

Dear Valued Customer:

 December 28th, 2016

MaxxSouth Broadband's 100% local service team has worked hard throughout the year to provide you with industry-leading cable television programming, faster high-speed internet and reliable residential telephone service. We are grateful for the confidence you've shown us by continuing to purchase our products each month. More than ever, MaxxSouth's products remain our community's best value in entertainment and communications for your entire family.

We endeavor to provide better and more convenient service to our customers locally and, in this year alone, we have opened five additional brand new or fully remodeled retail centers in the towns of Forest, Houston, Kosciusko, Louisville and New Albany. As we continue to focus on improving your overall customer experience, in early 2017, we will open brand new centers in Oxford and Red Bay, plus a newly remodeled center in Bruce, with others to follow.

As part of our commitment to the areas we work and live in, we continuously provide support to numerous non-profit and community organizations in our hometowns. Just this year, through charitable contributions and sponsorships, we have committed a total of over \$830,000 in support!

Equally important to us was to deliver our promise to enhance all areas of your service. This year we launched 100 Megabits-per-second internet service in all our communities and 1 Gigabit fiber-to-the-home service to a continuously expanding footprint. Also, our video customers now enjoy a wider variety of high-definition channels, which will continue to grow, and our *Video-on-Demand** and *TV Everywhere* content increased by over 50%. In 2017, we will continue to invest in making all your services even better.

Given the additional upgrades we've done to our network, effective February 1st we will offer faster speeds to our current internet customers. There is nothing for you to do, except start enjoying your faster connection with speed increases of up to 50% of your current internet package (an average speed increase of 5 Mbps download).

While we continue to deliver improvements in all areas of your service, we focus our efforts to control costs and operate more efficiently. However, costs for programming, operations support and internet bandwidth have continued to rise. For instance, each year television networks impose substantial increases in the license fees they charge us for the right to distribute their signals. These costs, including those coming from the local broadcast stations, continue to grow well beyond the rate of inflation. As a result of all these cost increases, we are implementing the following monthly rate adjustments that will go into effect beginning February 1st, 2017**:

<u>Level of Service</u>	<u>Increase</u>	<u>Level of Service</u>	<u>Increase</u>	<u>Level of Service</u>	<u>Increase</u>
Basic Cable	\$3.05	Broadcast TV & Network Sports Surcharge	\$2.80	Digital Plus Tier	\$1.35
Expanded Basic	\$1.85	All Premium Channels	\$1.25 each	Internet Service	\$4.00
Digital Basic Tier	\$1.75	(HBO, Cinemax, Showtime, Starz)		Phone Service	\$1.25

Note: If you currently have a free Digital Terminal Adapter (DTA) for your Video service, effective 2/01/17 you will be charged \$.50/mo. per DTA.

We know you may have questions about these changes. Please call us anytime at 1-800-457-5351 and we will be happy to assist you.

MaxxSouth Broadband's primary focus in 2017 will be to continue to provide the best local customer care while enhancing the multiple broadband services we offer via our network. We value you as a customer, and look forward to continuing to serve you.

Sincerely,

Your MaxxSouth Broadband Service Team

*A cable TV converter is required to access our Video-On-Demand platform. **Rate adjustments will be reflected on all applicable services on a monthly basis, effective upon your February 2017 billing cycle. If you are receiving services on a promotional basis associated with a specific rate, the adjustments that apply to your services will not go into effect until your promotional period ends, except for the "Broadcast TV and Network Sports Surcharge" increase, which goes into effect to all Cable TV customers as of your February 2017 billing cycle. HD equipment is required to view HD channels, contact us for more details. Phone service may not be available in all areas. All MaxxSouth Broadband rates and fees are subject to the applicable, mandated government and state taxes and fees.