

American Fiber Systems (“AFS”) is requesting funding to deploy & operate a Middle Mile fiber optic network that offers uniquely diverse communications paths which serve [REDACTED] in the Gwinnett County, Georgia area, which is titled BTOP: Expanding & Enabling Broadband Technology & Competition in Gwinnett County, GA. This network was developed & designed to provide interconnection with multiple last mile providers to provide service to underserved areas & with input from the community solving the unbudgeted needs of community anchor institutions, public safety entities & critical community organizations.

- The AFS project for the Gwinnett area will satisfy four key BTOP statutory purposes, & we will demonstrate our ability to accomplish these objectives not only here but throughout this entire funding application. First, AFS will be extending Middle Mile broadband access to consumers in Gwinnett’s [REDACTED] underserved areas. Census data was analyzed to create a demographic-based model to establish that each of the [REDACTED] targeted areas is underserved. Second, AFS will be providing broadband connectivity to community anchor institutions & critical community organizations such as schools, libraries, outreach agencies, medical & health care related facilities, and city & county government facilities. Third, AFS will connect to & improve interoperability for public safety entities. Fourth, AFS will stimulate investment in last mile broadband access [REDACTED].
- The proposed funded service area encompasses the [REDACTED].
- These communities have an aggregate population of 535,412, according to the U.S. Census Bureau. The AFS proposed fiber route in the proposed communities passes a total of approximately 185,896 homes, 19% of which are low income households, & approximately 28,842 businesses employing about 350,000 employees, over 50 first responder & other public safety agencies, over 140 schools, 2,226 municipal facilities & 1,495 hospital & medical center or health related entities.
- Upon the initial announcement of stimulus funds being allocated for the proliferation of broadband services, AFS identified & met with key local leaders & community anchor institutions. [REDACTED]. AFS has identified over [REDACTED] key target locations that we propose to interconnect with, including: over [REDACTED] Public Safety locations, [REDACTED] K-12 schools & administration buildings, [REDACTED] local libraries, & [REDACTED] County, City, Courts, DOT & Community Service buildings. The public safety locations will be connected with dedicated fiber optic pairs to ensure the highest level of information security & diverse service reliability. [REDACTED]

[REDACTED]. The AFS Gwinnett project has generated the strong local support & community excitement needed to achieve our ambitious goals. AFS has developed an unprecedented alliance with the local community, [REDACTED], [REDACTED], which are aligned & motivated to successfully implement this project.

- AFS' core service offering strategy is based on a multifaceted approach of offering a future proof & scalable fiber platform, high quality customer service, superior network reliability, virtually unlimited bandwidth speeds, a distinct local presence & prices that are below the advertised pricing of competitors. Through this non-discriminatory, open access network, AFS will offer transport services including Ethernet Private Line, Ethernet Virtual Private Line, Ethernet Virtual LAN, Ethernet Internet Access, managed wavelength service, intercity transport, TDM / SONET transport, & dark fiber at highly competitive prices.
- AFS is truly a non-discriminatory open access provider, since its inception in 2000, of wholesale transport services to any party interested in purchasing such capacity whether carrier, enterprise or institutional. In addition, AFS also makes available dark fiber strand leases on a non-discriminatory basis to any party thus enabling control & growth of their capacity needs by enabling said party to light the leased strands & manage their traffic as they see fit. The AFS network is open on both a wholesale & dark fiber lease basis whereby other carriers may interconnect to AFS's existing facilities to carry traffic to critical points on our current fiber optic network such as tier 1 peering points for internet access, data centers, carrier hotels, central offices & on-net buildings.
- AFS proposes to deploy a state of the art, fully redundant fiber optic Middle Mile broadband network in a ring configuration with a footprint of approximately [REDACTED] miles. This project is designed to deliver the services over [REDACTED] miles of aerial construction & [REDACTED] miles of underground construction into community anchor buildings & interconnection points with last mile providers. The AFS design also includes lighting up buildings with state of the art equipment & provides the bandwidth & services needed by the customers.
- AFS is a recognized industry leader that will support & manage the ARRA/BTOP Project across the breadth of the entire AFS organization. AFS has the managerial experience, operational track record & financial acumen to deliver on our business plan. As a company, our core competency is the design, implementation & successful support of fiber-optic networks. In the past nine years, AFS has successfully designed, deployed & operated in nine (9) metro markets across the USA, which demonstrates that our deployment methodology & our technology choice for fiber infrastructure & equipment is highly successful, easily replicable & can be used to improve future projects. In addition to the AFS Atlanta, GA area network, AFS has deployed fiber optic networks in

the following markets: 1. Nashville, TN (60 route miles), 2. Salt Lake City, UT (112 route miles), 3. Las Vegas, NV (270 route miles), 4. Boise, ID (182 route miles), 5. Kansas City, MO/KS (53 route miles), 6. Minneapolis & St. Paul, MN (89 route miles), 7. Cleveland, OH (56 route miles), 8. Reno/Carson City, NV (93 route miles). AFS has successfully enhanced the networks in all of its markets & completed over 100 fiber projects of varying scale & complexity to provide carrier grade, high-bandwidth service to its customers.

- The total project cost requested for funding for this broadband system as planned is [REDACTED]. The AFS implementation plan is shovel-ready, prepared to launch in January 2010, & has a planned completion in [REDACTED]. AFS will be providing [REDACTED] of the total project cost. AFS will also be funding the [REDACTED]. [REDACTED]. The total contribution by AFS of [REDACTED] contribution yields an AFS investment that ranges from 25% to 40% of the overall project costs through the plan period. AFS already owns & operates a fiber optic system in the Atlanta, GA area, consisting of 220 route miles. The network AFS proposes for this funding opportunity would not be an isolated island in that it has been conceptualized & designed to interconnect with our existing network at multiple points. This will exponentially increase the broadband competition in the entire served area & delivers a highly cost efficient leveraging of our existing network at no additional cost. The costs associated with our existing network, which provides many access points, & [REDACTED], is not included in the project costs.
- To ensure maximum broadband penetration levels in each community, AFS will draw on its previous experience of working collaboratively with community anchor institutions, enterprises, & carriers. AFS will continue to reach out & assess their specific broadband requirements & enter into agreements to provide high speed broadband service. AFS fully expects that this strategy will result in penetration rates as high as [REDACTED] of businesses passed by our networks within [REDACTED] of offering service & market share levels as high as [REDACTED] of available qualified customers.
- This project will quickly stimulate the economy in the Gwinnett County area by creating approximately [REDACTED] direct new jobs in the categories of construction, service, operations, marketing/sales & management, & approximately [REDACTED] indirect or induced jobs. The fiber routes have purposefully been designed to include State-designated zones for economic stimulus & job creation.

To the best of our ability, AFS has completed each application item thoroughly & with proper due diligence. It should be noted, however, that the NOFA language, supporting FAQs, & application directions in some cases are unclear. We feel we have made reasonable interpretations where appropriate within the spirit of the Recovery Act & NOFA. Should the reviewing panel determine that AFS has misinterpreted an application item request; AFS is prepared to clarify or update any information provided, upon request.