

FIRST AVENUE NETWORKS INC

FORM 8-K (Current report filing)

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 29, 2006**

FIBERTOWER CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

000-21091
(Commission File
Number)

52-1869023
(I.R.S. Employer
Identification No.)

185 Berry Street
Suite 4800
San Francisco, California
(Address of principal executive offices)

94107
(Zip Code)

Registrant's telephone number, including area code: **(415) 659-3500**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

Registration Rights Agreement

On August 29, 2006, FiberTower Corporation (formerly First Avenue Networks, Inc.) (the “Company”) completed the merger (the “Merger”) contemplated by the Agreement and Plan of Merger, dated May 14, 2006 (the “Merger Agreement”), among the Company, Marlin Acquisition Corporation, a direct wholly-owned subsidiary of the Company, and FiberTower Network Services Corp. (formerly FiberTower Corporation) (“Old FiberTower”). Pursuant to the Merger, the Company issued approximately 73.9 million shares of common stock to the former stockholders of Old FiberTower, and Old FiberTower became a wholly owned subsidiary of the Company. A copy of the Merger Agreement, which was filed as Exhibit 2.1 to the Company’s current report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”), on May 18, 2006, is incorporated herein by reference.

On August 29, 2006, in connection with the closing of the Merger, the Company entered into a registration rights agreement with certain affiliates of Old FiberTower, including certain individuals who will be executive officers of the Company (collectively, the “Holders”). Under the registration rights agreement, Holders will have the right to require the Company to register the resale of the shares of common stock they receive in the Merger, subject to the terms of the registration rights agreement. In addition, Holders may require the Company to include their shares in future registration statements that the Company files. Except for underwriters’ or brokers’ fees, discounts and commissions, the Company will be obligated to pay all expenses incurred in connection with the registration of these shares. The Company has filed the registration rights agreement as Exhibits 99.1 to this report, and the foregoing description of the registration rights agreement is qualified in its entirety by reference to the full text of the agreement.

Stock Incentive Plan

Effective upon the closing of the Merger, the Company’s Stock Option Plan was amended to, among other things, (1) increase the number of shares issuable under the plan to 23,314,588 shares; (2) include an “evergreen provision” under which the number of shares issuable under the plan would increase each year by either 1.5% of the number of shares of common stock outstanding immediately prior to the date of such increase or a lesser number of shares determined by our board of directors; (3) permit the issuance of awards of restricted stock; (4) provide for automatic annual grants of shares of restricted stock equal in value to \$85,000 to each non-employee director; and (5) change the name of the plan to the “First Avenue Networks, Inc. Stock Incentive Plan.” The Company has previously filed the plan as Annex E to its Information Statement on Schedule 14C filed on July 25, 2006, and the foregoing description is qualified in its entirety by reference to the full text of the agreement.

Offer Letter with Executive Chairman

On August 29, 2006, the Company entered into an offer letter agreement with John D. Beletic, one of its directors. Under the offer letter, Mr. Beletic will serve as our Executive Chairman for an annual salary of \$150,000 without a bonus and receive a restricted stock grant

of 300,000 shares of our common stock, which vest 25% at the six-month anniversary of the completion of the Merger and then in six (6) equal quarterly installments, subject to his continued service with the Company. In the event Mr. Beletic's position as Executive Chairman would be terminated without cause prior to the two-year anniversary of the date of grant of his restricted stock or the Company undergoes a change of control, his unvested restricted stock would immediately vest. The Company has filed the offer letter as Exhibit 99.2 to this report, and the foregoing description of the offer letter is qualified in its entirety by reference to the full text of the offer letter.

Employment Agreement with Chief Executive Officer

On August 29, 2006, the Company entered into a new employment agreement with Michael K. Gallagher, who will continue to serve as the President and Chief Executive Officer of the Company. Under the employment agreement, Mr. Gallagher's term of employment will continue until September 7, 2006, subject to automatic extensions for additional one-year terms unless either party provides at least thirty (30) days prior notice. The employment agreement provides for an annual base salary of \$350,000 plus an annual target bonus of \$175,000. Pursuant to the employment agreement, upon Mr. Gallagher's termination other than for cause or his resignation under certain circumstances (including his failure to continue in his position of Chief Executive Officer of the combined company), he would be entitled to receive payment of one year of his base salary plus his annual target bonus in effect on the date of termination and acceleration of the number of shares subject to his outstanding options which would have vested during the one year period following his termination had he continued in the employment of the combined company. Moreover, Mr. Gallagher would be entitled to 100% vesting acceleration of his stock options and restricted stock upon the six-month anniversary of a change of control, or, if his employment after such event is terminated without cause prior to such six-month anniversary. In connection with the employment agreement, Mr. Gallagher was also granted (1) an option to purchase 800,000 shares of our common stock, 25% of which will vest on the first anniversary of the date of grant and 1/48th of the total grant which will vest monthly thereafter; and (2) 600,000 shares of restricted stock, which will vest as to 25% of the total shares on each November 15th, beginning with November 15, 2007. The Company has filed the employment agreement as Exhibit 99.3 to this report, and the foregoing description of the employment agreement is qualified in its entirety by reference to the full text of the agreement.

Item 2.01. Completion of Acquisition or Disposition of Assets.

Please see Item 1.01 of this report for disclosure regarding the completion of the Merger, which is incorporated herein by reference.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Resignations and Elections of Directors

As of August 29, 2006, in accordance with the Merger Agreement and immediately prior to the effective time of the Merger:

(a) Dean M. Johnson, Wharton B. Rivers, Jr., Richard L. Shorten, Jr., Matthew Teplitz and R. Ted Weschler resigned from the board of directors of the Company;

(b) the following directors, each of whom was designated by Old FiberTower pursuant to the Merger Agreement, were elected to the class indicated below:

John D. Beletic	Class I
Bandel Carano	Class II
Darryl Schall	Class II
Randall Hack	Class III
John Kelly	Class III

(c) Michael K. Gallagher was elected as a Class I director, as provided in the Merger Agreement; and

(d) the following directors, each of whom were designated by the Company pursuant to the Merger Agreement, were elected to the class indicated below:

Neil S. Subin	Class I
John Muleta	Class II
Steven D. Scheiwe	Class III

As of August 29, 2006, Mr. Beletic will serve as the Executive Chairman of the Board, Messrs. Schall (Chair), Hack and Schiewe were appointed to serve on the Audit Committee of the board of directors of the Company, Messrs. Kelly (Chair) and Subin were appointed to serve on the Compensation Committee of the board of directors of the Company, and Messrs. Hack (Chair), Carano and Muleta were appointed to serve on the Nominating and Corporate Governance Committee of the board of directors of the Company.

Mr. Kelly is currently the President and Chief Executive Officer of Crown Castle International Corp. ("CCIC"), and Mr. Hack is a member of CCIC's board of directors. CCIC leases its communications facilities to Old Fiber Tower. Additional information regarding Messrs. Beletic, Carano, Hack, Kelly, Schall and Schiewe was provided in the Company's information statement for the Merger and related matters filed with the SEC on July 25, 2006, which is incorporated herein by reference. Information regarding the continuing directors, Messrs. Gallagher, Muleta and Subin was provided in the Company's proxy statement for the 2006 annual meeting filed with the SEC on April 26, 2006.

On August 29, 2006, the Company entered into an offer letter agreement with Mr. Beletic regarding his appointment as Executive Chairman, which set forth his compensation arrangement as described in Item 1.01 of this report and incorporated herein by reference.

On August 29, 2006, the Company entered into a new employment agreement with Mr. Gallagher, which set forth his new compensation arrangement as described in Item 1.01 of this report and incorporated herein by reference.

Item 8.01 Other Events.

On August 30, 2006, we issued a press release announcing the completion of the Merger described in Item 1.01 of this report. A copy of that press release is attached as Exhibit 99.4 to this report and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

Pursuant to Item 9.01(a)(4) of Form 8-K, the required financial statements will be filed by an amendment to this report not later than 71 calendar days after the date on which this report must be filed.

(b) Pro Forma Financial Information.

Pursuant to Item 9.01(b)(2) of Form 8-K, the required pro forma financial information will be filed by an amendment to this report not later than 71 calendar days after the date on which this report must be filed.

(d) Exhibits

Exhibit Number	Description
*4.1	Registration Rights Agreement, dated August 29, 2006, by and among the Company and each of the holders listed on Exhibit A thereto.
99.1	Stock Incentive Plan (incorporated by reference to Annex E of the Company's Information Statement on Schedule 14C filed with the SEC on July 25, 2006).
*99.2	Offer Letter dated August 29, 2006, by and between the Company and John D. Beletic.
*99.3	Employment Agreement dated August 29, 2006, by and between the Company and Michael K. Gallagher.
*99.4	Press release dated August 30, 2006

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FIBERTOWER CORPORATION

Date: September 1, 2006

By: /s/ THOMAS A. SCOTT
Name: Thomas A. Scott
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
*4.1	Registration Rights Agreement, dated August 29, 2006, by and among the Company and each of the holders listed on Exhibit A thereto.
99.1	Stock Incentive Plan (incorporated by reference to Annex E of the Company's Information Statement on Schedule 14C filed with the Securities and Exchange Commission on July 25, 2006).
*99.2	Offer Letter dated August 29, 2006, by and between the Company and John D. Beletic.
*99.3	Employment Agreement dated August 29, 2006, by and between the Company and Michael K. Gallagher.
*99.4	Press release dated August 30, 2006

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “**Agreement**”) is made and entered into as of August 29, 2006 by and between First Avenue Networks, Inc., a Delaware corporation (“**First Avenue**”), and the individuals and entities listed on Exhibit A attached hereto who execute one or more counterpart signature pages to this Agreement (the “**Holders**”).

RECITALS

A. This Agreement is entered into pursuant to that certain Agreement and Plan of Merger, dated as of May 14, 2006 (the “**Merger Agreement**”), by and among First Avenue, Marlin Acquisition Corporation, a Delaware corporation and a direct and wholly owned subsidiary of First Avenue (“**Merger Sub**”), and FiberTower Corporation, a Delaware corporation (“**FiberTower**”).

B. The Merger Agreement provides that, subject to the terms and conditions of the Merger Agreement, Merger Sub will be merged with and into FiberTower in a statutory merger, with FiberTower as the surviving corporation in the merger (the “**Merger**”) in which all issued and outstanding shares of capital stock of FiberTower will be converted into the right to receive, and will be exchangeable for, shares of Common Stock, par value \$0.001 per share, of First Avenue (the “**First Avenue Common Shares**”).

