

Investor Offers Clearwire \$240M Alternative to Sprint's Money

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Crest Financial Limited has [offered](#) [1] Clearwire \$240 million in financing as an alternative to the \$80 million per month funding draw Sprint has been giving to the WiMax wholesaler.

The offer is meant to provide Clearwire with more time to consider alternatives to Sprint's offer of \$2.97 per share to buy the roughly 50 percent of Clearwire it doesn't already own. In January, Dish Network submitted an unsolicited bid of \$3.30 per share to buy Clearwire. But Dish said it would withdraw its offer if Clearwire drew Sprint's funding offer, which totals \$800 million spread out over 10 months.

Clearwire declined the funding draws for both January and February as it fulfilled the fiduciary duty to its shareholders to consider Dish's offer.

"To Crest, the benefits of our proposal to Clearwire and its stockholders are clear," said David Schumacher, the general counsel of Crest Financial Limited. "The Sprint notes are intended to leave Clearwire's minority stockholders with the unfair choice of acquiescing to Sprint's inadequate merger offer or suffering significant dilution at the hands of Sprint."

By Crest's estimates, the \$240 million would provide Clearwire with enough capital to build out 2,000 LTE sites and to pay its interest expenses in 2013. Factoring in the \$160 million in funding Clearwire has already drawn from Sprint for March and April, Crest further predicts that an additional 2,133 LTE sites could be built.

Clearwire did not respond immediately to a request for comment.

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<http://www.wirelessweek.com/news/2013/04/investor-offers-clearwire-240m-alternative-sprint%E2%80%99s-money>

Links:

[1] <http://www.prnewswire.com/news-releases/crest-proposes-debt-financing-to-clearwire-as-alternative-to-sprint-financing-201295081.html>