

Dear Members,

A lot of work has happened in 2019 after a slow start following the winter season. This time last year Kingdom had two main line construction crews working and one or two drop crews getting the service across yards to the home. Just one year later we have five mainline crews and four drop crews. Two of those are working to bring gigabit fiber to the town of Auxvasse. We are hoping to add new customers in the town as Charter also serves the community. Now that Kingdom can provide Internet service without the required phone, I think we might have gains there with the fiber deployment. Added to that, the over-the-Internet TV content just gets better and better and can save money over traditional satellite, cable service, or the electric co-op's TV service.

Our "No Phone Required" option for Internet service has pleasantly surprised us. When the electric co-op began overbuilding us it really tied our hands because they could sell Internet without the phone. Finally, last summer the ties that bound us were cut. Just one month after it launched more than 10% dropped their phone. Two months in, we had more than 20% drop the phone. For years the FCC attached our funding to the phone line. With the changes the FCC made to allow us to offer this, our funding on the no phone is actually just a little higher than the phone service revenue. In addition, some customers dropping the phone are increasing the speed package on the internet – so definitely this has been a good thing. I think it will level out because there are still areas where cell coverage is weak and surprisingly enough, we still sell a lot of unlimited long-distance bundles. It is nice to know that people still want to talk on a phone instead of just texting on it. The no-phone option has also slowed the loss of customers to the electric overbuild. There is definitely no reason to sign a contract with them when you get twice the Internet speed for the same money with Kingdom - and no construction fees.

Our Phynx Fiber projects have been busy as well. Fiberhoods either constructed or under construction are growing: Mexico has about 75%, Moberly has about 35%, and Centralia has about 20%. As more neighborhoods are built; sign ups in those areas begin climbing rapidly. The word of mouth from customers who are experiencing fiber for the first time really does the marketing for us. We are happy with the pace considering Mexico had its first install in May 2017, Moberly in December 2018, and Centralia only July 2019.

Planning for the 2020 Annual Meeting has already began. Last year at North Callaway we struggled to get a quorum for the meeting. We made it in the last minutes before the meeting began but I will admit we were worried. Without a quorum, no business including election of Directors can take place. The number of members attending the Annual Meeting has been dropping year over year. We understand; families are very busy and spending the day with us may not be a priority especially in March when everyone has Spring fever. But the issue of a quorum is a serious one. If we are unable to achieve a quorum, we have 90 days to put another meeting together and hope we get one then. But think about that; 90 days later it will be harder as school will be out, families will begin vacation travel and the weather is even better so the likelihood of achieving the numbers the second time are probably worse than the first time. Also, the expense of a second meeting would be high and only deduct from capital credit allocations back to you, our members.

The Board of Directors has a solution for this issue. We will be bringing a bylaw modification to the shareholders that if passed will allow electronic voting. This will give members a voice without having to attend the meeting. Don't fear, we will still have the meeting as in the past with meal, gifts, and prizes. If passed it will take effect at the 2021 Annual meeting. Members who want to vote at the meeting will be allowed to do so upon arrival, before the business meeting starts. The purpose is to simply ensure that the quorum is achieved. So please, come to the meeting and bring another member or two with you. Help us get the quorum and get the protection for future quorums passed.

In this newsletter you will see that our Board has selected the nominating committee and the location of our next meeting. We will return to South Callaway School this year. The meeting will be Saturday, March 14, 2020, so mark your calendars. We hope to see you there. In the meantime, if you have any questions about services, please don't hesitate to give us a call.



Kingdom Welcomes a New Team Member!

Karen Eskew joined our team September 16th. She lives in Mexico, and she is working in the areas of Accounting, Plant Support, and Customer Service. Welcome, Karen!



Board Selects Nominating Committee; Announces Meeting Venue

Kingdom Telephone members elect three directors each year at the Annual Meeting, and the first step in this process is the selection of a committee to nominate the candidates who will run. This year, the nominating committee for the Board of Directors was appointed at a meeting of the board held on November 21, 2019.

- Alan Baumgartner, Auxvasse, 386-2231
- Clare Stringer, Auxvasse, 826-1104
- Donalane Richards, Tebbetts, 295-4786
- Dorothy Brune, Tebbetts, 295-4055
- Paul Bader, Big Spring, 252-4594
- Doug Graue, Big Spring, 252-4553

Our bylaws describe three methods of nomination:

1. Selection by the nominating committee. If you are interested in becoming a candidate for Board membership, contact a member of the nominating committee at your earliest convenience. The committee will meet on January 7 at 6:00 p.m. at the business office.
2. Nomination by petition. Petitions must be signed by fifteen or more shareholders and delivered to the business office by 5:00 p.m., February 3, 2020.
3. Nomination from the floor. You may nominate a candidate from the floor at the Annual Meeting.

High School Seniors: Apply Now For A \$2500 FRS Scholarship!

The Foundation for Rural Service (FRS) offers an annual college scholarship program to help further higher education among rural youth. The \$ 2,500 scholarships are available to students for their first year of college, university or vocational-technical school. The FRS program encourages the students to return to their rural hometowns after graduation, where they can help to build vital, healthy communities.

Each student is sponsored by an NTCA member company like Kingdom Telephone. The FRS funds \$2,000 of each scholarship and the sponsoring company awards the remaining \$500.

Seniors whose parents are Kingdom Telephone customers may apply by obtaining an application from their guidance counselor or download from the FRS website at frs.org. All applications must be signed by Kingdom Telephone and then sent directly to FRS and must be postmarked no later than March 6, 2020. Winners will be announced by May 1, 2020.

Relay Missouri

RELAY MISSOURI PROVIDES FREE PHONE ACCESS FOR HEARING AND SPEECH IMPAIRED

Relay Missouri is a service that provides full telephone accessibility to people who are deaf, hard of hearing, deaf-blind and speech-disabled. It can be used to make telephone calls to family, friends, businesses or anyone who has a phone. The service is available 24 hours a day, seven days a week, and 365 days a year. It is accurate and transparent. The operator voices everything you type and types everything you say.

All Relay Missouri calls are strictly private. No records of any conversations are maintained.

Relay services are available at no charge. Equipment itself is available upon request to eligible parties. The services are funded by the State.

To learn more, visit relaymissouri.com or kingdomtelco.com/relay-missouri. To use the service, dial 7-1-1 or call the Relay Customer Service Hotline at 800-676-3777 to reach the type of relay needed.