Goodman Networks Inc
Form S-4/A
May 29, 2014
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As filed with the Securities and Exchange Commission on May 29, 2014

Registration No. 333-193125

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

to

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Goodman Networks Incorporated

(Exact name of registrant as specified in its charter)

Texas	4812	74-2949460
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

See Table of Additional Registrants

6400 International Parkway, Suite 1000

Plano, Texas 75093

(972) 406-9692

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Jimmy D. Hulett, Jr.

General Counsel and Secretary

Goodman Networks Incorporated

6400 International Parkway, Suite 1000

Plano, Texas 75093

(972) 406-9692

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

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2323 Victory Avenue, Suite 700

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(214) 651-5000

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the registration statement is declared effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer ¨	Accelerated filer ¨
Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ¨

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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TABLE OF ADDITIONAL REGISTRANTS

Additional Registrants (as Guarantors of 12.125% Senior Secured Notes due 2018)

Exact name of registrant as specified in its charter	State or other jurisdiction of formation	I.R.S. Employer Identification Number	Primary Standard Industrial Classification Code Number
Minnesota Digital Universe, Inc.	Minnesota	41-1883008	4812
Multiband Corporation	Minnesota	41-1255001	4812
Multiband EWM, Inc.	Texas	46-3763163	4812
Multiband EWS, Inc.	Texas	46-3753877	4812
Multiband Field Services, Incorporated	Delaware	61-1391746	4812
Multiband MDU Incorporated	Delaware	20-4352918	4812
Multiband Special Purpose, LLC	Minnesota	41-1255001	4812
Multiband Subscriber Services, Inc.	Minnesota	41-1958119	4812

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 29, 2014

PRELIMINARY PROSPECTUS

Goodman Networks Incorporated

OFFER TO EXCHANGE

$100,000,000 Aggregate Principal Amount of 12.125% Senior Secured Notes due 2018

For

$100,000,000 Aggregate Principal Amount of 12.125% Senior Secured Notes due 2018

We are offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, all of our outstanding $100,000,000 aggregate principal amount of 12.125% Senior Secured Notes due 2018 issued on August 30, 2013, or the outstanding notes, for an equal amount of 12.125% Senior Secured Notes due 2018 that have been registered under the Securities Act of 1933, or the exchange notes, and collectively with the outstanding notes, the notes.

The principal features of the exchange offer, the exchange notes and the resales of exchange notes are as follows:

The Exchange Offer

- We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of exchange notes that are freely tradable.

- You may withdraw tenders of outstanding notes at any time prior to the expiration of the exchange offer.

- The exchange offer expires at 5:00 p.m. New York City time, on , 2014, unless extended. We do not currently intend to extend the expiration date.

The exchange of outstanding notes for exchange notes in the exchange offer will not constitute a taxable event for United States federal income tax purposes.

We will not receive any proceeds from the exchange offer.

The Exchange Notes

The exchange notes are being offered in order to satisfy certain of our obligations under the registration rights agreement entered into in connection with the placement of the outstanding notes.

The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the exchange notes will be freely tradable, except in limited circumstances described herein.

Resales of the Exchange Notes

The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods. We do not plan to list the exchange notes on an exchange or national market.

All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act of 1933, or the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register the outstanding notes under the Securities Act.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer, where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where the outstanding notes were acquired as a result of market-making activities or other trading activities. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. See Plan of Distribution.

You should carefully consider the Risk Factors beginning on page 28 of this prospectus before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2014.

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You should rely only on the information contained in this prospectus. We have not authorized any person to provide you with any other information or represent anything that is not contained in this prospectus. If given or made, any such other information or representation should not be relied upon as having been authorized by us. We are offering to exchange the outstanding notes for the exchange notes only in jurisdictions where the exchange offer is permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus are not statements of historical fact and are forward-looking statements. These forward-looking statements are included throughout this prospectus, including in the sections entitled Summary, Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations and Business, and relate to matters such as our industry, business strategy, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. Words such as anticipate, believe, continue, could, estimate, expect, forecast, intend, m potential, predict, project, should, would, and similar expressions are intended to identify forward-looking statements but are not the exclusi means of identifying such statements. We have based these forward-looking statements on our current assumptions, expectations and projections about future events.

Forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from those anticipated in such statements. Most of these factors are outside our control and difficult to predict. Factors that may cause such differences include, but are not limited to:

- our reliance on three customers for substantially all of our revenues;
- our reliance on contracts that do not obligate our customers to undertake work with us and that are cancellable on limited notice;
- our ability to refinance existing indebtedness;
- our ability to raise additional capital to fund our operations and meet our obligations;
- our ability to achieve and maintain profitability on a consistent basis;
- our ability to translate amounts included in our estimated backlog into revenue or profits;
- our ability to maintain our certification as a minority business enterprise;
- our reliance on subcontractors to perform portions of our services;
- our ability to maintain proper and effective internal controls;
- our reliance on a limited number of key personnel who would be difficult to replace;
- our ability to effectively integrate acquisitions;
- potential credit risk arising from unsecured credit extended to our customers;

economic downturns and the cyclical nature of the telecommunications and subscription television service industries;

competition in our industry;

rapid regulatory and technological changes in the telecommunications and subscription television service industries; and

our substantial level of indebtedness and our ability to generate sufficient cash to service our indebtedness.

For a more detailed discussion of these and other factors that may affect our business and that could cause the actual results to differ materially from those anticipated in these forward-looking statements, see Risk Factors, and Management s Discussion and Analysis of Financial Condition and Results of Operations herein. We caution that the foregoing list of factors is not exclusive, and new factors may emerge, or changes to the foregoing factors may occur, that could impact our business. All subsequent written and oral forward-looking statements concerning our business attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements above. We do not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this prospectus except to the extent required by applicable securities laws.

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SUMMARY

The following summary highlights selected information contained in this prospectus and may not contain all of the information that may be important to you. You should carefully read this entire prospectus, including the information set forth under Cautionary Statement Regarding Forward-Looking Statements and Risk Factors before making an investment decision. The terms we, us and our as used in this prospectus refer to Goodman Networks Incorporated and its directly and indirectly owned subsidiaries on a consolidated basis; references to Goodman Networks or our Company refer solely to Goodman Networks Incorporated; and references to Multiband refer to our subsidiary, Multiband Corporation.

Overview

We are a leading national provider of end-to-end network infrastructure and professional services to the wireless telecommunications industry. Our wireless telecommunications services span the full network lifecycle, including the design, engineering, construction, deployment, integration, maintenance and decommissioning of wireless networks. We perform these services across multiple network infrastructures, including traditional cell towers as well as next generation small cell and distributed antenna systems, or DAS. We also serve the satellite television industry by providing onsite installation, upgrading and maintenance of satellite television systems to both the residential and commercial markets. These highly specialized and technical services are critical to the capability of our customers to deliver voice, data and video services to their end users.

We operate from a broad footprint, having provided services during 2013 in all 50 states. As of April 30, 2014, we employed over 5,200 persons, including approximately 2,600 technicians and 500 engineers, and operated 63 regional offices and warehouses. During the year ended December 31, 2013, we completed over 65,000 telecommunications projects and fulfilled over 1.5 million satellite television installation, upgrade or maintenance work orders. We have established strong, long-standing relationships with Tier-1 wireless carriers and original telecommunications equipment manufacturers, or OEMs, including AT&T Mobility, LLC, or AT&T, Alcatel-Lucent USA Inc., or Alcatel-Lucent, and Sprint/United Management Company, or Sprint, as well as DIRECTV. Over the last few years, we have diversified our customer base within the telecommunications industry by leveraging our long-term success and reputation for quality to win new customers such as Nokia Solutions and Networks B.V., or NSN, T-Mobile International AG, or T-Mobile, and Verizon Wireless, or Verizon. We generated nearly all of our revenues over the past several years under master service agreements, or MSAs, that establish a framework, including pricing and other terms, for providing ongoing services. We believe our long-standing relationships with our largest customers, which are governed by MSAs that historically have been renewed or extended, provide us with high visibility to our future revenue. During 2013, we also provided small cell or DAS services to over 100 enterprises including higher education institutions, stadiums for professional and collegiate sports events, hotels and resorts, major retailers, hospitals, corporations and government agencies.

The wireless telecommunications industry is characterized by favorable trends that are driving our growth. This industry is going through an unprecedented and sustained phase of expansion and increased complexity as the number of wireless devices and demand for greater speed and availability of mobile data continues to grow rapidly. Users continue to upgrade to more advanced mobile devices, such as smartphones and tablets, and access more bandwidth-intensive applications. According to Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2013-2018, dated February 5, 2014, or the Cisco VNI Mobile Update, mobile data traffic will increase in North America by 660% between 2013 and 2018, or an average of over 50% percent annually. By 2018, North American mobile data traffic will reach approximately 3.0 exabytes per month, and the number of Long Term Evolution, or 4G-LTE, annual connections will grow 2.6 times compared to 2013. These developments are creating significant challenges for wireless carriers to manage increasing network congestion and continually deliver a high quality customer experience. In response, carriers, governments and other enterprises are making significant investments in their wireless infrastructures, such as increasing the 4G-LTE capacity of their wireless networks, as well as integrating small cell technology and DAS (supporting both Wi-Fi and cellular solutions) within wireless networks. To address the challenges presented by expanding increasingly complex network infrastructures, wireless carriers and OEMs have increased their dependency on an outsourcing model in an effort to control costs, deploy capital more efficiently and ensure schedule attainment. We believe our leading reputation and capacity to provide services on a national scale positions us to increase our market share and capitalize on future growth opportunities in the wireless telecommunications industry.

Since our founding in 2000, we have evolved with the needs of the telecommunications industry and transformed our business into an end-to-end wireless infrastructure and professional services provider by adding new service capabilities, addressing new and growing wireless technologies and servicing a broader range of customers. In addition to offering core infrastructure and construction services, we have grown our offerings to include sophisticated network analysis, design, engineering, integration and optimization services. Small cell and DAS technologies have been developed to meet the rapidly growing bandwidth demands in the wireless industry. In keeping with this evolution, we have significantly invested in, and supplemented our small cell and DAS network service capabilities, both through organic growth and acquisitions. In 2013, we acquired Multiband, which provided us with a technician-based workforce that we intend to train to augment and reduce our cost of delivering small cell and DAS services. We have also broadened our capabilities to serve not only wireless carriers, but also OEMs and enterprise and public safety customers.

For the year ended December 31, 2013, we generated revenues of $931.7 million and net loss of $43.2 million. For the three months ended March 31, 2014, we generated revenues of $256.6 million and net loss of $10.3 million. Our 18-month estimated backlog as of March 31, 2013 was $1.3 billion, and our 18-month estimated backlog as of March 31, 2014 was $1.8 billion. The 18-month estimated backlog as of March 31, 2014 includes $0.4 billion of estimated backlog from DIRECTV.

Our Businesses

We primarily operate through three business segments, Professional Services, Infrastructure Services and Field Services. Through our Professional Services and Infrastructure Services segments, we help wireless carriers and OEMs design, engineer, construct, deploy, integrate, maintain and decommission critical elements of wireless telecommunications networks. Through our Field Services segment, we install, upgrade and maintain satellite television systems for both residential and commercial customers.

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The following diagram illustrates our customers recurring need for the services we provide in our Professional Services and Infrastructure Services segments:

Professional Services. Our Professional Services segment provides customers with highly technical services primarily related to designing, engineering, integration and performance optimization of transport, or backhaul, and core, or central office, equipment of enterprise and wireless carrier networks. When a network operator integrates a new element into its live network or performs a network-wide upgrade, a team of in-house engineers from our Professional Services segment can administer the complete network design, equipment compatibility assessments and configuration guidelines, the migration of data traffic onto the new or modified network and the network activation.

In addition, we provide services related to the design, engineering, installation, integration and maintenance of small cell and DAS networks. Our acquisition of the assets of the Custom Solutions Group of Cellular Specialties, Inc., or CSG, in February 2013 was incorporated into our Professional Services segment, which has enhanced our ability to provide end-to-end in-building services from design and engineering to maintenance. Our enterprise small cell and DAS customers often require most or all of the services listed above and may also purchase consulting, post-deployment monitoring, performance optimization and maintenance services.

Infrastructure Services. Our Infrastructure Services segment provides program management services of field projects necessary to deploy, upgrade, maintain or decommission wireless outdoor networks. We support wireless carriers in their implementation of critical technologies such as 4G-LTE, the addition of new macro and small cell sites, increase of capacity at their existing cell sites through additional spectrum allocations, as well as other performance optimization and maintenance activities at cell sites. When a network provider requests our services to build or modify a cell site, our Infrastructure Services segment is able to: (i) handle the required pre-construction leasing, zoning, permitting and entitlement activities for the acquisition of the cell site, (ii) prepare site designs, structural analysis and certified drawings and (iii) manage the construction or modification of the site including tower-top and ground equipment installation. These services are managed by our wireless project and construction managers and are performed by a combination of scoping engineers, real estate specialists, ground crews, line and antenna crews and equipment technicians, either employed by us or retained by us as subcontractors.

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Our Infrastructure Services segment also provides fiber and wireless backhaul services to carriers. Our fiber backhaul services, or Fiber to the Cell services, connect existing points in the fiber networks of wireline carriers to thousands of cell sites needing the bandwidth and ethernet capabilities for upgrading capacity. Our microwave backhaul services provide a turnkey solution offering site audit, site acquisition, microwave line of sight surveys, path design, installation, testing and activation services. This fiber and wireless backhaul work often involves planning, route engineering, right-of-way (for fiber work) and permitting, logistics, project management, construction inspection and optical fiber splicing services. Backhaul work is performed to extend an existing optical fiber network owned by a wireline carrier, typically between several hundred yards to a few miles, to the cell site.

Field Services. Our Field Services segment provides installation and maintenance services to DIRECTV, commercial customers and a provider of internet wireless service primarily to rural markets. Our wholly owned subsidiary Multiband, which we acquired in August 2013, fulfilled over 1.5 million satellite television installation, upgrade or maintenance work orders during 2013 for DIRECTV, which represented 27.6% of DIRECTV s outsourced work orders for residents of single-family homes during 2013. We were the second largest DIRECTV in-home installation provider in the United States for the year ended December 31, 2013.

Our Industries

We participate in the large and growing market for connectivity and essential wireless telecommunications infrastructure services. We also participate in the significant satellite pay television installation and maintenance market for both residential and commercial customers as well as providing satellite access links for an internet service provider. Although we do not anticipate significant growth in the Field Services segment, we do believe our Professional Services and Infrastructure Services segments are poised for substantial growth consistent with the growth in the wireless telecommunications industry generally. We believe the following trends are driving growth in this market:

Increasing Demand for Wireless Services

We are addressing a vast and growing market opportunity resulting from an unprecedented and sustained escalation in both the number of wireless devices and the demand for those mobile devices to deliver and transmit larger quantities of mobile data traffic at ever increasing speeds. Mobile device manufacturers are rapidly introducing advanced mobile devices that have faster processors, increased memory and larger high-resolution screens that are capable of supporting advanced media and require faster data connections for an enhanced experience. According to the Cisco VNI Mobile Update, wireless data growth in North America is forecasted to increase on average 50% annually from 2013 through 2018, as smartphones, tablets, laptops, 3G and 4G-LTE modems and other telecommunications devices are becoming increasingly utilized by consumers. Moreover, a growing number of consumers are using their mobile devices as their primary means to access the internet, according to the Pew Internet & American Life Project s Cell Internet Use 2013 Report, dated September 16, 2013. This growth in wireless data demand will require service carriers to invest in existing infrastructure and build-out new infrastructure to prevent slow or unavailable data connections that negatively impact the experience of their customers and result in costly churn.

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The following chart illustrates the expected growth of mobile data traffic in North America through 2018:

North American Mobile Data Traffic
(Petabytes/Month)

Source: Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2013-2018, February 2014.

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Spending on U.S. wireless data services has grown at double digit rates since 2005 and is forecasted to increase on average at approximately 18% annually, from $95 billion in 2012 to $184 billion in 2016, according to the 2013 Market Review and Forecast© 2013 by the Telecommunications Industry Association, or the TIA Report. Domestic spending on data rose by 33% in 2012, and through 2016 it is expected to increase by approximately 94%. By 2016, data is expected to comprise more than 72% of total domestic wireless services spending. The following chart illustrates historical and projected growth in the domestic wireless data services market:

U.S. Wireless Data Services Market

($ in billions)

Source: Telecommunications Industry Association, citing Consumer Electronics Association and Wilkofsky Gruen Associates, 2013.

Need for Ongoing Capacity Management for 4G-LTE

Over the last few years, AT&T, Sprint, T-Mobile and Verizon have made significant investments to provide 4G-LTE coverage to their customers and have begun initiatives to increase capacity and performance of their existing networks. The capacity of those networks, however, will continue to need to be enhanced to meet the needs of new users of 4G-LTE devices and the growing appetite for data by those users. As wireless carriers rapidly complete their first phase of 4G-LTE deployment to establish their geographic coverage, we believe they will utilize the following methods to continue to increase the capacity of their networks: (i) allocating additional spectrum that is already licensed by the wireless carrier to its 4G-LTE network, (ii) acquiring additional lower band spectrum that could come to auction by the Federal Communications Commission, or the FCC, in 2015, which in turn would require new, wide-band antennas to be deployed at many cell sites, (iii) increasing the density of the macro network layer by lowering the antenna systems on existing sites, which in turn creates a requirement to add additional cell sites, (iv) adding additional sectors by affixing additional antennas and radios to existing cell sites, (v) increasing backhaul capacity, (vi) harvesting older technology at cell sites to provide physical space, power, spectrum and capacity to be allocated to the 4G-LTE infrastructure and (vii) supplementing the macro network with small cell and DAS technology, creating a heterogeneous network.

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While each of the above methods represents a significant revenue opportunity for companies that provide services to wireless carriers, the addition of cell sites to an existing network alone is a substantial market opportunity. According to the TIA Report, wireless data growth will result in a 16% cumulative increase in the number of new domestic cell sites between 2013 and 2016. Based on our cost estimate of $212,000 per macro cell site, these new cell sites would generate revenue for wireless infrastructure services companies of approximately $10.4 billion.

Given the multiple approaches that carriers are utilizing to address the growing demand placed on their networks, these networks are becoming increasingly complex and require active monitoring and management. As a result, wireless carriers will be required to perform ongoing performance optimization of their networks to ensure competitive service levels to their customers. These needs provide an opportunity for professional service partners of carriers to provide ongoing solutions related to network balancing, performance optimization and capacity alignment.

Increasing Implementation of Small Cell and DAS Technology

Escalating wireless data consumption has caused carriers to begin offloading mobile traffic from macro networks to preserve available spectrum and to increase wireless data capacity through small cell and DAS technology solutions. Small cells are low-powered radio access units that have a relatively short range of approximately 10 to 300 meters as compared to a typical wireless macro cell having a range of 2 to 10 kilometers. Compared to the traditional macro cell, small cell technology features a higher quantity of smaller transmitters in a given area. This dispersion of transmitting devices boosts the capacity and the efficiency of wireless networks, resulting in fewer dead zones and reduces competition for cellular tower resources. In addition, small cells have the inherent ability to serve multiple technologies including Wi-Fi and wireless carrier standards such as GSM, UMTS, CDMA and 4G-LTE.

Similarly, installing a DAS system in a building allows users to access the wireless network through antennas located inside the building rather than through an outdoor macro cell site, thereby providing the user better indoor wireless coverage and capacity. Offloading these customers from the outdoor network to a DAS benefits the wireless carrier and the user by providing the user with improved wireless coverage and capacity at a lower cost to the wireless carrier. DAS technology is particularly well suited for larger facilities, such as sports stadiums, large office buildings and shopping malls. DAS technology can also consolidate multiple cellular standards, emergency bands and Wi-Fi.

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Wireless carriers are in the early stages of implementing indoor and outdoor small cell and DAS technology to extend their service precisely and inexpensively in dense urban areas. According to SNS Research s Wireless Infrastructure Bible: 2014-2020, industry studies estimate that more than 850,000 small cells, exclusive of self-installed femtocells, will be deployed in North America by the end of 2019. Increased network complexities and capacity needs will require network providers to evolve their networks into a heterogeneous architecture involving a combination of macro cells and small cells. These diversified architectures will require a full array of network services, which we expect will drive increasing reliance on infrastructure service providers. The deployment and performance optimization of small cell and DAS technologies will create a new set of challenges for wireless carriers and their providers of outsourced infrastructure services including complex logistics and differentiated backhaul and site acquisition strategies. The following chart illustrates the expected increase in small cell shipments in North America through 2020:

North American Small Cell Shipments
(# in thousands)

Source: SNS Research, Wireless Infrastructure Bible: 2014-2020.

The large volume of deployments and unique technological challenges will drive the need for increased standardization, consistency and efficient processes. We believe that these trends will drive the need for fewer, larger and more financially stable outsourced wireless infrastructure service providers that will be capable of providing a full range of services across a large geographic footprint in a cost effective manner.

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Increasing Trend for Wireless Carriers to Outsource Capital and Operating Expenditures

Wireless carriers are under mounting competitive pressure to deliver a high level of performance and additional next generation services to their customers. As a result, wireless carriers have outsourced many of the services required to design, build and maintain their complex network offerings, which provides them better flexibility, efficiency and lower costs than self-performing these services. According to Wilkofsky Gruen Associates, over two-thirds of this spending on services in support of wireless infrastructure is outsourced. The following chart illustrates such spending on wireless equipment since 2005:

Sources: Blumberg Advisory Group, Telecommunications Industry Association, Wilkofsky Gruen Associates; figures for 2013-2016 are estimates.

We believe wireless carriers are increasing the amount of the capital and operating expenditures that they outsource.

According to the Booz & Co. research report, Second-Generation Telecom Outsourcing Regaining Control and Innovation Power, published July 17, 2013, the top four factors driving outsourcing in telecommunications are: (i) economic efficiency, (ii) capabilities focus, (iii) partnership integration and (iv) technology convergence. According to the Infonetics Research 2013 Report, Service Provider Outsourcing to Vendors, published March 18, 2013, or the Infonetics Report, reduction in operating expenditures, including tasks such as designing, building and maintaining, continues to be the primary driver for carriers outsourcing and is forecasted to grow at an annual rate of 8% through 2016. We believe that U.S. wireless carriers have a limited number of vendors, especially those without any equipment brand bias, that can provide comprehensive services and scale required to manage the size and complexity of their needs.

Growing Demand for Wireless Services in Adjacent Markets

The positive trends in the wireless telecommunications industry are also relevant to numerous other markets, including the public safety and enterprise markets. We believe that there is a large opportunity in the government telecommunications infrastructure market. In February 2012, a federal law was amended that provides for the creation of a nationwide interoperable broadband network for police, firefighters, emergency medical service professionals and other federal, state and local public safety personnel. This legislation established the FirstNet, charged with the deployment and operation of this network, and allocated FirstNet $7 billion in funding towards deployment of this network, as well as $135 million for a new state and local implementation grant program.

Historically, many enterprises had limited their use of wireless networks due to reliability, security and complexity issues but are now seeking to strategically integrate wireless networks for business-critical converged

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voice, video and data applications. We believe that we are in the beginning of a long-term transition to increase usage of wireless networks within enterprises and that a significant opportunity exists for wireless specialists to serve the increasingly complex requirements of those enterprises.

Stable Industry Dynamics in the Satellite Television Market

The U.S. market for satellite television subscribers is significant. DIRECTV is the largest satellite television provider with 20.2 million subscribers according to public filings. During the year ended December 31, 2013, we performed approximately 27.6% of all of DIRECTV s outsourced installation, upgrade and maintenance activities. We believe that the demand for our outsourced installation and maintenance services related to the satellite television market will remain steady as leading national providers continue to upgrade technology and add customers by investing in competitive marketing efforts.

Business Strengths

We believe the following business strengths position us to capitalize on the anticipated growth in demand for our services:

End-to-end Service Offering Providing Compelling Value Proposition

As the telecommunications sector continues to evolve and become more complex due to increasing demand for wireless data, wireless carriers and OEMs will continue a long-term trend of increasingly seeking outsourced providers that can service the full wireless network lifecycle on a national level. We believe our end-to-end service offering provides a compelling and differentiated value proposition to the marketplace. Many infrastructure service providers do not offer the professional network services of business consulting, design, integration and performance optimization. As a result, telecommunication companies typically need to hire professional services companies to provide complementary and higher-end services, creating incremental project coordination costs and financial risks. Our ability to seamlessly provide these solutions to our customers reduces the risks and limits inefficiencies caused by using multiple vendors. We believe this single vendor approach improves overall quality, schedule attainment and reduces costs for wireless carriers and OEMs.

Reputation for Consistent, High Customer Satisfaction and Technical Expertise

We maintain an exemplary track record with our customers and regularly outperform customer satisfaction and on-time delivery targets. In 2013, we performed critical wireless work in 9 of 31 distinct AT&T markets, or Turf Markets, faster than all other Turf Market vendors. In 2013, our safety rating (reported incidents) assigned by the Occupational Safety and Health Administration, or OSHA, for work provided to the telecommunications industry was less than half of the composite rating for our industry. Also, in 2013, Multiband had customer satisfaction ratings, as measured by a third party, of over 95% when fulfilling DIRECTV work orders. We believe our reputation for technical expertise, reliable service and high customer satisfaction provides us with an advantage when competing for new contracts and maintaining and expanding our current customer relationships.

Long-term Relationships with Key Customers

We have long-standing relationships with three of the largest national telecommunication companies, AT&T Inc., Alcatel-Lucent and Sprint. We believe we serve as a strategic partner to our customers, having, for example, assisted AT&T with the deployment of 4G-LTE network services in the first five cities in which AT&T launched 4G-LTE service. Substantially all of our revenue is derived from work performed under multi-year MSAs with these customers. AT&T assigns work to us under our MSA on a market-by-market basis as the sole, primary or secondary vendor in 9 of AT&T s 31 Turf Markets. Our reputation and experience enhance the

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loyalty of our customers and position us to become an increasingly important service provider in the outsourced wireless telecommunications industry, and our visibility into future revenues provided by these long-term relationships assists us in profitably managing our business. These executive-level long-term relationships with our customers have provided us with valuable insight into their medium and long-term direction, allowing us to make the right strategic investments in our business. Although we have recently experienced declining revenues under our five-year MSA with Alcatel-Lucent, or the Alcatel-Lucent Contract, which is set to expire on December 31, 2014, we are in negotiations to extend our contractual relationship with Alcatel-Lucent beyond 2014. We are also seeking to develop similar long-term relationships with T-Mobile and Verizon built upon the rapidly expanding scope of work performed for these customers.

We have maintained a long-term strategic relationship with DIRECTV for over 17 years. We are one of three in-home installation and maintenance service providers that DIRECTV utilizes in the United States, and during the year ended December 31, 2013, we performed approximately 27.6% of all of DIRECTV s outsourced installation, upgrade and maintenance activities.

National Footprint with Scalability of Operations

We have developed a nationwide platform for the provision of our services with 63 regional offices and warehouses in 24 states across the United States as of April 30, 2014. We employed over 5,200 people, including over 680 employees in our Professional Services segment, over 1,000 employees in our Infrastructure Services segment and over 3,150 employees in our Field Services segment, as of April 30, 2014. We also have the proven ability to increase our operations to meet the needs of our customers. The technician-based workforce that we acquired in the Multiband transaction is not only available to meet the needs of our Field Service segment, but selected technicians are also being cross-trained to deploy and maintain small cell and DAS services in support of our Professional Services segment. We also utilize an extensive network of subcontractors, which combined with our existing employee workforce enables us to execute large, complex and multi-location telecommunications projects across the United States by allocating personnel and resources quickly and efficiently, thereby maximizing efficiency. Through our MSA with AT&T, our largest customer, we serviced 5 of the 10 most populous cities in the United States as of April 30, 2014. The Turf Markets that AT&T has assigned to us as of April 30, 2014 cover an estimated 26.7% of the total U.S. population based upon 2010 census data.

Experienced Management Team with Exceptional Track Record

Our proven and experienced management team has an exceptional track record and plays a significant role in establishing and maintaining long-term relationships with our customers, supporting the growth of our business and managing the financial aspects of our operations. Under their leadership, we have grown substantially to become one of the largest providers of wireless infrastructure and professional services in the United States as well as a leader in the satellite television installation market. Our management team possesses significant industry experience and has a deep understanding of our customers and their performance requirements. Under their leadership our revenue has increased to $931.7 million for the year ended December 31, 2013. Over the four years ended December 31, 2013, we have experienced a compounded annual revenue growth rate of 30.6%, which includes revenue growth both organically and through acquisitions. Many of our new business relationships have been developed from our long-standing relationships within the industry. As evidenced by the 2013 acquisitions of Multiband, CSG and Design Build Technologies, LLC, or DBT, in August 2013, our management team has demonstrated a strong ability to grow the business through strategic acquisitions in an effort to better position the Company to be able to compete for new business opportunities in the future. As of December 31, 2013, we had materially completed the integration of CSG and DBT and completed integration planning for the merger with Multiband.

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Our Growth Strategies

We intend to leverage our market leading capabilities to take advantage of a number of favorable long-term industry trends by utilizing the following strategies:

Capitalize on Rapid Growth in the Wireless Carrier Sector and Continue to Grow Our Core Business

Rapidly increasing data usage on wireless networks is driving wireless carriers to increase capacity and upgrade cell sites nationwide while at the same time working to improve wireless quality, reliability and performance. The wireless industry will have completed much of its first phase of 4G-LTE coverage buildout by the end of 2014. In order to continue to meet the projected demand for wireless data, carriers will need to add additional capacity to these 4G-LTE sites on an on-going basis, which will be heavily dependent on wireless carriers allocating capital expenditures to services that optimize and add capacity to those sites. In addition, we anticipate that significant capacity enhancements will be realized via small cell site proliferation and DAS deployments. We expect to benefit from these developments in both the near- and long-term.

We have had over a decade of experience in successfully working with Tier-1 wireless carriers and OEMs as they designed, built, upgraded, optimized, maintained and decommissioned their networks. We believe that our focus on the wireless telecommunications market, end-to-end service capabilities, national scale, reputation for quality and ability to acquire and integrate new and strategic businesses positions us well to capitalize on these opportunities and trends in the wireless sector and to continue to grow our business.

Continue to Expand Our Market Leading Services Capabilities

We believe our comprehensive range of network services and reputation for outstanding performance differentiates us in the marketplace. We plan to continue to develop our end-to-end service portfolio and technical capabilities to ensure we remain highly valued by our customers.

Throughout our history, we have added services capabilities to meet our customers changing needs. Our acquisition of CSG in 2013 expanded our professional services capabilities to offer in-building wireless network design. This offering has already been leveraged to help expand our relationship with existing customers, such as AT&T. Additionally, in response to broad market trends, we are focused on building competencies and driving opportunities in the small cell and DAS markets with new and existing customers. We believe the addition of Multiband s technician-based workforce will allow us to better serve our customers, increase our ability to take on larger scale small cell and DAS deployments and provide local onsite maintenance services post initial deployments. As of April 30, 2014, Multiband employed 2,627 technicians, and selected technicians are being cross-trained to provide advanced wireless installation and maintenance solutions for our customers.

As the enterprise small cell and DAS markets continue to grow, we believe that there is a tremendous opportunity to provide managed services to these customers. We believe that as venue owners increasingly choose to own the networks in their buildings they will need to rely on a provider with extensive wireless telecommunications experience to help them install, integrate and manage those networks. We are experienced in providing venue owners with network monitoring, network performance optimization, preventative maintenance and field technician repair and replacement services. Furthermore, as network technologies continue to evolve and become more complex, we are focused on continuing to supplement our high value-added services capabilities that help our enterprise customers maintain, upgrade and manage those networks. In addition, our strategy to enhance our managed services capability with incremental network services, including cloud and network virtualization, content delivery and network performance optimization, can drive additional business and enhance margins.

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Continue to Grow our Small Cell and DAS Business

We anticipate the demand for small cell and DAS technologies will continue to increase as a result of need for wireless carriers to reduce stress on existing macro cell networks, expand network coverage and add capacity to their networks. Additionally, these technologies are a logical solution to serve an increasing number of enterprises that desire to expand and own their local wireless networks. For many enterprises, small cell and DAS are effective solutions to increase data throughput in their networks. DAS technology is particularly well suited for larger facilities, such as sports stadiums, large office buildings and shopping malls.

Our acquisitions of CSG and Multiband provide us a powerful combination of design, technician workforce and dispatch, scheduling and maintenance capabilities to be leveraged for small cell and DAS services. We believe our service offerings addressing these technologies distinguish us in the marketplace. We are currently a small cell strategic deployment development partner for AT&T, an exclusive partner for enterprise femtocell for Sprint and one of two partners selected for a strategic small cell trial for Verizon. We have also signed an MSA to support future small cell deployments for T-Mobile.

Selectively Pursue New Profitable Long-Term Relationships

We have developed strong relationships with our three largest customers, AT&T Inc., DIRECTV and Alcatel-Lucent. Although we have recently experienced declining revenues under the Alcatel-Lucent Contract and it is set to expire at the end of 2014, we are in negotiations to extend our contractual relationship with Alcatel-Lucent beyond 2014 and we intend to pursue similar long-term relationships with new customers. Our ability to secure these contractual relationships is demonstrated through the recent establishment of relationships with CenturyLink, NSN, Sprint, T-Mobile, Verizon and Windstream Supply, LLC, or Windstream. Historically, we have often declined opportunities for short-term service projects in order to focus on long-term opportunities that generate more predictable revenue without sacrificing acceptable profit margins. We believe that there are significant opportunities to continue expanding our scope of work with our new and legacy customers.

Extend Capabilities to Adjacent Wireless Markets Including Enterprise and Government Networks

We plan to apply the wireless expertise we have developed serving wireless carriers and OEMs to further expand into the enterprise and public safety markets. According to a February 2014 ABI Research In-Building Wireless Market Data research report, the North American market for in-building wireless deployment revenue is estimated at $2.7 billion for 2014 and is expected to grow to $4.3 billion for 2019, representing a compound annual growth rate of 9.5%. As cloud-based services continue to penetrate the enterprise IT market and enterprise employees increase the use of mobile devices to conduct business critical activities, enterprises are requiring enhanced speed and coverage from their wireless networks. For many enterprises, small cell and DAS are effective solutions to increase data throughput in their networks. We believe we are well positioned to be a market leader in this field as significant overlap exists among the services we provide to network carriers and those needed by enterprise networks. Our February 2013 acquisition of CSG provides us a significant entry into the enterprise market including higher education institutions, stadiums for professional and collegiate events, hotels and resorts, major retailers, hospitals and government agencies. In 2013, we provided services to over 100 enterprise customers for whom we deployed small cell or DAS infrastructure.

We also believe there is a considerable opportunity to address the public safety market. Our initial entry would focus on providing services to federal and state agencies. The initial $7 billion allocated by FirstNet to deploy a nationwide interoperable broadband network for public safety officials over the next several years represents a medium-to-long term opportunity for growth in the public safety sector. Government officials have already performed a significant amount of planning and preparation for this project, and we offer the capabilities, scale, reputation and knowledge to provide substantial support in the design, deployment and maintenance of the network. Our leadership team, as well as our government relationships team, is focused on leveraging existing

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relationships to help ensure participation in this initiative, including relationships developed through our implementation of the new public safety systems at the new World Trade Center.

Continue to Improve our Operational Efficiencies and Expand our Margins

We are planning to implement and continue several initiatives that we believe will create operational efficiencies in our business and will ultimately expand our margins. Key initiatives include implementation of business process automation, continuous improvement processes and greater technology utilization to gather real-time business intelligence to provide faster visibility on operational and financial performance and improve project scoping accuracy. We also are continuing to focus on enhancing our self-perform capabilities with the long-term goals of decreasing our dependence upon subcontractor-performed services and improving our margins. In addition, we believe our strategic growth plans, focused on professional, consulting and network performance solutions, will continue to allow us to improve our revenue mix and drive margin expansion.

Pursue Complementary Strategic Acquisitions

We plan to selectively pursue strategic acquisitions in the wireless industry that will enhance our service offerings, diversify our business and enable margin expansion. One area of interest would be the potential acquisition of subcontractors that perform tower services. The market for tower service companies is highly fragmented, and a number of high quality subcontractors exist that could provide us better control of these resources and improve our margins. Other strategic acquisitions may provide us with the opportunity to build market share and provide geographic density in a cost-effective and efficient manner.

JOBS Act

As a company with less than $1.0 billion in revenue during our last fiscal year, we qualify as an emerging growth company, as defined in the Jumpstart Our Business Startups Act, or the JOBS Act. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, or the Securities Act, for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we have chosen to opt out of such extended transition period, and as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

An emerging growth company may also take advantage of reduced reporting requirements that are otherwise applicable to public companies. These provisions include, but are not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended, or the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We may take advantage of these provisions until the last day of our fiscal year following the fifth anniversary of the date of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act. However, if certain events occur prior to the end of such five-year period, including if we become a large accelerated filer, our annual gross revenues exceed $1.0 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period, we will cease to be an emerging growth

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company prior to the end of such five-year period. Our pro forma combined revenues of Goodman Networks and Multiband for the year ended December 31, 2013 exceeded $1.0 billion. If our annual gross revenues for the year ended December 31, 2014 also were to exceed $1.0 billion, we would cease to qualify as an emerging growth company after 2014.

We have elected to take advantage of certain of the reduced disclosure obligations regarding executive compensation in this prospectus and, as long as we continue to qualify as an emerging growth company, we may elect to take advantage of other reduced burdens in future filings. As a result, the information that we provide to our stockholders may be different than you might receive from other public reporting companies in which you hold equity interests.

Company Information

We were founded in 2000 as Goodman Networks Incorporated, a Texas corporation. We maintain our principal executive offices at 6400 International Parkway, Suite 1000, Plano, Texas 75093. Our telephone number is (972) 406-9692, and our website address is www.goodmannetworks.com. The references to our website in this prospectus are inactive textual references only. The information on our website is neither incorporated by reference into this prospectus nor intended to be used in connection with this exchange offering.

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THE EXCHANGE OFFER

On June 13, 2013, GNET Escrow Corp., which was then a wholly owned subsidiary of Goodman Networks, or the Stage I Issuer, privately offered $100.0 million aggregate principal amount of the Stage I Issuer s 12.125% Senior Secured Notes due 2018, or the Stage I Notes. The net proceeds were used, together with cash contributions from Goodman Networks, to fund the merger with Multiband and to pay related fees and expenses. Promptly following the consummation of the merger with Multiband and in accordance with the terms of the indenture that governed the Stage I Notes, the Stage I Issuer merged into Goodman Networks, and Goodman Networks issued, in exchange for the Stage I Notes and without any further action of the holders of the Stage I Notes, $100.0 million aggregate principal amount of outstanding notes as a tack-on under and pursuant to the indenture under which the Company previously issued the original notes. Concurrently with the private offering, we entered into a registration rights agreement with Jefferies LLC, the initial purchaser. Pursuant to the registration rights agreement, we agreed, among other things, to file the registration statement of which this prospectus is a part. The following is a summary of the exchange offer. For more information please see The Exchange Offer.

General	The form and terms of the exchange notes are the same as the form and terms of the outstanding notes except that:
	the issuance and sale of the exchange notes have been registered pursuant to a registration statement under the Securities Act; and
	the holders of the exchange notes will not be entitled to the liquidated damages provision of the registration rights agreement, which permits an increase in the interest rate on the outstanding notes in some circumstances relating to the timing of the exchange offer. See The Exchange Offer.
The Exchange Offer	We are offering to exchange $100,000,000 aggregate principal amount of 12.125% Senior Secured Notes due 2018 and the related guarantees that have been registered under the Securities Act for all of our outstanding 12.125% Senior Secured Notes due 2018 issued on August 30, 2013 and the related guarantees.
	The exchange offer will remain in effect for a limited time. We will accept any and all outstanding notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on , 2014. Holders may tender some or all of their outstanding notes pursuant to the exchange offer. Outstanding notes, however, may be tendered only in a denomination equal to $2,000 and integral multiples of $1,000 in excess thereof.
Resale	Based upon interpretations by the staff of the Securities and Exchange Commission, or the SEC, set forth in no-action letters issued to unrelated third-parties, we believe that the exchange notes may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act, unless you:
	are an affiliate of ours within the meaning of Rule 405 under the Securities Act;

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- are a broker-dealer that purchased the outstanding notes directly from us for resale under Rule 144A, Regulation S or any other available exemption under the Securities Act;
- acquired the exchange notes other than in the ordinary course of your business;
- have an arrangement with any person to engage in the distribution of the exchange notes; or
- are prohibited by law or policy of the SEC from participating in the exchange offer.

However, we have not obtained a no-action letter, and there can be no assurance that the SEC will make a similar determination with respect to the exchange offer. Furthermore, in order to participate in the exchange offer, you must make the representations set forth in the letter of transmittal that we are sending you with this prospectus.

Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on , 2014.

Conditions to the Exchange Offer

The exchange offer is subject to certain customary conditions, some of which may be waived by us. See The Exchange Offer Conditions to the Exchange Offer.

Procedures for Tendering Outstanding Notes

To participate in the exchange offer, you must properly complete and duly execute a letter of transmittal, which accompanies this prospectus, and transmit it, along with all other documents required by such letter of transmittal, to the exchange agent on or before the expiration date at the address provided on the cover page of the letter of transmittal.

In the alternative, you can tender your outstanding notes by following the automatic tender offer program, or ATOP, procedures established by The Depository Trust Company, or DTC, for tendering notes held in book-entry form, as described in this prospectus, whereby you will agree to be bound by the letter of transmittal and we may enforce the letter of transmittal against you.

If a holder of outstanding notes desires to tender such notes and the holder s outstanding notes are not immediately available, or time will not permit the holder s outstanding notes or other required documents to reach the exchange agent before the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected pursuant to the guaranteed delivery procedures described in this prospectus. For more details, please read The Exchange Offer Procedures for Tendering, The Exchange Offer Book-Entry Delivery Procedures and The Exchange Offer Guaranteed Delivery Procedures.

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Special Procedures for Beneficial Owners	If you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender those outstanding notes in the exchange offer, you should contact the registered holder promptly and instruct the registered holder to tender those outstanding notes on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.
Withdrawal Rights	You may withdraw your tender of outstanding notes at any time prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer. Please read The Exchange Offer Withdrawal of Tenders.
Acceptance of Outstanding Notes and Delivery of Exchange Notes	Subject to customary conditions, we will accept outstanding notes that are properly tendered in the exchange offer and not withdrawn prior to the expiration date. The exchange notes will be delivered promptly following the expiration date.
Consequences of Failure to Exchange Outstanding Notes	If you do not exchange your outstanding notes in the exchange offer, you will no longer be able to require us to register the outstanding notes under the Securities Act, except in the limited circumstances provided under the registration rights agreement. In addition, you will not be able to resell, offer to resell or otherwise transfer the outstanding notes unless we have registered the outstanding notes under the Securities Act, or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act.
Dissenters Rights	Holders of outstanding notes do not have any appraisal or dissenters rights in connection with the exchange offer. We intend to conduct the exchange offer in accordance with the applicable requirements of the Securities Exchange Act of 1934, or the Exchange Act, and the rules and regulations of the SEC.
Interest on the Exchange Notes and the Outstanding Notes	The exchange notes will bear interest from the most recent interest payment date on which interest has been paid on the outstanding notes. Holders whose outstanding notes are accepted for exchange will be deemed to have waived the right to receive interest accrued on the outstanding notes.

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Broker-Dealers	Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer, where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See Plan of Distribution.
Risk Factors	You should consider carefully all of the information set forth in this prospectus and, in particular, you should evaluate the specific factors under the section entitled Risk Factors in this prospectus before deciding to invest in the exchange notes.
Certain Federal Income Tax Considerations	Neither the registration of the outstanding notes pursuant to our obligations under the registration rights agreement nor the holder s receipt of exchange notes in exchange for outstanding notes will constitute a taxable event for U.S. federal income tax purposes. Please read Certain Federal Income Tax Considerations.
Exchange Agent	Wells Fargo Bank, National Association, the trustee under the Indenture, is serving as exchange agent in connection with the exchange offer.
Use of Proceeds	The issuance of the exchange notes will not provide us with any new proceeds. We are making the exchange offer solely to satisfy certain of our obligations under the registration rights agreement.
Fees and Expenses	We will bear all expenses related to the exchange offer. Please read The Exchange Offer Fees and Expenses.

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THE EXCHANGE NOTES

The following is a brief summary of some of the principal terms of the exchange notes and is not intended to be complete. You should carefully review the Description of the Exchange Notes section of this prospectus, which contains a detailed description of the terms and conditions of the exchange notes.

Issuer	Goodman Networks Incorporated, a Texas corporation.
Securities Offered	$100,000,000 in aggregate principal amount of 12.125% Senior Secured Notes due 2018 and the related guarantees.
Maturity Date	July 1, 2018.
Interest	We will pay interest on the exchange notes in cash semi-annually at an annual interest rate of 12.125% on January 1 and July 1 of each year, beginning on July 1, 2014.
Security	The exchange notes will be secured by: (i) a first-priority lien on substantially all of our, and each of our existing and future wholly owned material domestic subsidiaries, existing and future domestic plant, property, assets and equipment including tangible and intangible assets, other than the assets that secure our Credit Facility, on a first-priority basis, (ii) a first-priority lien on 100% of the capital stock of all of our future material U.S. subsidiaries and non-voting stock of our future material non-U.S. subsidiaries and 66% of all voting stock of our future material non-U.S. subsidiaries, or, collectively, the Notes Collateral, and (iii) a second-priority lien on our accounts receivables, inventory, related contracts and other rights and other assets related to the foregoing and proceeds thereof that secure our Credit Facility on a first-priority basis, or the Bank Collateral, subject, in each case, to certain exceptions and permitted liens and releases under certain circumstances.
Guarantees	All of our existing and future wholly owned material domestic subsidiaries, or the guarantors, will fully and unconditionally guarantee the exchange notes on a senior secured basis, or the exchange note guarantees. The exchange note guarantees will be joint and several obligations of the guarantors.
Ranking	The exchange notes:
	will be our general senior secured obligations;
	will be structurally subordinated to any existing and future indebtedness and other liabilities of our non-guarantor subsidiaries;

- will be *pari passu* in right of payment with all of our existing and future indebtedness that is not subordinated;
- will be senior in right of payment to any of our existing and future subordinated indebtedness;
- will be unconditionally guaranteed on a senior secured basis by our existing guarantors; and

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	may be unconditionally guaranteed on a senior secured basis by certain future guarantors.
	Each exchange note guarantee of a guarantor:
	will be a general senior secured obligation of that guarantor;
	will be secured on a first-priority lien basis by the Notes Collateral owned by such guarantor and on a second-priority lien basis by the Bank Collateral owned by such guarantor;
	will be *pari passu* in right of payment with all existing and future indebtedness of that guarantor that is not subordinated; and
	will be senior in right of payment to any future subordinated indebtedness of that guarantor.
	See Description of the Exchange Notes Brief Description of the Notes and Note Guarantees.
	In the event of a bankruptcy, liquidation or reorganization of any non-guarantor subsidiary, such subsidiary will pay the holders of its debt and its trade creditors before it will be able to distribute any of its assets to us. See Risk Factors Risks Related to the Exchange Notes Your right to receive payment on the exchange notes will be structurally subordinated to the liabilities of our non-guarantor subsidiaries.
Intercreditor Agreement	The collateral trustee is party to an intercreditor agreement with us and PNC Bank, National Association, or PNC Bank, agent under our Credit Facility, that governs the relationship between the lenders under the Credit Facility and the holders of the exchange notes, with respect to the relative rights of such creditors in and to the collateral that secures both the exchange notes and our obligations under the Credit Facility. See Description of the Exchange Notes The Intercreditor Agreement.
Optional Redemption	Prior to July 1, 2014, we may redeem up to 35% of the aggregate principal amount of the exchange notes and the $225 million in aggregate principal amount of notes issued in June 2011, or the original notes, at the premium set forth in this prospectus, plus accrued and unpaid interest and additional interest, if any, with the net cash proceeds of certain equity offerings; subject to at least 65% of the original total principal amount of the original notes remaining outstanding following such redemption.
	Prior to July 1, 2015, we may redeem some or all of the exchange notes at a make-whole premium set forth in this prospectus, plus accrued and unpaid interest and additional interest, if any.

	On or after July 1, 2015, we may redeem some or all of the exchange notes at a premium that will decrease over time as set forth in this prospectus, plus accrued and unpaid interest and additional interest, if any.
Change of Control Offer	If we undergo a change of control, we will be required to make an offer to each holder of the exchange notes to repurchase all or a portion of its exchange notes at 101% of their principal amount, plus

	accrued and unpaid interest and additional interest, if any, to the date of repurchase. See Description of the Exchange Notes Repurchase at the Option of Holders Change of Control.
Asset Sale Offer	If we sell certain assets or experience certain casualty events and do not use the net proceeds as required, we will be required to use such net proceeds to repurchase the exchange notes at 100% of their principal amount, plus accrued and unpaid interest and additional interest, if any, to the date of repurchase. See Description of the Exchange Notes Repurchase at the Option of Holders Asset Sales.
Certain Covenants	The indenture governing the exchange notes limits our ability and the ability of our restricted subsidiaries to, among other things: incur or guarantee additional indebtedness or issue certain preferred equity; pay dividends on, and make certain distributions in respect of, capital stock or make other restricted payments; create or incur certain liens; make certain investments; sell certain assets; enter into certain transactions with affiliates; agree to certain restrictions on the ability of restricted subsidiaries to make payments to us; merge, consolidate, sell all or otherwise dispose of all or substantially all of our assets; and designate our subsidiaries as unrestricted subsidiaries. These covenants are subject to a number of important exceptions and qualifications, which are described under Description of the Exchange Notes Certain Covenants.
No Prior Market	The exchange notes will be a new issue of securities for which there is no established market. Accordingly, there can be no assurance that a market for the exchange notes will develop or as to the liquidity of any market that may develop. We do not intend to apply

	for listing of the exchange notes on any securities exchange or for the inclusion of the exchange notes in any automated quotation system.
Risk Factors	You should consider carefully all of the information set forth in this prospectus and, in particular, you should evaluate the specific factors under the section entitled Risk Factors in this prospectus, before deciding to exchange your outstanding notes.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA OF GOODMAN NETWORKS

The following table sets forth the summary historical consolidated financial and operating data of Goodman Networks as of and for the fiscal years ended December 31, 2011, 2012 and 2013, which has been derived from, and should be read together with, our audited historical consolidated financial statements and related notes included elsewhere in this prospectus, and as of and for the three months ended March 31, 2013 and 2014, which has been derived from, and should be read together with, our unaudited historical consolidated financial statements and related notes included elsewhere in this prospectus.

On February 28, 2013, we completed the CSG acquisition. Accordingly, the operations and assets acquired in the CSG acquisition are included in our historical results of operations beginning March 1, 2013 and reflected in our historical balance sheet beginning as of June 30, 2013. We completed the merger with Multiband on August 30, 2013. The operations and assets of Multiband are included in our historical results of operations beginning August 31, 2013 and reflected in our historical balance sheet beginning as of September 30, 2013.

You should read the following summary historical financial and operating data in conjunction with the information under Management s Discussion and Analysis of Financial Condition and Results of Operations, our consolidated financial statements and other financial information included elsewhere in this prospectus. Our historical results included below and elsewhere in this prospectus are not necessarily indicative of our future performance.

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(Dollars in thousands, except ratio data)				
Statement of Operations Data(1):					
Revenues	$ 729,002	$ 609,227	$ 931,745	$ 151,200	$ 256,591
Cost of revenues	610,784	499,288	806,109	125,961	223,204
Gross profit	118,218	109,939	125,636	25,239	33,387
Selling, general and administrative expenses	67,450	87,216	121,106	24,854	32,070
Other operating income (expense)	(4,000)				
Operating income (loss)	46,768	22,723	4,530	385	1,317
Interest expense	20,548	31,998	40,287	7,911	11,687
Other income			(25)		(31)
Income (loss) before income tax expense	26,220	(9,275)	(35,732)	(7,526)	(10,339)
Income tax expense (benefit)	10,309	(4,176)	7,506	(2,724)	(51)
Net income (loss) from continuing operations	$ 15,911	$ (5,099)	$ (43,238)	$ (4,802)	$ (10,288)
Other Financial Data:					
EBITDA from continuing operations (2)	$ 51,287	$ 26,344	$ 14,313	$ 1,512	$ 4,216
Adjusted EBITDA from continuing operations (2)	53,494	42,431	25,758	5,818	4,381
Capital expenditures (3)	3,227	3,470	4,964	408	2,130
Ratio of Earnings to Fixed Charges (4)		2.19x			
Balance Sheet Data (at period end):					
Cash and cash equivalents	$ 100,637	$ 120,991	$ 59,439	$ 60,377	$ 33,773
Total assets	301,826	324,159	508,390	318,406	457,964
Long-term debt (net of current portion)	221,401	221,953	330,346	222,088	330,463
Total shareholders deficit	(95,241)	(92,323)	(135,324)	(100,088)	(144,577)

(1)

During the three months ended March 31, 2013, transitional services ceased on an expired contract with AT&T in the Pacific Northwest region. Accordingly, the results of operations for the Pacific Northwest region are presented as discontinued operations for all periods presented.

(2) EBITDA from continuing operations represents net income from continuing operations before income tax expense, interest, depreciation and amortization. We present EBITDA from continuing operations because we consider it to be an important supplemental measure of our operating performance and we believe that such information will be used by securities analysts, investors and other interested parties in the evaluation of high yield issuers, many of which present EBITDA from continuing operations when reporting their results. We

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consider EBITDA from continuing operations to be an operating performance measure, and not a liquidity measure, that provides a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies.

We present Adjusted EBITDA from continuing operations, which adjusts EBITDA from continuing operations for items that management does not consider to be reflective of Goodman Networks core operating performance, because it may be used by certain investors as a measure of operating performance. Management considers core operating performance to be that which can be affected by managers in any particular period through their management of the resources that affect our underlying revenue and profit generating operations during that period. Adjusted EBITDA from continuing operations adjusts EBITDA from continuing operations to eliminate the impact of certain items, including: (i) share-based compensation (non-cash portion); (ii) certain professional and consultant fees identified in the Indenture; (iii) severance expense (paid to certain senior level employees); (iv) amortization of debt issuance costs; (v) restatement fees and expenses; (vi) a tax gross-up payment made to the Company s Chief Executive Officer to cover his tax obligation for an award of common stock and (vii) transaction fees and expenses related to acquisitions.

Because EBITDA from continuing operations and Adjusted EBITDA from continuing operations are not recognized measurements under GAAP, both have limitations as analytical tools. Because of these limitations, when analyzing our operating performance, investors should use EBITDA from continuing operations and Adjusted EBITDA from continuing operations in addition to, and not as an alternative for, net income, operating income or any other performance measure presented in accordance with GAAP. Similarly, investors should not use EBITDA from continuing operations and Adjusted EBITDA from continuing operations as an alternative to cash flow from operating activities or as a measure of our liquidity.

The following table reconciles net income to EBITDA from continuing operations and EBITDA from continuing operations to Adjusted EBITDA from continuing operations:

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(Dollars in thousands)				
EBITDA from continuing operations and Adjusted EBITDA from continuing operations:					
Net income (loss) from continuing operations	$ 15,911	$ (5,099)	$ (43,238)	$ (4,802)	$ (10,288)
Income tax expense (benefit)	10,309	(4,176)	7,506	(2,724)	(51)
Interest expense	20,548	31,998	40,287	7,911	11,687
Depreciation and amortization	4,519	3,621	9,758	1,127	2,868
EBITDA from continuing operations	51,287	26,344	14,313	1,512	4,216
Share-based compensation (a)	1,023	5,629	4,507	1,320	1,035
Specified professional fees (b)	651			(295)	(870)
Severance expense (c)	1,228			2,921	
Amortization of debt issuance costs (d)	(695)	(1,195)	(1,990)	360	
Restatement fees and expenses (e)		8,075	3,382		
Tax gross up on CEO stock grant (f)		3,226			
Acquisition related transaction expenses (g)		352	5,546		
Adjusted EBITDA from continuing operations	$ 58,768	$ 46,567	$ 25,758	$ 5,818	$ 4,381

(a) Represents non-cash expense related to equity-based compensation.

(b) Includes: (i) third-party consultant fees for a review of various business process and cost improvement initiatives; (ii) third-party consultant fees as a result of an investment in our company by affiliates of The Stephens Group, LLC; (iii) fees paid to an executive recruiting firm and (iv) operations review expenses.

(c) Represents severance costs paid to certain senior level employees upon termination of their employment with us.

(d) Amortization of debt issuance costs is included in interest expense but excluded in the calculation of Consolidated EBITDA per the Indenture governing the notes.

(e) Represents accounting advisory and audit fees incurred in connection with completing the restatement of the Company s financial statements for the years ended December 31, 2009, 2010 and 2011, and preparing the Company s financial statements for the year ended December 31, 2012, on the completed contract method and modifying the Company s business processes to account for construction projects under the completed contract method going forward.

(f) Represents a tax gross-up payment made to cover the tax obligation for share grant made to the Company s Chief Executive Officer in connection with his transition into that role.

(g) Represents fees and expenses incurred relating to our recent acquisitions.

(3) Includes purchase of property and equipment financed through capital leases and other financing arrangements.

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(4) For purposes of calculating the ratio of earnings to fixed charges, earnings represents income before income taxes plus fixed charges (excluding capitalized interest). Fixed charges includes interest expense (including capitalized interest), amortization of issuance expense and the portion of rent expense that management believes is representative of the interest component of rental expense, which is currently one-third. For the years ended December 31, 2012 and 2013, earnings were insufficient to cover fixed charges by $9.3 million and $35.7 million, respectively. For the three months ended March 31, 2013 and 2014, earnings were insufficient to cover fixed charges by $7.5 million and $10.3 million, respectively.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA OF MULTIBAND

The following table sets forth the summary historical consolidated financial and operating data of Multiband as of and for the periods indicated. The summary historical consolidated financial and operating data set forth below as of and for each of the years in the two-year period ended December 31, 2012, has been derived from Multiband s historical consolidated financial statements and related notes included elsewhere in this prospectus. The selected historical consolidated financial data set forth below as of and for each of the six months ended June 30, 2012 and 2013, has been derived from Multiband s unaudited consolidated financial statements and related notes included elsewhere in this prospectus.

