EcliptixNet Broadband, Inc.

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July 22, 2009

MEMORANDUM FOR BOARD OF DIRECTORS, TRI-COUNTY ECONOMIC DEVELOPMENT DISTRICT (TEDD)

Board of Directors
Tri-County Economic Development District
Colville Office
347 North Second, Suite A
Colville, WA 99114

SUBJECT: Official Notice of Intent by EcliptixNet Broadband to Apply for NTIA BTOP and USDA BIP Funding

EcliptixNet Broadband, Inc., a Wireless Internet Service Provider (WISP) based in Medical Lake, Washington, will be submitting applications to both the National Telecommunications and Information Administration (NTIA) Broadband Technology Opportunities Program (BTOP) and the USDA Broadband Initiatives Program (BIP) for first round funding. The comprehensive scope of their applications will encompass over 150 rural communities, including 59 anchor communities, located throughout 9 counties of Northeastern Washington. EcliptixNet will be proposing a hybrid fiber/wireless network architecture providing both extensive last-mile community and county coverage using state-of-the-art wireless infrastructure, and full redundancy of extremely high-capacity middle-mile, fiber optic backbones.

EcliptixNet was founded on the principle of "universal availability of broadband technology to all rural communities," and they have taken momentous strides in accomplishing their objective of providing reliable, secure, high speed Internet voice, video, and data communications to all rural communities of the Pacific Inland Northwest. Through assertiveness, perseverance and personal dedication, they have brought over $2.3 million of federal broadband expansion funding into the State of Washington through the USDA Rural Utilities Service's (RUS) Community Connect Grant Program.

As today's society progresses through the digital age, never more prevalent is the increasing requirement for fast, effective, affordable and reliable access to broadband data, voice and video technology. Today's society lives, works, and plays online through a digital, virtual, and global communications infrastructure. Although the technological gap between rural and urban America, termed "Digital Divide", has decreased substantially over the last few years, the technological innovations of urban America continue to far surpass those of rural areas.

The ARRA's BTOP and BIP initiatives provide a means to virtually eliminate this technological gap. Through extensive funding levels, these programs aim to spur job creation, stimulate long-term economic growth and opportunity, and narrow those gaps in broadband deployment and adoption. Due to the established deadline, we have developed an aggressive goal to build an infrastructure capable of providing broadband technology to over 150 rural and isolated, un- and under-served communities throughout 9 counties across Northeastern Washington.

Within this infrastructure, 59 anchor communities will have direct fiber optic connections provided to each school district building, library, and medical clinic. In addition, high-speed access will be provided to all critical community facilities at no charge for the duration of the funding period; upon which time, service will be offered at a minimum discounted rate of 50% off retail price. The proposed infrastructure will integrate fiber and wireless technologies together for transparent, ubiquitous, extremely high-capacity, broadband coverage, and in doing so, will create one of the country's largest, most robust, rural broadband networks.

From the deployment of this extensive network, EcliptixNet will establish a means of economic stability and secure a path for economical, physical and educational growth for each community. Countless jobs will be either saved or created and an endless potential will exist for new employment opportunities through telework and digital commuting. The success of this broadband infrastructure will provide a digital interstate for community development and economic growth throughout the proposed service area.

Each of these funding programs mandates the establishment of public/private partnerships to enhance the expected success of each proposal. EcliptixNet has developed extensive partnerships with various non-profit entities, technology-based organizations, and other WISPs and carriers throughout their proposed funded service area. To support their application further, EcliptixNet has been actively seeking public-interest partnerships with each of the critical community entities in each anchor community as well as at the county and state levels. In continuance of their public-interest development, EcliptixNet will be seeking letters of support from all possible economic, educational, medical, and public safety organization in each of the 9 counties. As the single point of economic growth and development resources for Ferry, Stevens, and Pend Oreille counties, support from the TEDD will be vital to the award of these funds and the success of the proposed infrastructure deployment.

Every rural community must be allowed the opportunity to grow and develop, and the lack of available, affordable, and reliable broadband plaguing the rural areas of Washington State prohibits such an opportunity. With the award of their proposed funding from the ARRA's BTOP and BIP initiatives, EcliptixNet will continue its mission of ensuring complete coverage, access and deployment of "last mile" broadband technology to foster economic development, enhance educational, healthcare and safety services, and technologically advance residential communications throughout the rural communities of Northeastern Washington.

Should any questions arise, please feel free to contact EcliptixNet Broadband at 509-279-0393 or by email at corporate@ecliptixnet.com. Further details of the proposed infrastructure regarding the technology, topology, middle-mile path routes, etc., can be made available upon request. Thank you for your time.

//SIGNED//
Jeff Tamietti, Owner/CEO
EcliptixNet Broadband, Inc.