C. As an inducement for the Holders to approve the Merger Agreement, the Merger and the transactions contemplated by the Merger Agreement and to enter into the FiberTower Affiliate’s Letter, First Avenue desires to grant registration rights to the Holders as contained herein.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the parties hereto agree as follows:

AGREEMENT

1. Definitions and References.

Unless otherwise defined herein, the capitalized terms in this Agreement shall have the same meanings given to them in the Merger Agreement. For purposes of this Agreement, in addition to the definitions set forth elsewhere herein, the following terms shall have the following respective meanings:

“**Affiliate**” of a Holder shall mean a person who, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Holder, or the spouse or children (or a trust exclusively for the benefit of a spouse and/or children) of such Holder.

“**Material Disclosure Event**” means, as of any date of determination, any pending or imminent event relating to First Avenue, which, in the determination of the Board of Directors of First Avenue (i) upon the advice of counsel, requires disclosure of material, non-public information relating to such event in any registration statement so that such registration statement would not be materially misleading, (ii) upon the advice of counsel, is otherwise not required to be publicly disclosed at that time (e.g., on Forms 10-K, 8-K, or 10-Q) under applicable federal or state securities laws, and (iii) if publicly disclosed at the time of such event, would have a material adverse effect on the business, financial condition or prospects of First Avenue or would materially adversely affect a pending or proposed acquisition, merger, recapitalization, consolidation, reorganization, financing or similar transaction, or negotiations with respect thereto.

“**Register**,” “**registered**” and “**registration**” shall refer to a registration effected by preparing and filing the registration statement in compliance with the Securities Act of 1933, as amended (the “**1933 Act**”), and the declaration or ordering of effectiveness of the registration statement by the United States Securities and Exchange Commission (the “**SEC**”).

“**Registrable Stock**” shall mean (a) the First Avenue Common Shares issued to a Holder pursuant to the Merger Agreement; and (b) any First Avenue Common Shares issued as (or issuable upon the conversion or exercise of any warrant, right, option or other convertible security which is issued as) a dividend or other distribution with respect to, or in exchange for, or in replacement of, such shares. For purposes of this Agreement, any Registrable Stock shall cease to be Registrable Stock when (w) the registration statement covering such Registrable Stock has been declared effective and such Registrable Stock has been disposed of pursuant to such effective registration statement, (x) such Registrable Stock is sold by a Holder in a transaction that is exempt from registration pursuant to Rule 144 under the 1933 Act or a transaction in which the Holder’s rights under this Agreement are not assigned, (y) such Registrable Stock may be sold under Rule 144(k) under the 1933 Act, or (z) such Registrable Stock has ceased to be outstanding. In addition, the Registrable Stock held by any Holder shall cease to be Registrable Stock on such date on which all of the Registrable Stock held by such Holder can be sold within a period of three months pursuant to Rule 144 promulgated under the 1933 Act (or any similar provision then in force).

2. **Demand Registration.**

(a) **Request for Registration.** Subject to the provisions contained in this Section 2, beginning on the day after the Closing Date, one or more Holders of more than 5% of the Registrable Stock then outstanding (each, a “**Requesting Holder**”) may, from time to time, request in writing (a “**Demand Request**”) that First Avenue effect the registration under the 1933 Act of a specified number of Registrable Stock held by the Requesting Holders, specifying the intended method of distribution thereof if other than pursuant to an underwritten offering (a “**Demand Registration**”); provided, however, that First Avenue will in no event be required to effect more than three (3) Demand Registrations in total; provided, further, that First Avenue will in no event be required to effect more than one (1) Demand Registration in any 12-month period; provided, further, that First Avenue will not be obligated to take any action to effect any Demand Registration within 90 days immediately following the effective date of any registration statement pertaining to an underwritten public offering of equity securities of First Avenue for its own account (except pursuant to registrations on Form S-4 or any successor form or on Form S-8

or any successor form relating solely to securities issued pursuant to any benefit plan). Subject to Section 4 below, upon receipt of a Demand Request, First Avenue will cause to be included in a registration statement on an appropriate form under the 1933 Act, filed with the SEC as promptly as reasonably practicable but in any event not later than 90 days after receiving a Demand Request, such Registrable Stock as may be requested by such Requesting Holders in their Demand Request together with any other Registrable Stock of the same class as requested by Joining Holders (as defined below) joining in such request pursuant to Section 2(b) hereof. First Avenue shall use its reasonable efforts to cause any such registration statement to be declared effective by the SEC as promptly as practicable after such filing but in any event not later than 150 days following the date of the Demand Request.

(b) Joining Holders. If at any time First Avenue proposes to register Registrable Stock for the account of the Requesting Holders pursuant to Section 2(a) hereof, then (i) First Avenue shall give, or cause to be given, written notice of such proposed filing to all the Holders as soon as practicable (but in no event less than 30 days before the anticipated filing date). Upon the written request of any Holder, received by First Avenue no later than the 10th Business Day after receipt by such Holder of the notice sent First Avenue (each such Holder, a “**Joining Holder**” and, collectively with the Requesting Holders, the “**Participating Holders**”), to register, on the same terms and conditions as the securities otherwise being sold pursuant to such Demand Registration, any of its Registrable Stock of the same class as the securities otherwise being sold pursuant to such Demand Registration, First Avenue will use its reasonable efforts to cause such Registrable Stock to be included in the registration statement proposed to be filed by First Avenue on the same terms and conditions as any securities of the same class included therein.

(c) Effective Registration. A registration will not count as a Demand Registration unless the related registration statement has been declared effective and has remained effective until the earlier of (i) such time as all of such Registrable Securities covered thereby have been disposed of in accordance with the intended methods of disposition by the Participating Holders (but in no event for a period of more than 90 days after such registration statement becomes effective) or (ii) the expiration of the time when a prospectus relating to such registration is required to be delivered under the 1933 Act; it being understood that if, after it has become effective, an offering of Registrable Stock pursuant to a registration statement is terminated by any stop order, injunction, or other order of the SEC or other governmental agency or court, such registration pursuant thereto will be deemed not to have been effected and will not count as a Demand Registration for purposes of Section 2(a).

(e) Priority on Demand Registrations. With respect to any offering of Registrable Stock pursuant to a Demand Registration in the form of an underwritten offering, no securities to be sold for the account of any person (including First Avenue) other than the Participating Holders exercising registration rights shall be included in a Demand Registration unless the managing underwriter advises the Requesting Holders that the inclusion of such securities will not adversely affect the price or success of the offering (an “**Adverse Effect**”). Furthermore, in the event that the managing underwriter advises the Requesting Holders in writing that the amount of Registrable Stock proposed to be included in such Demand Registration by the Participating Holders is sufficiently large (even after exclusion of all securities of any other person pursuant to the immediately preceding sentence) to cause an Adverse Effect, the number of Registrable Stock to be included in such Demand Registration

shall be allocated among all such Participating Holders exercising registration rights therewith effected pro rata based on the ratio that the number of Registrable Stock that each such Holder requested to be included in such registration statement, as the case may be, bears to the amount represented by the total number of Registrable Stock that all Holders requested to be included in such registration statement.

3. Piggyback Registrations .

(a) **Holder Piggyback Registration .** If First Avenue proposes to file a registration statement under the 1933 Act with respect to an offering of any equity securities for First Avenue's own account (except pursuant to registrations on Form S-4 or any successor form or on Form S-8 or any successor form relating solely to securities issued pursuant to any benefit plan) on a form that would permit registration of Registrable Stock for sale to the public under the 1933 Act, then (i) First Avenue shall give written notice of such proposed filing to the Holders as soon as practicable (but in no event less than 20 days before the anticipated filing date), describing in reasonable detail the proposed registration (including the number and class of securities proposed to be registered, the proposed date of filing of such registration statement, any proposed means of distribution of such securities, any proposed managing underwriter of such securities and a good faith estimate by First Avenue of the proposed maximum offering price of such securities as such price is proposed to appear on the facing page of such registration statement), and offering such Holders the opportunity to register such number of Registrable Stock as each such Holder may request. Upon the written request of any Holder, received by First Avenue no later than 10 Business Days after receipt by such Holder of the notice sent by First Avenue, to register, on the same terms and conditions as the securities otherwise being sold pursuant to such registration, any of such Holder's Registrable Stock of the same class as those being registered (which request shall state the intended method of disposition thereof if the securities otherwise being sold are being sold by more than one method of disposition), First Avenue will use its reasonable efforts to cause such Registrable Stock as to which registration shall have been so requested to be included in the registration statement proposed to be filed by First Avenue on the same terms and conditions as any similar securities included therein; provided, however, that, notwithstanding the foregoing, First Avenue may at any time, in its sole discretion, without the consent of any other Holder, delay or abandon the proposed offering in which any Holder had requested to participate pursuant to this Section 3(a) or cease the filing (or obtaining or maintaining the effectiveness) of or withdraw the related registration statement or other governmental approvals, registrations or qualifications. In such event, First Avenue shall so notify each Holder that had notified First Avenue in accordance with this Section 3(a) of its intention to participate in such offering and First Avenue shall incur no liability for its failure to complete any such offering.

(b) **Priority on Piggyback Registrations .** If the Registrable Stock requested to be included in a registration statement by any Holder pursuant to Section 3(a) hereof differ from the type of securities proposed to be registered by First Avenue and the managing underwriter for the related underwritten offering advises First Avenue in writing that due to such differences the inclusion of such Registrable Stock would cause an Adverse Effect, and First Avenue notifies such Holder in writing of such advice, then (i) the number of such Holder's Registrable Stock to be included in the registration statement shall be reduced to an amount which, in the judgment of such managing underwriter, would eliminate such Adverse Effect or (ii) if no such reduction would, in the judgment of such managing underwriter, eliminate such Adverse Effect, then First

Avenue shall have the right to exclude all such Registrable Stock from such registration statement; provided, however, that no other securities that are the same as, or similar to, the Registrable Stock that have been requested to be included in a registration statement by any Holder pursuant to Section 3(a) hereof are included and offered for the account of any other person (other than First Avenue) in such registration statement. Any partial reduction in the number of Registrable Stock to be included in the registration statement pursuant to clause (i) of the immediately preceding sentence shall be effected pro rata based on the ratio that the number of Registrable Stock that each such Holder requested to be included in such registration statement, as the case may be, bears to the amount represented by the total number of Registrable Stock that all Holders requested to be included in such registration statement. If the Registrable Stock requested to be included in the registration statement pursuant to Section 3(a) hereof are of the same type as the securities being registered by First Avenue and the managing underwriter advises First Avenue in writing that the inclusion of such Registrable Stock would cause an Adverse Effect, and First Avenue notifies the requesting Holders in writing of such advice, then First Avenue will be obligated to only include in such registration statement that number of Registrable Stock, if any, which, in the judgment of the managing underwriter, would not have an Adverse Effect. Any partial reduction in the number of Registrable Stock to be included in a registration statement pursuant to the immediately preceding sentence shall be affected pro rata based on the ratio that the number of Registrable Stock that each such Holder requested to be included in such registration statement, as the case may be, bears to the amount represented by the total number of Registrable Stock that all Holders requested to be included in such registration statement.