You should read the following summary historical consolidated financial and operating data in conjunction with Multiband s consolidated financial statements and other financial information included elsewhere in this prospectus. Historical results are not necessarily indicative of the results to be expected for any future period.

	Year Ended December 31,		Six Months Ended June 30,	
	2011	2012	2012	2013
			(Unaudited)	
	(Dollars in thousands)			
Statement of Operations Data:				
Revenues	$ 300,186	$ 293,939	$ 136,495	$ 143,929
Cost of revenues	214,559	213,182	100,186	104,995
Gross profit	85,627	80,757	36,309	38,934
Selling, general and administrative expenses	63,939	67,215	32,353	31,350
Depreciation and amortization	6,757	6,601	3,304	3,090
Impairment of assets	246			
Operating income (loss)	14,685	6,941	652	4,494
Total other expense	(4,030)	(4,066)	(2,359)	(2,408)
Income (loss) before income tax expense	10,655	2,875	(1,707)	2,086
Income tax expense (benefit)	3,611	(2,313)	(552)	892
Net income (loss) from continuing operations	7,044	5,188	(1,155)	1,194
Income (loss) from discontinued operations		(2,582)	(351)	(1,997)
Net income (loss)	$ 7,044	$ 2,606	$ (1,506)	$ (803)
Other Financial Data:				
EBITDA (1)	$ 21,496	$ 9,988	$ 2,990	$ 4,310
Balance Sheet Data (at period end):				
Cash and cash equivalents	$ 18,169	$ 18,056	$ 8,685	$ 327
Total assets	141,602	140,474	136,303	131,977
Long-term debt (net of current portion)	29,229	20,458	3,583	18,331
Total stockholders equity	42,952	46,673	42,451	46,726

(1) We present Multiband s EBITDA because we consider it to be an important supplemental measure of operating performance and believe that such information will be used by securities analysts, investors and other interested parties in the evaluation of high yield issuers, many of which present EBITDA when reporting their results. We consider EBITDA to be an operating performance measure, and not a liquidity measure, that provides a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies.

EBITDA is not a recognized measurement under GAAP, and, therefore, has limitations as an analytical tool. Because of these limitations, when analyzing Multiband s operating performance, investors should use EBITDA in addition to, and not as an alternative for, net income, operating income or any other performance measure presented in accordance with GAAP. Similarly, investors should not use EBITDA as an alternative to cash flow from operating activities or as a measure of Multiband s liquidity.

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The following table reconciles net income to EBITDA for Multiband for the periods presented:

	Year Ended December 31,		Six Months Ended June 30,	
	2011	2012	2012	2013
			(Unaudited)	
	(Dollars in thousands)			
Net income (loss) from continuing operations	$ 7,044	$ 5,188	$ (1,155)	$ 1,194
Income tax expense (benefit)	3,611	(2,313)	(552)	892
Interest expense	3,838	3,698	1,836	2,445
Depreciation and amortization (includes impairment of assets)	7,003	6,601	3,304	3,090
EBITDA from continuing operations	$ 21,496	$ 13,174	$ 3,433	$ 7,621
Income (loss) from discontinued operations, net of tax		(2,582)	(351)	(1,997)
Income tax expense (benefit) from discontinued operations		(1,574)	(278)	(1,314)
Interest expense from discontinued operations		2	3	
Depreciation and amortization from discontinued operations (includes impairment of assets)		968	183	
EBITDA from discontinued operations		(3,186)	(443)	(3,311)
Total EBITDA	$ 21,496	$ 9,988	$ 2,990	$ 4,310

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RISK FACTORS

Investing in the exchange notes involves risks. You should carefully consider the following information about these risks before investing in the exchange notes. The risks and uncertainties described below are not the only risks and uncertainties we face. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. If any of these risks actually occur, our business, financial condition or results of operations would likely suffer. In such case, the value of the exchange notes could decline, and you may lose all or part of the money you paid to buy the exchange notes.

Risks Related to the Exchange Offer

There is no active trading market for the exchange notes. As a result, the value of the exchange notes may fluctuate significantly and any market for the exchange notes may be illiquid.

The exchange notes will be a new issue of debt securities of the same class as the outstanding notes and will generally be freely transferrable. Notwithstanding the foregoing, a liquid market may not develop for the exchange notes, and you may be unable to sell your exchange notes at a particular time, as we do not intend to apply for the exchange notes to be listed on any securities exchange or to arrange for quotation on any automated dealer quotation system. In addition, the trading prices of the exchange notes could be subject to significant fluctuations in response to government regulations, variations in quarterly operating results, general economic conditions and various other factors. The liquidity of the trading market in the exchange notes and the market price quoted for the exchange notes may also be adversely affected by changes in the overall market for high-yield securities and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. The liquidity of any market for exchange notes will depend upon various factors, including:

- the number of holders of the exchange notes;
- the interest of securities dealers in making a market for the exchange notes;
- the overall market for similar classes of securities;
- our financial performance or prospects; and
- the performance and prospects for companies in our industry generally.

Accordingly, we cannot assure you that a market or liquidity will develop for the exchange notes. Historically, the markets for non-investment grade indebtedness have been subject to disruptions that have caused substantial volatility in the prices of securities similar to the exchange notes. We cannot assure you that the market for the exchange notes, if any, will not be subject to similar disruptions. Any such disruptions may adversely affect you as a holder of the exchange notes. If no active trading market develops, you may be unable to resell your exchange notes at their fair market value or at all.

If you do not exchange your outstanding notes in the exchange offer, the transfer restrictions currently applicable to your outstanding notes will remain in force, and the market price of your outstanding notes could decline.

If you do not exchange your outstanding notes for exchange notes in the exchange offer, you will continue to be subject to restrictions on transfer of your outstanding notes as set forth in the offering memorandum distributed in connection with the private offering of the outstanding notes. In general, the outstanding notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the outstanding notes under the Securities Act.

The tender of outstanding notes under the exchange offer will reduce the aggregate principal amount of the outstanding notes, which may have an adverse effect upon, and increase the volatility of, the market prices of the outstanding notes due to a reduction in liquidity. In addition, if you do not exchange your outstanding notes in the

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exchange offer, you will no longer be entitled to exchange your outstanding notes for exchange notes registered under the Securities Act, and you will no longer be entitled to have your outstanding notes registered for resale under the Securities Act.

Risks Related to Our Indebtedness and the Exchange Notes

Our substantial level of indebtedness could adversely affect our business, financial condition or results of operations and prevent us from fulfilling our obligations under the exchange notes.

We have a significant amount of indebtedness. As of March 31, 2014, we had approximately $341.8 million of indebtedness outstanding (including unamortized discounted premium thereon).

Our substantial indebtedness could have important consequences to you. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to the notes;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and changes in the industries we serve and in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less debt;
- limit our ability to borrow additional funds for working capital, capital expenditures and other general corporate purposes; and
- limit our ability to refinance our indebtedness, including the notes.

Despite our levels of indebtedness, we may still be able to incur a significant amount of additional debt, which could exacerbate the risks to our financial condition and prevent us from fulfilling our obligations under the notes.

We may be able to incur significant additional indebtedness in the future. Although the credit agreement governing our Credit Facility, or the Credit Agreement, and the indenture governing the notes contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions. This may affect our ability to make principal and interest payments on the notes when due. These restrictions also will not prevent us from incurring obligations that do not constitute indebtedness.

We may be unable to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may be unsuccessful.

Our ability to make scheduled payments on our debt obligations or to refinance them depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may also be required to obtain the consent of the lenders under our Credit Facility to refinance material portions of our indebtedness, including the notes. We cannot assure you that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the notes, or to otherwise fund our liquidity needs.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. These alternative measures may be unsuccessful and may not permit us to meet our scheduled debt service obligations. If our operating results and available cash

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are insufficient to meet our debt service obligations, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may be unable to consummate those dispositions or to obtain the proceeds that we could realize from them, and these proceeds may be inadequate to meet any debt service obligations then due. Additionally, the Credit Agreement and the indenture governing the notes limit the use of the proceeds from any disposition; as a result, we may not be allowed, under these documents, to use proceeds from such dispositions to satisfy all current debt service obligations.

If we default under our Credit Facility, we may be unable to service our debt obligations.

In the event of a default under our Credit Facility, the lenders could elect to declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be due and payable. If such acceleration occurs, the amounts outstanding under the exchange notes may be accelerated, and we may be unable to repay the amounts due under our Credit Facility or the exchange notes. The events of default under our Credit Facility are customary for financings of this type (subject to customary and appropriate grace periods). An acceleration of our indebtedness under the Credit Facility and the exchange notes could have serious consequences to the holders of the exchange notes and to our financial condition and results of operations, and could cause us to become bankrupt or insolvent.

Indebtedness under our Credit Facility is effectively senior to the exchange notes and any guarantees with regard to the value of the collateral securing the Credit Facility.

As of March 31, 2014, we had $42.1 million of unused availability under our Credit Facility, which takes into account $4.5 million of outstanding letters of credit, subject to borrowing base determination and the maintenance of certain covenants. Obligations under our Credit Facility are secured by a first-priority lien on the Bank Collateral. The exchange notes will be secured by a second-priority lien on the Bank Collateral. Any rights to payment and claims by the holders of the exchange notes will, therefore, be effectively junior to any rights to payment or claims by our creditors under our Credit Facility with respect to distributions of the Bank Collateral. Only when the obligations under our Credit Facility are satisfied in full will the proceeds of the Bank Collateral be available, subject to other permitted liens, to satisfy obligations under the exchange notes. The exchange notes will also be effectively junior in right of payment to any other indebtedness collateralized by a higher priority lien on our assets, to the extent of the realizable value of such collateral.

The Credit Facility will mature prior to the notes, and we will have to refinance or repay any outstanding balance on the Credit Facility prior to repaying the notes.

Prior to the repayment of the notes, we will be required to repay the outstanding balance owed on our Credit Facility, which consists of a $50.0 million total commitment, $3.4 million of which was borrowed as of March 31, 2014, and the availability under which was further reduced by $4.5 million of outstanding letters of credit as of March 31, 2014. If we borrow under the Credit Facility, we may be unable to refinance any of this indebtedness on commercially reasonable terms or at all. If we are unable to repay or refinance any of this indebtedness or obtain new financing under these circumstances, our lenders will be entitled to exercise the remedies provided in the Credit Facility and we will have to consider other options, such as:

- sales of assets;
- sales of equity;
- negotiations with our lenders to restructure the applicable indebtedness; and
- commencement of voluntary bankruptcy proceedings.

Our debt instruments may restrict, or market or business conditions may limit, our ability to use some of these options. Our failure to pay our obligations with respect to the Credit Facility would also constitute an event

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of default under the indenture governing the notes, which would entitle the holders of the exchange notes to accelerate our obligations with respect to the notes and exercise the remedies provided in the indenture and security documents relating to the notes.

The right of holders of exchange notes to receive payment on the exchange notes will be structurally subordinated to the liabilities of our non-guarantor subsidiaries.

Only our existing and future material domestic subsidiaries will guarantee the exchange notes. The exchange notes will be structurally subordinated to all indebtedness of our subsidiaries that are not guarantors of the exchange notes. While the indenture limits the indebtedness and activities of these non-guarantor subsidiaries, holders of indebtedness of, and trade creditors of, non-guarantor subsidiaries, are entitled to payments of their claims from the assets of such subsidiaries before those assets are made available for distribution to us, as direct or indirect shareholder.

Accordingly, in the event that any of our non-guarantor subsidiaries becomes insolvent, liquidates or otherwise reorganizes:

- our creditors (including the holders of the exchange notes) will have no right to proceed against such subsidiary s assets; and

- the creditors of the non-guarantor subsidiaries, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of assets of such non-guarantor subsidiary before we, as direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary.

We may not have the ability to raise the funds necessary to finance the change of control offer or the asset sale offer required by the indenture governing the exchange notes.

Upon a change of control, subject to certain conditions, we are required to offer to repurchase all outstanding exchange notes at 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of repurchase. Further, upon certain asset sales subject to certain conditions and exceptions, we may be required to repurchase any outstanding exchange notes at 100% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any. The source of funds for the purchases of the exchange notes will be our available cash or other potential sources, including borrowings, proceeds from sales of assets or proceeds from sales of equity. Sufficient funds from such sources may be unavailable at the time of any change of control or asset sale to make required repurchases of the exchange notes tendered. Our future indebtedness agreements may limit our ability to repurchase your exchange notes and/or provide that certain change of control events or asset sales will constitute an event of default thereunder.

Holders of the exchange notes may be unable to determine when a change of control giving rise to their right to have the exchange notes repurchased has occurred following a sale of substantially all of our assets.

The definition of change of control in the indenture governing the exchange notes includes a phrase relating to the sale of all or substantially all of our assets. There is no precise established definition of the phrase substantially all under applicable law. Accordingly, the ability of a holder of the exchange notes to require us to repurchase its exchange notes as a result of a sale of less than all our assets to another person may be uncertain.

The intercreditor agreement in connection with the indenture governing the notes may limit the rights of the holders of the notes and their control with respect to the Notes Collateral.

The rights of the holders of the notes with respect to the Notes Collateral are substantially limited pursuant to the terms of the intercreditor agreement. Under the intercreditor agreement, if amounts or commitments remain outstanding under our Credit Facility, actions taken in respect of Notes Collateral, including the ability to cause the commencement of enforcement proceedings against such collateral and to control the conduct of these

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proceedings, will be at the sole direction of the holders of the obligations secured by the first priority liens, subject to certain limitations. As a result, the collateral trustee, on behalf of the holders of the notes, may not have the ability to control or direct these actions, even if the rights of the holders of the exchange notes are adversely affected. The intercreditor agreement also contains certain provisions that restrict the collateral trustee, on behalf of the holders of the notes, from objecting to a number of important matters involving certain of the collateral following a bankruptcy filing by us. After such a filing, the value of the collateral could materially deteriorate.

U.S. bankruptcy laws may limit your ability to realize value from the collateral.

The right of the collateral trustee to repossess and dispose of the Notes Collateral is likely to be significantly impaired by applicable bankruptcy law if a bankruptcy proceeding were to be commenced by or against us. Even if the repossession and disposition has occurred, a subsequent bankruptcy proceeding could give rise to causes of action against the collateral trustee and the holders of the exchange notes. Following the commencement of a case under the United States Bankruptcy Code, as amended, or the Bankruptcy Code, a secured creditor such as the collateral trustee is prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from such debtor, without prior bankruptcy court approval, which may not be obtained. Moreover, the Bankruptcy Code permits the debtor to continue to retain and use collateral, and the proceeds, products, rents or profits of the collateral, even though the debtor is in default under the applicable debt instruments so long as the secured creditor is given adequate protection. A bankruptcy court may also determine that a secured creditor is not entitled to any compensation or other protection in respect of the diminution in the value of its collateral if the value of the collateral exceeds the amount of the debt it secures.

The meaning of the term adequate protection varies according to circumstances, and may include, among other things, cash payments or the granting of additional security, but it is intended generally to protect the value of the secured creditor s interest in the collateral as of the commencement of the bankruptcy case and is granted in the bankruptcy court s sole discretion.

Given the uncertainty as to the value of the Notes Collateral at the time any bankruptcy case may be commenced, and in view of the fact that the granting of adequate protection varies on a case-by-case basis and remains within the broad discretionary power of the bankruptcy court, it is impossible to predict:

- how long payments under the exchange notes could be delayed following commencement of a bankruptcy case;
- whether or when the collateral trustee could repossess or dispose of any collateral; and
- whether or to what extent the holders of the exchange notes would be compensated for any delay in payment or loss of value of the collateral through any grant of adequate protection.

It may be difficult to realize the value of the Notes Collateral.

The Notes Collateral is subject to any and all exceptions, defects, encumbrances, liens and other imperfections as may be accepted from time to time by the collateral trustee and any other creditors that also have the benefit of first priority liens on the Notes Collateral, whether on or after the date the exchange notes are issued. The existence of any such exceptions, defects, encumbrances, liens or other imperfections could adversely affect the value of the Notes Collateral as well as the ability of the collateral trustee to realize or foreclose on such collateral.

The security interest of the collateral trustee is subject to practical problems generally associated with the realization of security interests in collateral. For example, the collateral trustee may need to obtain the consent of a third party to obtain or enforce a security interest in a contract, and the collateral trustee may be unable to obtain any such consent. The consents of any third parties may not be given if required to facilitate a foreclosure on any particular assets. Accordingly, the collateral trustee may not have the ability to foreclose upon such assets and the value of the collateral may significantly decrease.

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The value of the Notes Collateral may be insufficient to satisfy our obligations under the exchange notes.

The exchange notes are secured by liens on the Notes Collateral. The value of the collateral and the amount to be received upon a sale of such collateral will depend upon many factors including, among others, the condition of the collateral and the telecommunications industry, the ability to sell the collateral in an orderly sale, the condition of the international, national, and local economies, the availability of buyers and other similar factors. No appraisal of the fair market value of the collateral has been prepared in connection with this offering. You should not rely upon the book value of the collateral as a measure of realizable value for such assets. By their nature, portions of the collateral may be illiquid and may have no readily ascertainable market value. In addition, a significant portion of the collateral includes assets that may only be usable, and thus retain value, as part of our existing operating businesses. Accordingly, any such sale of the collateral separate from the sale of certain operating businesses may not be feasible or have significant value.

There may be insufficient proceeds of collateral to pay off all amounts due under the exchange notes and any other debt that we may issue that would be secured on the same basis as the exchange notes. In addition, to the extent that third parties hold liens (including statutory liens), whether or not permitted by the indenture, such third parties may have rights and remedies with respect to the Notes Collateral that, if exercised, could reduce the proceeds available to satisfy the obligations under the exchange notes. Consequently, foreclosing on the Notes Collateral may not result in proceeds in an amount sufficient to pay all amounts due under the exchange notes. If the proceeds of any sale of collateral are not sufficient to repay all amounts due on the exchange notes, the holders of the exchange notes (to the extent not repaid from the proceeds of the sale of the Notes Collateral) would have only a senior unsecured claim against our remaining assets.

Additionally, applicable law requires that every aspect of any foreclosure or other disposition of collateral be commercially reasonable. If a court were to determine that any aspect of the collateral trustee s exercise of remedies was not commercially reasonable, the ability of you, as holder of the exchange notes, to recover the difference between the amount realized through such exercise of remedies and the amount owed on the exchange notes may be adversely affected and, in the worst case, you could lose all claims for such deficiency amount.

The Notes Collateral is subject to casualty risks that could reduce its value.

We may insure certain collateral against loss or damage by fire or other hazards. However, we may not maintain or continue such insurance and there are some losses that may be either uninsurable or not economically insurable, in whole or in part. As a result, the insurance proceeds may not compensate us fully for our losses. If there is a total or partial loss of any of the pledged assets, the proceeds received by us in respect thereof may be insufficient to repay the exchange notes. In the event of a total or partial loss of any of the pledged assets, certain items of equipment and inventory may not be easily replaced. Accordingly, even though there may be insurance coverage, the extended period needed to manufacture replacement units or inventory could cause significant delays.

Rights of the holders of the exchange notes in the Notes Collateral may be adversely affected by the failure to perfect security interests in certain collateral.

Applicable law requires that a security interest in certain tangible and intangible assets can only be properly perfected and its priority retained through certain actions. The liens in the Notes Collateral may be unperfected with respect to the claims of the holders of the exchange notes if certain actions necessary to perfect any of these liens are not taken.

In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest, such as rights in real property, can only be perfected at the time such property and rights are acquired and identified. Likewise, any rights acquired in a pending, unpublished intellectual property application may be unrecordable until after the application, or resulting registration, is published. There can be no assurance that the trustee or the collateral trustee will monitor, or that we will inform the trustee or the collateral trustee of,

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the future acquisition of property and rights that constitute collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. The collateral trustee for the exchange notes has no obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interest in favor of the exchange notes against third parties. Failure to perfect any such security interest could result in the loss of such security interest or the priority of the security interest in favor of the exchange notes against third parties.

There are circumstances other than repayment or discharge of the exchange notes under which the Notes Collateral will be released automatically, without your consent or the consent of the collateral trustee.

Under various circumstances, all or a portion of the collateral may be released, including:

- to enable the sale, transfer or other disposal of such collateral in a transaction not prohibited under the indenture or our Credit Facility, including the sale of any entity in its entirety that owns or holds such collateral; and

- with respect to any Bank Collateral, upon any release by the lenders under our Credit Facility of its first priority security interest in such Bank Collateral in connection with the exercise of remedies (other than any such release granted following the discharge of the obligations with respect to our Credit Facility).

We will in most cases have control over the Notes Collateral.

The security documents generally allow us to remain in possession of, to retain exclusive control over, to freely operate and to collect, invest and dispose of any income from, the Notes Collateral. These rights may adversely affect the value of the Notes Collateral at any time.

Ratings of the notes may cause their trading price to fall and affect the marketability of the notes.

A rating agency s rating of the notes is not a recommendation to purchase, sell or hold any particular security, including the notes. Such ratings are limited in scope and do not comment as to material risks relating to an investment in the notes. An explanation of the significance of such ratings may be obtained from such rating agencies. There is no assurance that such credit ratings will be issued or remain in effect for any given period of time. The rating agencies also may lower, suspend or withdraw ratings on the notes in the future. Holders of the notes will have no recourse against us or any other parties in the event of a change in, or suspension or withdrawal of, such ratings. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market prices or marketability of the notes.

If a bankruptcy petition were filed by or against us, holders of the exchange notes may receive a lesser amount for their claim than they would have been entitled to receive under the indenture governing the exchange notes.

If a bankruptcy petition were filed by or against us under the Bankruptcy Code after the issuance of the exchange notes, the claim by any holder of the exchange notes for the principal amount of the exchange notes may be limited to an amount equal to the sum of:

- the original issue price for the notes; and

- that portion of the original issue discount, or OID, on the notes, that does not constitute unmatured interest for purposes of the Bankruptcy Code.

Any OID that was not amortized as of the date of the bankruptcy filing would constitute unmatured interest, which may not be an allowable claim in a bankruptcy proceeding involving us. Accordingly, holders of the exchange notes under these circumstances may receive a lesser amount than they would be entitled to under the terms of the indenture governing the exchange notes, even if sufficient funds are available.

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The ability of the collateral trustee to exercise remedies against the collateral may be limited by terms of agreements to which we are a party.

We do not expect to notify third parties of the security interest of the collateral trustee or to obtain consents from such third parties to the pledge by us of their obligations under any agreements constituting collateral. However, some agreements purport to restrict us from transferring our rights thereunder without the consent of such third parties. We do not expect to seek and obtain consent of third parties. In these cases, the exchange notes will only be secured by such payment and other contractual rights to the extent that Sections 9-406 or 9-408 of the Uniform Commercial Code, or UCC, render such restrictions unenforceable or ineffective. In general, Section 9-406 of the UCC provides that, with respect to most rights to payment, provisions in agreements purporting to restrict or prohibit the right to pledge accounts receivable, chattel paper, promissory notes and payment intangibles are not enforceable.

Section 9-408 of the UCC would apply to general intangibles that are not payment intangibles but unlike Section 9-406 the override of anti-assignment clauses in Section 9-408 is quite limited and among many other restrictions would not permit the secured party to enforce the general intangible against the counterparty to the contract. However, both Section 9-406 and 9-408 are relatively new provisions with only a limited body of case law to interpret them and it is therefore uncertain the full extent to which these provisions will be available to the collateral trustee. If the collateral trustee is unable to exercise these rights under the UCC or unable to obtain consents, the value of the Notes Collateral as well as the ability of the collateral trustee to realize or foreclose on such collateral in a timely manner may be adversely affected.

The value of the Notes Collateral may be insufficient to entitle holders to payment of post-petition interest.

In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against us or a guarantor, holders of the exchange notes will be entitled to post-petition interest under the Bankruptcy Code only if the value of the Notes Collateral and any other indebtedness that is secured by an equal and ratable lien on the Notes Collateral, and the obligations under the Credit Facility is greater than the aggregate pre-bankruptcy claims of the secured parties under such shared collateral indebtedness plus the claims of the lenders for post-petition interest pursuant to their right to be paid first from the collateral. Holders of the exchange notes may be deemed to have an unsecured claim if our obligations in respect of the exchange notes exceed our pro rata share of the fair market value of the collateral securing the shared collateral indebtedness after satisfaction of our first priority indebtedness. Holders of the exchange notes that have a security interest in collateral with a value equal or less than the aggregate claims securing the shared collateral indebtedness will not be entitled to post-petition interest under the Bankruptcy Code. In addition, if any payments of post-petition interest were made at the time of such a finding of undercollateralization, such payments could be re-characterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to exchange notes. No appraisal of the fair market value of the Notes Collateral has been prepared and, therefore, the value of the collateral trustee s interest in the collateral may not equal or exceed the principal amount of the exchange notes and the other shared collateral indebtedness. We cannot assure you that there will be sufficient collateral to satisfy our and the subsidiary guarantors obligations under the exchange notes.

Intervening creditors may have a perfected security interest in the collateral that could be senior to the rights of holders of the notes.

There is a risk that there may be an intervening creditor that has a perfected security interest in the Notes Collateral, and if there is such an intervening creditor, the lien of such creditor may be entitled to a higher priority than the liens securing the exchange notes. We conducted searches in the appropriate public filing offices to ascertain the existence of any intervening creditors, but we cannot assure you that no intervening creditors exist or that any completed lien searches will reveal any or all existing liens on the Notes Collateral. Any such existing lien, including undiscovered liens, could be significant, could be prior in ranking to the liens securing the exchange notes and could have an adverse effect on the ability of the collateral trustee to realize or foreclose upon the Notes Collateral.

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Security interests of the holders of exchange notes in certain items of present and future collateral may be unperfected, which means that it may not secure our obligation under the notes.

The security interests will be unperfected with respect to certain items of collateral that cannot be perfected by the filing of financing statements in each debtor s jurisdiction of organization, the filing of mortgages, the delivery of possession of certificated securities or the filing of a notice of security interest with the U.S. Patent and Trademark Office or the U.S. Copyright Office or certain other conventional methods to perfect security interests in the United States. Security interests in collateral such as deposit accounts and securities accounts, which require additional actions to perfect liens on such accounts, may be unperfected or may not have priority with respect to the security interests of other creditors. To the extent that the security interests in any items of collateral are unperfected, the rights of the holders of the exchange notes with respect to such collateral will be equal to the rights of our general unsecured creditors in the event of any bankruptcy filed by or against us under applicable U.S. federal bankruptcy laws. Our failure to meet our obligations to inform the trustee and the collateral trustee of the future acquisition of property or rights that constitute collateral may constitute a breach under the indenture, which may result in the acceleration of our obligations under the exchange notes. However, acceleration of such obligations in such situation may not provide an adequate remedy to holders of the exchange notes if the value of the Notes Collateral is impaired by the failure to perfect the security interest in, or create a valid lien with respect to, such after-acquired collateral.

Federal and state fraudulent transfer laws may permit a court to void the exchange notes and the related guarantees, subordinate claims in respect of the exchange notes and the related guarantees and require holders of the exchange notes to return payments received and, if that occurs, you may not receive any payments on the exchange notes.

Federal and state fraudulent transfer and conveyance laws may apply to the issuance of the exchange notes and the incurrence of any guarantees of the exchange notes, including any note guarantees that may be entered into after the date of the issuance of the exchange notes pursuant to the terms of the indenture. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, delivery of the exchange notes or the exchange notes guarantees could be voided as a fraudulent transfer or conveyance if (1) we or any guarantor, as applicable, issued the exchange notes or incurred the exchange notes guarantees with the intent of hindering, delaying or defrauding creditors; or (2) we or any guarantor, as applicable, received less than reasonably equivalent value or fair consideration in return for either issuing the exchange notes or incurring the exchange notes guarantees and, in the case of (2) only, one of the following is also true at the time thereof:

- we or any guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the exchange notes or the incurrence of the exchange notes guarantees;

- the issuance of the exchange notes or the incurrence of the exchange notes guarantees left us or any guarantor, as applicable, with an unreasonably small amount of capital to carry on the business;

- we or any guarantor intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantors ability to pay such debts as they mature; or

- we or any guarantor was a defendant in an action for money damages, or had a judgment for money damages docketed against us or such guarantor if, in either case, after final judgment, the judgment is unsatisfied.

A court would likely find that we or a guarantor did not receive reasonably equivalent value or fair consideration for the exchange notes or such note guarantee if we or such guarantor did not substantially benefit directly or indirectly from the issuance of the exchange notes or the applicable exchange notes guarantee. As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or an antecedent debt is secured or satisfied. A debtor will generally not be considered to have received value in connection with a debt offering if the debtor uses the proceeds of that offering to make a dividend payment or otherwise retire or redeem equity securities issued by the debtor. We cannot be certain as to

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the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the exchange notes guarantees would not be further subordinated to our or our guarantors other debt. Generally, however, an entity would be considered insolvent if, at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

If a court were to find that the issuance of the exchange notes or the incurrence of the note guarantees was a fraudulent transfer or conveyance, the court could void the payment obligations under the exchange notes or such note guarantee or further subordinate the exchange notes or such note guarantee to presently existing and future indebtedness of ours or the related guarantor, or require the holders of the exchange notes to repay any amounts received with respect to such exchange notes guarantee. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the exchange notes. Further, the voidance of the exchange notes could result in an event of default with respect to our and our subsidiaries other debt that could result in acceleration of such debt. Although each note guarantee will contain a provision intended to limit that guarantor s liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer, this provision may be ineffective to protect those guarantees from being voided under fraudulent transfer law.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase significantly.

Borrowings under the Credit Facility are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remained the same, and our operating income and cash flows, including cash available for servicing our indebtedness, would correspondingly decrease.

We are permitted to create unrestricted subsidiaries, which will not be subject to any of the covenants in the indenture, and we may not be able to rely on the cash flow or assets of those unrestricted subsidiaries to pay our indebtedness.

Unrestricted subsidiaries are not subject to the covenants under the indenture. Unrestricted subsidiaries may enter into financing arrangements that limit their ability to make loans or other payments to fund payments in respect of the notes. Accordingly, we may not be able to rely on the cash flow or assets of unrestricted subsidiaries to pay any of our indebtedness, including the notes.

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Risks Related to Our Business

We derive substantially all of our revenues from subsidiaries of AT&T Inc., DIRECTV and Alcatel-Lucent. The loss of any of these customers or a reduction in their demand for our services would impair our business, financial condition and results of operations.

We derive substantially all of our revenues from subsidiaries of AT&T Inc., DIRECTV and Alcatel-Lucent. We derived our revenue from the following sources over the past three fiscal years and the first three months of 2013 and 2014 (dollars in thousands):

	Years Ended December 31,								Quarter Ended March 31,					
	2011		2012		2013		2013, on a pro forma basis for the merger with Multiband (1)		2013		2013, on a pro forma basis for the merger with Multiband (1)		2014	
	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total
Revenue From:														
Subsidiaries of AT&T Inc.	$ 650,372	89.2%	$ 532,082	87.3%	$ 662,758	71.1%	$ 662,758	58.4%	$ 129,514	85.7%	$ 129,514	58.4%	$ 156,913	61.2%
DIRECTV					$ 92,425	9.9%	$ 270,329	23.8%			$ 61,450	27.7%	$ 55,447	21.6%
Alcatel-Lucent	$ 72,332	9.9%	$ 55,022	9.0%	$ 57,940	6.2%	$ 57,940	5.1%	$ 12,088	8.0%	$ 12,088	5.5%	$ 10,800	4.2%
	$ 722,704	99.1%	$ 587,104	96.3%	$ 813,123	87.3%	$ 991,027	87.3%	$ 141,602	93.7%	$ 203,052	91.6%	$ 223,160	87.0%

(1) Giving effect to the merger with Multiband as if it occurred on January 1, 2013.

Because we derive substantially all of our revenues from these customers, and certain of our services for AT&T are provided on a territory basis, with no required commitment for AT&T to spend a specified amount in such territory with us, we could experience a material adverse effect to our business, financial condition or results of operations if the amount of business we obtain from these customers is reduced. On May 18, 2014, AT&T Inc. and DIRECTV announced that they had entered into a merger agreement pursuant to which DIRECTV would merge with a subsidiary of AT&T Inc. The closing of the merger is subject to several conditions, including review and approval by the FCC and the Department of Justice. If the merger occurs, our revenues would become more concentrated and dependent on our relationship with AT&T Inc. Additionally, we have recently experienced declining revenues under the Alcatel-Lucent Contract, and Alcatel-Lucent may elect not to renew the Alcatel-Lucent Contract following its expiration on December 31, 2014. To the extent that our performance does not meet customer expectations, or our reputation or relationships with our key customers are impaired, we may lose future business with such customers, which would materially adversely affect our ability to generate revenue. Any of these factors could negatively impact our business, financial condition or results of operations.

Amounts included in our estimated backlog may not result in actual revenue or translate into profits, and our estimated backlog is subject to cancellation and unexpected adjustments and therefore is an uncertain indicator of future operating results.

As of September 30, 2013, our estimated backlog through March 31, 2015 was primarily comprised of services anticipated to be performed under master service agreements, pursuant to which our customers often have little or no obligation to undertake any work with us and that are cancellable on limited notice. These estimated backlog amounts are based on our estimates and therefore may not result in actual recognition of revenue in the originally anticipated period, or at all, or may not translate into profits. In addition, certain contracts included in our estimated backlog may not be profitable. We may experience variances in the realization of our estimated backlog because of project delays or cancellations resulting from weather conditions, other project deferrals or delays, scope adjustments, external market factors and economic factors beyond our control. If our estimated backlog fails to materialize as anticipated, our business, financial condition or results of operations would be materially and adversely affected. Accordingly, our estimated backlog as of any particular date is an uncertain indicator of future revenue or earnings.

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Our results of operations have been variable, which makes it difficult to evaluate our business and to forecast future results.

Our results of operations have been variable, which makes it difficult to evaluate our business and to forecast our future results based upon our historical data. For the years ended December 31, 2011, 2012 and 2013, and the three months ended March 31, 2014, we had net income (loss) of $19.3 million, $(2.5) million, $(43.2) million and $(10.3) million, respectively. As evidenced by these financial results, we may be unable to achieve or maintain profitability on a consistent basis. Because of the uncertainties related to our operations, we may be hindered in our ability to adapt to increases or decreases in sales, revenues or expenses. If we make poor operational decisions in implementing our business plan, we may not generate revenues or may incur losses, which may materially adversely affect our business, financial condition or results of operations.

Most of our contracts do not obligate our customers to undertake a significant amount, if any, of infrastructure projects or other work with us and may be cancelled on limited notice, so our revenue is not guaranteed.

Substantially all of our revenue is derived from multi-year MSAs. Under our multi-year MSAs, we contract to provide customers with individual project services through work orders within defined geographic areas or scopes of work on a fixed fee. Under these agreements, our customers often have little or no obligation to undertake any infrastructure projects or other work with us. In addition, most of our contracts are cancellable on limited notice, even if we are not in default under the contract. We may hire employees permanently to meet anticipated demand for the anticipated projects that may be delayed or cancelled. DIRECTV also may change the terms, such as term, termination, pricing and services areas, of its agreements with Multiband, and has done so in the past, to terms that are more favorable to DIRECTV. Further, the Alcatel-Lucent Contract a cross-default provision pursuant to which a default under one of our credit facilities would also constitute a default under the Alcatel-Lucent Contract. In addition, many of our contracts, including our service agreements, are periodically open to public bid. We may not be the successful bidder on our existing contracts that are re-bid. We could face a drop in revenues and our business, financial condition or results of operations could be materially adversely affected if:

- we see a significant decline in the projects customers assign to us under our service agreements;
- our customers cancel or defer a significant number of projects;
- we fail to win our existing contracts upon re-bid; or
- we complete the required work under a significant number of our non-recurring projects and cannot replace them with similar projects.

Our revenues could be negatively affected by reduced support from DIRECTV.

DIRECTV conducts promotional and marketing activities on national, regional and local levels. Due to the Field Services segment s substantial dependence on DIRECTV, the Field Services segment s revenues depend, in significant part, on: (i) the overall reputation and success of DIRECTV; (ii) the incentive and discount programs provided by DIRECTV and its promotional and marketing efforts for its products and services; (iii) the goodwill associated with DIRECTV trademarks; (iv) the introduction of new and innovative products by DIRECTV; (v) the manufacture and delivery of competitively-priced, high quality equipment and parts by DIRECTV in quantities sufficient to meet customers requirements on a timely basis; (vi) the quality, consistency and management of the overall DIRECTV system; and (vii) the ability of DIRECTV to manage its risks and costs. If DIRECTV does not provide, maintain or improve any of the foregoing, if DIRECTV changes the terms of its incentive and discount programs, or if DIRECTV were sold or reduced or ceased operations, there could be a material adverse effect on our financial condition and results of operations.

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If we do not obtain additional capital to fund our operations and obligations, our growth may be limited.

We may require additional capital to fund our operations and obligations. Our business is working capital intensive. As our business has grown, we have managed periods of tight liquidity by accessing capital from our shareholders and their affiliates, some of whom are no longer affiliated with us. Our capital requirements will depend on several factors, including:

- our ability to enter into new agreements with customers or to extend the terms of our existing agreements with customers, and the terms of such agreements;
- the success rate of our sales efforts;
- costs of recruiting and retaining qualified personnel;
- expenditures and investments to implement our business strategy; and
- the identification and successful completion of acquisitions.

We may seek additional funds through equity or debt offerings and/or borrowings under lines of credit or other sources, including a possible increase in the borrowing base in the Credit Facility. If we cannot raise additional capital, we may have to implement one or more of the following remedies:

- curtail internal growth initiatives; and
- forgo the pursuit of acquisitions.

We do not know whether additional financing will be available on commercially acceptable terms, if at all, when needed. If adequate funds are not available or are not available on commercially acceptable terms, our ability to fund our operations, support the growth of our business or otherwise respond to competitive pressures could be significantly delayed or limited, which could materially adversely affect our business, financial condition or results of operations.

The Credit Facility and the indenture governing the notes impose significant operating and financial restrictions on us that may prevent us from engaging in transactions that might benefit us, including responding to changing business and economic conditions or securing additional financing, if needed.

The terms of the Credit Facility and the indenture governing the notes contain customary events of default and covenants that prohibit us and our subsidiaries from taking certain actions without satisfying certain conditions, financial tests (including a minimum fixed charge coverage ratio) or obtaining the consent of the lenders. These restrictions, among other things, limit our ability to:

- divest our assets;
- incur additional indebtedness;

create liens against our assets;

enter into certain mergers, joint ventures, and consolidations or transfer all or substantially all of our assets;

make certain investments and acquisitions;

prepay indebtedness;

make certain payments and distributions;

pay dividends;

engage in certain transactions with affiliates; and

act outside the ordinary course of business.

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In particular, our Credit Facility permits us to borrow up to $50.0 million, subject to borrowing base determinations and certain other restrictions. The Credit Facility contains financial covenants that require that we not permit our annual capital expenditures to exceed $20.0 million (plus any permitted carry over). We are also required to comply with additional financial covenants upon the occurrence of a Triggering Event, as defined in the Credit Facility. A Triggering Event is deemed to have occurred when our undrawn availability under the Credit Facility fails to equal at least $10.0 million measured as of the last day of each month for two consecutive month-ends. A Triggering Event will cease to be continuing when our undrawn availability for three consecutive months equals at least $20.0 million measured as of the last day of each such month. Upon the occurrence and during the continuance of a Triggering Event we are required to meet the following financial covenants:

- maintain, as of the end of each fiscal quarter, for the trailing four quarters then ended, a ratio of EBITDA (as defined in the Credit Facility) less non-financed capital expenditures (but only to the extent made after the occurrence of a Triggering Event) to Fixed Charges (as defined in the Credit Facility) of at least 1.25 to 1.00; and

- not permit our ratio of total indebtedness to trailing twelve month EBITDA, as of the last day of a fiscal quarter, to exceed 6.00 to 1.00 from January 1, 2014 through June 30, 2014, 5.50 to 1.00 from July 1, 2014 through December 31, 2014, or 5.00 to 1.00 beginning January 1, 2015.

Should we be unable to comply with the terms and covenants of the Credit Facility, we would be required to obtain further modifications of the Credit Facility or secure another source of financing to continue to operate our business. A default could also result in the acceleration of our obligations under the Credit Facility. If that should occur, we may be unable to repay all of our obligations under the Credit Facility, which could force us to sell significant assets or allow our assets to be foreclosed upon. In addition, these covenants may prevent us from engaging in transactions that benefit us, including responding to changing business and economic conditions or securing additional financing, if needed. Our business is capital intensive and, to the extent we need additional financing, we may not be able to obtain such financing at all or on favorable terms, which may adversely affect our business, financial condition or results of operations. Had we been required to meet these ratio tests as of March 31, 2014, we would not have met either the Fixed Charge Coverage Ratio or the Leverage Ratio.

Further, the terms of the Indenture governing the notes require us to meet certain ratio tests, on a pro forma basis giving effect to such transactions, before engaging in certain transactions, including incurring additional debt outside of the Credit Facility and making restricted payments, subject, in each case, to certain exceptions. We must meet a Fixed Charge Coverage Ratio of at least 2.00 to 1.00 in order to make restricted payments or incur additional debt, and we must meet a Total Leverage Ratio test of not greater than 2.50 to 1.00 in order to secure any additional debt (each defined in the Indenture). Excluding the merger with Multiband, with respect to which holders of the original notes waived compliance with both ratios pursuant to the Consent Letter, we have not entered into any transaction that requires us to meet these tests as of September 30, 2013. Had we been required to meet these ratio tests as of March 31, 2014, we would not have met either the Fixed Charge Coverage Ratio or the Total Leverage Ratio. We do not anticipate that we will meet the Fixed Charge Coverage Ratio for any remaining quarter in 2014 unless our EBITDA is increased or our fixed charges are reduced such as by retiring debt. We also do not anticipate that we will meet the Total Leverage Ratio in 2014 unless our EBITDA is increased or our total indebtedness is reduced. As a result, we would not be able to make certain restricted payments or incur indebtedness unless (i) we obtain an amendment or waiver to the Indenture and related documents in order to make such restricted payment or incur such indebtedness or (ii) such additional indebtedness or restricted payment were specifically permitted by the Indenture, such as borrowings under the Credit Facility.

As a result of these covenants and restrictions, we are limited in how we conduct our business and we may be unable to raise additional debt financing to compete effectively or to take advantage of new business opportunities. The terms of any future indebtedness we may incur could include more restrictive covenants. We cannot assure you that we will be able to obtain or maintain compliance with these covenants in the future and, if we fail to do so, that we will be able to obtain waivers from the lender and/or amend these covenants.

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Failure to manage our planned growth could place a significant strain on our resources and make it difficult for us to satisfy our obligations under the exchange notes.

Our ability to successfully implement our business plan requires an effective plan for managing our future growth. We plan to increase the scope of our operations. Current and future expansion efforts will be expensive and may significantly strain our managerial and other resources and ability to manage working capital. We cannot be certain that our infrastructure will be adequate to support our operations as they expand. To manage future growth effectively, we must manage expanded operations, integrate new personnel and maintain and enhance our financial and accounting systems and controls. If we do not manage growth properly, it could harm our business, financial condition or results of operations and make it difficult for us to satisfy our obligations under the notes.

We may be unsuccessful in achieving our organic growth strategies, which could limit our revenue growth.

Our ability to generate organic growth will be affected by, among other factors, our ability to:

- expand the range of services we offer to customers to address their evolving network needs;
- attract new customers;
- increase the number of projects performed for existing customers;
- achieve the estimated revenue we announced from new customer contracts;
- hire and retain qualified employees;
- expand geographically, including internationally; and
- address the challenges presented by difficult economic or market conditions that may affect us or our customers.

Many of the factors affecting our ability to generate organic growth may be beyond our control, and we cannot be certain that our strategies for achieving internal growth will occur or be successful.

Our business strategy includes the entrance into several markets in which we have little or no experience, which may not be successful and could be costly.

As part of our growth strategy, in addition to our entrance into the satellite television and broadband installation markets in connection with the acquisition of Multiband, we have entered into other markets, including the enterprise and government telecommunications infrastructure markets. We have little or no experience in these markets. As we enter new markets, we will face new technological and operational risks and challenges with which we are unfamiliar and may incur significant costs. Entering new markets requires substantial management efforts and skills to mitigate these risks and challenges. Our lack of experience with certain of these new markets may result in unsuccessful new market entries. If we do not manage our entry into new markets properly, these costs and risks could harm our business, financial condition or results of operations.

If we are unable to integrate the operations of Multiband or any future acquisitions successfully, our operating results and prospects could be harmed.

We may not be able to successfully integrate the operations of Multiband and if we complete other acquisitions in the future, such acquired companies with our other operations without substantial costs, delays or other operational or financial problems. Integrating acquired companies involves a number of special risks that could materially and adversely affect our business, financial condition, results of operations and prospects, including:

failure of acquired companies to achieve the results we expect;

diversion of management s attention from operational matters;

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- difficulties integrating the operations and personnel of acquired companies;
- uncertainty of entry into markets in which we have limited or no experience and in which competitors have stronger market positions;
- inability to retain key personnel of acquired companies;
- risks associated with unanticipated events or liabilities;
- the potential disruption of our business; and
- the difficulty of maintaining uniform standards, controls, procedures and policies, including an effective system of internal control over financial reporting.

If one of our acquired companies suffers customer dissatisfaction or performance problems, the reputation of that or our entire company could be materially and adversely affected. In addition, future acquisitions could result in issuances of equity securities that would reduce the ownership interest of our shareholders, the incurrence of debt, contingent liabilities, deferred stock-based compensation or expenses related to the valuation of goodwill or other intangible assets and the incurrence of large, immediate write-offs.

Our failure to continue to be certified as a minority business enterprise could reduce some of the opportunities available to us, which could reduce our revenue growth.

We are currently certified as a minority business enterprise by the National Minority Supplier Development Council. A substantial majority of our common stock is beneficially owned and controlled by persons deemed to be minorities. Certain of our current and potential customers consider the percentage of minority ownership and control of a company when awarding new business. If for any reason, including the offering of equity securities to the public, we cease to be certified as a minority business enterprise by the National Minority Supplier Development Council or similar organization, then we may lose an advantage and not be selected for future business from current or potential customers who may benefit from purchasing our services as a result of our status as a certified minority business enterprise. The failure to obtain a potential project or customer as a result of our not being a minority business enterprise in the future may have a material adverse effect on our business, financial condition or results of operations.

Our business is seasonal and is affected by the capital planning and spending patterns of our customers, and we have adopted the completed contract method of accounting for construction and installation contracts, all of which expose us to variable quarterly results.

Our results of operations experience significant fluctuations because we have adopted the completed contract method of accounting for revenues and expenses from our construction and installation contracts. Substantially all of our revenues are generated from construction and installation contracts. Because of the nature of our business, the vast majority of contracts are completed during the fourth quarter of each year. Under the completed contract method, we do not recognize revenue or expenses on contracts until we have substantially completed the contract. Accordingly, the vast majority of our revenues and costs are recognized during the fourth quarter of each year. For example, our fourth quarter revenues represented 38.5% of our total revenues for the year ended December 31, 2013. The recognition of revenue and expenses on contracts that span quarters may also cause our reported results of operations to experience significant fluctuations.

Additionally, we have historically experienced seasonal variations in our business, primarily due to the capital planning cycles of certain of our customers. Generally, AT&T s annual capital plans are not finalized to the project level until sometime during the first three months of the year, resulting in reduced capital spending in the first quarter relative to the rest of the year. As a result, we have historically experienced, and may continue to experience, significant differences in operations results from quarter to quarter.

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Our Field Services segment s results of operations may also fluctuate significantly from quarter to quarter. Variations in our Field Services segment s revenues and operating results occur quarterly as a result of a number of factors, including the number of customer engagements, employee utilization rates, the size and scope of assignments and general economic conditions. Because a significant portion of our Field Services segment s expenses are relatively fixed, a variation in the number of customer engagements or the timing of the initiation or completion of those engagements can cause significant fluctuations in operating results from quarter to quarter.

As a result of these seasonal variations and our methodology for the recognition of revenue and expenses on projects, comparisons of operating measures between quarters may not be as meaningful as comparisons between longer reporting periods.

We may not accurately estimate the costs associated with our services provided under fixed price contracts, which could impair our business, financial condition or results of operations.

Substantially all of our revenues are derived from MSAs that are fixed-unit price contracts. Under these contracts, we set the price of our services on a per unit or aggregate basis and assume the risk that the costs associated with our performance may be greater than we anticipated. In addition to MSAs, we enter into contracts that require installation or construction of specified units within an infrastructure system. Under those agreements, we have also contractually agreed to a price per unit. If the actual costs to complete each unit exceed original estimates, our profitability will be adversely affected. These contracts also contain most favored nation clauses, which provide that if we perform services similar to those performed under these contracts to another customer on more favorable terms, then we must offer those same terms to our current customers and we might be required to reimburse our customers for amounts they have paid in the past. Future contracts might also contain similar most favored nation clauses. We are also required to immediately recognize the full amount of any expected losses on these projects if estimated costs to complete the remaining units for the projects exceed the revenue to be earned on such units. Our profitability is therefore dependent upon our ability to accurately estimate the costs associated with our services. These costs may be affected by a variety of factors, such as lower than anticipated productivity, conditions at the work sites differing materially from what was anticipated at the time we bid on the contract and higher costs of materials and labor resulting from inflation and other factors. These variations, along with other risks inherent in performing fixed-unit price contracts, may cause actual revenues and gross profits for a project to differ from those originally estimated, and as a result, certain agreements or projects could have lower margins than anticipated, or losses if actual costs for our contracts exceed our estimates, which could materially adversely affect our business, financial condition or results of operations.

Project performance issues, including those caused by third parties, or certain contractual obligations may result in additional costs to us, reductions in revenues or the payment of liquidated damages.

Many projects involve challenging engineering, procurement, construction or installation phases that may occur over extended time periods, sometimes over several years. We may encounter difficulties as a result of delays in designs, engineering information or materials provided by the customer or a third party, delays or difficulties in equipment and material delivery, schedule changes, delays from our customer s failure to timely obtain permits or rights-of-way or meet other regulatory requirements, weather-related delays and other factors, some of which are beyond our control, that impact our ability to complete the project in accordance with the original delivery schedule. In addition, we contract with third-party subcontractors to assist us with the completion of contracts. Any delay or failure by suppliers or by subcontractors in the completion of their portion of the project may result in delays in the overall progress of the project or may cause us to incur additional costs, or both. Delays and additional costs may be substantial and, in some cases, we may be required to compensate the customer for such delays. Delays may also disrupt the final completion of our contracts as well as the corresponding recognition of revenues and expenses therefrom. In certain circumstances, we guarantee project completion by a scheduled acceptance date or achievement of certain acceptance and performance testing levels. Failure to meet any of our schedules or performance requirements could also result in additional costs or penalties, including liquidated damages, and such amounts could exceed expected project profit. In extreme

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cases, the above-mentioned factors could cause project cancellations, and we may be unable to replace such projects with similar projects or at all. Such delays or cancellations may impact our reputation or relationships with customers, adversely affecting our ability to secure new contracts.

Our subcontractors may fail to satisfy their obligations to us or other parties, or we may be unable to maintain these relationships, either of which may have a material adverse effect on our business, financial condition and results of operations.

We depend on subcontractors to complete work on certain of our projects. There is a risk that we may have disputes with subcontractors arising from, among other things, the quality and timeliness of work performed by the subcontractor, customer concerns about the subcontractor or our failure to extend existing task orders or issue new task orders under a subcontract. In addition, if any of our subcontractors fail to deliver on a timely basis the agreed-upon supplies and/or perform the agreed-upon services, then our ability to fulfill our obligations as a prime contractor may be jeopardized. In addition, the absence of qualified subcontractors with whom we have a satisfactory relationship could adversely affect the quality of our service and our ability to perform under some of our contracts. Any of these factors may have a material adverse effect on our business, financial condition or results of operations.

If the high demand for the limited supply of subcontractors in our industry persists or grows it may lead to higher subcontracting fees and the increased use of prepayment arrangements, which may harm our cash flow and profitability.

The current increase in the demand for deploying, upgrading and maintaining wireless networks and the limited supply of skilled subcontractors has made the competition to recruit qualified subcontractors intense and has led to higher fees for subcontracting services. Beginning in the first quarter of 2013, the increased demand for subcontractors also led to a change in the payment arrangements with certain of our subcontractors, which effectively resulted in an acceleration of our payment terms with these subcontractors, and due to our fixed-unit cost contracts, we were generally unable to pass these costs on to our customers. If the high demand for subcontractors persists, our subcontracting fees may continue to grow at a rate faster than we can offset with increased prices for our services, which may harm our profitability. Additionally, more subcontractors may begin requiring us to prepay for services or increase the fees they charge us for services, which could harm our financial condition and results of operations.

Material delays or defaults in customer payments could leave us unable to cover expenditures related to such customer s projects, including the payment of our subcontractors.

Because of the nature of most of our contracts, we commit resources to projects prior to receiving payments from our customers in amounts sufficient to cover expenditures as they are incurred. In certain cases, these expenditures include paying our subcontractors who perform significant portions of our services. Delays in customer payments may require us to make a working capital investment or obtain advances from our Credit Facility. If a customer defaults in making its payments on a project or projects to which we have devoted significant resources, it could have a material adverse effect on our business, financial condition or results of operations and negatively impact the financial covenants with our lenders.

Certain of our employees and subcontractors work on projects that are inherently dangerous, and a failure to maintain a safe worksite could result in significant losses.

Certain of our project sites can place our employees and others in difficult or dangerous environments, including difficult and hard to reach terrain or locations high above the ground or near large or complex equipment, moving vehicles, high voltage or dangerous processes. Safety is a primary focus of our business and is critical to our reputation. Many of our clients require that we meet certain safety criteria to be eligible to bid on contracts. We maintain programs with the primary purpose of implementing effective health, safety and environmental procedures throughout our company. If we fail to implement appropriate safety procedures or if our procedures fail, our employees, subcontractors and others may suffer injuries. The failure to comply with such procedures, client contracts or applicable regulations could subject us to losses and liability and adversely impact our ability to obtain projects in the future.

Our failure to comply with the regulations of OSHA and other state and local agencies that oversee transportation and safety compliance could materially adversely affect our business, financial condition or results of operations.

OSHA establishes certain employer responsibilities, including maintenance of a workplace free of recognized hazards likely to cause death or serious injury, compliance with standards promulgated by OSHA and various recordkeeping, disclosure and procedural requirements. Various standards, including standards for notices of hazards and safety in excavation and demolition work may apply to our operations. We have incurred, and will continue to incur, capital and operating expenditures and other costs in the ordinary course of business in complying with OSHA and other state and local laws and regulations, and could incur penalties and fines in the future, including in extreme cases, criminal sanctions.

While we have invested, and will continue to invest, substantial resources in occupational health and safety programs, our industry involves a high degree of operational risk and is subject to significant liability exposure. We have suffered employee injuries in the past and may suffer additional injuries in the future. Serious accidents of this nature may subject us to substantial penalties, civil litigation or criminal prosecution, and Multiband, which we recently acquired, has an OSHA incident rating higher than industry average. Personal injury claims for damages, including for bodily injury or loss of life, could result in substantial costs and liabilities, which could materially and adversely affect our business, financial condition or results of operations. In addition, if our safety record were to substantially deteriorate, or if we suffered substantial penalties or criminal prosecution for violation of health and safety regulations, customers could cancel existing contracts and not award future business to us, which could materially adversely affect our business, financial condition or results of operations.

We are self-insured against many potential liabilities.

Although we maintain insurance policies with respect to automobile liability, general liability, workers compensation and employee group health claims, those policies are subject to high deductibles, and we are self-insured up to the amount of the deductible. Because most claims against us do not exceed the deductibles under our insurance policies, we are effectively self-insured for substantially all claims. In addition, we are self-insured on our medical coverage up to a specified annual maximum of costs. If our insurance claims increase or if costs exceed our estimates of insurance liabilities, we could experience a decline in profitability and liquidity, which would materially adversely affect our business, financial condition or results of operations.

Warranty claims resulting from our services could have a material adverse effect on our business, financial condition or results of operations.

We generally warrant the work we perform within our Professional Services and Infrastructure Services segments for one- to two-year periods following substantial completion of a project, subject to further extensions of the warranty period following repairs or replacements. While costs that we have incurred historically under our warranty obligations have not been material, the costs associated with such warranties, including any warranty related legal proceedings, could have a material adverse effect on our business, financial condition or results of operations.

Our operations may impact the environment or cause exposure to hazardous substances, our properties may have environmental contamination, and our failure to comply with environmental laws, each of which could result in material liabilities.

Our operations are subject to various environmental laws and regulations, including those dealing with the handling and disposal of waste products. Certain of our current and historical construction operations have used

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hazardous materials and, to the extent that such materials are not properly stored, contained or recycled, they could become hazardous waste. A portion of the work we perform is also in underground environments. If the field location maps supplied to us are not accurate, or if objects are present in the soil that are not indicated on the field location maps, our underground work could strike objects in the soil containing pollutants and result in a rupture and discharge of pollutants and other damages. In such cases, we could be liable for fines or damages. Additionally, some of our contracts require that we assume the environmental risk of site conditions and require that we indemnify our customers for any damages, including environmental damages incurred in connection with our projects.

