By this Public Notice, the Wireless Telecommunications Bureau (“Bureau”) announces technical modifications to previously released information as well as new dates and deadlines with respect to the upcoming auction of lower and upper paging bands scheduled for October 30, 2001 (“Auction No. 40”).

With the exception of information modified by this Public Notice, the information provided in previous public notices regarding Auction No. 40 remains unchanged. As previously announced, all short-form applications (FCC Form 175) previously filed for Auction No. 40 have been deemed ineffective and purged from the FCC’s computer system.

Since the release of the Auction No. 40 Procedures Public Notice, the Bureau modified the formula for determining the defined increments used to calculate acceptable bids. Previously, at the time of the Auction No. 40 Procedures Public Notice, the formula to be used was: Defined Increment = Rounded (Standing High Bid*Factor) – Standing High Bid. (In the absence of a


3 The Factor is determined based on the percentage of the high bid used to calculate the defined increment. At the outset of the auction, the Bureau will use twenty percent (20%), in which case the Factor will be 1.2. The Bureau has discretion to change the percentage during the auction. If the percentage is thirty percent, for example, the Factor will be 1.3. In addition, the Bureau has discretion during Stage III of the auction to use a second, smaller
standing high bid, the minimum opening bid is used in its place.) The *Auction No. 40 Procedures Public Notice* indicated that the product of the Standing High Bid (or minimum opening bid) and the Factor would be rounded to the nearest $100 for results below $10,000 and to the nearest $1,000 for amounts above $10,000.4

By this Public Notice, the Bureau announces a modification to the method of rounding. The product of the Standing High Bid (or minimum opening bid) and the Factor will be rounded as follows: amounts below $1,000 will be rounded to the nearest $10; amounts above $1,000 but below $10,000 will be rounded to the nearest $100; and amounts above $10,000 will be rounded to the nearest $1,000. In all other respects, acceptable bids will be calculated as described in the *Auction No. 40 Procedures Public Notice*.5

The Bureau also has changed the number of acceptable bids higher than the minimum acceptable bid for each round. In the *Auction No. 40 Procedures Public Notice*, the Bureau announced that in each round, eligible bidders would be able to place either the minimum accepted bid or any of nine higher bids, each higher bid being equal to the minimum accepted bid plus one to nine times the relevant defined increment.6 By this Public Notice, the Bureau announces that, in each round, eligible bidders will be able to place either the minimum accepted bid or any of eight higher bids, each higher bid being equal to the minimum accepted bid plus one to eight times the relevant defined increment.

Additionally, the Bureau announces key dates for Auction No. 40 events, including the bidder seminar scheduled for Wednesday, September 5, 2001. Participants planning to attend the bidder seminar must register using the attached form by Friday, August 31, 2001.

| Deadline to register for Pre-Auction Seminar: | August 31, 2001 |
| Seminar Date: | September 5, 2001 |
| Short-Form Application (FCC Form 175): | September 17, 2001 6:00 p.m. ET |
| Upfront Payments (via wire transfer): | October 5, 2001 6:00 p.m. ET |
| Mock Auction: | October 25, 2001 |
| Auction Start Date: | October 30, 2001 |

percentage when calculating the increment used to set acceptable bids higher than the minimum acceptable bid. In all other respects, any such smaller defined increment will be calculated in the same manner as the defined increment used to set the minimum acceptable bid. Advance notice of the Bureau’s decision to exercise its discretion with regard to acceptable bids in any manner will be announced via the Automated Auction System.

4 *Auction No. 40 Procedures Public Notice* at 31 n.86.

5 *Id.* at 31-32.

6 *Id.* at 31.
Finally, the Bureau reminds participants that under the anti-collusion rules, after the short-form filing deadline, applicants may not discuss the substance of their bids or bidding strategies with other bidders that have applied to bid on licenses in the same geographic areas, with the exception of those other bidders with whom the applicant has entered into agreements and identified on their short-form application.

For further information, please contact Erik Salovaara, Auctions Legal Branch at (202) 418-0660 or Lisa Stover, Auctions Operations Branch at (717) 338-2888.

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\[8 \text{ See } 47 \text{ C.F.R. } \S 1.2105(c).\]
FCC AUCTION SEMINAR REGISTRATION FORM

Auction No. 40

The FCC will sponsor a one-day seminar for Auction No. 40 applicants. The seminar is free of charge and will provide information about pre-auction procedures, service and auction rules, conduct of the auction, and the Automated Auction System.

The specifics for this seminar are as follows:

Wednesday, September 5, 2001
Federal Communications Commission
445 12th Street SW
Commission Meeting Room (Twelfth Street)
Washington, DC  20554
Registration 9:30 a.m. – 10:00 a.m.
Seminar 10:00 a.m. - 4 p.m.
If hotel accommodations are needed
Please contact 1-888-225-5322 (option #2) for a list of hotels in the area
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To register, complete the form below and
return no later than
Friday, August 31, 2001, by mail or fax to:

FCC Auction No. 40
Auctions Operations Branch
1270 Fairfield Road
Gettysburg, PA  17325-7245

FAX:  717-338-2850
Phone:  717-338-2888

I/We will attend the Auction No. 40 seminar, scheduled for Wednesday, September 5, 2001.

Name of attendee: _____________________________________________________

Name of attendee: _____________________________________________________

Company name:  ______________________________________________________

Phone: __________________________   Fax: ______________________________