

BAJA BROADBAND BROADBAND INTERNET SERVICE DISCLOSURES

Consistent with FCC regulations,¹ Baja Broadband provides this information about our broadband Internet access services. We welcome questions or comments about the information contained in these disclosures. You may contact Baja Broadband High Speed Internet Technical Support at (877) 321-6851 or Baja Customer Service at (877) 422-5282.

NETWORK PRACTICES

General Description. We provide a variety of Internet service offerings to our residential and commercial customers. Our broadband Internet access services include our High Speed Internet service offered through two technologies: (i) Cable modem technology offered to our residential and commercial customers; and (ii) Fiber-to-the-Premises (“FTTP”) technology offered only to our commercial customers. We provide these services over our broadband network and through third-party fiber optic lines connecting to the Internet. We monitor our network and traffic patterns and make changes we deem necessary to manage and improve overall network performance. We use reasonable, nondiscriminatory, network management practices to improve overall network performance to ensure a high-quality online experience for all users. Our network management practices do not target any specific content, application, service, or device. As network management issues arise and as technology develops, we may employ additional or new network management practices. We will update these disclosures as necessary.

Related Documents and Disclosures. Use of our Internet service is also governed by:

- Baja Broadband Entertainment Options & Pricing, available at http://bajabroadband.com/Entertainment_Options_Pricing.htm.
- Baja Broadband Acceptable Use Policy for Internet Services, available at http://www.bajabroadband.com/documents/aup/AUP%20BajaBroadband_Jan2011.pdf.
- Baja Broadband Frequently Asked Questions: Internet Access, available at <http://bajabroadband.com/faq.htm>.
- Baja Broadband Privacy Statement, available at <http://bajabroadband.com/PrivacyStatement.htm>.
- Baja Website Visitor Agreement, available at <http://bajabroadband.com/WebsiteVisitorAgreement.htm>.

Congestion Management. We describe in this section network management practices used to address congestion on our network.

Congestion management practices used.

Network Monitoring. We monitor our network for utilization trends. We receive regular reports showing changes in network traffic and congestion. We use this information to plan increases in bandwidth available, port additions, or additional connectivity to the Internet. Our goal is to have sufficient available bandwidth for our customers to enjoy the High Speed Internet services they obtain from us.

¹ 47 C.F.R. § 8.3 and *In re: Preserving the Open Internet, Broadband Industry Practices*, Report and Order, 22 FCC Rcd 17905 (2010).

Congestion Monitoring. We monitor congestion on our network. In the event that our network experiences congestion during peak periods all users will experience slower speeds until available bandwidth is restored in the network.

Network management – bandwidth caps. We use an industry standard best practice data usage threshold of 250GB over a thirty (30) day period for each of our residential High Speed Internet service packages to help us ensure that we meet the needs and expectations of all our High Speed Internet customers. To preserve adequate bandwidth availability for all subscribers and efficiently allocate shared resources, we reserve the right (with a 90 day advance notice) to enforce the bandwidth cap by limiting the bandwidth available to users that exceed the allowance under their service plans. Should conditions warrant our enforcing the cap, users who have exceeded their allowance may experience slower transmission speeds as we limit the bandwidth available to them for the remaining days within that calendar month.

Types of traffic affected. Our congestion management practices affect all traffic types equally.

Purposes of congestion management practices. Our Internet network is a shared network. This means that our customers share upstream and downstream bandwidth (commercial customers that utilize FTTP technology do not share upstream and downstream bandwidth). Our congestion management practices serve to:

- Help us adapt and upgrade our network to maintain or improve network performance as demand for our broadband Internet access service increases.
- Help us adapt and upgrade our network to maintain or improve network performance as demand for higher bandwidth applications increases. Some examples of higher bandwidth applications are gaming, streaming movies, and streaming high definition video.
- Help us maximize network availability for all users to experience speeds associated with, or closely associated with, the level of service they purchase.
- Help us identify potential bandwidth abusers using a substantially disproportionate amount of bandwidth.

Congestion management criteria.

Network Monitoring. Our network monitoring provides data to help us manage our network, equipment, technology, and connectivity to the Internet. We conduct network management practices in real time.