We may also be subject to claims under various environmental laws and regulations, federal and state statutes and/or common law doctrines for toxic torts and other damage caused by us, as well as for natural resource damages and the investigation and clean up of soil, surface water, groundwater and other media under laws such as the Comprehensive Environmental Response, Compensation, and Liability Act. Such claims may arise, for example, out of current or former conditions at project sites, current or former properties owned or leased by us, and contaminated sites that have always been owned or operated by third parties. Liability may be imposed without regard to fault and may be strict, joint and several, such that we may be held responsible for more than our share of any contamination or other damages, or even for the entire share, and may be unable to obtain reimbursement from the parties causing the contamination.

New environmental laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, or the imposition of new clean-up requirements could also require us to incur significant costs or become the basis for new or increased liabilities that could have a material negative impact on our business, financial condition or results of operations.

Increases in the costs of fuel could reduce our operating margins.

The price of fuel needed to run our vehicles and equipment is unpredictable and fluctuates based on events outside of our control, including geopolitical developments, supply and demand for oil and gas, actions by the Organization of the Petroleum Exporting Countries and other oil and gas producers, war and unrest in oil producing countries, regional production patterns and environmental concerns. Most of our contracts do not allow us to adjust our pricing. Any increase in fuel costs could have a material adverse effect our business, financial position or results of operations. Accordingly, any increase in fuel costs could materially adversely affect our business, financial condition or results of operations.

We are an emerging growth company, and we cannot be certain if the reduced reporting requirements applicable to emerging growth companies will make our securities less attractive to investors.

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act, or the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public reporting companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and reduced disclosure obligations regarding executive compensation in our periodic reports. We could be an emerging growth company up until the December 31st following the fifth anniversary after our first equity offering, although circumstances could cause us to lose that status earlier if our annual revenues exceed $1.0 billion, if we issue more than $1.0 billion in non-convertible debt in any three-year period or if the market value of our common stock held by non-affiliates exceeds $700.0 million as of any June 30th, in which case we would no longer be an emerging growth company as of the following December 31st. We cannot predict if investors will find our securities less attractive because we may rely on these exemptions. If some investors find our securities less attractive as a result, there may be a less active trading market for our securities and the price of our securities may be more volatile.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

After completion of this offering, we will not be subject to a number of the corporate governance requirements of the SEC or of any national securities exchange or inter-dealer quotation system.

Because the registration statement of which this prospectus forms a part registers only debt securities and because we do not have any securities listed, and do not intend to list the notes, on a national securities exchange or an inter-dealer quotation system, we are not subject to a number of the corporate governance requirements of the SEC or of any national securities exchange or inter-dealer quotation system. For example, upon completion of this offering, we will not be required to have:

- a board of directors comprised of a majority of independent directors;
- an audit committee comprised entirely of independent directors and meeting the requirements of Rule 10A-3 under the Exchange Act; or
- a nominating/corporate governance committee or compensation committee.

Accordingly, you will not have the same protections afforded to security holders of companies that are subject to the corporate governance requirements of a national securities exchange or an inter-dealer quotation system or all of the corporate governance requirements of the SEC.

If we fail to implement and maintain effective internal control over financial reporting, our ability to produce accurate financial statements could be impaired, which could adversely affect our business, financial condition or results of operations.

As a voluntary filer, we will be required to maintain internal control over financial reporting and to report any material weaknesses in such internal control. In addition, beginning with our 2014 annual report on Form 10-K to be filed in 2015, we will be required to furnish a report by management on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. We are in the process of designing, implementing and testing the internal control over financial reporting required to comply with this obligation, which process is time consuming, costly and complicated. In addition, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting beginning with our annual report on Form 10-K following the date on which we are no longer an emerging growth company, which may be up to five full years following the date of this offering. If we identify material weaknesses in our internal control over financial reporting, if we are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting when required, investors may lose confidence in the accuracy and completeness of our financial reports and we could become subject to investigations by the SEC, or other regulatory authorities, which could require additional financial and management resources.

In connection with the audit of our financial statements for the year ended December 31, 2011 both we and our auditors identified accounting errors and internal control deficiencies that collectively called into question our ability to properly apply the percentage of completion method of accounting to our long-term construction contracts, which is the method that we had historically applied to recognize revenue on our long-term construction contracts. After consultations with KPMG LLP and with the SEC Staff, we concluded that the completed contract method of accounting would be a more appropriate and reliable method under which to recognize revenue from our construction contracts. Accordingly, we restated our financial statements for each of the three years ended December 31, 2011 so that our revenues from construction contracts were recognized using the completed contract method, which we have also applied in the preparation of our financial statements for the years ended December 31, 2012 and 2013. We incurred costs of approximately $8.1 million and $3.4 million for the years ended December 31, 2012 and 2013, respectively, to restate our financial statements and implement processes and procedures to capture results on the completed contract method of accounting.

We evaluated deficiencies identified in connection with the preparation and audit of our consolidated financial statements for the fiscal year ended December 31, 2013 in accordance with the framework developed by

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the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control Integrated Framework. The following control deficiency represents a material weakness in our internal control over financial reporting as of December 31, 2013:

Purchasing and Inventory Management: We did not maintain sufficient controls over our purchasing and inventory management process. Specifically (a) the controls surrounding the tracking of inventory movements between warehouses and job sites was not sufficient to ensure that inventory was appropriately recorded and that inventory not used at job sites was returned to warehouses on a timely basis; and (b) controls and processes to properly match returned inventory to the appropriate project to ensure accurate project costs and profitability either were not present or did not operate effectively.

During the quarter ended June 30, 2013, we also identified a control deficiency that represented a material weakness in our internal control over financial reporting as of March 31, 2013 related to controls surrounding the Company s adoption of processes used to capture results based upon the completed contract method of accounting in 2013.

Our actions to improve internal financial accounting controls may not be sufficient to mitigate these material weaknesses. There may be additional material weaknesses in our control environment now or in the future, requiring corrective action to improve our financial and accounting controls. In addition, implementing any appropriate changes to our internal controls may entail substantial costs in order to modify our existing accounting and information technology systems, may take a significant period of time to complete and may distract our officers, directors and employees from the operation of our business. Any failure to maintain adequate internal control over financial reporting, or consequent inability to produce accurate financial statements, could increase our operating costs and could materially impair our ability to operate our business.

The requirements of being a public reporting company may strain our resources and divert management s attention.

We only recently began reporting with the SEC. As a voluntary filer we have been, and upon the effectiveness of the registration statement of which this prospectus forms a part, we will be, subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act and other applicable securities rules and regulations. Despite recent reforms made possible by the JOBS Act, compliance with these rules and regulations will nonetheless increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an emerging growth company. The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and operating results.

As a result of disclosure of information in filings required of a public reporting company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and adversely affect our business, brand and reputation and results of operations.

We also expect that being a public reporting company and these new rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our Board of Directors and qualified executive officers.

The need to establish and maintain the corporate infrastructure demanded of a public reporting company may divert management s attention from implementing our business and growth strategies, which could prevent us from improving our business, results of operations and financial condition. Based on management s estimates, we anticipate that we will incur approximately $2.0 million per year of cost as a result of being a debt-only issuer public reporting company, including legal, audit, printing and other costs, although unforeseen circumstances could increase actual costs. These costs are not fully reflected in our audited financial statements.

We depend on a limited number of key personnel who would be difficult to replace.

We depend, in part, on the performance of Ron Hill, our Chief Executive Officer and President, John Goodman, our Executive Chairman, Randal Dumas, our Chief Financial Officer, Cari Shyiak, our Chief Operating Officer, Scott Pickett, our Chief Marketing Officer and Executive Vice President of Strategic Planning and Mergers and Acquisitions, and James L. Mandel, Multiband s Chief Executive Officer, to operate and grow our business. The loss of any of Messrs. Hill, Goodman, Dumas, Shyiak, Pickett or Mandel could negatively impact our ability to execute our business strategies. Although we have entered into employment agreements with Messrs. Hill, Goodman, Dumas, Shyiak, Pickett and Mandel, we may be unable to retain them or replace any of them if we lose their services for any reason. We recently amended our Bylaws to provide that our Chief Executive Officer will be responsible for the general supervision and management of the Company and our Executive Chairman will be responsible for, among other things, providing advice and counsel to our Chief Executive Officer in areas such as corporate and strategic planning and policy, mergers and acquisitions, corporate objectives, annual financial budgets, capital expenditures, evaluating and hiring employees, and communicating with investment bankers, lenders or other financial sponsors. Mr. Goodman remains a critical and integral part of our day-to-day business. While his duties have changed, Mr. Goodman has simply redeployed his executive experience gained through continuous service to our business as our co-founder to manage both short- and long-term future business strategy. In connection with the amendment to our Bylaws, we and Mr. Goodman amended and restated Mr. Goodman s employment agreement to, among other things, extend the term of his employment to a period of three years. Mr. Goodman has advised us that he has no plans to leave the Company. We cannot assure you, despite Mr. Goodman s expressed interest in continuing in his position with the Company, that we will not suffer adverse impacts to the Company as a result of this transition.

If we are unable to attract and retain qualified and skilled employees, we may be unable to operate efficiently, which could materially adversely affect our business, financial condition or results of operations.

Our business is labor intensive, and some of our operations experience a high rate of employee turnover. Given the nature of the highly specialized work we perform, many of our employees are trained in and possess specialized technical skills. At times of low unemployment rates of skilled laborers in the areas we serve, it can be difficult for us to find qualified and affordable personnel. We may be unable to hire and retain a sufficient skilled labor force necessary to support our operating requirements and growth strategy. Our labor expenses may increase as a result of a shortage in the supply of skilled personnel. We may also be forced to incur significant training expenses if we are unable to hire employees with the requisite skills. Labor shortages or increased labor or training costs could materially adversely affect our business, financial condition or results of operations.

In the ordinary course of business, we extend unsecured credit to our customers for purchases of our services or may provide other financing or investment arrangements, which subjects us to potential credit or investment risk that could, if realized, adversely affect our business, financial condition or results of operations.

In the ordinary course of business, we extend unsecured credit to our customers. As of March 31, 2014, this credit amounted to $67.2 million. We may also agree to allow our customers to defer payment on projects until certain milestones have been met or until the projects are substantially completed, and customers typically withhold some portion of amounts due to us as retainage. In addition, we may provide other forms of financing in the future to our customers or make investments in our customers projects, typically in situations where we also provide services in connection with the projects. Our payment arrangements with our customers subject us to potential credit risk related to changes in business and economic factors affecting our customers, including material changes in our customers revenues or cash flows. These changes may also reduce the value of any financing or equity investment arrangements we have with our customers. If we are unable to collect amounts

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owed to us, our cash flows would be reduced and we could experience losses if the uncollectible amounts exceeded current allowances. We would also recognize losses with respect to any investments that are impaired as a result of our customers financial difficulties. Losses experienced could materially and adversely affect our business, financial condition or results of operations. The risks of collectability and impairment losses may increase for projects where we provide services as well as make a financing or equity investment.

We may be unable to obtain sufficient bonding capacity to support certain service offerings, and the need for performance and surety bonds may reduce our availability under the Credit Facility.

Certain of our contracts require performance and payment bonds. If our business continues to grow, our bonding requirements may increase under these and other contracts we obtain. If we are unable to renew or obtain a sufficient level of bonding capacity in the future, we may be precluded from being able to bid for certain contracts or successfully contract with certain customers. In addition, even if we are able to successfully renew or obtain performance or payment bonds, we may be required to post letters of credit in connection with the bonds, which would reduce availability under the Credit Facility.

Our inability to adequately protect the confidential aspects of our technology and the products and services we sell could materially weaken our operations.

We rely on a combination of trade secret, copyright and trademark laws, license agreements, and contractual arrangements with certain key employees to protect our proprietary rights and the proprietary rights of third parties from whom we license intellectual property. The legal protections afforded to us or the steps that we take may be inadequate to prevent misappropriation of our intellectual property. If it was determined that we have infringed or are infringing on the intellectual property rights of others, we could be required to pay substantial damages or stop selling products and services that contain the infringing intellectual property, which could have a material adverse effect on our business, financial condition and results of operations. In such a case, we may be unable to develop non-infringing technology or obtain a license on commercially reasonable terms, or at all. Our success depends in part on our ability to protect the proprietary and confidential aspects of our technology and the products and services that we sell or utilize.

Claims, lawsuits and proceedings and contract disputes, including those related to our construction business, could materially adversely affect our business, financial condition or results of operations.

We are subject to various claims, lawsuits and proceedings and contract disputes that arise in the ordinary course of business. In particular, our construction activities expose us to increased risk because design, construction or systems failures can result in substantial bodily injury or damage to third parties. These actions may seek, among other things, compensation for alleged personal injury, workers compensation, employment discrimination, breach of contract, property damage, punitive damages, civil penalties or other losses, consequential damages, or injunctive or declaratory relief. In addition, pursuant to our service agreements, we generally indemnify our customers for claims related to the services we provide. Claimants may seek large damage awards and defending claims can involve significant costs. When appropriate, we establish reserves against these items that we believe to be adequate in light of current information, legal advice and professional indemnity insurance coverage, and we adjust such reserves from time to time according to case developments. If our reserves are inadequate, or if in the future our insurance coverage proves to be inadequate or unavailable, or if there is an increase in liabilities for which we self-insure, we could experience a reduction in our profitability and liquidity. Furthermore, if there is a customer dispute regarding performance of project services, the customer may decide to delay or withhold payment to us. An adverse determination on any such liability claim, lawsuit or proceeding, or delayed or withheld payments from customers in contract disputes, could have a material adverse effect on our business, financial condition or results of operations. In addition, liability claims, lawsuits and proceedings or contract disputes may harm our reputation or divert management resources away from operating our business.

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If we are unable to manage our growth profitably, our business, financial results and cash flow could suffer.

Our future financial results will depend in part on our ability to profitably manage our growth on a combined basis with Multiband. Management will need to maintain existing customers and attract new customers, recruit, retain and effectively manage employees, as well as expand operations and integrate customer support and financial control systems. If integration-related expenses and capital expenditure requirements are greater than anticipated, or if we are unable to manage our growth profitably, our financial results and our cash flow may decline.

The historical and unaudited pro forma financial information included elsewhere in this prospectus may not be representative of our actual results as a combined company, and accordingly, you have limited financial information on which to evaluate the combined company and your investment decision.

We, CSG and Multiband have limited prior history as a combined entity and our operations have not previously been managed on a combined basis. As a result, the pro forma financial information, which was prepared in accordance with Article 11 of Regulation S-X, is presented for informational purposes only and is not necessarily indicative of the financial position or results of operations that would have actually occurred had the merger with Multiband been completed at or as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The pro forma financial information does not reflect future nonrecurring charges resulting from the merger with Multiband or future events that may occur, including restructuring activities or other costs related to the integration of Multiband, and does not consider potential impacts of current market conditions on revenues, expense efficiencies or asset dispositions. The pro forma financial information presented in this prospectus is based in part on certain assumptions regarding the merger with Multiband that we believe are reasonable under the circumstances. However our assumptions may not prove to be accurate over time. Investors should not place any undue reliance on the pro forma financial information.

The Field Services segment is highly dependent on our strategic alliance with DIRECTV and a major alteration or termination of that alliance could adversely affect our business.

The Field Services segment is highly dependent on our relationship with DIRECTV. We have an HSP agreement with DIRECTV, which was extended in December 2013 and expires on December 31, 2017. The term of this agreement automatically renews for additional one-year periods unless either DIRECTV or we give written notice of termination at least 90 days in advance of expiration of the then current term.

The agreement can be terminated on 180 days notice by either party. DIRECTV may also change the terms of its agreement with us, and has done so to Multiband in the past, to terms that are more favorable to DIRECTV. Any adverse alteration or termination of our HSP agreement with DIRECTV would have a material adverse effect on our business. In addition, a significant decrease in the number of jobs we complete for DIRECTV could have a material adverse effect on our business, financial condition and results of operations.

The merger with Multiband and our recent acquisition of CSG makes evaluating our operating results difficult given the significance of these transactions, and the historical and unaudited pro forma financial information may not give you an accurate indication of how we will perform in the future.

The merger with Multiband and the acquisition of CSG may make it more difficult for us to evaluate and predict our future operating performance. Neither our historical results of operations, nor the separate pre-acquisition financial information of Multiband, fully reflect the acquisitions of CSG and Multiband; accordingly, such historical financial information does not necessarily reflect what our financial position, operating results and cash flows will be in the future on a consolidated basis following the acquisitions of CSG and Multiband. While we have included in this prospectus unaudited pro forma financial information giving effect to the merger with Multiband, such pro forma information does not purport to represent, and should not be relied upon as reflecting, what our financial position, results of operations or cash flows actually would have been if the transactions referred to therein had been consummated on the dates or for the periods indicated, or what such results will be for any future date or any future period.

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Our future results of operations could be adversely affected if the goodwill recorded in connection with the merger with Multiband or any recent acquisitions subsequently requires impairment.

Upon completing the merger with Multiband, we recorded an asset called goodwill equal to the excess amount we paid for Multiband over the fair values of the assets and liabilities acquired and identified intangible assets to be allocated to Multiband. We also recorded goodwill in connection with the acquisitions of the assets of CSG and DBT. The amount of goodwill on our consolidated balance sheet increased substantially as a result of the merger with Multiband. Accounting Standards Codification Topic 350 from the Financial Accounting Standards Board provides specific guidance for testing goodwill and other non-amortized intangible assets for impairment. The testing of goodwill and other intangible assets for impairment requires us to make significant estimates about our future performance and cash flows, as well as other assumptions. These estimates can be affected by numerous factors, including changes in the definition of a business segment in which we operate; changes in economic, industry or market conditions; changes in business operations; changes in competition; or potential changes in the share price of our common stock and market capitalization. Changes in these factors, or changes in actual performance compared with estimates of our future performance, could affect the fair value of goodwill or other intangible assets, which may result in an impairment charge. We cannot accurately predict the amount or timing of any impairment of assets. Should the value of our goodwill or other intangible assets become impaired, it could have a material adverse effect on our consolidated results of operations and could result in our incurring net losses in future periods.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be significantly limited.

As of March 31, 2014, we had federal net operating loss carryforwards, or NOLs, of $81.0 million and state NOLs of $165.2 million. If not used, the federal NOLs will begin to expire in 2027 and the state NOLs will begin to expire in 2014. In addition, as of March 31, 2014, Multiband had generated NOLs of approximately $18.2 million to reduce future federal taxable income and $45.7 million to reduce future state taxable income. Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an ownership change, the corporation s ability to use its pre-change NOLs and other pre-change tax attributes, such as research tax credits, to offset its post-change income and taxes may be limited. In general, an ownership change generally occurs if there is a cumulative change in our ownership by 5-percent shareholders that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. We have performed a Section 382 study under the Code and determined that Multiband has had a total of five ownership changes since 1999. As a result of these ownership changes, Multiband s ability to utilize its NOLs is limited. Federal NOLs are limited to a total of $18.2 million, consisting of annual amounts of $1.1 million in 2014 and for each of the years thereafter. State NOLs are limited to a total of approximately $44.1 million.

As of December 31, 2013, we did not meet the requirements in accordance with GAAP to support that it is more likely than not that some portion or all of the deferred tax assets will be realized; therefore, a valuation allowance of $17.6 million was recorded as of December 31, 2013. The valuation allowance recorded against these NOLs does not limit or preclude us from fully utilizing these NOLs should we generate taxable income in future periods.

Risks Related to Our and Our Customers Industries

We are vulnerable to economic downturns and the cyclical nature of the telecommunications industry and particularly the wireless telecommunications industry, which could reduce capital expenditures by our customers and result in a decrease in demand for our services.

The demand for our services has been, and will likely continue to be, cyclical in nature and vulnerable to general downturns in the U.S. economy. In addition, because a substantial portion of our revenue is derived from customers within the telecommunications industry, we are vulnerable to the cyclical nature of the telecommunications industry and the capital expenditures of these customers. The wireless telecommunications market, in which many of our existing and potential customers compete, is particularly cyclical in nature and vulnerable to downturns in the overall telecommunications industry. During an economic downturn, our

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customers may not have the ability or desire to continue to fund capital expenditures for infrastructure, may determine to outsource less work or may have difficulty in obtaining financing. Any of these factors could result in the delay, reduction or cancellation of projects, which could result in decreased demand for our services and could materially adversely affect our business, financial condition or results of operations.

Our profitability and liquidity could decline if our customers reduce spending, are unable to pay for our services or fail to implement new technology.

Stagnant or declining economic conditions have adversely impacted the demand for our services and resulted in the delay, reduction or cancellation of projects and may continue to adversely affect us in the future. In addition, a reduction in cash flows or the lack of availability of debt or equity financing for our customers may result in a reduction in our customers spending for our services and may also impact the ability of our customers to pay amounts owed to us. Network services providers, including certain of our customers, may not continue to upgrade their wireless networks as technology advances or maintain and expand their network capacities and coverage. The occurrence of any of these events could have a material adverse effect on our business, financial condition or results of operations and our ability to grow.

Our industries are highly competitive, which may reduce our market share and harm our business, financial condition or results of operations.

Our industries are highly fragmented, and we compete with other companies in most of the markets in which we operate, ranging from small independent firms servicing local markets to larger firms servicing regional and national markets. There are relatively few barriers to entry into certain of the markets in which we operate, and, as a result, any organization that has adequate financial resources and access to technical expertise and skilled personnel may become one of our competitors.

Most of our customers work is awarded through a bid process. Consequently, price is often a significant factor in determining which service provider is selected, especially on smaller, less complex projects. Smaller competitors are sometimes able to win bids for these projects based on price alone due to their lower costs and financial return requirements. If we are unsuccessful in bidding on these projects, or if our ability to win such projects requires that we accept lesser margins, our business, financial condition or results of operations could be materially and adversely affected.

We also face competition from existing or prospective customers that employ in-house personnel to perform some of the same types of services we provide. For example, OEMs are increasingly bundling their equipment and software with ongoing services to provide complete managed services to their service provider customers. Our success depends upon the continued trend by our customers to outsource their network design, construction and project management needs. If this trend does not continue or is reversed and communication service providers and network equipment vendors elect to perform more of these tasks themselves, our business, financial condition or results of operations may be adversely affected due to the decline in the demand for our services.

Our business growth depends in part upon demand for wireless data services on wireless networks and related infrastructure build outs and demand for broadband and expanded satellite television services and the overall appeal of DIRECTV s products and services.

We expect that an important component of our revenue growth will be sales to telecommunications service providers as they build out their network infrastructure and accommodate increased demand for wireless data services. The demand for wireless data services may decrease or may grow more slowly than expected. Any such decrease in the demand or slowing rate of growth could have a material adverse effect on our business. In addition, if the evolution to next generation technology, including small cell and DAS, does not materialize for any reason, such as lack of cost-effectiveness, then this may have an adverse impact on our business growth and

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revenues. Delays in the introduction of new wireless networks, the failure of these services to gain widespread acceptance or the ineffective marketing of these services may reduce the demand for our services, which could have a material adverse effect on our business, financial condition or results of operations.

We also anticipate that future revenue in the Field Services business will be dependent upon public acceptance of broadband and expanded satellite television services and the overall appeal of DIRECTV s products and services to consumers. Acceptance of these services is partially dependent on the infrastructure of the internet and satellite television, which is beyond our control. In addition, newer technologies, such as video-on-demand and delivery of programming content over the internet, are being developed, which could have a material adverse effect on our competitiveness in the marketplace if it is unable to adopt or deploy such technologies. A decline in the popularity of existing products and services or the failure of new products and services to achieve and sustain market acceptance could result in reduced overall revenues, which could have a material adverse effect on our business, financial condition and results of operations. Consumer preferences with respect to entertainment are continuously changing, are difficult to predict and can vary over time. DIRECTV s current products and services may not continue to be popular for any significant period of time, and any new products and services may not achieve commercial acceptance. Changes in consumer preferences may reduce the demand for our services, which could have a material adverse effect on our business, financial condition or results of operations.

Our customers are highly regulated, and the addition of new laws or regulations or changes to existing laws, regulations or technology may adversely impact demand for our services and the profitability of those services.

We derive, and anticipate that we will continue to derive, the vast majority of our revenue from customers in the telecommunications and subscription television industries. Our telecommunications and subscription television customers are subject to legislation enacted by Congress, and regulated by various federal, state and local agencies, including the FCC, and state public utility commissions, and are subject to rapid changes in governmental regulation and technology. These bodies might modify or interpret the application of their laws or regulations in a manner that is different than the way such regulations are currently applied or interpreted and may impose additional laws or regulations. If existing, modified or new laws or regulations have an adverse effect on our customers and adversely impact the profitability of the services they provide, demand for our services may be reduced. Changes in technology may also reduce the demand for the services we provide. The research and development of new and innovative technologically advanced products, including upgrades to current products and new generations of technologies, is a complex and uncertain process requiring high levels of innovation and investment, as well as accurate anticipation of technology and market trends. Our failure to rapidly adopt and master new technologies as they are developed in our industries could have a material adverse effect on our business, financial condition or results of operations.

Mergers, consolidations or other strategic transactions in the wireless communications industry could weaken our competitive position, reduce the number of our customers and adversely affect our business.

The wireless communications industry may continue to experience consolidation and an increased formation of alliances among carriers and between carriers and other entities. Should one of our customers or a competitor, merge, consolidate, partner or enter into a strategic alliance with another carrier, OEM or competitor, this could have a material adverse impact on our business. Such a merger, consolidation, partnership or alliance may cause us to lose a wireless carrier or OEM customer or require us to reduce prices as a result of enhanced customer leverage or changes in the competitive landscape, which would have a negative effect on our business, revenues and profitability. We may not be able to expand our base of customers to offset revenue declines if we lose a material customer. These events could reduce our revenue and adversely affect our operating results.

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THE EXCHANGE OFFER

Purpose and Effect of the Exchange Offer

Under the registration rights agreement, we and the guarantors agreed to use commercially reasonable efforts to file a registration statement with respect to an offer to exchange the outstanding notes for exchange notes registered under the Securities Act within 90 days after August 30, 2013, the date we issued the outstanding notes in exchange for the Stage I Notes, and to use commercially reasonable efforts to have the registration statement declared effective by the SEC on or prior to 180 days after August 30, 2013. We and the guarantors have also agreed to use commercially reasonable efforts to file under the Securities Act a shelf registration statement for the resale of the outstanding notes and guarantees if the exchange offer is not available or cannot be effected within 210 days after August 30, 2013.

Because the exchange offer registration statement or the shelf registration statement was not filed on or prior to November 29, 2013, additional interest on the outstanding notes accrued at a rate of 0.25% per annum after such date until we filed the exchange offer registration statement on December 30, 2013. Because the exchange offer registration statement or the shelf registration statement was not declared effective on or prior to February 26, 2014, additional interest began to accrue on the outstanding notes at the rate of 0.25% per annum for the first 90-day period thereafter, and will increase at a rate of 0.25% per annum at the beginning of each subsequent 90-day period thereafter until such registration obligations are fulfilled. If the exchange offer is not completed on or before 30 business days after the effective date of the registration statement, additional interest on the outstanding notes will accrue at a rate of 0.25% per annum on the 31st business day after the effective date of the registration statement, increasing at a rate of 0.25% per annum at the beginning of each subsequent 90-day period thereafter until the exchange offer obligations are fulfilled. The maximum additional interest on the outstanding notes may not exceed at any one time an aggregate of 1.00% per annum.

Following the completion of the exchange offer, holders of outstanding notes not tendered will not have any further registration rights other than as set forth in the paragraphs below, and, subject to certain exceptions, the outstanding notes will continue to be subject to certain restrictions on transfer.

Subject to certain conditions, including the representations set forth below, the exchange notes will be issued without a restrictive legend and generally may be reoffered and resold without registration under the Securities Act. In order to participate in the exchange offer, a holder must represent to us in writing, or be deemed to represent to us in writing, among other things, that:

- the holder is acquiring the exchange notes in its ordinary course of business;
- at the time of the commencement and consummation of the exchange offer, the holder has not entered into any arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the exchange notes in violation of the provisions of the Securities Act;
- the holder is not an affiliate of ours or any guarantor within the meaning of Rule 405 of the Securities Act;
- if the holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the exchange notes; and
- if such holder is a broker-dealer that acquired the exchange notes for its own account in exchange for the outstanding notes that were acquired as a result of market-making activities or other trading activities, that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the exchange notes.

Under certain circumstances specified in the registration rights agreement, we may be required to file a shelf registration statement covering resales of the outstanding notes pursuant to Rule 415 under the Securities Act.

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Resale of the Exchange Notes

Based on an interpretation by the SEC s staff set forth in no-action letters issued to third parties unrelated to us, we believe that, with the exceptions set forth below, the exchange notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by the holder of exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act, unless the holder:

is an affiliate of ours or any guarantor within the meaning of Rule 405 under the Securities Act;

is a broker-dealer that purchased outstanding notes directly from us for resale under Rule 144A, Regulation S or any other available exemption under the Securities Act;

acquired the exchange notes other than in the ordinary course of the holder s business;

has an arrangement or understanding with any person to engage in a distribution of the exchange notes;

is engaged in, or intends to engage in, a distribution of the exchange notes; or

is prohibited by any law or policy of the SEC from participating in the exchange offer.

Any holder who is an affiliate of ours or any guarantor, is engaging in, or intends to engage in, or has any arrangement or understanding with any person to participate in, a distribution of the exchange notes, or is not acquiring the exchange notes in the ordinary course of its business cannot rely on this interpretation by the SEC s staff and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction. Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer, where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will comply with the applicable provisions of the Securities Act (including, but not limited to, delivering a prospectus in connection with any resale of such exchange notes). See Plan of Distribution. Broker-dealers who acquired outstanding notes directly from us and not as a result of market-making activities or other trading activities may not rely on the staff s interpretations discussed above, and must comply with the prospectus delivery requirements of the Securities Act in order to sell the exchange notes.

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, we will accept any and all outstanding notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on , 2014, or such date and time to which we extend the exchange offer. We will issue $1,000 in principal amount of exchange notes in exchange for each $1,000 principal amount of outstanding notes accepted in the exchange offer. Holders may tender some or all of their outstanding notes pursuant to the exchange offer.

Outstanding notes may be tendered only in a denomination equal to $2,000 and integral multiples of $1,000 in excess thereof. The exchange notes will evidence the same debt as the outstanding notes and will be issued under the terms of, and entitled to the benefits of, the indenture relating to the outstanding notes.

As of the date of this prospectus, $100.0 million in aggregate principal amount of outstanding notes are outstanding. This prospectus, together with the letter of transmittal, is being sent to the registered holders of the outstanding notes. There will be no fixed record date for determining registered holders of outstanding notes that are entitled to participate in the exchange offer. We intend to conduct the exchange offer in accordance with the applicable requirements of the Securities Act and the Exchange Act and the rules and regulations of the SEC promulgated under the Securities Act and the Exchange Act.

We will be deemed to have accepted validly tendered outstanding notes when, as and if we have given oral or written notice thereof to Wells Fargo Bank, National Association, which is acting as the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving the exchange notes from us. If any tendered outstanding notes are not accepted for exchange because of an invalid tender, or the occurrence of certain other events set forth under the heading Conditions to the Exchange Offer, any such unaccepted outstanding notes will be returned to the tendering holder of those outstanding notes as soon as reasonably practicable after the expiration or termination of the exchange offer.

Holders who tender outstanding notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of outstanding notes in the exchange offer. We will pay all charges and expenses, other than certain applicable taxes, applicable to the exchange offer. See Fees and Expenses and Transfer Taxes.

Expiration Date; Extensions; Amendments

The expiration date shall be 5:00 p.m., New York City time, on , 2014, unless we, in our sole discretion, extend the exchange offer, in which case the expiration date shall be the latest date and time to which the exchange offer is extended. In order to extend the exchange offer, we will notify the exchange agent by oral or written notice prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. We reserve the right, in our sole discretion:

- to delay accepting any validly tendered outstanding notes, to extend the exchange offer or, if any of the conditions set forth under Conditions to the Exchange Offer shall not have been satisfied, to terminate the exchange offer, by giving oral or written notice of that delay, extension or termination to the exchange agent, or

- to amend the terms of the exchange offer in any manner.

In the event of a material change in the offer, including the waiver of a material condition, the Company will extend the offer period if necessary so that at least five business days remain in the offer following notice of the material change. Any delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by a public announcement thereof.

Procedures for Tendering

When a holder of outstanding notes tenders, and we accept such notes for exchange pursuant to that tender, a binding agreement between us and the tendering holder is created, subject to the terms and conditions set forth in this prospectus and the accompanying letter of transmittal. Except as set forth below, a holder of outstanding notes who wishes to tender such notes for exchange must, on or prior to the expiration date:

- transmit a properly completed and duly executed letter of transmittal, including all other documents required by such letter of transmittal, to Wells Fargo Bank, National Association, which will act as the exchange agent, at the address set forth below under the heading Exchange Agent ; or

- comply with DTC s ATOP procedures described below.

In addition, either:

- the exchange agent must receive the certificates for the outstanding notes and the letter of transmittal prior to the expiration date;

- the exchange agent must receive, prior to the expiration date, a timely confirmation of the book-entry transfer of the outstanding notes being tendered, along with the letter of transmittal or an agent s message; or

- the holder must comply with the guaranteed delivery procedures described below.

The term agent s message means a message, transmitted by DTC and received by the exchange agent and forming a part of a book-entry transfer, or book-entry confirmation, which states that DTC has received an express acknowledgement from the tendering participant, which acknowledgment states that such participant has

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received the letter of transmittal and agrees to be bound by the terms of, and makes the representations and warranties contained in, the letter of transmittal, and that we may enforce the letter of transmittal against such participant.

The method of delivery of the outstanding notes, the letters of transmittal and all other required documents is at the election and risk of the holders. We recommend that instead of delivery by mail, holders use an overnight or hand delivery service, properly insured. In all cases, you should allow sufficient time to assure timely delivery. No letters of transmittal or outstanding notes should be sent directly to us.

Signatures on a letter of transmittal or a notice of withdrawal must be guaranteed by an eligible institution unless the outstanding notes surrendered for exchange are tendered:

- by a registered holder of the outstanding notes who has not completed the box entitled Special Issuance Instructions or Special Delivery Instructions on the letter of transmittal; or

- for the account of an eligible institution.

An eligible institution is a member firm of a registered national securities exchange, a member of the Financial Industry Regulatory Authority, Inc., a commercial bank or trust company having an office or correspondent in the United States or another eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act.

If outstanding notes are registered in the name of a person other than the signer of the letter of transmittal, the outstanding notes surrendered for exchange must be endorsed or be accompanied by a written instrument or instruments of transfer or exchange in satisfactory form to the exchange agent and as determined by us in our sole discretion, duly executed by the registered holder with the holder s signature guaranteed by an eligible institution.

We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of outstanding notes tendered for exchange in our sole discretion. Our determination will be final and binding. We reserve the absolute right to:

- reject any and all tenders of any outstanding note improperly tendered;

- refuse to accept any outstanding note if, in our judgment or the judgment of our counsel, acceptance of the outstanding note may be deemed unlawful; and

- waive any defects or irregularities or conditions of the exchange offer as to any particular outstanding note based on the specific facts.

Notwithstanding the foregoing, we do not expect to treat any holder of outstanding notes differently from other holders to the extent they present the same facts or circumstances.

Our interpretation of the terms and conditions of the exchange offer as to any particular outstanding notes either before or after the expiration date, including the letter of transmittal and the instructions to it, will be final and binding on all parties. Holders must cure any defects and irregularities in connection with tenders of outstanding notes for exchange within such reasonable period of time as we will determine, unless we waive such defects or irregularities.

Neither we, the exchange agent nor any other person shall be under any duty to give notification of any defect or irregularity with respect to any tender of outstanding notes for exchange, nor shall any of us incur any liability for failure to give such notification.

If trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity sign the letter of transmittal or any outstanding notes or separate written instructions of transfer or exchange, these persons should so indicate when signing, and you must submit proper evidence satisfactory to us of those persons authority to so act unless we waive this requirement.

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By tendering, each holder will represent to us that the person acquiring exchange notes in the exchange offer, whether or not that person is the holder:

- is not an affiliate of ours or any guarantor as defined under Rule 405 of the Securities Act;
- is obtaining them in the ordinary course of its business; and
- at the time of the commencement of the exchange offer neither the holder nor, to the knowledge of such holder, that other person receiving exchange notes from such holder is engaged in, intends to engage in or has any arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the exchange notes issued in the exchange offer.

If any holder or any other person receiving exchange notes from such holder is an affiliate of ours or any guarantor as defined under Rule 405 of the Securities Act, is not acquiring the exchange notes in the ordinary course of business, or is engaged in or intends to engage in or has an arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the notes to be acquired in the exchange offer, the holder or any other person:

- may not rely on applicable interpretations of the staff of the SEC; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each broker-dealer that acquired its outstanding notes as a result of market-making activities or other trading activities, and thereafter receives exchange notes issued for its own account in the exchange offer, must acknowledge that it will comply with the applicable provisions of the Securities Act (including, but not limited to, delivering this prospectus in connection with any resale of such exchange notes issued in the exchange offer). The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. See Plan of Distribution for a discussion of the exchange and resale obligations of broker-dealers.

Acceptance of Outstanding Notes for Exchange; Delivery of Exchange Notes Issued in the Exchange Offer

Upon satisfaction or waiver of all the conditions to the exchange offer, we will accept, promptly after the expiration date, all outstanding notes properly tendered and will issue exchange notes registered under the Securities Act in exchange for the tendered outstanding notes. For purposes of the exchange offer, we shall be deemed to have accepted properly tendered outstanding notes for exchange when, as and if we have given oral or written notice to the exchange agent, with written confirmation of any oral notice to be given promptly thereafter, and complied with the applicable provisions of the registration rights agreement. See Conditions to the Exchange Offer for a discussion of the conditions that must be satisfied before we accept any outstanding notes for exchange.

For each outstanding note accepted for exchange, the holder will receive an exchange note registered under the Securities Act having a principal amount equal to that of the surrendered outstanding note. Registered holders of exchange notes issued in the exchange offer on the relevant record date for the first interest payment date following the consummation of the exchange offer will receive interest accruing from the most recent date on which interest has been paid or, if no interest has been paid, from the issue date of the outstanding notes. Holders of exchange notes will not receive any payment in respect of accrued interest on outstanding notes otherwise payable on any interest payment date, the record date for which occurs on or after the consummation of the exchange offer. Under the registration rights agreement, we may be required to make payments of additional interest to the holders of the outstanding notes under circumstances relating to the timing of the exchange offer.

In all cases, we will issue exchange notes for outstanding notes that are accepted for exchange only after the exchange agent timely receives:

certificates for such outstanding notes or a timely book-entry confirmation of such outstanding notes into the exchange agent s account at DTC;

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a properly completed and duly executed letter of transmittal or an agent s message;

and all other required documents.

If for any reason set forth in the terms and conditions of the exchange offer we do not accept any tendered outstanding notes, or if a holder submits outstanding notes for a greater principal amount than the holder desires to exchange, we will return such unaccepted or nonexchanged notes without cost to the tendering holder. In the case of outstanding notes tendered by book-entry transfer into the exchange agent s account at DTC, the nonexchanged notes will be credited to an account maintained with DTC.

We will return the outstanding notes or have them credited to DTC, promptly after the expiration or termination of the exchange offer.

Book-Entry Delivery Procedures

Promptly after the date of this prospectus, the exchange agent will establish an account with respect to the outstanding notes at DTC and, as the book-entry transfer facility, for purposes of the exchange offer. Any financial institution that is a participant in the book-entry transfer facility s system may make book-entry delivery of the outstanding notes by causing the book-entry transfer facility to transfer those outstanding notes into the exchange agent s account at the facility in accordance with the facility s procedures for such transfer. To be timely, book-entry delivery of outstanding notes requires receipt of a book-entry confirmation prior to the expiration date. In addition, although delivery of outstanding notes may be effected through book-entry transfer into the exchange agent s account at the book-entry transfer facility, the letter of transmittal or a manually signed facsimile thereof, together with any required signature guarantees and any other required documents, or an agent s message in connection with a book-entry transfer, must, in any case, be delivered or transmitted to and received by the exchange agent at its address set forth on the cover page of the letter of transmittal prior to the expiration date to receive exchange notes for tendered outstanding notes, or the guaranteed delivery procedure described below must be complied with. Tender will not be deemed made until such documents are received by the exchange agent. Delivery of documents to the book-entry transfer facility does not constitute delivery to the exchange agent.

Holders of outstanding notes who are unable to deliver confirmation of the book-entry tender of their outstanding notes into the exchange agent s account at the book-entry transfer facility or all other documents required by the letter of transmittal to the exchange agent on or prior to the expiration date must tender their outstanding notes according to the guaranteed delivery procedures described below.

Guaranteed Delivery Procedures

If a holder of outstanding notes desires to tender such notes and the holder s outstanding notes are not immediately available, or time will not permit the holder s outstanding notes or other required documents to reach the exchange agent before the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected if:

the holder tenders the outstanding notes through an eligible institution;

prior to the expiration date, the exchange agent receives from such eligible institution a properly completed and duly executed notice of guaranteed delivery, acceptable to us, by facsimile transmission (receipt confirmed by telephone and an original delivered by guaranteed overnight courier), mail or hand delivery, setting forth the name and address of the holder of the outstanding notes tendered, the names in which such outstanding notes are registered, if applicable, the certificate number or numbers of such outstanding notes and the amount of the outstanding notes being tendered. The notice of guaranteed delivery shall state that the tender is being made and guarantee that within three New York Stock Exchange trading days after the expiration date, the certificates for all physically tendered outstanding notes, in proper form for transfer, or a book-entry confirmation, as the case may be, together with a properly completed and duly executed letter of transmittal or agent s message with any

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- required signature guarantees and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and

- the exchange agent receives the certificates for all physically tendered outstanding notes, in proper form for transfer, or a book-entry confirmation, as the case may be, together with a properly completed and duly executed letter of transmittal or agent s message with any required signature guarantees and any other documents required by the letter of transmittal, within three New York Stock Exchange trading days after the expiration date.

Withdrawal of Tenders

If not yet accepted, you may withdraw tenders of your outstanding notes at any time prior to the expiration of the exchange offer. For a withdrawal to be effective, you must send a written notice of withdrawal to the exchange agent at the address set forth below under Exchange Agent. Any such notice of withdrawal must:

- be received by the exchange agent before we notify the exchange agent that we have accepted the tender of outstanding notes pursuant to the exchange offer;

- specify the name of the person who tendered the outstanding notes to be withdrawn and where certificates for outstanding notes are transmitted, specify the name in which outstanding notes are registered, if different from that of the withdrawing holder;

- identify the outstanding notes to be withdrawn (including the principal amount of such outstanding notes, or, if applicable, the certificate numbers shown on the particular certificates evidencing such outstanding notes and the principal amount of outstanding notes represented by such certificates);

- include a statement that such holder is withdrawing its election to have such outstanding notes exchanged; and

- be signed by the holder in the same manner as the original signature on the letter of transmittal (including any required signature guarantee).

If certificates for outstanding notes have been delivered or otherwise identified to the exchange agent, then, prior to the release of such certificates, the withdrawing holder must also submit the serial numbers of the particular certificates to be withdrawn and signed notice of withdrawal with signatures guaranteed by an eligible institution unless such holder is an eligible institution. If outstanding notes have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at DTC, as applicable, to be credited with the withdrawn notes and otherwise comply with the procedures of such facility.

We will determine all questions as to the validity, form and eligibility (including time of receipt) of notices of withdrawal and our determination will be final and binding on all parties. Any tendered notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Any outstanding notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder. In the case of outstanding notes tendered by book-entry transfer into the exchange agent s account at DTC, the outstanding notes withdrawn will be credited to an account at the book-entry transfer facility specified by the holder. The outstanding notes will be returned promptly after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn outstanding notes may be retendered by following one of the procedures described under Procedures for Tendering above at any time on or prior to 5:00 p.m., New York City time, on the expiration date.

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Conditions to the Exchange Offer

Despite any other term of the exchange offer, we will not be required to accept for exchange, or to issue exchange notes in exchange for, any outstanding notes and we may terminate or amend the exchange offer as provided in this prospectus prior to the expiration date if in our reasonable judgment:

- the exchange offer or the making of any exchange by a holder violates any applicable law or interpretation of the SEC; or

- any action or proceeding has been instituted or threatened in writing in any court or by or before any governmental agency with respect to the exchange offer that, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offer.

In addition, we will not be obligated to accept for exchange the outstanding notes of any holder that has not made to us:

- the representations described under Purpose and Effect of the Exchange Offer, Procedures for Tendering and Plan of Distribution; o

- any other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to make available to us an appropriate form for registration of the exchange notes under the Securities Act.

We expressly reserve the right at any time or at various times to extend the period of time during which the exchange offer is open. Consequently, we may delay acceptance of any outstanding notes by giving oral or written notice of such extension to their holders. The Company anticipates that it would only delay acceptance of outstanding notes tendered in the offer due to an extension of the expiration date of the offer. We will return any outstanding notes that we do not accept for exchange for any reason without expense to their tendering holder promptly after the expiration or termination of the exchange offer.

We expressly reserve the right to amend or terminate the exchange offer and to reject for exchange any outstanding notes not previously accepted for exchange, upon the occurrence of any of the conditions of the exchange offer specified above. We will give oral or written notice of any extension, amendment, non-acceptance or termination to the holders of the outstanding notes as promptly as practicable. In the case of any extension, such notice will be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any such condition or may be waived by us in whole or in part at any time and from time to time. The failure by us at any time to exercise any of the foregoing rights shall not be deemed a waiver of any of those rights and each of those rights shall be deemed an ongoing right which may be asserted at any time and from time to time.

In addition, we will not accept for exchange any outstanding notes tendered, and no exchange notes will be issued in exchange for those outstanding notes, if at such time any stop order shall be threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939. In any of those events we are required to use every reasonable effort to obtain the withdrawal of any stop order at the earliest possible time.

Effect of Not Tendering

Holders who desire to tender their outstanding notes in exchange for exchange notes registered under the Securities Act should allow sufficient time to ensure timely delivery. Neither the exchange agent nor we are under any duty to give notification of defects or irregularities with respect to the tenders of outstanding notes for exchange.

Outstanding notes that are not tendered or are tendered but not accepted will, following the consummation of the exchange offer, continue to accrue interest and to be subject to the provisions in the indenture regarding the transfer

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and exchange of the outstanding notes and the existing restrictions on transfer set forth in the legend on the outstanding notes. After completion of the exchange offer, we will have no further obligation to provide for the registration under the Securities Act of those outstanding notes except in limited circumstances with respect to specific types of holders of outstanding notes and we do not intend to register the outstanding notes under the Securities Act. In general, outstanding notes, unless registered under the Securities Act, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws.

Exchange Agent

All executed letters of transmittal should be directed to the exchange agent. Wells Fargo Bank, National Association has been appointed as exchange agent for the exchange offer. Questions, requests for assistance and requests for additional copies of this prospectus or of the letter of transmittal should be directed to the exchange agent addressed as follows:

Registered & Certified Mail:	*Regular Mail or Courier:*	*In Person by Hand Only:*
Wells Fargo Bank, N.A.	Wells Fargo Bank, N.A.	Wells Fargo Bank, N.A.
Corporate Trust Operations	Corporate Trust Operations	Corporate Trust Services
MAC N9303-121	MAC N9303-121	Northstar East Building -12th Floor
P.O. Box 1517	6th St. & Marquette Avenue	608 Second Avenue South
Minneapolis, MN 55480	Minneapolis, MN 55479	Minneapolis, MN 55402

By Facsimile

(for Eligible Institutions only):

(612) 667-6282

For Information of Confirmation by Telephone:

(800) 344-5128

Fees and Expenses

We will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer. The estimated cash expenses to be incurred in connection with the exchange offer will be paid by us and will include fees and expenses of the exchange agent, legal, printing and related fees and expenses. Notwithstanding the foregoing, holders of the outstanding notes shall pay all agency fees and commissions and underwriting discounts and commissions, if any, attributable to the sale of such outstanding notes or exchange notes.

Accounting Treatment

We will record the exchange notes at the same carrying value as the outstanding notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes as the terms of the exchange notes are substantially identical to those of the outstanding notes. The expenses of the exchange offer will be amortized over the terms of the exchange notes.

Transfer Taxes

Holders who tender their outstanding notes for exchange will not be obligated to pay any transfer taxes in connection with that tender or exchange, except that holders who instruct us to register or issue exchange notes in the name of, or request that outstanding notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer tax on those outstanding notes. If satisfactory evidence of payment of such taxes or exception therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder. Notwithstanding the foregoing, holders of the outstanding notes shall pay transfer taxes, if any, attributable to the sale of such outstanding notes or exchange notes. If a transfer tax is imposed for any reason other than the transfer and exchange of outstanding notes to us or our order pursuant to the exchange offer, the amount of any such transfer taxes (whether imposed on the registered holder or any other person) will be payable by the tendering holder.

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RATIOS OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,				Three Months Ended March 31,
	2010	2011	2012	2013	2014
Ratio of earnings to fixed charges (1)	(2)	2.19x	(3)	(4)	(5)

(1) For purposes of calculating the ratio of earnings to fixed charges, earnings represents income from continuing operations before income taxes plus fixed charges (excluding capitalized interest). Fixed charges includes interest expense (including capitalized interest), amortization of issuance expense and the portion of rent expense that management believes is representative of the interest component of rental expense, which is currently one-third.

(2) For the year ended December 31, 2010, earnings were insufficient to cover fixed charges by $18.0 million.

(3) For the year ended December 31, 2012, earnings were insufficient to cover fixed charges by $9.3 million.

(4) For the year ended December 31, 2013, earnings were insufficient to cover fixed charges by $35.7 million.

(5) For the three months ended March 31, 2014, earnings were insufficient to cover fixed charges by $10.3 million.

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USE OF PROCEEDS

We will not receive any proceeds from the exchange of the notes. We are making this exchange offering solely to satisfy our obligations under the registration rights agreement. In consideration for issuing the exchange notes as contemplated by this prospectus, we will receive outstanding notes in a like principal amount. The outstanding notes surrendered in exchange for the exchange notes will be retired and canceled and will not be reissued. Accordingly, the issuance of the exchange notes will not result in any change in our capitalization.

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UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following unaudited pro forma combined statement of operations is based on the historical financial statements of Goodman Networks and Multiband, combined and adjusted to give effect to the merger with Multiband, or the Merger. A pro forma balance sheet has not been included as the Merger with Multiband closed on August 30, 2013 and is fully reflected in our consolidated balance sheet as of March 31, 2014.

The unaudited pro forma combined statement of operations for the fiscal year ended December 31, 2013 assumes that the Merger took place on January 1, 2013. Goodman Networks audited consolidated statement of operations for the fiscal year ended December 31, 2013 has been combined with Multiband s unaudited consolidated statement of operations for the period from January 1, 2013 to August 30, 2013, the closing date of the Merger. Multiband s results of operations for the period from August 31, 2013 to December 31, 2013 are included in our consolidated statement of operations for the year ended December 31, 2013. A pro forma statement of operations for the three months ended March 31, 2014 has not been included as the Merger is fully reflected in our consolidated statement of operations for the three months ended March 31, 2014.

The historical consolidated financial information has been adjusted in the unaudited pro forma combined statement of operations to give effect to pro forma events that are (1) directly attributable to the Merger, (2) factually supportable, and (3) expected to have a continuing impact on the combined results. The unaudited pro forma combined financial information should be read in conjunction with the accompanying notes to the unaudited pro forma combined statement of operations. In addition, the unaudited pro forma combined financial information was based on, and should be read in conjunction with, the following historical consolidated financial statements and accompanying notes of Goodman Networks and Multiband for the applicable periods, which are included elsewhere in this prospectus:

- Separate historical financial statements of Goodman Networks for the year ended December 31, 2013 and the related notes;

- Separate historical financial statements of Multiband as of and for the six months ended June 30, 2013 and the related notes (the latest interim period that preceded the Merger).

The unaudited pro forma combined financial information is presented for informational purposes only. The unaudited pro forma information is not necessarily indicative of what the combined results of operations actually would have been had the Merger been completed as of the date indicated. In addition, the unaudited pro forma combined financial information does not purport to project the combined financial position or operating results for any future period. The unaudited pro forma combined statement of operations does not include the realization of potential cost savings from operating efficiencies or restructuring costs which may result from the Merger.

The unaudited pro forma combined financial information has been prepared using the acquisition method of accounting for business combinations under accounting principles generally accepted in the United States, or GAAP. Goodman Networks is the acquirer for accounting purposes.

Goodman Networks has not had sufficient time to completely evaluate the identifiable assets and liabilities of Multiband. Accordingly, the pro forma adjustments, including the allocations of the purchase price, are preliminary and have been made solely for the purpose of providing unaudited pro forma combined financial information. Differences between these preliminary estimates and the final acquisition accounting could be material.

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GOODMAN NETWORKS INCORPORATED

Unaudited Pro Forma Combined Statement of Operations

For The Year Ended December 31, 2013

(Dollars in thousands)

	Goodman Networks Incorporated, as reported	Multiband Corporation (1)	Pro Forma Adjustments		Combined
Revenues	$ 931,745	$ 203,531	$		$ 1,135,276
Cost of revenues	806,109	148,638	9,156	**A**	963,903
Gross profit	125,636	54,893	(9,156)		171,373
Selling, general and administrative expenses (2)	121,106	49,201	(8,802)	**A,B**	161,505
Operating income	4,530	5,692	(354)		9,868
Other expense					
Interest expense	40,287	1,761	4,578	**C**	46,626
Interest income		(11)			(11)
Write-off of deferred financing costs		2,342	(2,342)	**D**	
Other income	(25)	(39)			(64)
Income (loss) before income taxes	(35,732)	1,639	(2,590)		(36,683)
Income tax expense (benefit)	7,506	2,112	(906)	**E**	8,712
Net loss from continuing operations	$ (43,238)	$ (473)	$ (1,684)		$ (45,395)

(1) Reflects the results of operations for Multiband Corporation for the period from January 1, 2013 to August 30, 2013, the closing date of the Merger.

(2) Includes depreciation and amortization expenses.

1. Description of Transaction

On May 21, 2013, Goodman Networks, MergerSub, and Multiband entered into a definitive agreement for Multiband to merge with and into MergerSub, with Multiband surviving the Merger (the Merger). On August 30, 2013, Multiband became a wholly owned subsidiary of Goodman Networks. As part of the Merger, Goodman Networks acquired the outstanding shares of Multiband common stock at $3.25 per share in cash and repaid Multiband s indebtedness of $22.6 million, which was the amount outstanding under Multiband s credit agreement that Goodman Networks agreed to repay pursuant to the merger agreement with Multiband.

To fund the Merger, Goodman Networks offered $100 million aggregate principal amount of its Stage I Notes 12.125% Senior Secured Notes due 2018 (Stage I Notes) with a premium of $5 million. Substantially concurrently with the consummation of the Merger, Goodman Networks redeemed all of the Stage I Notes by issuing in exchange for the Stage I Notes its 12.125% Senior Secured Notes due 2018 (the Stage II Notes and together with the Stage I Notes, the Notes) equal to the aggregate principal amount of the Stage I Notes (the Stage II Notes Exchange Redemption). The Stage II Notes so issued constituted an additional issuance of Goodman Networks 12.125% Senior Secured Notes due 2018 (the Existing Notes and, together with the Stage II Notes, the Goodman Notes) pursuant to that certain indenture, dated as of June 23, 2011, as supplemented and amended (the Existing Goodman Networks Indenture) between Goodman Networks and Wells Fargo Bank, National Association, as trustee, under which Goodman Networks previously issued $225.0 million in aggregate principal amount of Existing Notes. Following the closing of the Merger, Multiband and its subsidiaries became restricted subsidiaries and guarantors under the Existing Goodman Networks Indenture and the Credit Facility.

2. Basis of Presentation

The unaudited pro forma combined financial information is based on the historical financial statements of Goodman Networks and Multiband and prepared and presented pursuant to the regulations of the Securities and Exchange Commission regarding pro forma financial information. The pro forma adjustments include the application of the acquisition method under Accounting Standards Codification (ASC) Topic 805, *Business Combinations* with respect to the Merger.

ASC Topic 805 requires, among other things, that identifiable assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date, which was August 30, 2013, the closing date of the Merger. Accordingly, the pro forma adjustments reflected in the accompanying combined pro forma financial statements may be materially different from the actual acquisition accounting adjustments required as of the acquisition date.

Under ASC Topic 820, *Fair Value Measurements and Disclosures*, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be unrelated buyers and sellers in the principal or the most advantageous market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. Many of these fair value measurements can be highly subjective and it is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

There were no transactions between Goodman Networks and Multiband during the periods presented in the unaudited pro forma combined financial statements that would need to be eliminated.

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3. Accounting Policies

Upon completion of the Merger, Goodman Networks performed a detailed review of Multiband s accounting policies. As a result of that review, Goodman Networks identified a difference between the accounting policies of the two companies related to the income statement classification of certain workers compensation, health benefit and other expenses. These expenses have been reclassified from selling, general and administrative expenses to cost of revenues in the accompanying unaudited pro forma combined statement of operations. This adjustment has been identified as adjustment (A) in the accompanying unaudited pro forma combined statement of operations and in the notes below. Goodman Networks is not aware of any additional accounting policy differences that would have a material impact on the combined financial statements and the unaudited pro forma combined statement of operations.

4. Adjustments to Unaudited Pro Forma Combined Financial Statements

(A) Reflects the reclassification of certain workers compensation and health benefit expenses from selling, general and administrative expenses to cost of revenues to conform Multiband s accounting policy for these expenses to the accounting policy adopted by Goodman Networks.

