ULTRA-HIGH-SPEED COMMUNITY-OWNED INTERNET
Inadequate Broadband Options

Comcast has a monopoly on broadband in Los Altos Hills
• Slow speeds during periods of peak usage
• Very slow upstream
  ▪ Limits use of security cameras, ability to work from home, online gaming, etc.
• Cost issues
  ▪ Constant price fluctuations
  ▪ Expensive equipment fees and other surcharges
  ▪ Very high cost to extend network to your home if not available
• Historically poor customer service

Many homes served only by AT&T DSL
• Extremely slow...technically not even broadband

Data privacy and network neutrality concerns
• Incumbent broadband providers track your web browsing and often sell this data
• Operators can advantage their own streaming services over competitive options
Next Level Network’s Solution

Build & Manage “Last Mile” Fiber Networks (owned & financed by customers)

Provide “Middle Mile” Backhaul and Data Center Aggregation (via wholesale relationships)

Enable Internet Service

- Head-end Cabinet
- Backhaul Circuit
- Regional Data Center
- Internet
Community-Owned Infrastructure is Common

Next Level has adapted this approach to gigabit broadband.

Each participant contributes to the cost of construction (assessment) and shares the ongoing cost of operation.
Fast Broadband Is a Highly Desired Amenity

<table>
<thead>
<tr>
<th>Amenity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laundry room</td>
<td>92%</td>
</tr>
<tr>
<td>Very high speed/ reliable broadband</td>
<td>88%</td>
</tr>
<tr>
<td>Energy star windows</td>
<td>86%</td>
</tr>
<tr>
<td>Great room</td>
<td>85%</td>
</tr>
<tr>
<td>Walk in closet - Master</td>
<td>78%</td>
</tr>
<tr>
<td>Bathroom linen closet</td>
<td>74%</td>
</tr>
<tr>
<td>Front porch</td>
<td>72%</td>
</tr>
<tr>
<td>2-3 car garage</td>
<td>67%</td>
</tr>
<tr>
<td>Programmable thermostat</td>
<td>67%</td>
</tr>
<tr>
<td>Central island in kitchen</td>
<td>65%</td>
</tr>
<tr>
<td>Granite countertop in kitchen</td>
<td>56%</td>
</tr>
<tr>
<td>9 foot ceiling height first floor</td>
<td>45%</td>
</tr>
<tr>
<td>Media room</td>
<td>36%</td>
</tr>
<tr>
<td>Outdoor fireplace</td>
<td>25%</td>
</tr>
</tbody>
</table>
Gigabit Internet Improves Home Value

In a national study of 520,000 homes with a median price of $175,000... *

Homes with **gigabit internet** had a transaction price **over 7% more** than similar homes that have 25 Mbps or less

• Median home value in Los Altos Hills is $4.3 million**

• Even a 1% increase in value would be significantly more than investment in LAHCF membership

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* National study of 520,000 homes with a median price of $175,000 showed a transaction price improvement of 7%.

** Zillow: Los Altos Hills CA Home Prices & Home Values, Jul 2019 (www.zillow.com/los-altos-hills-ca/home-values/)
Los Altos Hills Community Fiber (LAHCF)

Solving the problem of inadequate broadband in Los Altos Hills

Community-owned broadband service
- Private fiber optic network directly connecting homes
- Member-owned non-profit organization
- Managed by professional operator

Gigabit-speed internet service
- 1,000 Mbps or 10,000 Mbps (down & up)

Futureproof solution
- Every home connected by a dedicated fiber optic cable
- Network easy to upgrade

Actual LAHCF Member Speed Test

<table>
<thead>
<tr>
<th>PING</th>
<th>DOWNLOAD</th>
<th>UPLOAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ms</td>
<td>9635.50 Mbps</td>
<td>9542.85 Mbps</td>
</tr>
</tbody>
</table>
LAHCF Provides Superior Broadband

Finally an alternative to AT&T & Comcast’s aging broadband infrastructure

• Community-owned gigabit-speed network
• Transparent costs are shared across the community
• Respects privacy and embraces Network Neutrality

Next-generation, futureproof solution

• 10-gigabit capability and dedicated fiber installed to each home
• Dramatic improvement in upstream bandwidth vs. AT&T or Comcast options

Improve your property value

• Gigabit internet is highly desirable in Silicon Valley
• Home value increase likely to be far greater than upfront cost of membership

Support your community

• Member-owned non-profit company established to improve broadband service in Los Altos Hills
How Much Does it Cost?

Membership fees typically range from $3,000 to $10,000

• One-time membership fee covers...
  ▪ Extending the network into your neighborhood
    • Cost varies widely depending on neighborhood participation and terrain
  ▪ Connecting your home
    • Installation of fiber across yard and into home
  ▪ Network equipment

Monthly service fee

• Shared operation expense that includes...
  1) Network management and internet fees
  2) Pro rata portion of the network uplink & LAHCF’s overhead expenses
  3) Reserve contribution for maintenance, upgrades and technical support

• As membership increases, cost sharing improves and monthly fees decrease
# Broadband Price Breakdown

<table>
<thead>
<tr>
<th>Item</th>
<th>Monthly</th>
<th>Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network management</td>
<td>$25</td>
<td>Manage the fiber network and supporting services</td>
</tr>
<tr>
<td>Internet service</td>
<td>$15</td>
<td>Provide internet access, 24x7 support and billing services</td>
</tr>
<tr>
<td>Network uplink</td>
<td>Varies*</td>
<td>Connects neighborhood network to regional POP</td>
</tr>
<tr>
<td>Overhead, reserves, utilities, etc.</td>
<td>$10 to $30</td>
<td>Reserves for equipment &amp; technical support, utilities, insurance, holding company overhead.</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>~$60 to ~$120</td>
<td></td>
</tr>
</tbody>
</table>

