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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): **December 15, 2009**

**FIBERTOWER CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**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 14d-2(b) 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 16, 2009, FiberTower Corporation (the “Company”) entered into a Waiver of Acceleration of Benefits Upon a Change of Control (the “Waivers”) with each of Kurt J. Van Wagenen, Thomas A. Scott and Ravi Potharlanka, the Company’s President and Chief Executive Officer, Chief Financial Officer and Chief Operating Officer, respectively, pursuant to which Messrs. Van Wagenen, Scott and Potharlanka waived the acceleration of vesting of certain restricted stock and stock options. Pursuant to the terms of the agreements between the Company and its executive officers, all unvested stock options and restricted stock would automatically vest in full upon the completion of the mandatory redemption ( the “Mandatory Redemption”) of the Company’s 9.00% Mandatorily Redeemable Convertible Senior Secured Notes due 2012. The only exception to this immediate acceleration relates to Mr. Van Wagenen, whose unvested stock options and restricted stock would vest in full six months after the completion of the Mandatory Redemption if he remained employed by the Company at that time. However, pursuant to the Waivers, Messrs. Van Wagenen, Scott and Potharlanka have agreed to waive the acceleration of vesting that would have occurred as a result of the Mandatory Redemption with respect to (i) all of their restricted stock that is otherwise scheduled to vest on or after January 1, 2011 and (ii) all of their stock options (provided, however, that the Waivers will not apply to stock options that had an exercise price less than the fair market value of the Company’s common stock on the date of the Waiver if the Mandatory Redemption occurs on or before December 31, 2009). The table below shows the number of shares of restricted stock and options that will vest on an accelerated basis after giving effect to the Waivers described above, assuming that the Mandatory Redemption occurs on or before December 31, 2009, and the exercise price of such options.

<u>Name</u>	<u>Shares of Restricted Stock Subject to Accelerated Vesting</u>	<u>Shares Issuable Under Options Subject to Accelerated Vesting</u>	<u>Exercise Price</u>
Kurt J. Van Wagenen	218,750(1)	500,000(2)	\$ 0.14
Thomas A. Scott	279,167(3)	250,000(4)	\$ 0.14
Ravi Potharlanka	279,167(3)	250,000(5)	\$ 0.14

- (1) Absent the Waivers described above, pursuant to the terms of Mr. Van Wagenen’s agreements with the Company, a total of 656,250 shares of restricted stock would have vested on an accelerated basis as a result of the Mandatory Redemption. In connection with Mr. Van Wagenen’s Waiver, the Company and Mr. Van Wagenen agreed that the shares of restricted stock reflected in the table above would vest on the originally scheduled vesting date of April 9, 2010, subject to his continued employment through that date.
- (2) Absent the Waivers described above, pursuant to the terms of Mr. Van Wagenen’s agreements with the Company, a total of 500,000 options with an exercise price of \$0.14 and 656,253 options with an exercise price of \$1.43 would have vested on an accelerated basis as a result of the Mandatory Redemption. If the Mandatory Redemption occurs on or after January 1, 2010, no stock options will vest on an accelerated basis.
- (3) Absent the Waivers described above, pursuant to the terms of their agreements with the Company, a total of 425,000 shares of restricted stock would have vested on an accelerated basis for each of Mr. Scott and Mr. Potharlanka as a result of the Mandatory Redemption.
- (4) Absent the Waivers described above, pursuant to the terms of Mr. Scott’s agreements with the Company, a total of 250,000 options with an exercise price of \$0.14 and 50,003 options with an

exercise price of \$7.74 would have vested on an accelerated basis as a result of the Mandatory Redemption. If the Mandatory Redemption occurs on or after January 1, 2010, no stock options will vest on an accelerated basis.

- (5) Absent the Waivers described above, pursuant to the terms of Mr. Potharlanka's agreements with the Company, a total of 250,000 options with an exercise price of \$0.14 and 65,009 options with an exercise price of \$7.74 would have vested on an accelerated basis as a result of the Mandatory Redemption. If the Mandatory Redemption occurs on or after January 1, 2010, no stock options will vest on an accelerated basis.

