

Local Rate Increase

Due to changes mandated by the Federal Communications Commission (FCC), Kingdom Telephone must raise its local rates to a minimum of \$20.40 per line, per month. Effective January 1, 2017, the \$2.40 rate increase will be applied to business and residential local service, Centrex service, PBX trunk lines, and bundle services. Since we have now reached the residential FCC Urban Rate Ceiling the RESIDENTIAL Access Recovery Rate (ARC) for the amount of \$2.50 will now be removed from your bill. It is necessary for Kingdom to follow the FCC's order or the Company will lose federal High Cost Loop (HCL) Universal Service Fund support. The USF program is essential to ensuring that rural consumers continue to have access to high-quality networks and affordable service.