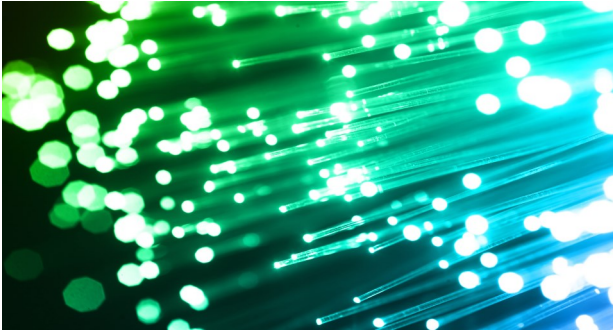




Network News

Quarter 1 2014



The GigE Plus Fiber Optic Network operates as a high capacity, backhaul network for providing high availability service to interconnected local Broadband Providers and Carriers. The backhaul network, also, facilitates the delivery of new and improved broadband services to rural and underserved communities in Ohio, Michigan and Indiana. The GigE Plus Fiber Optic Network was established through Independents Fiber Network, a wholly-owned subsidiary of Com Net, Inc. (CNI), that provides improved Ethernet connectivity for powering next generation voice, video and data services to its interconnected Broadband Service Providers.

GigE+ Deployment & Operational Updates

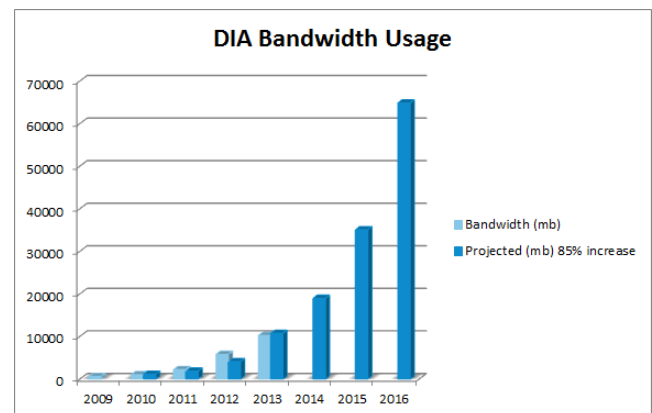
- NTIA has extended the close-out period for an additional 60-days from our original date for documentation. We will be continuing to gather supporting documentation from our sub-recipients until our new submission date of April 30, 2014.
- In our November 2013 Newsletter, we mentioned that we have been participating in RFPs for small cell site backhaul and statewide wireline services from national carriers. Since then, we have some exciting news:
 - ◆ Our test cell tower site for a national carrier passed the industry standard test without any corrective actions.
 - ◆ Independents Fiber Network has been certified for providing cell site backhaul services for specific national carriers.
 - ◆ With the completion of test sites and receipt of certification, we have begun to progress through the build-out and activation of towers at a very fast pace.
- Independents Fiber Network continues to represent the GigE+ Network as the Single Point of Contact for regional network services. Efforts in this area include:
 - ◆ The ability to provide regional coverage for connecting Information Technology Centers (ITCs) with their member school districts.
 - ◆ We have registered as a supplier on the State of Ohio and Ohio State University bid systems.
 - ◆ We have established a MSA and Service Attachment for Ethernet Transport Services with the State of Ohio allowing Independents Fiber Network to serve as a single point of contact in proposing

solutions for connectivity to agency offices throughout the State of Ohio.

- ◆ At the time of issues, approximately 2100ft. of construction still remain outstanding within the Dayton Metropolitan area.
- To place an inquiry for Ethernet Transport Services through Independents Fiber Network or to view our network map, visit www.ifnetwork.biz.
- If you have an interest in the GigE Plus physical facilities and infrastructure services, such as occupancy and/or collocation, contact us at 800.634.4032.

DIA Bandwidth Usage

In 2012, CNI projected to meet or exceed 10GB in 2013. In the graph below you will see that CNI's aggregate bandwidth to upstream providers did, in fact, exceed the 10GB, as projected. With this being said, at the end of 2013, CNI believed we were in excellent condition to project the 2014 aggregate bandwidth usage to approach 20GB by the end of this year.





Network News

GigE+ Fiber Optic Network Expands

A contractual lit services and rack space agreement was recently signed between Independents Fiber Network, NetGain, DRS and Mercury - all companies based within Ohio. The agreement between the telecommunication companies signifies the expansion of Independents Fiber Network by adding NetGain, DRS and Mercury as new coalition members to its GigE+ backhaul network. The expansion of the GigE+ Network will add approximately 90 route miles and four interconnected PoP sites that will be supplied with Cyan equipment, that is provided, monitored and maintained by Independents Fiber Network. The PoP sites will be located in Bellefontaine, Delaware, Marysville and Westerville, Ohio, in addition to several other city-pairs being lit around the new ring.

By Independents Fiber Network extending their GigE+ Network into new markets, this will allow us to provide Ethernet transport services to several businesses and entities in and around Delaware, Franklin, Logan and Union counties in Ohio. This project is set to begin immediately and will carry into Spring/Summer 2014.