In February 2008, Messrs. Scott and Potharlanka signed retention agreements with the Company. These agreements provide for vesting of shares of restricted stock on January 1, 2010 and January 2, 2011 if Messrs. Scott and Potharlanka remain employed by the Company on those dates, and pursuant to the terms of those agreements, that vesting would have been accelerated absent the Waivers described above. In addition, these agreements provide that Messrs. Scott and Potharlanka will be paid \$666,667 and \$333,333 if they remain employed by the Company on January 1, 2010 and January 1, 2011, respectively. In April 2008, Mr. Van Wagenen joined the Company and signed a similar retention agreement pursuant to which he will be paid \$666,667 on April 9, 2010 and \$333,333 on April 9, 2011 if he remains employed by the Company on those dates. These retention agreements have change of control provisions that would cause these cash payments to be accelerated if the Mandatory Redemption is completed. However, pursuant to the Waivers, Messrs. Van Wagenen, Scott and Potharlanka have agreed to waive the acceleration of vesting that would have occurred as a result of the Mandatory Redemption with respect to the cash payments that are otherwise scheduled to occur on or after January 1, 2011. As a result, each of Messrs. Van Wagenen, Scott and Potharlanka will become entitled to a cash payment of \$666,667 upon completion of the Mandatory Redemption.

Copies of the Waivers described above are attached hereto as Exhibits 10.1, 10.2 and 10.3 and are incorporated herein by reference.

#### **Item 7.01 Regulation FD Disclosure**

On December 15, 2009, the Company announced that its stockholders had approved the issuance of the shares of common stock to be issued upon the mandatory redemption of the Company's 9.00% Mandatorily Redeemable Convertible Senior Secured Notes due 2012 and that the Company expects to redeem the notes on December 22, 2009. Each \$1,000.00 in principal amount of the notes will be redeemed for \$46.65 in cash, 114.616 shares of the Company's common stock and \$425.46 in principal amount of the Company's 9.00% Senior Secured Notes due 2016. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

#### **Item 8.01 Other Events**

On December 18, 2009, effective as of 5:00 p.m. Eastern time, the Company effected a 1-for-10 reverse stock split (the "Reverse Split") of its common stock. As a result of the Reverse Split, every 10 shares of the Company's common stock owned by a stockholder was automatically converted into one share, thus reducing the number outstanding shares of common stock from approximately 151.3 million to approximately 15.1 million. The Company continues to have 400 million authorized shares of common stock. Notwithstanding the Reverse Split, each stockholder continues to hold the same percentage of the Company's outstanding common stock as he or she held immediately prior to the Reverse Split, except for adjustments for fractional shares resulting from the Reverse Split. The Company's common stock is now trading on a split-adjusted basis under the new CUSIP 31567R 209

#### **Item 9.01 Financial Statements and Exhibits.**

##### **(d) Exhibits**

<b>Exhibit Number</b>	<b>Description</b>
10.1	Waiver of Acceleration of Benefits Upon Change of Control, dated December 16, 2009, by and between the Company and Kurt J. Van Wagenen.

- 10.2 Waiver of Acceleration of Benefits Upon Change of Control, dated December 16, 2009, by and between the Company and Thomas A. Scott.
- 10.3 Waiver of Acceleration of Benefits Upon Change of Control, dated December 16, 2009, by and between the Company and Ravi Potharlanka.
- 99.1 Press release, dated December 15, 2009.

**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: December 21, 2009

By: /s/ Thomas A. Scott

Name: Thomas A. Scott

Title: Chief Financial Officer

## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
10.1	Waiver of Acceleration of Benefits Upon Change of Control, dated December 16, 2009, by and between the Company and Kurt J. Van Wagenen.
10.2	Waiver of Acceleration of Benefits Upon Change of Control, dated December 16, 2009, by and between the Company and Thomas A. Scott.
10.3	Waiver of Acceleration of Benefits Upon Change of Control, dated December 16, 2009, by and between the Company and Ravi Potharlanka.
99.1	Press release, dated December 15, 2009.

