

II-1.

Summary Explanation and Background: SBBC has two EBS license groups that are used by BECON to broadcast video to the schools. New FCC guidelines require license holders to transition from fixed video service to mobile data service. This change by the FCC made the licenses attractive to wireless operators.

Continuation:

On May 20, 2014 SBBC approved an agreement with Select Spectrum to market the SBBC Spectrum to wireless operators. Select Spectrum publicly released a "Spectrum Information Memorandum" on behalf of SBBC, and conducted a multiple bid offering for the licenses. Sprint's best and final offer was the highest bid. SBBC's FCC attorney and SBBC staff negotiated the final proposed lease with the terms listed in the Executive Summary. The lease term is for 30 years. The total value of the lease is [REDACTED] in cash payments. A portion of the upfront payment will be used to transition BECON's existing instructional television services to an IPTV system in order to free up EBS channels for lease. The transition will allow schools to continue to receive BECON programming and incorporate new channels, which will provide teachers and students additional resources to use in the classroom.

This agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.