

## Broadband USA Applications Database

**Applicant Name:** Cyber Digital, Inc.

**Project Title:** Broadband services to underserved and unserved areas in upstate New York

**Project Type:** Last Mile Non-Remote

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### Executive Summary

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Executive Summary a) Opportunity the proposed system seeks to address: This opportunity allows Cyber Digital (the "company" or "we") to create jobs ranging from manufacturing, broadband infrastructure build-out, engineering and construction on a sustained basis in the New York state. While it also allows Cyber Digital to close the broadband gap in Upstate New York by serving unserved and underserved areas primarily consisting of rural areas. The company anticipates that it will create within two years approximately 210 direct jobs on permanent basis and about 70 temporary construction related jobs in New York state. In addition, we are collaborating with the State University of New York at Stony Brook creating additional job opportunities for their students. b) A general description of the proposed funded service areas: We are predominantly covering the northeastern upstate New York, which we have divided into 12 areas generally named by the county. These rural towns and communities are in the counties of Albany, Clinton, Columbia, Delaware, Essex, Franklin, Greene, Otsego Rensselaer, Schoharie and Washington. c) Number of households and businesses passed: Out of a total number of 150,796 households passed in the 12 areas being served, we will provide services to 44,100 households at the end of two year period, the completion date. Thereafter, we continue to expand subscription at a rate of 12% per year reaching 62,700 households at the end of five year period. Annual growth rate of 12% is assumed based on the impact of broadband to households in these areas. Out of a total number of 12,772 businesses passed in the 12 areas being served, we will provide services to 11,270 businesses at the end of the two year period, the completion date. Thereafter, we continue to expand subscription at a rate of 12% per year reaching 16,060 businesses at the end of the five year period. Annual growth rate of 12% is assumed based on the impact of broadband to businesses in these areas. d) Number of community anchor institutions, public safety entities, and critical community organizations passed and/or involved with project: Out of a total number of 609 critical community facilities, anchor institutions and public safety entities passed in the 12 areas being served, we will provide services to all such 609 organizations at the end of the two year period, the completion date. Thereafter, we continue to expand subscription at a rate of 4% per year reaching 693 such facilities at the end of the five year period. Annual growth rate of 4% is assumed based on overall general economic growth in these areas for such facilities. e) Proposed services and applications for the proposed funded service areas and users: We will offer to all residential and business customers including anchor institutions broadband wireless services along with bundled voice services at affordable prices. Services will be available to all as broadband only or broadband bundled with voice services. We will not be able to offer voice services without broadband due to technology constraints, since voice is merely provided as an application of information services. f) Approach to addressing the non-discrimination and interconnection obligations:

We will comply with Nondiscrimination and Interconnection Obligations as set out in the Notice of Funds Availability and principles contained in the FCC's Internet Policy Statement (FCC 05-151, adopted August 5, 2005) In addition, we will (a) not favor any lawful Internet applications and content over others; (b) display our network management policies in a prominent location on our web page and provide notice to customers of changes to these policies, (c) connect to the public Internet directly or indirectly, such that the project is not an entirely private closed network; and (d) offer interconnection, where technically feasible without exceeding current or reasonably anticipated capacity limitations, on reasonable rates and terms to be negotiated with requesting parties. This will include both the ability to connect to the public Internet and physical interconnection for the exchange of traffic. Furthermore, we will fully comply with the needs of law enforcement and reasonable network management. g) Type of broadband system that will be deployed (network type and technology standard): We will deploy our vast array of broadband infrastructure systems ideally suited for the unserved and underserved areas. Our Cyber Internet Access Network (CIAN) routers and switches will create a number of Point of Presence (POP) in these areas. On the network side, each POP will then be connected by broadband wireless Wimax based point-to-point (PTP) Long Haul Relay network to the Internet backbone. On the subscriber side, each POP will be connected by another broadband wireless Wimax based PTP Long Haul Relay network to Cyber Base Station Unit (CBSU) in order to bring the Internet closer to the subscribers. Each CBSU then connects to multiple Cyber Wireless Modems (CWMs) residing at subscriber's facility by broadband wireless Wimax based point-to-multi-point (PTMP) non-line of sight (NLOS) technology. Our CWMs provide fixed broadband wireless service to subscribers. h) Qualifications of the applicant that demonstrate the ability to implement and operate an infrastructure, and/or be a sustainable broadband services provider Cyber Digital, a publicly held company, incorporated in New York State in 1983, is a designer, software developer, and manufacturer of a range of unique distributed Internet Protocol (IP) broadband and digital voice switching infrastructure equipment as well as a voice and broadband data service provider. We produce IP soft-switches, edge and aggregation routers, gateways, firewalls, voice-over IP (VoIP) and virtual private network (VPN) systems, Class 5 local digital switches and Class 4 tandem digital switches. Over the last 26 years, we have built voice and data networks for the U.S. Department of Defense and other U.S. federal government agencies as well as in the country of China. Prior to the Internet/ telecom meltdown, we built, owned and operated broadband Internet service business as an Internet Service Provider (ISP) in Woburn, Massachusetts area. We deployed our vast array of IP infrastructure equipment for the last-mile to bring the Internet access by connecting to the AT&T IP backbone. We served several hundreds of businesses in industrial parks that had only dial-up access to Internet and no ability to receive DSL service. Currently, through our wholly owned subsidiary, Telecarrier Services, Inc. (TSI), we also serve about 2,000 voice customers as a competitive local exchange carrier (CLEC) in the states of New York, New Jersey and Pennsylvania. TSI is licensed to provide services in the states of New York, New Jersey, Pennsylvania and Massachusetts. Due to the fact that underserved and unserved areas in upstate New York is predominantly rural and greatly scattered, we have partnered with the State University of New York at Stony Brook bringing vast resources to us. i) Overall infrastructure cost of the broadband system: The overall infrastructure cost of the entire broadband system is \$23,135,000 to be expended within eighteen months with project completed within two years. j) Overall expected subscriber projections for the project: We expect the overall subscriber base to reach 56,000; 61,042; 68631; and 79,453 at the end of year two, three, four and five,

respectively. k) Number of jobs estimated to be created or saved as a result of this project: The company anticipates that it will create within two years approximately 210 direct jobs on permanent basis and about 70 temporary construction related jobs in New York State. In addition, we are collaborating with the State University of New York at Stony Brook creating additional job opportunities for their students. None of the work will be outsourced offshore. All Cyber Digital systems are manufactured in the U.S.A. and comply with the Buy American Act.