



The M2Z Broadband Challenge: Summary

Background & Program Overview:

The M2Z Broadband Challenge is nationwide a matching grant program for non-profit organizations that wish to make wireless broadband Internet access available to underserved communities.

On May 5, 2006, M2Z filed an application seeking a license from the Federal Communications Commission (the "FCC") to operate a free wireless broadband Internet network throughout the United States that will provide end users - who have acquired the necessary modems - with access to the service. If M2Z obtains this license, it intends to commence wireless service beginning with certain geographic areas within the United States as soon as commercially practicable, and to then expand the geographic area covered by its wireless service to reach 95% of the United States population. It is expected that modems will be made widely available at retail locations across the country. M2Z is not a modem vendor or manufacturer and will earn no money from the sale of modem devices.

To support charitable organizations providing modems to underserved communities, M2Z will provide up to \$10 million in matching funds, on a dollar for dollar basis, to non-profit organizations to purchase modems that access M2Z's free nationwide service after M2Z commences operation. For this initial 2 year program, these matching funds will be made available to a group of qualified non-profit organizations on a "first come, first serve" basis – as determined by sequence in which firm purchase orders are issued.

Non-Profit Partners in the M2Z Broadband Challenge:

Non-profit corporations, as defined by exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code that is operated for the purposes of helping underserved communities, are eligible to participate in the matching funds program.

Participating organizations recognize and acknowledge that there are potentially significant social benefits to providing widespread access to broadband Internet connectivity, and believe that the Matching Funds Program will provide a useful means of helping to achieve some of these social benefits.

The non-profit organization will be responsible for soliciting from individuals, foundations, government agencies, and/or other entities, funding to purchase and distribute modems and the organization will have the option seeking matching funding from M2Z under the terms of Matching Funds Program. Organizations, in a manner consistent with their charter, will then have the sole responsibility for distributing the modem to its target user communities.

Organizations who are interested in participating in the M2Z Broadband Challenge should contact M2Z Networks. Applicants will be accepted on a rolling basis; Award grants will be made upon commencement of the Free, Fast and Family Friendly service.

Contact:

For more information on other program details, please contact: Mr. Collin Jergens, e-mail: cjergens@m2znetworks.com, Tel: 703-894-9500 ext. 5707