We use the data obtained through network monitoring to help us plan upgrades to our service packages, network, equipment, technology, and connectivity to the Internet. As demand for our broadband Internet access service increases, and as demand for higher bandwidth applications increases, we monitor effects on network performance and plan upgrades as we deem necessary. We also monitor traffic and generate reports showing end user usage for identification and management of customers' data usage on our network.

Protocol Prioritization. Not applicable.

Effects on end user experience: Periods of high network demand may result in Internet traffic congestion. Our congestion management techniques impact all users equally by slowing down Internet connection speeds during peak periods if congestion occurs. End users may experience reduced bandwidth availability or speed during these times. Our congestion management technique does not manage congestion based on the online activities, protocols, or applications that a customer uses.

Typical frequency of congestion. Network congestion occurs infrequently on our network. When it does rarely occur, customers could experience slower Internet transmission speeds, reception rates, and response times during peak consumption periods (7:00 pm to 1:00 am).

Application-Specific Practices. This section discloses any application-specific practices we use, if any.

Management of specific protocols or protocol ports. All ports and protocols are subject to our management practices. Specifically, we manage ports and protocols associated with high bandwidth usage during periods of peak congestion on our network to ensure equitable distribution of bandwidth to our customers.

Modification of protocol fields. Not applicable.

Applications or classes of applications inhibited or favored. Not applicable.

Device Attachment Rules. This section addresses any limitations on attaching lawful devices to our network.

General restrictions on types of devices to connect to network. We place no general restrictions on lawful devices that a customer may connect our network, so long as the device is: (i) compatible with our network; and (ii) does not harm our network or other users. Our High Speed Internet service works with most types of PCs and laptops including Macs, and other Internet compatible devices like game systems and Internet-enabled TVs. If a wireless router is connected to our High Speed Internet service, wireless Internet compatible devices including computers, tablets, smartphones, and other devices can connect to our network. If a customer or potential customer believes they have an unusual configuration, our customer service department will help determine if there is a compatibility problem. Below we detail the specific devices associated with the two underlying technologies of our High Speed Internet service, Cable Modem and Fiber-to-the-Premises (“FTTP”).

Cable Modem. Our residential and commercial Internet service requires connection of a cable modem and/or cable router to our network. You can obtain a cable modem/router from us or you may purchase one from most retail electronics sellers. Only devices that have been fully certified by CableLabs as compliant with the DOCSIS 2.0 or DOCSIS 3.0 specifications may be used. Commercially-available DOCSIS 3 compliant modems are currently being tested by Baja Broadband. Commercially-available DOCSIS 3 compliant modems are currently being tested by Baja Broadband. For a recommended list of DOCSIS 3 devices please contact Baja Customer Service at (877) 422-5282.

Fiber-to-the-Premises. To use our commercial High Speed Internet service delivered via FTTP, we must install a Media Converter or Optical Router at the customer premises. The Media Converter or Optical Router then connects via a cable to a customer provided device (e.g. Switch, Hub, etc). If an FTTP customer has a question about their network

setup, our commercial technical support team will help. Please contact your Sales Account Representative for assistance.

Network and End User Security. This section provides a general description of the practices we use to maintain security of our network and end users, including triggering conditions.

Practices used to ensure end user security, including triggering conditions.

Hostile port blocking: We block known hostile ports to prevent unwanted files, browser hacking and virus attacks.

Virus and Spam filtering: We filter email for virus activity and Spam using industry standard virus scanning and prevention techniques. Should an email message be found to contain a virus or other harmful content, the message will be deleted without notification given to either the sender or the intended recipient(s).

Additional resources. We make available through our website additional information regarding the network security practices we undertake. Our Acceptable Use Policy, available at http://www.bajabroadband.com/documents/aup/AUP%20BajaBroadband_Jan2011.pdf.; Frequently Asked Questions section of our website, available at <http://bajabroadband.com/faq.htm>; and resources available through the “My Account” web portal that we provide users, available at <http://myaccount.beyondbb.com/>, all provide additional information regarding the industry practices we undertake to protect and secure end-user services.

Practices used to ensure security of the network, including triggering conditions. Baja Broadband uses a variety of industry standard practices to protect our network from harmful attacks.

Hostile port blocking. We block known hostile ports detected by our monitoring tools to prevent unwanted files, browser hacking and virus attacks.

Virus and Spam filtering. We offer email services and personal web space hosting consisting of 10MB of personal web space and file transfer protocol (FTP) access for uploading their files to that space. We filter email and subscriber web space for virus activity and Spam using industry standard virus scanning and prevention techniques.

