



**This is an important notice.
Please read carefully and respond as soon as possible.**

3 Rivers needs to occasionally adjust our rates and services based on our costs and customer needs. Most recently, in the fall of 2016, we increased our basic Internet speeds without raising prices. In the summer of 2017, we lowered monthly phone service prices. **On July 1, 2018, the price of your COMBINED phone and Internet service will increase by about \$15 per month.** This price increase is necessary because of certain fees and costs associated with federal tariffs.

However, 3 Rivers has an option that will allow you to avoid this price increase AND receive a free upgrade of the Internet equipment in your home. All you need to do is contact us and let us know you agree to change your Local Exchange Voice service to 3 Rivers Digital Voice service and bundle it with your existing 3 Rivers Internet service. You even keep the same phone number! We've been offering Digital Voice service for years to thousands of our customers through Fiber-to-the-Home with no perceptible difference over the older Local Exchange Voice service. Now, with the change in how we need to price these services, it's time for all our members to switch to Digital Voice.

Please contact us to switch to Digital Voice!

When you agree to switch to Digital Voice, here's what we'll do at no cost:

- Schedule an appointment at your convenience;
- Replace your Internet router with the latest technology available;
- Provide a free battery backup for voice service in case of a power outage;
- Make any minor wiring changes or other adjustments to ensure all your 3 Rivers services function optimally.

Provide us the name on your account and your 3 Rivers phone number via one of the following methods:

Call: 406-467-4131

Email: 3rt@3rivers.net

Website: Click the "Digital Voice Confirmation" link on 3rivers.net

Text: 406-272-8235

Mail: Return enclosed postcard

Leave a message: 406-467-8888

Please clearly state your name, 3 Rivers phone number and the best way to contact you should we have questions.

See attached Pricing and Options sheet for more info and a detailed description on how Digital Voice works.

Over the course of the year, 3 Rivers expects to switch thousands of customers to the Digital Voice/Internet bundle. It may take a few months for us to actually install your new equipment. Until your new equipment is installed, your current voice service will still function and you will pay the lower Digital Voice/Internet bundle price.

If you do not contact us to switch to Digital Voice by June 15, 2018, you will remain on Local Exchange Voice service and **YOUR PRICE WILL GO UP.**

Your Cooperative needs your help.

If you choose to subscribe to the Digital Voice/Internet bundle, you will benefit from **continued lower prices** plus the **FREE** upgraded equipment. In addition, 3 Rivers will gain more support from the Federal Universal Service Fund (USF) to continue upgrading our network to meet your future telecommunications needs.

Please contact us right away!

If 3 Rivers does not get most members switched to Digital Voice service our ability to offer it at all is at risk and all customers' voice and Internet prices may have to go up. It will also affect our ability to continue investing in the network that serves all cooperative members like you.

This is one of those times where working together as a cooperative can benefit all, in the short-term and long into the future.

RESIDENTIAL VOICE SERVICE PRICING AND OPTIONS

OPTION #1

DIGITAL VOICE/INTERNET Bundle

Digital Voice service	\$22.50
Federal Fees*	\$0.00
10 Mbps Internet service	\$61.95
Total Digital Voice/Internet	\$84.45

*Digital Voice is regulated differently than Local Exchange service and you do not get charged certain fees associated with federal regulations.



OPTION #2

INTERNET ONLY

Drop your voice line completely and keep High Speed Internet only.

**Internet-only prices start at \$74.95*
for 10 Mbps service**

Details available on 3rivers.net

*New price effective June 1, 2018

If you decide to choose INTERNET ONLY,
please contact us at 467-2535
or 800-796-4567.

**If you do not select Option #1 or
Option #2, you will remain on
LOCAL EXCHANGE SERVICE and
YOUR PRICE WILL GO UP
Effective July 1, 2018**

Local Exchange service	\$22.50
Federal Fees*	\$8.00
10 Mbps Internet service	\$69.95
Total Local Exchange/Internet	\$100.45

*Local Exchange service has certain federal regulatory fees associated with it. These fees change from time to time. This is an estimate.

Digital Voice Service

All modern telecommunications networks use digital transmission to move the sound of your voice across a nationwide – or global – network. Digital signals are far more reliable, efficient and secure and are used universally by all telecommunications companies. This is the case for your cell phone, your 3 Rivers phone calls and even your television, and has been for more than a decade. If you make a cell phone call today, for example, the sound of your voice is converted to a digital signal inside your cell phone. This digital signal travels from your phone to the nearest tower, through the network, and all the way to the person you are calling. At that point the digital signal is converted back, in that person's cell phone, to a voice sound that is understandable to the person you are calling. That is the same basic concept with your television signal. From the time your news anchor's voice hits the television station microphone until it arrives at your television it is a digital signal, converted back to a human voice only at the last step inside your TV.

Your 3 Rivers voice call works in the same way, with one difference. The conversion to a digital signal does not usually occur in your phone, but rather at a point a little further along the network. For about half our members, those served by Fiber-to-the-Home, this conversion to a digital signal occurs inside their router or at the little gray box on the side of their home, in many cases only a few yards away. If you are receiving this letter it is because that digital conversion now occurs at a point near your house, but not at or in it. This conversion usually happens at one of those big green cabinets you've all seen in your neighborhood or down the road. This is a seemingly minor difference, but of huge significance to federal regulators. When 3 Rivers upgrades your in-home equipment, the digital conversion will occur at your premises instead of down the road at one of our cabinets. This simple change will allow your Cooperative to access more federal USF support and keep your prices low.

Digital Voice calls still travel on a Cooperative-owned network, but to satisfy federal regulatory requirements these calls must travel a different electronic route within the 3 Rivers network than Local Exchange calls. 3 Rivers' Digital Voice service is technically classified as interconnected VoIP (Voice over Internet Protocol) service, and appears on your bill as an "add-on" to your Internet and/or digital TV service.

Although an interconnected VoIP call is routed differently than the old Local Exchange calls within the 3 Rivers network, both types of calls are routed within the same room in the same building at 3 Rivers and the security of your call is unchanged. However, the way in which 3 Rivers' USF support is calculated is different and some of the fees and charges are eliminated for our members. Digital Voice is regulated by the FCC in a more modern fashion than Local Exchange service – which uses regulations developed starting in the 1930's. Visit 3rivers.net for further details on how interconnected VoIP is regulated. According to the FCC, as of December 2016 more than half of all Local Voice service lines in the United States are interconnected VoIP.

Battery Backup

To avoid a disruption during a power outage – and to maintain the ability to connect to 911 emergency services – 3 Rivers Communications will install a battery with backup power for the new equipment we are providing. This is necessary because the old Local Exchange service did not require a separate power source—the copper wiring carried enough power to make things work. The backup batteries are expected to provide up to two hours of talk time. If you feel that is not enough time, you may extend your standby power by purchasing additional battery backups from our company or a third party. More information on battery backup is available on 3rivers.net.

USF and NECA

Support from the federal USF (Universal Service Fund) assists rural cooperatives like 3 Rivers in providing affordable telecommunications services comparable to those offered in more populated areas.

NECA (National Exchange Carrier Association) changed tariffs for 2017-18 then issued further clarifications in January regarding the federal rules that necessitated the changes to 3 Rivers' pricing. NECA is an organization delegated limited authority by the Federal Communications Commission (FCC) to regulate rural telecommunications carriers like 3 Rivers.