



we are where you are.

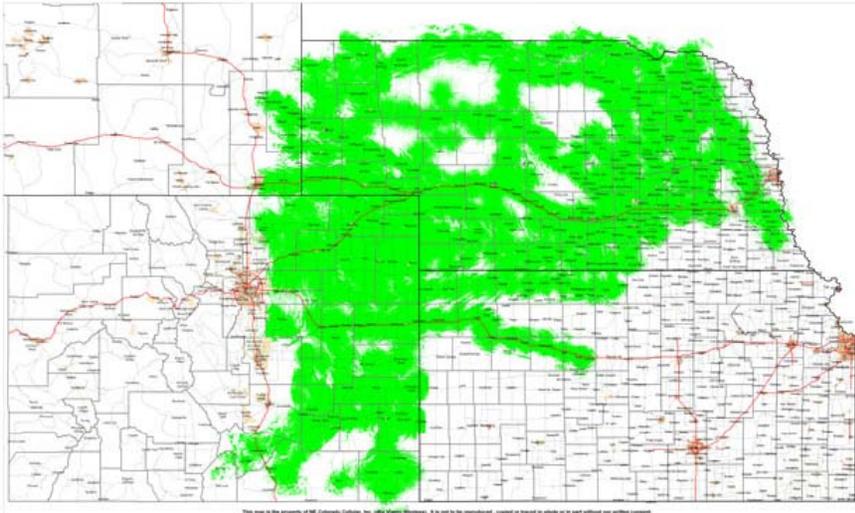


USF REFORM

Who we are. What we do.

1

Viaero Wireless Network Coverage - Q2 2010



How We're Different	Viaero	Others
Towers	Owned	Third Party
Land	Owned	Third Party
Backhaul	Owned	Third Party
Customers	Rural	Major Metros
USF	CAPEX	capex+OPEX
Ownership	Private	Investors/Public
Distributions	None	Dividend, etc.

- 1.2M rural covered pops/100,000+ sq. miles/450+ towers
- ETC/EP: Colorado (2003), Nebraska(2006) and Kansas (2010)
- USF funds used predominantly to build new coverage
- Growing Coverage, Revenue, EBITDA/Subscribers
- Launched mobile broadband network in Fall 2010

Two Quotations



*If we care about the U.S. having **world-class 21st century infrastructure**, if we care about U.S. leadership in innovation and our global competitiveness, if we care about **fiscal responsibility** and **market-based solutions** to public policy challenges, we have to move forward with USF and ICC reform[.]*

- Chairman Genachowski

*For our families and our businesses, **high-speed wireless** service, that's the next train station; it's the next off-ramp. It's how we'll spark **new innovation, new investment, new jobs...Living within our means** without sacrificing what's required to win the future.*