## FIBERTOWER CORPORATION

WAIVER OF  
ACCELERATION OF BENEFITS UPON CHANGE OF CONTROL

This Waiver of Acceleration of Benefits Upon Change of Control (this "Waiver"), is entered into between FiberTower Corporation, a Delaware corporation (the "Company") and Kurt J. Van Wagenen (the "Executive") and is effective as of the date of the last signature hereof.

RECITALS

**WHEREAS**, a change of control of the Company may occur as a result of the mandatory redemption of the Company's 9.00% Mandatorily Redeemable Convertible Senior Secured Notes due 2012 (the "Change of Control");

**WHEREAS**, the Executive and the Company have entered into the following agreements that provide the following benefits that would accelerate upon a change of control:

1. Pursuant to that certain Signing Bonus Agreement dated April 9, 2008 between the Company and the Executive (the "Signing Bonus Agreement"), the Company has agreed to pay the Executive a cash signing bonus of \$666,667 on April 9, 2010 and an additional cash signing bonus of \$333,333 on April 9, 2011 if the Executive continues to remain employed on such dates. If a change of control (as defined therein) occurs on or before April 9, 2011, then any cash amounts not yet vested and paid under the Signing Bonus Agreement will become immediately vested, due and payable.
2. Pursuant to that certain Executive Employment Agreement dated April 9, 2008 between the Company and the Executive (the "Employment Agreement"), the Company agreed to grant to the Executive 875,000 shares of restricted stock and an option to purchase 1,125,000 shares of common stock of the Company under the FiberTower Stock Incentive Plan. Pursuant to that certain Restricted Stock Agreement, on April 9, 2008 the Company granted to the Executive 875,000 shares of restricted stock with 25% of the granted shares vesting annually on each of the first, second, third and fourth anniversary dates of the grant. Pursuant to that certain Incentive Stock Option, on April 9, 2008 the Company granted to the Executive an incentive stock option to purchase 1,125,000 shares of common stock of the Company with 25% of the shares which are subject to the option vesting and becoming exercisable on the first anniversary date of the grant and 1/48<sup>th</sup> of the shares which are subject to the option vesting and becoming exercisable monthly for the next 36 months. As provided in the Employment Agreement and in the respective grant agreements, if a change of control (as defined therein) occurs and the Executive does not resign without good reason and is not terminated with cause during the six-month period following the change of control, then any unvested shares of restricted stock or options that have not yet become vested and exercisable shall become vested and exercisable six months following the change of control.
3. Pursuant to that certain Incentive Stock Option, on March 17, 2009 the Company granted to the Executive an incentive stock option to purchase 500,000 shares of common stock

of the Company with 25% of the shares which are subject to the option vesting and becoming exercisable on the first anniversary date of the grant and 2.08% of the shares which are subject to the option vesting and becoming exercisable monthly for the next 36 months. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any of the shares which are subject to the option that have not yet become vested and exercisable will vest and become exercisable on a basis that gives the Executive an opportunity, as determined by the Company's board of directors, to participate as a stockholder in the change of control transaction following exercise;

**WHEREAS**, the Executive desires to voluntarily relinquish, waive, forfeit and disclaim, the acceleration of certain of the above described benefits that would otherwise occur upon the Change of Control; and

**WHEREAS**, the Company and Executive wish to waive any requirement in Section 5(h)(i) and (ii) of the Employment Agreement that would otherwise delay vesting of the cash signing bonus and shares of restricted stock until six months after the Change of Control.

**NOW THEREFORE**, in consideration of the mutual terms, conditions, and covenants set forth herein, and the ongoing employment relationship and compensation to be paid and received in connection therewith, the Company and Executive agree as follows:

1. Waiver of Acceleration of Benefits Upon Change of Control. The Executive hereby unconditionally and voluntarily and irrevocably relinquishes, waives forfeits and disclaims the acceleration of the following benefits that would otherwise result from the Change of Control:
  - (i) Acceleration of vesting and payment of the cash signing bonus that would occur by reason of the Change of Control of any amounts that would otherwise vest and become payable pursuant to the terms of the Signing Bonus Agreement after December 31, 2010.
  - (ii) Acceleration of exercisability that would occur by reason of the Change of Control of the incentive stock options granted on April 9, 2008 and March 17, 2009 that have not otherwise become vested and exercisable as of the Change of Control; provided, however, that with respect to any incentive stock option the exercise price of which is less than the Fair Market Value (as defined in the FiberTower Corporation Stock Incentive Plan) of the common stock of the Company on the effective date of this Waiver, the acceleration of exercisability of these options is waived only if the Change of Control occurs after December 31, 2009.
  - (iii) Acceleration of vesting that would occur by reason of the Change of Control of any shares of restricted stock which were granted on April 9, 2008 that would otherwise vest after December 31, 2010.
2. Waiver of any Six-Month Delay in Employment Agreement Upon Change of Control. The Company and the Executive hereby agree that the provisions of Section 5(h)(i) and

(ii) of the Employment Agreement that would otherwise delay vesting until six months after a change of control shall not apply as a result of the Change in Control to the vesting and payment of any cash signing bonus amount payable pursuant to the terms of the Signing Bonus Agreement and to any shares of restricted stock which were granted on April 9, 2008, that would, in the absence of a change in control, otherwise vest on April 9, 2010.

3. Except as otherwise provided herein, all other terms and provisions of the agreements described above will remain in full force and effect.

The parties have executed this Waiver effective as of the date of the last signature hereof.

**FIBERTOWER CORPORATION**

**EXECUTIVE:**

By: /s/ John P. Kelly  
Printed Name: John P. Kelly  
Title: Chairman-Compensation Committee-  
FiberTower Corporation  
Date: December 16, 2009

By: /s/ Kurt J. Van Wagenen  
Printed Name: Kurt J. Van Wagenen  
Title: President and CEO  
Date: December 11, 2009

## FIBERTOWER CORPORATION

WAIVER OF  
ACCELERATION OF BENEFITS UPON CHANGE OF CONTROL

This Waiver of Acceleration of Benefits Upon Change of Control (this "Waiver"), is entered into between FiberTower Corporation, a Delaware corporation (the "Company") and Thomas A. Scott (the "Executive") and is effective as of the date of the last signature hereof.

RECITALS

**WHEREAS**, a change of control of the Company may occur as a result of the mandatory redemption of the Company's 9.00% Mandatorily Redeemable Convertible Senior Secured Notes due 2012 (the "Change of Control");

**WHEREAS**, the Executive and the Company have entered into the following agreements that provide the following benefits that would accelerate upon a change of control:

1. Pursuant to that certain Special Retention Compensation Package dated February 11, 2008 between the Company and the Executive (the "Special Retention Compensation Package"), the Company has agreed to pay the Executive a cash retention bonus of \$666,667 on January 1, 2010 and an additional cash retention bonus of \$333,333 on January 1, 2011 if the Executive continues to remain employed on such dates. In addition, the Company agreed to grant to the Executive 250,000 shares of restricted stock and pursuant to that certain Restricted Stock Agreement, on February 11, 2008 the Company granted to the Executive 250,000 shares of restricted stock with 166,667 of the granted shares vesting on January 1, 2010 and the remaining 83,333 shares vesting on January 1, 2011. If a change of control (as defined in the Special Retention Compensation Package and the Restricted Stock Agreement) occurs on or before January 1, 2011, then any cash amounts not yet vested and paid under the Special Retention Compensation Package will become immediately vested, due and payable and any unvested shares of restricted stock shall become fully vested;

2. Pursuant to that certain Restricted Stock Agreement, on February 11, 2008 the Company granted to the Executive 250,000 shares of restricted stock with vesting on each anniversary of December 15, 2007 at 25% in 2008, 2009, 2010, and 2011. In the event of a change of control (as defined therein), then any unvested shares of restricted stock shall become fully vested.

3. Pursuant to that certain Incentive Stock Option, on March 17, 2009 the Company granted to the Executive an incentive stock option to purchase 250,000 shares of common stock of the Company with 25% of the shares which are subject to the option vesting and becoming exercisable on the first anniversary date of the grant and 2.08% of the shares which are subject to the option vesting and becoming exercisable monthly for the next 36 months. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any of the shares which are subject to the option that have not yet become vested and exercisable will vest and become exercisable on a basis that gives the Executive an

opportunity, as determined by the Company's board of directors, to participate as a stockholder in the change of control transaction following exercise.

