

Audit Committee Charter

Purpose

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of AboveNet, Inc. (the "Company") shall assist the Board with the oversight of: (a) the integrity of the Company's financial statements; (b) the independent auditor's qualifications and independence; (c) the performance of the Company's internal audit function and independent auditor; (d) the adequacy of the Company's systems of internal accounting and financial controls; (e) the Company's compliance with ethics policies and legal and regulatory requirements; (f) the oversight of the Company's financial risk and (g) such other duties as directed by the Board.

Committee Membership

The Committee shall consist of no fewer than three directors, each of whom shall meet any applicable independence and experience requirements set forth in Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any applicable Securities and Exchange Commission (the "Commission"), New York Stock Exchange or other applicable exchange rules and regulations in effect from time to time. All members of the Committee shall in the judgment of the Board have, at the time of his or her appointment to the Committee, a working familiarity with basic finance and accounting practices and the ability to read and understand fundamental financial statements. Each member shall be free of any relationship that, in the opinion of the Board, would interfere with such member's individual exercise of independent judgment. No member of the Committee may serve on the audit committee of more than two other public companies. The members of the Committee and the Committee chairperson shall be appointed by the Board and shall serve at the discretion of the Board.

Committee Authority and Responsibilities

General Authority

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditor shall report directly to the Committee. The Committee shall have the authority, to the extent it deems necessary or appropriate to carry out its duties, to (a) conduct or authorize investigations into any matters within the scope of the Committee's responsibilities, and (b) retain and determine compensation for, independent legal, accounting or other advisors. The Committee shall also have authority to direct the payment of ordinary administrative expenses that, as determined by the Committee, are necessary or appropriate in carrying out its duties. All of the foregoing expenses shall be paid by the Company as authorized by the Committee.

The Committee shall pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent

auditor, subject to the de minimus exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act. Any such de minimus non-audit services not pre-approved by the Committee shall be approved by the Committee prior to the completion of the audit. The Committee may form and delegate authority including the authority to grant pre-approvals of audit, and permitted non-audit services, to subcommittees consisting of one or more members.

The Committee shall review the Committee's own performance annually and shall review and reassess the adequacy of this charter and recommend any proposed changes to the Board for approval as appropriate.

Financial Statement and Disclosure Matters

The Committee, as required by applicable law, rules or regulations and otherwise to the extent it deems necessary or appropriate, shall:

1. Review with management, the internal auditor and the independent auditor the financial statements (and related footnotes) and disclosures made in Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") to be included in the Company's Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of the Form 10-K), including management's and the independent auditor's judgment about the quality, not just the acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements.
2. Discuss with management, the internal auditor and the independent auditor the results of the annual audit of the Company's financial statements by the independent auditor and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards including matters relating to the conduct of the audit, any significant change in the independent auditor's audit plan, any audit problems, difficulties or disputes with management or the internal auditors during the course of the audit work and management's response, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
3. Recommend to the Board whether the audited financial statements should be included in the Company's Annual Report on Form 10-K.
4. Review and discuss with management, the internal auditor and the independent auditor the Company's quarterly financial statements, including disclosures made in MD&A, prior to the filing of the Company's quarterly reports on Form 10-Q, the results of the independent auditor's reviews of the quarterly financial statements and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards.
5. Prepare the report of the Committee required by the rules of the Commission to be included in the Company's annual proxy statement.
6. Discuss with management and the independent auditor significant financial reporting

issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

7. Review and discuss regular reports from the independent auditors on:
 - a) all critical accounting policies and practices to be used;
 - b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor, and
 - c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
8. Prior to their release to the public, discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
9. Discuss with management, the internal auditor and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
10. Discuss with management, the internal auditor and the independent auditor, the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
11. Review disclosures by the Company's CEO and CFO during their certification process for their respective filings under Sections 302 and 906 under the Sarbanes-Oxley Act about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
12. Review management's assessment of the effectiveness of the Company's internal controls as of the end of the most recent fiscal year and the independent auditor's report on management's assessment.
13. Review with management and the internal auditors any significant changes to GAAP or other accounting standards.
14. Review with management policies and procedures with respect to transactions between the Company and officers and directors of the Company, or affiliates of officers or directors or transactions that are not in the ordinary course of business of the Company.