- President Obama

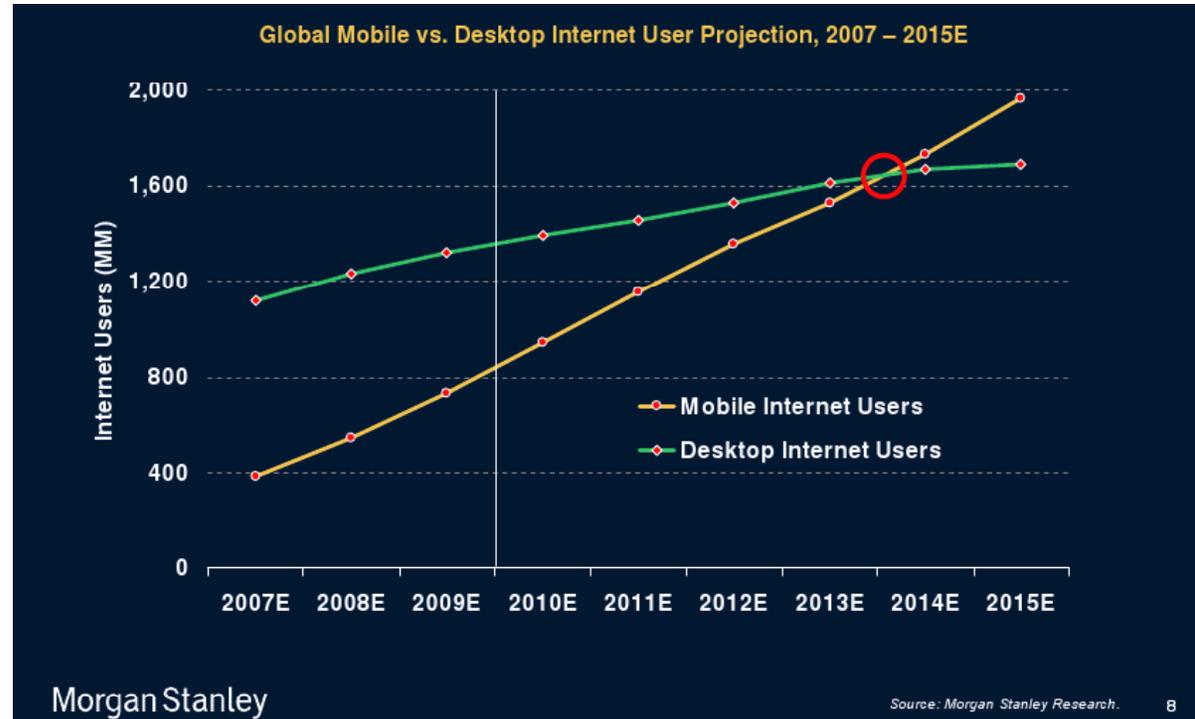


Markets: voice inflection about to repeat

Consumers migrating to voice where high-quality, dependable networks are available

Same will occur with mobile broadband

Note: lower-income populations tend to use smart-phones more, which facilitates adoption



