

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

| General Information | | |
|---|---|---|
| 1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration | 2. Award Identification Number NT10BIX5570062 | 3. DUNS Number 626155035 |
| 4. Recipient Organization DigitalBridge Communications Corp. 44675 Cape Court Suite 130, Ashburn, VA 20147-6230 | | |
| 5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2011 | 6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No | |
| 7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents. | | |
| 7a. Typed or Printed Name and Title of Certifying Official William Wallace Executive V.P. Policy & External Affairs | 7c. Telephone (area code, number and extension) 7037236272 | 7d. Email Address william.wallace@dbcmail.com |
| 7b. Signature of Certifying Official Submitted Electronically | 7e. Date Report Submitted (MM/DD/YYYY): 05-30-2011 | |

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Identified potential purchaser of DBC Idaho assets. Purchaser may become sub-recipient and has commitment to complete project.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

| | Milestone | Percent Complete | Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer) |
|-----|--|------------------|---|
| 2a. | Overall Project | 1 | Previous quarter mis-calculated |
| 2b. | Environmental Assessment | 100 | N/A |
| 2c. | Network Design | 70 | N/A |
| 2d. | Rights of Way | 0 | Project on hold until asset sale completed |
| 2e. | Construction Permits and Other Approvals | 0 | Project on hold until asset sale completed |
| 2f. | Site Preparation | 0 | Project on hold until asset sale completed |
| 2g. | Equipment Procurement | 0 | N/A |
| 2h. | Network Build (all components - owned, leased, IRU, etc) | 0 | Project on hold until asset sale completed |
| 2i. | Equipment Deployment | 0 | Project on hold until asset sale completed |
| 2j. | Network Testing | 0 | N/A |
| 2k. | Other (please specify): | 30 | Local Libraries have been contacted, RFPs completed |

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).
 DBC Strategic caused need to sell Idaho assets. Proposed purchaser may become sub-recipient and is omitted to complete project.

4. Please report the following information regarding network build progress. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

| Indicator | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|--|-------|---|
| New network miles deployed | 0 | N/A |
| New network miles leased | 0 | N/A |
| Existing network miles upgraded | 0 | N/A |
| Existing network miles leased | 0 | N/A |
| Number of miles of new fiber (aerial or underground) | 0 | N/A |
| Number of new wireless links | 0 | N/A |
| Number of new towers | 0 | N/A |
| Number of new and/or upgraded interconnection points | 0 | N/A |

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

| Indicators | |
|---|---|
| Number of signed agreements with broadband wholesalers or last mile providers | 0 |
| Number of agreements currently being negotiated with broadband wholesalers or last mile providers | 1 |
| Average term of signed agreements (in quarters) | 0 |

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
N/A

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product (100 words or less). Wholesale services description:
N/A

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (600 words or less).
N/A

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

| Subscriber Type | Access Type | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|--|---|-------|---|
| Broadband Wholesalers or Last Mile Providers | Providers with signed agreements receiving new access | 0 | Project will not serve this type of subscriber |
| | Providers with signed agreements receiving improved access | 0 | Project will not serve this type of subscriber |
| | Providers with signed agreements receiving access to dark fiber | 0 | Project will not serve this type of subscriber |
| | Please identify the speed tiers that are available and the number of subscribers for each | 0 | Project will not serve this type of subscriber |
| Community Anchor Institutions (including Government institutions) | Total subscribers served | 0 | N/A |
| | Subscribers receiving new access | 0 | N/A |
| | Subscribers receiving improved access | 0 | N/A |
| | Please identify the speed tiers that are available and the number or subscribers for each | 0 | N/A |

| Subscriber Type | Access Type | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|--------------------------|---|-------|---|
| Residential / Households | Entities passed | 0 | N/A |
| | Total subscribers served | 0 | N/A |
| | Subscribers receiving new access | 0 | N/A |
| | Subscribers receiving improved access | 0 | N/A |
| | Please identify the speed tiers that are available and the number of subscribers for each | 0 | N/A |
| Businesses | Entities passed | 0 | N/A |
| | Total subscribers served | 0 | N/A |
| | Subscribers receiving new access | 0 | N/A |
| | Subscribers receiving improved access | 0 | N/A |
| | Please identify the speed tiers that are available and the number of subscribers for each | 0 | N/A |

7. Please describe any special offerings you may provide (600 words or less).

N/A

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (300 words or less).