Oversight of the Company's Relationship with the Independent Auditor

The Committee, as required by applicable law, rules or regulations and otherwise to the extent it deems necessary or appropriate, shall:

1. Review and evaluate the lead partner of the independent auditor team.
2. Obtain and review a report from the independent auditor at least annually regarding:
 - a) the independent auditor's internal quality control procedures;
 - b) any material issues raised by the most recent internal quality control review, or peer review, of the firm or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;
 - c) any steps taken to deal with any such issues;
 - d) all relationships between the independent auditor and the Company; and
 - e) the Company's critical accounting policies.
3. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and whether the provision of permitted non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and internal auditors. (The Committee shall present its conclusions with respect to the independent auditor to the Board).
4. Obtain and review the written disclosures and the letter from the independent auditor required by rules of the Public Company Accounting Oversight Board and other applicable rules and discuss with the independent auditor its independence.
5. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating independent auditing firms on a regular basis.
6. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.
7. Meet with the independent auditor and financial management of the Company prior to the audit to discuss the planning and staffing of the audit, the scope of the prospective audit and the audit procedures to be utilized, the estimated fees therefore and such other matters pertaining to the audit as the Committee may deem appropriate, and, at the conclusion thereof, review the audit, including any comments or recommendations made by the independent auditor.

8. Review on a periodic basis the independent auditor's non-audit services and related fees to the Company.

Oversight of the Company's Internal Audit Function

The Committee, as required by applicable law, rules or regulations and otherwise to the extent it deems necessary or appropriate, shall:

1. Review the appointment and/or replacement of the senior internal audit executive or the firm to which the internal auditing function is outsourced.
2. Review the internal audit function when appropriate.
3. Review any significant reports to management prepared by or on behalf of the senior internal audit executive or the firm performing the internal auditing function and management's responses.
4. Discuss with management the responsibilities, fees and staffing of the internal audit department or the firm performing the internal auditing function and any recommended changes in the planned scope of the internal audit.

Compliance Oversight Responsibilities

The Committee, as required by applicable law, rules or regulations and otherwise to the extent it deems necessary or appropriate, shall:

1. Obtain from the independent auditor assurance that during the course of conducting the audit the auditor did not detect or otherwise become aware of information indicating that an illegal act has or may have occurred and that Section 10A(b) of the Exchange Act has not been implicated.
2. Review and approve all related party transactions in accordance with the listing standards of the New York Stock Exchange or any other exchange on which the Company's securities are listed.
3. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
4. Administer the Ethics Policy as it relates to the Chief Executive Officer, Chief Financial Officer, General Counsel, and the members of the Board of Directors.
5. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.

Meetings, Reports to the Board and other Operating Matters

The Committee shall:

1. Meet as often as it deems necessary, but not less frequently than quarterly.
2. Meet periodically with management, the internal auditors and the independent auditor in separate executive sessions.
3. Request, in its discretion, any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
4. Discuss in executive session, among other things, the independent auditor's evaluation of the Company's financial, accounting, and auditing personnel and the cooperation that the independent auditor received during the course of the audit.
5. Make regular reports to the Board and submit to the Board the minutes of all meetings of the Committee or otherwise communicate to the Board the matters discussed at each of the Committee's meetings.
6. The operation of the Committee shall be subject to the Company's bylaws and the Delaware General Corporation Law, each as in effect from time to time.

Limitation of Audit Committee's Role

The Committee relies on the expertise and knowledge of management, the internal auditors and the independent auditors in carrying out its responsibilities. While the Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Committee to plan or conduct audits, to conduct investigations or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles or applicable rules and regulations. These are the responsibilities of management and the independent auditor.