



AMERICA'S 'ALL ACCESS' NETWORK™

WWW.ALLIEDFIBER.COM

New England Fiber Optic Council 2011 Boston, MA

**The Need and Rationale for a New, National,
Carrier-Neutral Dark Fiber and Colocation System**

Hunter Newby, CEO



The Current State of the USA and World & What We All Need

- Situation Not Great
 - USA – Credit Downgrade, Unemployment, Flat “Growth”
 - Europe – Euro Disaster, Austerity, Civil Unrest
 - Asia – Mixed following China verses rest of world
- What We All Need – Productivity! It is not just about jobs
 - GDP Growth is the Key – GOV only knows INFLATATION
 - What Increases Productivity? Mobility + Broadband



The Current State of Long Haul Dark Fiber in the USA

- 10+ Year Old Existing Carrier-owned Fiber Systems
- Many IRU's Expiring
- Many Routes Have Reached Fiber Exhaust, or Fiber IRU/Lease Elimination
- Many Locations (towers, data centers, towns, etc) in Need of Intermediate Access to Dark Fiber Cannot be Satisfied



New Demands in the USA That Did Not Exist 10 Years Ago

- **Wireless / Mobile**
- **Distributed Data Centers**
- **Cloud Computing**
- **Rural Broadband Demand**



Requirement for New Designs & Models to Meet Today's Demands

- Carrier-Neutral, Real Estate Model
- A New Long Haul Fiber Route for the USA
- Short Haul Fiber (Metro Design over Long Haul) With Multiple, Physical Access Points
- Neutral Colocation - The Meeting Point
- Long Term Fiber & Colocation Leases



Requirement for New Fiber Counts & Types to Support Current Hardware Technology & Demand

- High Counts for Long Haul & Short Haul
- Latest Generation Fiber Types - SMF28e+, LEAF
- Supporting multi-channel 100G DWDM
- Supporting Local, Metro, Regional Network
Transition to Long Haul and Subsea Networks for
Seamless Global Transport