Routine monitoring. We perform routine audits to locate and remove any previously unknown cable modem devices on our network.

PERFORMANCE CHARACTERISTICS

General Service Description. Our High Speed Internet service enables a customer to connect an Internet-enabled device to our network. Through our High Speed Internet service, we serve as a local Internet service provider. Our High Speed Internet service enables residential and commercial subscribers to access all lawful content, applications, and services of their choice available on the Internet. The equipment required to connect a computer or other device to the Internet depends on the type of High Speed Internet service used. For example, our cable modem Internet service requires a cable modem, while our Fiber-to-the-Premise (FTTP) requires a Baja Broadband media converter or optical router.

Service technology. We deliver our High Speed Internet service through two different service technologies, cable modem technology for our residential and commercial customers and FTTP technology available only to our commercial customers. The equipment required to connect a computer or other device to the Internet depends on the type of High Speed Internet service used. Our cable modem network is a shared network, which means that our customers share upstream and downstream bandwidth. Commercial customers that utilize FTTP technology enjoy dedicated bandwidth.

Expected and Actual Speeds and Latency.

Expected performance. We offer our residential and commercial customers a variety of high speed Internet plans. A complete description of the transfer speeds provided with each specific product offering for residential and business customers is available at Baja Broadband Entertainment Options & Pricing, available at http://bajabroadband.com/Entertainment_Options_Pricing.htm.

Speed. The speeds we identify for each Internet access service level are the maximum upload and download speeds that customers are likely to experience. We provision our customers' modems and engineer our network to deliver the speeds to which our customers subscribe. However, we do not guarantee that a customer will actually achieve those speeds at all times. A variety of factors can affect upload and download speeds, including customer equipment, network equipment, congestion in our network, congestion beyond our network, performance issues with an Internet application, content, or service, and more.

Latency. Latency is another measurement of Internet performance. Latency is the time delay in transmitting or receiving packets on a network. Latency is primarily a function of the distance between two points of transmission, but also can be affected by the quality of the network or networks used in transmission. Latency is typically measured in milliseconds, and generally has no significant impact on typical everyday Internet usage. As latency varies based on any number of factors, most importantly the distance between a customer's computer and the ultimate Internet destination (as well as the number and variety of networks your packets cross), it is not possible to provide customers with a single figure that will define latency as part of a user experience.

Actual speed and Latency Performance. Actual speed and latency performance for our cable modem Internet service and Fiber-to-the-Premises (FTTP) follows.

Cable modem service. Actual speed and latency may vary depending upon network conditions and other factors. Actual performance of our Internet access service in most cases should conform to national wireline broadband Internet speed and latency levels reported by the FCC.² The FCC has reported that customers of coaxial cable-based broadband Internet services receive mean download speeds that are within 93% of advertised speeds during non-peak hours, and 85.7% of advertised speeds during peak hours.³ In addition, the FCC has reported that these same customers experience average

² See FCC's Office of Engineering and Technology and Consumer Affairs Bureau, *Measuring Broadband, A Report on Consumer Wireline Broadband Performance in the U.S.*, OET CGB DOC-308828A1, pp. 4-6 (Aug. 2, 2011) (available at: http://transition.fcc.gov/cgb/measuringbroadbandreport/Measuring_U.S. - Main_Report_Full.pdf).

³ The FCC has defined peak hours measured during "busy hour" as weeknights between 7:00 pm and 11:00 pm local time.

latency⁴ delays of 28 milliseconds, increasing by an average of 30 milliseconds during peak hours.

Fiber-to-the-Premises. The FCC has reported that customers of fiber based broadband Internet services receive mean download speeds that are within 114% of advertised speeds during non-peak hours, and 113.5% of advertised speeds during peak hours. In addition, the FCC has reported that these same customers experience average latency delays of 17 milliseconds, increasing by an average of 18 milliseconds during peak hours.

Customer speed test. Baja Broadband provides speed tests to our customers, available at <http://speedtest.bajabroadband.com>.

Suitability of the service for real-time applications. Our residential and commercial Internet services are suitable for typical real-time applications including messaging, voice applications, video chat applications, gaming, and Internet video. If users or developers have questions about particular real-time applications, please contact Baja Broadband High Speed Internet Technical Support at (877) 321-6851 or Baja Customer Service at (877) 422-5282.