N/A

9. Community Anchor Institutions:

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

| Institution Name | Service Area (town or county) | Type of Anchor Institution (as defined in your baseline) | Are you also the broadband service provider for this institution? (Yes / No) | Narrative description of how anchor institutions are using BTOP-funded infrastructure |
|------------------|-------------------------------|--|--|---|
| N/A | N/A | N/A | N/A | N/A |

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

Sale of DBC Idaho assets by August 1.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Planned Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

| | Milestone | Planned Percent Complete | Narrative (describe reasons for any variance from baseline plan or any other relevant information) |
|-----|---|--------------------------|--|
| 2a. | Overall Project | 1 | Previous Quarter miscalculated |
| 2b. | Environmental Assessment | 100 | N/A |
| 2c. | Network Design | 100 | N/A |
| 2d. | Rights of Way | 0 | Project on hold until asset sale completed |
| 2e. | Construction Permits and Other Approvals | 0 | Project on hold until asset sale completed |
| 2f. | Site Preparation | 0 | Project on hold until asset sale completed |
| 2g. | Equipment Procurement | 0 | Project on hold until asset sale completed |
| 2h. | Network Build (all components - owned, leased, IRU, etc.) | 0 | Project on hold until asset sale completed |
| 2i. | Equipment Deployment | 0 | Project on hold until asset sale completed |
| 2j. | Network Testing | 0 | Project on hold until asset sale completed |
| 2k. | Other (please specify): | 30 | Will continue library outreach and RFP reponse |

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

BTOP assistance will be required in establishing potential buyer as sub-recipient or transferee.

Infrastructure Budget Execution Details

Activity Based Expenditures (Infrastructure)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

| Budget for Entire Project | | | | Actuals from Project Inception through End of Current Reporting Period | | | Anticipated Actuals from Project Inception through End of Next Reporting Period | | |
|--|--------------------|-----------------------|----------------------|--|-----------------|---------------|---|-----------------|---------------|
| Cost Classification | Total Cost (plan) | Matching Funds (plan) | Federal Funds (plan) | Total Cost | Matching Funds | Federal Funds | Total Costs | Matching Funds | Federal Funds |
| a. Administrative and legal expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| b. Land, structures, right-of-ways, appraisals, etc. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| c. Relocation expenses and payments | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| d. Architectural and engineering fees | \$78,050 | \$15,610 | \$62,440 | \$15,610 | \$15,610 | \$0 | \$15,610 | \$15,610 | \$0 |
| e. Other architectural and engineering fees | \$6,556 | \$1,311 | \$5,245 | \$1,311 | \$1,311 | \$0 | \$1,311 | \$1,311 | \$0 |
| f. Project inspection fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| g. Site work | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| h. Demolition and removal | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| i. Construction | \$357,765 | \$71,553 | \$286,212 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| j. Equipment | \$1,871,599 | \$374,300 | \$1,497,200 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| k. Miscellaneous | \$13,875 | \$2,775 | \$11,100 | \$11,100 | \$11,100 | \$0 | \$11,100 | \$11,100 | \$0 |
| l. SUBTOTAL (add a through k) | \$2,327,845 | \$465,549 | \$1,862,197 | \$28,021 | \$28,021 | \$0 | \$28,021 | \$28,021 | \$0 |
| m. Contingencies | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| n. TOTALS (sum of l and m) | \$2,327,845 | \$465,549 | \$1,862,197 | \$28,021 | \$28,021 | \$0 | \$28,021 | \$28,021 | \$0 |

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

| | |
|---|--------------------------------|
| a. Application Budget Program Income: \$0 | b. Program Income to Date: \$0 |
|---|--------------------------------|