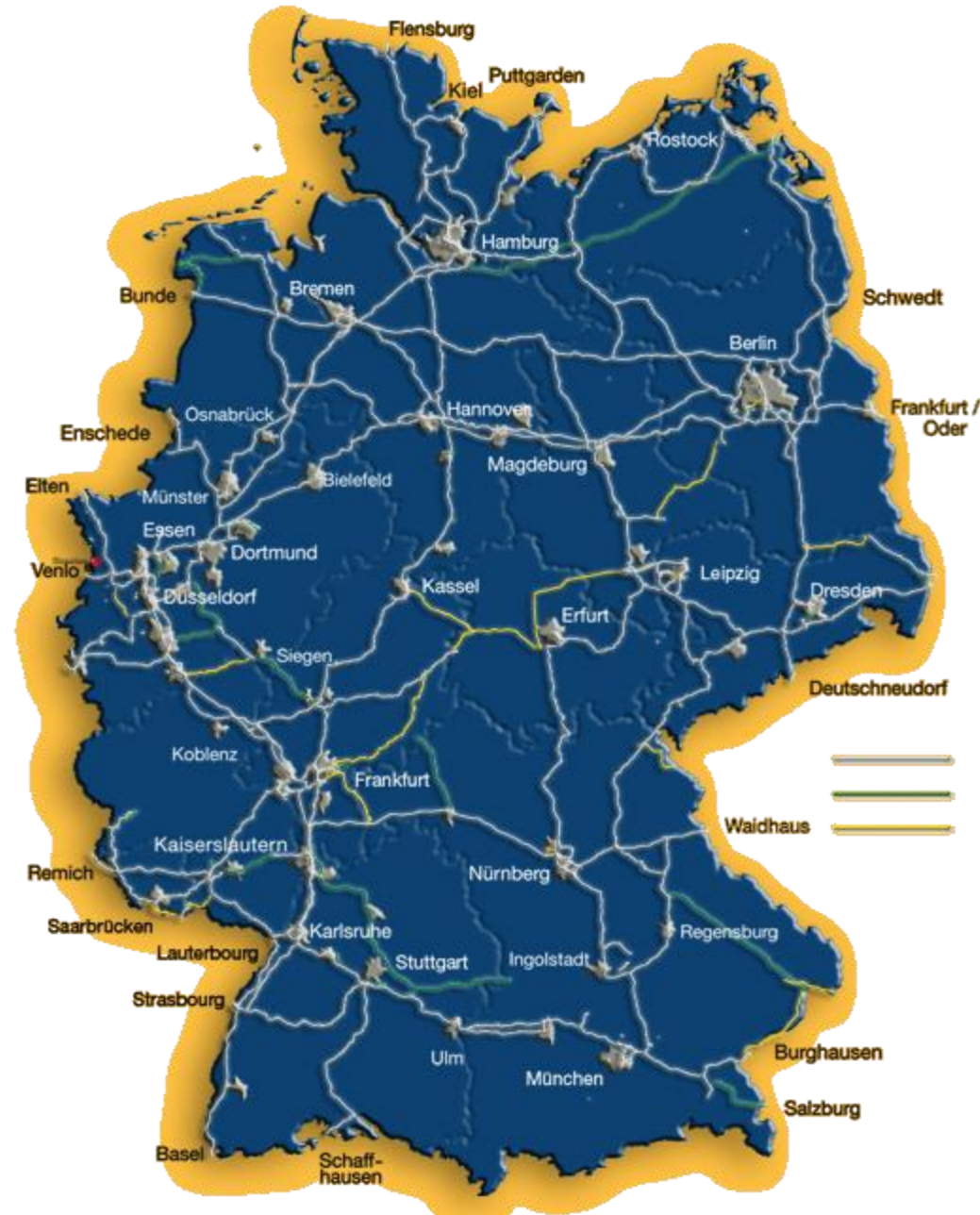


Requirement for a New Economic Model is Also Required

- Flat Rate Pricing for Short Haul and Long Haul Dark Fiber
- Long (20 Year) IRU & Lease Terms for Long Haul Fiber
