

February 13, 2018

Outage Update for 2/12/2018

Valued NextLink Customer:

I would like to take just a moment to thank our customers for their continued patience during our recent outages. Speaking for the company and majority of our subscribers, we are very proud of our customer service representatives who man the front-line and work tirelessly to address every customer that posts a comment on social media, emails or calls into our contact center. Accompanying them is our network operations team that operates 24x7 and our engineers who leave no stone unturned until they have clearly identified the root cause and resolve the issue. With those team's efforts we also rely on our infrastructure and end-customer field technicians to address all other issues at the customer's location with a long-term solution to harden and diversify the network from repeat occurrences. They all remain calm and maintain a level of understanding with our customers that is made up of school districts, first responders and other government and municipal services along with businesses small & large that rely on our Internet to accomplish their daily mission critical tasks. This also includes our families, students and teachers who go home and are busy completing work in preparation for the next day, critical tests, homework and other items that rely on a stable internet connection. These teams strive to provide a personal touch to everyone who communicates with us directly. This helps us stand out and surpass the legacy lethargic attitude that exists in the service provider industry. Without this dedicated staff we cannot address what we are all in this for and that is to serve our valued subscribers who have entrusted us to deliver an unparalleled service experience.

This said, I acknowledge we have experienced recent outages that do not reflect the high standards you expect of our people and our services. NextLink is not complacent or takes for granted the state of our operation's ability to serve you and deliver what is expected from you. What you pay for and expect every month is a reliable Internet and Phone service to run your daily lives.

I will attempt to fill in the gaps and answer the most asked questions that cannot be communicated on the fly during these outages. I assure you the teams mentioned above along with our owner and myself read every communication from our customers and hold ourselves accountable to address and provide long-term remedies to issues that impact your services. To keep this "relatively short" I will break it down into a couple key points but know that there are more granular factors, details and efforts underway to address these in an expeditious manner.

1. **Addressing the communication and access to our support teams during these outages:**

NextLink's network is in the final stages of a phased approach to standing up a second data center with fully duplicated and additional diverse circuits to handle the entire load of our existing network. This investment is to provide a fully redundant path should any disruption occur within our footprint that terminates into our core data center. The load will be balanced but capable of full failover and recovery in an Active/Active state.

Our new corporate offices were not built in vain, rather, we will house a local Central Office/Data Center to direct connect our immediate community to fiber to further offload this traffic from the existing network. This will eventually serve over 1,500 subscribers this spring.

This building also serves to give our employees a better quality of work-life and attract the best in the industry to serve our customer.

Backup systems for our phone services are in the final stages of being implemented to recover instantly and address live calls when the call center is impacted by an outage. We recovered quickly in recent events but the head-count is not enough to triage the volume of calls when an issue impacts a larger region within the network. We have additional contact options mentioned below but because of the increased call volumes, we direct you to email support during these outages to create recorded incidents on your account for follow up.

We will soon roll out a more robust customer portal to give you more access, control, self-service and overall updates and visibility to your individual account and status.

Our website is being migrated to a cloud based service so that any disruption within our core doesn't remove access to our website for you to access updates or access your account and individual status mentioned in the point above. These in-flight efforts are estimated to be in production toward the end of calendar Q1 (March) and the balance of them within the first months of Q2 (April-May) and all efforts to escalate these project timelines are underway.

## **2. Initial diagnosis of outages and use of upstream providers:**

First let's define "upstream provider." Even the largest of providers in the marketplace rely on Fiber Networks via a lease of dark fiber from an existing provider's fiber that is already in the ground (sometimes a competitor's network is used in a partnering arrangement) which NextLink and other providers large and small install the electronics and connectivity to them or simply use an existing lit network to direct the customer's IP traffic to our own network to sell and manage. Why is this done? If every provider built an end-to-end network for every customer they serve, the amount of fiber overbuilt on one another would be so immense we would need to widen easements along our roadways to equal the size of the roadways themselves. This is simply not a practical or economical use of available networks that may be owned but underutilized and that have long-haul fiber terminated to common data centers where our core network resides. Some may say, "we moved off that upstream provider you mention because they were too slow and would not improve their services where we live." This is where our wireless backhauled and network come into play to bridge the gap to you or the more rural customer. We wirelessly connect to you and backhaul the data and internet access to our owned or leased networks that exist closer to the dense and urban markets and ultimately terminate into our core data centers with faster internet access and scalable bandwidth. The cost to physically extend these fiber networks into every rural community is simply cost prohibitive and is the reason we bridge the gap with our wireless network.

As we grow (some have questioned our growth vs. taking care of issues causing certain outages) we continue to add more and more fiber to our network to control/eliminate/minimize outages or the time it takes to troubleshoot and resolve them. With this we become less dependent on those upstream providers. There are significant investments required along with planning, timing and personnel to accomplish this and NextLink is continuing to invest in these areas to provide a more consistent experience to our customers. We continuously add more towers and access points within our current wireless footprint. This may have the appearance that our

focus is on growth but to the contrary, this is to offload neighboring towers and fiber circuits to distribute the load, stay ahead of the demand and keep any portion of the network from getting congested in anyway. This is a core practice vs. growth by overloading the network or shutting down areas to any additional subscribers. If the demand for services exist, we will continue to add the capacity to support it along with the tools and head-count necessary. Growing without adding these components would indeed be considered irresponsible growth.

When events arise within our owned network we typically have adequate visibility and warning that it is within our control and we can fully address it within an acceptable timeframe. While troubleshooting our own network we keep eyes on those upstream provider's networks and assign team members to investigate those more closely as we rule out our own network. Once we rule out our owned end-points, circuits and core systems are online yet traffic is not passing through them, we escalate with our partners to further isolate and remedy the problem within our contractual timeframes we have with them.

We communicate what we know when we know it to our customers and sometimes to a fault. We are not attempting to provide "fake news!" These known outages (regional and nationwide) may not be the sole reason for disruption as was the case with the outage experienced on 2/12/18. It was later identified as a regional outage originating in the Dallas area via a total Fiber cut in a heavy construction area of I45. This required a repair that spanned an area close to a half-mile long. The repair was finalized at approximately 6:26 AM on 2/13/18.

NextLink will continue to update and announce all improvements stated above as they start to roll into production. While this overview does not answer every inquiry we received, I hope it provides some insight and comfort that we are moving everything in the direction that most of you have requested or voiced concerns.

While our wireless portion of the network provides access to our fiber networks or upstream fiber partners, it is a tricky environment that is susceptible to interference for the open spectrum or other factors that may not be caused by this regional outage. If we cannot resolve an individual issue with your access due to other factors, we will be the first to tell you it may not be a suitable service for your location. Give us every opportunity to remedy the issue but if it cannot be resolved, we will certainly suspend your billing to allow adequate time to investigate an alternative. We do not want to string a poorly connected customer along to the point of frustration just to collect a payment.

All of us at NextLink again thank you for your business and patience during these frustrating outages and if we have missed communicating with you directly, please let us know about it and we will be sure no one is left without an explanation or resolution. Our upcoming improvements will improve our overall communications, network uptime and timely resolution to any issue impacting your services.

Sincerely,

Steve Burks

Chief Operating Officer

NextLink Internet & Phone