Specialized Services. We provide below information regarding our specialized services.

Specialized services offered to end users. We offer several specialized services over our network, sharing network capacity with our High Speed Internet service (i.e. VoIP – Voice over Internet Protocol).

Effects of specialized services on availability and performance of broadband Internet access service. Our specialized services have no effect on the availability and performance of our High Speed Internet service.

COMMERCIAL TERMS

Prices. Monthly prices for our Internet broadband service and related services are available on our website, available at http://bajabroadband.com/Entertainment_Options_Pricing.htm.

Bandwidth caps. We use an industry standard best practice data usage threshold of 250GB over a thirty (30) day period for each of our residential High Speed Internet service packages to help us ensure that we meet the needs and expectations of all our High Speed Internet customers. We may offer additional higher bandwidth service tiers at an additional cost to residential customers who find that the 250GB data usage threshold does not meet their needs. Customers may view their own usage data for the month by accessing their account in the MyAccount web portal.

To preserve adequate bandwidth availability for all subscribers and efficiently allocate shared resources, we reserve the right (with a 90 day advance notice) to enforce the bandwidth cap by limiting the bandwidth available to users that exceed the allowance under their service plans. These customers may experience slower transmission speeds as we limit the bandwidth available to them for the remaining days within that calendar month. For an example of the kind of activity

⁴ The FCC has defined latency is the total length of time it takes a signal to travel from an origination point to the nearest server, plus the time for an acknowledgement of receipt to travel back to the origination point. The nearest server is the server providing the minimum round trip time.

that would exceed our standard data usage allowance, please see our Data Usage Frequently Asked Questions, available at http://bajabroadband.com/documents/aup/AUP%20Data%20Usage%20FAQs_Jan2011.pdf.

Usage based fees. If residential users exceed their data usage allowance of 250GB in a thirty (30) day period, users may be subject to a per MB monthly overage charge for every MB over the 250GB limit. The overage rate is determined annually and is subject to change at the beginning of every calendar year. If a customer potentially subject to overage charges purchases an additional higher bandwidth data usage tier, the overage charge will not be applied to his or her account unless the customer's data usage exceeds the combined limit of the standard 250GB data usage plus the additional data usage purchased. Ninety days in advance of the application of any usage fees to a customer account, Baja will send a bill message notification.

Fees for early termination. Early termination fees only apply to Baja Broadband subscribers that have subscribed under fixed term contracts, in accordance with the term of those contracts.

Fees for additional network services. Not applicable.

Privacy Policies. We reserve the right to disclose network traffic information to third parties solely for purposes of providing and maintaining our Internet service product or if required by law. For further information on our privacy policy see our Privacy Statement, available at <http://bajabroadband.com/PrivacyStatement.htm>.

Inspection of Network Traffic. We routinely monitor network and traffic patterns.

Traffic monitoring. Viruses, worms, Trojans, and other "malware" or "spyware" pose a significant threat to our network and users. In an effort to minimize these threats, Baja Broadband constantly monitors the activity and traffic patterns of its network. If we reasonably determine that traffic from a user customer is some form of harmful traffic, we will suppress the flow of some or all of the traffic from the user until we determine the traffic has ceased or that the traffic is legitimate traffic. We also monitor traffic and generate reports showing end user usage for identification and management of customers' data usage on our network.

Virus and Spam filtering. We filter email and web space traffic for virus activity and Spam using industry standard virus scanning and prevention techniques.

Storage of network traffic information for cable modem Internet service. Dynamic Host Configuration Protocol (DHCP) information is a code included in all network traffic that associates that traffic with a particular cable modem sending or receiving the traffic. We store DHCP information for at least three months.

Provision of network traffic information to third parties. We may disclose network traffic information to third parties solely for purposes of providing and maintaining our Internet service product or if required by law.

Use of network traffic information for non-network management purposes. None.

Redress Options.

Practices for resolving end-user and edge provider complaints and questions. End users or edge providers with complaints or questions should contact Baja Broadband High Speed Internet Technical Support at (877) 321-6851 or Baja Customer Service at (877) 422-5282.

Questions. We will endeavor to answer questions promptly via email or voice.

Complaints. We will provide an initial response within 15 business days of receipt. We will attempt to resolve complaints informally, escalating the matter to senior management if needed.