4. Pursuant to that certain Restricted Stock Agreement, on August 29, 2006 the Company granted to the Executive 200,000 shares of restricted stock with vesting on the anniversary of the grant date in equal 25% increments respectively in 2007, 2008, 2009 and 2010. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any unvested shares of restricted stock shall become fully vested.

5. Pursuant to that certain Incentive Stock Option, on August 29, 2006 the Company granted to the Executive an incentive stock option to purchase 266,667 shares of common stock of the Company with 25% of the shares which are subject to the option vesting and becoming exercisable on the first anniversary date of the grant and 1/48<sup>th</sup> of the shares which are subject to the option vesting and becoming exercisable monthly for the next 36 months. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any of the shares which are subject to the option that have not yet become vested and exercisable will vest and become exercisable on a basis that gives the Executive an opportunity, as determined by the Company's board of directors, to participate as a stockholder in the change of control transaction following exercise.

**WHEREAS**, the Executive desires to voluntarily relinquish, waive, forfeit and disclaim, the acceleration of certain of the above described benefits that would otherwise occur upon the Change of Control.

**NOW THEREFORE**, in consideration of the mutual terms, conditions, and covenants set forth herein, and the ongoing employment relationship and compensation to be paid and received in connection therewith, the Company and Executive agree as follows:

1. **Waiver of Acceleration of Benefits Upon Change of Control.** The Executive hereby unconditionally and voluntarily and irrevocably relinquishes, waives forfeits and disclaims the acceleration of the following benefits that would otherwise result from the Change of Control:
  - (i) Acceleration of vesting and payment of the cash retention bonus that would occur by reason of the Change of Control of any amounts that would otherwise vest and become payable pursuant to the terms of the Special Retention Compensation Package after December 31, 2010.
  - (ii) Acceleration of exercisability that would occur by reason of the Change of Control of the incentive stock options granted on August 29, 2006 and March 17, 2009 that have not otherwise become vested and exercisable as of the Change of Control; provided, however, that with respect to any incentive stock option the exercise price of which is less than the Fair Market Value (as defined in the FiberTower Corporation Stock Incentive Plan) of the common stock of the Company on the effective date of this Waiver, the acceleration of exercisability of

these options is waived only if the Change of Control occurs after December 31, 2009.

- (iii) Acceleration of vesting that would occur by reason of the Change of Control of any shares of restricted stock which were granted on February 11, 2008 (pursuant to the Special Retention Compensation Package), August 29, 2006, and February 11, 2008 that would otherwise vest after December 31, 2010.

- 2. Except as otherwise provided herein, all other terms and provisions of the agreements described above will remain in full force and effect.

The parties have executed this Waiver effective as of the date of the last signature hereof.

**FIBERTOWER CORPORATION**

**EXECUTIVE:**

By: /s/ John P. Kelly  
Printed Name: John P. Kelly  
Title: Chairman-Compensation Committee-  
FiberTower Corporation  
Date: December 16, 2009

By: /s/ Thomas A. Scott  
Printed Name: Thomas A. Scott  
Title: Chief Financial Officer  
Date: December 11, 2009

## FIBERTOWER CORPORATION

WAIVER OF  
ACCELERATION OF BENEFITS UPON CHANGE OF CONTROL

This Waiver of Acceleration of Benefits Upon Change of Control (this "Waiver"), is entered into between FiberTower Corporation, a Delaware corporation (the "Company") and Ravi Potharlanka (the "Executive") and is effective as of the date of the last signature hereof.

