

**DESCRIPTION OF TRANSACTION AND  
PUBLIC INTEREST STATEMENT**

Sierra Cellular, Inc. (“Sierra”), Calaveras Cellular Corporation (“Calaveras”), Volcano Cellular, Inc. (“Volcano”), and Pinnacles Cellular, LLC (“Buyer”) (and together with Sierra, Calaveras, and Volcano, the “Applicants”) seek Federal Communications Commission (“Commission”) consent to the transfer of control of California RSA No. 3 Limited Partnership (“CA-3”) to Buyer. CA-3 holds the cellular B block license KNKN240 for CMA338, California 3-Alpine (the “Market”) and related microwave call signs.

The current ownership of CA-3 is as follows:

<b>Current partners in CA-3</b>	<b>Current ownership percentage</b>
Sierra	16.834% GP
Calaveras	27.722% LP
Volcano	27.722% LP
Pinnacles Cellular, Inc. (“Buyer Parent”)	27.722% LP

Sierra, Calaveras, and Volcano intend to sell their interests in CA-3 to Buyer. Buyer is a wholly-owned subsidiary of Buyer Parent, and Buyer Parent is a wholly-owned subsidiary of Cellco Partnership d/b/a Verizon Wireless (“Verizon Wireless”). At the close of the transaction, CA-3 would be a wholly-owned subsidiary of Verizon Wireless.

Buyer plans to transition the CA-3 customers to Verizon Wireless’s service plans within a period of 12-15 months after closing. As of the date of this application, Verizon Wireless anticipates that it will: (a) transition customers to like or better price plans to the extent possible in terms of access and usage allowances; (b) offer replacement handsets to the extent necessary for customers to take advantage of the full suite of Verizon Wireless services, including a variety of free and discounted devices; and (c) on a case-by-case basis waive early termination fees if a customer does not wish to continue service with Verizon Wireless.

Verizon Wireless’s financial, technical, and legal qualifications to hold and control FCC licenses are matters of public record. Moreover, the proposed transfer of control will fully comply with the Commission’s rules and will not require any waiver. The licenses were not obtained through competitive bidding procedures during the preceding three years, and the transaction will not result in any requirement that the Applicants pay unjust enrichment to the Commission. There are no related international Section 214 or other wireless authorizations involved in the proposed transaction.

Grant of this application will serve the public interest. Verizon Wireless has no existing network operations in the Market. The proposed transaction will allow Verizon Wireless to integrate the CA-3 market into its network, thereby allowing Verizon Wireless to meet the growing demands of its customers for wireless products and services in the Market. In addition, customers in the Market will further benefit from Verizon Wireless’s planned deployment of 4G

LTE on its existing 700 MHz C Block spectrum. As shown in **Exhibit 2**, Verizon Wireless is currently attributed with 67 to 87 MHz cellular, PCS, AWS and 700 MHz spectrum in the Market because CA-3's spectrum holdings already are attributable to Verizon Wireless due to its existing minority, non-controlling ownership interest in CA-3. Following consummation of this transaction, Verizon Wireless will still hold 67 to 87 MHz in the Market. Thus, Verizon Wireless will hold well below the 151 MHz screen in the Market. Moreover, the proposed transaction will not adversely affect competition in the Market. **Exhibit 3** depicts the current CMRS competitors in the Market. Buyer will replace Sierra as the general partner of CA-3. Thus, there will be no reduction in competition as a result of this transaction. Therefore, consumers will continue to benefit from robust competition.

For these reasons, the proposed transaction will serve the public interest and the parties respectfully request prompt Commission approval.