* Backhaul circuit is $3,500/mo. Normally all members would pay a pro rata share but Next Level is subsidizing 50% of this cost for the first 200 subscribers.
Costs Improve as Membership Grows

### Table

<table>
<thead>
<tr>
<th>Members:</th>
<th>25</th>
<th>100</th>
<th>310 (10%*)</th>
<th>775 (25%*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network management</td>
<td>$25</td>
<td>$25</td>
<td>$25</td>
<td>$25</td>
</tr>
<tr>
<td>Internet service</td>
<td>$15</td>
<td>$15</td>
<td>$15</td>
<td>$15</td>
</tr>
<tr>
<td>Network uplink</td>
<td>$70**</td>
<td>$18**</td>
<td>$11</td>
<td>$5</td>
</tr>
<tr>
<td>Overhead, reserves, utilities, etc.</td>
<td>$30</td>
<td>$20</td>
<td>$15</td>
<td>$10</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$140</strong></td>
<td><strong>$78</strong></td>
<td><strong>$66</strong></td>
<td><strong>$55</strong></td>
</tr>
</tbody>
</table>

**Assessment Range**

$3,000 to $10,000+***

* ~3,100 homes in Los Altos Hills
** Cost after applying 50% NLN subsidy (provided for initial 200 members)
*** Buildout cost varies widely depending on participation, lot size and construction specifics.
How Does it Grow?

Neighborhoods get added when there is sufficient interest

• Members share the cost of the network extension
• The greater the participation the lower the cost for each home

Help drive participation

• Register your interest: https://lahcommunityfiber.org/contact/
• Encourage your neighbors to join
• Become a neighborhood champion

Be an angel for your neighborhood

• Provide a loan or grant to cover the cost of your neighborhood’s construction
Proposed Extensions

- La Cresta: 20 homes
- Wildflower/Wildcrest: 35 homes
- Fremont Pines: 18 homes
- O'Keefe: 74 homes
- Josefa: 22 homes
- Burke: 106 homes
“We’re paying rent essentially as a country to a handful of companies that are selling second-rate, extraordinarily expensive internet access.”

SUSAN CRAWFORD
HARVARD LAW SCHOOL PROFESSOR & TELECOMMUNICATION EXPERT
AUTHOR, “FIBER: THE COMING TECH REVOLUTION—AND WHY AMERICA MIGHT MISS IT.”
Appendix
TV Service Options

Keep existing satellite or cable TV service
Install satellite TV service such as DirecTV
Stream TV via set-top box or Smart TV
• Choose from an array of “over-the-top” TV providers:

- YouTube TV
- AT&T TV Now
- sling TV
- PlayStation Vue
- hulu
- fubo TV

Roku Ultra 4K Set-top box
Telephone Options

• Keep existing landline service from AT&T
• Voice service from voice-over-internet providers such as Ooma or Vonage
  ▪ Ooma’s service is $12.50/month and includes...

Privacy
• The most advanced call blocking features available
• One-touch Do Not Disturb

Mobility
• Multi-Ring to Cell Phone OR Mobile App
• Call Forwarding
• Unlimited Mobile app calling

Home Office
• Three-way Conferencing
• Second Phone Number
• Premier Fax Mode

Smart Home
• Integrate phone line with Nest, Amazon Echo, Dropbox, etc.

Voicemail
• Voicemail to Email
• Voice-to-Text (transcription)
Customer Equipment

Arris NVG-578

• 10 Gbps router
  ▪ WAN: 10G fiber
  ▪ LAN: 1x 10G RJ45, 4x 1G RJ45

• Latest Wi-Fi standard
  ▪ 802.11 b/g/n/ac/ax
  ▪ WiFi 6 (802.11ax) is “4x4 MIMO”
    • Wireless speeds up to 1 Gbps
Establishing the Home Connection

- Duct Coupler (connects to the community network)
- Microduct (3/8”) (installed across the yard)
- Wall Box (8”) (installed on home exterior)
- Fiber cable (fiber is pulled through microduct to connect home)
- Customer Equipment (installed inside home)
Management Team

Darrell Gentry
CEO
- Founder, BroadSpan (Data CLEC in 5 Midwest states)
- Founder, NeighborLink (Wireless ISP)
- Founder, GameRail (early SDWAN)
- Head of Operations, OnLive

David Barron
COO
- Head of Emerging Tech Biz Dev, Cable Labs
- Dir Partner Operations, Americast (cable overbuilder)
- Tech Licensing & Biz Dev Exec, Apple
- TV Platforms Biz Dev, Microsoft

Mark Ansboury
Infrastructure & Operations
- VP Infrastructure, Rocket Fiber
- Founder, Gigabit Squared
- CTO, One Community
- Dir. of Telecom, State of Texas Dept. of Information Resources

Derek Sedik
Network Engineering
- 20+ yrs. network eng. experience for major residential broadband networks
- Scaled design/operations during massive growth at Comcast, Excite@Home, AOL
- Network architect for Rocket Fiber

Eric Jacobson
Software Development
- 27 yrs. of professional software development experience
- Expertise in full stack development for web and mobile

Carrie Pendolino
Marketing & Communications
- Launched WebTV Networks and managed Government Affairs
- Marketing comm. acquisition integration lead, MSFT/WebTV & ZING/Dell
- Sr Marketing Advisor, ZING, Dell & CLOUDCAR
- VP of Marketing & Advisor, Aura Frames

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