IP Network Conversion Experiments

Earlier this year, the FCC announced the mandatory transition from TDM to IP by 2017. Before the transition can occur, the FCC would like to conduct a variety of experiments and data collection initiatives that would allow them to evaluate how the industry will be affected by the transition.

The company selected to conduct the first study was Iowa Network Services (INS). The IP Centralized Equal Access (CEA) experiment will involve three phases (detailed plan below via INS):

1. INS will perform IP to TDM conversion at its tandem in Des Moines, IA. INS will solicit voluntary IP interconnection by IXCs, wireless carriers, VoIP providers and CLECs with INS' CEA network for both originating and terminating traffic that INS would convert from IP to TDM.
2. The traffic would be all-IP between IXCs (and other providers) and LECs switches that connect with INS' network on an IP basis.

3. INS will test all-IP facilities from the originating end-user located in a LEC's exchange subtending INS' tandems to the IXC selected by that end-user and to the called party located in the exchange of a second local exchange subtending INS' tandems. There would not be any IP to TDM conversions involved in the final phase.

In relation to Independents Fiber Network/CNI, at the March 21st meeting of NWOITA, we proposed submitting for a study within its facility-based network in Western Ohio with connectivity extending to Michigan and Indiana. The NWOITA members in attendance were in favor of such an initiative led by Independents Fiber Network/CNI.

To read the complete article, visit <http://dinkyurl.com/6OYI4a>.

NTCA Concerned About CAF Rules

On March 21, 2014, NTCA sent a letter to FCC Chairman Wheeler voicing their concern in regards to the implementation of the rule that requires RLECs to increase their local voice services rates to the commission's local service rate floor. The bulk of NTCA's concern is that if RLECs continue to raise their local voice rates, many consumers may consider cancelling their local voice service and substituting it with an over-the-top VoIP service. NTCA suggests that updating the RLEC USF support mechanisms may be wise in order to provide sufficient support for broadband-capable networks.

To read the full article, visit <http://dinkyurl.com/ig2WbP> and be sure to open with Adobe Viewer in order to download the full content.

NTIA Initiative Updates as of March 2014

FirstNet Initiative:

- On January 15, 2014, The National Board for FirstNet held a Single Point of Contact Quarterly Briefing where the following items were discussed:



Network News

- ◆ A progress update from 2013
- ◆ The 2014 Operating Plan
- ◆ 2014 Initiatives and Priorities
- ◆ Network Planning Updates
- ◆ State Outreach and Consultation Updates
- ◆ State Consultation Plan
- During the January 15th meeting, challenges for the FirstNet Initiative were, also, brought to the attention of the attendees. The challenges include:
 - ◆ Providing coverage to public safety in every state and territory
 - ◆ The network must be designed to public safety-grade standards
 - ◆ FirstNet must build a core network
 - ◆ Cell site capital investment
 - ◆ Site operating costs
 - ◆ Hardening investment
 - ◆ Limited number of public safety users
 - ◆ City, county, state, tribal and federal financial constraints
- To view the entire meeting presentation via powerpoint, please visit http://www.ntia.doc.gov/files/ntia/publications/140115/spoc_webinar_slides.pdf
- CNI continues to stay in contact with INDATEL and the State of Ohio for progress updates in relation to the FirstNet Initiative for Ohio.

ConnectEd Initiative:

- The FCC Chairman, Tom Wheeler, announced that the FCC will be adding \$2 Billion to the E-Rate program over the next two years to support broadband networks in schools and libraries.
 - ◆ The two year plan will begin this year with plans to connect 20 million students in at least 15,000 schools.
- The FCC Chairman, also, promised to modernize the E-Rate program and administration to make it more efficient and transparent.
- The U.S. Department of Agriculture Secretary, Tom Vilsack, announced that \$16 million in USDA grants for distance learning and telemedicine services will be given to support the ConnectEd initiative.

- During President Obama's State of the Union Address, given on January 28, 2014, he noted, that in addition to the funds being allotted to the ConnectEd initiative, \$750 million in voluntary commitments have been made by private companies. The committed funds include donating devices, operating systems/ software, development and educational tools and training, etc. to schools and libraries.
 - ◆ Companies include: Apple, AT&T, Autodesk, Microsoft, O'Reilly Media, Sprint and Verizon.
- Recently, OARnet submitted a report for the ConnectEd Initiative in support for the incremental E-rate program funding.

Industry Events

Ohio Educational Technology Conference

January 27-29, 2014
Columbus, Ohio

Connect Ohio Technology Meeting

January 31, 2014
Columbus, Ohio

Springfield Business Expo

February 27, 2014
Springfield, Ohio

Ohio Medical Group Management Association

March 14, 2014
Columbus, Ohio

CompTel Spring Conference

March 17-19, 2014
Las Vegas, Nevada

We welcome your comments, questions or suggestions.

Please send any feedback to:

Katie Etgen

Brand Manager

ketgen@cniteam.com