RECITALS

**WHEREAS**, a change of control of the Company may occur as a result of the mandatory redemption of the Company's 9.00% Mandatorily Redeemable Convertible Senior Secured Notes due 2012 (the "Change of Control");

**WHEREAS**, the Executive and the Company have entered into the following agreements that provide the following benefits that would accelerate upon a change of control:

1. Pursuant to that certain Special Retention Compensation Package dated February 11, 2008 between the Company and the Executive (the "Special Retention Compensation Package"), the Company has agreed to pay the Executive a cash retention bonus of \$666,667 on January 1, 2010 and an additional cash retention bonus of \$333,333 on January 1, 2011 if the Executive continues to remain employed on such dates. In addition, the Company agreed to grant to the Executive 250,000 shares of restricted stock and pursuant to that certain Restricted Stock Agreement, on February 11, 2008 the Company granted to the Executive 250,000 shares of restricted stock with 166,667 of the granted shares vesting on January 1, 2010 and the remaining 83,333 shares vesting on January 1, 2011. If a change of control (as defined in the Special Retention Compensation Package and the Restricted Stock Agreement) occurs on or before January 1, 2011, then any cash amounts not yet vested and paid under the Special Retention Compensation Package will become immediately vested, due and payable and any unvested shares of restricted stock shall become fully vested.

2. Pursuant to that certain Restricted Stock Agreement, on February 11, 2008 the Company granted to the Executive 250,000 shares of restricted stock with vesting on each anniversary of December 15, 2007 at 25% in 2008, 2009, 2010, and 2011. In the event of a change of control (as defined therein), then any unvested shares of restricted stock shall become fully vested.

3. Pursuant to that certain Incentive Stock Option, on March 17, 2009 the Company granted to the Executive an incentive stock option to purchase 250,000 shares of common stock of the Company with 25% of the shares which are subject to the option vesting and becoming exercisable on the first anniversary date of the grant and 2.08% of the shares which are subject to the option vesting and becoming exercisable monthly for the next 36 months. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any of the shares which are subject to the option that have not yet become vested and exercisable will vest and become exercisable on a basis that gives the Executive an

opportunity, as determined by the Company's board of directors, to participate as a stockholder in the change of control transaction following exercise.

4. Pursuant to that certain Restricted Stock Agreement, on August 29, 2006 the Company granted to the Executive 150,000 shares of restricted stock with vesting on the anniversary of the grant date in equal 1/3<sup>rd</sup> increments respectively in 2008, 2009 and 2010. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any unvested shares of restricted stock shall become fully vested.

5. Pursuant to that certain Incentive Stock Option, on August 29, 2006 the Company granted to the Executive an incentive stock option to purchase 150,000 shares of common stock of the Company which shall vest and become exercisable at the rate of 1/30<sup>th</sup> per month beginning July 2008. In the event of a change of control (as defined therein), then immediately prior to the consummation of such change of control, any of the shares which are subject to the option that have not yet become vested and exercisable will vest and become exercisable on a basis that gives the Executive an opportunity, as determined by the Company's board of directors, to participate as a stockholder in the change of control transaction following exercise.

**WHEREAS**, the Executive desires to voluntarily relinquish, waive, forfeit and disclaim, the acceleration of certain of the above described benefits that would otherwise occur upon the Change of Control.

**NOW THEREFORE**, in consideration of the mutual terms, conditions, and covenants set forth herein, and the ongoing employment relationship and compensation to be paid and received in connection therewith, the Company and Executive agree as follows:

1. **Waiver of Acceleration of Benefits Upon Change of Control.** The Executive hereby unconditionally and voluntarily and irrevocably relinquishes, waives forfeits and disclaims the acceleration of the following benefits that would otherwise result from the Change of Control:
  - (i) Acceleration of vesting and payment of the cash retention bonus that would occur by reason of the Change of Control of any amounts that would otherwise vest and become payable pursuant to the terms of the Special Retention Compensation Package after December 31, 2010.
  - (ii) Acceleration of exercisability that would occur by reason of the Change of Control of the incentive stock options granted on August 29, 2006 and March 17, 2009 that have not otherwise become vested and exercisable as of the Change of Control; provided, however, that with respect to any incentive stock option the exercise price of which is less than the Fair Market Value (as defined in the FiberTower Corporation Stock Incentive Plan) of the common stock of the Company on the effective date of this Waiver, the acceleration of exercisability of these options is waived only if the Change of Control occurs after December 31, 2009.