Notwithstanding the foregoing in Section 3(b) hereof, if after a Demand Request by the Holders pursuant to Section 2(a) hereof, First Avenue first initiates a proposal to register securities for its own account pursuant to this Section 3, then the Demand Registration requested pursuant to Section 2(a) hereof shall be given priority.

(c) Withdrawals. Each Holder shall have the right to withdraw its request for inclusion of its Registrable Stock in any registration statement pursuant to this Section 3 by giving written notice to First Avenue of its request to withdraw; provided, however, that (i) such request must be made in writing prior to the earlier of the execution of the underwriting agreement or the execution of the custody agreement with respect to such registration and (ii) such withdrawal shall be irrevocable.

(d) Underwritten Offerings. In connection with the exercise of any registration rights granted to Holders pursuant to this Section 3, if the registration is to be effected by means of an underwritten offering, First Avenue may condition participation in such registration by such Holders upon inclusion of the Registrable Stock being so registered in such underwriting. In addition, such Holders may request that such Registrable Stock be included in any underwritten offering of Common Stock (whether or not on a firm commitment basis).

With respect to any offering of Registrable Stock pursuant to this Section 3 in the form of an underwritten offering, First Avenue shall select an investment banking firm of national standing to be the managing underwriter for the offering.

4. **Suspension and Standstill Periods .**

(a) **Suspension Period.** After receipt of a Demand Request, First Avenue may, by notice in writing to each Holder, postpone the filing or effectiveness of any registration requested pursuant to this Agreement, suspend the Demand Registration rights of the Holders or require the Holders to suspend the use of any resale prospectus included in the registration statement covering the Registrable Stock, for any period of time determined by First Avenue if there shall occur a Material Disclosure Event (such period, a “ ***Suspension Period***”). Notwithstanding the foregoing, no Suspension Period shall exceed 90 days in any one instance and First Avenue may not exercise its rights set forth in the immediately preceding sentence more than twice in any 12-month period. Each Holder agrees that, upon receipt of notice from First Avenue of the occurrence of a Material Disclosure Event (a “ ***Suspension Notice*** ”), such Holder will forthwith discontinue any disposition of Registrable Stock pursuant to the registration statement or any public sale or distribution, including pursuant to Rule 144, until the earlier of (i) the expiration of the Suspension Period and (ii) such Holder’s receipt of a notice from First Avenue to the effect that such suspension has terminated. Any Suspension Notice shall be accompanied by a certificate of the President or any Vice President of First Avenue confirming the existence of the Material Disclosure Event. If so directed by First Avenue, such Holder will deliver to First Avenue (at First Avenue’s expense) all copies, other than permanent file copies, then in such Holder’s possession, of the most recent prospectus covering such Registrable Stock at the time of receipt of such Suspension Notice. In the event of a Suspension Notice, First Avenue shall, promptly after such time as the related Material Disclosure Event no longer exists, take any and all actions necessary or desirable to give effect to any Holders’ rights under this Agreement that may have been affected by such notice, including the Holders’ Demand Registration rights.

(b) **Holder Standstill Period.** Each Holder agrees not to, without the prior written consent of the managing underwriter for any underwritten offering of (i) securities of First Avenue that are the same as, or similar to, the Registrable Stock, or (ii) any securities convertible into, or exchangeable or exercisable for, securities of First Avenue that are the same as, or similar to, the Registrable Stock, effect any disposition (except for dispositions included in, or pursuant to, such an underwritten offering) pursuant to any registration statement or any public sale or distribution, including pursuant to Rule 144, of any Registrable Stock or any securities convertible into, or exchangeable or exercisable for, any securities of First Avenue that are the same as, or similar to, the Registrable Stock, during the period commencing 15 days prior to the effective date of any registration statement relating to such securities of First Avenue (to the extent timely notified in writing (prior to such Holder giving any Demand Request) by First Avenue or the managing underwriter) and ending on the first to occur of (A) the 90th day after such effective date and (B) the end of the public distribution of such securities of First Avenue.

5. **Obligations of First Avenue.** First Avenue shall:

(a) prepare and file with the SEC any required supplements to the prospectus used in connection with the registration statement as may be necessary to comply with the provisions of the 1933 Act with respect to the disposition of all Registrable Stock covered by the registration statement for the period required to effect the distribution of the Registrable Stock as set forth in Section 2;

(b) furnish to each Holder such number of copies of the registration statement and each amendment thereto, the prospectus included in such registration statement (including each preliminary prospectus and each prospectus supplement thereto) and the documents incorporated by reference into such registration statement or prospectus, as applicable in conformity with the requirements of the 1933 Act, as such Holder may reasonably request, in order to facilitate the public sale or other disposition of all or any of the Registrable Stock by such Holder;

(c) use all reasonable efforts to register or qualify the Registrable Stock covered by the registration statement under the securities or Blue Sky laws of such jurisdiction within the United States as shall be reasonably requested by the Holders for the distribution of the Registrable Stock covered by the registration statement; provided, however, that First Avenue shall not be required to qualify to do business in, to file a general consent to service of process or to subject itself to material taxation in any jurisdiction wherein it would not but for the requirements of this paragraph (c) be obligated to do so; and provided, further, that First Avenue shall not be required to qualify such Registrable Stock in any jurisdiction in which the securities regulatory authority requires that the Holders submit any of his or her Registrable Stock to the terms, provisions and restrictions of any escrow, lockup or similar agreement(s) for consent to sell Registrable Stock in such jurisdiction unless the Holders agree to do so;

(d) take all reasonable actions necessary to ensure that the Registrable Stock continue to be listed and available for quotation on The Nasdaq National Market or such other market as may be the principal market on which First Avenue Common Shares are quoted or listed; and

(e) promptly notify the Holders, at any time when a prospectus or prospectus supplement relating thereto is required to be delivered under the 1933 Act, upon discovery that, or upon the happening of any event as a result of which, the prospectus included in the registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and, at the request of any Holder, promptly prepare and furnish to such Holder a reasonable number of copies of a supplement to such prospectus, or a revised prospectus, as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Stock, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, that in the event of a Material Disclosure Event, First Avenue shall be entitled to defer preparing and furnishing such supplement or amendment until the end of the applicable Suspension Period, at which time it shall so notify the Holders and shall prepare and furnish to the Holders any such supplement or amendment as may then be required. Following receipt of any supplement to any prospectus, the Holders shall deliver such supplement or revised prospectus in connection with any offers or sales of Registrable Stock, and shall not deliver or use any prospectus not so amended, supplemented or revised. Following delivery of notice that First Avenue is preparing and filing with the SEC a supplement to the prospectus, the Holders shall not make any further sales of Registrable Stock pursuant to the registration statement until the Holders receive such supplement from First Avenue.

6. Obligations of Holder. Each Holder shall:

(a) furnish to First Avenue such information regarding itself, the Registrable Stock held by it and the intended method of disposition of such securities as First Avenue shall reasonably request and as shall be required in connection with the actions to be taken by First Avenue hereunder, which shall be a condition precedent to the obligations of First Avenue to include Registrable Stock of a Holder in the registration statement;

(b) promptly notify First Avenue of any changes in the information set forth in the registration statement and any related prospectus, prospectus supplement or document incorporated by reference therein regarding such Holder or its plan of distribution, and shall not use, distribute or otherwise disseminate any free writing prospectus, as defined in Rule 405 under the 1933 Act in connection with the sale of Registrable Stock under the registration statement, without the prior consent of First Avenue; and

(c) not disclose any information obtained by such Holder in connection with this Agreement, and shall not use any such information as the basis for any market transactions in the securities of First Avenue or its Affiliates, unless and until such information is made generally available to the public.

7. Expenses. All expenses incurred in connection with the registration pursuant to this Agreement, excluding underwriters' or brokers' fees, discounts and commissions, but including, without limitation, all registration, filing and qualification fees, word processing, duplicating, printers' and accounting fees, listing fees, messenger and delivery expenses, all fees and expenses of complying with state securities or Blue Sky laws, the fees and disbursements of counsel for First Avenue and reasonable fees and expenses of not more than one counsel for the Participating Holders (as a group), shall be paid by First Avenue. Each Holder shall bear and pay all underwriting fees, discounts and commissions and brokerage fees, any out-of-pocket expenses of such Holder, including any fees and expenses of counsel to such Holder (other than as set forth in the prior sentence), and any applicable transfer taxes applicable to securities offered for his or her account in connection with any registrations, filings and qualifications made pursuant to this Agreement.

8. Transfer of Registration Rights. Subject to the terms of any Lock-Up Agreement among the Holder, First Avenue and FiberTower, the registration rights of a Holder under this Agreement with respect to any Registrable Stock may be transferred or assigned to (a) any transferee or assignee of such Registrable Stock who acquires, as a result of such transfer or assignment, at least (i) 20% (calculated at the time of such transfer or assignment) of such Holder's Registrable Stock or (ii) 5,000 shares of the Registrable Stock previously held by such Holder, whichever is greater, or (b) an Affiliate of such Holder; provided, however, that (i) such Holder shall give First Avenue written notice prior to the time of such transfer stating the name and address of the transferee and identifying the securities with respect to which the rights under this Agreement are being transferred; (ii) such transferee shall agree in writing, in form and substance reasonably satisfactory to First Avenue, to be bound as a Holder by the provisions of this Agreement; and (iii) immediately following such transfer the further disposition of such securities by such transferee is restricted under the 1933 Act; and provided, further, that no Holder shall be entitled to designate any such transferee if the Registrable Stock would continue

to be Registrable Stock for a period longer than would be the case in the hands of such Holder or any of its Affiliates.