(B) Reflects the following adjustment to depreciation and amortization (in thousands):

	Year Ended December 31, 2013
Elimination of amortization and impairment of Multiband s intangible assets	$ (2,491)
Amortization of intangible assets acquired in connection with the Merger	2,845
	$ 354

(C) Reflects the following adjustments to interest expense (in thousands):

	Year Ended December 31, 2013
Amortization of premium and issuance costs of debt issued with the Merger	$ 600
Elimination of amortization of Multiband s historical debt discount and issuance costs	(945)
Estimated interest expense from debt issued in connection with the Merger (See below)	6,063
Elimination of Multiband s interest expense from debt retired in connection with the Merger	(1,140)
	$ 4,578

(D) Reflects the elimination of the write-off of Multiband s deferred financing costs related to debt repaid in connection with the Merger during the period from January 1, 2013 to August 30, 2013.

(E) Reflects the income tax effects of pro forma adjustments based on Goodman Networks statutory rate of 35%.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table sets forth certain selected historical consolidated financial and operating data for our business as of and for the years ended December 31, 2011, 2012, and 2013, which has been derived from, and should be read together with, our audited historical consolidated financial statements and related notes included elsewhere in this prospectus, and as of and for the year ended December 31, 2010, which has been derived from and should be read together with, our audited historical consolidated financial statements not included in this prospectus. The selected historical consolidated financial data set forth below as of and for each of the three months ended March 31, 2013 and 2014, has been derived from, and should be read together with, our unaudited consolidated financial statements and related notes included elsewhere in this prospectus.

On February 28, 2013, we completed the CSG acquisition. Accordingly, the operations and assets acquired in the CSG acquisition are included in our historical results of operations beginning March 1, 2013 and reflected in our historical balance sheet as of June 30, 2013. We completed the merger with Multiband on August 30, 2013. The operations and assets of Multiband are therefore included in our historical results of operations beginning August 31, 2013 and reflected in our historical balance sheet as of September 30, 2013.

You should read the following selected historical financial and operating data in conjunction with the information under Management s Discussion and Analysis of Financial Condition and Results of Operations, our consolidated financial statements and other financial information included elsewhere in this prospectus. Our historical results included below and elsewhere in this prospectus are not necessarily indicative of our future performance.

	Year Ended December 31,				Three Months Ended March 31, (Unaudited)	
	2010	2011	2012	2013	2013	2014
	(Dollars in thousands)					
Statement of Operations Data (1):						
Revenues	$ 320,388	$ 729,002	$ 609,227	$ 931,745	$ 151,200	$ 256,591
Cost of revenues	279,767	610,784	499,288	806,109	125,961	223,204
Gross profit	40,621	118,218	109,939	125,636	25,239	33,387
Selling, general and administrative expenses	53,656	67,450	87,216	121,106	24,854	32,070
Other operating income (expense)	749	(4,000)				
Operating income	(12,286)	46,768	22,723	4,530	385	1,317
Interest expense	5,718	20,548	31,998	40,287	7,911	11,687
Other income				(25)		(31)
Income (loss) before income tax expense	(18,004)	26,220	(9,275)	(35,732)	(7,526)	(10,339)
Income tax expense (benefit)	(6,897)	10,309	(4,176)	7,506	(2,724)	(51)
Net income (loss) from continuing operations	$ (11,107)	$ 15,911	$ (5,099)	$ (43,238)	$ (4,802)	$ (10,288)
Balance Sheet Data (at period end):						
Cash and cash equivalents	$	$ 100,637	$ 120,991	$ 59,439	$ 60,377	$ 33,773
Total assets	213,944	301,826	324,159	508,390	318,406	457,964
Long-term debt (net of current portion)	17,933	221,401	221,953	330,346	222,088	330,643
Total shareholders deficit	(37,111)	(95,241)	(92,323)	(135,324)	(100,088)	(144,577)

(1) During the three months ended March 31, 2013, transitional services ceased on an expired contract with AT&T in the Pacific Northwest region. Accordingly, the results of operations for the Pacific Northwest region are presented as discontinued operations for all periods presented.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis summarizes the significant factors affecting our consolidated operating results, financial condition, liquidity and cash flows as of and for the periods presented below. The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that are based on beliefs of our management, as well as assumptions made by, and information currently available to, our management. Actual results may differ materially from those discussed in or implied by forward-looking statements as a result of various factors, including those discussed below and elsewhere in this prospectus, particularly in the section entitled Risk Factors. See Cautionary Statement Regarding Forward-Looking Statements.

Overview

We are a leading national provider of end-to-end network infrastructure and professional services to the wireless telecommunications industry. Our wireless telecommunications services span the full network lifecycle, including the design, engineering, construction, deployment, integration, maintenance and decommissioning of wireless networks. We perform these services across multiple network infrastructures, including traditional cell towers as well as next generation small cell and distributed antenna systems, or DAS. We also serve the satellite television industry by providing onsite installation, upgrading and maintenance of satellite television systems to both the residential and commercial markets customers. These highly specialized and technical services are critical to the capability of our customers to deliver voice, data and video services to their end users.

We operate from a broad footprint, having provided services during 2013 in all 50 states. As of April 30, 2014, we employed over 5,200 persons, including approximately 2,600 technicians and 500 engineers, and operated 63 regional offices and warehouses. During the year ended December 31, 2013, we completed over 65,000 telecommunications projects and fulfilled over 1.5 million satellite television installation, upgrade or maintenance work orders. We have established strong, long-standing relationships with Tier-1 wireless carriers and original telecommunications equipment manufacturers, or OEMs, including AT&T Mobility, LLC, or AT&T, Alcatel-Lucent USA Inc., or Alcatel-Lucent, Sprint/United Management Company, or Sprint as well as DIRECTV. Over the last few years, we have diversified our customer base within the telecommunications industry by leveraging our long-term success and reputation for quality to win new customers such as Nokia Solutions and Networks B.V., or NSN, T-Mobile International AG, or T-Mobile, and Verizon. We generated nearly all of our revenues over the past several years under master service agreements, or MSAs, that establish a framework, including pricing and other terms, for providing ongoing services. We believe our long-standing relationships with our largest customers, which are governed by MSAs that historically have been renewed or extended, provide us with high visibility to our future revenue. During 2013, we also provided small cell or DAS services to over 100 enterprises including higher education institutions, stadiums for professional and collegiate sports events, hotels and resorts, major retailers, hospitals and government agencies.

Significant Transactions

Merger with Multiband Corporation

On May 21, 2013, Goodman Networks entered into an Agreement and Plan of Merger, or the Merger Agreement, with Manatee Merger Sub Corporation, a wholly owned subsidiary of Goodman Networks, or MergerSub, and Multiband Corporation, or Multiband, pursuant to which, on August 30, 2013, Multiband merged with and into MergerSub, with Multiband surviving the merger, or the Merger. The aggregate purchase price, excluding merger-related fees and expenses, was approximately $101.1 million. Upon the closing of the Merger, Multiband became a wholly owned subsidiary of Goodman Networks, and Multiband and its subsidiaries became restricted subsidiaries and guarantors under the indenture, or the Indenture, governing the Company s 12.125% senior secured notes due 2018, or the notes, and the Company s amended and restated senior secured revolving credit facility, or the Credit Facility. To fund the Merger the Company, through its wholly owned subsidiary, sold an additional $100 million of senior secured notes due 2018, or the outstanding notes, under terms substantially identical to the terms of the $225 million in aggregate principal amount of notes issued in June 2011, or the original notes. The Company paid the remainder of the merger consideration from cash on hand.

Disposition of the MDU Assets

On December 31, 2013, the Company sold certain assets to DIRECTV MDU, LLC, or DIRECTV MDU, and DIRECTV MDU assumed certain liabilities of the Company, related to the division of the Company s business involved with the ownership and operation of subscription based video, high-speed internet and voice services and related call center functions to multiple dwelling unit customers, lodging and institution customers and commercial establishments, or, such assets, collectively, the MDU Assets. The operations of the MDU Assets were previously reported in the Company s Other Services segment. In consideration for the MDU Assets, DIRECTV MDU paid the Company $12.5 million and additional non-cash consideration, and extended the existing Multiband/DIRECTV HSP Agreement, resulting in a four-year remaining term ending on December 31, 2017, as well as the assumption of certain liabilities.

Acquisition of Design Build Technologies

On August 8, 2013, we acquired the assets of Design Build Technologies, LLC, or DBT, one of our former subcontractors in the southeast region of the United States, for $1.3 million in cash together with earn-out payments of up to an aggregate of $0.9 million over a period of 18 months. We received certain assets, tower crews, and non-compete agreements from the owner of DBT, who became an employee of our Company upon the close of the transaction.

Acquisition of the Custom Solutions Group of Cellular Specialties, Inc.

On February 28, 2013, we completed the acquisition of the Custom Solutions Group of Cellular Specialties, Inc., or CSG, which provides indoor and outdoor wireless distributed antenna system, or DAS, and carrier Wi-Fi solutions, services, consultations and maintenance. The purchase price consisted of $18.0 million in cash, earn-out payments of up to an aggregate of $17.0 million through December 31, 2015 and the assumption of certain liabilities related to the acquired business. We believe the acquisition will help better serve our customers evolving needs by addressing the increasingly used small cell and DAS offload solutions.

Operating Segments

Prior to the merger with Multiband, we operated our business in two segments: Professional Services and Infrastructure Services.

Professional Services. Our Professional Services segment provides customers with highly technical services primarily related to designing, engineering, integration and performance optimization of transport, or backhaul, and core, or central office, equipment of enterprise and wireless carrier networks. When a network operator integrates a new element into its live network or performs a network-wide upgrade, a team of in-house engineers from our Professional Services segment can administer the complete network design, equipment compatibility assessments and configuration guidelines, the migration of data traffic onto the new or modified network and the network activation.

In addition, we provide services related to the design, engineering, installation, integration and maintenance of small cell and DAS networks. Our acquisition of CSG was incorporated into our Professional Services segment, which has enhanced our ability to provide end-to-end in-building services from design and engineering to maintenance. Our enterprise small cell and DAS customers often require most or all of the services listed above and may also purchase consulting, post-deployment monitoring, performance optimization and maintenance services.

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Infrastructure Services. Our Infrastructure Services segment provides program management services of field projects necessary to deploy, upgrade, maintain or decommission wireless outdoor networks. We support wireless carriers in their implementation of critical technologies such as long-term evolution, or 4G-LTE, the addition of new macro and small cell sites, increase of capacity at their existing cell sites through additional spectrum allocations, as well as other optimization and maintenance activities at cell sites. When a network provider requests our services to build or modify a cell site, our Infrastructure Services segment is able to: (i) handle the required pre-construction leasing, zoning, permitting and entitlement activities for the acquisition of the cell site, (ii) prepare site designs, structural analysis and certified drawings and (iii) manage the construction or modification of the site including tower-top and ground equipment installation. These services are managed by our wireless project and construction managers and are performed by a combination of scoping engineers, real estate specialists, ground crews, line and antenna crews and equipment technicians, either employed by us or retained by us as subcontractors.

Our Infrastructure Services segment also provides fiber and wireless backhaul services to carriers. Our fiber backhaul services, or Fiber to the Cell services, connect existing points in the fiber networks of wireline carriers to thousands of cell sites needing the bandwidth and ethernet capabilities for upgrading capacity. Our microwave backhaul services provide a turnkey solution offering site audit, site acquisition, microwave line of sight surveys, path design, installation, testing and activation services. This fiber and wireless backhaul work often involves planning, route engineering, right-of-way (for fiber work) and permitting, logistics, project management, construction inspection and optical fiber splicing services. Backhaul work is performed to extend an existing optical fiber network owned by a wireline carrier, typically between several hundred yards to a few miles, to the cell site.

We expect continued growth in the Infrastructure Services segment, but we expect the rate of growth to moderate in 2014.

We began operating the following additional segments in connection with the closing of the merger with Multiband:

Field Services. Our Field Services segment provides installation and maintenance services to DIRECTV, commercial customers and a provider of internet wireless service primarily to rural markets. Our wholly owned subsidiary Multiband, which we acquired in August 2013, fulfilled over 1.5 million satellite television installation, upgrade or maintenance work orders during 2013 for DIRECTV, which represented 27.6% of DIRECTV s outsourced work orders for residents of single-family homes during 2013. We were the second largest DIRECTV in-home installation provider in the United States for the year ended December 31, 2013.

Other Services. The Other Services segment included our Engineering, Energy & Construction, or EE&C, line of business and, until we disposed of the MDU Assets to DIRECTV MDU on December 31, 2013, included the Multi-Dwelling Unit, or MDU, line of business. See Significant Transactions Disposition of the MDU Assets above for a description of the disposition of certain assets related to the MDU services.

Engineering, Energy & Construction Services. Our EE&C services include the provision of engineering and construction services for the wired and wireless telecommunications industry, including public safety networks, renewable energy services including wind and solar applications and other design and construction services which are usually done on a project basis.

Multi-Dwelling Unit Services. Our MDU services included the provision of voice, data and video services to residents of MDU facilities as an owner/operator of the rights under the related subscription agreements with those residents. From 2004 until 2013, Multiband operated under a Master System Operator agreement for DIRECTV, through which DIRECTV offered satellite television services to residents of MDUs. On December 31, 2013 we sold the MDU Assets, from which we provided the MDU services, to an affiliate of DIRECTV for $12.5 million and the assumption of certain liabilities. In addition, in the first quarter of 2014, we integrated the

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EE&C line of business with the Infrastructure Services and Professional Services segments, and as a result there is no longer an Other Services segment. We have not restated the corresponding items of segment information for the year ended December 31, 2013 because the employees that previously comprised the EE&C line of business are now serving customers within the Infrastructure Services segment and the remaining operations of the Other Services segment that were realigned to the Infrastructure Services, Professional Services or Field Services segments are not material to those segments individually.

Customers

For the year ended December 31, 2013, we provided services to customers across 50 states. Following our acquisition of Multiband, we began providing services to DIRECTV. The vast majority of our revenues were related to our MSAs with a subsidiary of AT&T Inc. and Alcatel-Lucent. For the years ended December 31, 2011, 2012 and 2013 and the three months ended March 31, 2014, subsidiaries of AT&T Inc., Alcatel-Lucent and DIRECTV combined to provide 99.1%, 96.3%, 87.3% and 87.0% of our revenues, respectively. On May 18, 2014, AT&T Inc. and DIRECTV announced that they had entered into a merger agreement pursuant to which DIRECTV would merge with a subsidiary of AT&T Inc. The closing of the merger is subject to several conditions, including review and approval by the Federal Communications Commission, or the FCC, and the Department of Justice. If the merger occurs, our revenues would become more concentrated and dependent on our relationship with AT&T Inc.

AT&T

We provide site acquisition, construction, technology upgrades, Fiber to the Cell and maintenance services for AT&T Mobility, LLC, or AT&T, at cell sites in 9 of 31 distinct AT&T markets, or Turf Markets, as the sole, primary or secondary vendor, pursuant to a multi-year MSA that we entered into with AT&T and have amended and replaced from time to time. We refer to our MSAs with AT&T related to its turf program collectively as the Mobility Turf Contract. We have generated an aggregate of approximately $2.56 billion of revenue from subsidiaries of AT&T Inc. collectively for the period from January 1, 2009 through March 31, 2014.

Our Mobility Turf Contract provides for a term expiring on November 30, 2015, and AT&T has the option to renew the contract on a yearly basis thereafter. In connection therewith, AT&T reassigned certain of its Turf Markets, including the assignment to us of two additional Turf Markets, Missouri/Kansas and San Diego, and the assignment of the Pacific Northwest region, which was previously assigned to us, to another company effective December 31, 2011. Although our contract for the Pacific Northwest region expired on December 31, 2011, we continued to provide transitional services to AT&T in the Pacific Northwest region throughout 2012, and thereby concluded that we did not meet the criteria to report the results of operations from the Pacific Northwest as discontinued operations as a result of significant continuing cash flows as of December 31, 2012. During the three months ended March 31, 2013, the transitional services ceased, and accordingly, we have presented the results of operations for the Pacific Northwest region as discontinued operations for all periods presented. The results of operations of the Pacific Northwest now reported as a discontinued operation were previously included within our Infrastructure Services segment.

We provide other services to AT&T in addition to those provided under the Mobility Turf Contract. Those services include the deployment of indoor small cell systems, DAS systems and microwave transmission facilities and central office services. We recently entered into a DAS Installation Services Agreement and Subordinate Material and Services Agreement with a subsidiary of AT&T Inc. to provide these services. We continually seek to expand our service offerings to AT&T.

DIRECTV

With the acquisition of Multiband, DIRECTV became our second largest customer. The relationship between Multiband and DIRECTV has lasted for over 17 years and is essential to the success of our Field Services segment s operations. We are one of three in-home installation providers that DIRECTV utilizes in the United States, and during the year ended December 31, 2013, Multiband performed 27.6% of all DIRECTV s

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outsourced installation, upgrade and maintenance activities. Our contract with DIRECTV has a term expiring on December 31, 2017, and contains an automatic one-year renewal. Until December 31, 2013, we also provided customer support and billing services to certain of DIRECTV s customers through our Other Services segment pursuant to a separate arrangement.

Alcatel-Lucent

In November 2009, we entered into a five-year MSA with Alcatel-Lucent, or the Alcatel-Lucent Contract. Pursuant to the Alcatel-Lucent Contract, 461 of Alcatel-Lucent s domestic engineering and integration specialists became employees of Goodman Networks. The Alcatel-Lucent Contract grants us the right to perform, subject to certain conditions, certain deployment engineering, integration engineering and radio frequency engineering services for Alcatel-Lucent in the United States. The outsourcing agreement expires on December 31, 2014, and renews on an annual basis thereafter for up to two additional one-year terms unless notice of non-renewal is first provided by either party. Under the terms of the Alcatel-Lucent Contract, Alcatel-Lucent is required to purchase a minimum level of services from us, which amount corresponds to the number of employees we are required to commit to Alcatel-Lucent s projects under the Alcatel-Lucent Contract, and is subject to decline at a predetermined rate that accelerates in the event of attrition of certain of our employees that were formerly employed by Alcatel-Lucent. Although these contractual minimum levels of work decline over time, the amount of work we have performed for Alcatel-Lucent has consistently exceeded these contractual minimum levels.

During 2014, we anticipate that our revenues under the Alcatel-Lucent Contract will continue to decrease compared to the amount that we have historically realized thereunder, correlative with the decline in contractual minimum levels of services described above. In addition, Alcatel-Lucent may elect not to renew the Alcatel-Lucent Contract, which may cause Alcatel-Lucent to ramp down the services that we currently provide to it prior to the December 31, 2014 expiration date. We are currently in negotiations with Alcatel-Lucent to secure additional work; however, if we are unable to come to terms with Alcatel-Lucent regarding such additional work and Alcatel-Lucent decides not to extend the term of the Alcatel-Lucent Contract beyond the expiration date, Alcatel-Lucent may no longer remain a material customer.

Sprint

In May 2012 we entered into an MSA with Sprint to provide decommissioning services for Sprint s iDEN (push-to-talk) network. We are removing equipment from Sprint s network that is no longer in use and restoring sites to their original condition. For the years ended December 31, 2012 and 2013 and for the three months ended March 31, 2014, we recognized $11.9 million, $34.0 million and $15.4 million of revenue, respectively, related to the services we provide for Sprint.

Enterprise Customers

We provide services to enterprise customers through our Professional Services segment. These service offerings consist of the design, installation and maintenance of DAS systems to customers such as Fortune 500 companies, hotels, hospitals, college campuses, airports and sports stadiums.

Key Components of Operating Results

The following is a discussion of key line items included in our financial statements for the periods presented below under the heading Results of Operations. We utilize revenues, gross profit, net income and earnings before interest, income taxes, depreciation and amortization, or EBITDA, as significant performance indicators.

Estimated Backlog

We refer to the amount of revenue we expect to recognize over the next 18 months from future work on uncompleted contracts, including MSAs and work we expect to be assigned to us under MSAs, and based on historical levels of work under such MSAs and new contractual agreements on which work has not begun, as our estimated backlog. We determine the amount of estimated backlog for work under MSAs based on historical

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trends, anticipated seasonal impacts and estimates of customer demand based upon communications with our customers. Our 18-month estimated backlog as of March 31, 2013 was $1.3 billion, and our 18-month estimated backlog as of March 31, 2014 was $1.8 billion, including $0.4 billion of estimated backlog from DIRECTV as of March 31, 2014. We expect to recognize approximately $0.9 billion of our estimated backlog as of March 31, 2014 in the nine months ended December 31, 2014. The vast majority of estimated backlog as of March 31, 2014 has originated from multi-year customer relationships, primarily with AT&T, DIRECTV and Alcatel-Lucent.

Because we use the completed contract method of accounting for revenues and expenses from our long-term construction contracts, our estimated backlog includes revenue related to projects that we have begun but not completed performance. Therefore, our estimated backlog contains amounts related to work that we have already performed but not completed.

While our estimated backlog includes amounts under MSA and other service agreements, our customers are generally not contractually committed to purchase a minimum amount of services under these agreements, most of which can be cancelled on short or no advance notice. Therefore, our estimates concerning customers requirements may not be accurate. The timing of revenues for construction and installation projects included in our estimated backlog can be subject to change as a result of customer delays, regulatory requirements and other project related factors that may delay completion. Changes in timing could cause estimated revenues to be realized in periods later than originally expected or unrealized. Consequently, our estimated backlog as of any date is not a reliable indicator of our future revenues and earnings. See Risk Factors Risks Related to Our Business Amounts included in our estimated backlog may not result in actual revenue or translate into profits, and our estimated backlog is subject to cancellation and unexpected adjustments and therefore is an uncertain indicator of future operating results.

Revenues

Our revenues are generated primarily from projects performed under MSAs including the design, engineering, construction, deployment, integration, maintenance, and decommissioning of wireless networks. Our MSAs generally contain customer-specified service requirements, such as discrete pricing for individual tasks as well as various other terms depending on the nature of the services provided, and typically provide for termination upon short or no advance notice.

Our revenues fluctuate as a result of the timing of the completion of our projects and changes in the capital expenditure and maintenance budgets of our customers, which may be affected by overall economic conditions, consumer demands on telecommunications and satellite television providers, the introduction of new technologies, the physical maintenance needs of our customers infrastructure and the actions of the government, including the FCC and state agencies. A significant portion of our revenues and costs in our Infrastructure Services segment are recognized during the fourth quarter of each year as we complete the most contracts in that segment during such time. See Seasonality, herein.

Our Professional Services segment revenues are derived from wireless and wireline services through engineers who specialize in network architecture, transformation, reliability and performance. Until our acquisition of CSG in February 2013, the vast majority of our revenues for the Professional Services segment were attributable to work performed pursuant to the Alcatel-Lucent Contract. The acquisition of the assets of CSG expanded our revenues from enterprise, small cell and DAS customers.

Our Infrastructure Services segment revenues are derived from project management, site acquisition, architecture and engineering, construction management, equipment installation and drive-testing verification services. The vast majority of the revenues we earn in our Infrastructure Services segment are from subsidiaries of AT&T Inc. and are primarily comprised of work performed under the Mobility Turf Contract. Substantially all of our revenues are earned under fixed-unit price contracts. We have historically had success in certain circumstances seeking price adjustments from customers to avoid losses on projects undertaken pursuant to these contracts.

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Our Field Services segment revenues are derived from the installation and service of DIRECTV video programming systems for residents of single family homes through work order fulfillment under a contract with DIRECTV.

The following table presents our gross deferred revenue and deferred cost balances as of December 31, 2012 and 2013 and March 31, 2013 and 2014, which have been presented net on a project basis in the accompanying financial statements (in thousands):

	December 31, 2012	December 31, 2013	March 31, 2013	March 31, 2014
Deferred revenue (gross)	$ (237,380)	$ (197,854)	$ (239,046)	$ (175,477)
Deferred cost (gross)	222,608	251,421	246,976	275,949
Net deferred cost / (deferred revenue)	$ (14,772)	$ 53,567	$ 7,930	$ 100,472
Costs in excess of billings on uncompleted projects	$ 33,487	$ 100,258	$ 67,999	$ 128,984
Billings in excess of costs on uncompleted projects	(48,259)	(46,691)	(60,069)	(28,512)
Net deferred cost / (deferred revenue)	$ (14,772)	$ 53,567	$ 7,930	$ 100,472

Cost of Revenues

Our costs of revenues include the costs of providing services or completing the projects under our MSAs, including operations payroll and benefits, subcontractor costs, equipment rental, fuel, materials not provided by our customers and insurance. Profitability will be reduced or eliminated if actual costs to complete a project exceed original estimates on fixed-unit price projects under our MSAs. Estimated losses on projects under our MSAs are recognized immediately when estimated costs to complete a project exceed the expected revenue to be received for a project.

For our Professional Services segment, cost of revenues consists primarily of salaries and benefits paid to our employees. In addition to salaried employees, we hire a relatively small amount of temporary subcontractors to perform work within our Professional Services segment. An additional small percentage of cost of revenues includes materials and supplies.

For our Infrastructure Services segment, cost of revenues consists primarily of operating expenses such as salaries and related headcount expenses, subcontractor expenses and cost of materials used in the projects. The majority of these costs have historically consisted of payments made to subcontractors hired to perform work for us, typically on a fixed-unit price basis tied to completion of the given project. During periods of increased demand, subcontractors may charge more for their services. In addition, we typically bill our customers for raw materials used in the performance of services plus a certain percentage of our costs. Additional costs to us that are not included in this billing primarily include storage and shipping of materials.

For our Field Services segment, cost of revenues consists primarily of salaries for technicians, fleet expenses, the cost of installation materials used in the field projects and subcontractor expenses.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of salaries and related headcount expenses, sales commissions and bonuses, professional fees, travel, facilities, communication expenses, depreciation and amortization and other corporate overhead. Corporate overhead costs include costs associated with corporate staff, corporate management, human resources, information technology, finance and other corporate support services.

Our selling, general and administrative expenses are not allocated to a reporting segment. We expect our selling, general and administrative expenses to increase as a result of additional expenses associated with being a public company, including increased personnel costs, legal costs, accounting costs, board compensation expense, investor relations costs, director and officer insurance premiums, share-based compensation and costs associated with our compliance with Section 404 of the Sarbanes-Oxley Act of 2002, and other applicable regulations of the Securities and Exchange Commission, or the SEC.

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Results of Operations

Three Months Ended March 31, 2014 Compared to Three Months Ended March 31, 2013

The following table sets forth information concerning our operating results by segment for the three months ended March 31, 2013 and 2014 (in thousands).

	Three Months Ended March 31,					
	2013		2014			
	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Change ($)	Change (%)
Revenues:						
Professional Services	$ 20,084	13.3%	$ 22,197	8.7%	$ 2,113	10.5%
Infrastructure Services	131,116	86.7%	174,626	68.1%	43,510	33.2%
Field Services			59,768	23.3%	59,768	n/a
Total revenues	151,200	100.0%	256,591	100.0%	105,391	69.7%
Cost of revenues:						
Professional Services	16,989	11.2%	21,242	8.3%	4,253	25.0%
Infrastructure Services	108,972	72.1%	146,208	57.0%	37,236	34.2%
Field Services			55,754	21.7%	55,754	n/a
Total cost of revenues	125,961	83.3%	223,204	87.0%	97,243	77.2%
Gross profit:						
Professional Services	3,095		955		(2,140)	(69.1)%
Infrastructure Services	22,144		28,418		6,274	28.3%
Field Services			4,014		4,014	n/a
Total gross profit	25,239		33,387		8,148	32.3%
Gross margin as percent of segment revenues:						
Professional Services	15.4%		4.3%			
Infrastructure Services	16.9%		16.3%			
Field Services			6.7%			
Total gross margin	16.7%		13.0%			
Selling, general and administrative expenses	24,854	16.4%	32,070	12.5%	7,216	29.0%
Operating income	385	0.3%	1,317	0.5%	932	242.1%
Other income			(31)	(0.0)%	(31)	n/a
Interest expense	7,911	5.2%	11,687	4.6%	3,776	47.7%
Loss before income taxes	(7,526)	(5.0)%	(10,339)	(4.0)%	(2,813)	37.4%
Income tax benefit	(2,724)	(1.8)%	(51)	(0.0)%	2,673	(98.1)%
Net loss	$ (4,802)	(3.2)%	$ (10,288)	(4.0)%	$ (5,486)	114.2%

Revenues

We recognized total revenues of $256.6 million for the three months ended March 31, 2014, compared to $151.2 million for the three months ended March 31, 2013, representing an increase of $105.4 million, or 69.7%. Our aggregate revenue from subsidiaries of AT&T Inc., a majority of which was earned through our Infrastructure Services segment, was $156.9 million for the three months ended March 31, 2014, compared to

$129.5 million in the same period of 2013. In addition to the Multiband revenues of $61.1 million which were not included in our results for the first quarter of 2013 and CSG revenues of $9.7 million which were only

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included in our results for the first quarter of 2013 beginning February 28, 2013, a significant amount of our revenue increase was due to increased volume of services provided to subsidiaries of AT&T Inc.

Revenues for the Professional Services segment increased $2.1 million, or 10.5%, to $22.2 million in the three months ended March 31, 2014 from $20.1 million in the same period of 2013. The acquisition of CSG contributed revenues of $9.7 million in the three months ended March 31, 2014 as compared to $5.2 million for the comparable period in 2013. Excluding the CSG revenues, our Professional Services revenues declined $2.4 million, or 16.1%. This decrease was primarily due to decreased volume of services provided to Alcatel-Lucent. Our aggregate revenue from Alcatel-Lucent for the three months ended March 31, 2014 was $10.8 million compared to $12.1 million in the same period of 2013. We expect our aggregate revenues from the Alcatel-Lucent Contract to continue to decline in future periods, correlative with the decline in contractual minimum levels of services described above.

Revenues for the Infrastructure Services segment increased by $43.5 million, or 33.2%, to $174.6 million for the three months ended March 31, 2014 from $131.1 million in the same period of 2013. The increase was primarily due to an increase in the scope and volume of services provided to AT&T under the Mobility Turf Contract. While we expect continued growth in our Infrastructure Services segment, it is unlikely that it will continue to grow at the rate it did in the three months ended March 31, 2014 when compared to the three months ended March 31, 2013.

The Field Services segment did not exist prior to the merger with Multiband. The Field Services segment contributed revenues of $59.8 million for the three months ended March 31, 2014.

Cost of Revenues

Our cost of revenues for the three months ended March 31, 2014, of $223.2 million increased $97.2 million, or 77.2%, as compared to $126.0 million for the three months ended March 31, 2013, and occurred during a period when revenues increased 69.7% from the comparative period. Cost of revenues represented 83.3% and 87.0% of total revenues for the three months ended March 31, 2013 and 2014, respectively.

Cost of revenues for the Professional Services segment increased $4.2 million to $21.2 million for the three months ended March 31, 2014 from $17.0 million for the same period of 2013. The operation of the assets acquired in the acquisition of CSG contributed cost of revenues of $8.6 million during the three months ended March 31, 2014 as compared to $4.1 million for the comparable period in 2013. Excluding CSG cost of revenues, our Professional Services cost of revenues declined $0.3 million, or 2.3%. This decrease was primarily related to a reduction of project workload under the Alcatel-Lucent Contract. Cost of revenues for the Professional Services segment increased 25.0% due to revenue mix changes, schedule changes from Alcatel-Lucent and also the operational integration costs of CSG. During this period, revenues for the Professional Services segment increased by 10.5% from the comparative period.

Cost of revenues for the Infrastructure Services segment increased $37.2 million to $146.2 million for the three months ended March 31, 2014 from $109.0 million for the same period of 2013 or 34.1%. This is primarily related to the 33.2% increase in revenue for the Infrastructure Services segment compared to same quarter prior year.

The Field Services segment did not exist prior to the merger with Multiband. Cost of revenues for the Field Services segment was of $55.8 million for the three months ended March 31, 2014.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended March 31, 2014 were $32.0 million as compared to $24.9 million for the same period of 2013, representing an overall increase of $7.2 million, or

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29.0%. The increase during the period is primarily attributable to (i) $1.1 million of amortization expense related to intangible assets acquired in the CSG and Multiband acquisitions, (ii) an increase of $4.5 million in employee related costs primarily due to increased headcount of 59 employees (excluding Multiband employees) and (iii) $4.6 million of other selling, general and administrative charges related to Multiband that were not included in our results prior to the merger with Multiband, all of which was partially offset by a $4.1 million reduction in professional services primarily related to restatement related charges incurred in the first quarter of 2013 that did not recur in 2014.

Interest Expense

Interest expense for the three months ended March 31, 2014 and 2013, was $11.7 million and $7.9 million, respectively. This increase is primarily attributable to the issuance of the outstanding notes on June 13, 2013.

Income Tax Expense

As a result of the loss before taxes and a decrease in our effective tax rate, we recorded income tax benefit of $0.1 million for the three months ended March 31, 2014, compared to a benefit of $2.7 million for the same period of 2013. During the first quarter of 2014 we recorded a valuation allowance against net operating losses generated from our results of operations. Our effective income tax rate was 0.5% and 36.2% for the three months ended March 31, 2014 and 2013, respectively.

In the first quarter of 2014, we received a no change notice from the Internal Revenue Service related to the tax period ended 2011 audit of Multiband and therefore released $2.1 million of related reserves for uncertain tax positions. The release of these reserves was recorded as a reduction of net operating losses. The statute of limitations will expire for $2.3 million of our reserves for uncertain tax positions within the next nine months.

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Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

The following table sets forth information concerning our operating results by segment for the years ended December 31, 2012 and 2013 (in thousands):

	Year Ended December 31,					
	2012		2013			
	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Change ($)	Change (%)
Revenues:						
Professional Services	$ 79,140	13.0%	$ 111,468	12.0%	$ 32,328	40.8%
Infrastructure Services	530,087	87.0%	715,518	76.8%	185,431	35.0%
Field Services			88,240	9.5%	88,240	n/a
Other Services			16,519	1.8%	16,519	n/a
Total revenues	609,227	100.0%	931,745	100.0%	322,518	52.9%
Cost of revenues:						
Professional Services	65,200	10.7%	91,597	9.8%	26,397	40.5%
Infrastructure Services	434,088	71.3%	622,438	66.8%	188,350	43.4%
Field Services			77,899	8.4%	77,899	n/a
Other Services			14,175	1.5%	14,175	n/a
Total cost of revenues	499,288	82.0%	806,109	86.5%	306,821	61.5%
Gross profit:						
Professional Services	13,940		19,871		5,931	42.5%
Infrastructure Services	95,999		93,080		(2,919)	(3.0)%
Field Services			10,341		10,341	n/a
Other Services			2,344		2,344	n/a
Total gross profit	109,939		125,636		15,697	14.3%
Gross margin as percent of segment revenues:						
Professional Services	17.6%		17.8%			
Infrastructure Services	18.1%		13.0%			
Field Services			11.7%			
Other Services			14.2%			
Total gross margin	18.0%		13.5%			
Selling, general and administrative expenses	87,216	14.3%	121,106	13.0%	33,890	38.9%
Operating income	22,723	3.7%	4,530	0.5%	(18,193)	(80.1)%
Other (income) loss			(25)	(0.0)%	(25)	n/a
Interest expense	31,998	5.3%	40,287	4.3%	8,289	25.9%
Loss before income taxes from continuing operations	(9,275)	(1.5)%	(35,732)	(3.8)%	(26,457)	(285.3)%
Income tax expense (benefit)	(4,176)	(0.7)%	7,506	0.8%	11,682	(279.7)%
Net loss from continuing operations	(5,099)	(0.8)%	(43,238)	(4.6)%	(38,139)	(748.0)%
Discontinued operations, net of income taxes	2,568	0.4%			(2,568)	(100.0)%
Net loss	$ (2,531)	(0.4)%	$ (43,238)	(4.6)%	$ (40,707)	(1608.3)%

Revenues

We recognized total revenues of $931.7 million for the year ended December 31, 2013, compared to $609.2 million for the year ended December 31, 2012, representing an increase of $322.5 million, or 52.9%. Our aggregate revenue from subsidiaries of AT&T Inc., a majority of which was earned through our Infrastructure

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Services segment, was $662.8 million for the year ended December 31, 2013, compared to $532.1 million in the same period of 2012. In addition to the inclusion of revenue of $43.3 million generated by the operation of the assets acquired in the acquisition of CSG and revenue of $104.8 million generated by Multiband, which were not included in our results for the year ended December 31, 2012, a significant amount of our revenue increase was due to increased volume of services provided to subsidiaries of AT&T Inc. for projects that were completed during the period.

Revenues for the Professional Services segment increased $32.3 million, or 40.8%, to $111.5 million in the year ended December 31, 2013 from $79.1 million in the same period of 2012. The acquisition of CSG contributed revenues of $43.3 million during the year ended December 31, 2013, which are included in our Professional Services segment. Excluding the CSG revenues, which were not included in our results for the year ended December 31, 2012, our Professional Services revenues declined $10.9 million, or 13.8%. This decrease was primarily due to decreased volume of services provided to Alcatel-Lucent that are included within our Professional Services segment. Our aggregate revenue from Alcatel-Lucent for the year ended December 31, 2013 was $57.9 million compared to $55.0 million in the same period of 2012. We expect our aggregate revenues from the Alcatel-Lucent Contract to decline in future periods.

Revenues for the Infrastructure Services segment increased by $185.4 million, or 35.0%, to $715.5 million for the year ended December 31, 2013 from $530.1 million in the same period of 2012. The increase was primarily due to an increase in the scope and volume of services provided to AT&T under the Mobility Turf Contract for projects that completed during the period.

The Field Services segment did not exist prior to the merger with Multiband. The Field Services segment contributed revenues of $88.2 million for the four months ended December 31, 2013.

Cost of Revenues

Our cost of revenues for the year ended December 31, 2013, of $806.1 million increased $306.8 million, or 61.4%, as compared to $499.3 million for the year ended December 31, 2012, and occurred during a period when revenues increased 52.9% from the comparative period. Cost of revenues represented 82.0% and 86.5% of total revenues for the years ended December 31, 2012 and 2013, respectively.

Cost of revenues for the Professional Services segment increased $26.4 million to $91.6 million for the year ended December 31, 2013 from $65.2 million for the same period of 2012. The operation of the assets acquired in the acquisition of CSG contributed cost of revenues of $33.0 million during the year ended December 31, 2013, which are included in our Professional Services segment. Excluding CSG cost of revenues, which were not included in our results for the year ended December 31, 2012, our Professional Services cost of revenues declined $6.6 million, or 10.1%. This decrease was primarily related to a reduction of project workload under the Alcatel-Lucent Contract. Cost of revenues for the Professional Services segment increased 40.5% due to revenue mix changes, schedule changes from Alcatel-Lucent and also the operational integration costs of CSG. During this period, revenues for the Professional Services segment also increased by 40.8% from the comparative period.

Cost of revenues for the Infrastructure Services segment increased $188.4 million to $622.4 million for the year ended December 31, 2013 from $434.1 million for the same period of 2012. While the majority of the increase was related to the increase in the volume of work we completed in our Infrastructure Services segment, we incurred approximately $27 million in costs (3.8% of segment revenue) due to the following items that were not volume related: (i) tower crew shortages in all markets requiring significant cost increases to attract and maintain the necessary crew capacity (which included implementing exclusivity arrangements and incentives with key tower crew vendors); (ii) schedule accelerations and recoveries due to such crew shortages as well as weather related impact in the fourth quarter; (iii) integration and ramp up expenses for our internal self-perform capability, including for crews acquired in our DBT acquisition; and (iv) quality issues that we corrected in a few of our markets in 2013.

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We have incurred additional costs related to these items for projects that are still in progress and have yet to be recognized on our income statement. We are working aggressively to mitigate the impact of these items through leadership changes and additions we have made in our Infrastructure Services segment, increased self-perform capabilities and proactive management of our leading tower crew vendors. We expect that these costs will cause continued pressure on our gross margins into 2014.

The Field Services segment did not exist prior to the merger with Multiband. The Field Services segment incurred cost of revenues of $77.9 million for the four months ended December 31, 2013.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the year ended December 31, 2013 were $121.1 million as compared to $87.2 million for the same period of 2012, representing an overall increase of $33.9 million, or 38.9%. The increase during the period is attributable to (i) an increase of $8.5 million in employee related costs due to increased headcount of 108 employees (excluding Multiband employees) at December 31, 2013 as compared to December 31, 2012, (ii) $1.8 million of search fees and our transition services agreement with CSG, (iii) an increase of $3.8 million in professional fees related to merger and acquisition advisory fees, (iv) $5.2 million due to amortization expense related to intangible assets acquired in the CSG and Multiband acquisitions, (v) $1.4 million related to the acceleration of restricted stock and employee stock options held by Multiband employees at the date of the merger with Multiband and (vii) $10.3 million of other selling, general and administrative charges related to Multiband that were not included in our results prior to the merger with Multiband. Pursuant to the Indenture Amendments (as defined below), the merger and acquisition advisory fees of $4.2 million and amortization of intangible assets acquired from CSG and Multiband of $5.2 million and the equity acceleration charges of $1.4 million related to the merger with Multiband will be excluded from our calculation of Consolidated EBITDA per the Indenture.

Interest Expense

Interest expense for the years ended December 31, 2012 and 2013, was $32.0 million and $40.3 million, respectively. This increase is due to a $0.9 million increase in penalty interest associated with delays in registering the exchange offer for the original notes and increased interest incurred as a result of the issuance of the outstanding notes on June 13, 2013 of $6.7 million. We expect our interest expense to increase in future periods as a result of the tack-on notes added in June 2013.

Income Tax Expense

As a result of the loss before taxes and a valuation allowance recorded against our deferred tax assets, we recorded income tax expense of $7.5 million for the year ended December 31, 2013, compared to a benefit of $4.2 million for the same period of 2012. Our effective income tax rate was 45.0% and (21.0)% for the years ended December 31, 2012 and 2013, respectively. The reduction in the effective tax rate is due to the valuation allowance of $17.6 million, $2.4 million of acquisition costs related to the acquisition of Multiband which are not deductible for tax purposes, and the write-off of approximately $1.9 million of the income tax receivable that existed at December 31, 2012.

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Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

The following table sets forth information concerning our operating results by segment for the years ended December 31, 2011 and 2012 (in thousands):

	Year Ended December 31,					
	2011		2012			
	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Change ($)	Change (%)
Revenues:						
Professional Services	$ 91,650	12.6%	$ 79,140	13.0%	$ (12,510)	(13.6)%
Infrastructure Services	637,352	87.4%	530,087	87.0%	(107,265)	(16.8)%
Total revenues	729,002	100.0%	609,227	100.0%	(119,775)	(16.4)%
Cost of revenues:						
Professional Services	78,369	10.8%	65,200	10.7%	(13,169)	(16.8)%
Infrastructure Services	532,415	73.0%	434,088	71.3%	(98,327)	(18.5)%
Total cost of revenues	610,784	83.8%	499,288	82.0%	(111,496)	(18.3)%
Gross profit:						
Professional Services	13,281		13,940		659	5.0%
Infrastructure Services	104,937		95,999		(8,938)	(8.5)%
Total gross profit	118,218		109,939		(8,279)	(7.0)%
Gross margin as a percent of segment revenue:						
Professional Services	14.5%		17.6%			
Infrastructure Services	16.5%		18.1%			
Total gross margin	16.2%		18.0%			
Selling, general and administrative expenses	67,450	9.3%	87,216	14.3%	19,766	29.3%
Other operating income (loss)	(4,000)	(0.5)%			4,000	n/a
Operating income (loss)	46,768	6.4%	22,723	3.7%	(24,045)	(51.4)%
Interest expense	20,548	2.8%	31,998	5.3%	11,450	55.7%
Income (loss) before income taxes	26,220	3.6%	(9,275)	(1.5)%	(35,495)	(135.4)%
Income tax expense (benefit)	10,309	1.4%	(4,176)	(0.7)%	(14,485)	(140.5)%
Net income (loss) from continuing operations before income taxes	15,911	2.2%	(5,099)	(0.8)%	(21,010)	(132.1)%
Discontinued operations, net of income taxes	3,407	(0.5)%	2,568	0.4%	(839)	(24.6)%
Net income (loss)	$ 19,318	2.6%	$ (2,531)	(0.4)%	$ (21,849)	(113.1)%

Revenues

We recognized total revenues of $729.0 million for the year ended December 31, 2011, compared to $609.2 million for the year ended December 31, 2012, representing a decrease of $119.8 million, or 16.4%, almost all of which occurred in our Infrastructure Services segment. A significant amount of our revenue decline was attributed to a decrease in the volume of services performed under the Mobility Turf Contract.

Revenues for the Professional Services segment decreased $12.5 million, or 13.6%, from $91.7 million in 2011 to $79.1 million in the year ended December 31, 2012. This decrease was primarily due to decreased

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Volume of services provided to Alcatel-Lucent. Our aggregate revenue from Alcatel-Lucent for the year ended December 31, 2011 was $72.3 million compared to $55.0 million for the year ended December 31, 2012. We expect our aggregate revenues from the Alcatel-Lucent Contract to continue to decline in future periods, correlative with the decline in contractual minimum levels of services described above.

Revenues for the Infrastructure Services segment decreased by $107.3 million, or 16.8%, from $637.4 million in 2011 to $530.1 million for the year ended December 31, 2012. The decrease was primarily due to a decrease in the scope and volume of services provided to AT&T under the Mobility Turf Contract. We experienced a temporary decrease in revenues from AT&T following AT&T Inc. s announcement in December 2011 of the termination of its agreement to acquire T-Mobile. Our aggregate revenue from subsidiaries of AT&T Inc., a majority of which was earned through our Infrastructure Services segment was $650.4 million in 2011 compared to $532.1 million in 2012.

Cost of Revenues

Our cost of revenues decreased $111.5 million, or 18.3%, from $610.8 million for the year ended December 31, 2011 to $499.3 million for the year ended December 31, 2012, and occurred during a period when revenues decreased 16.4% from the comparative period. Cost of revenues represented 83.8% and 82.0% of total revenues for the year ended December 31, 2011 and 2012, respectively. Margin expansion in 2012 was the result of greater scale and leverage of our overhead costs as well as more efficient management of direct construction costs.

Cost of revenues for the Professional Services segment decreased $13.2 million from $78.4 million in 2011 to $65.2 million for the year ended December 31, 2012. The majority of this decrease was related to lower staffing required to meet a decreased Alcatel-Lucent project workload. Cost of revenues for the Professional Services segment decreased 16.8% during a period when revenues for the segment decreased by 13.6% from the comparative period.

Cost of revenues for the Infrastructure Services segment decreased $98.3 million from $532.4 million in 2011 to $434.1 million for the year ended December 31, 2012. The majority of this decrease resulted from a reduction in the variable costs associated with supporting the decreased volume and scope of services performed under the Mobility Turf Contract. This decrease in costs of revenues of 18.5% occurred during a period when the segment s revenues decreased by 16.8% as compared to the year ended December 31, 2011. Improvements during the period resulted from operational improvements made in the segment and through the realization of economies of scale, which allowed us to more efficiently utilize our operating assets and human resources. Due to shortages of qualified tower crews currently being experienced by the wireless industry resulting from increased demand for services such as those we provide, we may incur additional cost to hire additional tower crew personnel or pay additional incentives to subcontracted tower crews to meet expected demand.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the year ended December 31, 2011, were $67.5 million as compared to $87.2 million for the year ended December 31, 2012, representing an overall increase of $19.8 million, or 29.3%. The increase was primarily related to an increase in compensation and related expenses of $11.3 million and an increase in professional fees of $6.7 million related to the restatement of our historical financial statements.

Other Operating Loss

Other operating loss for the year ended December 31, 2011, was $4.0 million as compared to $0.0 for the year ended December 31, 2012. The $4.0 million loss incurred in 2011 is related to our outstanding guarantee of a related party s line of credit, of which we determined as of December 31, 2011, we would likely be required to perform for the full exposure.

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Interest Expense

Interest expense for the years ended December 31, 2011 and 2012, was $20.5 million and $32.0 million, respectively. This increase is due to interest associated with the original notes that were issued on June 23, 2011 and a loss of $1.3 million on the June 2011 extinguishment of our subordinated debt. We expect our interest expense to decrease in future periods as a result of the penalty interest ceasing to accrue after we completed the exchange offer for the original notes.

Income Tax Expense (Benefit)

Income tax expense decreased $14.5 million to a $4.2 million income tax benefit for the year ended December 31, 2012 from a $10.3 million income tax expense for the year ended December 31, 2011. The effective tax rate was 45.0% and 39.3% for the years ended December 31, 2012 and 2011, respectively. For the year ended December 31, 2012, our effective tax rate differs from the statutory federal rate of 35.0% primarily due to net state and local taxes and non-deductible expenses. These adjustments relative to $9.3 million loss before income tax expense result in the effective tax rate of 45.0%. For the year ended December 31, 2011, our effective tax rate differs from the statutory federal rate of 35.0% due to net state and local taxes and non-deductible expenses.

Liquidity and Capital Resources

Historically, our primary resources of liquidity have been borrowings under credit facilities and the proceeds of bond offerings. In 2011, we completed a $225 million private offering of the original notes. We used the proceeds of this debt offering to pay the balances remaining on notes payable to stockholders, to purchase a portion of our outstanding warrants and common stock, including all outstanding Series C Redeemable Preferred Stock, and to pay off our prior credit facility. In 2013, to fund the merger with Multiband, we issued $100 million aggregate principal amount of the outstanding notes in exchange for an equal aggregate principal amount of notes issued by our wholly owned subsidiary, GNET Escrow Corp.

Our primary sources of liquidity are currently cash flows from continuing operations, funds available under our Credit Facility with PNC Bank, National Association, or PNC Bank, and our cash balances. We had $59.4 million and $33.8 million of cash on hand at December 31, 2013 and March 31, 2014, respectively. The Credit Facility permits us to borrow up to $50.0 million, subject to a borrowing base calculation and the compliance with certain covenants described below. As of March 31, 2014, our borrowing base amount under the Credit Facility was $50.0 million. We had $45.5 million and $42.1 million of borrowing capacity available under our Credit Facility as of March 31, 2013 and 2014, respectively, subject to compliance with certain covenants described below.

Amendment to Credit Facility

On September 6, 2013, we entered into an amendment to the Credit Facility in order to (i) permit certain add-backs to the definition of Earnings Before Interest and Taxes , (ii) delete the restriction on our ability to enter into certain operating leases without consent of PNC Bank and (iii) effect certain other amendments, or collectively, the Credit Facility Amendments. The revisions to the calculation of Earnings Before Interest and Taxes positively impact our interest rate and improve our ability to meet certain leverage ratios. The deletion of the restrictive covenant permits us to enter into any lease arrangements that we deem beneficial for our operations, without obtaining prior consent from PNC Bank even if our annual amount of aggregate rental payments exceeds $10 million. See Credit Facility.

We anticipate that our future primary liquidity needs will be for working capital, capital expenditures, debt service and any strategic acquisitions or investments that we make. We evaluate opportunities for strategic acquisitions and investments from time to time that may require cash and may consider opportunities to either repurchase outstanding debt or repurchase outstanding shares of our common stock in the future. We may also fund strategic acquisitions or investments with the proceeds from equity or debt issuances. In addition, during

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2013 and the three months ended March 31, 2014 we spent approximately $1.1 million and $0.8 million, respectively, in contributions to charitable and religious organizations. We intend to make similar contributions in the future as we believe such contributions reflect our core values. We believe that, based on our cash balance, the availability we expect under the Credit Facility and our expected cash flow from operations, we will be able to meet all of our financial obligations for the next twelve months.

Should we be unable to comply with the terms and conditions of the Credit Facility, we would be required to obtain modifications to the Credit Facility or another source of financing to continue to operate as we anticipate, and we may not be able to obtain any such modifications or find another source of financing on acceptable terms or at all.

Working Capital

We bill our Professional Services customers for a portion of our services in advance, and the remainder as the work is performed in accordance with the billing milestones contained in the contract. Revenues from the Professional Services segment are recognized on a completed performance method for our non-construction activities and on the completed contract method of accounting for construction projects.

Our Infrastructure Services revenues are primarily from fixed-unit price projects and are recognized under the completed contract method of accounting, and we bill for our services as we complete certain billing milestones contained in the contract. Our collection terms are generally one percent if paid in twenty days, net sixty days for AT&T and net sixty days for Alcatel-Lucent. Our Mobility Turf Contract allows AT&T to retain 10% of the amount due, on a per site basis, until the job is completed. For certain customers, including AT&T, we maintain inventory to meet the requirements for materials under the contracts. Occasionally, certain customers pay us in advance for a portion of the materials we purchase for their projects, or allow us to pre-bill them for materials purchases up to specified amounts. Our agreements with material providers usually allow us to pay them within 45 days of delivery. Our agreements with subcontractors usually have terms of 60 days. As of March 31, 2014, we had $(2.8) million in working capital, defined as current assets (excluding cash) less current liabilities, as compared to $(13.1) million in working capital at December 31, 2013. As of December 31, 2013, we had $(13.1) million in working capital, defined as current assets (excluding cash) less current liabilities, as compared to $25.9 million in working capital at December 31, 2012.

On May 8, 2014, we entered into an AT&T-sponsored vendor finance program with Citibank, N.A. (Citibank) that we expect will have the effect of reducing the collection cycle time on AT&T invoices. This program eliminates the one percent discount on each invoice offered to AT&T for payment within twenty-days. We will, however, pay Citibank a discount fee of LIBOR (as defined) plus one percent per annum on the dollar amount of AT&T receivables sold to Citibank from the date of sale until the scheduled payment date of 60 days from acceptance of the invoice. We expect this change to have a positive effect on working capital as well as a favorable change to gross profit for the Infrastructure Services segment. Our election to move to this program does, however, cause AT&T receivables to be removed from the borrowing base calculation under the Credit Facility. While the stated credit limit on the Credit Facility remains at $50 million, we expect the net availability under the Credit Facility to decline compared to historical levels as a result of the elimination of the AT&T receivables from the borrowing base calculation.

Our Field Services segment earns revenue through installations and maintenance services provided to DIRECTV. A large portion of the inventory for Field Services segment is purchased from DIRECTV under thirty-day payment terms. The Field Services segment is paid by DIRECTV for its services on a weekly basis approximately two weeks after the work is completed. The weekly payment received includes a reimbursement for certain inventory used during the installation process.

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The following table presents selected cash flow data for the years ended December 31, 2011, 2012 and 2013 and the three months ended March 31, 2013 and 2014 (in thousands):

	Year Ended December 31,			Three Months Ended March 31,	
	2011	**2012**	**2013**	**2013**	**2014**
Net cash provided by (used in) operating activities	$ 41,828	$ 24,226	$ (32,628)	$ (37,059)	$ (30,633)
Net cash used in investing activities	(2,015)	(3,075)	(111,965)	(18,339)	(2,002)
Net cash provided by (used in) financing activities	60,824	(797)	83,041	(5,216)	6,969

Operating Activities

Cash flow provided by or used in operations is primarily influenced by demand for our services, operating income and the type of services we provide, but can also be influenced by working capital needs such as the timing of customer billing, collection of receivables and the settlement of payables and other obligations. Working capital needs historically have been higher from April through October due to the seasonality of our business. Conversely, a portion of working capital assets has historically been converted to cash in the first quarter. In the first quarter of 2014 we experienced an accelerated level of activity due to an increase of projects starting.

Net cash used in operating activities decreased by $6.5 million to $30.6 million for the three months ended March 31, 2014, as compared to the same period in 2013. This change is primarily related to collections on accounts receivables and the receipt of an income tax receivable of $13.0 million, partially offset by an increase in interest paid of $6.2 million. In the first quarter of 2014, our cash flow used in operating activities included our semi-annual interest payment on the Notes which amounted to $19.7 million and an increase in our costs in excess of billings on uncompleted projects of $28.7 million from $100.3 million at December 31, 2013 to $129.0 million at March 31, 2014 of which we expect to invoice and collect a substantial portion in the second quarter of 2014.

Net cash used in operating activities increased by $56.8 million to $32.6 million for the year ended December 31, 2013, as compared to the same period in 2012. This change is primarily related to changes to payment arrangements with certain of our subcontractors, which effectively resulted in an acceleration of our payment terms with these subcontractors. Also contributing to the increase was an increase of $2.4 million in interest paid during the year ended December 31, 2013 as compared to the same period in 2012, primarily related to the issuance of the outstanding notes.

Investing Activities

Net cash used in investing activities decreased by $16.3 million to $2.0 million for the three months ended March 31, 2014 as compared to the same period in 2013 primarily related to our acquisition of CSG in the first quarter of 2013.

Net cash used in investing activities increased by $108.9 million to $112.0 million for the year ended December 31, 2013 as compared to the same period in 2012, primarily related to our acquisitions of Multiband and CSG, partially offset by our sale of the MDU Assets.

Financing Activities

Net cash provided by financing activities increased by $12.2 million to $7.0 million for the three months ended March 31, 2014 as compared to the same period in 2013. The change was driven primarily by net borrowings on our line of credit of $3.4 million in the first quarter of 2014, compared to our repurchase of common stock for $5.0 million in the first quarter of 2013.

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Net cash provided by financing activities increased by $83.8 million to $83.0 million for the year ended December 31, 2013 as compared to 2012. The change was driven primarily by the issuance of the outstanding notes in connection with the merger with Multiband.

Credit Facility

In June 2011, we entered into the Credit Facility, which provides for a five-year revolving facility that is secured by (i) a first lien on our accounts receivable, inventory, related contracts and other rights and other assets related to the foregoing and proceeds thereof and (ii) a second lien on 100% of the capital stock of all of our existing and future material U.S. subsidiaries and non-voting stock of our future material non-U.S. subsidiaries and 66% of the capital stock of all our future material non-U.S. subsidiaries. The Credit Facility has a maturity date of June 2016, and a maximum available borrowing capacity of $50.0 million subject to borrowing base determinations (that take into account, among other things, eligible receivables, eligible unbilled receivables and eligible inventory) and certain other restrictions. Amounts due under the Credit Facility may be repaid and reborrowed prior to the maturity date. As of March 31, 2014, our borrowing base under the Credit Facility was $50.0 million.

