CLEAR LAKE INDEPENDENT TELEPHONE COMPANY

NETWORK TRANSPARENCY STATEMENT

Clear Lake Independent Telephone Company ("CL Tel" or "Company") provides this Network Transparency Statement in accordance with the FCC's Restore Internet Freedom Rules to ensure that you have sufficient information to make informed choices about the purchase of broadband services. Information about CL Tel's other policies and practices concerning broadband are available at www.cltel.com ("CL Tel Website").

CL Tel engages in network management practices that are tailored and appropriate for achieving optimization on the network considering the particular network architecture and technology of its broadband Internet access service. CL Tel's goal is to ensure that all of its customers experience a safe and secure broadband Internet environment that is fast, reliable and affordable. CL Tel wants its customers to enjoy all that the Internet has to offer, whether it is social networking, streaming videos and music, or communicating through email and videoconferencing.

CL Tel's network management includes congestion and security-protocol-management and customers generally will not be impacted by the protocols and practices that CL Tel uses to manage its network.

A. **CL Tel's Network Transparency Disclosures**

   CL Tel uses various tools and industry standard techniques to manage its network and deliver fast, secure and reliable Internet service. CL Tel believes in full transparency and provides the following disclosures about its network management practices:

   1. **Blocking:** CL Tel does not block or discriminate against lawful content.

   2. **Throttling:** CL Tel does not throttle, impair or degrade lawful Internet traffic.

   3. **Affiliated Prioritization:** CL Tel does not prioritize Internet traffic and has no plans to do so.

   4. **Paid Prioritization:** CL Tel has never engaged in paid prioritization. We don't prioritize Internet for consideration to benefit particular content, applications, services or devices. CL Tel does not have plans to enter into paid prioritization deals to create fast lanes.

   5. **Congestion Management:** CL Tel monitors the connections on its network in the aggregate on a daily basis to determine the rate of utilization. If congestion emerges on the network, CL Tel will take the appropriate measures to relieve congestion.

On CL Tel's network, all customers have access to all legal services, applications and content online and, in the event of congestion, most Internet activities will be unaffected. Some customers, however, may experience longer download or upload times, or slower surf speeds on the web if instances of congestion do occur on CL Tel's network.

Customers using conduct that abuses or threatens the CL Tel network or which violates the company's Acceptable Use Policy will be asked to stop any such use immediately. A failure to respond or to cease any such conduct could result in service suspension or termination.

CL Tel's network and congestion management practices are 'application-agnostic', based on current network conditions, and are not implemented on the basis of customers' online activities, protocols or applications. CL Tel's network management practices do not relate to any particular customer's aggregate monthly data usage.

CL Tel monitors its network on a daily basis to determine utilization on its network. CL Tel also checks for abnormal traffic flows, network security breaches, malware, loss, and damage to the network. If a breach is detected or high volume users are brought to light by complaint, CL Tel provides notification to the customer via email or phone. If a violation of CL Tel's policies has occurred and such violation is not remedied, CL Tel will seek to suspend or terminate that customer's service.

6. **Application-Specific Behavior:** Except as may be provided elsewhere herein, CL Tel does not currently engage in any application-specific behaviors on its network. Customers may use any lawful applications with CL Tel.

7. **Device Attachment Rules:** Customers must use PPPoE for authentication of point to point connections between devices on the network. There is a limit of one (1) PPPoE session per account. For best results, DSL modems, wireless modems, or other proprietary network gateways used on the CL Tel broadband network should be provided by CL Tel. Customers may attach devices of their choosing to their modems, including wired or wireless routers, laptops, desktop computers, video game systems, televisions, or other network-enabled electronics equipment. However, *customers* are responsible for ensuring that their equipment does not harm CL Tel's network or impair the service of other customers. CL Tel is not responsible for the functionality or compatibility of any equipment provided by its customers. Customers are responsible for securing their own equipment to prevent unauthorized access to CL Tel's broadband network by third parties and will be held responsible for the actions of such third parties who gain unauthorized access through unsecured customer equipment.

8. **Network Security:** CL Tel knows the importance of securing its network and customers from network threats and annoyances. The company promotes the security of its network and patrons by protections from such threats as spam, viruses, firewall issues,

and phishing schemes. CL Tel also deploys spam filters in order to divert spam from an online customer's email inbox into a quarantine file while allowing the customer to control which emails are identified as spam. Customers may access the spam files through the email. Spam files are automatically deleted if not accessed within 30 days.

As its normal practice, CL Tel does not block any protocols, content or traffic for purposes of network management, but CL Tel may block or limit such traffic as spam, viruses, malware, or denial of service attacks to protect network integrity and the security of our customers.