9. Indemnification . In the event any Registrable Stock is included in a registration statement under this Agreement:

(a) Indemnification by First Avenue . First Avenue shall indemnify and hold harmless each Holder, such Holder's directors and officers, any selling agent selected by such Holder with respect to the offering of such Registrable Stock, including underwriters (as defined in the 1933 Act), and each person, if any, who controls such Holder or selling agent within the meaning of Section 15 of the 1933 Act, against any losses, claims, damages or liabilities, joint or several, to which they may become subject under the 1933 Act or otherwise, insofar as such losses, claims, damages or liabilities (or proceedings in respect thereof) arise out of or are based upon any untrue or alleged untrue statement of any material fact contained in the registration statement or any preliminary or final prospectus included therein (including any free-writing prospectus filed under Rule 424 under the 1933 Act or any amendments or supplements thereto) or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the case of any prospectus, in light of the circumstances under which they were made, not misleading; and First Avenue shall reimburse each such Holder, such Holder's directors and officers, and such selling agent or controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this Section 9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of First Avenue; provided, further, that First Avenue shall have no obligation to provide indemnification hereunder for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the registration statement, preliminary or final prospectus, or amendments or supplements thereto, in reliance upon and in conformity with written information furnished by or on behalf of any such Holder or such Holder's directors and officers, participating person or controlling person, expressly for use in connection with such registration. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of any such Holder, such Holder's directors and officers, participating person or controlling person, and shall survive the transfer of such securities by such Holder and any termination of this Agreement.

(b) Indemnification by the Holders . Each Holder severally and not jointly shall indemnify and hold harmless First Avenue, each of its directors and officers, each person, if any, who controls First Avenue within the meaning of Section 15 of the 1933 Act, and each agent and any underwriter (within the meaning of the 1933 Act) for First Avenue against any losses, claims, damages or liabilities, joint or several, to which First Avenue or any such director, officer, controlling person, agent or underwriter may become subject under the 1933 Act or otherwise, insofar as such losses, claims, damages or liabilities (or proceedings in respect thereof) arise out of or are based upon any untrue or alleged untrue statement of any material fact contained in the registration statement or any preliminary or final prospectus included therein (including any free-writing prospectus filed under Rule 424 under the 1933 Act or any amendments or supplements thereto) or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the

statements therein, in the case of any prospectus, in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the registration statement, preliminary or final prospectus, or amendments or supplements thereto, in reliance upon and in conformity with written information furnished by or on behalf of such Holder expressly for use in connection with such registration; and each such Holder shall reimburse any legal or other expenses reasonably incurred by First Avenue or any such director, officer, controlling person, agent or underwriter in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this Section 9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of such Holder; provided, further, that the aggregate liability of each Holder hereunder shall be limited to an amount equal to the net proceeds (after deducting any underwriting or broker's discounts or commissions but before deducting expenses) received by such Holder from the sale of Registrable Stock covered by such registration statement.

(c) Notice of Claims, Etc. Promptly after receipt by any person entitled to indemnity under Section 9(a) or (b) hereof, of notice of the commencement of any action or proceeding involving a claim referred to in such sections, such indemnified party shall, if indemnification is sought against an indemnifying party under this Section 9, notify the indemnifying party in writing of the commencement thereof and the indemnifying party shall have the right to participate in and assume the defense thereof with counsel selected by the indemnifying party and reasonably satisfactory to the indemnified party; provided, however, that an indemnified party shall have the right to retain its own counsel, with all fees and expenses thereof to be paid by such indemnified party. The failure to notify an indemnifying party promptly of the commencement of any such action, if and to the extent prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 9, but the omission so to notify the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 9. Anything in this Section 9(c) to the contrary notwithstanding, an indemnifying party shall not be liable for the settlement of any action effected without its prior written consent (which consent shall not unreasonably be withheld or delayed), but if settled with the prior written consent of the indemnifying party, or if there shall be a final judgment adverse to the indemnified party, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior consent of the indemnified party, consent to entry of any judgment or enter into any settlement or compromise, with respect to any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim), which (i) does not include as a term thereof the unconditional release of the indemnified party from all liability in respect of such action or claim or (ii) includes a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of the indemnified party.

(d) Contribution. To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the indemnifying party and indemnified party in connection with the actions

which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action. The amount paid or payable by a party as a result of the losses, claims, damages or liabilities referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 9(d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

10. General Provisions.

(a) Notices. Any notice, request or other communication required or permitted hereunder shall be in writing and shall be deemed to have been duly given if personally delivered, transmitted by facsimile, delivered by nationally recognized overnight courier or if deposited in the U.S. mail by registered or certified mail, return receipt requested, postage prepaid. Notices shall be delivered at the addresses set forth below such party's name on the signature pages hereto. Any party hereto may by notice so given change its address or facsimile number for future notices hereunder. Notice shall conclusively be deemed to have been given when personally delivered or on the third business day after deposit in the mail in the manner set forth above.

(b) Deemed Underwriter; Due Diligence. First Avenue agrees that, if Goldman, Sachs & Co. ("**Goldman Sachs**"), or any affiliate thereof (together with Goldman Sachs, any "**GS Entity**") could reasonably be deemed to be an "underwriter," as defined in Section 2(a)(11) of the 1933 Act, in connection with any registration of First Avenue's securities held by any GS Entity pursuant to this Agreement, and any amendment or supplement thereof (any such registration statement or amendment or supplement a "**GS Underwriter Registration Statement**"), then First Avenue will cooperate with such GS Entity in allowing such GS Entity to conduct customary "underwriter's due diligence" with respect to First Avenue and satisfy any obligations in respect thereof. In addition, at Goldman Sachs' request, First Avenue will furnish to Goldman Sachs, on the date of the effectiveness of any GS Underwriter Registration Statement and thereafter from time to time on such dates as Goldman Sachs may reasonably request (i) a letter, dated such date, from the First Avenue's independent certified public accountants in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to Goldman Sachs, and (ii) an opinion, dated as of such date, of counsel representing First Avenue for purposes of such GS Underwriter Registration Statement, in form, scope and substance as is customarily given in an underwritten public offering, including, without limitation, a standard "10b-5" opinion for such offering, addressed to Goldman Sachs. First Avenue will also permit legal counsel to

Goldman Sachs to review and comment upon any such GS Underwriter Registration Statement at least five business days prior to its filing with the SEC and all amendments and supplements to any such GS Underwriter Registration Statement within a reasonable number of days prior to their filing with the SEC and not file any GS Underwriter Registration Statement or amendment or supplement thereto in a form to which Goldman Sachs' legal counsel reasonably objects.

(c) Entire Agreement; Independence of Obligations . This Agreement constitutes and contains the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes any and all prior negotiations, correspondence, agreements, understandings, duties or obligations between the parties respecting the subject matter hereof.

(d) Governing Law . This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without regard to conflicts of law principles.

(e) Severability . If one or more provisions of this Agreement are held to be unenforceable under applicable law, then such provision(s) shall be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

(f) Third Parties . Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

(g) Successors and Assigns . Subject to the provisions of Section 8, the provisions of this Agreement shall inure to the benefit of, and shall be binding upon, the successors and permitted assigns of the parties hereto.

(h) Captions . The captions to sections of this Agreement have been inserted for identification and reference purposes only and shall not be used to construe or interpret this Agreement.

(i) Counterparts . This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument. Delivery of an executed counterpart of this Agreement by facsimile shall be effective to the fullest extent permitted by applicable law.

(j) Costs and Attorneys' Fees . In the event that any action, suit or other proceeding is instituted concerning or arising out of this Agreement or any transaction contemplated hereunder, the prevailing party shall recover all of such party's costs and attorneys' fees incurred in each such action, suit or other proceeding, including any and all appeals or petitions therefrom.

(k) Adjustments for Stock Splits, Etc. . Wherever in this Agreement there is a reference to a specific number of shares of First Avenue Common Shares, then, upon the occurrence of any subdivision, combination or share dividend of such class of shares, the specific number of shares so referenced in this Agreement shall automatically be proportionally adjusted to reflect the effect on the outstanding shares of such class or series of shares by such subdivision, combination or share dividend.

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first above written.

FIRST AVENUE NETWORKS, INC.

By: /s/ Thomas A. Scott
Name: Thomas A. Scott
Title: Chief Financial Officer

First Avenue Networks, Inc.
7925 Jones Branch Drive, Suite 3300
McLean, Virginia 22102
Facsimile: (917) 591-4212
Attn: Thomas A. Scott

With a copy to:

Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002
Facsimile: (713) 220-4285
Attn: W. Mark Young

Fenwick & West LLP
801 California Street
Mountain View, California 94041
Facsimile: (650) 938-5200
Attn: William R. Schreiber

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

THE RAPTOR GLOBAL PORTFOLIO LTD.

By: Tudor Investment Corporation,
Investment Advisor

By: /s/ W. T. Flaherty
Name: W. T. Flaherty
Title: Managing Director

THE ALTAR ROCK FUND L.P.

By: Tudor Investment Corporation,
General Partner

By: /s/ W. T. Flaherty
Name: W. T. Flaherty
Title: Managing Director

THE TUDOR BVI GLOBAL PORTFOLIO LTD.

By: Tudor Investment Corporation, Trading Advisor

By: /s/ W. T. Flaherty
Name: W. T. Flaherty
Title: Managing Director

TUDOR PROPRIETARY TRADING, L.L.C.

By: /s/ W. T. Flaherty
Title: Managing Director
Name: W. T. Flaherty

Address:
c/o Tudor Investment Corporation
15303 Ventura Boulevard
Suite 900
Sherman Oaks, CA 91403

Facsimile:

(203) 552 6248

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

GOLDMAN, SACHS & CO.

By: /s/ Nick Advani
Name: Nick Advani
Title: Managing Director

Address:

One New York Plaza
New York, NY 10004

Facsimile:

(212) 256-4104

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

MERITECH CAPITAL PARTNERS II L.P.

By: Meritech Capital Associates II L.L.C.
its General Partner

By: Meritech Management Associates II L.L.C.
a managing member

By: /s/ Michael B. Gordon
Michael B. Gordon, a managing member

MERITECH CAPITAL AFFILIATES II L.P.

By: Meritech Capital Associates II L.L.C.
its General Partner

By: Meritech Management Associates II L.L.C.
a managing member

By: /s/ Michael B. Gordon
Michael B. Gordon, a managing member

MCP ENTREPRENEUR PARTNERS II L.P.