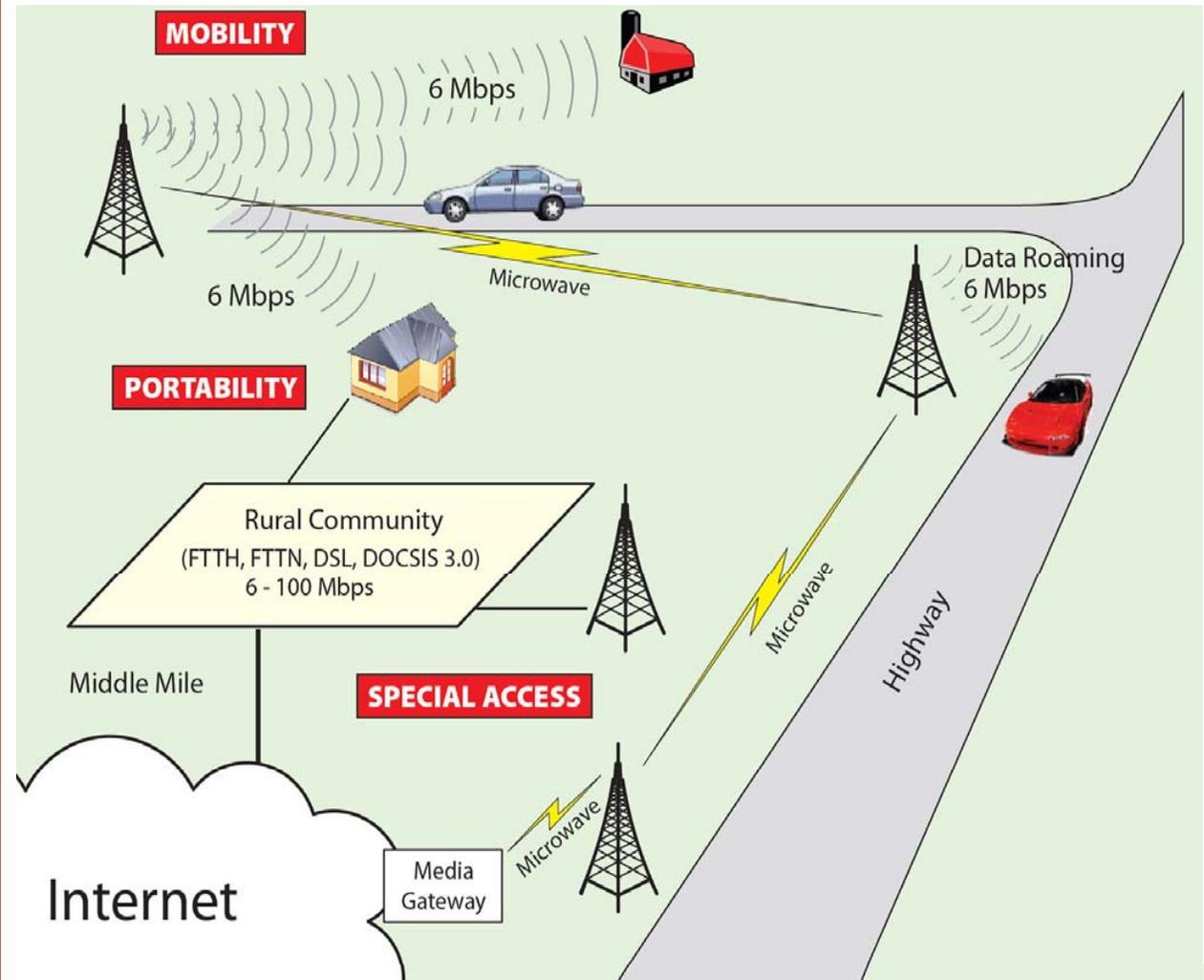
Characteristic Rural Market

In town Fixed – 4-5 square miles/80% POPs, Fiber – Cable-xDSL – WiMax

In town Mobility – Wireless