- Monthly Recurring Leases for Short Haul Fiber
- Monthly Recurring Fees for Space and Power in Neutral Colocation Facilities Built for Customer's Own Revenue Generation



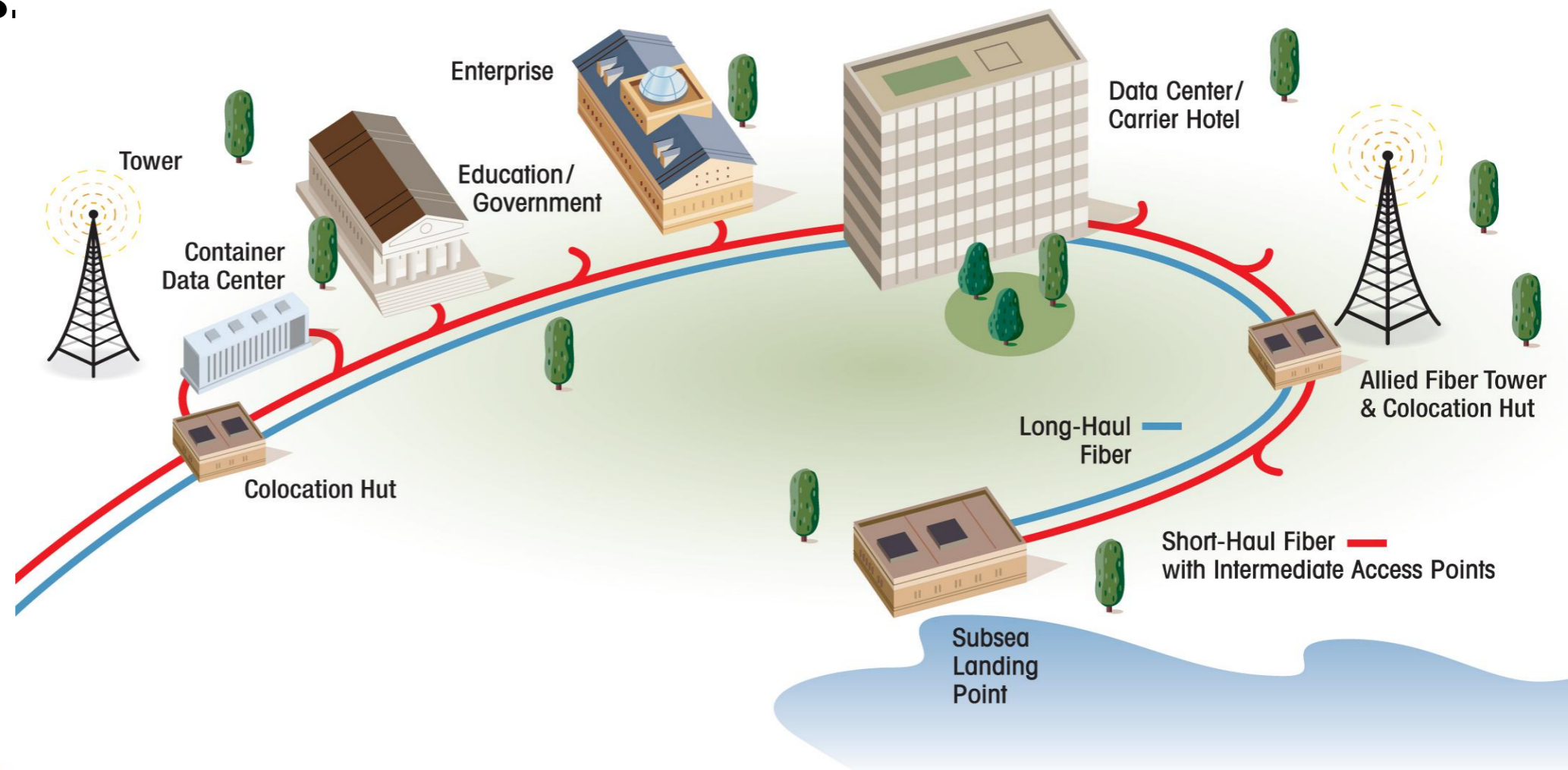
Who is Doing This Today?