By: Meritech Capital Associates II L.L.C.
its General Partner

By: Meritech Management Associates II L.L.C.
a managing member

By: /s/ Michael B. Gordon
Michael B. Gordon, a managing member

Address:

285 Hamilton Avenue, Suite 200
Palo Alto, CA 94301

Facsimile:

(650) 475-2222

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

CROWN CASTLE INVESTMENT CORP.

By: /s/ E. Blake Hawk
Name: E. Blake Hawk
Title: EVP

Address:

510 Bering Drive - Suite 600
Houston, TX 77057
Telecopy: (713) 570-3053

Facsimile:

(713) 570-3053

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

AMERICAN TOWERS, INC.

By: /s/ William H. Hess _____
Name: William H. Hess
Title: EVP, General Counsel

Address:
116 Huntington Avenue
Boston, MA 02106

Facsimile:

(617) 375-7575

SPECTRASITE COMMUNICATIONS, INC.

By: /s/ William H. Hess _____
Name: William H. Hess
Title:

Address: _____

Facsimile: _____



IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

OAK INVESTMENT PARTNERS X, L.P.

By: /s/ Bandel L. Carano
Bandel L. Carano
Managing Member of Oak Associates
X, LLC,
The General Partner of Oak Investment
Partners X, Limited Partnership

OAK INVESTMENT PARTNERS X AFFILIATES FUND, L.P.

By: /s/ Bandel L. Carano
Bandel L. Carano
Managing Member of Oak X Affiliates, LLC,
The General Partner of Oak X Affiliates Fund,
Limited Partnership

Address:
525 University Avenue
Suite 1300
Palo Alto, CA 94301

Facsimile:
(650) 328-6345

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

By: /s/ Eric Botto
Name: Eric Botto

Address: _____

Facsimile: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

By: /s/ David Leeds
Name: David Leeds

Address: _____

Facsimile: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

By: /s/ Harpinder Madan
Name: Harpinder Madan

Address: _____

Facsimile: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF , the parties hereto have executed this Registration Rights Agreement as of the date first above written.

HOLDERS

By: /s/ Scott Brady
Name: Scott Brady

Address: _____

Facsimile: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

EXHIBIT A

LIST OF HOLDERS

The Raptor Global Portfolio Ltd.

The Tudor BVI Global Portfolio Ltd.

The Altar Rock Fund L.P.

Tudor Proprietary Trading, L.L.C.

Goldman, Sachs & Co.

Meritech Capital Partners II L.P.

Meritech Capital Affiliates II L.P.

MCP Entrepreneur Partners II L.P.

Crown Castle Investment Corp.

American Towers, Inc.

Spectrasite Communications, Inc.

Oak Investment Partners X, L.P.

Oak Investment Partners X Affiliates Fund, L.P.

Eric Botto

David Leeds

Harpinder Madan

Scott Brady

August 29, 2006

Dear John,

We are pleased to confirm our offer to you of the position of Executive Chairman of FiberTower Corporation (the "Company") upon consummation of the merger (the "Merger") pursuant to that certain Agreement and Plan of Merger by and among First Avenue Networks, Inc., Marlin Acquisition Corporation and the Company, dated as of May 14, 2006. You will become Executive Chairman of the combined overall entity as a 1/3 part-time employee Texas resident that survives following the Merger, and thereafter, any reference to the Company herein shall include the entity for which you serve as Executive Chairman following the Merger. This offer letter will become effective upon the consummation of the Merger. In the event the Merger is not consummated, this offer letter shall be null and void and shall be of no force or effect.

We are offering you a salary paid at the rate of \$5,769.23 per pay period (the equivalent of \$150,000 per year) which will be paid in accordance with the Company's then current payroll procedures during your term as Executive Chairman of the Company. You will not be eligible for a bonus. All amounts are subject to applicable withholding taxes. You will be expected to commit an average of approximately 1/3 of your business time to the Company.

Promptly following the Merger, subject to approval of the Board of Directors of the Company, you will be granted a restricted stock grant of 300,000 shares of common stock of the Company. Such shares of restricted stock will vest 25% at the six-month anniversary of the consummation of the Merger and then in six (6) equal quarterly installments such that they are fully vested on the two-year anniversary of the consummation of the Merger, subject to your continued service with the Company. Notwithstanding the foregoing, if prior to the two year anniversary of the date of grant of your restricted stock, (i) your employment is terminated by the Board of Directors other than for Cause (as defined below) or (ii) the Company undergoes a Change of Control (as defined below), then subject to your execution and delivery of a customary full release of claims your restricted stock will immediately vest and any repurchase option of the Company shall immediately lapse.

For purposes of this letter, "Cause" means the occurrence of any of the following events: (a) your unauthorized use or disclosure of the Company's confidential information or trade secrets, or the material misappropriation of property belonging to the Company; (b) your material breach of any contract between the Company and you; (c) your failure to perform (other than by reason of disability), or serious negligence in the performance of, your material duties and responsibilities to the Company; (d) fraud or embezzlement or other dishonesty which is material (monetarily or otherwise) with respect to the Company; or (e) an indictment, conviction or plea of nolo contendere to a felony or other crime involving moral turpitude.

For purposes of this letter, Change of Control shall mean (i) the sale or transfer of all or substantially all of the Company's assets, (ii) a reorganization, recapitalization, consolidation or merger where the voting securities of the Company outstanding immediately preceding such transaction, or the voting securities issued in exchange for or with respect to the voting securities of the Company outstanding immediately preceding such transaction, represent 50% or less of the voting power of the surviving entity following the transaction, or (iii) a transaction or series of related transactions which results in the acquisition of more than 50% of the Company's outstanding voting power by a single person or entity or by a group of persons and/or entities acting in concert; provided, that a transaction principally for the purpose of reorganizing the Company into a holding company structure or reincorporating the Company in another jurisdiction shall not constitute a "Change of Control." Notwithstanding the foregoing, to the extent necessary to comply with Section 409A, in the case of any payment under this Agreement that in the determination of the Company would be considered "nonqualified deferred compensation" subject to Section 409A and as to which, in the determination of the Company, the requirements of Section 409A(a)(2)(A)(v) would apply, an event or occurrence described above shall be considered a "Change of Control" only if it also constitutes a change in ownership or effective control of the Company, or a change in ownership of the Company's assets, described in Section 409A(a)(2)(A)(v).

The effectiveness of this letter will be contingent upon your execution of the Company's non-disclosure and non-competition agreement.

This offer will remain open until July 17, 2006. If you decide to accept our offer, and I hope you will, please sign the enclosed copy of this letter in the space indicated and return it to me.

Sincerely,

Accepted and agreed

FIBERTOWER CORPORATION

By: /s/ John Kelly
John Kelly, on behalf of the Board of Directors

/s/ John Beletic
John Beletic

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the "Agreement") is made and entered into by and between First Avenue Networks, Inc., a Delaware corporation (which, upon consummation of the Merger (as defined below) shall thereafter be renamed FiberTower Corporation) (the "Company") and Michael Gallagher (the "Executive"). This Agreement shall become effective upon the consummation of the Merger. In the event the Merger is not consummated, this Agreement shall be null and void and shall be of no force or effect.

WHEREAS, the Company and FiberTower Corporation ("FiberTower") have executed that certain Agreement and Plan of Merger by and among First Avenue Networks, Inc. ("First Avenue"); Marlin Acquisition Corporation and FiberTower Corporation, dated as of May 14, 2006, wherein First Avenue, FiberTower and certain other corporate entities will engage in a corporate merger transaction (the "Merger"); and

WHEREAS, the Executive currently serves as the Company's President and Chief Executive Officer, and the Company wishes to continue his employment in such role following the consummation of the Merger, and Executive wishes to continue his employment as the Company's President and Chief Executive Officer following the consummation of the Merger.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises, terms, provisions and conditions set forth in this Agreement, the parties hereby agree:

1. Employment. Subject to the terms and conditions set forth in this Agreement, the Company hereby wishes to acknowledge the Executive's continued employment as the Company's President and Chief Executive Officer following the consummation of the Merger.

2. Term. Subject to earlier termination as hereafter provided, this Agreement shall have an original term of one (1) year commencing on September 7, 2005, the date of first employment by Executive under that certain Executive Employment Agreement dated as of September 7, 2005 by and between Executive and the Company (the "Prior Agreement", and such date of employment being the "Effective Date"). The term shall be automatically extended thereafter for successive terms of one (1) year each, unless either party provides notice to the other at least thirty (30) days prior to the expiration of the original or any extension term that the Agreement is not to be extended. The term of this Agreement, as from time to time extended or renewed, is hereafter referred to as "the term of this Agreement" or "the term hereof."

3. Capacity and Performance.

(a) During the term hereof, the Executive shall serve the Company as its President and Chief Executive Officer. In addition, and without further compensation, during the term hereof, if so elected or appointed from time to time, the Executive shall serve as a member of the Board of Directors of the Company (the "Board") and, if so elected or appointed from time to time, also shall serve as a director and/or officer of one or more of the Company's Affiliates.

(b) During the term hereof, the Executive shall be employed by the Company on a full-time basis and shall perform the duties of his position and such other duties on behalf of the Company and its Affiliates, reasonably consistent with his position, as may be designated from time to time by the Board or its designee.

(c) During the term hereof, the Executive shall devote his full business time and his best efforts, business judgment, skill and knowledge exclusively to the advancement of the business and interests of the Company and its Affiliates and to the discharge of his duties and responsibilities hereunder. The Executive shall not engage in any other business activity or serve in any industry, trade, professional, governmental or academic position during the term of this Agreement, except as may be expressly approved in advance by the Board in writing. Notwithstanding the foregoing, Executive may serve as a member of the Board of Directors of Enterasys Networks, Inc. so long as such role does not interfere with his performance hereunder.

4. Compensation and Benefits. As compensation for all services performed by the Executive under and during the term hereof and subject to performance of the Executive's duties and of the obligations of the Executive to the Company and its Affiliates, pursuant to this Agreement or otherwise:

(a) Base Salary. The Company shall pay the Executive a base salary at the rate of Three Hundred and Fifty Thousand Dollars (\$350,000) per annum, payable in accordance with the payroll practices of the Company for its executives and subject to increase from time to time by the Board, in its sole discretion. Such base salary, as from time to time increased, is hereafter referred to as the "Base Salary."