Beyond 12,000' – selective fiber – Wireless

Final 2% - Satellite





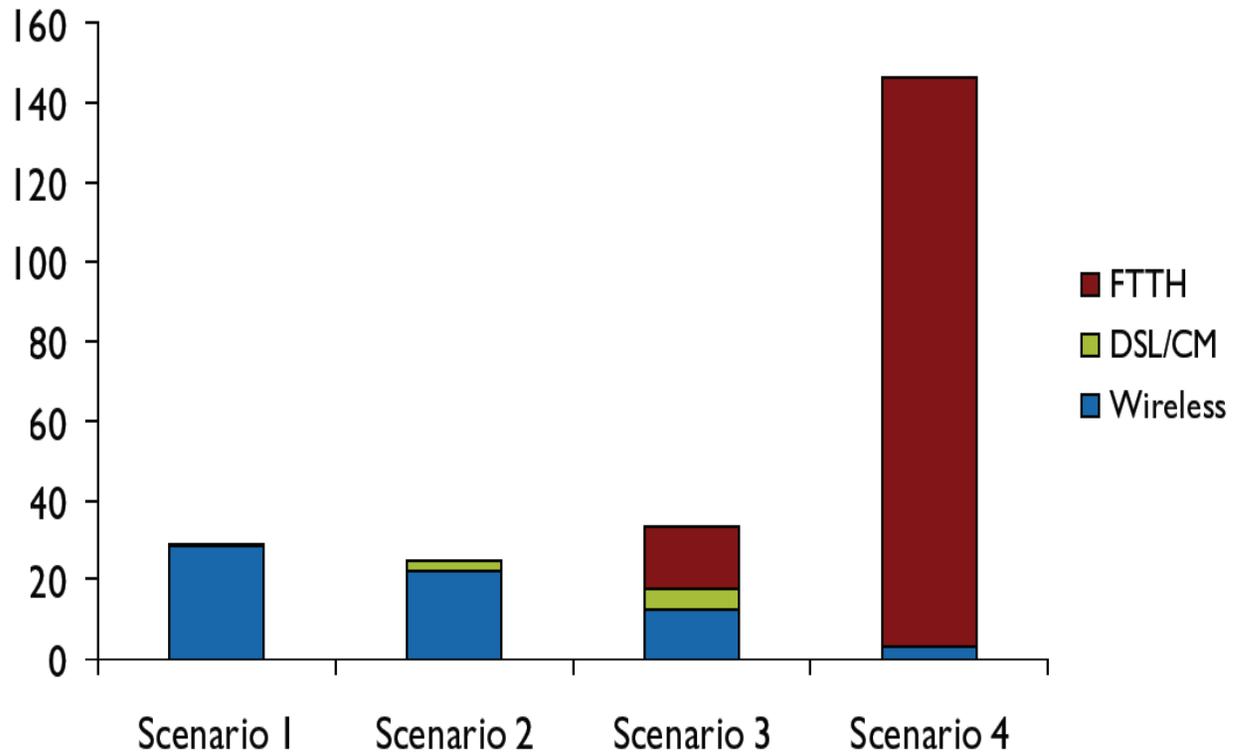
Fiscal Responsibility: Universal Broadband