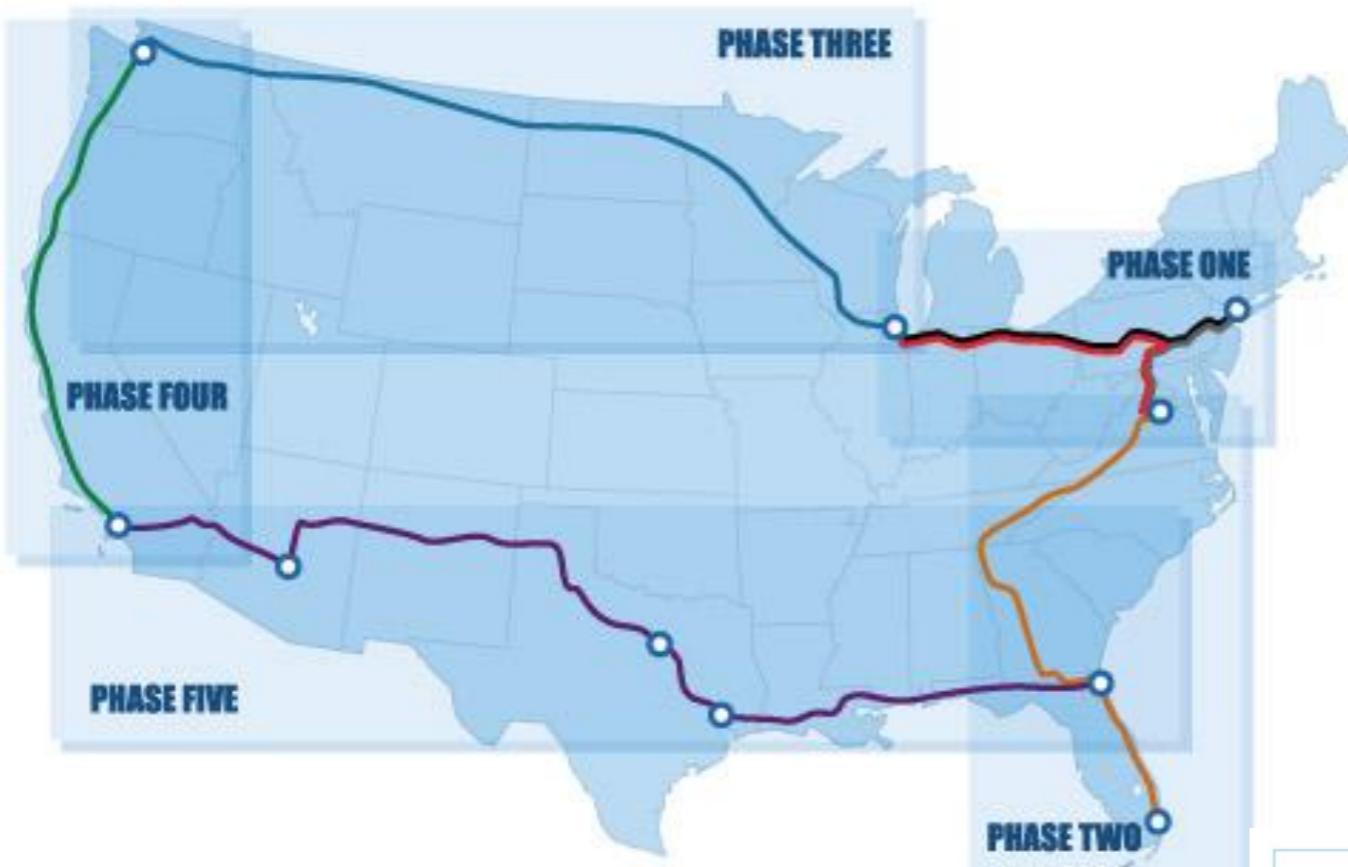


What is Allied Fiber?

Allied Fiber is the first carrier-neutral colocation and dark fiber company in the USA providing a combined long haul and short haul fiber optic system coupled with carrier-neutral colocation facilities and direct access for wireless towers and rural broadband networks.






Allied Fiber System Map



PROPOSED ALLIED FIBER ROUTES & ESTIMATED OPTICAL MILES

PHASE ONE

-  NEW YORK CITY, NY TO CHICAGO, IL
OPTICAL MILES (EST.): 998
-  NEW YORK CITY, NY TO ASHBURN, VA
OPTICAL MILES (EST.): 386
-  CHICAGO, IL TO ASHBURN, VA
OPTICAL MILES (EST.): 1,005

PHASE TWO

-  ASHBURN, VA TO MIAMI, FL
OPTICAL MILES (EST.): 1,596





PHASE THREE

-  CHICAGO, IL TO SEATTLE, WA
OPTICAL MILES (EST.): 2,213

PHASE FOUR

-  SEATTLE, WA TO LOS ANGELES, CA

PHASE FIVE

-  LOS ANGELES, CA TO PHOENIX, AZ
-  PHOENIX, AZ TO DALLAS, TX
-  DALLAS, TX TO HOUSTON, TX
-  HOUSTON, TX TO JACKSONVILLE, FL



Allied Fiber Phase 1

- New York, Ashburn, Chicago:
 - 1300+ route miles
 - 1 Million Fiber Miles
 - 19 neutral colocation facilities
 - 2200 handhole access points
 - Access to 1000's of towers
 - Dozens of carrier/network operator tenants

The Physically Distributed Network Marketplace



Rail Plow in Virginia on NS



What Allied Fiber is Not

- We are a complete departure from the current design and state of interstate fiber in the USA which is any combination of the following:
 - Older generation fiber
 - Carrier-owned
 - Low-count Fiber Cables
 - Inaccessible
 - Not-for-sale/lease ubiquitously
 - Restrictive, or non-existent colocation facilities
 - No intermediate access points for tower backhaul, data centers, or rural/community/hospitals



Design for the Demand

Towers and Wireless Backhaul along a
Multi-Duct Dark Fiber System

Modular and Container Data Centers along a
Multi-Duct Dark Fiber System
“Lego Blocks and the Lego Pad”

- Mobile – cell phones, wireless phones, PDA's, iPads, tablets, etc – LTE, mobile WiMax, 3G
- Wireless – could also be mobile, but is also microwave – WiMax, etc – for transport
- Mobile Backhaul – can be microwave wireless, or fixed line (fiber)
- Either way, mobile data rates demand multi-megabit transport from towers