(b) Incentive and Bonus Compensation. The Executive shall be considered annually by the Board for a bonus (the "Annual Bonus") with a target (the "Target Bonus") of One Hundred and Seventy-Five Thousand Dollars (\$175,000). The amount of the bonus shall be determined by the Board, based on its assessment, in its reasonable discretion, of the Executive's performance and that of the Company against appropriate and reasonably obtainable goals established annually by the Compensation Committee of the Board after consultation with the Executive; which bonus, if any, shall be payable not later than two and one-half months following the end of the fiscal year during which the bonus was earned. Any bonus or incentive compensation paid to the Executive shall be in addition to the Base Salary.

(c) Equity Compensation. In connection with Executive's continuation as the Company's President and Chief Executive Officer, immediately following the consummation of the Merger, the Company will recommend to its Board of Directors the granting of an option to purchase 800,000 shares of Company common stock to Executive (the "Option"). The Option shall vest as to twenty-five percent (25%) of the total shares subject to the Option on the first anniversary of the date of grant of the Option and 1/48th of the total shares subject to the Option shall vest monthly thereafter. The Option shall have an exercise price per share equal to the closing price per share of the Company's common stock on the date of grant. In addition to the Option, and in connection with Executive's continuation as the Company's President and Chief Executive Officer, the Company shall recommend to its Board of Directors immediately

following the consummation of the Merger the granting of 600,000 shares of restricted company common stock (the "Restricted Stock"). The Company's right of repurchase with respect to the Restricted Stock shall lapse as to twenty-five percent (25%) of the total shares subject to the Restricted Stock award on each November 15th, beginning November 15, 2007. The Option and the Restricted Stock shall collectively be referred to herein as the "Equity Award," and except as otherwise provided for herein, the Equity Award shall be subject to and governed by the terms and conditions of the Company's Stock Option Plan and agreements pursuant to which the Equity Award is granted.

(d) Vacations. The Executive shall be entitled to three (3) weeks of vacation per year, to be taken at such times and intervals as shall be determined by the Executive, subject to the reasonable business needs of the Company and with the approval of the Board. Vacation shall otherwise be governed by the policies of the Company, as in effect from time to time.

(e) Other Benefits. During the term hereof and subject to any contribution therefor generally required of employees of the Company, the Executive shall be entitled to participate in any and all employee benefit plans from time to time in effect for employees of the Company generally, except to the extent such plans are in a category of benefit otherwise provided to the Executive (*e.g.* , severance pay). Such participation shall be subject to the terms of the applicable plan documents and generally applicable Company policies.

(f) Business Expenses. The Company shall pay or reimburse the Executive for all reasonable customary business expenses incurred or paid by the Executive in the performance of his duties and responsibilities hereunder, subject to any maximum annual limit and other restrictions on such expenses set by the Board and to such reasonable substantiation and documentation as may be specified by the Company from time to time.

5. Termination of Employment and Severance Benefits. Notwithstanding the provisions of Section 2 hereof, the Executive's employment hereunder shall terminate prior to the expiration of the term hereof under the following circumstances:

(a) Death. In the event of the Executive's death during the term hereof, the Executive's employment hereunder shall immediately and automatically terminate. In such event, the Company shall pay to the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive, to his estate, (i) the Base Salary earned but not paid through the date of termination, (ii) pay for any vacation time earned but not used through the date of termination, (iii) any Annual Bonus awarded for the year preceding that in which termination occurs but unpaid on the date of termination and (iv) any business expenses incurred by the Executive but un-reimbursed on the date of termination, provided that such expenses and required substantiation and documentation are submitted within ninety (90) days of termination and that such expenses are reimbursable under Company policy (all of the foregoing, "Final Compensation"). The Company shall have no further obligation to the Executive.

(b) Disability.

(i) The Company may terminate the Executive's employment hereunder, upon notice to the Executive, in the event that the Executive becomes disabled during his employment hereunder through any illness, injury, accident or condition of either a physical or psychological nature and, as a result, is unable to perform substantially all of his duties and responsibilities hereunder for one hundred and eighty (180) days during any period of three hundred and sixty-five (365) consecutive calendar days. In the event of such termination, the Company shall have no further obligation to the Executive, other than for payment of Final Compensation and Severance Pay, as defined below.

(ii) The Board may designate another employee to act in the Executive's place during any period of the Executive's disability. Notwithstanding any such designation, the Executive shall continue to receive the Base Salary in accordance with Section 4(a) and benefits in accordance with Section 4(e), to the extent permitted by the then-current terms of the applicable benefit plans, until the Executive becomes eligible for disability income benefits under the Company's disability income plan or until the termination of his employment, whichever shall first occur.

(iii) Subject to the next sentence, while receiving disability income payments under the Company's disability income plan the Executive shall not be entitled to receive any Base Salary under Section 4(a) hereof, but shall continue to participate in Company benefit plans in accordance with Section 4(e) and the terms of such plans, until the termination of his employment. In the event the disability income payments under the Company's disability income plan during the term hereof are less than Executive's Base Salary, the Company shall pay to Executive, in accordance with Company's standard payroll practices, an amount equal to Executive's Base Salary less the disability income payments.

(iv) If any question shall arise as to whether during any period the Executive is disabled through any illness, injury, accident or condition of either a physical or psychological nature so as to be unable to perform substantially all of his duties and responsibilities hereunder, the Executive may, and at the request of the Company shall, submit to a medical examination by a physician selected by the Company to whom the Executive or his duly appointed guardian, if any, has no reasonable objection to determine whether the Executive is so disabled and such determination shall for the purposes of this Agreement be conclusive of the issue. If such question shall arise and the Executive shall fail to submit to such medical examination, the Company's determination of the issue shall be binding on the Executive.

(c) By the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause at any time upon notice to the Executive setting forth in reasonable detail the nature of such Cause. The following, as determined by the Board in its reasonable judgment, shall constitute Cause for termination:

(i) The Executive's failure to perform (other than by reason of disability), or serious negligence in the performance of, his material duties and responsibilities to the Company or any of its Affiliates;

(ii) Material breach of Section 7, 8 or 9 hereof or breach of any fiduciary duty owed to the Company or any of its Affiliates:

(iii) Fraud or embezzlement or other dishonesty which is material (monetarily or otherwise) with respect to the Company or any of its Affiliates; or

(iv) Indictment, conviction or plea of nolo contendere to a felony or other crime involving moral turpitude.

Upon termination of the Executive's employment hereunder for Cause, the Company shall have no further obligation to the Executive, other than for Final Compensation.

(d) By the Company Other than for Cause. The Company may terminate the Executive's employment hereunder other than for Cause at any time upon notice to the Executive. In the event of such termination, in addition to Final Compensation, the Company shall provide the Executive severance pay equal to the sum of the Base Salary at the rate in effect on the date of termination and the Target Bonus ("Severance Pay"), payable in approximately equal installments at the Company's regular paydays for its executives during the period from the date of termination through the one-year anniversary thereof; provided, however, that if required pursuant to Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"), the timing of such payments shall be adjusted as necessary to comply with Section 409A. In addition, on the date of termination, the Company will cause to become vested that portion of the Equity Award which would have vested by passage of time during the period from the date of termination through the one-year anniversary thereof, had the Executive remained in the employ of the Company during that period (the "Accelerated Shares"). Any obligation of the Company to the Executive hereunder is conditioned, however, on the Executive signing a timely and effective release of claims in the form attached hereto as Attachment A (the "Employee Release"). The first installment of the Severance Pay shall be due and payable at the Company's next regular payday which is at least five business days following the later of the effective date of the Employee Release or the date the Employee Release, signed by the Executive, is received by the Company, but shall be retroactive to the next business day following the date of termination; provided, however, that if required by Section 409A, the first installment of the Severance Pay shall be due and payable at the Company's first regular payday as permitted pursuant to Section 409A. Also, although vested on the date of termination, the Accelerated Shares shall not be exercisable until the later of the effective date of the Employee Release or the date the Employee Release, signed by the Executive, is received by the Company.

(e) By the Executive for Good Reason. The Executive may terminate his employment hereunder for Good Reason, upon ninety (90) days prior written notice to the Company of Executive's intention to resign, setting forth in reasonable detail the nature of such Good Reason. The following shall constitute Good Reason for termination by the Executive:

(i) Failure of the Company to continue the Executive in the position, and with the title of Chief Executive Officer of the Company; provided, however, that the Company's failure to continue the Executive's appointment or election as a director or officer of any of its Affiliates or a change in reporting relationships resulting from the direct or indirect control

of the Company (or a successor corporation) by another corporation shall not constitute “Good Reason;” and

(ii) Failure of the Company to provide the Executive cash compensation and benefits in accordance with the terms of Section 4 hereof, excluding any failure which is cured within ten (10) business days following notice from the Executive specifying in detail the nature of such failure.

In the event of termination in accordance with this Section 5(e), the Executive will be entitled to the same Severance Pay and Accelerated Shares he would have been entitled to receive had the Executive been terminated by the Company other than for Cause in accordance with Section 5(d) above; provided that the Executive satisfies all conditions to such entitlement, including without limitation the signing of a timely and effective Employee Release.

(f) By the Executive Other than for Good Reason. The Executive may terminate Executive’s employment hereunder at any time other than for Good Reason upon one hundred twenty (120) days’ prior written notice to the Company; provided, however, that the Company may elect to waive all or any portion of such notice, in which event the Company will pay the Executive the Base Salary for any portion of such notice waived. The Company shall have no further obligation to the Executive, other than for any Final Compensation due to him.

(g) Upon a Change of Control. If a Change of Control occurs, any and all outstanding Equity Awards granted to the Executive under this Agreement that have not yet become vested and exercisable shall, without any further action by the Company, the Board of Directors or the Compensation Committee, accelerate and become vested and exercisable six (6) months following the date of such Change of Control provided that the Executive remains employed by the Company during such six (6) month period. If the Executive’s employment is earlier terminated during such six (6) month period without Cause following a Change of Control, all outstanding unvested Equity Awards granted under this Agreement shall immediately vest and become exercisable upon termination.