You can't afford to build fiber everywhere

Even if you did, you've overlooked the market's preference for mobility

Source: Yankee Group

Universal broadband cost, in billions





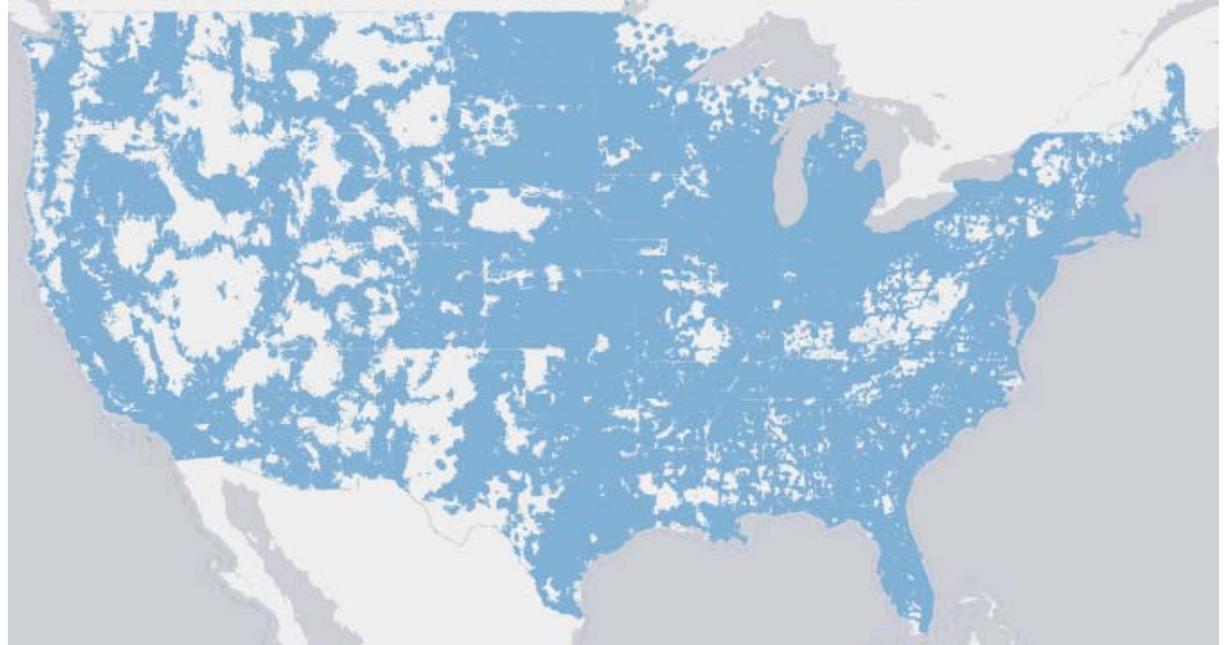
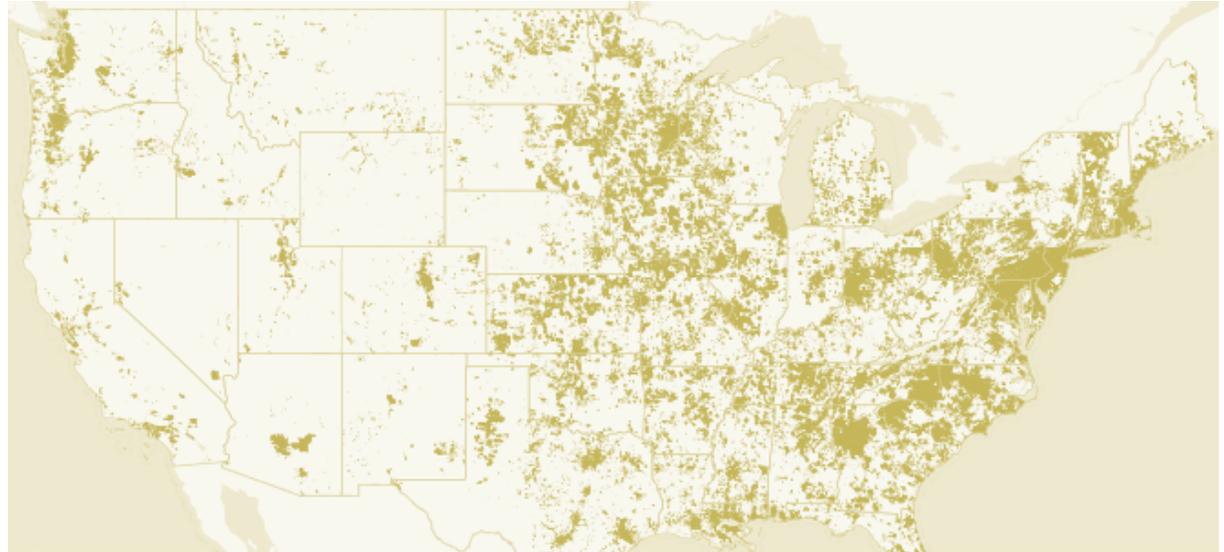
Fiscal Responsibility: 2 Choices