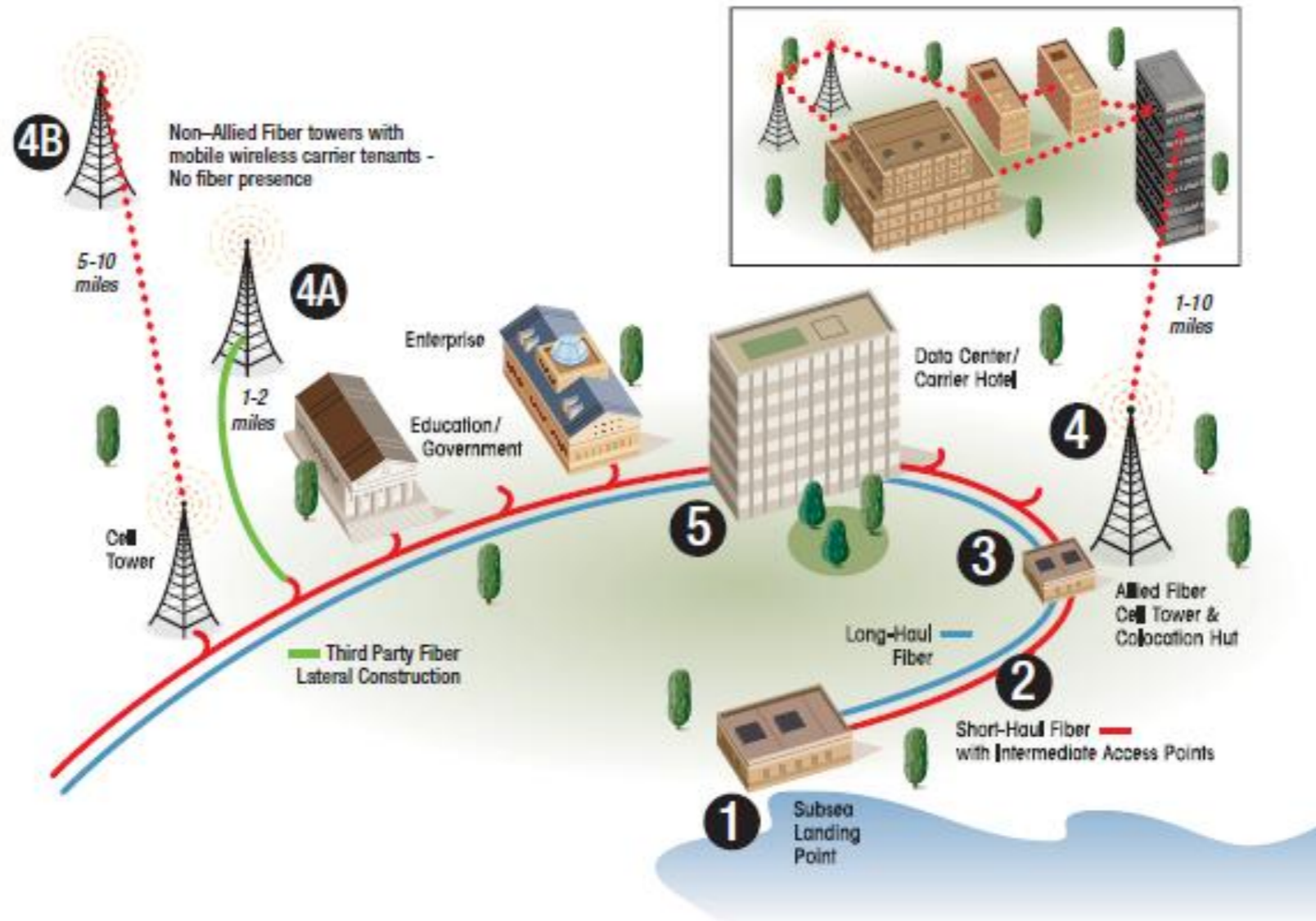
Mobile Operator Fiber-Based Claims / Dreams

- Verizon has committed to deploying fiber Ethernet to 90% of the cell sites in its territory by the end of 2013
- Verizon has connected more than 1000 cell sites with fiber Ethernet services – as of Q409 (VZ has 23,000 total cell sites as of Q409)
- In 3Q09, AT&T Mobility indicated that it deployed 100,000 additional cellular backhaul circuits to deal with the increased mobile data usage pressure on its network
- Fiber reaches less than 16% of the more than 250,000 cell towers in North America
- Those towers are growing at an average rate of about 18,000 per year
 - New Paradigm Resources Group