For purposes of this Agreement, Change of Control shall mean (i) the sale or transfer of all or substantially all of the Company’s assets, (ii) a reorganization, recapitalization, consolidation or merger where the voting securities of the Company outstanding immediately preceding such transaction, or the voting securities issued in exchange for or with respect to the voting securities of the Company outstanding immediately preceding such transaction, represent 50% or less of the voting power of the surviving entity following the transaction, or (iii) a transaction or series of related transactions which results in the acquisition of more than 50% of the Company’s outstanding voting power by a single person or entity or by a group of persons and/or entities acting in concert; provided, that a transaction principally for the purpose of reorganizing the Company into a holding company structure or reincorporating the Company in another jurisdiction shall not constitute a “Change of Control.” Notwithstanding the foregoing, to the extent necessary to comply with Section 409A, in the case of any payment under this Agreement that in the determination of the Company would be considered “nonqualified deferred compensation” subject to Section 409A and as to which, in the determination of the Company, the requirements of Section 409A(a)(2)(A)(v) would apply, an event or occurrence described

above shall be considered a "Change of Control" only if it also constitutes a change in ownership or effective control of the Company, or a change in ownership of the Company's assets, described in Section 409A(a)(2)(A)(v).

6. Effect of Termination . The provisions of this Section 6 shall apply to any termination, whether due to the expiration of the term hereof, pursuant to Section 5 or otherwise.

(a) Payment by the Company of any amounts that may be due the Executive in each case under the applicable termination provision of Section 5 shall constitute the entire obligation of the Company to the Executive.

(b) Except for any right to continue participation in the Company's group health or dental plan at the Executive's cost under COBRA or other applicable law, the Executive's participation in Company benefits shall terminate pursuant to the terms of the applicable benefit plans based on the date of termination of the Executive's employment, without regard to any continuation of Base Salary or other payment to the Executive following such date of termination.

(c) Provisions of this Agreement shall survive any termination if so provided herein or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the obligations of the Executive under Sections 7, 8 and 9 hereof. The obligations of the Company under Sections 5(d), 5(e), 5(f) and 5(g) hereof are expressly conditioned upon the Executive's continued full performance of obligations under Sections 7, 8 and 9 hereof. The Executive recognizes that, except as expressly provided in Section 5(d) or 5(e) or 5(f), no compensation is earned after termination of employment.

7. Confidential Information .

(a) The Executive acknowledges that the Company and its Affiliates continually develop Confidential Information; that the Executive may develop Confidential Information for the Company and its Affiliates; and that the Executive may learn of Confidential Information during the course of employment. The Executive will comply with the policies and procedures of the Company and its Affiliates for protecting Confidential Information and shall not disclose to any Person or use, other than as required by applicable law or for the proper performance of his duties and responsibilities to the Company and its Affiliates, any Confidential Information obtained by the Executive incident to his employment or other association with the Company or any of its Affiliates. The Executive understands that this restriction shall continue to apply after his employment terminates, regardless of the reason for such termination, for a period of three (3) years. Further, the Executive agrees to provide prompt notice to the Company of any required disclosure of Confidential Information sought pursuant to subpoena, court order or any other legal requirement and to provide the Company a reasonable opportunity to seek protection of the Confidential Information prior to any such disclosure.

(b) All documents, records, tapes and other media of every kind and description relating to the business, present or otherwise, of the Company or any of its Affiliates and any copies, in whole or in part, thereof (the "Documents"), whether or not prepared by the Executive,

shall be the sole and exclusive property of the Company and its Affiliates. The Executive shall safeguard all Documents and shall surrender to the Company at the time his employment terminates, or at such earlier time or times as the Board or its designee may specify, all Documents then in the Executive's possession or control.

8. Assignment of Rights to Intellectual Property. The Executive agrees to maintain accurate and complete contemporaneous records of, and shall immediately and fully disclose and deliver to the Company, all Intellectual Property, as defined below. The Executive hereby assigns and agrees to assign to the Company (or as otherwise directed by the Company) his full right, title and interest in and to all Intellectual Property. The Executive agrees to execute any and all applications for domestic and foreign patents, copyrights and other proprietary rights and do such other acts (including, among others, the execution and delivery of instruments of further assurance or confirmation) requested by the Company to assign the Intellectual Property to the Company and to permit the Company to enforce any patents, copyrights and other proprietary rights in the Intellectual Property. The Executive will not charge the Company for time spent in complying with these obligations. All copyrightable works that the Executive creates shall be considered "work made for hire" and shall, upon creation, be owned exclusively by the Company.

9. Restricted Activities. The Executive agrees that some restrictions on his activities during and after his employment are necessary to protect the goodwill, Confidential Information and other legitimate interests of the Company and its Affiliates:

(a) While the Executive is employed by the Company and for the twelve months immediately following termination of his employment for any reason (in the aggregate, the "Non-Competition Period"), the Executive shall not, directly or indirectly, whether as owner, partner, investor, consultant, agent, employee, co-venturer or otherwise, engage in Competitive Business Activities with the Company or any of its Serviced Affiliates within any area of the United States in which the Company or its Affiliates does business (the "Restricted Area"). Specifically, the Executive agrees not to engage in any manner in any Competitive Business Activities that are in whole or in part directly competitive with the business of the Company or any of its Serviced Affiliates as conducted at the time of Executive's departure from the Company, or planned to be conducted within 12 months of termination of Executive's employment. For the purposes of this Section 9, the business of the Company and its Serviced Affiliates shall include, but not be limited to, the provision of fixed broadband wireless services for mobile backhaul, bypass and fiber extensions in the United States. For purposes of this Agreement, "Serviced Affiliates" means those Affiliates of the Company for which the Executive has provided services or as to which he has had access to Confidential Information.

(b) The Executive agrees that, except as set forth in Section 3(c) hereof, during his employment with the Company, he will not undertake any outside activity, whether or not competitive with the business of the Company or its Subsidiaries, that could reasonably give rise to a conflict of interest or otherwise interfere with his duties and obligations to the Company or any of its Affiliates.

(c) The Executive further agrees that during the Non-Competition Period, the Executive will not hire or attempt to hire any employee of the Company or any of its Serviced Affiliates, assist in such hiring by any person, or encourage, induce or solicit any such employee to terminate his or her relationship with the Company or any of its Serviced Affiliates; provided, however, that the foregoing will not apply to any employee that has terminated his or her employment relationship with the Company or any of its Serviced Affiliates, as applicable, at least six months prior to the date on which the Executive's employment relationship with the Company is terminated. The Executive further agrees that during the Non-Competition Period, the Executive will not solicit any customer or vendor of the Company or any of its Serviced Affiliates to terminate or diminish its relationship with them, or, in the case of a customer, to conduct with any Person any business or activity which such customer conducts immediately prior to Executive's departure with the Company or any of its Serviced Affiliates.

(d) The Executive further agrees that during the Non-Competition Period the Executive will not solicit or induce, or attempt to solicit or induce, any Person having an existing or prospective relationship with the Company or its Affiliates to enter into a contract or other business arrangement with Executive or with any other Person, the intent or foreseeable result of which could be: (i) to divert or seize a business opportunity relating to or involving a Competitive Business Activity in any Territory which the Company has or had under consideration during Executive's employment relationship with the Company; (ii) to materially increase the Company's or its Affiliates' costs or economic exposure of doing business; (iii) to materially diminish the Company's or its Affiliates' sales or revenue in any line of business in which it is engaged or plans to be engaged in the 12 months following termination of Executive's employment; or (iv) otherwise to cause competitive or financial injury to the Company or its Affiliates.

10. Disclosure to Prospective Employers. Executive agrees that, during the one-year period after termination (voluntary or involuntary) of Executive's employment with the Company, Executive will immediately notify the Company of any offer of employment, consulting agreement or business opportunity which involves or relates to any Competitive Business Activity in the Restricted Area, before accepting such offer and sufficiently in advance thereof to permit the Company to protect the Company's rights or interests hereunder. Executive further agrees that Executive will, before accepting any offer of employment or engagement as an employee, owner, investor or consultant of any Person which is engaged or plans to engage in any Competitive Business Activity, make full disclosure of the existence and contents of this Agreement to such Person. The notices and disclosures pursuant to this Section 10 shall not be deemed a waiver of any rights and interest of the Company pursuant to this Agreement or otherwise.

11. Enforcement of Covenants. The Executive acknowledges that he has carefully read and considered all the terms and conditions of this Agreement, including the restraints imposed upon him pursuant to Sections 7, 8, 9 and 10 hereof. The Executive agrees that those restraints are necessary for the reasonable and proper protection of the Company and its Affiliates and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area. The Executive further acknowledges that, were he to breach any of the covenants contained in Sections 7, 8, 9 or 10 hereof, the damage to the Company

would be irreparable. The Executive therefore agrees that the Company, in addition to any other remedies available to it, shall be entitled to preliminary and permanent injunctive relief against any breach or threatened breach by the Executive of any of said covenants, without having to post bond. The parties further agree that, in the event that any provision of Section 7, 8, 9 or 10 hereof shall be determined by a court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities, such provision shall be deemed to be modified to permit its enforcement to the maximum extent permitted by law.

12. Conflicting Agreements. The Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which the Executive is a party or is bound and that the Executive is not now subject to any covenants against competition or similar covenants or any court order or other legal obligation that would affect the performance of his obligations hereunder. The Executive will not disclose to or use on behalf of the Company any proprietary information of a third party without such party's consent.

13. Definitions. Words or phrases which are initially capitalized or are within quotation marks shall have the meanings provided in this Section and as provided elsewhere herein. For purposes of this Agreement, the following definitions apply:

(a) "Affiliates" means (i) all subsidiaries of the Company, and (ii) any Person holding all or substantially all of the voting power of the Company.

(b) "Competitive Business Activities" means any of the following activities if such activity comprises 15% or more of the gross revenues of any Person: (i) the location, site procurement, construction design, maintenance, management and operation of sites or facilities necessary for the provision of fixed broadband wireless services or fiber optic cable for mobile backhaul, bypass and fiber extensions in the United States, (ii) the sale, lease, license or provision of fixed broadband wireless services or fiber optical cable for mobile backhaul, bypass and fiber extensions in the United States or services or other facilities or services which are competitive with those sold, leased, licensed or provided by the Company or its Affiliates at the time of termination of Executive's employment, (iii) research and development associated with those activities described in (i) and (ii), (iv) other related business activities in which the Company or its Affiliates is presently engaged or becomes engaged after the Effective Date of this Agreement, and (v) proposed business activities with respect to which the Company or its Affiliates has completed a business planning process during the term of Executive's employment by the Company and in which the Company or its Affiliates intends to become actively engaged within 12 months after termination of Executive's employment, which plans Executive is made aware of in the course of Executive's employment relationship with the Company

(c) "Confidential Information" means any and all information of the Company and its Affiliates (whether in written, printed, graphic, video, audio, electronically stored, disk or other format, and whether final, draft, work-in-process, original, duplicate or reproductions) that is not generally known by Persons with whom they compete or do business, or with whom any of them plans to compete or do business and any and all information, publicly known in whole or in part

or not, which, if disclosed by the Company or and of its Affiliates would assist in competition against them. Confidential Information includes without limitation such information relating to (i) the existing and planned development, research, testing, manufacturing, marketing and financial activities of the Company and its Affiliates, (ii) their products and services, (iii) the costs, sources of supply, financial performance and strategic plans of the Company and its Affiliates, (iv) the identity and special needs of the customers of the Company and its Affiliates (v) the identities, special skills and compensation arrangements of key employees of the Company or its Affiliates and (vi) the people and organizations with whom the Company or its Affiliates have business relationships and the nature and substance of those relationships. Confidential Information also includes any information that the Company or any of its Affiliates has received, or may receive hereafter, belonging to customers or others with any understanding, express or implied, that the information would not be disclosed.

