

**1. Foundation Technologies.** Please list and briefly describe the cellular technologies you currently use in your network? (e.g., GSM, GPRS, EDGE, UMTS, 1xRTT, 1xEV-DO, iDEN, etc.)

iDEN stands for "integrated digital enhanced network." Nextel is the only major U.S. wireless service provider that offers this unique technology, which offers several benefits including:

- B all-in-one communication anywhere on our network (two-way walkie-talkie, text messaging, voice, data, wireless web and fax capabilities),
- B strong reception with a low frequency that can penetrate barriers,
- B advanced security with encryption that prevents interception,
- B reliability with several backups that allow for consistent coverage all day, every day and
- B clarity with sharp, clear voice quality.
- **2. Data Coverage Area.** As of August 1, 2004 (or most recent date for available data), describe and, where possible, illustrate your POP coverage areas for each major data technology supported on your network? (For a CDMA2000 carrier, this might be X POPS with 1xRTT, Y POPS with 1x-EV-DO. For a GSM-UMTS carrier, this might be X POPS with GPRS, Y POPS with EDGE, Z POPS with UMTS.) You may also summarize coverage outside the US, if available, as well as other wireless data service offerings, including WiFi hotspots.

Nextel offers data coverage anywhere on its nationwide network. Nextel and Nextel Partners, Inc. currently serve 296 of the top 300 U.S. markets where approximately 252 million people live or work. For a nationwide coverage map, visit: http://www.nextel.com/services/coverage/index.shtml.

Through partnerships with NII Holdings and TELUS Mobility, Nextel subscribers can use walkie-talkie and select data services (including BlackBerry® and mobile e-mail, two-way messaging and wireless Web access):

- in the United States, Mexico, Brazil, Argentina and Peru wherever Nextel or NII Holdings has coverage with other Nextel and NII Holdings subscribers, or
- in the United States or Canada wherever Nextel or TELUS Mobility has coverage with Nextel or TELUS Mobility subscribers.
- **3. Roaming for Data Services**. Summarize any roaming agreements you have with other carriers as relates to data services.

See answer to question 2 about NII Holdings and TELUS Mobility.

Additionally, Nextel partners with Nextel Partners and Extend America to offer seamless nationwide coverage without roaming costs. Both these partners serve mid-sized and rural markets, with Nextel Partners operating in 31 states and Extend America focusing on North Dakota and Minnesota.

**4. Data Service Pricing – Enterprise Plans.** As of July 1, summarize the service pricing of your data plans that are targeted at enterprise applications? (This should include unlimited usage and high-volume usage-based plans, if available).

More than 90 percent of Nextel's customers are business users, and Nextel has extensive experience designing customized data plans and pricing that meet enterprises' individual needs.

**5. Pricing Consistency.** For nationwide data plans, is your service pricing consistent across the US. (For example, is the pricing obtained for a subscriber in Seattle the same as for a subscriber in New York?)

Yes, our prices are consistent across the U.S.

**6. Mobile Data Device Connectivity.** Summarize your approach to supporting data services on notebook and handheld computers. Specifically, address options for connecting such a device through a cell phone (Bluetooth, infrared, or cable) and also through the use of PC-Card, Compact Flash, or SDIO or other modems. Address related pricing issues including subsidized-purchase programs for modems and any additional charges associated with using both a data-enabled phone and a separate modem.

Nextel offers connectivity to notebook and handheld computers via two types of modems:

iR1200 Rugged Modem – for more information, visit <a href="http://www.nextel.com/about/enterprise/wbs/ir1200.shtml">http://www.nextel.com/about/enterprise/wbs/ir1200.shtml</a>

iM1100 Wireless Modem – for more information, visit: http://www.nextel.com/about/enterprise/wbs/im1100.shtml

All Nextel handsets can be tethered to a laptop or handheld and used as a modem.

In addition, Nextel is currently trialing a wireless broadband service in Raleigh-Durham, North Carolina. The trial will extend at least until the end of the year. For more information, visit: <a href="http://www.nextelbroadband.com/">http://www.nextelbroadband.com/</a>.

**7. Web Optimization.** Do you offer optimization of Web traffic as an option? If so, describe the system's architecture (client/server, clientless or both).

Nextel offers web optimization through its Packetstream Gold service, which can achieve speeds ranging up to 56K. The current implemented architecture is a clientless solution using Bytemobile's Macara platform. For more information, visit: <a href="http://www.nextel.com/services/nextelonline/packetstream\_gold.shtml">http://www.nextel.com/services/nextelonline/packetstream\_gold.shtml</a>.

**8. Value-Added Business Data Service Offerings.** Please list and briefly explain your value-added services for business data connectivity? (This could include items such as optimized e-mail access.)

