

September 18, 2015

Overview

PCs for People is a digital inclusion program providing low cost computers, computer repair, Internet and support to people living below the 200% poverty level. Our average recipient is a family of three with an income of \$12,000 per year. We have distributed over 40,000 computers since we began in 1998.

In 2012 we established a partnership with Mobile Citizen and in 2014 with Mobile Beacon to offer \$10 per month high speed, unlimited Internet on CLEAR's network. This has been great for closing the digital divide. Since starting we have connected over 14,000 households, which results in approximately 42,000 connected individuals. Information is a great equalizer and coupling our computers with Internet has the power to lift the families we are helping out of poverty.

Service Issues

Currently, Clear's network is slowly being decommissioned. This has caused service gaps and saturated towers (slow speeds) for many of our clients. As service has degraded, several thousand clients have decided to stop using their Clear service and wait for the Sprint transition. The remaining loyal customers are dealing with service issues thinking these are temporary problems and the switch to LTE will solve all issues. This is concerning for us, as the goal of our program is digital inclusion and access to information, not frustrations and disconnecting due to network issues.

No Devices

Beyond service challenges, another larger issue is devices. In order to provide service we need devices. Mobile Citizen and Mobile Beacon have expressed issues with the ability to order low cost/affordable devices. It is unclear what device we will be using and at what price point. Our recipients average \$12,000 in income each year. They struggle to meet the basic necessities of life and have to plan months in advance for any expense. We need to be able to provide specific information to each client so they can save and plan.

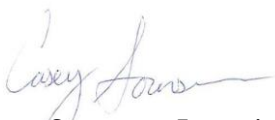
Data Caps

All test LTE devices have been throttled between 6-9 GB each month. Upon calling Sprint's customer service we are informed that Sprint does not throttle any devices and informed us not to not use the device during peak times to get better performance. Speeds are 20-45 Mbps uncapped anytime of the day and .25 once data caps have been reached. This has been consistent on all 5 test devices and time of day and location have no effect on speed. 6GB of data may be adequate for mobile use, but that is not how our clients are using their devices. These are home devices and in many cases, a family of eight uses it as their only Internet connection. There are multiple scenarios where our clients could use the 6 GB of data before doing any homework, job searching or web browsing. If a family has not used their computer for months while waiting for our Sprint LTE service to be available, Windows updates could easily use 6 GB of data. Windows computers also automatically download Windows 10, which is another 6GB. In a worst case scenario a user with two computers could deplete 4 months' worth of data on Windows updates and upgrades. Our service is supposed to even the playing field for kids and their schoolwork. A child on dial-up (throttled internet) is not on an even playing field with his higher income peer on broadband.

Future

Our needs are simple. We need devices, a simple system and competitive service. We currently have offices in Denver, Minneapolis, and Mankato, Minnesota. We have already had to close one office (in Fargo) due to the delays in this transition. We have been requested to open new offices in Philadelphia, Atlanta and Oakland, California. This growth depends on having Internet to supply to our clients. Hundreds of thousands of families can benefit from our service and a home Internet connection, most for the first time.

Systems, data caps and processes should not be what restrict a family from joining the digital world. Our business has been built to supply computers and Internet. Internet is currently half of what we do. Without it not only will 24,000 kids lose their connection, but instead of growing PCs for People will downsize.



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