At our election, borrowings under the Credit Facility bear interest at variable rates based on (i) the base rate of PNC Bank plus a margin of between 1.50% and 2.00% (depending on certain financial thresholds) or (ii) London Interbank Offered Rate, or LIBOR, plus a margin of between 2.50% and 3.00% (depending on certain financial thresholds). The Credit Facility also provides for an unused facility fee of 0.375%.

The Credit Facility contains financial covenants that require that we not permit our annual capital expenditures to exceed $20.0 million (plus any permitted carry over). We are also required to comply with additional financial covenants upon the occurrence of a Triggering Event, as defined in the Credit Facility.

Additionally, the Credit Facility contains a number of customary affirmative and negative covenants that, among other things, limit or restrict our ability to divest our assets; incur additional indebtedness; create liens against our assets; enter into certain mergers, joint ventures, and consolidations or transfer all or substantially all of our assets; make certain investments and acquisitions; prepay certain indebtedness; make certain restricted payments; pay dividends; engage in transactions with affiliates; create subsidiaries; amend our constituent documents and material agreements in a manner that materially adversely affects the interests of the lenders; and change our business.

The Credit Facility also contains customary events of default, including, without limitation: nonpayment of principal, interest, fees, and other amounts; material inaccuracy of a representation or warranty when made or deemed made; violations of covenants; judgments and cross-default to indebtedness in excess of specified amounts; bankruptcy or insolvency events; certain U.S. Employee Retirement Income Security Act of 1974, as amended, or ERISA, events; failure to continue to be certified as a minority business enterprise; termination of, or the occurrence of a material default under, material contracts; occurrence of a material adverse effect; and change of control.

As of December 31, 2013, we had no outstanding borrowings on the Credit Facility and had a $50.0 million maximum borrowing base, of which $45.5 million was available, net of $4.5 million of outstanding letters of credit. During the year ended December 31, 2011, we issued a $4.0 million letter of credit as a credit enhancement for a new letter of intent. Such letter of credit was issued in connection with a guarantee of indebtedness of a related party for proposed transaction and was originally due to expire in July 2012, then subsequently amended to expire in July 2013. Prior to the expiration, the letter of credit was amended to extend the guarantee of the related party s line of credit until July 2014. This guarantee liability for the full amount of $4.0 million remains in accrued liabilities as of December 31, 2012.

12.125% Senior Notes due 2018

On June 23, 2011, we issued $225.0 million of the notes with a discount of $3.9 million. The notes carry a stated interest rate of 12.125%, with an effective rate of 12.50%. Interest is payable semi-annually each January 1 and July 1, beginning on January 1, 2012. The notes are secured by: (i) a first-priority lien on substantially all of our existing and future domestic plant, property, assets and equipment including tangible and intangible assets, other than the assets that secure the Credit Facility on a first-priority basis, (ii) a first-priority lien on 100% of the capital stock of our future material U.S. subsidiaries and non-voting stock of our future material non-U.S. subsidiaries and 66% of all voting stock of our future material non-U.S. subsidiaries and (iii) a second-priority lien on our accounts receivable, unbilled revenue on completed contracts and inventory that secure the Credit Facility on a first-priority basis, subject, in each case, to certain exceptions and permitted liens.

The notes are general senior secured obligations, are guaranteed by our existing and future wholly owned material domestic subsidiaries, rank pari passu in right of payment with all of our existing and future indebtedness that is not subordinated, are senior in right of payment to any of our existing and future subordinated indebtedness, are structurally subordinated to any existing and future indebtedness and other liabilities of our non-guarantor subsidiaries, and are effectively junior to all obligations under the Credit Facility to the extent of the value of the collateral securing the Credit Facility on a first priority basis.

Prior to July 1, 2014, we may redeem up to 35% of the aggregate principal amount of the notes at a redemption price equal to 112.125% of the principal amount of the notes redeemed, plus accrued and unpaid interest and any additional interest, with the net cash proceeds of certain equity offerings. Prior to July 1, 2015, we may redeem some or all of the notes at a make-whole premium plus accrued and unpaid interest. On or after July 1, 2015, we may redeem some or all of the notes at a premium that will decrease over time plus accrued and unpaid interest.

If we undergo a change of control, as defined in the Indenture, we will be required to make an offer to each holder of the notes to repurchase all or a portion of its Notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest penalty, if any, to the date of repurchase.

If we sell certain assets or experience certain casualty events and do not use the net proceeds as required, we will be required to use such net proceeds to repurchase the notes at 100% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of repurchase.

We entered into a registration rights agreement with the initial purchasers of the original notes. Under the terms thereof, we agreed to file an initial registration statement with the SEC by March 19, 2012, to become effective not later than June 17, 2012, providing for registration of exchange notes with terms substantially identical to the original notes. The terms of the agreement provided for additional interest obligations for a late filing interest penalty, or additional interest, of 0.25% per annum of the principal amount of the Notes, which increased by an additional 0.25% per annum at the beginning of each subsequent 90-day period with a maximum interest penalty of 1.0% per annum, for each day we were delinquent in filing an initial registration statement with the SEC.

We were unable to file an initial registration statement with the SEC by March 19, 2012 and incurred an additional interest obligation for a late filing interest penalty of 0.25% per annum of the principal amount of the original notes through June 17, 2012 and 0.50% for the subsequent 90-day period. We were unable to cause the initial registration statement to be declared effective by June 17, 2012 and an additional interest obligation was incurred at 0.25% per annum of the principal amount of the original notes for each subsequent 90-day period. The maximum additional interest rate on the notes may not exceed 1.00% per annum at any one time in aggregate. We incurred $1.3 million and $2.2 million of penalty interest for the years ended December 31, 2012 and 2013, respectively. All additional interest on the original notes ceased to accrue on December 23, 2013, when the registration statement for the exchange of the original notes was declared effective and we launched the exchange offer.

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On April 30, 2013, we submitted to Depository Trust Company a Consent Letter dated April 30, 2013, or the Consent Letter, in order to solicit consents from the holders of the original notes to (i) raise approximately $100 million of additional indebtedness, secured on a parity lien basis with the original notes, which were to fund the purchase price of the merger with Multiband, notwithstanding the requirement set forth in the Indenture that we meet certain Fixed Charge Coverage Ratio and Total Leverage Ratio tests, (ii) adjust the definition of Consolidated EBITDA under the Indenture to permit certain add-backs that are unrelated to our business operations and (iii) reduce the Fixed Charge Coverage Ratio that we are required to meet to consummate certain transactions from a ratio of 2.5 to 1.0 to a ratio of 2.0 to 1.0, or collectively the Indenture Amendments. On May 6, 2013, in accordance with the terms of the Indenture, we received consent from holders of a majority in aggregate principal amount of the then outstanding notes with respect to the Indenture Amendments. Promptly thereafter, we executed and delivered the First Supplemental Indenture and the First Amendment to Intercreditor Agreement, which became operative upon our payment of the consent fee of $5.1 million, pursuant to the Consent Letter, in connection with the merger with Multiband.

On May 30, 2013, Goodman Networks and GNET Escrow Corp., a wholly owned subsidiary of Goodman Networks, or the Stage I Issuer, entered into a purchase agreement with Jefferies LLC, in connection with the offering of $100.0 million aggregate principal amount of the Stage I Issuer s 12.125% Senior Secured Notes due 2018, or the Stage I Notes. The Stage I Notes were offered at 105% of their principal amount for an effective interest rate of 10.81%. The estimated gross proceeds of approximately $105.0 million, which includes an approximate $5.0 million of issuance premium, were used, together with cash contributions from Goodman Networks, to finance the merger with Multiband and to pay related fees and expenses. Upon completion of the merger with Multiband, the Company redeemed the Stage I Notes in exchange for the issuance of an equivalent amount of the outstanding notes, as a tack-on under and pursuant to the Indenture under which the Company previously issued the original notes.

Material Covenants under our Indenture and Credit Facility

We are subject to certain incurrence and maintenance covenants under the Indenture and the Credit Facility, as described below.

	Applicable Test	
Applicable Ratio	**Indenture**	**Credit Facility**
Fixed Charge Coverage Ratio	At least 2.00 to 1.00	At least 1.25 to 1.00 beginning 4/1/14
Leverage Ratio	No more than 2.50 to 1.00	No more than: 6.00 to 1.00 on and after 1/1/14 5.50 to 1.00 on and after 7/1/14 5.00 to 1.00 on and after 1/1/15

Definitions

Under the Indenture, Consolidated EBITDA , Fixed Charge Coverage Ratio and Total Leverage Ratio are defined as follows:

Consolidated EBITDA means EBITDA, as adjusted to eliminate the impact of certain items, including: (i) share-based compensation (non-cash portion), (ii) certain professional and consulting fees identified in the Indenture, (iii) severance expense (paid to certain senior level employees) and (iv) amortization of debt issuance costs.

Fixed Charge Coverage Ratio means the ratio of (a) Consolidated EBITDA to (b) the Fixed Charges (as defined in the Indenture) for the applicable period.

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Total Leverage Ratio means the ratio of (a) total indebtedness of the Company to (b) the Company s Consolidated EBITDA for the most recently ended four fiscal quarters.

Under the Credit Facility, Fixed Charge Coverage Ratio and Leverage Ratio are defined as follows:

Fixed Charge Coverage Ratio means the ratio of (a) EBITDA plus fees, costs and expenses incurred in connection with the Recapitalization minus unfinanced capital expenditures made during such period but only to the extent made after the occurrence of the most recent Triggering Event; to (b) all senior debt payments made during such period plus cash taxes paid during such period plus all cash dividends paid during such period, but only to the extent paid after the occurrence of the most recent Triggering Event. We are not required to comply with the Fixed Charge Coverage Ratio until the occurrence of a Triggering Event that is continuing.

Leverage Ratio means the ratio of (a) funded debt of the Company to (b) EBITDA for the trailing twelve months ending as of the last day of such fiscal period. We are not required to comply with the Leverage Ratio until the occurrence of a Triggering Event that is continuing.

We previously referred to Consolidated EBITDA as Adjusted EBITDA throughout our external communications, however in this prospectus and our external communications we now refer to Consolidated EBITDA as Consolidated EBITDA. References to Adjusted EBITDA are to a different measure. These financial measures and the related ratios described above are not calculated in accordance with generally accepted accounting principles, or GAAP, and are presented below for the purpose of demonstrating compliance with our debt covenants.

Applicability of Covenants

As described in more detail below, compliance with such ratios is only required upon the incurrence of debt or the making of a restricted payment, as applicable. If we are permitted to incur any debt or make any restricted payment under the Indenture, we will be permitted to incur such debt or make such restricted payment under the Credit Facility.

Under the Indenture, if we do not meet a Fixed Charge Coverage Ratio of at least 2.00 to 1.00, we may not consummate any of the following transactions:

- Restricted payments, including the payment of dividends (other than the enumerated permitted payment categories);
- Mergers, acquisitions, consolidations, or sale of all assets, consolidations (other than sales, assignments, transfers, conveyances, leases, or other dispositions of assets between or among the Company and the guarantors);
- Incurrence of additional indebtedness (other than the enumerated permitted debt categories); or
- Issuance of preferred stock (other than pay-in-kind preferred stock);

Under the terms of the Credit Facility, we must maintain a Fixed Charge Coverage Ratio equal to at least 1.25 to 1.00 (which ratio was 1.03 to 1.00 at March 31, 2014) and a Leverage Ratio no greater than as described in the table above (which ratio was 8.45 to 1.00 at March 31, 2014) during such time as a Triggering Event is continuing. A Triggering Event occurs when our undrawn availability (measured as of the last date of each month) on the Credit Facility has failed to equal at least $10 million for two consecutive months and continues until our undrawn availability equals $20 million for at least three consecutive months. We are only required to maintain such ratios at such time that a Triggering Event is in existence. Failure to comply with such ratios during the existence of a Triggering Event constitutes an Event of Default (as defined therein) under the Credit Facility. Had we been required to meet these ratio tests as of March 31, 2014, we would not have met either the Fixed Charge Coverage Ratio or the Leverage Ratio.

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Under the terms of the Indenture, we are required to meet certain ratio tests giving effect to anticipated transactions, including borrowing debt and making restricted payments prior to entering these transactions. Under the Indenture, these ratio tests include a Fixed Charge Coverage Ratio of at least 2.00 to 1.00 (which ratio was 0.58 to 1.00 at March 31, 2014) and a Total Leverage Ratio not greater than 2.50 to 1.00 (which ratio was 13.91 to 1.00 at March 31, 2014). Excluding the merger with Multiband, with respect to which holders of the notes waived compliance with both ratios pursuant to the Consent Letter, we have not entered into any transaction that requires us to meet these tests as of March 31, 2014. Had we been required to meet these ratio tests as of March 31, 2014, we would not have met the Fixed Charge Coverage Ratio or the Total Leverage Ratio.

Reconciliation of Non-GAAP Financial Measures

EBITDA represents net income before income tax expense, interest, depreciation and amortization. We present EBITDA because we consider it to be an important supplemental measure of our operating performance and we believe that such information will be used by securities analysts, investors and other interested parties in the evaluation of high yield issuers, many of which present EBITDA when reporting their results. We consider EBITDA to be an operating performance measure, and not a liquidity measure, that provides a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies.

We present Consolidated EBITDA, which is referred to as Consolidated EBITDA in the Indenture, because certain covenants in the Indenture that affect our ability to incur additional indebtedness as well as to enter into certain other transactions are calculated based on Consolidated EBITDA. Consolidated EBITDA adjusts EBITDA to eliminate the impact of certain items, including: (i) share-based compensation (non-cash portion); (ii) certain professional and consultant fees identified in the Indenture; (iii) severance expense (paid to certain senior level employees); (iv) amortization of debt issuance costs; (v) restatement fees and expenses; (vi) a tax gross-up payment made to the Company s Chief Executive Officer to cover his tax obligation for an award of common stock and (vii) transaction fees and expenses related to acquisitions, the making of certain permitted investments, the issuance of equity or the incurrence of permitted debt.

Because EBITDA and Consolidated EBITDA are not recognized measurements under U.S. GAAP, they have limitations as analytical tools. Because of these limitations, when analyzing our operating performance, investors should use EBITDA and Consolidated EBITDA in addition to, and not as an alternative for, net income, operating income or any other performance measure presented in accordance with GAAP. Similarly, investors should not use EBITDA or Consolidated EBITDA as an alternative to cash flow from operating activities or as a measure of our liquidity.

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The following table reconciles our net income to EBITDA and EBITDA to Consolidated EBITDA (in thousands):

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(Dollars in thousands)				
EBITDA and Consolidated EBITDA:					
Net income (loss) from continuing operations	$ 15,911	$ (5,099)	$ (43,238)	$ (4,802)	$ (10,288)
Income tax expense (benefit)	10,309	(4,176)	7,506	(2,724)	(51)
Interest expense	20,548	31,998	40,287	7,911	11,687
Depreciation and amortization	4,519	3,621	9,758	1,127	2,868
EBITDA from continuing operations	51,287	26,344	14,313	1,512	4,216
Income (loss) from discontinued operations, net of tax	3,407	2,568			
Income tax expense (benefit) from discontinued operations	1,867	1,568			
EBITDA from discontinued operations	5,274	4,136			
Total EBITDA	56,561	30,480	14,313	1,512	4,216
Share-based compensation (a)	1,023	5,629	4,507	1,320	1,035
Specified professional fees (b)	651			(295)	(870)
Severance expense (c)	1,228			2,921	
Amortization of debt issuance costs (d)	(695)	(1,195)	(1,990)	360	
Restatement fees and expenses (e)		8,075	3,382		
Tax gross up on CEO stock grant (f)		3,226			
Acquisition related transaction expenses (g)		352	5,546		
Consolidated EBITDA	$ 58,768	$ 46,567	$ 25,758	5,818	$ 4,381

(a) Represents non-cash expense related to equity-based compensation.

(b) Includes: (i) third-party consultant fees for a review of various business process and cost improvement initiatives; (ii) third-party consultant fees as a result of an investment in our company by affiliates of The Stephens Group, LLC; (iii) fees paid to an executive recruiting firm and (iv) operations review expenses.

(c) Represents severance costs paid to certain senior level employees upon termination of their employment with us.

(d) Amortization of debt issuance costs is included in interest expense but excluded in the calculation of Consolidated EBITDA per the Indenture governing the notes.

(e) Represents accounting advisory and audit fees incurred in connection with completing the restatement of our financial statements for the years ended December 31, 2009, 2010 and 2011, and preparing our financial statements for the year ended December 31, 2012, on the completed contract method and modifying our business processes to account for construction projects under the completed contract method going forward.

(f) Represents a tax gross-up payment made to cover the tax obligation for share grant made to our Chief Executive Officer in connection with his transition into that role.

(g) Represents fees and expenses incurred relating to our recent acquisitions.

Mortgage

In March 2014, our wholly owned subsidiary, Multiband Special Purpose, LLC, or MBSP, refinanced the mortgage payable related to the Multiband headquarters in Minnetonka, Minnesota with Commerce Bank, for the amount of $3.8 million with an interest rate of 5.75% per annum. The loan is payable in monthly installments, with the final payment due in March 2019, and is secured by a lien on Multiband s headquarters. As additional collateral for the mortgage, MBSP deposited $1.0 million in the lender s favor.

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Capital Expenditures

We estimate that we will spend approximately $20 million in 2014 on capital expenditures. The increase over previous years is primarily related to network construction costs. We expect to recover a portion of these costs through arrangements with wireless carriers. We also expect an increase in our capital expenditures as a result of our business process automation initiative.

Acquisition-Related Contingent Consideration

In our acquisitions of CSG and DBT, we have agreed to make future cash earn-out payments to the sellers, which are contingent upon the future performance of the acquired businesses. The estimated fair value, which is the estimated payout discounted for the time value of money, of the of earn-out obligations recorded as of December 31, 2013 was $10.4 million, $3.2 million of which was recorded as a current liability in our consolidated balance sheet.

Unsecured Subordinated Notes Payable

In April and May 2010, unsecured subordinate notes payable in the amount of $13.3 million were issued to affiliates of a former shareholder. In June 2011, all of the unsecured subordinated notes and all accrued interest were paid. As of December 31, 2012 there was no outstanding principal. These notes would have been due December 18, 2012 with an annual rate of 18.0% with interest due quarterly. The proceeds from these notes were used for general working capital purposes. In conjunction with the issuance of the unsecured subordinated notes payable, 160,408 warrants were issued. The proceeds allocated to the warrants ($1.8 million) were included as additional paid-in capital and the resulting debt discount was being amortized through the date of maturity, December 18, 2012. In June 2011, we also purchased 117,050 of the warrants and wrote off the remaining unamortized debt discount.

Contractual Payment Obligations

As of December 31, 2013, our future contractual obligations are as follows (dollars in thousands):

	Total	2014	2015	2016	2017	2018	2019 and thereafter
Long-term debt obligations:							
Senior notes payable (1)	$ 502,372	$ 39,451	$ 39,406	$ 39,406	$ 39,406	$ 344,703	$
Credit facility (2)	541	261	189	91			
Other notes payable (3)	4,251	456	450	448	477	2,420	
Operating lease obligations	23,656	10,265	6,549	3,004	1,840	1,450	548
Capital lease obligations	3,166	1,537	1,098	452	79		
Total contractual commitments	$ 533,986	$ 51,970	$ 47,692	$ 43,401	$ 41,802	$ 348,573	$ 548

(1) The amounts due presented in the table above include interest obligations related to long-term debt. These obligations include amounts related to additional interest penalties at the rate of 0.25% of the principal amount of the principal amount of the $100 million outstanding notes through April 2014 because the exchange registration statement related to the outstanding notes was not declared effective on or before February 27, 2014.

(2) Includes an availability fee of 0.375% of the unused capacity and a charge of 3.25% on the portion of the Credit Facility utilized for letters of credit.

(3) The amounts due presented in the table above include interest obligations related to long-term debt.

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Off-Balance Sheet Arrangements

We have entered into certain off-balance sheet arrangements in the ordinary course of business that result in risks not directly reflected in our balance sheets. Our significant off-balance sheet transactions include liabilities associated with non-cancellable operating leases, letter of credit obligations, and performance and payment bonds entered into in the normal course of business. We have not engaged in any off-balance sheet financing arrangements through special purpose entities.

Leases

We enter into non-cancellable operating leases for certain of our facility, vehicle and equipment needs. These leases allow us to conserve cash by paying a monthly lease rental fee for use of facilities, vehicles and equipment rather than purchasing them. We may decide to cancel or terminate a lease before the end of its term, in which case we are typically liable to the lessor for the remaining lease payments under the term of the lease.

Guarantees

In October 2011, we issued a letter of credit as a guarantee of a related party s line of credit. The maximum available to be drawn on the line of credit is $4.0 million. In the event of default on the line of credit by the related party, we will have the option to enter into a note purchase agreement with the lender or to permit a drawing on the letter of credit in an amount not to exceed the amount by which the outstanding obligation exceeds the value of the related party s collateral securing the line of credit, but in no event more than $4.0 million. Our letter of credit was originally due to expire in July 2012, then subsequently amended to expire in July 2013. Prior to the expiration, the letter of credit was amended to extend the guarantee of the related party s line of credit until July 2014.

Our exposure with respect to the letter of credit is supported by a reimbursement agreement from the related party, secured by a pledge of assets and stock of the related party. As of December 31, 2011, we concluded that we will likely be required to perform for the full exposure under the guarantee and therefore recorded a liability in the amount of $4.0 million included in accrued liabilities in our consolidated financial statements in the fourth quarter of 2011. This guarantee liability for the full amount of $4.0 million remains in accrued liabilities as of March 31, 2014.

Other Guarantees

We generally indemnify our customers for the services we provide under our contracts, as well as other specified liabilities, which may subject us to indemnity claims, liabilities and related litigation. As of March 31, 2014, we are not aware of any asserted claims for material amounts in connection with these indemnity obligations.

Seasonality

Historically we have experienced seasonal variations in our business, primarily due to the capital planning cycles of certain of our customers. Generally, AT&T s annual capital plans are not finalized to the project level until sometime during the first three months of the year, resulting in reduced capital spending in the first quarter relative to the rest of the year. This results in a significant portion of contracts related to our Infrastructure Services segment being completed during the fourth quarter of each year. Because we have adopted the completed contract method, we do not recognize revenue or expenses on contracts until we have substantially completed the contract. Accordingly, a significant portion of our revenues and costs are recognized during the fourth quarter of each year. The recognition of revenue and expenses on contracts that span quarters may also cause our reported results of operations to experience significant fluctuations.

Our Field Services segment s results of operations may also fluctuate significantly from quarter to quarter. We typically generate more revenues in our Field Services segment during the third quarter of each year due to

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favorable weather conditions and our sports promotional efforts. Because a significant portion of the Field Services segment s expenses are relatively fixed, a variation in the number of customer engagements or the timing of the initiation or completion of those engagements can cause significant fluctuations in operating results from quarter to quarter.

As a result, we have historically experienced, and may continue to experience, significant differences in operations results from quarter to quarter. As a result of these seasonal variations and our methodology for the recognition of revenue and expenses on projects, comparisons of operating measures between quarters may not be as meaningful as comparisons between longer reporting periods.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires our management to use judgment in the application of accounting policies, including making estimates and assumptions. We base estimates on our experience and on various other assumptions believed to be reasonable under the circumstances. These estimates affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to various transactions or other matters had been different, it is possible that different accounting would have been applied, resulting in a different presentation of our consolidated financial statements. From time to time, we re-evaluate our estimates and assumptions. In the event estimates or assumptions prove to be different from actual results, adjustments are made in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain. For a more detailed discussion of our significant accounting policies, see Note 2 to the audited historical consolidated financial statements.

Below is a discussion of accounting policies that we consider critical in that they may require complex judgment in their application or require estimates about matters that are inherently uncertain.

Revenue Recognition

We enter into contracts that require the construction and/or installation of specific units within a network system. Revenue from construction and installation contracts in our Infrastructure Services segment is recorded using the completed contract method of accounting in accordance with Accounting Standards Codification, or ASC, 605, Revenue Recognition. While percentage of completion is generally the preferred method of accounting for construction contracts, we concluded that the completed contract method of accounting would be a more appropriate and reliable method under which to recognize revenue from our construction contracts given our current processes and systems. Under the completed contract method, revenues and costs from construction and installation projects are recognized only upon substantial completion of the project. Direct costs typically include direct materials, labor and subcontractor costs, and indirect costs related to contract performance, such as indirect labor, supplies, tools and repairs. Provisions for estimated losses on uncompleted contracts are recognized when it has been determined that a loss is probable.

We also enter into contracts to provide engineering and integration services related to network architecture, transformation, reliability and performance. Revenues from service contracts are generally recognized as the services are completed under the completed performance method, whereby costs are deferred until the related revenues are recognized. Services are generally performed under master or other services agreements and are billed on a contractually agreed price per unit on a work order basis.

Revenues for projects based on time and materials are recognized as labor and material costs are incurred. Revenues from other incidental services are recognized as the service is performed.

The Field Services segment provides installation services to pay television (satellite and broadband cable) providers, Internet providers and commercial customers. The related revenues are recognized when services have been completed.

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Within our Other Services segment, we recognized our MDU revenues in the period in which the related services are provided, and we recognize revenue from long-term EE&C contracts on a percentage-of-completion basis, measured by the percentage of contract costs incurred to date to the estimated total costs for each contract.

We intend to continually evaluate the application of the completed contract method of accounting, and in the future we may change our accounting method back to the percentage of completion method for some of our construction contracts. Items that would be considered in our analysis concerning the applicability of the completed contract method of accounting would include: (i) our assessment of the improvements we are currently working on related to our internal controls surrounding our ability to estimate project costs and related profit margins; and (ii) new or emerging accounting standards that we may be required to adopt that could potentially impact how we are required to account for our long-term construction projects.

Revenue Recognition Matters

In connection with the audit of our financial statements for the year ended December 31, 2011 both we and our auditors identified accounting errors and internal control deficiencies that collectively called into question our ability to properly apply the percentage of completion method of accounting to our long-term construction contracts, which is the method that we had historically applied to recognize revenue on our long-term construction contracts. After consultations with KPMG LLP and with the SEC Staff, we concluded that the completed contract method of accounting would be a more appropriate and reliable method under which to recognize revenue from our construction contracts. Accordingly, we restated our financial statements for each of the three years ended December 31, 2011 so that our revenues from construction contracts were recognized using the completed contract method, which we have also applied in the preparation of our financial statements for the years ended December 31, 2012 and 2013.

While the percentage of completion method is the preferred method of recognizing revenue for construction contracts, the weaknesses in internal controls that limited our ability to make proper estimates of project costs and margins required us to apply the completed contract method. We believe that we have properly applied the completed contract method of accounting and have not identified any material control weaknesses in its application to our revenue recognition in the financial statements presented elsewhere in this prospectus. We are continually seeking to refine, enhance and strengthen all of our internal controls, but particularly those that affect our revenue recognition. Once we believe we have implemented adequate controls to properly estimate project costs, revenues and margins from the inception of each project, we will re-evaluate the application of the completed contract method and may change the revenue for some or all of our construction projects back to the percentage of completion method.

Goodwill and Other Intangible Assets with Indefinite Lives

Goodwill represents the amount of the purchase price in excess of the fair values assigned to the underlying identifiable net assets of acquired businesses. Goodwill is not amortized, but is subject to an annual impairment test at the reporting unit level or more frequently if events occur or circumstances change that would indicate that a triggering event. A reporting unit is defined as an operating segment or one level below an operating segment. The reporting units are equivalent to the reportable segment. All of our reporting units have goodwill assigned.

We test goodwill for impairment annually, as of October 1 of the current year, or more frequently if circumstances suggest that impairment may exist. During each quarter, we perform a review of certain key components of the valuation of the reporting units, including the operating performance of the reporting units compared to plan (which is the primary basis for the prospective financial information included in the annual goodwill impairment test) and the weighted average cost of capital.

To determine whether goodwill is impaired, a multi-step impairment test is performed. We perform a qualitative assessment of each reporting unit to determine whether facts and circumstances support a determination that their fair values are greater than their carrying values. If the qualitative analysis is not conclusive, or if we elect to proceed directly with quantitative testing, we will measure the fair values of the reporting units and compare them to their carrying values, including goodwill. If the fair value is less than the carrying value of the reporting unit, the second step of the impairment test is performed for the purposes of measuring the impairment. In this step, the fair value of the reporting unit is allocated to all of the assets and liabilities of the reporting unit to determine an implied goodwill value. This allocation is similar to a purchase price allocation performed in purchase accounting. If the carrying amount of the reporting unit goodwill exceeds the implied goodwill value, an impairment loss shall be recognized in an amount equal to that excess.

We estimate the fair values of the reporting units using discounted cash flows, which include assumptions about a wide variety of internal and external factors. Significant assumptions used in the impairment analysis include financial projections of cash flow (including significant assumptions about operations and target capital requirements), long term growth rates for determining terminal value, and discount rates. Forecasts and long term growth rates used for the reporting units are consistent with, and use inputs from, the internal long term business plan and strategy. During the forecasting process, we assess revenue trends, operating cost levels and target capital levels. A range of discount rates that correspond to a market based weighted average cost of capital are used. Discount rates are determined for each reporting unit based on the implied risk inherent in their forecasts. This risk is evaluated using comparisons to market information such as peer company weighted average costs of capital and peer company stock prices in the form of revenue and earnings multiples. The most significant estimates in the discount rate determinations include the risk free rates and equity risk premium. Company specific adjustments to discount rates are subjective and thus are difficult to measure with certainty.

Although we believe that the financial projections used are reasonable and appropriate, the use of different assumptions and estimates could materially impact the analysis and resulting conclusions. In addition, due to the long term nature of the forecasts there is significant uncertainty inherent in those projections. The passage of time and the availability of additional information regarding areas of uncertainty in regards to the reporting units operations could cause these assumptions used in the analysis to change materially in the future. If the assumptions differ from actual, the estimates underlying the goodwill impairment tests could be adversely affected.

We periodically review amortizing intangible assets whenever adverse events or changes in circumstances indicate the carrying value of the asset may not be recoverable. In assessing recoverability, assumptions regarding estimated future cash flows and other factors must be made to determine if an impairment loss may exist, and, if so, estimate fair value. If these estimates or their related assumptions change in the future, we may be required to record impairment losses for these assets.

Share-Based Compensation

We account for share-based compensation in accordance with ASC 718, Compensation Stock Compensation. Share-based awards to be settled in the Company s equity are valued at the date of grant using the Black-Scholes option-pricing model based on certain assumptions, including risk-free interest rates, expected life, volatility and dividends. We estimate the expected volatility of the price of its underlying stock based on the expected volatilities of similar entities with publicly-traded securities. Currently there is no active market for the Company s common shares and therefore we have identified several similar publicly held entities to use as a benchmark. The volatility was estimated using the median volatility of the guideline companies which are representative of the Company s size and industry based upon daily stock price fluctuations. Compensation expense equal to fair value at the date of grant is recognized in compensation cost over the vesting period of the awards.

Income Taxes

We apply the asset and liability method in accounting and reporting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are determined based upon the difference between the financial statement carrying amounts and tax bases of assets and liabilities that will result in taxable or deductible amounts

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in the future based on enacted tax rates expected to be in effect when these differences are expected to reserve. The measurement of deferred income tax assets are adjusted by a valuation allowance, if necessary, to recognize future tax benefits only to the extent, based on available evidence, that it is more likely than not such benefits will be realized. We recognize income tax related interest and penalties on income taxes as a component of income tax expense.

Accruals for uncertain tax positions are provided for in accordance with the authoritative guidance for accounting for uncertainty in income taxes. Under the authoritative guidance, we may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement.

We are not subject to examination by the U.S. Federal taxing authorities for years prior to 2009 and by state and local taxing authorities for years prior to 2008.

Valuation of Long-Lived Assets

We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be realizable. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset s carrying amount to determine if an impairment of such asset is necessary. This requires us to make long-term forecasts of the future revenues and costs related to the assets subject to review. Forecasts require assumptions about demand for our products and future market conditions. Estimating future cash flows requires significant judgment, and our projections may vary from the cash flows eventually realized. Future events and unanticipated changes to assumptions could require a provision for impairment in a future period. The effect of any impairment would be to expense the difference between the fair value of such asset and its carrying value. In addition, we estimate the useful lives of our long-lived assets and periodically review these estimates to determine whether these lives are appropriate.

Quantitative and Qualitative Disclosures About Market Risk

Our primary exposure to market risk relates to unfavorable changes in concentration of credit risk and interest rates.

Credit Risk

We are subject to concentrations of credit risk related primarily to our cash and cash equivalents and our accounts receivable, including amounts related to costs in excess of billings on uncompleted projects. Substantially all of our cash investments are managed by what we believe to be high credit quality financial institutions. In accordance with our investment policies, these institutions are authorized to invest this cash in a diversified portfolio of what we believe to be high-quality investments, which primarily include short-term dollar denominated bank deposits to provide Federal Deposit Insurance Corporation backing of the deposits. We do not currently believe the principal amounts of these investments are subject to any material risk of loss. In addition, as we grant credit under normal payment terms, generally without collateral, we are subject to potential credit risk related to our customers ability to pay for services provided. This risk may be heightened as a result of the depressed economic and financial market conditions that have existed in recent years. However, we believe the concentration of credit risk related to trade accounts receivable and costs in excess of billings on uncompleted contracts is limited because of the financial strength of our customers. We perform ongoing credit risk assessments of our customers and financial institutions.

Interest Rate Risk

The interest on outstanding balances under our Credit Facility accrues at variable rates based, at our option, on the agent bank s base rate (as defined in the Credit Facility) plus a margin of between 1.50% and 2.00%, or at

LIBOR (not subject to a floor) plus a margin of between 2.50% and 3.00%, depending on certain financial thresholds. We had $3.4 million of outstanding borrowings under our Credit Facility as of March 31, 2014. Our notes payable balance at March 31, 2014 is comprised of our notes due in 2018, which bear a fixed rate of interest of 12.125%. Due to the fixed rate of interest on the notes, changes in interest rates would not have an impact on the related interest expense.

The mortgage payable related to the Multiband headquarters building was refinanced with Commerce Bank on March 28, 2014, with a fixed interest rate of 5.75% per annum. Due to the fixed rate of interest on the mortgage, changes in interest rates would not have an impact on the related interest expense.

Emerging Growth Company Status

Section 107 of the Jumpstart Our Business Startup Act, or the JOBS Act, provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, or the Securities Act, for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to opt out of such extended transition period, and as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

We have elected to take advantage of the following provisions of the JOBS Act:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended, or the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Our pro forma combined revenues of Goodman Networks and Multiband for the year ended December 31, 2013 exceeded $1.0 billion. If our annual gross revenues for the year ended December 31, 2014 also were to exceed $1.0 billion, we would cease to qualify as an emerging growth company after 2014. If we lose our emerging growth company status, we will no longer be able to take advantage of the above provisions of the JOBS Act.

Internal Controls and Procedures

Background

Since December 23, 2013, we have been required to comply with certain aspects of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, that we have previously not been required to comply with. For example, as a voluntary filer, beginning with the filing of our annual report on Form 10-K on March 31, 2014, we have been required to comply with the SEC s rules implementing Section 302 of the Sarbanes-Oxley Act, which require our management to certify financial and other information in our quarterly and annual reports. We will also be subject to and required to comply with the SEC s rules implementing Section 404 of the Sarbanes-Oxley Act. This standard requires management to establish and maintain internal control over financial reporting and make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. We will be required to make our first assessment of our internal control over financial reporting as of December 31, 2014, which is the year-end following the year that our first annual report is filed or required to be filed with the SEC. Because we are currently a debt filer, our independent registered public accounting firm is not required to formally attest to the effectiveness of our internal control over financial reporting. To better ensure compliance

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with the requirements of being a public company, we will need to upgrade our systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and financial reporting staff.

Material Weaknesses in Internal Control over Financial Reporting

A material weakness is a control deficiency, or a combination of control deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Although we did not perform a formal assessment of internal control over financial reporting, we evaluated deficiencies identified in connection with the preparation and audit of our consolidated financial statements for the fiscal years ended December 31, 2012 and 2013 in accordance with the framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control Integrated Framework (1992). The following control deficiency represents a material weakness in our internal control over financial reporting as of December 31, 2012 and 2013:

Purchasing and Inventory Management: We did not maintain sufficient controls over our purchasing and inventory management process. Specifically (a) the controls surrounding the tracking of inventory movements between warehouses and job sites was not sufficient to ensure that inventory was appropriately recorded and that inventory not used at job sites was returned to warehouses on a timely basis; and (b) controls and processes to properly match returned inventory to the appropriate project to ensure accurate project costs and profitability either were not present or did not operate effectively.

During the quarter ended June 30, 2013, we designed and implemented additional controls and procedures intended to strengthen and enhance our period end accounting close process related to preparation of our financial statements under the completed contract method of accounting for our construction projects. These controls include (i) enhanced reconciliations of revenue, cost of revenue and gross profit and the related balance sheet accounts of costs in excess of billing on uncompleted projects and billings in excess of costs on uncompleted projects; and (ii) enhanced financial analysis of margin performance by groups outside of the finance organization to evaluate the financial results and compare against the expectations of the business people running the operations of the Company. During the course of designing and implementing these enhanced controls and procedures, we discovered certain errors that existed in our financial statements for the three-month period ended March 31, 2013. These errors were corrected in the preparation of our financial statements for each of the three-and six-month periods ended June 30, 2013, and they did not aggregate to a material amount in either period. We do not believe our financial statements for the three months ended March 31, 2013 were materially misstated. These errors were a result of a material weakness in our internal controls over financial reporting that existed at March 31, 2013 related to controls surrounding our cutover to processes used to capture results based upon the completed contract method of accounting in 2013. We believe the control activities described above serve to remediate this material weakness as of June 30, 2013.

Remediation Efforts

We continue to make progress towards achieving the effectiveness of our disclosure controls and procedures. Remediation generally requires making changes to how controls are designed and then adhering to those changes for a sufficient period of time such that the effectiveness of those changes is demonstrated with an appropriate amount of consistency. We believe that we have made significant improvements in our internal control over financial reporting and are committed to remediating our material weakness. Our remediation initiatives are intended to further address our specific material weakness and to continue to enhance our internal control over financial reporting. The Company has developed processes and procedures necessary to remediate its internal control weakness and as of March 31, 2014, these enhanced procedures have been fully implemented. However, enhanced processes and procedures have not been in place for a sufficient period of time subsequent to implementation to conclude that they are operating effectively and therefore we are not able to conclude that the material weakness has been remediated.

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OUR BUSINESS

Overview

Since our founding in 2000, we have grown to be a leading national provider of end-to-end network infrastructure and professional services to the wireless telecommunications industry. Our wireless telecommunications services span the full network lifecycle, including the design, engineering, construction, deployment, integration, maintenance and decommissioning of wireless networks. We perform these services across multiple network infrastructures, including traditional cell towers as well as small cell and DAS. We also serve the satellite television industry by providing onsite installation, upgrading and maintenance of satellite television systems to both the residential and commercial markets. These highly specialized and technical services are critical to the capability of our customers to deliver voice, data and video services to their end users. For the year ended December 31, 2013, we generated revenues of $931.7 million and a net loss of $43.2 million. For the three months ended March 31, 2014, we generated revenues of $256.6 million and a net loss of $10.3 million.

The wireless telecommunications industry is characterized by favorable trends that are driving our growth. This industry is going through an unprecedented and sustained phase of expansion and increased complexity as the number of wireless devices and demand for greater speed and availability of mobile data continues to grow rapidly. Users continue to upgrade to more advanced mobile devices, such as smartphones and tablets, and access more bandwidth-intensive applications. According to the Cisco VNI Mobile Update, mobile data traffic will increase in North America by 660% between 2013 and 2018, or an average of over 50% percent annually. By 2018, North American mobile data traffic will reach approximately 3.0 exabytes per month, and the number of 4G-LTE annual connections will grow 2.6 times compared to 2013. These developments are creating significant challenges for wireless carriers to manage increasing network congestion and continually deliver a high quality customer experience. In response, carriers, governments and other enterprises are making significant investments in their wireless infrastructures, such as increasing the 4G-LTE capacity of their wireless networks as well as integrating small cell technology and DAS (supporting both Wi-Fi and cellular solutions, within wireless networks). To address the challenges presented by expanding increasingly complex network infrastructures, wireless carriers and OEMs have increased their dependency on an outsourcing model in an effort to control costs, deploy capital more efficiently and ensure schedule attainment. We believe our leading reputation and capacity to provide services on a national scale positions us to increase our market share and capitalize on future growth opportunities in the wireless telecommunications industry.

We have established strong, long-standing relationships with Tier-1 wireless carriers and OEMs, including AT&T, Alcatel-Lucent and Sprint, as well as DIRECTV. Over the last few years, we have diversified our customer base within the telecommunications industry by leveraging our long-term success and reputation for quality to win new customers such as NSN, T-Mobile and Verizon. We generated nearly all of our revenues over the past several years under MSAs that establish a framework, including pricing and other terms, for providing ongoing services. We have also significantly expanded our relationship with Sprint and AT&T and continue to grow our business in new strategic areas. Specifically, we extended our business in October 2013 into Sprint s enterprise channel by providing end-to-end management of Sprint s enterprise femtocells application. Currently, we are conducting a number of key strategic small cell trials with multiple top-tier operators with which we expect to secure contracts with in the first half of 2014. We recently entered into a Cell Site Construction Agreement with a subsidiary of Verizon to provide these services. It is our belief that our long-standing relationships with our largest customers, which are governed by MSAs that historically have been renewed or extended, provide us with high visibility to our future revenue. During 2013, we also provided small cell or DAS services to over 100 enterprises including higher education institutions, stadiums for professional and collegiate sports events, hotels and resorts, major retailers, hospitals and government agencies.

Our relationship with AT&T Inc. began in 2002 with Cingular Wireless LLC and Southwestern Bell Telephone Company and has subsequently grown in scope. Currently, we provide site acquisition, construction,

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technology upgrades, Fiber to the Cell and maintenance services for AT&T in nine states, comprising nine distinct Turf Markets, pursuant to the Mobility Turf Contract, a multi-year MSA that we entered into with AT&T and have amended and replaced from time to time. On October 30, 2012, approximately two years prior to the scheduled expiration of the Mobility Turf Contract, AT&T extended the term of the Mobility Turf Contract to November 30, 2015.

In November 2009, we entered into an outsourcing arrangement with Alcatel-Lucent whereby we moved 461 U.S.-based engineering and integration specialists from Alcatel-Lucent to our payroll and secured the five-year Alcatel-Lucent Contract, which currently expires on December 31, 2014.

In addition, we have a long-standing 17-year relationship with DIRECTV. In December 2013, we extended our MSA with DIRECTV, which now expires on December 31, 2017.

On a pro forma basis giving effect to the merger with Multiband as if it occurred on January 1, 2012, these three customers generated approximately 87.3% and 87.0% of our revenues for the year ended December 31, 2013 and the three months ended March 31, 2014, respectively, and we believe our long-standing relationships and multi-year contracts with these customers create a level of predictability and visibility to our future revenue and profitability. Our 18-month estimated backlog, which is based on historical trends, anticipated seasonal impacts and estimates of customer demand based upon communications with our customers, was $1.8 billion as of March 31, 2014. The 18-month estimated backlog as of March 31, 2014 includes $0.4 billion of estimated backlog from DIRECTV.

Our Businesses

We primarily operate through three business segments, Professional Services, Infrastructure Services and Field Services. Through our Professional Services and Infrastructure Services segments, we help wireless carriers and OEMs design, engineer, construct, deploy, integrate, maintain and decommission critical elements of wireless telecommunications networks. Through our Field Services segment, we install, upgrade and maintain satellite television systems for both residential and commercial customers.

For the year ended December 31, 2013 and the three months ended March 31, 2014, the Professional Services (PS) segment generated 12.0% and 8.7% of our revenue, the Infrastructure Services (IS) segment generated 76.8% and 68.1% of our revenue and the Field Services (FS) segment generated 9.5% and 23.3% of our revenue, respectively. In the first quarter of 2014, we integrated the EE&C line of business with the Infrastructure Services and Professional Services segments, and as a result there is no longer an Other Services segment. We have not restated the corresponding items of segment information for the year ended December 31, 2013 because the employees that previously comprised the EE&C line of business are now serving customers within the Infrastructure Services segment and the remaining operations of the Other Services segment that were realigned to the Infrastructure Services, Professional Services or Field Services segments are not material to those segments individually. Revenues, cost of revenues, gross profit, and gross margin by segment as of and for the three-year period ended December 31, 2013 and the three months ended March 31, 2013 and 2014 are as follows (dollars in millions):

	Year Ended December 31,										Three Months Ended March 31,					
	2011			2012			2013				2013			2014		
	PS	IS	FS	PS	IS	FS	PS	IS	FS	Other	PS	IS	FS	PS	IS	FS
Revenues	$ 91.7	$ 637.4	$	$ 79.1	$ 530.1	$	$ 111.5	$ 715.5	$ 88.2	$ 16.5	$ 20.1	$ 131.1	$	$ 22.2	$ 174.6	$ 59.8
Cost of revenues	$ 78.4	$ 532.4	$	$ 65.2	$ 434.1	$	$ 91.6	$ 622.4	$ 77.9	$ 14.2	$ 17.0	$ 109.0	$	$ 21.2	$ 145.8	$ 55.8
Gross profit	$ 13.3	$ 104.9	$	$ 13.9	$ 96.0	$	$ 19.9	$ 93.1	$ 10.3	$ 2.3	$ 3.1	$ 22.1	$	$ 1.0	$ 28.8	$ 4.0
Gross margin	14.5%	16.5%	0.0%	17.6%	18.1%	0.0%	17.8%	13.0%	11.7%	13.9%	15.4%	16.8%	0.0%	4.5%	16.5%	6.7%

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The following diagram illustrates our customers recurring need for the services we provide in our Professional Services and Infrastructure Services segments:

As illustrated in the graphic above, wireless carriers continually monitor network traffic and usage patterns. As they identify network inefficiencies, service problems or capacity constraints, they often engage companies like us to perform maintenance or network enhancements, such as adding equipment to the network, to alleviate the issue.

Professional Services. Our Professional Services segment provides customers with highly technical services primarily related to designing, engineering, integration and performance optimization of transport, or backhaul, and core, or central office, equipment of enterprise and wireless carrier networks. When a network operator integrates a new element into its live network or performs a network-wide upgrade, a team of in-house engineers from our Professional Services segment can administer the complete network design, equipment compatibility assessments and configuration guidelines, the migration of data traffic onto the new or modified network and the network activation.

In addition, we provide services related to the design, engineering, installation, integration and maintenance of small cell and DAS networks. Our acquisition of CSG was incorporated into our Professional Services segment, which has enhanced our ability to provide end-to-end in-building services from design and engineering to maintenance. Our enterprise small cell and DAS customers often require most or all of the services listed above and may also purchase consulting, post-deployment monitoring, performance optimization and maintenance services.

Infrastructure Services. Our Infrastructure Services segment provides program management services of field projects necessary to deploy, upgrade, maintain or decommission wireless outdoor networks. We support wireless carriers in their implementation of critical technologies such as 4G-LTE, the addition of new macro and small cell sites, increase of capacity at their existing cell sites through additional spectrum allocations, as well as other performance optimization and maintenance activities at cell sites. When a network provider requests our services to build or modify a cell site, our Infrastructure Services segment is able to: (i) handle the required pre-construction leasing, zoning, permitting and entitlement activities for the acquisition of the cell site, (ii) prepare site designs, structural analysis and certified drawings, and (iii) manage the construction or modification of the site including tower-top and ground equipment installation. These services are managed by our wireless project and construction managers and are performed by a combination of scoping engineers, real estate specialists, ground crews, line and antenna crews and equipment technicians, either employed by us or retained by us as subcontractors.

Our Infrastructure Services segment also provides fiber and wireless backhaul services to carriers. Our Fiber to the Cell services connect existing points in the fiber networks of wireline carriers to thousands of cell sites needing the bandwidth and ethernet capabilities for upgrading capacity. Our microwave backhaul services provide a turnkey solution offering site audit, site acquisition, microwave line of sight surveys, path design, installation, testing and activation services. This fiber and wireless backhaul work often involves planning, route engineering, right-of-way (for fiber work) and permitting, logistics, project management, construction inspection, and optical fiber splicing services. Backhaul work is performed to extend an existing optical fiber network, owned by a wireline carrier, typically between several hundred yards to a few miles, to the cell site.

We began operating the following additional segments in connection with the closing of the merger with Multiband:

Field Services. Our Field Services segment provides installation and maintenance services to DIRECTV, commercial customers and a provider of internet wireless service primarily to rural markets. Our wholly owned subsidiary Multiband, which we acquired in August 2013, fulfilled over 1.5 million satellite television installation, upgrade or maintenance work orders during 2013 for DIRECTV, which represented 27.6% of DIRECTV s outsourced work orders for residents of single-family homes during 2013. We were the second largest DIRECTV in-home installation provider in the United States for the year ended December 31, 2013.

Other Services. The Other Services segment includes our Engineering, Energy & Construction, or EE&C, line of business and, until we disposed of such assets to an affiliate of DIRECTV on December 31, 2013, included the assets related to the Multi-Dwelling Unit, or MDU, line of business.

Engineering, Energy & Construction Services. Our EE&C services include the provision of engineering and construction services for the wired and wireless telecommunications industry, including public safety networks, renewable energy services including wind and solar applications and other design and construction services which are usually done on a project basis.

Multi-Dwelling Unit Services. Our MDU services included the provision of voice, data and video services to residents of MDU facilities as an owner/operator of the rights under the related subscription agreements with those residents. From 2004 until 2013, Multiband operated under a Master System Operator agreement for DIRECTV, through which DIRECTV offered satellite television services to residents of MDUs. On December 31, 2013 we sold the assets related to MDU, or the MDU Assets, from which we provided the MDU services, to DIRECTV for $12.5 million and the assumption of certain liabilities. We continue to perform certain administrative functions for DIRECTV for a limited period of time after which we expect our involvement to cease. We expect our financial results with respect to the MDU services during the first quarter of 2014 to be limited to revenue related to the performance of these transition services.

We intend to integrate the EE&C line of business into our Infrastructure Services and Professional Services segments, and we expect that we will no longer have an Other Services segment.

Our Industries

We participate in the large and growing market for connectivity and essential wireless telecommunications infrastructure services. We also participate in the significant satellite pay television installation and maintenance market for both residential and commercial customers as well as providing satellite access links for an internet service provider. Although we do not anticipate significant growth in the Field Services segment, we do believe our Professional Services and Infrastructure Services segments are poised for substantial growth consistent with the growth in the wireless telecommunications industry generally. We believe the following trends are driving growth in this market:

Increasing Demand for Wireless Services

We are addressing a vast and growing market opportunity resulting from an unprecedented and sustained escalation in both the number of wireless devices and the demand for those mobile devices to deliver and transmit larger quantities of mobile data traffic at ever increasing speeds. Mobile device manufacturers are rapidly introducing advanced mobile devices that have faster processors, increased memory and larger high-resolution screens that are capable of supporting advanced media and require faster data connections for an enhanced experience. Traffic and usage patterns continually change as users discover new services on their devices and upgrade or acquire new devices (such as smartphones and tablets). According to the Cisco VNI Mobile Update, wireless data growth in North America is forecasted to increase on average 50% annually from 2013 through 2018, as smartphones, tablets, laptops, 3G and 4G-LTE modems and other telecommunications devices are becoming increasingly utilized by consumers. Moreover, a growing number of consumers are using their mobile devices as their primary means to access the internet, according to the Pew Internet & American Life Project s Cell Internet Use 2013 Report, dated September 16, 2013. This growth in wireless data demand will require service carriers to invest in existing infrastructure and build-out new infrastructure to prevent slow or unavailable data connections that negatively impact the experience of their customers and result in costly churn.

The following chart illustrates the expected growth of mobile data traffic in North America through 2018:

North American Mobile Data Traffic
(Petabytes/Month)

Source: Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2013-2018, February 2014.

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Spending on U.S. wireless data services has grown at double digit rates since 2005 and is forecasted to increase on average at approximately 18% annually from $95 billion in 2012 to $184 billion in 2016, according to the TIA Report. Domestic spending on data rose by 33% in 2012, and through 2016 it is expected to increase by approximately 94%. By 2016, data is expected to comprise more than 72% of total domestic wireless services spending. The following chart illustrates historical and projected growth in the domestic wireless data services market:

U.S. Wireless Data Services Market

($ in billions)

Sources: Telecommunications Industry Association, citing Consumer Electronics Association and Wilkofsky Gruen Associates, 2013.

Need for Ongoing Capacity Management for 4G-LTE

Over the last few years, AT&T, Sprint, T-Mobile and Verizon have made significant investments to provide 4G-LTE coverage to their customers and have begun initiatives to increase capacity and performance of their existing networks. The capacity of those networks, however, will continue to need to be enhanced to meet the needs of new users of 4G-LTE devices and the growing appetite for data by those users. As wireless carriers rapidly complete their first phase of 4G-LTE deployment to establish their geographic coverage, we believe they will utilize the following methods to continue to increase the capacity of their networks: (i) allocating additional spectrum that is already licensed by the wireless carrier to its 4G-LTE network, (ii) acquiring additional lower band spectrum that could come to auction by the FCC in 2015, which in turn would require new, wide-band antennas to be deployed at many cell sites, (iii) increasing the density of the macro network layer by lowering the antenna systems on existing sites, which in turn creates a requirement to add additional cell sites, (iv) adding additional sectors by affixing additional antennas and radios to existing cell sites, (v) increasing backhaul capacity, (vi) harvesting older technology at cell sites to provide physical space, power, spectrum and capacity to be allocated to the 4G-LTE infrastructure, and (vii) supplementing the macro network with small cell and DAS technology, creating a heterogeneous network.

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While each of the above methods represents a significant revenue opportunity for companies that provide services to wireless carriers, the addition of cell sites to an existing network alone is a substantial market opportunity. According to the TIA Report, wireless data growth will result in a 16% cumulative increase in the number of new domestic cell sites between 2013 and 2016. Based on our cost estimate of $212,000 per macro cell site, these new cell sites would generate revenue for wireless infrastructure services companies of approximately $10.4 billion.

Given the multiple approaches that carriers are utilizing to address the growing demand placed on their networks, these networks are becoming increasingly complex and require active monitoring and management. As a result, wireless carriers will be required to perform ongoing performance optimization of their networks to ensure competitive service levels to their customers. These needs provide an opportunity for professional service partners of carriers to provide ongoing solutions related to network balancing, performance optimization and capacity alignment.

Increasing Implementation of Small Cell and DAS Technology

Escalating wireless data consumption has caused carriers to begin offloading mobile traffic from macro networks to preserve available spectrum and to increase wireless data capacity through small cell and DAS technology solutions. Small cells are low-powered radio access units that have a relatively short range of approximately 10 to 300 meters as compared to a typical wireless macro cell having a range of 2 to 10 kilometers. Compared to the traditional macro cell, small cell technology features a higher quantity of smaller transmitters in a given area. This dispersion of transmitting devices boosts the capacity and the efficiency of wireless networks, resulting in fewer dead zones and reduces competition for cellular tower resources. In addition, small cells have the inherent ability to serve multiple technologies including Wi-Fi and wireless carrier standards such as GSM, UMTS, CDMA and 4G-LTE.

Similarly, installing a DAS system in a building allows users to access the wireless network through antennas located inside the building rather than through an outdoor macro cell site, thereby providing the user better indoor wireless coverage and capacity. Offloading these customers from the outdoor network to a DAS benefits the wireless carrier and the user by providing the user with improved wireless coverage and capacity at a lower cost to the wireless carrier. DAS technology is particularly well suited for larger facilities, such as sports stadiums, large office buildings and shopping malls. DAS technology can also consolidate multiple cellular standards, emergency bands and Wi-Fi.

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Wireless carriers are in the early stages of implementing indoor and outdoor small cell and DAS technology to extend their service precisely and inexpensively in dense urban areas. According to SNS Research s Wireless Infrastructure Bible: 2014-2020, industry studies estimate that more than 850,000 small cells, exclusive of self-installed femtocells, will be deployed in North America by the end of 2019. Increased network complexities and capacity needs will require network providers to evolve their networks into a heterogeneous architecture involving a combination of macro cells and small cells. These diversified architectures will require a full array of network services, which we expect will drive increasing reliance on infrastructure service providers. The deployment and performance optimization of small cell and DAS technologies will create a new set of challenges for wireless carriers and their providers of outsourced infrastructure services including complex logistics and differentiated backhaul and site acquisition strategies. The following chart illustrates the expected increase in small cell shipments in North America through 2020:

North American Small Cell Shipments
(# in thousands)

Source: SNS Research, Wireless Infrastructure Bible: 2014-2020.

The large volume of deployments and unique technological challenges will drive the need for increased standardization, consistency and efficient processes. We believe that these trends will drive the need for fewer, larger and more financially stable outsourced wireless infrastructure service providers that will be capable of providing a full range of services across a large geographic footprint in a cost effective manner.

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Increasing Trend for Wireless Carriers to Outsource Capital and Operating Expenditures

Wireless carriers are under mounting competitive pressure to deliver a high level of performance and additional next generation services to their customers. As a result, wireless carriers have outsourced many of the services required to design, build and maintain their complex network offerings, which provides them better flexibility, efficiency and lower costs than self-performing these services.

According to Wilkofsky Gruen Associates, over two-thirds of this spending on services in support of wireless infrastructure is outsourced. The following chart illustrates such spending on wireless equipment since 2005:

Sources: Blumberg Advisory Group, Telecommunications Industry Association, Wilkofsky Gruen Associates; figures for 2013-2016 are estimates.

We believe wireless carriers are increasing the amount of the capital and operating expenditures that they outsource.

