

Executive Summary

Stelera Wireless, LLC is requesting funding to construct a state of the art wireless broadband network designed to provide high-speed broadband services to unserved and underserved communities across the country. Specifically, Stelera proposes to build network infrastructure in 225 communities in the states of Colorado, Kansas, Texas, New Mexico, Oregon and Washington.

Stelera's research indicates these communities are currently disadvantaged by either a complete lack of service, a lack of competition, existing providers that provide inferior and insufficient services or existing providers that provide service at inflated prices. Stelera believes it can bring faster, reliable and affordable services to the communities contained within this application.

Stelera Wireless, LLC will introduce services similar in nature to those currently offered in our existing markets. Currently, we offer consumers the ability to connect to the Internet via a wireless modem. Our network is capable of delivering content to the consumer's computer at speeds of up to [REDACTED] download and up to [REDACTED] upload. Consumers pay a flat rate for service of between [REDACTED] a month and [REDACTED] a month depending on the term of the service agreement they select. [REDACTED]

[REDACTED] We do have a clearly defined fair access policy that allows us to protect our network and our customers from abusive use that may impact the quality of service for other customers.

Our service is flexible and mobile. We offer multiple devices to our consumers that are designed to specifically fit their needs. We offer a fixed wireless device for the home or office that contains a built-in wireless router, we offer a combination unit that has both a fixed device and the ability to remove a mobile data card and use our service throughout our coverage area and we offer a USB modem that attaches to the side of a laptop computer for complete mobility. [REDACTED]

Stelera will introduce [REDACTED] to the markets we serve. Many of our customers will have [REDACTED] for the first time.

Stelera utilizes [REDACTED] distribute our services. Consumers simply [REDACTED] to sign up for our services. The sign up process is simple. Consumers may also [REDACTED] We ask the consumer to purchase or lease the modem of their choice and we ask for a method of payment. [REDACTED]

Set up is simple, fast and requires no professional installation. Customers are not required to sign a long-term contract though they can save money by agreeing to a specific term agreement.

Our service is simple, reliable and affordable. In our existing markets we have experienced customer defections (churn) at a rate of [REDACTED]. Virtually all of those customers were [REDACTED] not related to quality of service issues.

We have been operational in South Texas for 18 months. During this time we have enjoyed household penetration rates [REDACTED] in our markets that have been on the air the longest. [REDACTED]. Our model is proven and successful.

Stelera has built the first of its kind "cellular data network". Stelera has chosen High Speed Packet Access (HSPA) technology to deliver our services. HSPA is a global wireless standard that has been chosen by many of the largest wireless providers in the world. Today there are over [REDACTED] consumers using HSPA technology on over [REDACTED] networks in over [REDACTED] countries around the world. Stelera is a new network, which has allowed us to deploy the very latest version of the technology. We are one of only [REDACTED] carriers in the world to have deployed [REDACTED]. [REDACTED] is a variant of the standard designed specifically for broadband services, not voice with some broadband capabilities. We have had our network deployed for over 18 months and it has exceeded our expectations for [REDACTED].

HSPA has a very well defined roadmap for evolution, which will allow us to upgrade software and improve our consumer experience over time. By the end of 2010 our network technology will be capable of download speeds exceeding [REDACTED]. The current roadmap for HSPA extends to a maximum download speed of [REDACTED] over the next few years. The current roadmap makes our network upgradeable and sustainable from a competitive perspective for many years into the future.

Backhaul remains the greatest challenge for rural broadband access. Stelera has chosen to build a flat IP based microwave backhaul network. We connect our sites together via [REDACTED]. We utilize microwave paths back to a larger city where we are able to [REDACTED]. [REDACTED] network switching core in Oklahoma City.

Stelera will adhere to all of the required non-discrimination and interconnection requirements. Stelera does not discriminate against any application or website. Consumers are free to use any device on our network insofar as it does not cause harm or interfere with the service of other customers.

Stelera began operations almost three years ago during the Federal Communications wireless spectrum auction 66. At that time we acquired 42

wireless licenses with the intended purpose of providing broadband services to rural communities in our licensed areas.

We began with a proof-of-concept live test [REDACTED]

Both Floresville and Poth were unserved areas under the existing guidelines. Our goal was to penetrate [REDACTED] of the households after [REDACTED] months of operation. Our model would be profitable if we could achieve more than [REDACTED] household penetration. After [REDACTED] months we had achieved over [REDACTED] household penetration, average revenue per subscriber was [REDACTED]; churn [REDACTED] month. We far exceeded our goals. Today we have over [REDACTED] subscribers in Wilson County, Texas. We are the [REDACTED] broadband service provider and had expanded the network to improve network speeds.

Since the test we have built [REDACTED] additional communities in Colorado and Texas. These cities would qualify as both unserved and underserved depending on the particular city. While it is still early in those deployments, our results have been similar. Cities with competition clearly lack the pent up demand of unserved cities however, we have modeled that into our forecast based on real world experience. We will complete our planned [REDACTED] late this year. We will complete the project on time and under budget.

The cost of our infrastructure will be [REDACTED]. Our network will cover [REDACTED] households for a cost of [REDACTED]. We believe this cost to be substantially lower than any alternative that can deliver the quality of service and customer experience we provide.

Our goal is to provide service to [REDACTED]. This represents a [REDACTED]. This is consistent with what we have seen in our existing markets during the [REDACTED].

Our program will create significant jobs. In addition to adding full time employees to our own staff, sub-contractors and vendors will add headcount to accommodate our construction and equipment purchases. Our office building with the data center required for long term viability will provide over [REDACTED], our network construction will provide over [REDACTED] jobs and our expansion will create [REDACTED].