LEVEL 3 INTERNET LOCALIZATION SERVICE

DRIVING INTERNET EVOLUTION

Internet traffic continues to evolve in both size and complexity as we migrate from basic file sharing to more robust applications. Consumption of online video, streaming media and software downloads has drastically increased over the last few years, and forecasts indicate that we've only touched the surface of what is to come. Legacy Internet architectures are struggling to keep up with the consumer demand. And with variable and somewhat unpredictable cost models, as well as delivery ecosystems that are increasingly burdensome to manage, the end-user experience you provide can end up being negatively impacted.

Level 3 Communications has created a new commercial model for Internet transit, specifically for consumer broadband networks to help address the above challenges and deliver value in a different way.

The Level 3 Internet Localization service is designed to:

Remove the variable element of traditional transit and provide budget certainty for the term of the agreement.

Carry bits on the Level 3® Network as far as possible, so customers can avoid capital expenses related to upgrading the backbone and middle mile portions of their networks.
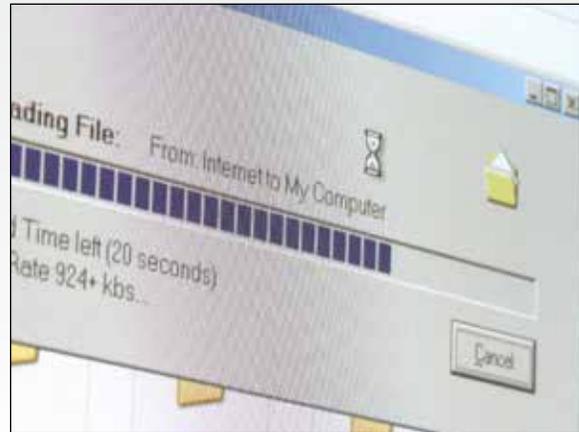
Originate as many bits as possible, as close to the requesting consumer as possible, to improve the quality of experience and delivery efficiency to your end users.

Solution Benefits

Reduce Costs: Traffic traverses fewer bit miles, helping to minimize costs to the consumer broadband network. Additionally, interconnects, backbone, and middle mile networks do not require upgrades and augments.

Take the Uncertainty Out of Growth: Price compression is built into a fixed-cost model. This means costs don't vary with traffic growth, and the consumer broadband network has the ability to consolidate IP transit providers.

Efficient Traffic Delivery: Interconnection allows Level 3 to exchange traffic with the consumer broadband network directly within the customer network down to the metro layer. Additionally, the solution enables traffic to originate as close to the end user as possible.

Enabling content requests to be solved directly within the metro area helps to reduce latency and packet loss, while improving end-user quality.

Global Availability: As a global internet service provider, our network spans over 100,000 miles through 45 countries and directly connects to more than 500 markets.

"The sum of all forms of video will be approximately 86 percent of global consumer traffic by 2016."

— Cisco Visual Networking Index: Forecast & Methodology, 2011-2016[1]

1 http://www.puremobile.com/media/infortis/documents/cisco_mobile_forecast.pdf

![Level 3 Communications logo]

Technical Features / Capabilities

Traffic is efficiently exchanged between Level 3 and the ISP, and can grow up to 5 percent every month.

Level 3 routes all traffic on a cold potato basis if necessary by responding to any media endpoint discoveries (MEDs) that the customer wishes to announce.

Level 3 interconnects as many locations as the customer wishes to add (subject only to a minimum utilization of 10 percent being maintained on any port).

Level 3 provides all of the equipment required for placement inside the customer's network and will collaborate with the customer to determine the best locations for those devices. It is expected that as Internet traffic continues to grow, it will become viable to originate traffic ever closer to the consumer.

Monthly unit price compression is addressed over the long term.

Proactive capacity monitoring and problem resolution let you benefit from end-to-end reliability.
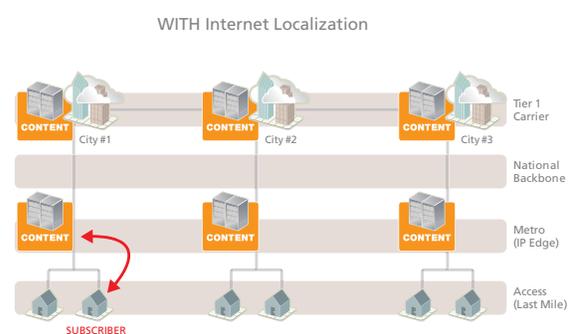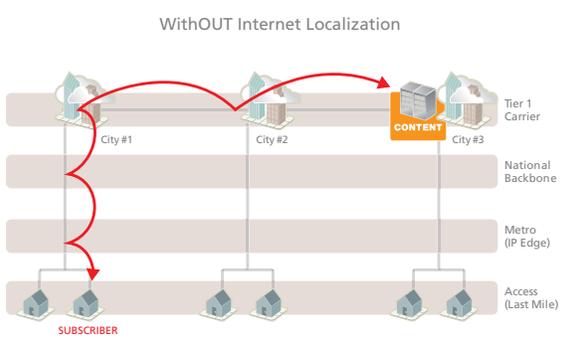
Access to up to 10 GigE at our edge servers can help you lower costs, simplify management and enable scalability.

Why Choose Level 3 for Internet Localization?

Aggregate your Internet transit efficiently to help realize cost reductions and budget constancy.

Improve your end-user experience with a global wholesale provider voted Best in Class for Provisioning and Network Quality (Atlantic ACM 2011).

Team with a network provider committed to taking on the risk of traffic growth as well as the capital required to facilitate a superior Internet interconnection solution.

WithOUT Internet Localization

Tier 1 Carrier
City #1 | City #2 | CONTENT | City #3
National Backbone
Metro (IP Edge)
Access (Last Mile)
SUBSCRIBER

WITH Internet Localization

CONTENT | City #1 | CONTENT | City #2 | CONTENT | City #3 — Tier 1 Carrier
National Backbone
CONTENT | CONTENT | CONTENT — Metro (IP Edge)
Access (Last Mile)
SUBSCRIBER

ABOUT LEVEL 3

We build, operate and take end-to-end responsibility for the network solutions that connect you to the world. We put customers first and take ownership of reliability and security across our broad portfolio.

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DATA NETWORKS | SECURITY | CONTENT DISTRIBUTION | DATA CENTERS | APPLICATION PERFORMANCE | VOICE | UCC