According to the Booz & Co. research report, Second-Generation Telecom Outsourcing Regaining Control and Innovation Power, published July 17, 2013, the top four factors driving outsourcing in telecommunications are: (i) economic efficiency, (ii) capabilities focus, (iii) partnership integration and (iv) technology convergence. According to the Infonetics Research 2013 Report, Service Provider Outsourcing to Vendors, published March 18, 2013, or the Infonetics Report, reduction in operating expenditures, including tasks such as designing, building and maintaining, continues to be the primary driver for carriers outsourcing and is forecasted to grow at an annual rate of 8% through 2016. We believe that U.S. wireless carriers have a limited number of vendors, especially those without any equipment brand bias, that can provide comprehensive services and scale required to manage the size and complexity of their needs.

Growing Demand for Wireless Services in Adjacent Markets

The positive trends in the wireless telecommunications industry are also relevant to numerous other markets, including the public safety and enterprise markets. We believe that there is a large opportunity in the government telecommunications infrastructure market. In February 2012, a federal law was amended that provides for the creation of a nationwide interoperable broadband network for police, firefighters, emergency medical service professionals and other federal, state and local public safety personnel. This legislation established the FirstNet, charged with the deployment and operation of this network, and allocated FirstNet $7 billion in funding towards deployment of this network, as well as $135 million for a new state and local implementation grant program.

Historically, many enterprises had limited their use of wireless networks due to reliability, security and complexity issues but are now seeking to strategically integrate wireless networks for business-critical converged voice, video and data applications. We believe that we are in the beginning of a long-term transition to increase usage of wireless networks within enterprises and that a significant opportunity exists for wireless specialists to serve the increasingly complex requirements of those enterprises.

Stable Industry Dynamics in the Satellite Television Market

The U.S. market for satellite television subscribers is significant. DIRECTV is the largest satellite television provider with 20.2 million subscribers according to public filings. During the year ended December 31, 2013, we performed approximately 27.6% of all of DIRECTV s outsourced installation, upgrade and maintenance activities. We believe that the demand for our outsourced installation and maintenance services related to the satellite television market will remain steady as leading national providers continue to upgrade technology and add customers by investing in competitive marketing efforts.

Business Strengths

We believe the following business strengths position us to capitalize on the anticipated growth in demand for our services:

End-to-end Service Offering Providing Compelling Value Proposition

As the telecommunications sector continues to evolve and become more complex due to increasing demand for wireless data, wireless carriers and OEMs will continue a long-term trend of increasingly seeking outsourced providers that can service the full wireless network lifecycle on a national level. We believe our end-to-end service offering provides a compelling and differentiated value proposition to the marketplace. Many infrastructure service providers do not offer the professional network services of business consulting, design, integration and performance optimization. As a result, telecommunication companies typically need to hire professional services companies to provide complementary and higher-end services, creating incremental project coordination costs and financial risks. Our ability to seamlessly provide these solutions to our customers reduces the risks and limits inefficiencies caused by using multiple vendors. We believe this single vendor approach improves overall quality, schedule attainment and reduces costs for wireless carriers and OEMs.

Reputation for Consistent, High Customer Satisfaction and Technical Expertise

We maintain an exemplary track record with our customers and regularly outperform customer satisfaction and on-time delivery targets. In 2013, we performed critical wireless work in AT&T s Turf Markets faster than all other Turf Market vendors. In 2013, our safety rating (reported incidents) assigned by OSHA for work provided to the telecommunications industry was less than half of the composite rating for our industry. Also in 2013, Multiband had customer satisfaction ratings, as measured by a third party, of over 95% when fulfilling DIRECTV work orders. We believe our reputation for technical expertise, reliable service and high customer satisfaction provides us with an advantage when competing for new contracts and maintaining and expanding our current customer relationships.

Long-term Relationships with Key Customers

We have long-standing relationships with three of the largest national telecommunication companies, AT&T Inc., Alcatel-Lucent and Sprint. We believe we serve as a strategic partner to our customers, having, for example, assisted AT&T with the deployment of 4G-LTE network services in the first five cities in which AT&T launched 4G-LTE service. Substantially all of our revenue is derived from work performed under multi-year MSAs with these customers. AT&T assigns work to us under our MSA on a market-by-market basis as the sole, primary or secondary vendor in 9 of AT&T s 31 Turf Markets. Our reputation and experience enhance the loyalty of our customers and position us to become an increasingly important service provider in the outsourced wireless telecommunications industry, and our visibility into future revenues provided by these long-term

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relationships assists us in profitably managing our business. These executive-level long-term relationships with our customers have provided us with valuable insight into their medium and long-term direction, allowing us to make the right strategic investments in our business. Although we have recently experienced declining revenues under the Alcatel-Lucent Contract, which is set to expire on December 31, 2014, we are in negotiations to extend our contractual relationship with Alcatel-Lucent beyond 2014. We are also seeking to develop similar long-term relationships with T-Mobile and Verizon built upon the rapidly expanding scope of work performed for these customers.

We have maintained a long-term strategic relationship with DIRECTV for over 17 years. We are one of three in-home installation and maintenance service providers that DIRECTV utilizes in the United States, and during the year ended December 31, 2013, we performed approximately 27.6% of all of DIRECTV s outsourced installation, upgrade and maintenance activities.

National Footprint with Scalability of Operations

We have developed a nationwide platform for the provision of our services with 63 regional offices and warehouses in 24 states across the United States as of April 30, 2014. We employed over 5,200 people, including over 680 employees in our Professional Services segment, over 1,100 employees in our Infrastructure Services segment and over 3,150 employees in our Field Services segment, as of April 30, 2014. We also have the proven ability to increase our operations to meet the needs of our customers. The technician-based workforce that we acquired in the Multiband transaction is not only available to meet the needs of our Field Service segment, but selected technicians are also being cross-trained to deploy and maintain small cell and DAS services in support of our Professional Services segment. We also utilize an extensive network of subcontractors, which combined with our existing employee workforce enables us to execute large, complex and multi-location telecommunications projects across the United States by allocating personnel and resources quickly and efficiently, thereby maximizing efficiency. Through our MSA with AT&T, our largest customer, we serviced 5 of the 10 most populous cities in the United States as of April 30, 2014. The Turf Markets that AT&T has assigned to us as of April 30, 2014 cover an estimated 26.7% of the total U.S. population based upon 2010 census data.

Experienced Management Team with Exceptional Track Record

Our proven and experienced management team has an exceptional track record and plays a significant role in establishing and maintaining long-term relationships with our customers, supporting the growth of our business and managing the financial aspects of our operations. Under their leadership, we have grown substantially to become one of the largest providers of wireless infrastructure and professional services in the United States as well as a leader in the satellite television installation market. Our management team possesses significant industry experience and has a deep understanding of our customers and their performance requirements.

Under their leadership our revenue has increased to $931.7 million for the year ended December 31, 2013. Over the four years ended December 31, 2013, we have experienced a compounded annual revenue growth rate of 30.6%, which includes revenue growth both organically and through acquisitions. Many of our new business relationships have been developed from our long-standing relationships within the industry. As evidenced by the 2013 acquisitions of Multiband, CSG and DBT, our management team has demonstrated a strong ability to grow the business through strategic acquisitions in an effort to better position the Company to be able to compete for new business opportunities in the future. As of December 31, 2013, we had materially completed the integration of CSG and DBT and completed integration planning for the merger with Multiband.

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Our Growth Strategies

We intend to leverage our market leading capabilities to take advantage of a number of favorable long-term industry trends by utilizing the following strategies:

Capitalize on Rapid Growth in the Wireless Carrier Sector and Continue to Grow Our Core Business

Rapidly increasing data usage on wireless networks is driving wireless carriers to increase capacity and upgrade cell sites nationwide while at the same time working to improve wireless quality, reliability and performance. The wireless industry will have completed much of its first phase of 4G-LTE coverage buildout by the end of 2014. In order to continue to meet the projected demand for wireless data, carriers will need to add additional capacity to these 4G-LTE sites on an on-going basis, which will be heavily dependent on wireless carriers allocating capital expenditures to services that optimize and add capacity to those sites. In addition, we anticipate that significant capacity enhancements will be realized via small cell site proliferation and DAS deployments. We expect to benefit from these developments in both the near- and long-term.

We have had over a decade of experience in successfully working with Tier-1 wireless carriers and OEMs as they designed, built, upgraded, optimized, maintained and decommissioned their networks. We believe that our focus on the wireless telecommunications market, end-to-end service capabilities, national scale, reputation for quality and ability to acquire and integrate new and strategic businesses positions us well to capitalize on these opportunities and trends in the wireless sector and to continue to grow our business.

Continue to Expand Our Market Leading Services Capabilities

We believe our comprehensive range of network services and reputation for outstanding performance differentiates us in the marketplace. We plan to continue to develop our end-to-end service portfolio and technical capabilities to ensure we remain highly valued by our customers.

Throughout our history, we have added services capabilities to meet our customers changing needs. Our acquisition of CSG in 2013 expanded our professional services capabilities to offer in-building wireless network design. This offering has already been leveraged to help expand our relationship with existing customers, such as AT&T. Additionally, in response to broad market trends, we are focused on building competencies and driving opportunities in the small cell and DAS markets with new and existing customers. We believe the addition of Multiband s technician-based workforce will allow us to better serve our customers, increase our ability to take on larger scale small cell and DAS deployments and provide local onsite maintenance services post initial deployments. As of April 30, 2014, Multiband employed 2,627 technicians, and selected technicians are being cross-trained to provide advanced wireless installation and maintenance solutions for our customers.

As the enterprise small cell and DAS markets continue to grow, we believe that there is a tremendous opportunity to provide managed services to these customers. We believe that as venue owners increasingly choose to own the networks in their buildings they will need to rely on a provider with extensive wireless telecommunications experience to help them install, integrate and manage those networks. We are experienced in providing venue owners with network monitoring, network performance optimization, preventative maintenance and field technician repair and replacement services. Furthermore, as network technologies continue to evolve and become more complex, we are focused on continuing to supplement our high value-added services capabilities that help our enterprise customers maintain, upgrade and manage those networks. In addition, our strategy to enhance our managed services capability with incremental network services, including cloud and network virtualization, content delivery and network performance optimization, can drive additional business and enhance margins.

Continue to Grow our Small Cell and DAS Business

We anticipate the demand for small cell and DAS technologies will continue to increase as a result of need for wireless carriers to reduce stress on existing macro cell networks, expand network coverage and add capacity to their networks. Additionally, these technologies are a logical solution to serve an increasing number of

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enterprises that desire to expand and own their local wireless networks. For many enterprises, small cell and DAS are effective solutions to increase data throughput in their networks. DAS technology is particularly well suited for larger facilities, such as sports stadiums, large office buildings and shopping malls.

Our acquisitions of CSG and Multiband provide us a powerful combination of design, technician workforce and dispatch, scheduling and maintenance capabilities to be leveraged for small cell and DAS services. We believe our service offerings addressing these technologies distinguish us in the marketplace. We are currently a small cell strategic deployment development partner for AT&T, an exclusive partner for enterprise femtocell for Sprint and one of two partners selected for a strategic small cell trial for Verizon. We have also signed an MSA to support future small cell deployments for T-Mobile.

Selectively Pursue New Profitable Long-Term Relationships

We have developed strong relationships with our three largest customers, AT&T Inc., DIRECTV and Alcatel-Lucent. Although we have recently experienced declining revenues under the Alcatel-Lucent Contract and it is set to expire at the end of 2014, we are in negotiations to extend our contractual relationship with Alcatel-Lucent beyond 2014 and we intend to pursue similar long-term relationships with new customers. Our ability to secure these contractual relationships is demonstrated through the recent establishment of relationships with CenturyLink, NSN, Sprint, T-Mobile, Verizon and Windstream. Historically, we have often declined opportunities for short-term service projects in order to focus on long-term opportunities that generate more predictable revenue without sacrificing acceptable profit margins. We believe that there are significant opportunities to continue expanding our scope of work with our new and legacy customers.

Extend Capabilities to Adjacent Wireless Markets Including Enterprise and Government Networks

We plan to apply the wireless expertise we have developed serving wireless carriers and OEMs to further expand into the enterprise and public safety markets. According to a February 2014 ABI Research s In-Building Wireless Market Data research report, the North American market for in-building wireless deployment revenue is estimated at $2.7 billion for 2014 and is expected to grow to $4.3 billion for 2019, representing a compound annual growth rate of 9.5%. As cloud-based services continue to penetrate the enterprise IT market and enterprise employees increase the use of mobile devices to conduct business critical activities, enterprises are requiring enhanced speed and coverage from their wireless networks. For many enterprises, small cell and DAS are effective solutions to increase data throughput in their networks. We believe we are well positioned to be a market leader in this field as significant overlap exists among the services we provide to network carriers and those needed by enterprise networks. Our February 2013 acquisition of CSG provides us a significant entry into the enterprise market including higher education institutions, stadiums for professional and collegiate events, hotels and resorts, major retailers, hospitals and government agencies. In 2013, we provided services to over 100 enterprise customers for whom we deployed small cell or DAS infrastructure.

We also believe there is a considerable opportunity to address the public safety market. Our initial entry would focus on providing services to federal and state agencies. The initial $7 billion allocated by FirstNet to deploy a nationwide interoperable broadband network for public safety officials over the next several years represents a medium-to-long term opportunity for growth in the public safety sector. Government officials have already performed a significant amount of planning and preparation for this project, and we offer the capabilities, scale, reputation and knowledge to provide substantial support in the design, deployment and maintenance of the network. Our leadership team, as well as our government relationships team, is focused on leveraging existing relationships to help ensure participation in this initiative, including relationships developed through our implementation of the new public safety systems at the new World Trade Center.

Continue to Improve our Operational Efficiencies and Expand our Margins

We are planning to implement and continue several initiatives that we believe will create operational efficiencies in our business and will ultimately expand our margins. Key initiatives include implementation of

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business process automation, continuous improvement processes and greater technology utilization to gather real-time business intelligence to provide faster visibility on operational and financial performance and improve project scoping accuracy. We also are continuing to focus on enhancing our self-perform capabilities with the long-term goals of decreasing our dependence upon subcontractor-performed services and improving our margins. In addition, we believe our strategic growth plans, focused on professional, consulting and network performance solutions, will continue to allow us to improve our revenue mix and drive margin expansion.

Pursue Complementary Strategic Acquisitions

We plan to selectively pursue strategic acquisitions in the wireless industry that will enhance our service offerings, diversify our business and enable margin expansion. One area of interest would be the potential acquisition of subcontractors that perform tower services. The market for tower service companies is highly fragmented, and a number of high quality subcontractors exist that could provide us better control of these resources and improve our margins. Other strategic acquisitions may provide us with the opportunity to build market share and provide geographic density in a cost-effective and efficient manner.

Customers

Although we served over 100 customers in 2013, the vast majority of our revenues are from subsidiaries of AT&T Inc., Alcatel-Lucent and DIRECTV. Our customer list includes several of the largest carriers and OEMs in the telecommunications industry. Revenues earned from customers other than subsidiaries of AT&T Inc., Alcatel-Lucent and DIRECTV grew from 3.7% of our total revenues in the year ended December 31, 2012 to 12.7% and 13.0% of our total revenues for the year ended December 31, 2013 and the three months ended March 31, 2014, respectively. This increase in revenues is the result of acquisitions and inorganic growth. On May 18, 2014, AT&T Inc. and DIRECTV announced that they had entered into a merger agreement pursuant to which DIRECTV would merge with a subsidiary of AT&T Inc. The closing of the merger is subject to several conditions, including review and approval by the FCC and the Department of Justice. If the merger occurs, our revenues would become more concentrated and dependent on our relationship with AT&T Inc.

Revenue concentration by dollar amount and as a percentage of total consolidated revenue, on an actual and a pro forma basis as if the merger with Multiband had occurred on January 1, 2012, is as follows (dollars in thousands):

	Years Ended December 31,								Quarter Ended March 31,					
	2011		2012		2013		2013, on a pro forma basis for the merger with Multiband (1)		2013		2013, on a pro forma basis for the merger with Multiband (1)		2014	
	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total	Revenue	Percent of Total
Revenue From:														
Subsidiaries of AT&T Inc.	$ 650,372	89.2%	$ 532,082	87.3%	$ 662,758	71.1%	$ 662,758	58.4%	$ 129,514	85.7%	$ 129,514	58.4%	$ 156,913	61.2%
DIRECTV					$ 92,425	9.9%	$ 270,329	23.8%			$ 61,450	27.7%	$ 55,447	21.6%
Alcatel-Lucent	$ 72,332	9.9%	$ 55,022	9.0%	$ 57,940	6.2%	$ 57,940	5.1%	$ 12,088	8.0%	$ 12,088	5.5%	$ 10,800	4.2%
	$ 722,704	99.1%	$ 587,104	96.3%	$ 813,123	87.3%	$ 991,027	87.3%	$ 141,602	93.7%	$ 203,052	91.6%	$ 223,160	87.0%

(1) Giving effect to the merger with Multiband as if it occurred on January 1, 2013.

AT&T

We provide site acquisition, construction, technology upgrades, Fiber to the Cell, and maintenance services for AT&T at cell sites in 9 of 31 distinct Turf Markets as the sole, primary or secondary vendor, pursuant to a multi-year MSA that we entered into with AT&T and have amended and replaced from time to time. We refer to our MSAs with AT&T related to its turf program collectively as the Mobility Turf Contract. We have generated an aggregate of approximately $2.4 billion of revenue from subsidiaries of AT&T Inc. collectively for the period from January 1, 2009 through December 31, 2013.

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Our Mobility Turf Contract provides for a term expiring on November 30, 2015, and AT&T has the option to renew the contract on a yearly basis thereafter. In connection therewith, AT&T reassigned certain of its Turf Markets, including the assignment to us of two additional Turf Markets, Missouri/Kansas and San Diego, and the assignment of the Pacific Northwest region, which was previously assigned to us, to another company effective December 31, 2011. Although our contract for the Pacific Northwest region expired on December 31, 2011, we continued to provide transitional services to AT&T in the Pacific Northwest region throughout 2012, and thereby concluded that we did not meet the criteria to report the results of operations from the Pacific Northwest as discontinued operations as a result of significant continuing cash flows as of December 31, 2012. During the three months ended March 31, 2013, the transitional services ceased, and accordingly, we have presented the results of operations for the Pacific Northwest region as discontinued operations for all periods presented. The results of operations of the Pacific Northwest now reported as a discontinued operation were previously included within our Infrastructure Services segment.

We provide other services to AT&T in addition to those provided under the Mobility Turf Contract. Those services include the deployment of indoor small cell systems, DAS systems and microwave transmission facilities and central office services. We recently entered into a DAS Installation Services Agreement and Subordinate Material and Services Agreement with a subsidiary of AT&T Inc. to provide these services. We continually seek to expand our service offerings to AT&T.

DIRECTV

DIRECTV is the largest provider of satellite television services in the United States, with approximately 20.1 million subscribers. DIRECTV has an approximate 20% share in the pay-TV market and an approximate 60% share in the satellite television market. With the acquisition of Multiband, DIRECTV became our second largest customer. The relationship between Multiband and DIRECTV has lasted for over 15 years and is essential to the success of our Field Services segment operations. We are one of three in-home installation providers that DIRECTV utilizes in the United States, and during the year ended December 31, 2013, Multiband performed 27.6% of all DIRECTV s outsourced installation, upgrade and maintenance activities. Our contract with DIRECTV has a term expiring on December 31, 2017, and contains an automatic one-year renewal. Until December 31, 2013, we also provided customer support and billing services to certain of DIRECTV s customers through our Field Services segment.

Alcatel-Lucent

We entered into the Alcatel-Lucent Contract, which is an MSA providing for a five-year term, in November 2009. Pursuant to the Alcatel-Lucent Contract, 461 of Alcatel-Lucent s domestic engineering and integration specialists became employees of Goodman Networks. The Alcatel-Lucent Contract grants us the right to perform, subject to certain conditions, certain deployment engineering, integration engineering and radio frequency engineering services for Alcatel-Lucent in the United States. The outsourcing agreement expires on December 31, 2014, and renews on an annual basis thereafter for up to two additional one-year terms unless notice of non-renewal is first provided by either party.

During 2014, we anticipate that our revenues under the Alcatel-Lucent Contract will continue to decrease compared to the amount that we have historically realized thereunder, correlative with the decline in contractual minimum levels of services described above. In addition, Alcatel-Lucent may elect not to renew the Alcatel-Lucent Contract, which may cause Alcatel-Lucent to ramp down the services that we currently provide to it prior to the December 31, 2014 expiration date. We are currently in negotiations with Alcatel-Lucent to secure additional work; however, if we are unable to come to terms with Alcatel-Lucent regarding such additional work and Alcatel-Lucent decides not to extend the term of the Alcatel-Lucent Contract beyond the expiration date, Alcatel-Lucent may no longer remain a material customer.

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Sprint

In May 2012 we entered into an MSA with Sprint, or the Sprint Agreement, to provide decommissioning services for Sprint s iDEN (push-to-talk) network. We are removing equipment from Sprint s network that is no longer in use and restoring sites to their original condition. For the year ended December 31, 2013 and the three months ended March 31, 2014, we recognized $34.0 million and $13.3 million of revenue, respectively, related to the services we provide for Sprint. The Sprint Agreement has an initial term of five years, and automatically renews on a monthly basis thereafter unless notice of non-renewal is provided by either party. As of December 31, 2013, Sprint has formally awarded us decommissioning work on over 8,500 cell sites under the Sprint Agreement. To date we have completed over 6,000 sites.

Enterprise Customers

We provide services to enterprise customers through our Professional Services segment. These service offerings consist of the design, installation and maintenance of DAS systems to customers such as Fortune 500 companies, hotels, hospitals, college campuses, airports and sports stadiums.

Estimated Backlog

We refer to the amount of revenue we expect to recognize over the next 18 months from future work on uncompleted contracts, including MSAs and work we expect to be assigned to us under MSAs, and based on historical levels of work under such MSAs and new contractual agreements on which work has not begun, as our estimated backlog. We determine the amount of estimated backlog for work under MSAs based on historical trends, anticipated seasonal impacts and estimates of customer demand based upon communications with our customers. Our 18-month estimated backlog as of March 31, 2013 was $1.3 billion, and our 18-month estimated backlog as of March 31, 2014 was $1.8 billion, including $0.4 billion of estimated backlog from DIRECTV as of March 31, 2014. We expect to recognize approximately $0.9 billion of our estimated backlog as of March 31, 2014 in the nine months ended December 31, 2014. The vast majority of estimated backlog as of March 31, 2014 has originated from multi-year customer relationships, primarily with AT&T, DIRECTV and Alcatel-Lucent.

Because we use the completed contract method of accounting for revenues and expenses from our long-term construction contracts, our estimated backlog includes revenue related to projects that we have begun but not completed performance. Therefore, our estimated backlog contains amounts related to work that we have already performed but not completed.

While our estimated backlog includes amounts under MSA and other service agreements, our customers are generally not contractually committed to purchase a minimum amount of services under these agreements, most of which can be cancelled on short or no advance notice. Therefore, our estimates concerning customers requirements may not be accurate. The timing of revenues for construction and installation projects included in our estimated backlog can be subject to change as a result of customer delays, regulatory requirements and other project related factors that may delay completion. Changes in timing could cause estimated revenues to be realized in periods later than originally expected or unrealized. Consequently, our estimated backlog as of any date is not a reliable indicator of our future revenues and earnings. See Risk Factors Risks Related to Our Business Amounts included in our estimated backlog may not result in actual revenue or translate into profits, and our estimated backlog is subject to cancellation and unexpected adjustments and therefore is an uncertain indicator of future operating results.

Seasonality and Variability of Results of Operations

Historically we have experienced seasonal variations in our business, primarily due to the capital planning cycles of certain of our customers. Generally, AT&T s annual capital plans are not finalized to the project level

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until sometime during the first three months of the year, resulting in reduced capital spending in the first quarter relative to the rest of the year. This results in a significant portion of contracts related to our Infrastructure Services segment being completed during the fourth quarter of each year. Because we have adopted the completed contract method, we do not recognize revenue or expenses on contracts until we have substantially completed the contract. Accordingly, a significant portion of our revenues and costs are recognized during the fourth quarter of each year. The recognition of revenue and expenses on contracts that span quarters may also cause our reported results of operations to experience significant fluctuations.

Our Field Services segment s results of operations may also fluctuate significantly from quarter to quarter. Variations in the Field Services segment s revenues and operating results occur quarterly as a result of a number of factors, including the number of customer engagements, employee utilization rates, the size and scope of assignments and general economic conditions. Because a significant portion of the Field Services segment s expenses are relatively fixed, a variation in the number of customer engagements or the timing of the initiation or completion of those engagements can cause significant fluctuations in operating results from quarter to quarter.

As a result, we have historically experienced, and may continue to experience significant differences in operations results from quarter to quarter. As a result of these seasonal variations and our methodology for the recognition of revenue and expenses on projects, comparisons of operating measures between quarters may not be as meaningful as comparisons between longer reporting periods.

Sales and Marketing

Our customers selection of long-term managed services partners is often made at the most senior levels within their executive, operations and procurement teams. Our marketing and business development teams play an important role sourcing and supporting these opportunities as well as maintaining and developing middle-level management relationships with our existing customers. Additionally, our executives and operational leaders play a significant role in maintaining and developing executive-level relationships with our existing and potential customers.

Our corporate business development and diversification strategy is the responsibility of all of the business stakeholders, executive management, operation leaders and the business development organization.

Competition

The markets in which we operate are highly competitive. Several of our competitors are large companies that have significant financial, technical and marketing resources. Within the Professional Services segment, we primarily compete with many smaller specialty engineering, installation and integration companies as well as an engineering group within MasTec, Inc. Within the Infrastructure Services segment, we primarily compete with MasTec, Inc., Bechtel Corporation, Black & Veatch Corporation, Dycom Industries, Inc. and sometimes with OEMs. Within the Field Services segment, we primarily compete with MasTec, Inc. and UniTek Global Services, Inc. We and two of our competitors provide 60% of DIRECTV s installation services business, with the remaining 40% performed in-house by DIRECTV. DIRECTV provides in-house installation services primarily to rural areas of the United States where it is not profitable for independent installers such as us to operate.

Relatively few significant barriers to entry exist in the markets in which we operate and, as a result, any organization that has adequate financial resources and access to technical expertise may become a competitor. Some of our customers employ personnel to perform infrastructure services of the type we provide. We compete based upon our industry experience, technical expertise, financial and operational resources, nationwide presence, industry reputation and customer service. While we believe our customers consider a number of factors when selecting a service provider, most of their work is awarded through a bid process. Consequently, price is often a principal factor in determining which service provider is selected.

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Employees and Subcontractors

As of April 30, 2014, we employed a total of 5,251 persons, 682 of which were employed by our Professional Services segment, 1,106 of which were employed by our Infrastructure Services segment, 3,189 of which were employed by our Field Services segment and the remainder of which provided general corporate services. Additionally, we utilize an extensive network of subcontractor relationships to complete work on certain of our projects. The use of subcontractors allows us to quickly scale our workforce to meet varied levels of demand without significantly altering our full-time employee base.

We attract and retain employees by offering training, bonus opportunities, competitive salaries and a comprehensive benefits package. We believe that our focus on training and career development helps us to attract and retain quality employees. We provide opportunities for promotion and mobility within our organization that we also believe helps us to retain our employees.

Facilities

We lease our headquarters in Plano, Texas and other facilities throughout the United States. Our facilities are used for offices, equipment yards, warehouses, storage and vehicle shops. As of April 30, 2014, our Infrastructure Services and Professional Services segments operate out of 32 offices located in 14 states throughout the United States, all of which are leased. Our Field Services segment operated out of 31 field offices 17 states as of April 30, 2014. We do not own any of our offices other than Multiband s headquarters in Minnetonka, Minnesota. We believe that our existing facilities are sufficient for our current needs. In addition, we operate a number of on-site project offices maintained on a temporary basis as the need arises.

Regulations

Our operations are subject to various federal, state, local and international laws and regulations including:

- licensing, permitting and inspection requirements applicable to contractors, electricians and engineers;
- regulations relating to worker safety and environmental protection;
- permitting and inspection requirements applicable to construction projects;
- wage and hour regulations;
- regulations relating to transportation of equipment and materials, including licensing and permitting requirements;
- building and electrical codes;
- telecommunications regulations relating to our fiber optic licensing business; and
- special bidding, procurement and other requirements on government projects.

We believe we have all the licenses materially required to conduct our operations, and we are in substantial compliance with applicable regulatory requirements. Our failure to comply with applicable regulations could result in substantial fines or revocation of our operating licenses, as well as give rise to termination or cancellation rights under our contracts or disqualify us from future bidding opportunities.

Legal Proceedings

We are from time to time party to various lawsuits, claims and other legal proceedings that arise in the ordinary course of business. These actions typically seek, among other things, compensation for alleged personal injury, breach of contract and/or property damages, punitive damages, civil penalties or other losses, or injunctive or declaratory relief.

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In December 2009, the U.S. Department of Labor sued various individuals that are either stockholders, directors, trustees and/or advisors to DirecTECH Holding Company, Inc., or DTHC, and its Employee Stock Ownership Plan. Multiband was not named in this complaint. In May 2011, three of these individuals settled the complaint with the U.S. Department of Labor (upon information and belief, a portion of this settlement was funded by the individuals insurance carrier) in the approximate amount of $8.6 million and those same individuals have filed suit against Multiband for reimbursement of certain expenses. The basis for these reimbursement demands are certain corporate indemnification agreements that were entered into by the former DTHC operating subsidiaries and Multiband. Two of those defendants had their claims denied during the second quarter of 2012, in a summary arbitration proceeding. This denial was appealed and the summary judgment award was overturned by a federal court judge in February 2013. Multiband appealed the federal court s decision to the Sixth Circuit Court of Appeals. In January 2014, the Sixth Circuit Court of Appeals reversed the decision and reinstated the arbitration award granting summary judgment to Multiband. In April 2014, the individuals filed a writ to appeal the matter to the U.S. Supreme Court.

On December 23, 2013, a putative Fair Labor Standards Act collective action was filed in the Southern District of Indiana alleging a subcontractor of Multiband, Satellite Direct, and Multiband misclassified a class of installers/technicians of DIRECTV services as independent contractors rather than employees. The remedy sought includes wages over a three-year period. Multiband denies the allegations, has demanded that Satellite Direct indemnify and defend it per Multiband s 2009 Provider Agreement, and is filing a motion to dismiss the complaint against it for failure to state a claim upon which relief can be granted.

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MANAGEMENT

Directors

Our directors and their respective ages and positions as of April 30, 2014 are set forth below.

Name	Age	Positions
Ron B. Hill	51	Director, Chief Executive Officer and President
John A. Goodman	46	Director, Executive Chairman
J. Samuel Crowley	63	Director
Steven L. Elfman	58	Director
Larry Haynes	64	Director

Ron B. Hill is our Chief Executive Officer and President. Mr. Hill has served as our Chief Executive Officer since January 2012 and as our President and Chief Operating Officer since May 2010, and previously served as our Executive Vice President of Professional Services from July 2008 until May 2010. Mr. Hill is a seasoned telecom executive with 26 years of management experience in sales, services and engineering, spending the majority of his time in technical roles. Mr. Hill began his career in 1985 with AT&T s Consumer Products Division in Atlanta. Mr. Hill also served as the Vice President of Network Engineering-Integration and Optimization for Alcatel-Lucent from June 2002 until June 2008. In 1997, he earned a master s degree in business administration from the Kellogg School of Business at Northwestern University.

Mr. Hill s experience in the telecommunications industry, as well as his service as our Chief Executive Officer, provides our Board of Directors with unique and valuable business and leadership experience. Our Board of Directors also benefits from his extensive knowledge of the Company and the telecommunications industry, and from his deep understanding of our customers, opportunities and workforce.

John A. Goodman is our co-founder and Executive Chairman. Mr. John Goodman has served as Executive Chairman since January 2012 and previously served as Chairman and Chief Executive Officer from our founding in 2000 through January 2012. Mr. John Goodman s telecom career spans two decades, beginning with Bell Atlantic Professional Services, where he managed outside and inside plant services in the southwest United States. In 1997, he joined GTE s Network Operations Center in Irving, Texas, where he supported Fortune 500 companies and provided broadband technical support services domestically. Following the merger of GTE and Bell Atlantic, now known as Verizon, Mr. John Goodman left Verizon in 2000 to co-found our Company. Mr. John Goodman holds a bachelor s degree in business administration from Texas Tech University.

Mr. John Goodman s experience in co-founding the Company and service as our current Executive Chairman and former Chief Executive Officer provides our Board of Directors with extensive business and leadership experience. Our Board of Directors also benefits from his extensive knowledge of the Company and the telecommunications industry, and from his deep understanding of our challenges, competition and customers.

J. Samuel Crowley. Mr. Crowley was appointed to our Board of Directors in April 2014. Mr. Crowley currently consults both large and small firms in several industries in the areas of strategy, technology, new concept development, customer service, culture and operational structure and efficiency. Previously, Mr. Crowley served as the Chief Operating Officer of Gold s Gym International from November 2005 to November 2007 and as the Senior Vice President of New Ventures for Michael s Stores from August 2002 to 2004. From April 2000 to September 2002, Mr. Crowley was a Business Strategy Consultant for Insider Marketing. Mr. Crowley was also a co-founder of CompUSA, Inc. and served as its Executive Vice President of Operations from 1992 to 2000. Mr. Crowley is currently a member of the Board of Directors of United States Cellular Corporation, a position that he has held since 1998. He has also served as the chair of United States Cellular Corporation s Audit Committee since 2001. Mr. Crowley holds a bachelor s degree in English from Rice University and a master s degree in business administration from The University of Texas at Dallas.

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Mr. Crowley s substantial experience and expertise in management and operations as well as his significant involvement in the telecommunications industry provides our board with considerable business and leadership experience.

Steven L. Elfman. Mr. Elfman was appointed to our Board of Directors in April 2014. Mr. Elfman served as the President of Network Operations and Wholesale at Sprint Corp. from 2008 to 2014. He previously served as the Chief Operating Officer of Motricity, a mobile data technology company, from January 2008 to May 2008 and as Executive Vice President of Infospace Mobile (currently Motricity) from July 2003 to December 2007. From May 2003 to July 2003, he was an independent consultant working with Accenture Ltd., a consulting company. Mr. Elfman also served as Executive Vice President of Operations of Terabeam Corporation, a communications company, from May 2000 to May 2003, and as Chief Information Officer of AT&T Wireless from June 1997 to May 2000. Mr. Elfman holds a bachelor s degree in computer science and business from the University of Western Ontario.

Mr. Elfman s experience serving in numerous executive roles in the telecommunications industry provides our Board of Directors with extensive business and leadership experience.

Larry J. Haynes. Mr. Haynes was appointed to our Board of Directors in April 2014. Pursuant to his offer letter, we agreed to nominate Mr. Haynes to serve on our Board of Directors for two years. Mr. Haynes brings with him a wealth of financial and accounting experience gained during his time as a tax partner at the accounting firm of Ernst & Young LLP, at which he worked from 1978 until his retirement there in June 2010. During his time at Ernst & Young LLP, Mr. Haynes worked primarily with high growth public, venture and private equity backed private companies in technology, consumer products and the services sectors. Following retirement from Ernst & Young LLP in June 2010, Mr. Haynes accepted a position as Executive Relationship Consultant at Smith Frank Partners, LLC, an asset planning, risk management and wealth strategies firm, and also a position as Senior Adviser with Athens Partners, which assists professional services firms. Mr. Haynes serves on numerous boards, including Southwestern University s Board of Trustees, the Baylor Oral Health Foundation Board, in which he serves on the Executive Committee and as Chair of the Audit Committee, and the Dallas Foundation Board. Mr. Haynes earned a BBA in accounting and economics from Southwestern University in 1972.

Mr. Haynes experience as a tax partner at one of the nation s leading accounting firms as well as his experience serving on numerous boards provides our Board of Directors with financial expertise as well as unique and valuable leadership experience.

Executive Officers

Our executive officers and their respective ages and positions as of April 30, 2014 are set forth below.

Name	Age	Positions
Ron B. Hill	51	Director, Chief Executive Officer and President
John A. Goodman	46	Director, Executive Chairman
Randal S. Dumas	44	Chief Financial Officer
Cari Shyiak	54	Chief Operating Officer
Scott E. Pickett	50	Chief Marketing Officer and Executive Vice President
James L. Mandel	57	Chief Executive Officer of Multiband

Effective April 11, 2014, the Board of Directors appointed Ron B. Hill to have responsibility over the day-to-day management of our Company and to serve as our principal executive officer. Mr. Goodman will continue to serve on our Board of Directors as Executive Chairman and will maintain a strategic role as an executive officer.

The biographies of Messrs. Ron Hill and John Goodman are set forth under the heading Directors.

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Randal S. Dumas is our Chief Financial Officer. He has served as Chief Financial Officer since January 2012. Mr. Dumas previously served from May 2009 to December 2011 as the Senior Vice President and Chief Financial Officer of United Vision Logistics, a provider of expedited transportation and logistics services. From August 2008 to May 2009, Mr. Dumas was the Vice President and Chief Accounting Officer of GENBAND, Inc., a telecom equipment manufacturer. Mr. Dumas also previously served as the Vice President and Chief Accounting Officer of Accuro Healthcare Solutions Inc. (now MedAssets, Inc.), a provider of revenue-cycle management software solutions to the healthcare industry, from January 2008 until the sale of the company in August 2008. From September 2006 to December 2007, MetroPCS Communications, Inc., a wireless communications services provider, employed Mr. Dumas as its Staff Vice-President of Finance. Mr. Dumas holds a bachelor s degree in accounting from the University of Texas at Dallas and a master s degree in business administration from the University of Dallas.

Cari Shyiak was appointed as our Chief Operating Officer in February 2013. He joined as our President of Professional Services segment in May 2010. He has more than 25 years of international management experience covering operations, engineering, services and product management. Prior to joining our Company in May 2010, his last position was with Alcatel-Lucent where he served as Vice President of Services for Central and Southeastern Europe from April 2009 to May 2010. Previous to this, Mr. Shyiak held a number of leadership positions globally within Alcatel-Lucent and Lucent Technologies including VP of Network Solutions & Support Services, VP Global Technical Support Services and Director of Service Product Management Asia Pacific. He began his career in operations with Sasktel & Rogers Communications in Canada and earned his EMBA at the Institute for Management Development in Switzerland.

Scott E. Pickett is our Chief Marketing Officer and Executive Vice President of Strategic Planning and Mergers and Acquisitions. Mr. Pickett has served as our Chief Marketing Officer and Executive Vice President of Strategic Planning and Mergers and Acquisitions since September 2002. Prior to joining us in February 2002, he served as the Vice President of Sales for MindLever Corporation, an enterprise software company located in Research Triangle Park, North Carolina from 1999 to 2001. Mr. Pickett managed solutions-based sales organizations at two enterprise software companies prior to his time with MindLever. He graduated cum laude with a bachelor s degree in computing and information science from McKendree University.

James Mandel has been the Chief Executive Officer and a director of Multiband since October 1, 1998. From October 1991 to October 1996, he was Vice President of Systems for Grand Casinos, Inc., a gaming company. Mr. Mandel serves on the board of GeoSpan Corporation, a geospatial imaging company, and is a director of the Independent Multi-Family Communications Council, a national trade group for the private cable industry. Mr. Mandel is a graduate of the Leed s School of Business Administration at the University of Colorado at Boulder.

Board of Directors

Our Board of Directors is currently comprised of five directors, Ron Hill, John Goodman, J. Samuel Crowley, Steven L. Elfman and Larry J. Haynes. Our amended and restated bylaws permit our Board of Directors to establish by resolution the number of directors, and five directors are currently authorized.

Director Independence

Because the registration statement of which this prospectus forms a part registers only debt securities and because we do not have any securities on a national securities exchange or inter-dealer quotation systems, we are not subject to a number of the corporate governance requirements of the SEC or of any national securities exchange or inter-dealer quotation system. For example, we are not required to have a Board of Directors comprised of a majority of independent directors. Accordingly, our Board of Directors has not made any determination as to whether any of the members of our Board of Directors would qualify as independent under the listing standards of any national securities exchange or inter-dealer quotation system or under any other independence definition.

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Committees of the Board of Directors

Our Board of Directors does not currently have any standing committees. The Board of Directors has typically performed the functions of typical audit and compensation committees. When performing the functions of a typical compensation committee, the Board of Directors confers with our Chief Executive Officer, Ron Hill, and our Executive Chairman, Mr. John Goodman. None of our executive officers has served as a member of a compensation committee (or other committee serving an equivalent function) of any other entity whose executive officers served as a director of our Company.

Director Compensation

None of our directors received any compensation from us for service on the Board of Directors during the year ended December 31, 2013.

On March 28, 2014, the Board of Directors adopted a policy for compensation of non-employee directors. Under this policy, each non-employee director will receive an annual cash retainer of $140,000, $2,500 for each in-person Board of Directors meeting attended, $500 for any such meeting attended remotely and reimbursement for out of pocket expenses.

Each member of our board of directors will be indemnified for his actions associated with being a director to the fullest extent permitted under Texas law.

Certain Relationships

There are no family relationships among our directors and executive officers. To our knowledge, there have been no material legal proceedings as described in Item 401(f) of Regulation S-K that are material to an evaluation of the ability or integrity of any of our directors or executive officers (in the last ten years), or our promoters or control persons (in the last year).

Code of Ethics

We have adopted a code of ethics that applies to all of our employees, including employees of our subsidiaries, as well as each of our directors and certain persons performing services for us. The code of ethics addresses, among other things, competition and fair dealing, conflicts of interest, financial matters and external reporting, Company funds and assets, confidentiality and corporate opportunity requirements and the process for reporting violations of the code of ethics, employee misconduct, improper conflicts of interest or other violations. We will provide a copy of our code of ethics without charge upon written request to Goodman Networks Incorporated, Attention: Monty West, 6400 International Parkway, Suite 1000, Plano, Texas 75093. If we amend or grant a waiver of one or more of the provisions of our Code of Ethics, we intend to satisfy the requirements under Item 5.05 of Form 8-K regarding the disclosure of amendments to, or waivers from, provisions of our Code of Ethics that apply to our principal executive, financial and accounting officers by posting the required information on our website. Our website is not a part of this prospectus.

EXECUTIVE COMPENSATION

The following provides information about compensation that we pay or award to, or that is earned by: (i) the person who served as our principal executive officer during the fiscal year ended December 31, 2013; and (ii) our two most highly compensated executive officers, other than our principal executive officer, who were serving as executive officers, as determined in accordance with the rules and regulations promulgated by the SEC, as of December 31, 2013, with compensation during our 2013 fiscal year of $100,000 or more, or our Named Executive Officers. For our 2013 fiscal year, our Named Executive Officers and the positions in which they served were:

John A. Goodman, Executive Chairman;

Ron B. Hill, President and Chief Executive Officer; and

Cari T. Shyiak, Chief Operating Officer.

Summary Compensation Table

The following table sets forth information concerning the total compensation received by, or earned by, our Named Executive Officers during the past two fiscal years.

Summary Compensation Table

Fiscal Year 2013

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($) (1)	Non-Equity Incentive Plan Compens-ation ($)	All Other Compensation ($)	Total ($)
John A. Goodman	2013	$ 752,885	$ 1,087,500(3)		$ 2,314,478		$ 504,502(4)	$ 4,659,365
(Executive Chairman)(2)	2012	703,269	1,687,500(5)				420,160(6)	2,810,929
Ron B. Hill	2013	652,500	942,500(8)	$ 2,481,000(9)	2,314,478		2,201,593(10)	8,592,071
(President and Chief Executive Officer)(7)	2012	602,884	2,462,500(11)	2,481,000(12)			1,885,388(13)	7,431,772
Cari T. Shyiak	2013	345,722	400,000(15)		841,628		815,747(16)	2,403,097
(Chief Operating Officer)(14)								

(1) In accordance with SEC rules, this column reflects the aggregate fair value of the stock awards and option awards granted during the respective fiscal year computed as of their respective grant dates in accordance with Financial Accounting Standard Board Accounting Standards Codification Topic 718 for stock-based compensation transactions (ASC 718). Assumptions used in the calculation of these amounts are included in Note 7 to our consolidated financial statements for the year ended December 31, 2013, included elsewhere in this prospectus. These amounts do not reflect the actual economic value that will be realized by the named executive officer upon the vesting of the stock awards or option awards, the exercise of the option awards, or the sale of the common stock underlying such stock awards and option awards.

(2) Mr. Goodman served as our Chief Executive Officer until January 23, 2012, when Mr. Goodman was appointed as our Executive Chairman, a position in which Mr. Goodman has continued to serve as our principal executive officer until April 11, 2014.

(3) Represents a retention bonus of $562,500 paid pursuant to his employment agreement and a bonus of $525,000 awarded pursuant to the Bonus Plan (as defined below) in March 2014 in respect of his performance during 2013.

(4) Includes premiums paid for medical, dental, vision and life insurance, reimbursement of out-of pocket medical expenses; the personal use of vehicles leased by the Company; payments for a tax consultant; payments for health club dues; and gross-ups for the payment of taxes on the foregoing and on cash bonuses

in the amount of $449,683.

(5) Represents a retention bonus of $562,500 paid upon execution of an amendment to his employment agreement and a bonus of $1,125,000 awarded pursuant to the Bonus Plan in April 2013 in respect of his performance during 2012.

(6) Includes premiums paid for medical, dental, vision and life insurance; reimbursement of out-of-pocket medical expenses; the personal use of vehicles leased by the Company; payments for a tax consultant; payments for country club dues; and gross-ups for the payment of taxes on the foregoing. Also includes a gross-up for the payment of taxes on his 2012 retention bonus in the amount of $354,419 paid in November 2013 pursuant to his employment agreement.

(7) Mr. Hill served as both our President and Chief Operating Officer until January 23, 2012, when Mr. Hill was appointed as our Chief Executive Officer in addition to his role as our President. Mr. Hill was appointed to serve as our principal executive officer on April 11, 2014.

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(8) Represents a retention bonus of $487,500 paid pursuant to his employment agreement and a bonus of $455,000 awarded pursuant to the Bonus Plan in March 2014 in respect of his performance during 2013.
(9) Represents the grant date fair value of 30,000 shares of stock, based upon a stock price of $82.70 per share, the appraised value of our common stock.
(10) Includes premiums paid for medical, dental, vision and life insurance; reimbursement of out-of-pocket medical expenses; the personal use of vehicles leased by the Company; health club dues paid; and gross-ups for the payment of taxes on the foregoing, stock awards and cash bonuses in the amount of $2,140,592.
(11) Represents a CEO transition bonus in the amount of $1,000,000, a retention bonus in the amount of $487,500 paid upon execution of an amendment to his employment agreement and a bonus of $975,000 awarded pursuant to the Bonus Plan in April 2013 in respect of his performance during 2012.
(12) Represents the grant date fair value of 30,000 shares of stock, based upon a stock price of $82.70 per share, the appraised value of our common stock.
(13) Includes premiums paid for medical, dental, vision and life insurance; reimbursement of out-of-pocket medical expenses in the amount of $44,758; the personal use of vehicles leased by the Company in the amount of $19,281; health club dues paid in the amount of $50,667; reimbursement for housing expenses; and gross-ups for the payment of taxes on stock awards and the foregoing in the amount of $1,437,848. Also includes a gross-up for the payment of taxes on his 2012 retention bonus in the amount of $307,163 paid in February 2014 pursuant to his employment agreement.
(14) Mr. Shyiak was appointed our Chief Operating Officer effective February 18, 2013.
(15) Represents a retention bonus in the amount of $200,000 paid in October 2013 pursuant to his employment agreement and a bonus of $200,000 awarded pursuant to the Bonus Plan in March 2014 in respect of his performance during 2013.
(16) Includes premiums paid for medical, dental, vision and life insurance; reimbursement of out-of-pocket medical expenses; the personal use of vehicles leased by the Company; reimbursement for relocation expenses in the amount of $350,000; and gross-ups for the payment of taxes on the foregoing and on a cash bonus in the amount of $432,102.

Narrative Disclosure Regarding Summary Compensation Table

We have entered into employment agreements with each of our Named Executive Officers. A description of each of these agreements follows.

John A. Goodman. His employment agreement provided for an initial term expiring January 15, 2011, and automatically renewed for successive one-year terms. Effective April 1, 2012, pursuant to the discretion afforded by the terms of the employment agreement, the Board of Directors increased Mr. Goodman s base salary to $750,000. He was also eligible to participate in our Goodman Networks Incorporated Executive Management Bonus Plan that we amended and restated in 2009, or the Bonus Plan. Further, Mr. Goodman was eligible to receive an additional cash bonus in the discretion of the Board of Directors. If terminated by us without cause, he was entitled to a severance payment of $1,125,000.

Effective October 16, 2012, we amended and restated Mr. Goodman s employment agreement. The amended and restated employment agreement provided for a three (3) year term and a base salary of $750,000, subject to increase at the discretion of the Board of Directors. The amendment also increased the severance to which Mr. Goodman would be entitled to $1,500,000 if terminated by us without cause, by Mr. Goodman with good reason or upon a change of control. Mr. Goodman s agreement also provided for a Real Estate Keep Whole benefit, which provided that Mr. Goodman has the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) the third anniversary of the amended and restated employment agreement and (ii) his termination by us without cause. The amended and restated employment agreement also required us to transfer to Mr. Goodman title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after Mr. Goodman s employment is terminated without cause or by him for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitled Mr. Goodman to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan and an annual retention bonus equal to 75% of his base salary, grossed up for the payment of taxes.

Effective February 1, 2013, we amended and restated Mr. Goodman s employment agreement to conform to Section 409A of the Code and to extend the vesting period of a stock option we had previously agreed to issue Mr. Goodman.

In each of October 2012 and October 2013, we awarded Mr. Goodman a cash retention bonus in the amount of $562,500, grossed up for the payment of taxes, pursuant to his employment agreement.

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Pursuant to his amended and restated employment agreement, on February 12, 2013, we granted Mr. Goodman an option to purchase 55,000 shares of our common stock at an exercise price equal to $82.70 per share. The shares underlying the options vest in three equal annual installments beginning on the first anniversary of the date of grant.

On March 28, 2014, the Board of Directors increased the annual base salary for Mr. Goodman to $1,100,000, effective May 1, 2014.

Effective April 11, 2014, we amended and restated Mr. Goodman s employment agreement. The amended and restated employment agreement provides for an extended term expiring on March 31, 2017 and a base salary of $1,100,000 per annum, subject to increase at the discretion of the Board of Directors. The amendment also provides that Mr. Goodman will no longer have general management and control of the business. The amendment also increased the severance to which Mr. Goodman would be entitled to $3,300,000 if terminated by us without cause, by Mr. Goodman with good reason or by Mr. Goodman following a change of control. Mr. Goodman s agreement also provides for a Real Estate Keep Whole benefit, which provides that Mr. Goodman has the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) October 16, 2015, and (ii) his termination by us without cause. The amended and restated employment agreement also requires us to transfer to Mr. Goodman title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after Mr. Goodman s employment is terminated without cause or by him for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitles Mr. Goodman to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan, an annual retention bonus equal to 75% of his base salary, grossed up for the payment of taxes, cash bonuses in the discretion of the Board of Directors and an annual equity award in an amount to be determined by the Board of Directors.

Ron B. Hill. His employment agreement provided for an initial term expiring on July 14, 2012, and automatically renewed for successive one-year terms. Effective April 1, 2012, pursuant to the discretion afforded by the terms of the employment agreement, the Board of Directors increased Mr. Hill s base salary to $650,000. He was also eligible to participate in our Bonus Plan. Further, Mr. Hill was eligible to receive an additional cash bonus in the discretion of the Board of Directors. If terminated by us without cause, he was entitled to a severance payment of $975,000.

Effective October 16, 2012, we amended and restated Mr. Hill s employment agreement. The amended and restated employment agreement provided for a three (3) year term and a base salary of $650,000 per annum, subject to increase at the discretion of the Board of Directors. The amendment also increased the severance to which Mr. Hill would be entitled to $1,300,000 if terminated by us without cause, by Mr. Hill with good reason or upon a change of control. Mr. Hill s agreement also provided for a Real Estate Keep Whole benefit, which provided that Mr. Hill had the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) the third anniversary of the amended and restated employment agreement and (ii) his termination by us without cause. The amended and restated employment agreement also required us to transfer to Mr. Hill title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after Mr. Hill s employment is terminated without cause or by him for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitled Mr. Hill to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan and an annual retention bonus equal to 75% of his base salary, grossed up for the payment of taxes.

Effective February 1, 2013, we amended and restated Mr. Hill s employment agreement to conform to Section 409A of the Code and to extend the vesting period of a stock option we had previously agreed to issue Mr. Hill.

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Pursuant to his amended and restated employment agreement, we granted Mr. Hill an aggregate of 60,000 shares of our common stock in two equal installments, the first in December 2012 and the second in January 2013, and on February 12, 2013, an option to purchase 55,000 shares of our common stock at an exercise price equal to $82.70 per share. The shares underlying the options vest in three equal annual installments beginning on the first anniversary of the date of grant. We also agreed to provide a gross-up to Mr. Hill to compensate him for the payment of taxes on the common stock grant.

In July 2012, we awarded Mr. Hill a one-time CEO transition cash bonus in the amount of $1,000,000, and in each of October 2012 and October 2013, we awarded him a cash retention bonus in the amount of $487,500, grossed up for the payment of taxes, pursuant to his employment agreement.

On March 28, 2014, the Board of Directors increased the annual base salary for Mr. Hill to $1,000,000, effective May 1, 2014.

Effective April 11, 2014, we amended and restated Mr. Hill s employment agreement. The amended and restated employment agreement provides for an extended term expiring on March 31, 2017 and a base salary of $1,000,000 per annum, subject to increase at the discretion of the Board of Directors. The amendment also provides that Mr. Hill will have general management and control of the business and report directly to the Board of Directors. The amendment also increased the severance to which Mr. Hill would be entitled to $3,000,000 if terminated by us without cause, by Mr. Hill with good reason or by Mr. Hill following a change of control. Mr. Hill s agreement also provides for a Real Estate Keep Whole benefit, which provides that Mr. Hill has the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) October 16, 2015, and (ii) his termination by us without cause. The amended and restated employment agreement also requires us to transfer to Mr. Hill title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after Mr. Hill s employment is terminated without cause or by him for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitles Mr. Hill to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan, an annual retention bonus equal to 75% of his base salary, grossed up for the payment of taxes, cash bonuses in the discretion of the Board of Directors and an annual equity award in an amount to be determined by the Board of Directors.

Cari T. Shyiak. On February 18, 2013, in connection with his appointed as our Chief Operating Officer, we entered into an employment agreement with Mr. Shyiak. The employment agreement provides for a three (3) year term and a base salary of $400,000 per annum, subject to increase at the discretion of the Chief Executive Officer. Mr. Shyiak s agreement provides for a one-time payment for relocation assistance in the amount of $350,000, grossed up for the payment of taxes. Further, the agreement provides that Mr. Shyiak may receive an additional cash bonus in the discretion of the Board of Directors. If terminated by us without cause or by him for good reason, he is entitled to a severance payment equal to the remainder of the unpaid base salary due under the term of his employment agreement, but in any case, no less than $600,000. The employment agreement also entitles Mr. Shyiak to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan and an annual retention bonus equal to 50% of his base salary, grossed up for the payment of taxes, payable on December 31st of each year of the term of the agreement.

Pursuant to his employment agreement, on February 12, 2013 we granted Mr. Shyiak an option to purchase 20,000 shares of our common stock at an exercise price equal to $82.70 per share. One-third of such shares underlying the option vested or will vest on each of the first three anniversaries of the date of grant.

In October 2013, we awarded Mr. Shyiak the cash retention bonus in the amount of $200,000, grossed up for the payment of taxes, pursuant to his employment agreement.

On March 28, 2014, the Board of Directors increased the annual base salary for Mr. Shyiak to $450,000, effective May 1, 2014.

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Effective April 11, 2014, we amended Mr. Shyiak s employment agreement to provide that he may be awarded cash bonuses in the discretion of the Board of Directors.

Goodman Networks Incorporated Executive Management Bonus Plan

Pursuant to their employment agreements, each of our Named Executive Officers is eligible to earn an annual cash bonus up to a specified percentage of such executive officer s salary under the Bonus Plan. The purpose of the Bonus Plan is to encourage superior performance by and among our executive officers and to recognize their contributions to our success and profitability. Bonuses under the Bonus Plan have historically been paid in April of the year following the year in which the bonus was earned.

Pursuant to the Bonus Plan, our Named Executive Officers are eligible for a bonus equal to a percentage of their respective base salary that varies based upon whether we have met during the fiscal year certain target EBITDA and target revenue levels set by the Board of Directors as the administrator of the Bonus Plan. We have structured the Bonus Plan such that the threshold incentive will be paid if the Company achieves 100% of the target EBITDA and 90% of the target revenue, the target incentive will be paid if the Company achieves 120% of the target EBITDA and 90% of the target revenue, and the maximum incentive will be paid if the Company achieves 140% of the target EBITDA and 95% of the target revenue. However, the Board of Directors may also take into account the individual performance of a participant, as well as the overall financial performance of the Company, and adjust the bonus payable to any participant to an amount less than or greater than would otherwise be payable pursuant to the guidelines set forth in the Bonus Plan relating to EBITDA and revenue levels.

The table that follows sets forth the threshold, target and maximum incentive opportunities set for the Named Executive Officers for 2014.

	Bonus as Percentage of Base Compensation		
	100% of Target EBITDA and 90% of Target Revenue	120% of Target EBITDA and 90% of Target Revenue	140% of Target EBITDA and 95% of Target Revenue
John A. Goodman	40%	70%	100%
Ron B. Hill	40%	70%	100%
Cari T. Shyiak	35%	50%	70%

The table that follows sets forth the threshold, target and maximum incentive opportunities set for the Named Executive Officers for 2013.