Primarily Wireline:
\$6,718.51/HH

...so far

Primarily Wireless

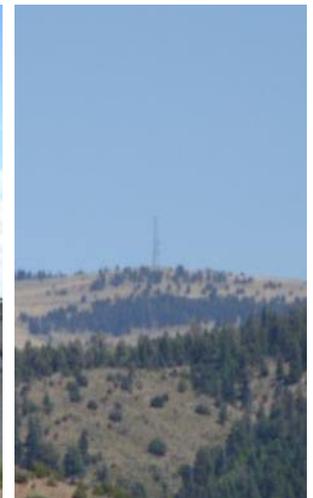
\$355.62/HH non-tribal
\$3,052/HH tribal



World-Class Infrastructure: COLR/POLR

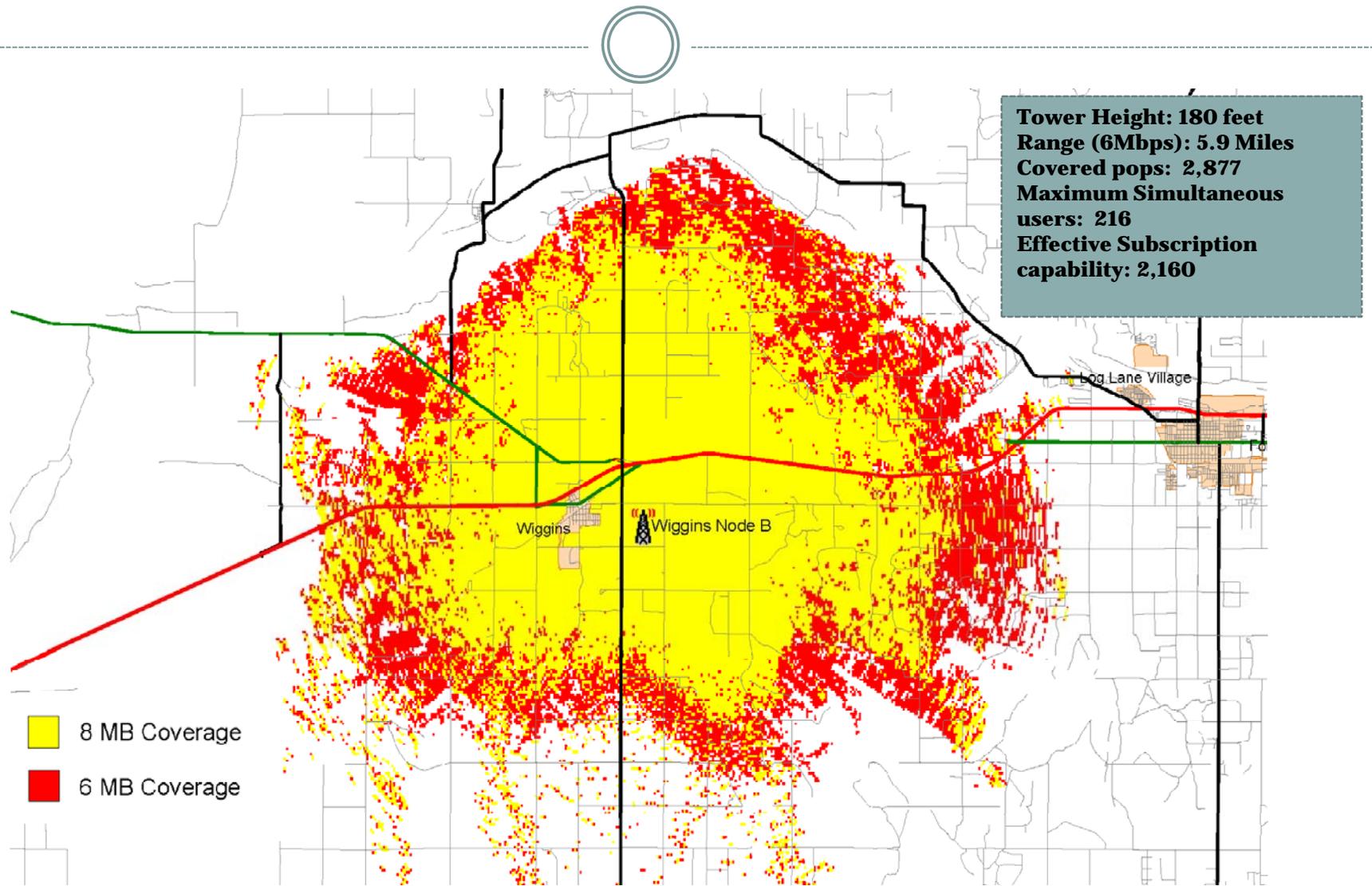
Wireless can and
should assume the
same COLR obligations
as wireline