B. <u>Network Performance</u>

1. Service Descriptions

CL Tel deploys Internet access to its subscribers through hardwired broadband access (Fiber-to-the-Home and DSL).

2. Network Performance

CL Tel makes every effort to support advertised speeds and will dispatch repair technicians to customer sites to perform speed tests as needed to troubleshoot and resolve speed and application performance caused by CL Tel's network. CL Tel measures availability, latency, and aggregate utilization on the network and strives to meet internal service level targets.

The "actual" speed that a customer will experience while using the Internet depends upon a variety of conditions, many of which are beyond the control of an ISP such as CL Tel. These conditions include:

    a. **Performance of a customer's computer,** including its age, processing capability, its operating system, the number of applications running simultaneously, and the presence of any adware and viruses.

    b. **Type of connection between a customer's computer and modem.** For example, wireless connections may be slower than direct connections into a router or modem. Wireless connections also may be subject to greater fluctuations, interference and congestion. CL Tel does not recommend wireless modem connections for use with its higher speed tiers as many wireless connections do not perform at the speeds delivered by these tiers.

    c. **The distance packets travel (round trip time of packets)** between a customer's computer and its final destination on the Internet, including the number and quality of the networks of various operators in the transmission path. The Internet is a "network of networks." A customer's connection may traverse the networks of multiple providers before reaching its destination, and the

limitations of those networks will most likely affect the overall speed of that Internet connection.

d. **Congestion or high usage levels at the website or destination.** If a large number of visitors are accessing a site or particular destination at the same time, your connection will be affected if the site or destination does not have sufficient capacity to serve all of the visitors efficiently.

e. **Gating of speeds or access by the website or destination.** In order to control traffic or performance, many websites limit the speeds at which a visitor can download from their site. Those limitations will carry through to a customer's connection.

f. **The performance of the modem you have installed.** Modem performance may degrade over time, and certain modems are not capable of handling higher speeds.

This is the reason that CL Tel, like all other ISPs, advertises speeds as "up to" a particular level and does not guarantee them.

To ensure CL Tel's Internet backbone is not oversubscribed, CL Tel measures Internet backbone capacity continuously through MRTG. All services are best effort.

Additionally, CL Tel tests each service for actual and expected access speeds at the time of network installation to demonstrate that the service is capable of supporting the advertised speed. Customers may also test their actual speeds using the speed test located at http://speedtest.cltel.com/ on CL Tel's website and may request assistance by calling our business office at 1-800-642-6201 or by email at cltel@cltel.com.

Based on the network information CL Tel receives from its monitoring efforts, CL Tel's network is delivering data transmission rates advertised for the different high-speed Internet services. To be sure, CL Tel has implemented a program of testing the performance of its network by using a test protocol similar to the one sanctioned by the FCC. We have installed specific network performance monitoring equipment across our network and routinely conduct tests using this equipment in conjunction with diagnostic software from Calix. CL Tel reports the results of this testing below. This result applies to upload and download data rates, latency, and for measurements made both at peak times and over a 24-hour period:

SERVICE DESCRIPTION	TECHNOLOGY	ADVERTISED SPEEDS	AVERAGE ACTUAL SPEEDS	EXPECTED LATENCY	AVERAGE ACTUAL LATENCY	APPLICATIONS
25/10 Mbps	Fiber to the Home	25 Mbps downstream / 10 Mbps upstream	25.3 / 10.9 Mbps	20 - 40 ms	20 ms	Business Point of Sale
50/10 Mbps	Fiber to the MDU, vDSL to the apartment unit	50 Mbps downstream / 10 Mbps upstream	50.5 / 11.1 Mbps	21 - 40 ms	81 ms	Email, web browsing, music streaming, social media
50/25 Mbps	Fiber to the Home	50 Mbps downstream / 25 Mbps upstream	48.6 / 24.4 Mbps	22 - 40 ms	32 ms	All the above plus: uploading small files
50/50 Mbps	Fiber to the Home	50 Mbps downstream / 50 Mbps upstream	49.9 / 48.6 Mbps	23 - 40 ms	37 ms	All the above plus: uploading small files
100/50 Mbps	Gfast	100 Mbps downstream / 50 Mbps upstream	98.6 / 48.8 Mbps	24 - 40 ms	29 ms	All the above plus: HD video streaming, video calling
100/50 Mbps	Fiber to the Home	100 Mbps downstream / 50 Mbps upstream	99.0 / 49.8 Mbps	25 - 40 ms	26 ms	All the above plus: HD video streaming, video calling
100/100 Mbps	Fiber to the Home	100 Mbps downstream / 100 Mbps upstream	99.2 / 98.3 Mbps	26 - 40 ms	32 ms	All the above plus: HD video streaming, video calling
200/100 Mbps	Fiber to the Home	200 Mbps downstream / 100 Mbps upstream	205.8 / 97.2 Mbps	27 - 40 ms	24 ms	All the above plus: HD video streaming, video calling
250/125 Mbps	Gfast	250 Mbps downstream / 125 Mbps upstream	240.8 / 119.5 Mbps	28 - 40 ms	30 ms	All the above plus: uploading large files fast, multiple 4K video streams
250/125 Mbps	Fiber to the Home	250 Mbps downstream / 125 Mbps upstream	244.9 / 128.7 Mbps	29 - 40 ms	25 ms	All the above plus: uploading large files fast, multiple 4K video streams
250/250 Mbps	Fiber to the Home	250 Mbps downstream / 250 Mbps upstream	247.5 / 242.9 Mbps	30 - 40 ms	24 ms	All the above plus: uploading large files fast, multiple 4K video streams
500/250 Mbps	Gfast	500 Mbps downstream / 250 Mbps upstream	489.7 / 221.4 Mbps	31 - 40 ms	29 ms	All the above plus: uploading large files fast, multiple 4K video streams
500/250 Mbps	Fiber to the Home	500 Mbps downstream / 250 Mbps upstream	496.7 / 217.4 Mbps	32 - 40 ms	26 ms	All the above plus: multi-player online gaming, many connected devices
500/500 Mbps	Fiber to the Home	500 Mbps downstream / 500 Mbps upstream	495.1 / 488.5 Mbps	33 - 40 ms	25 ms	All the above plus: multi-player online gaming, many connected devices
1Gig/500 Mbps	Fiber to the Home	1 Gbps downstream / 500 Mbps upstream	988.9 / 491.2 Mbps	34 - 40 ms	22 ms	All the above plus: the "connected" or "smart" home with many devices
1Gig/1Gig	Fiber to the Home	1 Gbps downstream / 1 Gbps upstream	991.9 / 943.5 Mbps	35 - 40 ms	21 ms	All the above plus: the "connected" or "smart" home with many devices

3. Impact of Non-BIAS Data Services

The FCC has defined Non-Broadband Internet Access Services (Non-BIAS) to include services offered by broadband providers that share capacity with Broadband Internet Access Services (BIAS) (previously known as "Specialized Services") also offered by the provider over the last-mile facilities. Real time services, such as Non-BIAS services, include Voice over Internet Protocol (VoIP) and Internet Protocol (IP) video services, command optimal bandwidth. As Non-BIAS traffic is combined with general Internet traffic on CL Tel's network, broadband customers could experience service delays, although very unlikely, if there is an occurrence of congestion on CL Tel's network. In any such event, the Non-BIAS traffic is given priority over general Internet traffic.

CL Tel provides Voice-over-the-Internet-Protocol (VoIP) to some Fiber-to-the-Home and DSL customers. The VoIP traffic uses private RFC 1918 addresses, dedicated paths for VoIP and QoS on the routers/switches it touches. The QoS priority is based on the source and destination IP. Where VoIP traffic is combined with best effort Internet traffic and QoS priority is employed, the network could endure marginal delays if there are instances of bandwidth contention, although very unlikely.

Last Revision: 28 January 2020

The Company offers IP video service to end-users. This non-BIAS data service does not adversely affect the last-mile capacity available for the Company's broadband Internet access services, or the performance of such services. Customer should note that significantly heavier use of non-BIAS services (particularly IP video services) may impact the available capacity for and/or the performance of its broadband Internet access services. The Company will monitor this situation, and appreciates feedback from its customers.

C. Commercial Terms

1. Pricing

SERVICE DESCRIPTION	MONTHLY RATE
25/10 Mbps	$ 49.95
50/10 Mbps	$ 59.95
50/25 Mbps	$ 49.95
50/50 Mbps	$ 59.95
100/50 Mbps	$ 59.95
100/100 Mbps	$ 69.95
250/125 Mbps	$ 74.95
250/250 Mbps	$ 84.95
500/250 Mbps	$ 99.95
500/500 Mbps	$ 109.95
1Gig/500 Mbps	$ 174.95
1Gig/1Gig	$ 184.95

All CL Tel Internet services include unlimited data; there are no data caps or fees for heavy usage. Prices above are for residential, non-bundled pricing only. See Services Catalog for a full list of our services for both residential and business customers.

2. Privacy Policies
In addition to this Network Transparency Statement, patrons may also find links to the following on the CL Tel Website:
- CPNI Privacy Notice
- Video Privacy Notice
- Terms and Conditions
- Acceptable Use Policy

3. Redress Options
For questions, complaints or requests for additional information, please contact CL Tel at:
- Business Office: 1-800-642-6201 or 641-357-2111
- Email: cltel@cltel.com