(d) “Intellectual Property” means any invention, formula, process, discovery, development, design, innovation or improvement (whether or not patentable or registrable under copyright statutes) made, conceived, or first actually reduced to practice by the Executive solely or jointly with others, during his employment by the Company; provided, however, that, as used in this Agreement, the term “Intellectual Property” shall not apply to any invention that the Executive develops on his own time, without using the equipment, supplies, facilities or trade secret information of the Company, unless such invention relates at the time of conception or reduction to practice of the invention (a) to the business of the Company, (b) to the actual or demonstrably anticipated research or development of the Company or (c) results from any work performed by the Executive for the Company.

(e) “Person” means an individual, a corporation, a limited liability company, an association, a partnership, an estate, a trust and any other entity or organization, other than the Company or any of its Affiliates.

14. Withholding. All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

15. Assignment. Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, however, that the Company may assign its rights and obligations under this Agreement without the consent of the Executive in the event that the Company shall hereafter affect a reorganization, consolidate with, or merge into, any Person or transfer all or substantially all of its properties or assets to any Person. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, their respective successors, executors, administrators, heirs and permitted assigns.

16. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion

and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

17. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

18. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person, consigned to a reputable national delivery service or deposited in the United States mail, postage prepaid, registered or certified, and addressed to the Executive at his last known address on the books of the Company or, in the case of the Company, at its principal place of business, attention of the Chair of the Board, or to such other address as either party may specify by notice to the other actually received.

19. Entire Agreement and Acknowledgment. This Agreement constitutes the entire agreement between the parties and supersedes all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of the Executive's employment, including, without limitation, the Prior Agreement. The parties acknowledge that the Merger does not constitute an event under which Executive is entitled to Severance Pay as Executive's employment is continuing, and he is continuing such employment in the same capacity as he had prior to the Merger.

20. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by an expressly authorized representative of the Company.

21. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

22. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

23. Governing Law. This Agreement shall be construed and enforced under and be governed in all respects by the laws of the State Delaware, without regard to the conflict of laws principles thereof.

24. Consent to Jurisdiction. Each of the parties agrees that all actions, suits or proceedings arising out of or based upon this Agreement or the subject matter hereof shall be brought and maintained in any state or federal court in or of the State of Delaware; provided, however, that the Company also may bring any such action, suit or proceeding against the Executive in any other jurisdiction in which the Executive is subject to personal jurisdiction. Each of the parties hereto by execution hereof (i) hereby irrevocably submits to such jurisdiction

for the purpose of any action, suit or proceeding arising out of or based upon this Agreement or the subject matter hereof and (ii) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such action, suit or proceeding, any claim that he or it is not subject personally to the jurisdiction of the above-named courts; that he or it is immune from extraterritorial injunctive relief or other injunctive relief; that his or its property is exempt or immune from attachment or execution; that any such action, suit or proceeding may not be brought or maintained in one of the above-named courts; that any such action, suit or proceeding brought or maintained in one of the above-named courts should be dismissed on grounds of *forum non conveniens*, should be transferred to any court other than one of the above-named courts, should be stayed by virtue of the pendency of any other action, suit or proceeding in any court other than one of the above-named courts, or that this Agreement or the subject matter hereof may not be enforced in or by any of the above-named courts. Each of the parties hereto hereby consents to service of process in any such suit, action or proceeding in any manner permitted by the laws of the State of Delaware or such other jurisdiction in which the Company may bring an action hereunder; agrees that service of process by registered or certified mail, return receipt requested, at the address specified in or pursuant to Section 18 is reasonably calculated to give actual notice; and waives and agrees not to assert by way of motion, as a defense or otherwise, in any such action, suit or proceeding any claim that service of process made in accordance with Section 18 does not constitute good and sufficient service of process. The provisions of this Section 24 shall not restrict the ability of any party to enforce in any court any judgment obtained in a federal or state court of the State of Delaware.

25. Enforceability and Return of Consideration. It is agreed that, notwithstanding Executive's representations and warranties, if any of the restrictions herein are found by a court of competent jurisdiction to be overly broad in duration or territorial scope, or otherwise unreasonable, the court shall have the authority to reform the applicable restriction and to enforce the restriction to the fullest extent found by the court to be reasonable in light of all of the circumstances. If portions of this Agreement are found to be invalid or unenforceable for any reason, the remaining portions shall not be void, but shall remain in effect and shall be fully enforceable without regard to those portions found to be invalid or unenforceable. It is further agreed that, should Executive be found to have violated the covenants in Section 9 or 10, the one-year period provided for in such Section shall be extended by any length of time during which Executive was in violation or breach thereof, including any time during which litigation was pending to establish Executive's violation or breach (subject to adjustment pursuant to this Section 25).

If Executive intends to initiate or participate in any proceeding for the purpose of challenging the validity or enforceability of any provision of this Agreement, then as a condition precedent to such proceeding Executive agrees to tender back to the Company the then fair market value of any stock Executive obtains as the result of the equity based portion of his compensation hereunder, or tender back or otherwise relinquish the full amount of the Severance Pay referred to herein (whichever is greater). Executive further understands that any unexercised stock options and outstanding restricted stock awards will be cancelled in the event Executive breaches this Agreement. This section is not intended to limit in any manner any remedies available to Company or recovery of any damages by Company should Executive be found to have violated this Agreement.

[Signature page immediately follows.]

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Company, by its duly authorized representative, and by the Executive, as of the date first above written.

THE EXECUTIVE:

FIRST AVENUE NETWORKS, INC.

/s/ Michael Gallagher
Michael Gallagher

By: /s/ John D. Beletic
John D. Beletic, Executive Chairman



FOR IMMEDIATE RELEASE

First Avenue Networks Completes Merger, Changes Name to FiberTower Corporation

Company Announces Senior Management Team and Board of Directors

MCLEAN, Va. and SAN FRANCISCO, August 30, 2006 — First Avenue Networks Inc. (Nasdaq: FRNS) today announced that it has completed its merger with FiberTower Corporation. Old FiberTower Corporation is now a wholly owned subsidiary of the Company, and the Company has changed its name to FiberTower Corporation. Trading in the Company's stock will continue on The Nasdaq Global Market under the Company's new ticker symbol "FTWR."

On May 15, 2006, the Company and old FiberTower entered into a merger agreement to combine the two companies in an all-stock transaction. Pursuant to the terms of the merger agreement, holders of shares of old FiberTower capital stock will receive 0.3040542 shares of the Company's common stock for each share of old FiberTower capital stock. The Company will issue approximately 73.9 million shares and assume approximately 4.2 million stock options in connection with the merger.

The Company's senior leadership team includes: Michael Gallagher, president and CEO; Thomas Scott, senior vice president and CFO; Eric Botto, senior vice president, technology; David Leeds, senior vice president, sales; Harpinder Singh Madan, senior vice president, marketing; Ravi Potharlanka, senior vice president, operations; Joseph M. Sandri, Jr, senior vice president, regulatory and government affairs; and Ferdi Schell, senior vice president, systems.

The Company's new board of directors is comprised of representatives from both First Avenue's and old FiberTower's former boards as well as representatives from the wireless industry. John Beletic has been appointed executive chairman of the board. Other board members include: Mike Gallagher, CEO, FiberTower Corporation; Bandel Carano, general partner, Oak Investment Partners; Randall A. Hack, board member, Crown Castle International

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Corporation; John Kelly, CEO, Crown Castle International Corporation; John Muleta, president and CEO, M2Z Networks; Darryl Schall, Tudor Investment Corporation; Steven Scheiwe, president, Ontrac Advisors, Inc.; and Neil Subin, managing director and president, Trendex Capital Management.

About FiberTower Corporation

FiberTower (NASDAQ: FTWR) is a backhaul and access provider focusing on carrier, enterprise and government markets. With its nationwide spectrum footprint in 24 GHz and 39 GHz bands, carrier-class networks in 14 major markets, and customer commitments from the top 5 wireless carriers in the US, FiberTower is the leading alternative carrier in the burgeoning backhaul space. FiberTower also delivers high capacity transport and access solutions that are highly reliable, scalable and cost-effective, satisfying the ever increasing demand for mission and business critical connectivity. For more information, please visit us at www.fibertower.com

Forward Looking Statements

Statements included in this news release which are not historical in nature are “forward-looking statements” within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934 and the U.S. Private Securities Litigation Reform Act of 1995. Forward looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These include, without limitation, statements regarding expected benefits and value of the merger, increased demand for the services, strategy, forecasts of revenues, earnings estimates, statements regarding contracts, work or revenue opportunities that may be secured in the future, and related information, all of which are based on current factual information and certain assumptions about future events which management believes to be reasonable at this time. There are many risks, uncertainties and other factors that can prevent the achievement of goals or cause results to differ materially from those expressed or implied by these forward-looking statements including, without limitation, anticipated synergies from the merger not being achieved, inherent risks of integrating two companies, changes in demand for services from external factors including general economic conditions or changes in wireless demand or technology affecting network expansion strategies at and financing opportunities for wireless carriers and other customers, delays in the award of new work, the termination or reduction of existing projects due to changes in the financial condition or business strategies of the wireless carriers and other customers, dependence on hiring and retaining professional staff and key personnel, fluctuations in quarterly results from a variety of internal and external factors including changes in the estimates with respect to the completion of fixed-price contracts, lengthy sales cycles especially with respect to larger contracts that may account for a significant portion of the anticipated revenues, intense competition in the marketplace especially from competitors with greater financial resources and financing capabilities, and those risk factors described in the Company’s filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q

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First Avenue Completes Merger, Changes Name to FiberTower — 3/3/3

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