- Atlantic ACM

- Cisco indicates that North American Mobile Data Traffic will grow by a CAGR of 129 percent from 2008 to 2013
- Oppenheimer estimates that the number of cell sites in the U.S. will grow by a CAGR of 4.9 percent from 2008 to 2012 – (from 250,000)
- Bottom Line – EVERYTHING IS EXPANDING
- There needs to be a real network plan to meet demand

A Solution for Wireless Backhaul



- 1** Subsea Landing Point
- 2** Dual Fiber Ducts
- 3** Allied Fiber Colocation
- 4** Allied Fiber Cell Towers

- 4A** Third Party Towers with New Third Party Fiber Lateral Construction
- 4B** Third Party Towers with Third Party Microwave Backhaul (*No fiber presence*)
- 5** Data Center/Carrier Hotel



FiberLight provides fiber backbone support of Clearwire's CLEAR 4G service multi-state build-out

Clearwire selects FiberLight as Next Generation Network Core Infrastructure Provider for high

Alpharetta, GA — 10/15/2010

FiberLight, LLC, one of the nation's leading providers of mission critical, high performance fiber optic networks, is partnering with Clearwire Communications to provide core fiber network infrastructure in support of Clearwire's wireless deployment in Washington, D.C., Maryland, Texas and Florida.

Clearwire partnered with FiberLight to extend its high performance CLEAR 4G mobile WiMAX service across multiple markets as part of its multi-year build out plan to cover 80 markets with broadband access by the end of 2010. With its dense and robust metro network infrastructure, FiberLight was able to provide more than 900 route miles of high capacity optical transport. The FiberLight network connected Clearwire's key aggregation points, existing MTSOs, hundreds of cellular towers and will serve as backbone for millions of future customers in the District of Columbia, Texas, Florida and Maryland markets.

By partnering with FiberLight, a leader in optical network engineering, Clearwire has been able to build future expansion capacity into the network while offering continuous connectivity and high bandwidth performance to its mobile broadband customer base across different markets. FiberLight's rapid deployment of a state-of-the-art combined network solution incorporating dark fiber infrastructure and 10 Gig backhaul provides seamless continuity and low latency for customers while offering Clearwire an integrated and cost-effective end-to-end solution.

FiberLight provides wireless tower site connections, aggregation connectivity and core market backbone across the FiberLight metro network rings. FiberLight has become expert at fiber to the tower builds in response to the demand for mobile backhaul to support increased users of 3G and 4G smart phones and other wireless devices. The growth trend is expected to continue, especially with increased interest in wireless access to IP Video and IPTV, which is driving the amount of bandwidth needed per subscriber exponentially higher.

FiberLight is positioned well for the growth trend. With its 500,000 fiber mile footprint, it offers one of the most extensive private metropolitan networks in the southern half of the United States and supplies connections to many of the key MTSOs, MSCs, data centers, carrier hotels and carrier POP facilities in its vast footprint.

"What sets FiberLight apart from other carriers is our ability to move quickly from the initial order to final turn-up. In Miami, we were able to build a brand new Clearwire connection to the NAP of the Americas within 30 days and provided a 90-day turnaround for a 32-mile optical network build from Miami to Kendall, Florida," said Ben Edmond, FiberLight EVP of Sales and Marketing. "FiberLight has been in the business of building backhaul capacity to cellular towers for many years. In this instance, we were able to deploy a combination of customized solutions across our deep footprint, which provided Clearwire with the resiliency, sub 2ms redundancy and 99.999% reliability required for mission-critical applications."