	Bonus as Percentage of Base Compensation		
	100% of Target EBITDA and 90% of Target Revenue	120% of Target EBITDA and 90% of Target Revenue	140% of Target EBITDA and 95% of Target Revenue
John A. Goodman	40%	70%	100%
Ron B. Hill	40%	70%	100%
Cari T. Shyiak	35%	50%	70%

Largely as the result of certain factors identified below, the Company did not meet its target EBITDA or threshold level of revenue for 2013. Due to the shortages of qualified tower crews currently being experienced by the wireless industry, we incurred significant additional costs during 2013 to hire additional tower crew personnel and pay additional incentives to subcontracted tower crews. In addition, the Company s acquisition activity in 2013 diverted management time and resources and resulted in significant transaction and miscellaneous expenses. The Board of Directors set the 2013 EBITDA and revenue targets under the assumption that the Company would have not incurred these additional costs or undertaken such activities. The Board of Directors believes that the decisions to incur such additional costs and activities were in the best interests of the Company and that absent such decisions, the Company would have met its target EBITDA and revenue for 2013. As a result, the Board of Directors exercised the discretion afforded it under the Bonus Plan and determined to waive the 2013 EBITDA and revenue performance measures at the target incentive level for each of Messrs.

Goodman, Hill and Shyiak. The table below sets forth the percentage of base compensation and dollar amount that was paid to each of the Named Executive Officers in March 2014 with respect to their performance during the year ended December 31, 2013.

	Bonus as Percentage of Base Compensation	Payment Under the Bonus Plan
John A. Goodman	70%	$ 525,000
Ron B. Hill	70%	455,000
Cari T. Shyiak	50%	200,000

Goodman Networks Incorporated 2014 Long-Term Incentive Plan

On April 8, 2014, the Board of Directors approved and adopted the 2014 Plan. The 2014 Plan is intended to enable us to remain competitive and innovative in our ability attract, motivate, reward and retain the services of key employees, certain key contractors and non-employee directors. The 2014 Plan provides for the granting of incentive stock options, or ISOs, subject to stockholder approval of the 2014 Plan, nonqualified stock options, stock appreciation rights, or SARs, restricted stock, restricted stock units, performance awards, dividend equivalent rights and other awards which may be granted singly, in combination or in tandem, and which may be paid in cash or shares of our common stock. The following is a brief description of the 2014 Plan, a copy of which is filed as an exhibit to the registration statement of which this prospectus forms a part.

Effective Date and Expiration. The 2014 Plan will become effective upon the completion of an initial public offering, and will terminate on April 8, 2024. No award may be made under the 2014 Plan after its expiration date, but awards made prior thereto may extend beyond that date. Immediately prior to the time that the 2014 Plan becomes effective, the 2008 Plan will cease to be available for future issuances of awards. The terms of the 2008 Plan will remain in effect for outstanding awards.

Share Authorization. Subject to certain adjustments, the maximum number of shares of our common stock that may be delivered pursuant to awards under the 2014 Plan is the number of shares of common stock equal to ten percent (10%) of the outstanding shares of common stock on the closing date of an initial public offering (without taking into account any other awards made pursuant to the 2014 Plan on such date), of which one hundred percent (100%) may be delivered pursuant to ISOs. Subject to certain adjustments, the maximum number of the shares of common stock with respect to which stock options or SARs may be granted to any of our officers subject to Section 16 of the Exchange Act or a covered employee as defined in Section 162(m)(3) of the Internal Revenue Code of 1986, as amended, or the Code, during any calendar year is equal to one and four tenths percent (1.4%) of the outstanding shares of common stock on the closing date of an initial public offering. In addition, to the extent Section 162(m) of the Code applies to awards granted under the 2014 Plan and we intend to comply with Section 162(m) of the Code, no participant may receive in any calendar year performance-based awards with an aggregate value of more than $4,200,000 (based on the fair market value of shares of our common stock at the time of the grant of the performance-based award). The 2014 Plan also provides that no more than 10% of the shares of common stock that may be issued pursuant to an award under the 2014 Plan may be designated as Exempt Shares (as defined in the 2014 Plan). The Committee (as defined below) has greater flexibility to accelerate the vesting for shares designated as Exempt Shares.

Administration. The 2014 Plan may be administered by the Board of Directors or a committee of the Board of Directors consisting of two or more members. At any time a committee is not established by the Board of Directors, the Board of Directors shall administer the 2014 Plan (as used herein, the term Committee refers to either a committee of the Board of Directors or the Board of Directors itself). The Committee will determine the persons to whom awards are to be made; determine the type, size and terms of awards; interpret the 2014 Plan; establish and revise rules and regulations relating to the 2014 Plan and make any other determinations that it believes necessary for the administration of the 2014 Plan. The Committee may delegate certain duties to one or more of our officers as provided in the 2014 Plan.

Eligibility. Employees (including any employee who is also a director or an officer), contractors and outside directors of us and our subsidiaries whose judgment, initiative and efforts contributed to or may be expected to contribute to our successful performance are eligible to participate in the 2014 Plan.

Stock Options. The Committee may grant either ISOs qualifying under Section 422 of the Code or nonqualified stock options, provided that only employees of us and our subsidiaries (excluding subsidiaries that are not corporations) are eligible to receive ISOs. Stock options may not be granted with an option price less than 100% of the fair market value of a share of common stock on the date the stock option is granted. If an ISO is granted to an employee who owns or is deemed to own more than 10% of the combined voting power of all classes of our stock (or stock of any parent or subsidiary), the option price shall be at least 110% of the fair market value of a share of common stock on the date of grant. The Committee will determine the terms of each stock option at the time of grant, including without limitation, the maximum term of each option, the times at which each option will be exercisable and the provisions requiring forfeiture of unexercised options at or following termination of employment or service.

Stock Appreciation Rights. The Committee is authorized to grant SARs as a stand-alone award, or freestanding SARs, or in conjunction with options granted under the 2014 Plan, or tandem SARs. SARs entitle a participant to receive an amount equal to the excess of the fair market value of a share of common stock on the date of exercise over the fair market value of a share of common stock on the date of grant. The grant price of a SAR cannot be less than 100% of the fair market value of a share on the date of grant. The Committee will determine the terms of each SAR at the time of the grant, including without limitation, the maximum term of each SAR, the times at which each SAR will be exercisable, and provisions requiring forfeiture of unexercised SARs at or following termination of employment or service.

Restricted Stock and Restricted Stock Units. The Committee is authorized to grant restricted stock and restricted stock units. Restricted stock consists of shares of common stock that may not be sold, transferred, pledged, hypothecated, encumbered, or otherwise disposed of, and that may be forfeited in the event of certain terminations of employment or service, prior to the end of a restricted period as specified by the Committee. Restricted stock units are the right to receive shares of common stock at a future date in accordance with the terms of such grant upon the attainment of certain conditions specified by the Committee, which include substantial risk of forfeiture and restrictions on their sale or other transfer by the participant. The Committee determines the eligible participants to whom, and the time or times at which, grants of restricted stock or restricted stock units will be made, the number of shares or units to be granted, the price to be paid, if any, the time or times within which the shares covered by such grants will be subject to forfeiture, the time or times at which the restrictions will terminate, and all other terms and conditions of the grants. Restrictions or conditions could include, but are not limited to, the attainment of performance goals, continuous service with us, the passage of time, or other restrictions and conditions. The value of the restricted stock units may be paid in shares, cash or a combination of both, as determined by the Committee.

Dividend Equivalent Rights. The Committee is authorized to grant a dividend equivalent right to any participant either as a component of another award or as a separate award, conferring on participants the right to receive cash or shares of common stock equal in value to dividends paid on a specific number of shares or other periodic payments. The terms and conditions of the dividend equivalent right shall be specified by the grant. Dividend equivalents credited to the holder of a dividend equivalent right may be paid currently or may be deemed to be reinvested in additional shares. Any such reinvestment shall be at the fair market value at the time thereof. A dividend equivalent right may be settled in cash, shares, or a combination thereof.

Performance Awards. The Committee may grant performance awards payable in cash, shares of common stock, a combination thereof or other consideration at the end of a specified performance period. Payment will be contingent upon achieving pre-established performance goals by the end of the performance period. The Committee will determine the length of the performance period, the maximum payment value of an award and the minimum performance goals required before payment will be made, so long as such provisions are not inconsistent with the terms of the 2014 Plan, and to the extent an award is subject to Section 409A of the Code,

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are in compliance with the applicable requirements of Section 409A of the Code and any applicable regulations or guidance. To the extent we determine that Section 162(m) of the Code shall apply to a performance award granted under the 2014 Plan, it is our intent that performance awards constitute performance-based compensation within the meaning of Section 162(m) of the Code and the regulations thereunder. In certain circumstances, the Committee may, in its discretion, determine that the amount payable with respect to certain performance awards will be reduced from the amount of any potential awards. However, the Committee may not, in any event, increase the amount of compensation payable to an individual upon the attainment of a performance goal intended to satisfy the requirements of Section 162(m) of the Code. With respect to a performance award that is not intended to satisfy the requirements of Section 162(m), if the Committee determines that the established performance measures or objectives are no longer suitable because of a change in our business, operations, corporate structure, or for other reasons that the Committee deemed satisfactory, the Committee may modify the performance measures or objectives and/or the performance period.

Other Awards. The Committee may grant other forms of awards payable in cash or shares if the Committee determines that such other form of award is consistent with the purpose and restrictions of the 2014 Plan. The terms and conditions of such other form of award shall be specified by the grant. Such other awards may be granted for no cash consideration, for such minimum consideration as may be required by applicable law, or for such other consideration as may be specified by the grant.

Vesting. The Committee, in its sole discretion, may determine that an award will be immediately vested in whole or in part, or that all or any portion may not be vested until a date, or dates, subsequent to its date of grant, or until the occurrence of one or more specified events, subject in any case to the terms of the 2014 Plan. If the Committee imposes conditions upon vesting, then, except as otherwise provided below, subsequent to the date of grant, the Committee may, in its sole discretion, accelerate the date on which all or any portion of the award may be vested. Full Value Awards (i.e., restricted stock or restricted stock units) that constitute performance awards must vest no earlier than one year after the date of grant, and Full Value Awards that are payable upon the completion of future services must vest no earlier than over the three year period commencing on the date of grant. Notwithstanding the foregoing, the Committee may, in its sole discretion, accelerate the vesting or waive any applicable restriction period for such Full Value Awards, provided that the shares of common stock subject to such awards shall be Exempt Shares (as defined in the 2014 Plan), unless such acceleration or waiver occurs by reason of the participant s death, disability, retirement, or occurrence of a change in control. The number of Exempt Shares is limited to 10% of the number of shares available for issuance under the 2014 Plan.

Forfeiture. The Committee may impose on any award at the time of grant or thereafter, such additional terms and conditions as the Committee determines, including, without limitation, terms requiring forfeiture of awards in the event of a participant s termination of service. The Committee will specify the circumstances on which performance awards may be forfeited in the event of a termination of service by a participant prior to the end of a performance period or settlement of awards. Except as otherwise determined by the Committee, restricted stock will be forfeited upon a participant s termination of service during the applicable restriction period.

Assignment. Awards granted under the 2014 Plan generally are not assignable or transferable except by will or by the laws of descent and distribution, except that the Committee may, in its discretion and pursuant to the terms of an award agreement, permit certain transfers as permitted under the 2014 Plan.

Adjustments Upon Changes in Capitalization. In the event that any dividend or other distribution (whether in the form of cash, common stock, other securities or other property), recapitalization, stock split, reverse stock split, rights offering, reorganization, merger, consolidation, split-up, spin-off, split-off, combination, subdivision, repurchase, or exchange of shares of common stock or other securities of ours, issuance of warrants or other rights to purchase shares of common stock or other securities of ours or other similar corporate transaction or event affects the fair value of an award, then the Committee shall make equitable adjustments so that the fair value of the award immediately after the transaction or event is equal to the fair value of the award immediately prior to the transaction or event. Notwithstanding the foregoing, no such adjustment shall be made or authorized

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to the extent that such adjustment would cause the 2014 Plan or any award to violate Section 422 of the Code or Section 409A of the Code. All such adjustments must be made in accordance with the rules of any securities exchange, stock market or stock quotation system to which we are subject.

Amendment or Discontinuance of the 2014 Plan. Our Board of Directors may at any time and from time to time, without the consent of the participants, alter, amend, revise, suspend, or discontinue the 2014 Plan in whole or in part, except that no amendment for which stockholder approval is required either: (i) by any securities exchange or inter-dealer quotation system on which the common stock is listed or traded or (ii) in order for the 2014 Plan and incentives awarded under the 2014 Plan to continue to comply with Sections 162(m), 421, and/or 422 of the Code, including any successors to such Sections, or other applicable law, shall be effective unless such amendment is approved by the requisite vote of our stockholders entitled to vote thereon. Any amendments made shall, to the extent deemed necessary or advisable by the Committee, be applicable to any outstanding awards granted under the 2014 Plan, notwithstanding any contrary provisions contained in any award agreement. In the event of any such amendment to the 2014 Plan, the holder of any award outstanding under the 2014 Plan shall, upon request of the Committee and as a condition to the exercisability thereof, execute a conforming amendment in the form prescribed by the Committee to any award agreement relating thereto. Notwithstanding anything contained in the 2014 Plan to the contrary, unless required by law, no action regarding amendment or discontinuance shall adversely affect any rights of participants or our obligations to participants with respect to any awards granted under the 2014 Plan without the consent of the affected participant.

Outstanding Equity Awards at Fiscal Year End

The following table summarizes the total outstanding equity awards as of December 31, 2013, for each Named Executive Officer.

Outstanding Equity Awards at Fiscal Year End

Fiscal Year 2013

	Option Awards			
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**
John A. Goodman	60,000(1)		$ 26.12	06/24/2019
	55,000(2)		$ 82.70	02/12/2023
Ron B. Hill	34,399(3)		$ 9.16	07/31/2018
	55,000(2)		$ 82.70	02/12/2023
Cari T. Shyiak	20,000(2)		$ 82.70	02/12/2023
	20,000(4)		$ 26.12	05/17/2020

(1) Option was granted on June 24, 2009. This option vested in three equal installments over a three-year period, with one-third vesting on June 24, 2010, one-third vesting on June 24, 2011 and one-third vesting on June 24, 2012.

(2) Options were granted on February 12, 2013. These options are fully exercisable, however the shares underlying the options vest in three equal installments beginning on the first anniversary of the date of grant.

(3) Option was granted on July 31, 2008. This option vested in three equal installments over a three-year period, with one-third vesting on July 31, 2009, one-third vesting on July 31, 2010 and one-third vesting on July 31, 2011.

(4) Options were granted on May 17, 2010. These options are fully exercisable, however the shares underlying the options vest in three equal installments beginning on the first anniversary of the date of grant.

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Potential Payments upon Termination or Change-in-Control

Equity Compensation Plans

Pursuant to the terms of the form of option award agreements under the 2000 Plan, all unvested options vest immediately prior to the effective date of a change of control. A change of control is defined under the 2000 Plan as any of the following:

(i) at least fifty percent (50%) of the members of the Board of Directors are replaced;

(ii) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company;

(iii) any consolidation, merger or share exchange of the Company in which the Company is not the continuing or surviving corporation or pursuant to which shares of the Company s common stock would be converted into cash, securities or other property; or

(iv) any sale, lease, exchange or other transfer (excluding transfer by way of pledge or hypothecation) of all or substantially all of the assets of the Company;

provided, however, that a transaction described in clause (iii) or (iv) shall not constitute a change of control if after such transaction (I) Continuing Directors (as defined herein) constitute at least fifty percent (50%) of the members of the board of directors of the continuing, surviving or acquiring entity, as the case may be, or, if such entity has a parent entity directly or indirectly holding at least a majority of the voting power of the voting securities of the continuing, surviving or acquiring entity, Continuing Directors constitute at least fifty percent (50%) of the members of the board of directors of the entity that is the ultimate parent of the continuing, surviving or acquiring entity, and (II) the continuing, surviving or acquiring entity (or the ultimate parent of such continuing, surviving or acquiring entity) assumes all outstanding stock options under the 2000 Plan. For the purpose of this paragraph, Continuing Directors means Board of Directors members who (x) at the effective date of the 2000 Plan were directors or (y) become directors after the effective date of the 2000 Plan and whose election or nomination for election by the Company s stockholders was approved by a vote of a majority of the directors then in office who were directors at the effective date of the 2000 Plan or whose election or nomination for election was previously so approved.

The form of option award agreement under the 2008 Plan also provides for vesting of unvested options immediately prior to the effective date of a change in control. The definition of a change in control under the 2008 Plan is the same as the definition of a change of control under the 2000 Plan. However, the 2008 Plan also provides that in the event an award issued under the 2008 Plan is subject to Section 409A of the Code, the definition of a change in control would not be met unless a change in control event had occurred under the Code, which would include any of the following:

(i) Change in Ownership. A change in ownership of the Company occurs on the date that any person, other than (a) the Company or any of its subsidiaries, (b) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its affiliates, (c) an underwriter temporarily holding stock pursuant to an offering of such stock, or (d) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the Company s stock, acquires ownership of the Company s stock that, together with stock held by such person, constitutes more than 50% of the total fair market value or total voting power of the Company s stock. However, if any person is considered to own already more than 50% of the total fair market value or total voting power of the Company s stock, the acquisition of additional stock by the same person is not considered to be a change in control. In addition, if any person has effective control of the Company through ownership of 30% or more of the total voting power of the Company s stock, as discussed in paragraph (ii) below, the acquisition of additional control of the Company by the same person is not considered to cause a change in control pursuant to this paragraph (i); or

(ii) Change in Effective Control. Even though the Company may not have undergone a change in ownership under paragraph (i) above, a change in the effective control of the Company occurs on either of the following dates:

(a) the date that any person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of the Company s stock possessing 30 percent or more of the total voting power of the Company s stock. However, if any person owns 30% or more of the total voting power of the Company s stock, the acquisition of additional control of the Company by the same person is not considered to cause a change in control pursuant to this subparagraph (ii)(a); or

(b) the date during any 12-month period when a majority of members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the Board of Directors before the date of the appointment or election; provided, however, that any such director shall not be considered to be endorsed by the Board of Directors if his or her initial assumption of office occurs as a result of an actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board of Directors; or

(iii) Change in Ownership of Substantial Portion of Assets. A change in the ownership of a substantial portion of the Company s assets occurs on the date that a person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets of the Company, that have a total gross fair market value equal to at least 40% of the total gross fair market value of all of the Company s assets immediately before such acquisition or acquisitions. However, there is no change in control when there is such a transfer to (a) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company s stock; (b) an entity, at least 50% of the total value or voting power of the stock of which is owned, directly or indirectly, by the Company; (c) a person that owns directly or indirectly, at least 50% of the total value or voting power of the Company s outstanding stock; or (d) an entity, at least 50% of the total value or voting power of the stock of which is owned by a person that owns, directly or indirectly, at least 50% of the total value or voting power of the Company s outstanding stock.

Employment Agreements

As described under Narrative Disclosure Regarding Summary Compensation Table, each of our Named Executive Officers is party to an employment agreement that provides for payments to the Named Executive Officers if any of the following occurs:

(i) the employee is terminated by the Company without cause; or

(ii) the employee terminates his employment for good reason.

Upon a termination of the employee by the Company without cause, by the employee for good reason, or upon a change of control, Mr. John Goodman would be owed thirty-six (36) months base salary, Mr. Hill would be owed thirty-six (36) months base salary and Mr. Shyiak would be owed the base salary for the remainder of the term of his employment agreement, but in any case, no less than eighteen (18) months base salary. Each of our Named Executive Officers would also be owed a bonus under the Bonus Plan prorated for the number of days elapsed during the current year (a Prorated Bonus) upon termination by the Company without cause, by the employee for good reason, upon a change of control or upon death. However, the Prorated Bonus is owed to Mr. Shyiak only if termination occurs on or after April 1.

For purposes of termination payments based upon termination by the Company without cause, cause is defined in Mr. Goodman s and Mr. Hill s respective employment agreements as any of the following:

(i) conviction of a felony involving dishonest acts during the term of the employment agreement;

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(ii) any willful and material misapplication by the employee of the Company s funds, or any other material act of dishonesty committed by the employee toward the Company; or

(iii) the employee s willful and material breach of the employment agreement or willful and material failure to substantially perform his duties hereunder (other than any such failure resulting from mental or physical illness) after written demand for substantial performance is delivered by the Board of Directors which specifically identifies the manner in which the Board of Directors believes the employee has not substantially performed his duties and the employee fails to cure his nonperformance after receipt of notice as required by the employment agreement.

The employee shall not be deemed to have been terminated for cause without first having been (a) provided written notice of not less than thirty (30) days setting forth the specific reasons for the Company s intention to terminate for cause, (b) an opportunity for the employee, together with his counsel, to be heard before the Board of Directors, and (c) delivery to the employee of a notice of termination from the Board of Directors stating that a majority of the Board of Directors found, in good faith, that the employee had engaged in the willful and material conduct referred to in such notice. For purposes of the employment agreement, no act, or failure to act, on the employee s part shall be considered willful unless done, or omitted to be done, by the employee in bad faith and without reasonable belief that the employee s action or omission was in the best interest of the Company.

For purposes of termination payments based upon termination by the Company without cause, cause is defined in Mr. Shyiak s employment agreement as any of the following:

(i) material breach of the employment agreement by the employee, which material breach, if curable, remains uncured after thirty (30) days written notice from the Company specifying in reasonable detail the nature of such breach;

(ii) commission by the employee of an act of dishonesty or fraud upon, or willful misconduct toward, the Company or misappropriation of Company property or corporate opportunities, as reasonably determined by the Board of Directors;

(iii) a conviction, guilty plea or plea of nolo contendere of any misdemeanor that involves (a) moral turpitude or (b) other conduct that involves fraud, embezzlement, larceny, theft or dishonesty;

(iv) a conviction, guilty plea or plea of nolo contendere of any felony, unless the Board of Directors reasonably determines that the employee s conviction of such felony does not materially affect the Company s or the employee s business reputation or significantly impair the employee s ability to carry out his or her duties under the employment agreement (provided that the Board of Directors shall have no obligation to make such determination); or

(v) the employee s violation of the Company s policies regarding insobriety during working hours or the use of illegal drugs.

For purposes of termination payments based upon termination by the employee for good reason, good reason is generally defined in Mr. Goodman s and Mr. Hill s respective employment agreements as any of the following:

(i) any diminution in the executive s title or material diminution in his duties thereunder;

(ii) any reduction in the executive s base salary and/or an alteration in the benefits provided to the executive unless such alteration is applied to all employees;

(iii)

a change of control the Company, which is considered to be upon the sale of all or substantially all the assets of the Company, a change in ownership of the capital stock of the Company which constitutes fifty percent (50%) or more of the combined voting power of the Company s then outstanding capital stock, or a transaction resulting in the issuance or transfer of shares of capital stock of the Company representing more than fifty percent (50%) of the voting securities of the Company;

(iv) a forced relocation of the executive beyond a certain distance;

(v) a material breach of the employment agreement by the Company;

(vi) the failure of any Company successor to assume their employment agreements; or

(vii) any requirement that the executive report to someone other than the Board of Directors.

For purposes of termination payments based upon termination by the employee for good reason, good reason is generally defined in Mr. Shyiak s employment agreement as any of the following:

(i) any material diminution in the executive s title or material diminution in his duties thereunder;

(ii) any reduction in the executive s base salary and/or an alteration in the benefits provided to the executive unless such alteration is applied to all employees;

(iii) a change of control the Company, which is considered to be upon the sale of all or substantially all the assets of the Company, a change in ownership of the capital stock of the Company which constitutes fifty percent (50%) or more of the combined voting power of the Company s then outstanding capital stock, or a transaction resulting in the issuance or transfer of shares of capital stock of the Company representing more than fifty percent (50%) of the voting securities of the Company;

(iv) a forced relocation of the executive beyond a certain distance; or

(v) the issuance of the Company s common stock to the public, excluding an initial public offering.

To describe the payments and benefits that are triggered for each event of termination, we have created the following table estimating the payments and benefits that would be paid to each Named Executive Officer under each element of our compensation program assuming that such Named Executive Officer s employment agreement as in effect on December 31, 2013, were terminated on December 31, 2013, the last day of our 2013 fiscal year. In all cases, the amounts were valued as of December 31, 2013, based upon, where applicable, an estimated fair value of our common stock of $82.70 per share. The amounts in the following table are calculated as of December 31, 2013, pursuant to SEC rules and are not intended to reflect actual payments that may be made. Actual payments that may be made will be based on the dates and circumstances of the applicable event.

Named Executive Officer	Category of Payment	Termination Without Cause or Termination by the Employee for Good Reason	Termination Due to Death	Termination Upon Change of Control
John A. Goodman	Cash Severance(1)	$ 1,500,000(2)		$ 1,500,000(2)
	Accrued Bonus			
	Vesting Options			
	Total:	$ 1,500,000		$ 1,500,000
Ron B. Hill	Cash Severance(1)	$ 1,300,000(2)		$ 1,300,000(2)
	Accrued Bonus			
	Vesting Options			
	Total:	$ 1,300,000		$ 1,300,000
Cari T. Shyiak	Cash Severance(3)	$ 852,874(4)		$ 852,874(4)
	Accrued Bonus			

Vesting Options				
Total:	$	852,874	$	852,874

(1) The first $500,000 is payable in four (4) equal quarterly payments. The remaining amount, if any, is payable in nine (9) equal monthly payments after the initial $500,000 is paid.
(2) Represents twenty-four (24) months base salary.
(3) Payable according to the Company s normal payroll practices, beginning on the first payroll date following the sixtieth (60th) day after termination.
(4) Represents twenty-five (25) months and seventeen (17) days base salary.

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Director Compensation

The following table shows the compensation earned by persons who served on our Board of Directors during the fiscal year ended December 31, 2013, who are not one of our Named Executive Officers.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Jason Goodman							
Jonathan Goodman							
Joseph Goodman							

Narrative Disclosure Regarding Director Compensation Table

None of our directors, including our employee directors, received any compensation from us for service on the Board of Directors during the fiscal year ended December 31, 2013.

On March 28, 2014, the Board of Directors adopted a policy for compensation of non-employee directors. Under this policy, each non-employee director will receive an annual cash retainer of $140,000, $2,500 for each in-person Board of Directors meeting attended, $500 for any such meeting attended remotely and reimbursement for out of pocket expenses.

Compensation Policies and Practices as They Relate to Risk Management

We have reviewed our compensation policies as generally applicable to our employees and believe that our policies do not encourage excessive and unnecessary risk-taking, and that the level of risk that they do encourage is not reasonably likely to have a material adverse effect on us. Our compensation mix is balanced among (i) fixed components such as salary and benefits, (ii) annual incentives that reward our overall financial performance and (iii) long-term equity compensation. Although a portion of the compensation provided to Named Executive Officers is based on our performance or individual successes of the employee, we believe our compensation programs do not encourage excessive and unnecessary risk taking by executive officers (or other employees) because these programs are designed to encourage employees to remain focused on both our short-and long-term operational and financial goals.

Compensation Committee Interlocks and Insider Participation

During 2013, the Company did not have a compensation committee or any other committee performing equivalent functions of a compensation committee, and each of Messrs. John Goodman, Ron Hill, Jason Goodman, Jonathan Goodman and Joseph Goodman participated in deliberations of the Board of Directors concerning executive officer compensation and was employed by the Company.

As of December 31, 2013, none of our executive officers served as a member of the board of directors or compensation committee of another entity that has an executive officer who served on our Board of Directors. In addition, as of such date, no member of our Board of Directors serves as an executive officer of a company in which one of our executive officers served as a member of the board of directors or compensation committee of that company.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding beneficial ownership of shares of our common stock as of April 30, 2014, for: (i) each of our named executive officers with respect to the year ended December 31, 2013 and each member of our board of directors; (ii) all of our directors and executive officers as a group and (iii) each person who is known by our Company to beneficially own more than 5% of the outstanding shares of our common stock. Except as otherwise indicated, the persons named in the table below have sole voting and investment power with respect to all shares of common stock held by them and the address for each listed person is c/o Goodman Networks Incorporated, 6400 International Parkway, Suite 1000, Plano, TX 75093. Percentages of beneficial ownership are based on 912,754 shares of common stock outstanding on April 30, 2014.

Name	Common Stock Beneficially Owned (1) Number	Percent
Named Executive Officers and Directors:		
J. Samuel Crowley		
Steven L. Elfman		
John A. Goodman	448,244(2)	43.6%
Larry J. Haynes		
Ron B. Hill	149,399(3)	14.9%
Cari T. Shyiak	40,000(4)	4.2%
Executive officers and directors as a group	657,643(5)	55.9%
5% Shareholders:		
Alcatel-Lucent USA Inc.	47,528(6)	5.2%
James Goodman	115,346(7)	12.6%
Jason Goodman	173,650(8)	18.2%
Jonathan Goodman	109,650(8)	12.1%
Joseph Goodman	96,913(8)	10.7%

* Less than 1% of outstanding shares.

(1) Beneficial ownership as reported in the above table has been determined in accordance with Rule 13d-3 under the Exchange Act, and is not necessarily indicative of beneficial ownership for any other purpose. The number of shares of common stock shown as beneficially owned includes shares of common stock issuable upon the exercise of options that are currently vested or that will become exercisable within 60 days of April 30, 2014 and shares of stock that the Company has agreed to issue within 60 days of April 30, 2014. Shares of common stock issuable upon the exercise of options that are exercisable or will become exercisable within 60 days after April 30, 2014 and shares of stock that the Company has agreed to issue within 60 days of April 30, 2014 are deemed outstanding for computing the percentage of the person or entity holding such securities but are not deemed outstanding for computing the percentage of any other person or entity.

(2) Includes 115,000 shares of common stock issuable upon the exercise of options. Pursuant to the terms of his option to purchase 55,000 of such shares, following exercise, Mr. John Goodman would have the right to vote such shares but could only dispose of such shares to the extent they have vested. Also includes 186,621 shares of common stock over which Mr. John Goodman has limited voting power pursuant to proxy and voting agreements. 40,000 shares of common stock held of record by Mr. John Goodman are pledged as security.

(3) Includes 89,399 shares of common stock issuable upon the exercise of options. Pursuant to the terms of his option to purchase 55,000 of such shares, following exercise, Mr. Hill would have the right to vote such shares but could only dispose of such shares to the extent they have vested.

(4) Includes 40,000 shares of common stock issuable upon the exercise of options. Pursuant to the terms of the options, following exercise, Mr. Shyiak would have the right to vote such shares but could only dispose of such shares to the extent they have vested.

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(5) Includes 6,000 shares of common stock pledged as security, in addition to the pledge described above.

(6) Alcatel-Lucent USA, Inc. has sole voting and dispositive power over 47,528 shares of common stock. The business address for Alcatel-Lucent USA Inc. is 600 Mountain Avenue, Murray Hill, New Jersey 07974.

(7) Includes 68,753 shares of common stock pledged by Mr. James Goodman as security.

(8) Includes 40,000 shares issuable upon the exercise of an option. Pursuant to the terms of the option, following exercise, the holder would have the right to vote such shares but could only dispose of them to the extent they have vested.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Related Persons

The following persons and entities had an interest in a transaction or series of transactions described herein.

Alcatel-Lucent USA Inc. Following the repurchases of our common stock on June 23, 2011, Alcatel-Lucent became the beneficial owner of over 5% of our common stock. As of April 30, 2014, Alcatel-Lucent beneficially owned 47,528 shares, or 5.2% of our common stock.

Goodman Brothers. Messrs. John Goodman, James Goodman, Jason Goodman, Jonathan Goodman and Joseph Goodman are brothers.

John Goodman. Mr. John Goodman is our Executive Chairman and holds more than 5% of our outstanding shares.

James Goodman. Mr. James Goodman holds more than 5% of our outstanding shares.

Jason Goodman. Mr. Jason Goodman holds more than 5% of our outstanding shares and served on our Board of Directors until his resignation, effective as of April 11, 2014.

Jonathan Goodman. Mr. Jonathan Goodman holds more than 5% of our outstanding shares and served on our Board of Directors until his resignation, effective as of April 11, 2014.

Joseph Goodman. Mr. Joseph Goodman holds more than 5% of our outstanding shares and served on our Board of Directors until his resignation, effective as of April 11, 2014.

Goodman Brothers, LP. John Goodman, James Goodman, Jason Goodman, Jonathan Goodman and Joseph Goodman, or collectively, the Goodman Brothers, are the limited partners of Goodman Brothers, LP. Goodman Brothers Enterprises, Inc. is the general partner of Goodman Brothers, LP. Each of the Goodman Brothers other than James Goodman is a stockholder and a director of Goodman Brothers Enterprises, Inc. Goodman Brothers, LP beneficially owned 12.8% of our common stock until December 13, 2012, when it distributed all of its shares to its partners.

SEP Trust. Scott Pickett is our Chief Marketing Officer and Executive Vice President of Strategic Planning and Mergers and Acquisitions. Mr. Pickett and one of his family members are the sole trustees of the SEP Trust, and he shares voting and dispositive power over the shares of common stock held by the SEP Trust.

The Stephens Group, LLC, Jeff Fox and Kent Sorrells. Prior to the repurchases of our common stock on June 23, 2011, The Stephens Group, LLC beneficially owned greater than 5.0% of our shares of common stock. The Stephens Group, LLC beneficially owned approximately 4.8% of our common stock as of April 30, 2014. The Stephens Group, LLC is the manager of SG-Tower, SG-GN/SD, LLC, or SG-GN, SG-LTE, LLC, or SG-LTE, and SG-GOODMAN, LLC, or SG-Goodman. Two representatives of The Stephens Group, LLC, Jeff Fox and Kent Sorrells, formerly served on our Board of Directors. Mr. Sorrells served as a managing director of The Stephens Group, LLC and as an executive officer of the manager of SG-Tower.

Advances

We had $231,200 and $55,018 in non-interest bearing advances due from Messrs. John Goodman and James Goodman, respectively, at December 31, 2011. Messrs. John Goodman and James Goodman were repaying the advances at a rate of $200 a month through payroll deductions with balloon payments for balances due April 2013, respectively. Messrs. John Goodman and James Goodman agreed to pay 100% of the balance upon the occurrence of a liquidity event and 5% of any annual bonus to reduce the principal amounts outstanding under the advances. During the years ended December 31, 2011, 2012 and 2013, the largest aggregate amounts outstanding under the advances for Messrs. John Goodman and James Goodman were $238,324, $230,800 and $0, and $57,418, $55,018 and $52,619, respectively. During the years ended

December 31, 2011, 2012 and 2013, Messrs. John Goodman and James Goodman paid $7,124, $0 and $0, and, $2,400, $2,400 and $2,400, respectively, towards the

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repayment of these advances. On April 28, 2012, the Company forgave $230,800, the remaining indebtedness owed by John Goodman on the advances. As of December 31, 2012 and March 31, 2014, $52,618 and $49,818, respectively, remains outstanding under the advances for James Goodman.

Notes Payable

During the year ended December 31, 2011, we had subordinated debt that consisted of subordinated promissory notes issued in June 2009 payable to certain of our current or former stockholders for the repurchase of shares of common stock and Series B Preferred Stock that accrued interest at 8% per annum. During the years ended December 31, 2011 and 2010, we had subordinated promissory notes issued in April and May 2010 payable to certain affiliates of a stockholder that accrued interest at a rate of 18% per annum. All of this debt was retired on or before June 2011.

The following tables summarize our subordinated debt in existence during the year ended December 31, 2011:

Related Party	Largest Amount Outstanding During 2011	Principal Paid During 2011	Interest Paid During 2011	Interest Rate
Jason Goodman	$ 1,483,789	$ 1,483,789	$ 138,884	8%
Jonathan Goodman	1,483,789	1,483,789	138,884	8%
Joseph Goodman	1,324,642	1,324,642	124,254	8%
SEP Trust	370,130	370,130	34,771	8%
G. Danny Wade	555,194	555,194	52,156	8%
SG-GN/SD, LLC	8,227,508	8,227,508	413,572	18%
SG-GN/SD, LLC	4,289,872	4,289,872	217,583	18%
SG-LTE, LLC	1,790,033	1,790,033	91,049	18%
SG-LTE, LLC	1,150,866	1,150,866	58,680	18%

Put/Call Agreement

On June 24, 2009, we entered into a put/call agreement, or the Put/Call Agreement, with Mr. James Goodman. Under the Put/Call Agreement, Mr. James Goodman granted us an option to purchase shares of common stock owned by him up to $1.5 million on each of June 24, 2010, 2011 and 2012, each, an Option Date, respectively, for cash. Upon the exercise of our call option, Mr. James Goodman was required to sell the number of shares of common stock that we desired to purchase, subject to the terms and conditions of the Put/Call Agreement. The number of shares of common stock that we could purchase was determined by the fair market value of our common stock on the applicable Option Date minus the dollar value of any shares of common stock purchased by us at an earlier Option Date and was subject to the terms of our credit facility in existence at such time. The maximum amount of shares that Mr. James Goodman was required to sell under the Put/Call Agreement was $1.5 million.

Under the Put/Call Agreement, we also granted Mr. James Goodman an option to sell shares of common stock owned by him up to $1.5 million on each of the Option Dates for cash. Upon the exercise of Mr. James Goodman s put option, we were required to purchase the number of shares of common stock that he desired to sell, subject to the terms and conditions of the Put/Call Agreement. The number of shares of common stock that Mr. James Goodman could sell was determined by the fair market value of our common stock on the applicable Option Date minus the dollar value of any shares of common stock sold to us at an earlier Option Date and we were only required to purchase such shares to the extent we were legally permitted to do so. The maximum amount of shares that we were required to purchase under the Put/Call Agreement was $1.5 million.

This put option was exercised in June 2011 and the Company purchased 22,914 shares of common stock at $65.46 per share, or $1.5 million.

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Stock Purchase Agreements

On June 7, 2011, we entered into stock purchase agreements with James Goodman, Jason Goodman, Jonathan Goodman and Joseph Goodman to purchase 76,383, 30,553, 30,553 and 38,191 shares of common stock, respectively, in exchange for the payments of $5,000,000, $2,000,000, $2,000,000 and $2,500,000, respectively.

On June 7, 2011, we entered into a stock purchase agreement with SG-Goodman, SG-Tower, SG-GN and SG-LTE to purchase 1,114,035 shares of Series C Preferred Stock owned by SG-Goodman, 112,615 shares of common stock owned by SG-Tower, 30,871 shares of common stock underlying warrants owned by SG-LTE and 86,179 shares of common stock underlying warrants owned by SG-GN for an aggregate purchase price of $88,000,000 plus an amount for the accumulated but unpaid dividends on the shares of Series C Preferred Stock.

On November 2, 2011, we entered into stock purchase agreements with John Goodman, Ron Hill and Scott Pickett to repurchase certain securities they held. On November 2, 2011, we purchased 18,107, 15,802 and 5,386 shares of common stock, in exchange for payments of $2,189,317, $1,910,620 and $651,221 from John Goodman, Ron Hill and Scott Pickett, respectively.

On December 8, 2011, we entered into stock purchase agreements, pursuant to which we purchased 11,226 shares of common stock, one share of common stock and an option to purchase 9,798 shares of common stock and 3,339 shares of common stock in exchange for payments of $1,357,336, $1,095,047 and $403,718 from each of John Goodman, Ron Hill and Scott Pickett, respectively.

On March 4, 2013, we entered into stock purchase agreements with John Goodman, James Goodman, Joseph Goodman and Scott Pickett, pursuant to which we purchased 24,081, 17,081, 14,688 and 4,550 shares of common stock, respectively, in exchange for payments of $1,991,499, $1,412,599, $1,214,698 and $376,285, respectively.

Management Services Agreement

On June 24, 2009, we entered into a management services agreement with The Circumference Group LLC, or CG. Pursuant to the management services agreement, CG agreed to perform a monthly operations review consisting of the examination of, and discussion with our management regarding, our monthly financial and operating results reporting package and other services reasonably requested by us. Under the management services agreement, we agreed to pay CG a monthly fee equal to $25,000 per month from June 24, 2009 until June 23, 2011, at which time it automatically terminated. For the year ended December 31, 2011, we paid an aggregate of $131,616 to CG pursuant to the management services agreement. Jeff Fox was a majority stockholder of CG.

Employment Agreements

We had employment agreements with each of James Goodman, Jason Goodman, Joseph Goodman and Jonathan Goodman during the years ended December 31, 2011, 2012 and 2013.

James Goodman. His employment agreement provides for a term expiring on December 31, 2010, and automatically renewed for successive one-year terms. We paid Mr. James Goodman a bonus of $350,000, $225,000 and $103,500 with respect to his performance during the years ended December 31, 2011, 2012, and 2013, respectively. He was entitled to a severance payment of $120,000 upon termination of service for good reason. His employment agreement contained customary confidentiality and noncompete covenants. His current base salary is $225,000.

Jason Goodman. His employment agreement provided for an initial term expiring on December 31, 2010, and automatically renewed for successive one-year terms. His base salary was $175,000 per annum. We paid Mr. Jason Goodman a bonus of $350,000, $371,250 and $113,750 with respect to his performance during the

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years ended December 31, 2011, 2012 and 2013, respectively. If terminated by us without cause, he was entitled to a severance payment of $120,000. His employment agreement contained customary confidentiality and noncompete covenants.

Effective October 16, 2012, we amended and restated Mr. Jason Goodman s employment agreement. The amended and restated employment agreement provides for a three (3) year term and a base salary of $225,000, subject to increase at the discretion of the Board of Directors. The amendment also increased the severance to which Mr. Jason Goodman would be entitled to $450,000 if terminated by us without cause, by Mr. Jason Goodman with good reason or upon a change of control. Mr. Jason Goodman s agreement also provides for a Real Estate Keep Whole benefit, which provides that Mr. Jason Goodman has the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) the third anniversary of the amendment and (ii) his termination by us without cause. The amended and restated employment agreement also requires us to transfer to Mr. Jason Goodman title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after his employment is terminated without cause or by him for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitles him to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan and an annual retention bonus equal to 75% of his base salary and grossed up for any federal, state, and local income and employment taxes. Effective May 1, 2014 Jason Goodman s base salary will be increased to $397,500.

We also agreed to grant Mr. Jason Goodman an option to purchase 40,000 shares at an exercise price equal to the fair market value per share on the date of the grant pursuant to the amended and restated employment agreement amendment. The shares underlying the options vest in three equal annual installments beginning on the first anniversary of the date of grant.

Effective February 12, 2013, we amended and restated Mr. Jason Goodman s amended and restated employment agreement. The new amended and restated employment agreement amends his employment agreement to provide for a three-year vesting schedule for his stock option and to conform to Section 409A of the Code.

Effective April 11, 2014, we amended his employment agreement to provide for an annual equity award in an amount to be determined by the Board of Directors.

Joseph Goodman. His employment agreement provided for an initial term expiring on December 31, 2010, and automatically renewed for successive one-year terms. His base salary was $175,000 per annum. We paid Mr. Joseph Goodman a bonus of $350,000, $371,250 and $113,750 with respect to his performance during the years ended December 31, 2011, 2012 and 2013, respectively. If terminated by us without cause, he was entitled to a severance payment of $120,000. His employment agreement contained customary confidentiality and noncompete covenants.

Effective October 16, 2012, we amended and restated Mr. Joseph Goodman s employment agreement. The amended and restated employment agreement provides for a three (3) year term and a base salary of $225,000, subject to increase at the discretion of the Board of Directors. The amendment also increased the severance to which Mr. Joseph Goodman would be entitled to $450,000 if terminated by us without cause, by Mr. Joseph Goodman with good reason or upon a change of control. Mr. Joseph Goodman s agreement also provides for a Real Estate Keep Whole benefit, which provides that Mr. Joseph Goodman has the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) the third anniversary of the amendment and (ii) his termination by us without cause. The amended and restated employment agreement also requires us to transfer to Mr. Joseph Goodman title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after his employment is terminated without cause or by him

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for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitles him to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan and an annual retention bonus equal to 75% of his base salary and grossed up for any federal, state, and local income and employment taxes. Effective May 1, 2014 Joseph Goodman s base salary will be increased to $397,500.

We also agreed to grant Mr. Joseph Goodman an option to purchase 40,000 shares at an exercise price equal to the fair market value per share on the date of the grant pursuant to the amended and restated employment agreement amendment. The shares underlying the options vest in three equal annual installments beginning on the first anniversary of the date of grant.

Effective February 12, 2013, we amended and restated Mr. Joseph Goodman s amended and restated employment agreement. The new amended and restated employment agreement amends his employment agreement to provide for a three-year vesting schedule for his stock option and to conform to Section 409A of the Code.

Effective April 11, 2014, we amended his employment agreement to provide for an annual equity award in an amount to be determined by the Board of Directors.

Jonathan Goodman. His employment agreement provided for a term expiring on December 31, 2010. His base salary was $175,000 per annum. We paid Mr. Jonathan Goodman a bonus of $350,000, $371,250 and $113,750 with respect to his performance during the years ended December 31, 2011, 2012 and 2013, respectively. If Mr. Jonathan Goodman terminated his service for good reason, he was entitled to a severance payment of $120,000. His employment agreement contained customary confidentiality and noncompete covenants.

Effective October 16, 2012, we amended and restated Mr. Jonathan Goodman s employment agreement. The amended and restated employment agreement provides for a three (3) year term and a base salary of $225,000, subject to increase at the discretion of the Board of Directors. The amendment also increased the severance to which Mr. Jonathan Goodman would be entitled to $450,000 if terminated by us without cause, by Mr. Jonathan Goodman with good reason or upon a change of control. Mr. Jonathan Goodman s agreement also provides for a Real Estate Keep Whole benefit, which provides that Mr. Jonathan Goodman has the right to receive a payment to compensate him for the difference, if any, between the original purchase price of his primary residence and its depreciated fair market value upon the earlier of: (i) the third anniversary of the amendment and (ii) his termination by us without cause. The amended and restated employment agreement also requires us to transfer to Mr. Jonathan Goodman title to the vehicle we are currently leasing for him on the earliest of: (i) the date that is 36 months from the start of the lease; (ii) within 45 days after his employment is terminated without cause or by him for good reason; and (iii) within 60 days of a change of control. The amended and restated employment agreement also entitles him to benefits under our Executive Benefit Plan and cash bonuses under our Executive Management Bonus Plan and an annual retention bonus equal to 75% of his base salary and grossed up for any federal, state, and local income and employment taxes. Effective May 1, 2014 Jonathan Goodman s base salary will be increased to $397,500.

We also agreed to grant Mr. Jonathan Goodman an option to purchase 40,000 shares at an exercise price equal to the fair market value per share on the date of the grant pursuant to the amended and restated employment agreement amendment. The shares underlying the options vest in three equal annual installments beginning on the first anniversary of the date of grant.

Effective February 12, 2013, we amended and restated Mr. Jonathan Goodman s amended and restated employment agreement. The new amended and restated employment agreement amends his employment agreement to provide for a three-year vesting schedule for his stock option and to conform to Section 409A of the Code.

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Effective April 11, 2014, we amended his employment agreement to provide for an annual equity award in an amount to be determined by the Board of Directors.

Other Related Party Transactions

We use a ranch owned by Goodman Brothers, LP to entertain employees and customers. Effective May 30, 2012, we entered into a five-year lease with Goodman Brothers, LP for the lease of the ranch. Pursuant to the lease, we pay a base rent of $156,000 per year. Prior to entering the lease agreement, we paid Goodman Brothers, LP on an event basis for the use of the ranch. For the years ended December 31, 2013, 2012 and 2011, we paid an aggregate of $169,000, $141,000 and $100,000 to Goodman Brothers, LP for the use of the ranch, respectively.

During 2013, we hired Genesis Networks Integration Services, LLC, a company substantially owned by James Goodman, or Genesis Networks, to provide, among other things, outsourced network monitoring and licensing, as well as services related to the trial use of a technician workforce automation system. During 2013, we incurred approximately $168,000 of expenses for such services.

During the year ended December 31, 2011, PNC Bank issued a $4.0 million letter of credit for the Company s account as a credit enhancement for a new letter of intent concerning Genesis Networks. In the event of default on the line of credit by Genesis Networks, we would have the option to enter into a note purchase agreement with the lender or to permit a drawing on the letter of credit in an amount not to exceed the amount by which the outstanding obligation exceeds the value of Genesis Network s collateral securing the line of credit, but in no event more than $4.0 million. The letter of credit was originally due to expire on July 17, 2012; however we amended the letter of credit to extend the guarantee until July 2013. Prior to the expiration, the letter of credit was amended to extend the guarantee of the related party s line of credit until July 2014. Our exposure with respect to the letter of credit is supported by a reimbursement agreement from Genesis Networks, secured by a first priority pledge of certain assets and stock of Genesis Networks.

Alcatel-Lucent USA Inc.

We primarily perform work for Alcatel-Lucent under two contracts we have entered with Alcatel-Lucent.

Master Services Agreement. Effective November 2, 2009, we entered into a master services agreement with Alcatel-Lucent. Pursuant to the agreement, we agreed to perform certain deployment engineering, integration engineering and radio frequency engineering services for Alcatel-Lucent in the United States for five years. Alcatel-Lucent agreed to compensate us at rates set forth in the agreement.

Subcontract Agreement. On September 30, 2001, we entered into a customer service division subcontract agreement with Alcatel USA Marketing, a subsidiary of Alcatel-Lucent. As an independent contractor, we agreed to perform installation and/or engineering services with respect to Alcatel USA Marketing s manufactured products. As compensation for our services, Alcatel USA Marketing agreed to pay us at rates set forth in the agreement.

For the years ended December 31, 2011, 2012 and 2013 and the three months ended March 31, 2014, we received aggregate revenues of $72.3 million, $55.0 million, $57.9 million and $10.8 million, respectively, for work performed for Alcatel-Lucent.

Goodman Networks and Multiband entered into an Agreement and Plan of Merger, dated as of May 21, 2013, pursuant to which we acquired Multiband on August 30, 2013. Pursuant to the Agreement and Plan of Merger, Multiband s stockholders, which included Mr. Mandel, received $3.25 in cash for each share of Multiband s outstanding common stock they held. In the aggregate, Mr. Mandel received an aggregate of $2.8 million in the merger with Multiband in exchange for his outstanding shares of Multiband common stock and options to purchase Multiband common stock. The aggregate purchase price in the Multiband acquisition was approximately $101.1 million. The Agreement and Plan of Merger contained customary representations, warranties and covenants, as well as indemnification provisions.

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DESCRIPTION OF CERTAIN INDEBTEDNESS

Credit Facility

The Credit Facility provides for a five-year revolving facility that is secured by (i) a first lien on our accounts receivable, inventory, related contracts and other rights and other assets related to the foregoing and proceeds thereof and (ii) a second lien on 100% of the capital stock of all of our existing and future material U.S. subsidiaries and non-voting stock of our future material non-U.S. subsidiaries and 66% of the capital stock of all our future material non-U.S. subsidiaries. The Credit Facility has a maturity date of June 2016, and a maximum available borrowing capacity of $50.0 million subject to borrowing base determinations (that take into account, among other things, eligible receivables, eligible unbilled receivables and eligible inventory) and certain other restrictions. Amounts due under the Credit Facility may be repaid and reborrowed prior to the maturity date.

At our election, borrowings under the Credit Facility bear interest at variable rates based on (i) PNC Bank s base rate plus a margin of between 1.50% and 2.00% (depending on certain financial thresholds) or (ii) LIBOR plus a margin of between 2.50% and 3.00% (depending on certain financial thresholds). The Credit Facility also provides for an unused facility fee of 0.375%.

The Credit Facility contains financial covenants that require that we not permit our annual capital expenditures to exceed $20.0 million (plus any permitted carry over). We are also required to comply with additional financial covenants upon the occurrence of a Triggering Event, as defined in the Credit Facility.

Additionally, the Credit Facility contains a number of customary affirmative and negative covenants that, among other things, limit or restrict our ability to divest our assets; incur additional indebtedness; create liens against our assets; enter into certain mergers, joint ventures, and consolidations or transfer all or substantially all of our assets; make certain investments and acquisitions; prepay certain indebtedness; make certain restricted payments; pay dividends; engage in transactions with affiliates; create subsidiaries; amend our constituent documents and material agreements in a manner that materially adversely affects the interests of the lenders; and change our business.

The Credit Facility also contains customary events of default, including, without limitation: nonpayment of principal, interest, fees, and other amounts; material inaccuracy of a representation or warranty when made or deemed made; violations of covenants; judgments and cross-default to indebtedness in excess of specified amounts; bankruptcy or insolvency events; certain U.S. Employee Retirement Income Security Act of 1974, as amended, or ERISA, events; failure to continue to be certified as a minority business enterprise; termination of, or the occurrence of a material default under, material contracts; occurrence of a material adverse effect; and change of control.

As of December 31, 2013, we had $3.4 million of outstanding borrowings on the Credit Facility and had a $50.0 million maximum borrowing base, of which $42.1 million was available, net of $4.5 million of outstanding letters of credit. During the year ended December 31, 2011, we issued a $4.0 million letter of credit as a credit enhancement for a new letter of intent. Such letter of credit was issued in connection with a guarantee of indebtedness of a related party for proposed transaction and was originally due to expire in July 2012. Prior to the expiration, the letter of credit was amended to extend the guarantee of the related party s line of credit until July 2013. This guarantee liability for the full amount of $4.0 million remains in accrued liabilities as of December 31, 2012.

On September 6, 2013, we entered into an amendment to the credit agreement governing our Credit Facility with PNC Bank. The amendment provides for, among other things: (i) the addition of certain add-backs to the definition of Earnings Before Interest and Taxes , as described below, (ii) the deletion of the restriction on our ability to enter into certain operating leases without the consent of PNC Bank, (iii) the reduction of the Triggering Event threshold, as described below, which represents the point in time in which we are required to

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comply with the Fixed Charge Coverage Ratio and the Leverage Ratio, (iv) the amendment to the Fixed Charge Coverage Ratio and the Leverage Ratio to state that such financial covenants shall not take effect until the last day of the fiscal quarter ending March 31, 2014 (provided that the Company is not required to comply with the Fixed Charge Coverage Ratio and the Leverage Ratio covenant if a Triggering Event has not yet occurred and is continuing), (v) the amendment to the calculation of the Leverage Ratio to ease the covenants by adjusting the required ratios for each reporting period, as set forth in the table below, (vi) the adjustment to the calculations of Fixed Charge Coverage Ratio and Leverage Ratio to include the historic earnings before interest expense and taxes of CSG and Multiband for any applicable period occurring prior to one year after the date on which we acquired CSG and Multiband, respectively, (vii) an extension of the time frame for which we are required to repay certain advances under the Credit Facility following the sale of certain types of collateral, the issuance of equity interests or the issuance of debt obligations, from a deadline of one business day following receipt of cash proceeds from any such sale, issuance of equity or incurrence of debt, to a date no later than August 30, 2014, and (viii) certain other amendments to conform to PNC Bank s most recent bank policies regarding taxes, defaulting lenders and other changes in law.

The additional add-backs to the definition of Earnings Before Interest and Taxes approved by the amendment include: (i) expenses or deductions relating to expenses or fees incurred from the restatement of financials for the fiscal years 2009 through 2012, (ii) a tax gross-up payment made to our Chief Executive Officer to cover his tax obligation for an award of common stock, (iii) consent fees, transaction expenses and other fees incurred related to acquisitions, and (iv) any fees and expenses related to the making of investments, the issuance of equity interests or the incurrence of indebtedness. Such definition is utilized in the credit agreement to calculate our Fixed Charge Coverage Ratio and our Leverage Ratio.

Additionally, the credit agreement was amended to (i) add the historic EBIDTA of CSG and Multiband and its Subsidiaries to the numerator of the Fixed Charge Coverage Ratio and to the denominator of the Leverage Ratio, for any applicable period occurring prior to one year after the date on which we acquired CSG and Multiband and its Subsidiaries, respectively, and (ii) to amend the Leverage Ratio provision, such that, after the occurrence and during the continuance of a Triggering Event, we must maintain a Leverage Ratio as of the last day of each fiscal quarter, beginning with the fiscal quarter ending March 31, 2014 to be no more than the ratio set forth in the table below for the corresponding fiscal quarter:

Reporting Periods Ending:	Ratio
On or after January 1, 2014 through June 30, 2014	6.00 to 1.0
On or after July 1, 2014 through December 31, 2014	5.50 to 1.0
On or after January 1, 2015 and as of the last day of each fiscal quarter thereafter	5.00 to 1.0

Waivers of Events of Default

On May 15, 2012 and again on June 15, 2012, we entered into a limited waiver agreement with PNC Bank regarding certain events of default resulting from the delayed issuance of its audited financial statements for the year ended December 31, 2011 and of our unaudited quarterly financial statements for the periods ended March 31, 2012 and June 30, 2012. The limited waiver agreement permitted us to maintain access to the Credit Facility with a post-closing obligation to deliver, no later than October 15, 2012, our audited financial statements for the year ended December 31, 2011 and our unaudited financial statements for the periods ended March 31, 2012 and June 30, 2012. We delivered our audited financial statements for the year ended December 31, 2011 to PNC Bank on October 15, 2012. On October 11, 2012, we entered into an amendment to the Credit Facility that extended the due date for our unaudited quarterly financial statements for the periods ended March 31, 2012 and June 30, 2012 until November 30, 2012. On November 26, 2012, we entered into a second amendment to the Credit Facility that extended the due date for our unaudited quarterly financial statements for the periods ended March 31, June 30 and September 30, 2012 until January 15, 2013, among other things. We delivered our unaudited quarterly financial statements for the periods ended March 31, June 30 and September 30, 2012 to

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PNC Bank on January 31, 2013. On March 1, 2013, we entered into a third amendment to the Credit Facility that extended the due date for our unaudited monthly financial statements for the periods ended January 31, 2013 and February 28, 2013 until April 1, 2013 and April 15, 2013, respectively. We delivered our unaudited financial statements for the period ended January 31, 2013 to PNC Bank on April 1, 2013 and our unaudited monthly financial statements for the period ended February 28, 2013 on April 15, 2013.

