

August 27, 2014

Dear Valued GRM Networks Member:

Thank you for being a loyal GRM Networks customer. As your local communications provider, we strive to continually provide excellent service at reasonable rates.

GRM Networks is partially funded by the Universal Service Fund (USF). Support from this fund allows rural communications companies, such as GRM Networks, to provide advanced communication services in much the same way as urban communication companies provide services to their customers.

The Federal Communications Commission (FCC) is now requiring rural phone companies to price basic residential phone service rates to meet the national urban benchmark. GRM Networks will lose a large amount of USF support if the FCC mandate is ignored. To learn more about the USF and GRM's participation in it, please visit our website at www.grm.net/usf.

As part of our continued mission to advocate on behalf of our customers, GRM Networks recently joined with other rural communications providers to discuss this price increase with our congressional representatives. Although the FCC did not remove the requirement to maintain pace with the urban rates, the FCC recently decided to give rural companies four years to get to the national average urban rate. Smaller increases in residential local rates will occur annually until the rural rates match the average urban rates. If GRM charges customers a rate lower than FCC requirements, FCC mandates will result in a decrease of funding from the USF.

Effective October 1, 2014, the monthly charge for a residential line will be \$16.00. Bundled service rates will also increase. Please refer to the included insert for details.

By bundling your services, you can save an average of 16% each month. For example, by upgrading to the Grand Slam Bundle, you can receive GRM Broadband, Tech Home Protect (formally Securelt Plus), basic phone service, voice mail, caller ID, enhanced call waiting, voice mail to email and 120 minutes of nationwide long distance for \$75.95. This bundle can save you \$220.08 per year when compared to our stand alone rates.

To upgrade and bundle your service, please contact your local business office by dialing 777 from any GRM Networks phone line or dial 1-800-451-2301 for the Princeton office, 1-800-551-1930 for the Bethany office, or 1-800-551-1940 for the Leon office.

To voice your opinion on USF and the national urban benchmark, please contact your congressional representative.

Thank you for your continued loyalty to GRM Networks. We are proud to be your local service provider, and we continue to strive for exceptional service to you.

Respectfully.

Ron Hinds

General Manager



August 27, 2014

Dear GRM Networks Member:

Thank you for being a loyal GRM Networks customer. We've had the privilege of serving your community for over 60 years. As your local communications provider, our mission is to provide excellent service at reasonable rates. Due to changes in the Federal Communications Commission's (FCC) requirements, we must raise rates for business telephone service. Please see the table below for rate increase information.

Effective October 1, 2014 the monthly charges for business telephone lines will increase according to the table below.

	Current Monthly Charge	New Monthly Charge Effective 10/1/2014
Business Line	\$17.00	\$19.00
Business Trunk Hunting	\$25.50	\$27.50
Business Key System	\$25.50	\$27.50
PABX Line	\$25.50	\$27.50
PRI B Channel	\$18.00	\$20.00
PRI D Channel	\$23.00	\$25.00
Centrex First 5 Lines	\$21.00	\$23.00
Centrex Next 5 Lines	\$18.00	\$20.00
Centrex Next 10 Lines	\$15.00	\$17.00
Centrex Over 21 Lines	\$13.00	\$15.00

If after reviewing this information, you have questions about how these changes will affect your monthly telephone statement, please contact your local business office by dialing 777 from any GRM Networks phone line, or dial 1-800-451-2301 for the Princeton office, 1-800-551-1930 for the Bethany office, or 1-800-551-1940 for the Leon office.

Thank you for your continued loyalty to GRM Networks. We are proud to be your local service provider, and we continue to strive for exceptional service to you.

Respectfully.

Ron Hinds

General Manager