Generators/Solar
Six nines of reliability
F-3 resistant



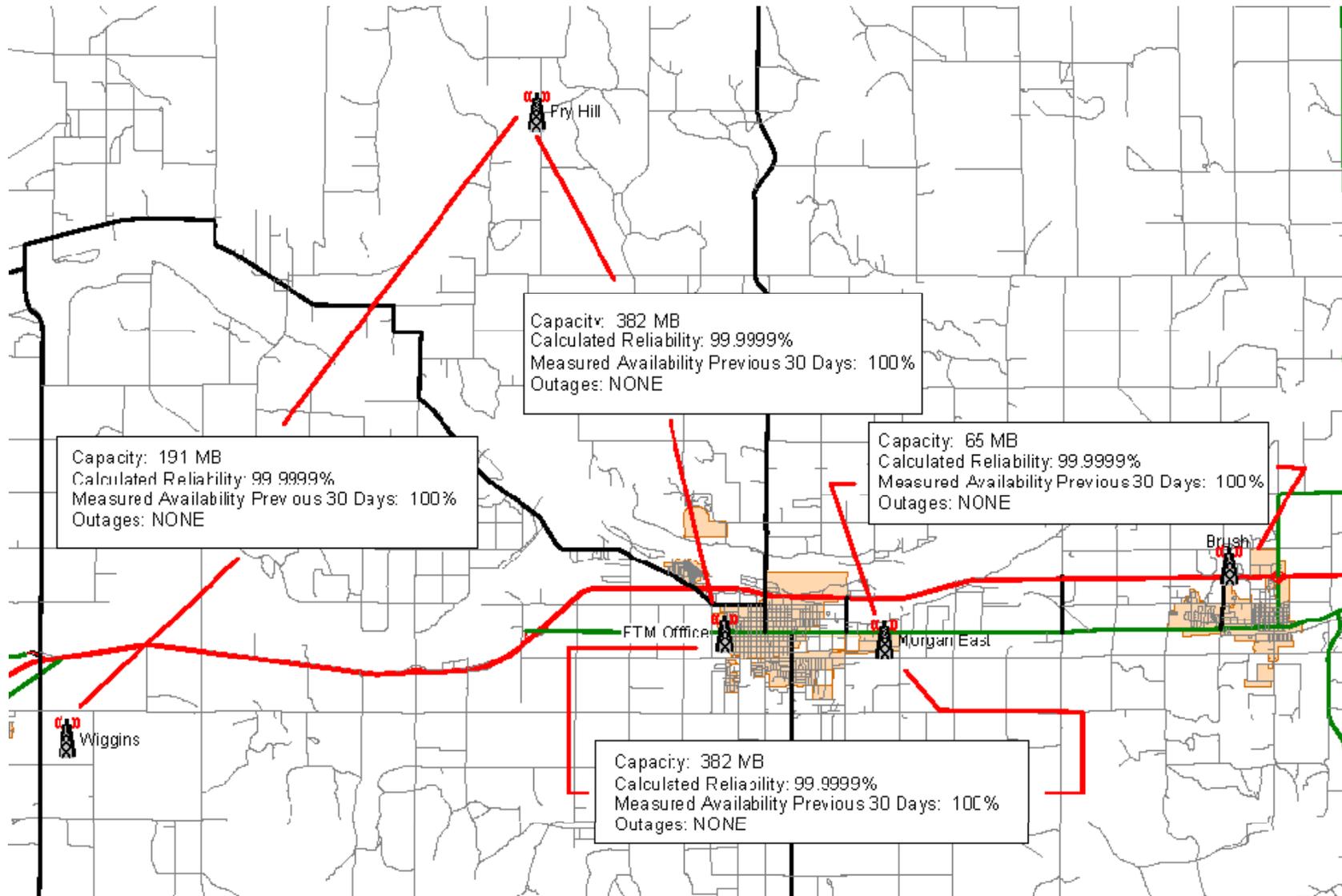
Markets, Fiscal Responsibility, World-Class Infrastructure

Wiggins Snapshot



Markets, Fiscal Responsibility, and World-Class Infrastructure

Putting it together



How you get there



- **Market-based solutions**
 - Phase out distortions created by voice support
 - Set flat per-sub or per-circuit amounts to encourage entry and urban-like competition
 - Make support portable for mobility and special access
- **Fiscal Responsibility**
 - ILECs & Cable Operators compete in town
 - Wireless outside of town, satellite in remaining 2%
 - All ETCs on a ten-year voice phase-out to limit flash-cuts
- **World-Class Infrastructure**
 - Recipients must assume COLR obligations
- **Hold recipients accountable**
 - Get the map right with appropriate SLOs