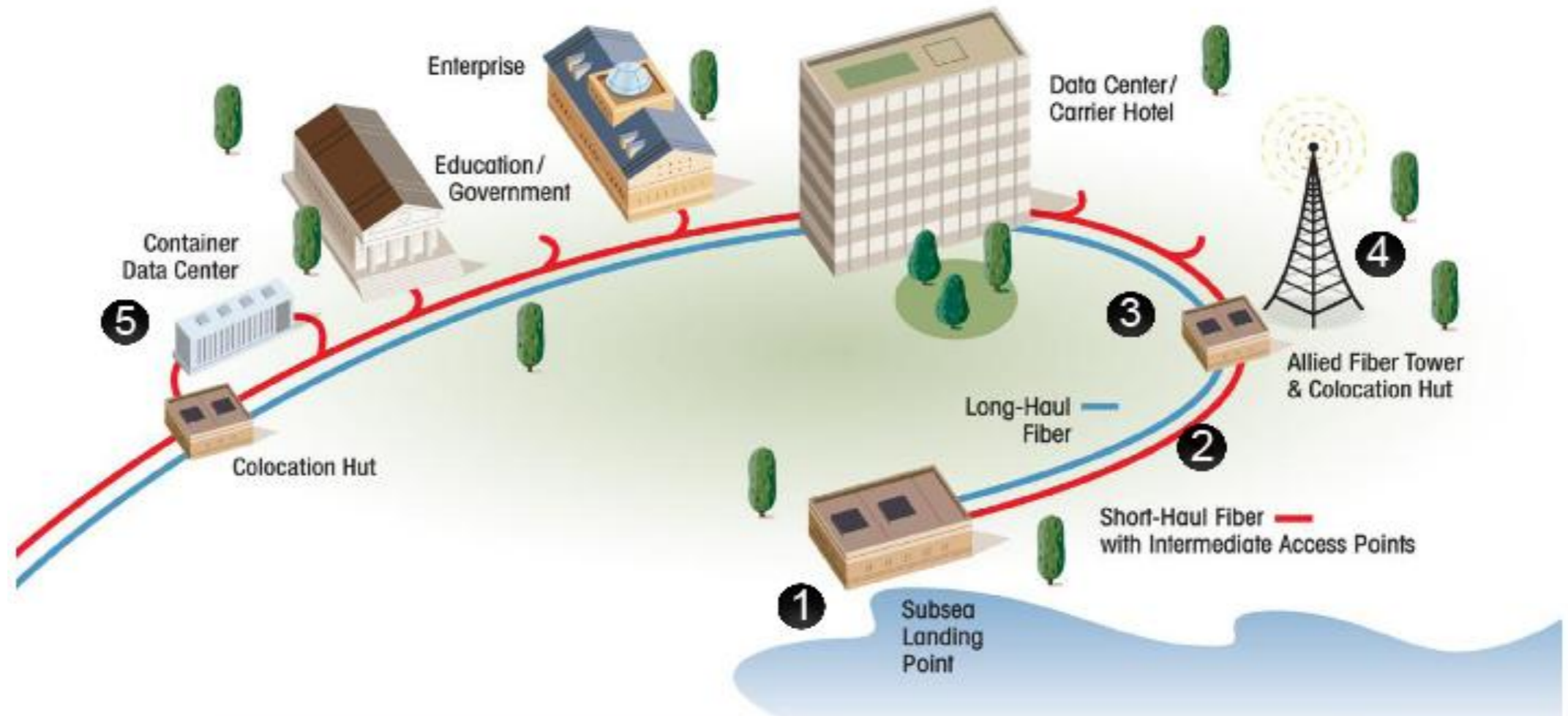
Modular and Container Data Centers along a Multi-Duct Dark Fiber System “Lego Blocks and the Lego Pad”

Modular/Container Benefits

- PUE = \$
- Lower PUE
- How?
 - Low Ceiling Heights = Lower CapEx
 - Heat Ejection = Lower OpEx
- Modular - easy to scale
- Mobile - easy to shift and locate where inexpensive / abundant power exist
- ALL data centers need access to inexpensive and abundant Power and DARK FIBER



Solutions For Modular/Container Data Centers



- | | | | |
|---|-------------------------|---|-----------------------|
| 1 | Subsea Landing Point | 4 | Allied Fiber Towers |
| 2 | Dual Fiber Ducts | 5 | Container Data Center |
| 3 | Allied Fiber Colocation | | |

Modular Data Center Units are available from many vendors including:

- BladeRoom Group Ltd: Blade Room system
- Bull: Mobull
- Cirrascale: FOREST Containerized Data Center (Formally Verari FOREST)
- Dell: Humidor
- Elliptical Mobile Solutions: MMDC (Micro Modular Data Center)
- Hewlett-Packard: Performance Optimized Datacenter (POD) family
- IBM: PMDC (Portable Modular Data Center)
- i/o Data Centers: i/o ANYWHERE
- Lee Technologies: ITModules
- Liebert: MDC20-XDR-53
- NxGen Modular: NxGEN600
- Oracle: Sun Modular Data Center (previously Sun “Project Blackbox”)
- Pacific Voice & Data: MCIE (Modular Critical Infrastructure Enclosure) Solutions and Disaster Recovery Mobile Data Centers
- PDI: i-Con
- SGI: ICE Cube, ICE Cube Air Modular Data Center
- Telenetix: T-Cube
- Universal Networking Services: Datapod Containerized System

Source: Modular/Container Data Centers Procurement Guide: Optimizing for Energy Efficiency and Quick Deployment, M. Bramfitt & H. Coles, February 2011



FiberLight Connects Georgia Tech's Research and Data Center Facilities in Atlanta

FiberLight provides infrastructure and connectivity between facilities at Georgia's leading technological research university and 56 Marietta

ATLANTA, Ga. – Nov. 2, 2010

FiberLight, LLC, one of the nation's leading providers of mission critical, high performance fiber optic networks, announced today it is providing state-of-the-art network infrastructure to the Georgia Institute of Technology to connect the Georgia Tech Research Institute (GTRI) and Centennial Research building on the Georgia Tech campus in Atlanta with 56 Marietta, one of Atlanta's key carrier interconnection points and Internet facilities. The high fiber count private network connecting Georgia Tech's facilities will provide the low latency communication transport platform needed for the Georgia Tech Research Institute to continue its mission of developing solutions through applied research and development.

FiberLight was selected based on its skill to rapidly build and deploy a custom, secure end-to-end network solution combining private network services and limitless capacity with deep reach in the metro market. FiberLight's dense 210-mile optical network in Atlanta is constructed underground and is built in a diverse ring structure extending from Hartsfield-Jackson Atlanta International Airport to the south through the Atlanta CBD to suburban growth centers outside of the downtown area including the cities of Alpharetta, Suwanee and Marietta to the North of the metropolitan area.

"As a leading research and technology institution charged with providing answers to complex technical challenges facing our state, region and nation, it is of vital importance that we future proof our technology infrastructure to allow for unlimited bandwidth growth for the foreseeable future," said Tom McDermott, interim director of GTRI. "Our ability to interconnect our research and data facilities will provide the level of security we need to supply research data and solutions to government and industry clients throughout the U.S."

According to McDermott, the addition of the new fiber will dramatically increase the bandwidth of a critical GTRI redundant link at a significant cost savings compared to options previously under consideration.

FiberLight was able to deliver the completed network in a little over three weeks and will manage and monitor the lateral connections between Georgia Tech and 56 Marietta.

"Our speed to market and our ability to custom build sets FiberLight apart from many of today's network providers who require much longer timeframes to get the job done," said Michael P. Miller, FiberLight's CEO and Founder. "Because we build and manage our own network we are able to move through the permitting process quickly while guaranteeing 99.999% reliability, sub 2ms latency and best in class jitter performance on a robust metro network that we monitor and manage 24/7 to mission critical standards."



What are the Opportunities for Fiber Optics Manufacturers (fibers, cables, optical equipment, etc.) that the Allied Fiber deployment will offer?



- Numerous new lateral builds for new and existing network operators
- Carriers, MSO's, wireless backhaul, content/social media, enterprise, gov
- Many existing carrier routes selecting strategic splice points
- New tower and data center site development along the route



**How can others work with Allied Fiber
either as partners, suppliers or customers?**



- Become a Member of the Dark Fiber Community (DFC) <http://dark-fiber.tmcnet.com>
 - 115 Members
 - Over 275,000 page views per month
- Participate in DFC Industry Events, Announcements, Social Media
- Share New Product & Customer Announcements, Design/Implementation Models
- Respond to Industry Inquiries that come from the DFC



AMERICA'S 'ALL ACCESS' NETWORK™

WWW.ALLIEDFIBER.COM

**Any Questions?
Thank You**

Hunter Newby, CEO