(iii) Acceleration of vesting that would occur by reason of the Change of Control of any shares of restricted stock which were granted on February 11, 2008 (pursuant to the Special Retention Compensation Package), August 29, 2006, and February 11, 2008 that would otherwise vest after December 31, 2010.

2. Except as otherwise provided herein, all other terms and provisions of the agreements described above will remain in full force and effect.

The parties have executed this Waiver effective as of the date of the last signature hereof.

**FIBERTOWER CORPORATION**

**EXECUTIVE:**

By: /s/ John P. Kelly  
Printed Name: John P. Kelly  
Title: Chairman-Compensation Committee-  
FiberTower Corporation  
Date: December 16, 2009

By: /s/ Ravi Potharlanka  
Printed Name: Ravi Potharlanka  
Title: Chief Operating Officer  
Date: December 11, 2009

**NEWS RELEASE**

Investor Contact:  
Gus Okwu / DRG&E  
404-532-0086  
gokwu@drg-e.com

Company Contact:  
Ornella Napolitano, VP and Treasurer  
FiberTower Corporation  
415-659-3580  
onapolitano@fibertower.com

**FIBERTOWER ANNOUNCES RESULTS OF SPECIAL MEETING  
AND DATE OF MANDATORY REDEMPTION OF NOTES**

**San Francisco, CA, December 15, 2009** — FiberTower Corporation (NASDAQ: FTWR - News), a wireless services backhaul provider, today announced that at its special meeting of stockholders held this morning, its stockholders approved the issuance of the shares of common stock to be issued upon the mandatory redemption of the Company's 9.00% Mandatorily Redeemable Convertible Senior Secured Notes due 2012 (the "Notes"). With such approval and the Company's previous receipt of the FCC approval required as a condition to the redemption of the Notes, all conditions to the mandatory redemption of the Notes have been satisfied. The Company therefore expects to redeem the Notes on December 22, 2009. As previously disclosed, the Company expects to effect a 1-for-10 reverse stock split prior to redeeming the Notes.

Each \$1,000 in principal amount of the Notes will be redeemed for \$47.65 in cash, 1,146.16 shares of the Company's common stock (114.616 shares after the reverse stock split) and \$425.00 in principal amount of the Company's 9.00% Senior Secured Notes due 2015 (the "New Notes"). Additional information about the terms of the Notes and the New Notes, the mandatory redemption of the Notes and the reverse stock split can be found in the Company's Offering Memorandum and Consent Solicitation, dated October 26, 2009, as amended, and the other documents that the Company has filed with the Securities and Exchange Commission as exhibits to its Schedule TO, initially filed on October 26, 2009, and the amendments thereto.

The securities to be issued in the mandatory redemption of the Notes have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"). The Company is relying on Section 3(a)(9) of the Securities Act to exempt the issuance of such securities from the registration requirements of the Securities Act. This press release is for informational purposes only and is not an offer to purchase or sell, or the solicitation of an offer to purchase or sell, any security.

**About FiberTower**

FiberTower is a backhaul and access services provider focused primarily on the wireless carrier market. With its extensive spectrum footprint in 24 GHz and 39 GHz bands, carrier-class

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microwave and fiber networks in 13 major markets, master service agreements with nine U.S. wireless carriers, and partnerships with the largest tower operators in the U.S., FiberTower is considered to be the leading alternative carrier for wireless backhaul. FiberTower also provides backhaul and access services to the government and enterprise markets. For more information, please visit our website at [www.fibertower.com](http://www.fibertower.com).

### **Forward-Looking Statements**

This news release includes “forward-looking” statements. 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 statements regarding, among other things, the redemption of the Notes and the reverse split. There can be no assurance that the redemption of the Notes or the reverse split will be completed. 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, among other things, negative cash flows and operating losses, additional liquidity requirements, potential loss of significant customers, downturns in the wireless communication industry, regulatory costs and restrictions, potential loss of FCC licenses, equipment supply disruptions and cost increases, competition from alternative backhaul service providers and technologies, along with those risk factors described in the Company’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, as filed with the SEC.

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