12.125% Senior Secured Notes due 2018 issued on June 23, 2011

On June 23, 2011, we issued $225.0 million of 12.125% Senior Secured Notes due July 1, 2018 with a discount of $3.9 million, or the original notes. The original notes carry a stated interest rate of 12.125%, with an effective rate of 12.50%. Interest is payable semi-annually each January 1 and July 1, beginning on January 1, 2012. The original notes mature on July 1, 2018, at which point all principal is due and payable. The original notes are secured by: (i) a first-priority lien on substantially all of our existing and future domestic plant, property, assets and equipment including tangible and intangible assets, other than the assets that secure the Credit Facility on a first-priority basis, (ii) a first-priority lien on 100% of the capital stock of our future material U.S. subsidiaries and non-voting stock of our future material non-U.S. subsidiaries and 66% of all voting stock of our future material non-U.S. subsidiaries and (iii) a second-priority lien on our accounts receivable, unbilled revenue on completed contracts and inventory that secure the Credit Facility on a first-priority basis, subject, in each case, to certain exceptions and permitted liens.

The original notes are general senior secured obligations, are guaranteed by our existing and future wholly owned material domestic subsidiaries, rank *pari passu* in right of payment with all of our existing and future indebtedness that is not subordinated, are senior in right of payment to any of our existing and future subordinated indebtedness, are structurally subordinated to any existing and future indebtedness and other liabilities of our non-guarantor subsidiaries, and are effectively junior to all obligations under the Credit Facility to the extent of the value of the collateral securing the Credit Facility on a first priority basis.

Prior to July 1, 2014, we may redeem up to 35% of the aggregate principal amount of the original notes at a redemption price equal to 112.125% of the principal amount of the original notes redeemed, plus accrued and unpaid interest and any additional interest, with the net cash proceeds of certain equity offerings. Prior to July 1, 2015, we may redeem some or all of the original notes at a make-whole premium plus accrued and unpaid interest. On or after July 1, 2015, we may redeem some or all of the original notes at a premium that will decrease over time plus accrued and unpaid interest.

If we undergo a change of control, as defined in the Indenture, we will be required to make an offer to each holder of the original notes to repurchase all or a portion of its original notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest penalty, if any, to the date of repurchase.

If we sell certain assets or experience certain casualty events and do not use the net proceeds as required, we will be required to use such net proceeds to repurchase the original notes at 100% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of repurchase.

The Indenture contains certain covenants, which limits our ability and the ability of our restricted subsidiaries to, among other things:

- incur or guarantee additional indebtedness or issue certain preferred equity;
- pay dividends on and make certain distributions in respect of capital stock or make other restricted payments;
- create or incur certain liens;
- make certain investments;

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sell certain assets;

enter into certain transactions with affiliates;

agree to certain restrictions on the ability of restricted subsidiaries to make payments to the Company;

merge, consolidate, sell all or otherwise dispose of all or substantially all of our assets; and

designate our subsidiaries as unrestricted subsidiaries.

We entered into a registration rights agreement with the initial purchasers of the original notes. Under the terms thereof, we agreed to file an initial registration statement with the SEC by March 19, 2012, to become effective not later than June 17, 2012, providing for registration of exchange notes with terms substantially identical to the Notes. The terms of the agreement provide additional interest obligations for a late filing interest penalty, or additional interest, of 0.25% per annum of the principal amount of the original notes, which increases by an additional 0.25% per annum at the beginning of each subsequent 90-day period with a maximum interest penalty of 1.0% per annum, for each day we are delinquent in filing an initial registration statement with the SEC.

We were unable to file an initial registration statement with the SEC by March 19, 2012 and incurred an additional interest obligation for a late filing interest penalty of 0.25% per annum of the principal amount of the original notes through June 17, 2012 and 0.50% for the subsequent 90-day period. We were unable to cause the initial registration statement to be declared effective by June 17, 2012 and an additional interest obligation was incurred at 0.25% per annum of the principal amount of the original notes for each subsequent 90-day period. The maximum additional interest rate on the original notes may not exceed 1.00% per annum at any one time in aggregate. We filed an initial registration statement with the SEC on February 14, 2013. Such registration statement was declared effective by the SEC on December 23, 2013, at which point all additional interest stopped accruing with respect to the original notes. We incurred $2.2 million of penalty interest for the year ended December 31, 2013.

On May 30, 2013, Goodman Networks and GNET Escrow Corp., a wholly owned subsidiary of Goodman Networks, or the Stage I Issuer, entered into a purchase agreement with Jefferies LLC, in connection with the offering of $100.0 million aggregate principal amount of the Stage I Issuer s 12.125% Senior Secured Notes due 2018, or the Stage I Notes. The Stage I Notes were offered at 105% of their principal amount for an effective interest rate of 10.81%. The estimated gross proceeds of approximately $105.0 million, which includes an approximate $5.0 million of issuance premium, were used, together with cash contributions from Goodman Networks, to finance the Merger and to pay related fees and expenses. Upon completion of the Merger, the Company redeemed the Stage I Notes in exchange for the issuance of an equivalent amount of the outstanding notes, which were issued as a tack-on under and pursuant to the Indenture under which the original notes were issued. See Description of the Exchange Notes.

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DESCRIPTION OF THE EXCHANGE NOTES

You can find the definitions of certain terms used in this description under the subheading Certain Definitions. In this description, the term the ***Issuer*** refers only to Goodman Networks Incorporated and not to any of its Subsidiaries.

The Issuer will issue the exchange notes under an indenture between itself and Wells Fargo Bank, N.A., as trustee. The exchange notes will be subject to and governed by the Trust Indenture Act of 1939, as amended (the Trust Indenture Act). The terms of the exchange notes will include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act. Unless the context requires otherwise, all references to the Notes include the existing notes and the exchange notes. The exchange notes and the existing notes will be treated as a single class for all purposes of the indenture.

The following description is a summary of the material provisions of the indenture, the registration rights agreement and the security documents. It does not restate those agreements in their entirety. Since this description is only a summary, you should refer to the indenture and the Notes, a copy of which we are filing with the SEC concurrently with the filing of this prospectus, for a complete description of our obligations and your rights. Certain defined terms used in this description but not defined below under Certain Definitions have the meanings assigned to them in the indenture and the security documents.

The registered holder of an exchange note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture.

Brief Description of the Notes and Note Guarantees

The Notes

The Notes:

- will be general senior secured obligations of the Issuer;
- will be secured on a first-priority lien basis by the Notes Priority Collateral owned by the Issuer and on a second-priority lien basis by the ABL Priority Collateral owned by the Issuer, in each case subject to Permitted Liens;
- will share, equally and ratably with all obligations of the Issuer under any other Parity Lien Obligations, in the benefit of Liens held by the collateral trustee on all Notes Priority Collateral from time to time owned by the Issuer, which Liens will be junior to all Permitted Prior Liens on the Notes Priority Collateral and senior to the Liens on the Notes Priority Collateral securing the ABL Obligations;
- will share, equally and ratably with all obligations of the Issuer under any other Parity Lien Obligations, in the benefits of the Liens held by the collateral trustee on the ABL Priority Collateral from time to time owned by the Issuer, which Liens will be junior to all Permitted Prior Liens on the ABL Priority Collateral, including Liens securing the ABL Obligations, and consequently, the Notes will be effectively junior to all ABL Obligations to the extent of the value of the ABL Priority Collateral;
- will be structurally subordinated to any existing and future Indebtedness and other liabilities of the Issuer s non-Guarantor Subsidiaries;
- will be *pari passu* in right of payment with all existing and future Indebtedness of the Issuer that is not subordinated;

will be senior in right of payment to any existing and future subordinated Indebtedness of the Issuer;

will be unconditionally guaranteed on a senior secured basis by our existing Guarantors; and

may be unconditionally guaranteed on a senior secured basis by certain future Guarantors as described under the caption Future Note Guarantees.

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As of March 31, 2014, the Issuer had $325.0 million outstanding in aggregate principal amount of Parity Lien Obligations (consisting solely of the Notes), $100.0 million of which is being exchanged pursuant to this exchange offer and no loans outstanding under the ABL Agreement (and approximately $42.1 million of available borrowings thereunder) and approximately $4.5 million of undrawn standby letters of credit issued thereunder. Pursuant to the indenture, the Issuer is permitted to incur additional Indebtedness as Parity Lien Principal Debt in an amount not to exceed the Parity Lien Principal Debt Cap. The Issuer is also permitted to incur additional ABL Principal Debt in an amount not to exceed the greater of (x) $50.0 million and (y) 15.0% of Consolidated Tangible Assets. Any future incurrence of Parity Lien Obligations or ABL Obligations will be subject to all of the covenants described below, including the covenants described under the captions Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock and Certain Covenants Liens.

Future Note Guarantees

The Notes will be guaranteed by each of the Issuer s future Domestic Subsidiaries, other than Immaterial Subsidiaries.

Each Note Guarantee of a Guarantor:

- will be a general senior secured obligation of that Guarantor;
- will be secured on a first-priority lien basis by the Notes Priority Collateral owned by such Guarantor and on a second-priority lien basis by the ABL Priority Collateral owned by such Guarantor;
- will share, equally and ratably with all obligations of that Guarantor under any other Parity Lien Obligations, in the benefit of Liens on all Notes Priority Collateral from time to time owned by that Guarantor, which Liens will be junior to all Permitted Prior Liens on the Notes Priority Collateral and senior to the Liens on the Notes Priority Collateral securing any ABL Obligations;
- will share, equally and ratably with all obligations of that Guarantor under any other Parity Lien Obligations, in the benefits of the Liens held by the collateral trustee on the ABL Priority Collateral from time to time owned by that Guarantor, which Liens will be junior to all Permitted Prior Liens on the ABL Priority Collateral, including Liens securing the ABL Obligations, and, consequently, the Note Guarantees will be effectively junior to all ABL Obligations to the extent of the value of the ABL Priority Collateral of that Guarantor;
- will be *pari passu* in right of payment with all existing and future Indebtedness of that Guarantor that is not subordinated; and
- will be senior in right of payment to any future subordinated Indebtedness of that Guarantor.

The existing notes are, and the exchange notes will be, guaranteed by each of the Issuer s existing Domestic Subsidiaries, in each case other than Immaterial Subsidiaries. In the event of a bankruptcy, liquidation or reorganization of any of the non-Guarantor Subsidiaries, the non-Guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Issuer. As of and for the three months ended March 31, 2014, the Issuer s non-Guarantor subsidiaries had substantially no assets, liabilities or revenue. See Risk Factors Risks Related to the Exchange Notes Your right to receive payment on the exchange notes will be structurally subordinated to the liabilities of our non-guarantor subsidiaries.

As of the date hereof, all of our Subsidiaries will be Restricted Subsidiaries. However, under the circumstances described below under the caption Certain Covenants Designation of Restricted and Unrestricted Subsidiaries, we will be permitted to designate certain of our Subsidiaries as Unrestricted Subsidiaries. Our Unrestricted Subsidiaries will not be subject to many of the restrictive covenants in the indenture. Our Unrestricted Subsidiaries will not guarantee the Notes.

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Principal, Maturity and Interest

The Issuer issued $225.0 million in aggregate principal amount of Notes in the initial offering. On August 30, 2013, the Issuer issued $100.0 million in aggregate principal amount of additional Notes. The Issuer may issue additional Notes under the indenture from time to time. Any issuance of additional Notes is subject to all of the covenants in the indenture, including the covenant described below under the caption Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock and Certain Covenants Liens. The Notes and any additional Notes subsequently issued under the indenture will be treated as a single class for all purposes under the indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; *provided*, *however*, that unless such additional Notes are issued under a separate CUSIP, either such additional Notes are part of the same issue within the meaning of U.S. Treasury Regulation Section 1.1275-1(f) or neither the Notes nor such additional Notes are issued with more than a de minimus amount of original issue discount for U.S. federal income tax purposes. The Issuer will issue Notes in denominations of $2,000 and integral multiples of $1,000 in excess of $2,000. The Notes will mature on July 1, 2018.

Interest on the Notes will accrue at the rate of 12.125% per annum and will be payable semi-annually in arrears on January 1 and July 1, commencing on January 1, 2014 for the outstanding notes and July 1, 2014 for the exchange notes. Interest on overdue principal and interest and Additional Interest, if any, will accrue at a rate that is 1.0% higher than the then applicable interest rate on the Notes. The Issuer will make each interest payment to the holders of record on the immediately preceding December 15 and June 15.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

If a holder of the Notes has given wire transfer instructions to the Issuer, the Issuer will pay all principal of, premium on, if any, interest and Additional Interest, if any, on, that holder s Notes in accordance with those instructions. All other payments on the Notes will be made at the office or agency of the paying agent and registrar unless the Issuer elects to make interest payments by check mailed to the holders of the Notes at their address set forth in the register of holders.

Paying Agent and Registrar for the Notes

The trustee currently acts as paying agent and registrar. The Issuer may change the paying agent or registrar without prior notice to the holders of the Notes, and the Issuer or any of its Subsidiaries may act as paying agent or registrar.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the provisions of the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all transfer taxes due on transfer. The Issuer will not be required to transfer or exchange any Note selected for redemption. Also, the Issuer will not be required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

Note Guarantees

As of the date hereof, the Notes are guaranteed by Multiband Corporation, a wholly owned subsidiary of the Issuer, and each of Multiband Corporation s subsidiaries. The Notes will be guaranteed by each of the Issuer s future Domestic Subsidiaries, other than Immaterial Subsidiaries. These Note Guarantees will be joint and several obligations of the Guarantors. The obligations of each Guarantor under its Note Guarantee will be limited as necessary to prevent that Note Guarantee from constituting a fraudulent conveyance under applicable law. See Risk Factors Risks Related to our Indebtedness and the Exchange Notes Federal and state fraudulent transfer

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laws may permit a court to void the Notes and the related guarantees, subordinate claims in respect of the Notes and the related guarantees and require holders of the Notes to return payments received and, if that occurs, you may not receive any payments on the Notes.

A Guarantor may not sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Issuer or another Guarantor, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists; and

(2) either:

(a)(i) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (the ***Successor Guarantor***) unconditionally assumes all the obligations of that Guarantor under its Note Guarantee, the indenture, the registration rights agreement and the Parity Lien Security Documents pursuant to a supplemental indenture and appropriate Parity Lien Security Documents satisfactory to the trustee; (ii) the Successor Guarantor causes such amendments, supplements or other instruments to be executed, delivered, filed and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Liens under the applicable Parity Lien Security Documents on the Collateral owned by or transferred to the Successor Guarantor, together with such financing statements as may be required to perfect any security interests in such Collateral which may be perfected by the filing of a financing statement under the Uniform Commercial Code of the relevant jurisdiction; (iii) the Collateral owned by or transferred to the Successor Guarantor shall: (A) continue to constitute Collateral under the indenture and the applicable Parity Lien Security Documents, (B) be subject to Liens in favor of the collateral trustee for the benefit of the holders of the Notes and any other Parity Lien Obligations and (C) not be subject to any Lien other than Permitted Liens; and (iv) the property and assets of the Person which is merged or consolidated with or into the Successor Guarantor, to the extent that they are property or assets of the types which would constitute Collateral under the applicable Parity Lien Security Documents, shall be treated as after-acquired property and the Successor Guarantor shall take such action as may be reasonably necessary to cause such property and assets to be made subject to the Lien of the applicable Parity Lien Security Documents in the manner and to the extent required in the indenture and the Parity Lien Security Documents; or

(b) the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the indenture.

The Note Guarantee of a Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of such Guarantor, by way of merger, consolidation or otherwise, to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the ***Asset Sale*** provisions of the indenture;

(2) in connection with any sale or other disposition of Capital Stock of such Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the Asset Sale provisions of the indenture and such Guarantor ceases to be a Restricted Subsidiary of the Issuer as a result of the sale or other disposition;

(3) if the Issuer designates any Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the indenture;

(4) upon legal defeasance, covenant defeasance or satisfaction and discharge of the indenture as provided below under the captions Legal Defeasance and Covenant Defeasance and Satisfaction and Discharge; or

(5) upon the dissolution of a Guarantor if its assets are distributed to Issuer or another Guarantor.

See Repurchase at the Option of Holders Asset Sales.

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Security

The obligations of Issuer with respect to the Notes, the obligations of the Guarantors under the guarantees, all other Parity Lien Obligations and the performance of all other obligations of Issuer under the Note Documents are secured equally and ratably by first-priority Liens in the Notes Priority Collateral and second-priority Liens in the ABL Priority Collateral granted to the collateral trustee for the benefit of the holders of the Parity Lien Obligations. These Liens on the ABL Priority Collateral are junior in priority to the Liens securing ABL Obligations and to all other Permitted Prior Liens and these Liens on the Notes Priority Collateral are senior in priority to the Liens securing ABL Obligations and junior in priority only to Permitted Prior Liens. The Liens on the ABL Priority Collateral securing ABL Obligations are held by the ABL Agent. The Collateral comprises substantially all of the assets of Issuer and the Guarantors, other than the Excluded Assets.

Collateral

The Notes Priority Collateral comprises substantially all of the tangible and intangible assets of the Issuer and the Guarantors, other than the ABL Priority Collateral and Excluded Assets.

The ABL Priority Collateral, as more specifically described elsewhere in this description, comprises all of the accounts receivable, inventory, securities accounts and deposit accounts of the Issuer and the Guarantors, and certain personal property of the Issuer and the Guarantors related to the foregoing, in each case other than the Excluded Assets.

ABL Obligations

As of March 31, 2014, the Issuer had $3.4 million of borrowings outstanding under the ABL Agreement and approximately $4.5 million of undrawn standby letters of credit issued thereunder. As of March 31, 2014, the Issuer had approximately $42.1 million available for borrowing under the ABL Agreement. The indenture provides that the Issuer and the Guarantors may incur additional ABL Principal Debt, in an amount not to exceed the greater of (x) $50.0 million and (y) 15.0% of Consolidated Tangible Assets. Any additional ABL Obligations would be secured by Liens on the ABL Priority Collateral that would be effectively senior to the Liens on the ABL Priority Collateral securing the Notes and other Parity Lien Obligations. Additional ABL Obligations will only be permitted if such Indebtedness and the related Liens are permitted to be incurred under the covenants described below under the captions Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock and Certain Covenants Liens.

Additional Parity Lien Obligations

The indenture and the Parity Lien Security Documents provide that the Issuer may incur additional Parity Lien Principal Debt, in an amount not to exceed the Parity Lien Principal Debt Cap, by issuing additional Notes under the indenture or under one or more additional indentures, incurring additional Indebtedness under Credit Facilities (other than the ABL Agreement) or otherwise issuing or increasing a new Series of Secured Debt secured by Parity Liens on the Notes Priority Collateral and Junior Liens on the ABL Priority Collateral. All additional Parity Lien Obligations will be *pari passu* in right of payment with the Notes, will be guaranteed on a *pari passu* basis by each Guarantor and will be secured equally and ratably with the Notes by Liens on the Collateral held by the collateral trustee for as long as the Notes and the Note Guarantees are secured by the Collateral, subject to the covenants contained in the indenture. The collateral trustee under the collateral trust agreement will hold all Parity Liens in trust for the benefit of the holders of the Notes, any future Parity Lien Obligations and all other Parity Lien Obligations. Additional Parity Lien Obligations will only be permitted to be secured by the Collateral if such Indebtedness and the related Liens are permitted to be incurred under the covenants described below under the captions Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock and Certain Covenants Liens.

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The Intercreditor Agreement

On the date of the indenture, Issuer entered into an intercreditor agreement with the ABL Agent and the collateral trustee which was amended on May 22, 2013. The intercreditor agreement sets forth the terms of the relationship between the holders of ABL Liens and the holders of Parity Liens with respect to the Collateral.

The intercreditor agreement permits the ABL Obligations and the Parity Lien Obligations to be refunded, refinanced or replaced by certain permitted replacement facilities without affecting the lien priorities set forth in the intercreditor agreement, in each case without the consent of any holder of ABL Obligations or Parity Lien Obligations (including holders of the Notes).

Lien Subordination

The intercreditor agreement provides that notwithstanding the date, manner or order of grant, attachment or perfection of any Junior Lien in respect of any Collateral or of any Senior Lien in respect of any Collateral and notwithstanding any provision of the Uniform Commercial Code, any applicable law, any Security Document, any alleged or actual defect or deficiency in any of the foregoing or any other circumstance whatsoever, the Junior Representative, on behalf of each Junior Secured Party, in respect of such Collateral will agree that:

(1) any Senior Lien in respect of such Collateral, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be and shall remain senior and prior to any Junior Lien in respect of such Collateral (whether or not such Senior Lien is subordinated to any Lien securing any other obligation); and

(2) any Junior Lien in respect of such Collateral, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to any Senior Lien in respect of such Collateral.

Enforcement Rights

The intercreditor agreement provides that until the Senior Obligations Payment Date has occurred, whether or not an Insolvency Proceeding has been commenced by or against Issuer or any Guarantor, the Senior Secured Parties will have the exclusive right to take and continue any Enforcement Action (including the right to credit bid their debt) with respect to the Senior Collateral, without any consultation with or consent of any Junior Secured Party, provided that the Junior Representative may (i) file a proof of claim in an Insolvency Proceeding, and (ii) file any necessary responsive or defensive pleadings in opposition of any motion or other pleadings made by any Person objecting to or otherwise seeking the disallowance of any Person objecting to or otherwise seeking the disallowance of the claims of the Junior Secured Parties on the Senior Collateral, subject to the limitations contained in the intercreditor agreement and only if consistent with the terms and the limitations on the Junior Representative imposed thereby. Upon the occurrence and during the continuance of a default or an event of default under the Senior Documents, the Senior Representative and the other Senior Secured Parties will be permitted to take and continue any Enforcement Action with respect to the Senior Obligations and the Senior Collateral in such order and manner as they may determine in their sole discretion in accordance with the terms and conditions of the Senior Documents, subject to compliance with the provisions set forth below under the caption Cooperation; Sharing of Information and Access.

The intercreditor agreement provides further that each Junior Representative, on behalf of itself and the other Junior Secured Parties, agrees that, until the Senior Obligations Payment Date has occurred, but subject to the immediately succeeding sentence:

(1) they will not take or cause to be taken any action, the purpose or effect of which is to make any Lien on any Senior Collateral that secures any Junior Obligation *pari passu* with or senior to, or to give any Junior Secured Party any preference or priority relative to, the Liens on the Senior Collateral securing the Senior Obligations;

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(2) they will not contest, oppose, object to, interfere with, hinder or delay, in any manner, whether by judicial proceedings (including without limitation the filing of an Insolvency Proceeding) or otherwise, any foreclosure, sale, lease, exchange, transfer or other disposition of the Senior Collateral by any Senior Secured Party or any other Enforcement Action taken (or any forbearance from taking any Enforcement Action) in respect of the Senior Collateral by or on behalf of any Senior Secured Party;

(3) they have no right to (x) direct either the Senior Representative or any other Senior Secured Party to exercise any right, remedy or power with respect to the Senior Collateral or pursuant to the Senior Security Documents in respect of the Senior Collateral or (y) consent or object to the exercise by the Senior Representative or any other Senior Secured Party of any right, remedy or power with respect to the Senior Collateral or pursuant to the Senior Security Documents with respect to the Senior Collateral or to the timing or manner in which any such right is exercised or not exercised (or, to the extent they would have any such right described in this clause (3), whether as a junior lien creditor in respect of the Senior Collateral or otherwise, they will irrevocably waive such right);

(4) they will not institute any suit or other proceeding or assert in any suit, Insolvency Proceeding or other proceeding any claim against any Senior Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise, with respect to, and no Senior Secured Party will be liable for, any action taken or omitted to be taken by any Senior Secured Party with respect to the Senior Collateral or pursuant to the Senior Documents in respect of the Senior Collateral;

(5) they will not commence judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of any Senior Collateral, exercise any right, remedy or power with respect to, or otherwise take any action to enforce their interest in or realize upon, the Senior Collateral; and

(6) they will not seek, and will waive any right, to have the Senior Collateral or any part thereof marshaled upon any foreclosure or other disposition of the Senior Collateral.

Notwithstanding the foregoing, any Junior Representative will be permitted to, (i) take all such actions as it shall deem necessary to (A) perfect or continue the perfection of its Junior Liens or (B) create or preserve (but not enforce) the Junior Liens on any Collateral, and (ii) subject at all times to the provisions set forth under the caption Application of Proceeds below, enforce or exercise any or all such rights and remedies as to any Junior Collateral commencing one hundred eighty (180) days after the date of the receipt by the Senior Representative of written notice from the Junior Representative of the declaration by the Junior Secured Parties of an event of default under the applicable Junior Documents in accordance with the terms of such Junior Documents that is continuing and the written demand by the Junior Secured Parties of the immediate payment in full of all of the applicable Junior Obligations (such 180-day period being referred to herein as the ***Junior Standstill Period***), *provided* that

(1) in the event that at any time after the Junior Representative has sent a notice to the Senior Representative to commence the Junior Standstill Period, the event of default that was the basis for such notice is cured or waived or otherwise ceases to exist and no other events of default under the applicable Junior Documents have occurred and are then continuing, then the notice shall automatically and without further action of the parties be deemed rescinded and no Junior Standstill Period shall be deemed to have been commenced;

(2) the Junior Standstill Period shall be tolled for any period during which the Senior Representative is stayed from exercising rights or remedies pursuant to an Insolvency Proceeding or court order, so long as the Senior Representative has used its commercially reasonable efforts to have such stay lifted;

(3) prior to taking any action to enforce or exercise any or all such rights and remedies after the end of the Junior Standstill Period, the Junior Representative shall give the Senior Representative not more than ten (10) Business Days and not less than five (5) Business Days prior written notice of the intention of Junior Representative to exercise its rights and remedies, including specifying the rights and remedies that it intends to exercise, which notice may be sent prior to the end of the Junior Standstill Period and in the event that Junior Representative shall not take any action to enforce or exercise any or all of such rights within

ninety (90) days after the end of the Junior Standstill Period, then the notice to commence such Junior Standstill Period shall automatically and without further action of the parties be deemed rescinded and no Junior Standstill Period shall be deemed to have been commenced; and

(4) notwithstanding anything to the contrary set forth under this section, the Junior Representative and the other Junior Secured Parties may not exercise any rights and remedies against any specific item or items of Junior Collateral after the end of the Junior Standstill Period, if and for so long as the Senior Representative or any other Senior Secured Party is diligently pursuing in good faith the exercise of its enforcement rights or remedies against the Issuer and Guarantors and/or all or any material portion of the Senior Collateral.

Prohibition on Contesting Liens

The intercreditor agreement provides that, in respect of any Collateral, the Junior Representative, on behalf of each Junior Secured Party, in respect of such Collateral will agree that it will not, and will waive any right to:

(a) contest, or support any other Person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity or enforceability of any Senior Lien on such Collateral; or

(b) demand, request, plead or otherwise assert or claim the benefit of any marshalling, appraisal, valuation or similar right which it may have in respect of such Collateral or the Senior Liens on such Collateral, except to the extent that such rights are expressly granted in the intercreditor agreement.

Cooperation; Sharing of Information and Access

The intercreditor agreement provides that the collateral trustee, on behalf of itself and the other Parity Lien Secured Parties, agreed that each of them shall take such actions as the ABL Agent shall request in connection with the exercise by the ABL Secured Parties of their rights set forth therein in respect of the ABL Priority Collateral. The intercreditor agreement provides that the ABL Agent, on behalf of itself and the other ABL Secured Parties, agreed that each of them shall take such actions as the collateral trustee shall request in connection with the exercise by the Parity Lien Secured Parties of their rights set forth therein in respect of the Notes Priority Collateral.

The intercreditor agreement provides that, in the event that the ABL Agent shall, in the exercise of its rights under the ABL Security Documents or otherwise, receive possession or control of any books and Records of Issuer or any Guarantor which contain information identifying or pertaining to any of the Notes Priority Collateral, the ABL Agent shall promptly notify the collateral trustee of such fact and, upon request from the collateral trustee and as promptly as practicable thereafter, either make available to the collateral trustee such books and Records for inspection and duplication or provide to the collateral trustee copies thereof. The intercreditor agreement provides that, in the event that the collateral trustee shall, in the exercise of its rights under the Parity Lien Security Documents or otherwise, receive possession or control of any books and Records of Issuer or any Guarantor which contain information identifying or pertaining to any of the ABL Priority Collateral, the collateral trustee shall promptly notify the ABL Agent of such fact and, upon request from the ABL Agent and as promptly as practicable thereafter, either make available to the ABL Agent such books and Records for inspection and duplication or provide the ABL Agent copies thereof. The collateral trustee has irrevocably granted the ABL Agent a non-exclusive worldwide license or right to use, to the maximum extent permitted by applicable law and to the extent of the collateral trustee s interest therein, exercisable without payment of royalty or other compensation, to use any of the intellectual property now or thereafter owned by, licensed to, or otherwise used by the Issuer or Guarantors in order for ABL Agent and ABL Secured Parties to purchase, use, market, repossess, possess, store, assemble, manufacture, process, sell, transfer, distribute or otherwise dispose of any asset included in the ABL Priority Collateral in connection with the liquidation, disposition or realization upon the ABL Priority Collateral in accordance with the terms and conditions of the ABL Security Documents and the other ABL Documents. The collateral trustee agreed that, until the ABL Obligations Payment Date, any sale, transfer or other disposition of any of the Issuer s or Guarantors intellectual property (whether by foreclosure or otherwise) will be subject to the ABL Agent s rights as set forth in this paragraph.

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The intercreditor agreement provides that, if the collateral trustee, or any agent or representative of the collateral trustee, or any receiver, shall, after the commencement of any Enforcement Action, obtain possession or physical control of any of the Notes Priority Collateral, the collateral trustee shall promptly notify the ABL Agent in writing of that fact, and the ABL Agent shall, within thirty (30) Business Days thereafter, notify the collateral trustee in writing as to whether the ABL Agent desires to exercise access rights under the intercreditor agreement. In addition, if the ABL Agent, or any agent or representative of the ABL Agent, or any receiver, shall obtain possession or physical control of any of the Notes Priority Collateral in connection with an Enforcement Action, then the ABL Agent shall promptly notify the collateral trustee that the ABL Agent is exercising its access rights under the intercreditor agreement and its rights under this paragraph under either circumstance. The intercreditor agreement provides that, upon delivery of such notice by the ABL Agent to the collateral trustee, the parties will confer in good faith to coordinate with respect to the ABL Agent s exercise of such access rights, with such access rights to apply to any parcel or item of Notes Priority Collateral access to which is reasonably necessary to enable the ABL Agent during normal business hours: (i) to convert ABL Priority Collateral consisting of raw materials and work-in-process into saleable finished goods; (ii) to complete any service or project required for the practical realization of the benefits of the ABL Priority Collateral; (iii) to transport such ABL Priority Collateral to a point where such conversion can occur; (iv) to otherwise prepare ABL Priority Collateral for sale; and/or (v) to arrange or effect the sale of ABL Priority Collateral, all in accordance with the manner in which such matters are completed in the ordinary course of business.

Application of Proceeds

Pursuant to the intercreditor agreement, the Senior Representative and Junior Representative agreed that all Senior Collateral, and all proceeds thereof, received by either of them in connection with the collection, sale or disposition of Senior Collateral in an Enforcement Action shall be applied:

FIRST, to the payment of costs and expenses (including reasonable attorneys fees and expenses and court costs) of the Senior Representative in connection with such Enforcement Action;

SECOND, to the payment of the Senior Obligations in accordance with the Senior Documents until the Senior Obligations Payment Date;

THIRD, to the payment of the Junior Obligations in accordance with the Junior Documents until the Junior Obligations Payment Date; and

FOURTH, the balance, if any, to the Issuer and Guarantors or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

The intercreditor agreement provides that, in exercising remedies, whether as a secured creditor or otherwise, the Senior Representative will have no obligation or liability to the Junior Representative or to any Junior Secured Party, regarding the adequacy of any proceeds or for any action or omission, save and except solely for an action or omission that breaches the express obligations undertaken by each party under the terms thereof.

The intercreditor agreement also provides that, until the occurrence of the Senior Obligations Payment Date, any Senior Collateral that may be received by any Junior Secured Party in violation of the intercreditor agreement shall be segregated and held in trust and promptly paid over to the Senior Representative, for the benefit of the Senior Secured Parties, in the same form as received, with any necessary endorsements, and each Junior Secured Party will authorize the Senior Representative to make any such endorsements as agent for the Junior Representative (which authorization, being coupled with an interest, will be irrevocable).

Release of Liens

The intercreditor agreement provides that, upon any release, sale or disposition of Senior Collateral permitted pursuant to the terms of the Senior Documents that results in the release of the Senior Lien on any Senior Collateral (including without limitation any sale or other disposition pursuant to any Enforcement Action) (other than release of the Senior Lien due to the occurrence of the Senior Obligations Payment Date), the Junior Lien on such Senior Collateral (excluding any portion of the proceeds of such Senior Collateral remaining after the Senior Obligations Payment Date occurs) shall be automatically and unconditionally released with no further consent or action of any Person. The intercreditor agreement provides that the Junior Representative shall promptly execute and deliver such release documents and instruments and shall take such further actions as the Senior Representative shall request to evidence any release of the Junior Lien described in this paragraph. The Junior Representative will appoint the Senior Representative and any officer or duly authorized natural person of the Senior Representative, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney in the place and stead of the Junior Representative and in the name of the Junior Representative or in the Senior Representative s own name, from time to time, in the Senior Representative s sole discretion, for the purposes of carrying out the terms of this paragraph, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this paragraph, including, without limitation, any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

Insolvency Proceedings

The intercreditor agreement provides that, until the Senior Obligations Payment Date has occurred, the Junior Representative will agree on behalf of itself and the other Junior Secured Parties that no Junior Secured Party will, in or in connection with any Insolvency Proceeding, file any pleadings or motions, take any position at any hearing or proceeding of any nature, or otherwise take any action whatsoever, in each case in respect of any of the Senior Collateral, including, without limitation, with respect to the determination of any Liens or claims held by the Senior Representative (including the validity and enforceability thereof) or any other Senior Secured Party in respect of any Senior Collateral or the value of any claims of such parties under Section 506(a) of the Bankruptcy Code or otherwise; *provided* that the Junior Representative may (i) file a proof of claim in an Insolvency Proceeding, and (ii) file any necessary responsive or defensive pleadings in opposition of any motion or other pleadings made by any Person objecting to or otherwise seeking the disallowance of any Person objecting to or otherwise seeking the disallowance of the claims of the Junior Secured Parties on the Senior Collateral, subject to the limitations contained in the intercreditor agreement and only if consistent with the terms and the limitations on the Junior Representative imposed thereby.

If Issuer or any Guarantor becomes subject to any Insolvency Proceeding in the United States at any time prior to the ABL Obligations Payment Date, and if the ABL Agent or the other ABL Secured Parties desire to consent (or not object) to the use of cash collateral under the Bankruptcy Code or to provide financing to Issuer or any Guarantor under the Bankruptcy Code or to consent (or not object) to the provision of such financing to Issuer or any Guarantor by any third party (any such financing, ***ABL DIP Financing***), then the collateral trustee will agree, on behalf of itself and the other Parity Lien Secured Parties, that each Parity Lien Secured Party (a) will be deemed to have consented to, will raise no objection to, nor support any other Person objecting to, the use of such cash collateral or to such ABL DIP Financing on the grounds of a failure to provide adequate protection for the collateral trustee s Lien on the Parity Lien Collateral to secure the Parity Lien Obligations or on any other grounds (and will not request any adequate protection solely as a result of such ABL DIP Financing) and (b) will subordinate (and will be deemed thereunder to have subordinated) the Parity Liens on any ABL Priority Collateral (i) to such ABL DIP Financing on the same terms as the ABL Liens are subordinated thereto (and such subordination will not alter in any manner the terms of the intercreditor agreement), (ii) to any adequate protection provided to the ABL Secured Parties and (iii) to any carve-out agreed to by the ABL Agent or the other ABL Secured Parties, so long as (x) the collateral trustee retains its Lien on the Parity Lien Collateral to secure the Parity Lien Obligations (in each case, including proceeds thereof arising after the commencement of the case under the Bankruptcy Code) and, as to the Notes Priority Collateral only, such Lien has the same priority as existed prior to the commencement of the case under the Bankruptcy Code and any Lien securing such ABL DIP Financing is junior and subordinate to the Lien of the collateral trustee on the Notes Priority Collateral, (y) all Liens on ABL Priority Collateral securing any such ABL DIP Financing shall be senior to or on a parity with the Liens of the ABL Agent and the other ABL Secured Parties securing the ABL Obligations on

ABL Priority Collateral and (z) if the ABL Agent receives a replacement or adequate protection Lien on post-petition assets of the debtor to secure the ABL Obligations, and such replacement or adequate protection Lien is on any of the Notes Priority Collateral, (1) such replacement or adequate protection Lien on such post-petition assets which are part of the Notes Priority Collateral (the ***Parity Lien Post-Petition Assets***) is junior and subordinate to the Lien in favor of the collateral trustee on the Notes Priority Collateral and (2) the collateral trustee also receives a replacement or adequate protection Lien on such Parity Lien Post-Petition Assets of the debtor to secure the Parity Lien Obligations. In no event will any of the ABL Secured Parties seek to obtain a priming Lien on any of the Notes Priority Collateral and nothing contained therein shall be deemed to be a consent by Parity Lien Secured Parties to any adequate protection payments using Notes Priority Collateral.

If Issuer or any Guarantor becomes subject to any Insolvency Proceeding in the United States at any time prior to the Parity Lien Obligations Payment Date, and if the collateral trustee or the other Parity Lien Secured Parties desire to consent (or not object) or to provide financing to Issuer or any Guarantor under the Bankruptcy Code or to consent (or not object) to the provision of such financing to Issuer or any Guarantor by any third party (any such financing, ***Parity Lien DIP Financing***), then the ABL Agent agrees, on behalf of itself and the other ABL Secured Parties, that each ABL Secured Party (a) will be deemed to have consented to, will raise no objection to, nor support any other Person objecting to such Parity Lien DIP Financing on the grounds of a failure to provide adequate protection for the ABL Agent s Lien on the ABL Collateral to secure the ABL Obligations or on any other grounds (and will not request any adequate protection solely as a result of such Parity Lien DIP Financing) and (b) will subordinate (and will be deemed hereunder to have subordinated) the ABL Liens on any Notes Priority Collateral (i) to such Parity Lien DIP Financing on the same terms as the Parity Liens are subordinated thereto (and such subordination will not alter in any manner the terms of the intercreditor agreement), (ii) to any adequate protection provided to the Parity Lien Secured Parties and (iii) to any carve-out agreed to by the collateral trustee or the other Parity Lien Secured Parties, so long as (x) the ABL Agent retains its Lien on the ABL Collateral to secure the ABL Obligations (in each case, including proceeds thereof arising after the commencement of the case under the Bankruptcy Code) and, as to the ABL Priority Collateral only, such Lien has the same priority as existed prior to the commencement of the case under the Bankruptcy Code and any Lien securing such Parity Lien DIP Financing is junior and subordinate to the Lien of the ABL Agent on the ABL Priority Collateral, (y) all Liens on Notes Priority Collateral securing any such Parity Lien DIP Financing shall be senior to or on a parity with the Liens of the collateral trustee and the other Parity Lien Secured Parties securing the Parity Lien Obligations on Notes Priority Collateral and (z) if the collateral trustee receives a replacement or adequate protection Lien on post-petition assets of the debtor to secure the Parity Lien Obligations, and such replacement or adequate protection Lien is on any of the ABL Priority Collateral, (1) such replacement or adequate protection Lien on such post-petition assets which are part of the ABL Priority Collateral (the ***ABL Post-Petition Assets***) is junior and subordinate to the Lien in favor of the ABL Agent on the ABL Priority Collateral and (2) the ABL Agent also receives a replacement or adequate protection Lien on such ABL Post-Petition Assets of the debtor to secure the ABL Obligations. In no event will any of the Parity Lien Secured Parties seek to obtain a priming Lien on any of the ABL Priority Collateral and nothing contained therein shall be deemed to be a consent by the ABL Secured Parties to any adequate protection payments using ABL Priority Collateral.

The intercreditor agreement provides that, until the ABL Obligations Payment Date, the collateral trustee will agree, on behalf of itself and the other Parity Lien Secured Parties, that none of them will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any ABL Priority Collateral, without the prior written consent of the ABL Agent. Until the Parity Lien Obligations Payment Date, the ABL Agent will agree, on behalf of itself and the other ABL Secured Parties, that none of them will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any Notes Priority Collateral, without the prior written consent of the collateral trustee. In addition, neither the collateral trustee nor the ABL Agent will seek any relief from the automatic stay with respect to any Collateral without providing 30 days prior written notice to the other, unless otherwise agreed in writing by both the ABL Agent and the collateral trustee.

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The intercreditor agreement provides that the Junior Representative, on behalf of itself and the Junior Secured Parties, will agree that, prior to the Senior Obligations Payment Date, none of them will contest (or support any other Person contesting) (a) any request by the Senior Representative or any Senior Secured Party for adequate protection of its interest in the Senior Collateral (unless in certain circumstances in contravention of the intercreditor agreement), or (b) any objection by the Senior Representative or any Senior Secured Party to any motion, relief, action, or proceeding based on a claim by the Senior Representative or any Senior Secured Party that its interests in the Senior Collateral (unless in certain circumstances in contravention of the intercreditor agreement) are not adequately protected (or any other similar request under any law applicable to an Insolvency Proceeding), so long as any Liens granted to the Senior Representative as adequate protection of its interests are subject to the intercreditor agreement.

The intercreditor agreement provides that:

(1) if any Senior Secured Party is required in any Insolvency Proceeding or otherwise to disgorge, turn over or otherwise pay to the estate of Issuer or any Guarantor, because such amount was avoided or ordered to be paid or disgorged for any reason, including without limitation because it was found to be a fraudulent or preferential transfer, any amount (a ***Recovery***), whether received as proceeds of security, enforcement of any right of set-off or otherwise, then the Senior Obligations shall be reinstated to the extent of such Recovery and deemed to be outstanding as if such payment had not occurred and the Senior Obligations Payment Date shall be deemed not to have occurred;

(2) neither the Junior Representative nor any other Junior Secured Party will, in an Insolvency Proceeding or otherwise, oppose any sale or disposition of any Senior Collateral that is supported by the Senior Secured Parties, and the Junior Representative and each other Junior Secured Party will be deemed to have consented under Section 363 of the Bankruptcy Code (and otherwise) to any sale of any Senior Collateral supported by the Senior Secured Parties and to have released their Liens on such assets;

(3) to the extent that the Senior Representative or any Senior Secured Party has or acquires rights under Section 363 or Section 364 of the Bankruptcy Code with respect to any of the Junior Collateral, the Senior Representative will agree, on behalf of itself and the other Senior Secured Parties, not to assert any of such rights without the prior written consent of the Junior Representative; *provided* that if requested by the Junior Representative, the Senior Representative will timely exercise such rights in the manner requested by the Junior Representative, including any rights to payments in respect of such rights; and

(4) the parties thereto will agree that the intercreditor agreement is a subordination agreement under section 510(a) of the Bankruptcy Code, and will be effective before, during and after the commencement of an Insolvency Proceeding.

Amendments, Waivers, Consents

The intercreditor agreement provides that, in the event the Senior Representative enters into any amendment, waiver or consent in respect of any of the Senior Security Documents for the purpose of adding to, or deleting from, or waiving or consenting to any departures from any provisions of, any Senior Security Document or changing in any manner the rights of any parties thereunder, in each case solely with respect to any Senior Collateral, then such amendment, waiver or consent shall apply automatically to any comparable provision of the comparable Security Document without the consent of or action by any Junior Secured Party (with all such amendments, waivers and modifications subject to the terms hereof); provided that, (i) no such amendment, waiver or consent shall have the effect of removing assets subject to the Lien of any Junior Security Document, except to the extent that a release of such Lien is permitted as described under the caption Release of Liens above, (ii) any such amendment, waiver or consent that adversely affects the rights of the Junior Secured Parties and does not affect the Senior Secured Parties in a like or similar manner will not apply to the Junior Security Documents without the consent of the Junior Representative, (iii) no such amendment, waiver or consent with respect to any provision applicable to the Junior Representative under the Junior Documents shall be made

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without the prior written consent of the Junior Representative and (iv) notice of such amendment, waiver or consent shall be given to the Junior Representative no later than 30 days after its effectiveness, provided that the failure to give such notice will not affect the effectiveness and validity thereof.

The Collateral Trust Agreement

On the date of the indenture, Issuer and the Guarantors entered into a collateral trust agreement with the collateral trustee and each other Parity Lien Debt Representative. The collateral trust agreement sets forth the terms on which the collateral trustee will receive, hold, administer, maintain, enforce and distribute the proceeds of all Liens upon any property of Issuer or any Guarantor at any time held by it, in trust for the benefit of the current and future holders of Parity Lien Obligations and will be subject to the terms of the Intercreditor Agreement.

Collateral Trustee

U.S. Bank National Association has been appointed pursuant to the collateral trust agreement to serve as the collateral trustee for the benefit of the holders of:

- the Notes; and

- all other Parity Lien Obligations outstanding from time to time.

The collateral trust agreement provides that the collateral trustee may not be the same institution serving as a Parity Lien Debt Representative.

The collateral trustee holds (directly or through co-trustees or agents), and is entitled to enforce, all Liens on the Collateral created by the Parity Lien Security Documents, subject to the terms of the intercreditor agreement with respect to ABL Priority Collateral.

Except as provided in the intercreditor agreement, the collateral trust agreement or as directed by an Act of Required Parity Lien Debtholders in accordance with the collateral trust agreement, the collateral trustee is not obligated:

(1) to act upon directions purported to be delivered to it by any Person;

(2) to foreclose upon or otherwise enforce any Lien; or

(3) to take any other action whatsoever with regard to any or all of the Parity Lien Security Documents, the Liens created thereby or the Collateral.

Issuer will deliver to each Parity Lien Debt Representative copies of all Parity Lien Security Documents delivered to the collateral trustee.

Enforcement of Liens

If the collateral trustee at any time receives written notice that any event has occurred that constitutes a default under any Parity Lien Document entitling the collateral trustee to foreclose upon, collect or otherwise enforce its Liens under the Parity Lien Security Documents, it will promptly deliver written notice thereof to each Parity Lien Debt Representative. Thereafter, the collateral trustee may await direction by an Act of Required Parity Lien Debtholders and will act, or decline to act, as directed by an Act of Required Parity Lien Debtholders, in the exercise and enforcement of the collateral trustee s interests, rights, powers and remedies in respect of the Collateral or under the Parity Lien Security Documents or applicable law and, following the initiation of such exercise of remedies, the collateral trustee will act, or decline to act, with respect to the manner of such exercise of remedies as directed by an Act of Required Parity Lien Debtholders, subject to the limitations set forth in the intercreditor agreement with respect to the rights of the collateral trustee in the ABL Priority Collateral. Unless it

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has been directed to the contrary by an Act of Required Parity Lien Debtholders, the collateral trustee in any event may (but will not be obligated to) take or refrain from taking such action with respect to any default under any Parity Lien Document as it may deem advisable and in the best interest of the holders of Parity Lien Obligations, subject in all cases to the limitations in the intercreditor agreement.

Until the Parity Lien Obligations Payment Date, whether or not any Insolvency Proceeding has been commenced by or against Issuer or any Guarantor, the holders of the Notes and the holders of other future Parity Lien Obligations will have, subject to the intercreditor agreement and the provisions described below under the caption Provisions of the Indenture Relating to Security Relative Rights, and subject to the rights of the holders of Permitted Prior Liens, the exclusive right to authorize and direct the collateral trustee with respect to the Collateral (including, without limitation, the exclusive right to authorize or direct the collateral trustee to enforce, collect or realize on any Collateral or exercise any other right or remedy with respect to the Collateral) and the provisions of the Parity Lien Security Documents relating thereto.

Order of Application

The collateral trust agreement provides that if any Collateral is sold or otherwise realized upon by the collateral trustee in connection with any foreclosure, collection or other enforcement of Liens granted to the collateral trustee in the Parity Lien Security Documents, the proceeds received by the collateral trustee from such foreclosure, collection or other enforcement and the proceeds of any title or other insurance policy received by the collateral trustee will be distributed by the collateral trustee, subject to the provisions of the intercreditor agreement, in the following order of application:

FIRST, to the payment of all amounts payable under the collateral trust agreement on account of the collateral trustee s fees and any reasonable legal fees, costs and expenses or other liabilities of any kind incurred by the collateral trustee or any co-trustee or agent of the collateral trustee in connection with any Parity Lien Security Document (including, but not limited to, indemnification obligations);

SECOND, to the repayment of Indebtedness and other Obligations, other than Parity Lien Obligations, secured by a Permitted Prior Lien on the Collateral sold or realized upon to the extent that such other Indebtedness or Obligation is intended to be discharged (in whole or in part) in connection with such sale;

THIRD, to the respective Parity Lien Debt Representatives equally and ratably for application to the payment of all outstanding Parity Lien Obligations that are then due and payable in such order as may be provided in the Parity Lien Documents in an amount sufficient to pay in full in cash all outstanding Parity Lien Obligations that are then due and payable (including, to the extent legally permitted, all interest accrued thereon after the commencement of any Insolvency Proceeding at the rate, including any applicable post-default rate, specified in the Parity Lien Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding, and including the discharge or cash collateralization (at the lower of (1) 105% of the aggregate undrawn amount and (2) the percentage of the aggregate undrawn amount required for release of Liens under the terms of the applicable Parity Lien Document) of all outstanding letters of credit, if any, constituting Parity Lien Obligations); and

FOURTH, any surplus remaining after the payment in full in cash of the amounts described in the preceding clauses will be paid to Issuer or the applicable Guarantor, as the case may be, its successors or assigns, or as a court of competent jurisdiction may direct.

The provisions set forth above under this caption Order of Application are intended for the benefit of, and will be enforceable as a third party beneficiary by, each present and future holder of Parity Lien Obligations, each present and future Parity Lien Debt Representative and the collateral trustee as holder of Parity Liens. The Parity Lien Debt Representative of each future Series of Parity Lien Debt will be required to deliver a Lien Sharing and Priority Confirmation to the collateral trustee and each other Parity Lien Debt Representative at the time of incurrence of such Series of Parity Lien Debt.

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Release of Liens on Collateral

The collateral trust agreement provides that the collateral trustee s Liens on the Collateral will be released:

(1) in whole, upon (a) payment in full and discharge of all Parity Lien Obligations that are outstanding, due and payable at the time all of the Parity Lien Obligations are paid in full and discharged and (b) termination or expiration of all commitments to extend credit under all Parity Lien Documents and the cancellation or termination or cash collateralization (at the lower of (1) 105% of the aggregate undrawn amount and (2) the percentage of the aggregate undrawn amount required for release of Liens under the terms of the applicable Parity Lien Documents) of all outstanding letters of credit issued pursuant to any Parity Lien Documents;

(2) as to any Collateral that is sold, transferred or otherwise disposed of by Issuer or any Guarantor to a Person that is not (either before or after such sale, transfer or disposition) Issuer or a Restricted Subsidiary of Issuer in a transaction or other circumstance that complies with the Asset Sale provisions of the indenture and is permitted by all of the other Parity Lien Documents, at the time of such sale, transfer or other disposition or to the extent of the interest sold, transferred or otherwise disposed of; *provided* that the collateral trustee s Liens upon the Collateral will not be released if the sale or disposition is subject to the covenant described below under the caption Certain Covenants Merger, Consolidation or Sale of Assets;

(3) as to a release of less than all or substantially all of the Collateral, if consent to the release of all Parity Liens on such Collateral has been given by an Act of Required Parity Lien Debtholders;

(4) as to a release of all or substantially all of the Collateral, if (a) consent to the release of that Collateral has been given by the requisite percentage or number of holders of each Series of Parity Lien Debt at the time outstanding as provided for in the applicable Parity Lien Documents, and (b) Issuer has delivered an officers certificate to the collateral trustee certifying that all such necessary consents have been obtained; and

(5) if and to the extent required by the intercreditor agreement.

The Parity Lien Security Documents provide that the Liens securing the Parity Lien Obligations will extend to the proceeds of any sale of Collateral. As a result, the collateral trustee s Liens will apply to the proceeds of any such Collateral received in connection with any sale or other disposition of assets described in the preceding paragraph.

Release of Liens in Respect of Notes

The indenture and the collateral trust agreement provide that the collateral trustee s Parity Liens upon the Collateral will no longer secure the Notes outstanding under the indenture or any other Obligations under the indenture, and the right of the holders of the Notes and such Obligations to the benefits and proceeds of the collateral trustee s Parity Liens on the Collateral will terminate and be discharged:

(1) upon satisfaction and discharge of the indenture as set forth under the caption Satisfaction and Discharge;

(2) upon a Legal Defeasance or Covenant Defeasance of the Notes as set forth under the caption Legal Defeasance and Covenant Defeasance;

(3) upon payment in full and discharge of all Notes outstanding under the indenture and all Obligations that are outstanding, due and payable under the indenture at the time the Notes are paid in full and discharged; or

(4) in whole or in part, with the consent of the holders of the requisite percentage of Notes in accordance with the provisions described below under the caption Amendment, Supplement and Waiver.

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Release of Liens in Respect of any Series of Parity Lien Debt Other than the Notes.

The collateral trust agreement provides that, as to any Series of Parity Lien Debt, the collateral trustee s Parity Lien will no longer secure such Series of Parity Lien Debt if the requirements of the Parity Lien Obligations Payment Date are satisfied with respect to such Series of Parity Lien Debt and all Parity Lien Obligations related thereto.

The collateral trust agreement provides that, as to any Series of Parity Lien Debt other than the Notes, the collateral trustee s Parity Lien will no longer secure such Series of Parity Lien Debt if such Parity Lien Obligations have been repaid in full, all commitments to extend credit in respect of such Series of Parity Lien Debt have been terminated and all other Parity Lien Obligations related thereto that are outstanding and unpaid at the time such Series of Parity Lien Debt is paid are also paid in full.

Amendment of Security Documents

The collateral trust agreement provides that no amendment or supplement to the provisions of any Parity Lien Security Document will be effective without the approval of the collateral trustee acting as directed by an Act of Required Parity Lien Debtholders, except that:

(1) any amendment or supplement that has the effect solely of

(a) adding or maintaining Collateral, securing additional Parity Lien Obligations that were otherwise permitted by the terms of the Parity Lien Documents to be secured by the Collateral or preserving, perfecting or establishing the Liens thereon or the rights of the collateral trustee therein; or

(b) providing for the assumption of Issuer s or any Guarantor s obligations under any Parity Lien Document in the case of a merger or consolidation or sale of all or substantially all of the assets of Issuer or such Guarantor to the extent permitted by the terms of the indenture governing the Notes and the other Parity Lien Documents, as applicable;

will become effective when executed and delivered by Issuer or any other applicable grantor party thereto and the collateral trustee;

(2) no amendment or supplement that reduces, impairs or adversely affects the right of any holder of Parity Lien Obligations:

(a) to vote its outstanding Parity Lien Obligations as to any matter described as subject to an Act of Required Parity Lien Debtholders (or amends the provisions of this clause (2) or the definition of Act of Required Parity Lien Debtholders);

(b) to share in the order of application described above under Order of Application in the proceeds of enforcement of or realization on any Collateral; or

(c) to require that Liens securing Parity Lien Obligations be released only as set forth in the provisions described above under the caption Release of Liens on Collateral;

will become effective without the consent of the requisite percentage or number of holders of each Series of Parity Lien Debt so affected under the applicable Parity Lien Document;

(3) no amendment or supplement that imposes any obligation upon the collateral trustee or any Parity Lien Debt Representative or adversely affects the rights of the collateral trustee or any Parity Lien Debt Representative, respectively, in its individual capacity as such will

become effective without the consent of the collateral trustee or such Parity Lien Debt Representative, respectively; and

(4) any amendment or supplement that has the effect solely of curing any ambiguity, defect, mistake, omission or inconsistency or conforming the text of any Parity Lien Security Document to any provision of the indenture to the extent that such provision in the indenture was intended to be a verbatim recitation of any Parity Lien Security Document, which intent shall be evidenced by an Officer s Certificate of the Issuer to that effect, will, in each case, become effective when executed and delivered by the Issuer and any applicable Guarantor party thereto and the collateral trustee.

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Any amendment or supplement to the provisions of the Parity Lien Security Documents that releases Collateral will be effective only in accordance with the requirements set forth in the applicable Parity Lien Document referenced above under the caption Release of Liens on Collateral. Any amendment or supplement that results in the collateral trustee s Liens upon the Collateral no longer securing the Notes and the other Obligations under the indenture may only be effected in accordance with the provisions described above under the caption Release of Liens in Respect of Notes.

The collateral trust agreement provides that, notwithstanding anything to the contrary under the caption Amendment of Security Documents, but subject to clauses (2) and (3) above and subject to the intercreditor agreement:

(1) any mortgage or other Parity Lien Security Document that secures Parity Lien Obligations may be amended or supplemented with the approval of the collateral trustee acting as directed in writing by an Act of Required Parity Lien Debtholders, unless such amendment or supplement would not be permitted under the terms of the collateral trust agreement or the other Parity Lien Documents; and

(2) any amendment or waiver of, or any consent under, any provision of the collateral trust agreement or any other Parity Lien Security Document that secures Parity Lien Obligations will apply automatically to any comparable provision of any other Parity Lien Document without the consent of or notice to any holder of Parity Lien Obligations and without any action by Issuer or any Guarantor or any holder of Notes or other Parity Lien Obligations.

Voting

In connection with any matter under the collateral trust agreement requiring a vote of holders of Parity Lien Obligations, each Series of Parity Lien Debt will cast its votes in accordance with the Parity Lien Documents governing such Series of Parity Lien Debt. The amount of Parity Lien Obligations to be voted by a Series of Parity Lien Debt will equal (1) the aggregate principal amount of Parity Lien Principal Debt held by such Series of Parity