Nextel offers an extensive selection of packaged and customized solutions designed to meet the varying needs of many different industries, including:

- **B** Construction and Building
- **B** Education
- **B** Field Services
- B Financial Services
- **B** Government and Public Sector
- B Healthcare
- B Hospitality Services
- **B** Manufacturing
- **B** Professional Services
- **B** Public Safety
- **B** Real Estate
- **B** Retail
- **B** Transportation and Distribution
- **B** Utilities

For more information, visit:

http://www.nextel.com/about/enterprise/wbs/data.shtml.

**9. Network Connectivity.** Do you allow enterprise customers to connect to your network other than via the Internet? (For example, do you offer Frame Relay PVCs? Please list all the options.)

Yes. Nextel offers direct connectivity to the Nextel Packet Data Network via Private Virtual Connections over Frame Relay.

**10. Network VPN.** Related to the previous questions, for secure connectivity over the Internet, do you allow enterprises to connect to your network using VPN technology over the Internet? (This is a server-to-server VPN connection whose end points are your infrastructure network and the enterprise network. We are not referring to VPNs that terminate on the mobile device.)

Nextel does not currently offer Carrier based network VPN connectivity.

**11. IP Addressing.** Do you offer customers the option of private or public IP addresses for assignment to mobile stations? Do you offer customers the option of acquiring static IP addresses for their mobile stations? Explain your rationale in both cases.

The Total Connect plan allows customers to choose whether or not they need a private IP address (standard) or a public IP address (available as a buy-up option). This choice is provided to accommodate specific subscriber application requirements for mobile TCP/IP

traffic. For more information, visit http://www.nextel.com/services/nextelonline/total\_connect.shtml.

All IP addresses, whether public or private, are static for Nextel customers. Nextel's Packet Data Network provisions a subscriber with an IP address upon initiation of service and that address can be maintained by the subscriber for as long as they maintain their service.

**12. Airlink Security.** Does your network encrypt data communications for over-the-air transmission? If so, what encryption algorithm is used? (If this differs for different wireless technologies that you offer, please indicate for each technology.)

## **Transport Layer**

The iDEN air standard provides basic transport layer security due to its proprietary nature.

## **Application Layer Security**

Nextel employs a number of sophisticated application layer encryption solutions for subscribers, while making similar technologies available on the handheld for developers to leverage when creating applications for Nextel phones.

All data that are sent between the BlackBerry handheld and the corporate LAN over the Nextel wireless network through the BlackBerry Enterprise Server (BES) is encrypted using the Triple DES data encryption algorithm. All data are encrypted, including email, calendar appointments, and web data, for both standard BlackBerry and third-party applications.

Nextel devices come with a built-in level of security protection through the use of the Subscriber Identity Module (SIM) card. The SIM card stores all Nextel account identification information. Except for making emergency calls, the device will not function without the SIM card. SIM cards have several features that enhance security for wireless communications networks. SIM cards provide a secure authentication key transport container from Nextel's authentication center to the end-user's device. Hosting the cryptographic authentication algorithm and data on the card's microprocessor chip enables their superior fraud protection.

In addition to the IMEI, devices are authenticated on the Nextel network using a unique Ki (pronounced "KAY-sub-EYE"), a 32-digit hexadecimal algorithmic number. The Ki number is embedded in the SIM card. When the phone is powered up, the Nextel Home Location Register (HLR) sends the phone a randomly generated number. The phone uses the Ki identifier and HLR random numbers to perform a Motorola proprietary algorithm to calculate a signature and send that signature back to the HLR. If the phone-generated signature matches the independently generated HLR signature, the phone is authenticated and communications are enabled.

Certain Nextel Motorola phones (e.g. i95cl, i730, i830) provide an additional, powerful security option. These phones offer developers access to an array of cryptographic functions to keep application data secure from client to server without having to be an

expert in security or significantly affect application size. This Cryptography API supplies Java applications with tools that enable data confidentiality, authenticity, integrity, and non-repudiation using a collection of industry standard encryption algorithms. The Cryptography API provides enhanced data encryption through the Data Encryption Standard (DES), Triple DES, Advanced Encryption Standard (AES), and RSA's RC4 and RC5 symmetric encryption algorithms. Data is encrypted and decrypted with keys - once data is encrypted with a key it is virtually impossible to decrypt it without the proper decrypting key. A sender and receiver exchange these keys, keeping others out of the data exchange.

**13. Next Generation Deployment Plans.** Indicate, if possible, how extensive your coverage area (either POPs or metropolitan areas) will be with emerging 3G cellular technologies (1xEV-DO for CDMA carriers and EDGE and UMTS for GPRS/EDGE/UMTS carriers) by end of 2005 and by end of 2006. If multiple technologies are being deployed, please indicate plans for each technology.

Nextel does not follow the path of traditional wireless carriers. We've already announced plans to deploy WiDEN technology, which is designed to increase the network's packet-data speed up to four times the current speed. The company is also carefully evaluating next generation technology decisions. The market trial of Flash-OFDM technology in the Raleigh/Durham, N.C. area is going very well. Nextel is evaluating both the technology and market potential for wireless broadband. The company is also contemplating other technology options and will make a decision when appropriate.