From: rhcadmin@usac.org

Sent: Friday, March 16, 2018 3:25 PM

To: dkettwich@adsadsi.com

Subject: Rural Health Care HCF Funding Commitment Letter (FCL): HCP 49329, FRN 17252301

Funding Commitment Letter Date: 3/16/2018
Invoicing Deadline: 12/31/2018

Funding Year: 2017
Health Care Provider (HCP) Name: Frontier Community Services
HCP Number: 49329
HCP Contact Name: Amanda Faulkner
HCP Contact Email: afaulkner@fcsonline.org
HCP Contact Phone: (907) 714-6644
Funding Request Number: 17252301
Competitive Bidding Exemption: Annual Undiscounted Cost of $10,000 or less

The Rural Health Care (RHC) division of the Universal Service Administrative Company (USAC) has completed its review of the FCC Form 462 *Healthcare Connect Fund Funding Request Form* (Form 462) and the supporting information submitted by the HCP named above. Based on the information provided, RHC has determined that the HCP is eligible for the funding estimated below. It is the HCP's responsibility to review this FCL and verify that all information is accurate.

Total Committed Funding: $2,802.76
HCP Physical Location: 43335 K-Beach Rd, Suite 36, Soldotna, AK 99669
Service Type: Dedicated Internet Access (DIA)
Bandwidth: 5.0MB / 5.0MB
Service Provider Name: Alaska Communications Systems Holdings, Inc.
Service Provider Identification Number (SPIN): 143007105
Billing Account Number (BAN): 1886760

Single Expense Information

Funding Start Date	Funding End Date	Undiscounted Recurring Expense	Undiscounted Non-Recurring Expense	Recurring Funding Amount	Non-Recurring Funding Amount	Total Funding Amount	Committed Funding Amount
7/01/2017	6/30/2018	$425.72	$0.00	$3,320.62	$0.00	$3,320.62	$2,802.75

The pro-rata factor for this filing window period is 84.40458%.

This funding request was submitted during FY2017 Filing Window 1. All qualifying requests submitted within the filing window period will receive a pro-rated percentage of the total funds available during FY2017 Filing Window 1 based on the total amount of qualifying funding requested during the filing window period. For each filing window period, if the total demand for RHC Program funding exceeds the total remaining funding available for the fund year, USAC will apply a pro-rata factor to each funding request. Learn more about funding request filing window periods here.

About pro-ration:

- If the final total dollar value of all qualifying funding requests exceeds the $400 million cap for all qualifying funding requests by the close of a filing window period, qualifying funding requests submitted during that filing window period will receive a pro-rated percentage of the total funds available during the filing window period.
- If the final total dollar value of all qualifying upfront payments and qualifying multi-year funding requests exceeds $150 million by the close of a filing window period, qualifying upfront payments and qualifying multi-year funding requests will receive a pro-rated percentage of the annual $150 million limit on funding for upfront payments and multi-year funding requests. This annual limit on upfront payments and multi-year payments is included in, and not in addition to, the aggregate $400 million annual cap on all qualifying funding requests. 47 C.F.R. § 54.675 (a)

Your responsibility: It is the HCP's responsibility to review the information in this FCL. Contact RHC at rhc-hcp@usac.org if there is an error with the amount of funding or other information in this FCL.

If, at any time, the funded services are no longer provided to the HCP or the HCP is not otherwise receiving the approved funding, it is the HCP's responsibility to notify RHC immediately.

Information provided on Forms 461, 462, and the FCC Form 463 Healthcare Connect Fund Invoice and Request for Disbursement Form (Form 463) are subject to audit by RHC and the FCC. HCPs are subject to audits and other reviews by USAC and/or the FCC to ensure that the universal service funding is used in compliance with FCC program rules. If USAC discovers that funds are not used in compliance with program rules, an HCP may be subject to enforcement activities and other means of recourse by USAC and other appropriate federal, state, and local authorities.

Next Steps: The HCP must complete and submit the Form 463 through the "My Portal" website. The Form 463 will confirm receipt of the services and equipment for which funding has been approved and the date on which the service provider began providing those services. The service provider will 1) confirm the accuracy of the Form 463; 2) confirm that the HCP has paid its 35% contribution; and 3) submit the Form 463 to RHC for payment.

The Form 463 must be submitted by the date listed at the top of this letter (Invoicing Deadline) which is six months after the end date of the funding commitment. However, HCPs are encouraged to start the invoicing process as soon as services have started and a bill has been received from the service provider.

For a single Funding Year, if the total undiscounted one-time upfront costs for a consortium are more than $50,000 when divided by the total number of eligible HCPs in the consortium, then those one-time upfront costs must be pro-rated over three years.

Receipt of funding commitments is contingent on compliance with all statutory, regulatory, and procedural requirements of the Rural Health Care HCF Program. HCPs that receive funding commitments may be subject to random audits, site visits, and other reviews by USAC to assure that funds have been committed and are used in accordance with all such requirements. USAC may be required to reduce or rescind funding commitments that were not issued in accordance with such requirements, whether due to action, or inaction, including but not limited to that by USAC, the HCP or the service provider. USAC, and other appropriate authorities (including but not limited to the Federal Communications Commission), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds.

If you wish to appeal this decision, you must file an appeal with USAC within 60 days of the date of this letter. Detailed instructions for filing appeals are available on the USAC website at http://usac.org/about/about/program-integrity/appeals.aspx.

For questions or assistance, or if this email has been received in error, contact Rural Health Care at (800) 453-1546, between 8:00 a.m. and 5:00 p.m. Eastern Time Monday through Friday or by email at rhc-hcp@usac.org.

All account holders and the service provider contact listed on the Form 498 will receive a copy of this FCL.