Section 1.2104(g)(1) of the rules sets forth the payment obligations of a bidder that withdraws a high bid on a license during the course of an auction, and provides for the assessment of interim bid withdrawal payments. As amended, § 1.2104(g)(1) provides that in instances in which bids have been withdrawn on a license that is not won in the same auction, the Commission will assess an interim withdrawal payment equal to 3 percent of the amount of the withdrawn bids. The 3 percent interim payment will be applied toward any final bid withdrawal payment that will be assessed after subsequent auction of the license. Assessing an interim bid withdrawal payment ensures that the Commission receives a minimal withdrawal payment pending assessment of any final withdrawal payment. Section 1.2104(g) provides specific examples showing application of the bid withdrawal payment rule.

vii. Round Results

133. Bids placed during a round will not be made public until the conclusion of that bidding period. After a round closes, the Bureau will compile reports of all bids placed, bids withdrawn, current provisionally winning bids, new minimum acceptable bid amounts, and bidder eligibility status (bidding eligibility and activity rule waivers), and post the reports for public access. Reports reflecting bidders' identities for Auction No. 61 will be available before and during the auction. Thus, bidders will know in advance of this auction the identities of the bidders against which they are bidding.

viii. Auction Announcements

134. The FCC will use auction announcements to announce items such as schedule changes and stage transitions. All FCC auction announcements will be available by

clicking a link in the FCC Auction System.

V. Post-Auction Procedures

A. Down Payments and Withdrawn Bid Payments

135. After bidding has ended, the Commission will issue a public notice declaring the auction closed and identifying winning bidders, down payments, final payments, and any withdrawn bid payments due.

136. Within ten business days after release of the auction closing notice, each winning bidder must submit sufficient funds (in addition to its upfront payment) to bring its total amount of money on deposit with the Commission for Auction No. 61 to 20 percent of the net amount of its winning bids (gross bids less any applicable small business, or very small business bidding credits). In addition, by the same deadline, all bidders must pay any bid withdrawal payments due under 47 CFR 1.2104(g), as discussed in "Bid Removal and Bid Withdrawal," Section IV.B.6. (Upfront payments are applied first to satisfy any withdrawn bid liability, before being applied toward down payments.)

B. Final Payments

137. Each winning bidder will be required to submit the balance of the net amount of its winning bids within 10 business days after the deadline for submitting down payments.

C. Long-Form Application (FCC Form 601)

138. Within ten business days after release of the auction closing notice, winning bidders must electronically submit a properly completed long-form application (FCC Form 601) for each license won through Auction No. 61. Winning bidders that are small businesses or very small businesses must demonstrate their eligibility for small business or very small business bidding credits. See 47 CFR 1.2112(b).

D. Ownership Disclosure Information Report (FCC Form 602)

139. At the time it submits its long-form application (FCC Form 601), each winning bidder also must comply with the ownership reporting requirements as set forth in 47 CFR 1.913, 1.919, and 1.2112. An ownership disclosure record was automatically created in the Universal Licensing System (ULS) for any applicant that submitted an FCC Form 175. However, winning bidders will be required to review and confirm that it is complete and accurate as of the date of filing Form 601. Further instructions will be provided to auction

winning bidders at the close of the auction.

E. Tribal Land Bidding Credit

140. A winning bidder that intends to use its license(s) to deploy facilities and provide services to federally recognized tribal lands that are unserved by any telecommunications carrier or that have a wireline penetration rate equal to or below 85 percent is eligible to receive a tribal land bidding credit as set forth in 47 CFR 1.2107 and 1.2110(f). A tribal land bidding credit is in addition to, and separate from, any other bidding credit for which a winning bidder may qualify.

F. Default and Disqualification

141. Any high bidder that defaults or is disqualified after the close of the auction (*i.e.*, fails to remit the required down payment within the prescribed period of time, fails to submit a timely long-form application, fails to make full payment, or is otherwise disqualified) will be subject to the payments described in 47 CFR 1.2104(g)(2). In such event the Commission may re-auction the license or offer it to the next highest bidder (in descending order) at its final bid. In addition, if a default or disqualification involves gross misconduct, misrepresentation, or bad faith by an applicant, the Commission may declare the applicant and its principals ineligible to bid in future auctions, and may take any other action that it deems necessary, including institution of proceedings to revoke any existing licenses held by the applicant.

G. Refund of Remaining Upfront Payment Balance

142. All applicants that submit upfront payments but are not winning bidders for a license in Auction No. 61 may be entitled to a refund of their remaining upfront payment balance after the conclusion of the auction. No refund will be made unless there are excess funds on deposit from the applicant after any applicable bid withdrawal payments have been paid. All refunds will be returned to the payer of record, as identified on the FCC Form 159, unless the payer submits written authorization instructing otherwise.

143. Bidders that drop out of the auction completely may be eligible for a refund of their upfront payments before the close of the auction. Qualified bidders that have exhausted all of their activity rule waivers, have no remaining bidding eligibility, and have not withdrawn a provisionally winning bid during the auction must submit a written refund request. If you have completed the refund instructions

electronically, then only a written request for the refund is necessary. If not, the request must also include wire transfer instructions, Taxpayer Identification Number (TIN) and FCC Registration Number (FRN). Send refund requests to: Federal Communications Commission, Financial Operations Center, Auctions Accounting Group, Gail Glasser, 445 12th Street, SW., Room 1-C864, Washington, DC 20554.

144. Bidders are encouraged to file their refund information electronically using the Refund Information icon in the FCC Form 175, but bidders can also fax their information to the Auctions Accounting Group at (202) 418-2843. Once the information has been approved, a refund will be sent to the party identified in the refund information.

Gary D. Michaels,

Deputy Chief, Auctions and Spectrum Access Division, WTB.

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BILLING CODE 6712-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice of information collection to be submitted to OMB for review and approval under the Paperwork Reduction Act of 1995.

SUMMARY: In accordance with requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the FDIC hereby gives notice that it plans to submit to the Office of Management and Budget (OMB) a request for OMB review and approval of the information collection system described below.

DATES: Comments must be submitted on or before June 22, 2005.

ADDRESSES: Interested parties are invited to submit written comments. All comments should refer to "Deposit Broker Processing, 3064-0143." Comments may be submitted by any of the following methods:

- <http://www.FDIC.gov/regulations/laws/federal/propose.html>.

- *E-mail:* comments@FDIC.gov.

Include "Deposit Broker Processing, 3064-0143" in the subject line of the message.

- *Mail:* Leneta G. Gregorie (202-898-3719), Counsel, Room MB-3082,