

SEC Filings

Responsive to CWA 2



Form SC 13D

ALLTEL CORP - VCG

Filed: December 19, 2005 (period:)

Filing by person(s) reporting owned shares of common stock in a public company >5%

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)

(Amendment No.)*

Valor Communications Group, Inc.

(Name of Issuer)

Common Stock, par value \$.0001 per share

(Title of Class of Securities)

920255106

(CUSIP Number)

ALLTEL Corporation
Francis X. Frantz
Executive Vice President-External Affairs, General Counsel and Secretary
One Allied Drive
Little Rock, Arkansas 72202
Telephone: (501) 905-8000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 8, 2005

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box .

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1.	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON ALLTEL Corporation (I.R.S. Employer Identification Number 34-0868285)
2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
3.	SEC USE ONLY
4.	SOURCE OF FUNDS OO
5.	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>
6.	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH SOLE VOTING POWER None
	8. SHARED VOTING POWER 29,952,955*
	9. SOLE DISPOSITIVE POWER None
	10. SHARED DISPOSITIVE POWER None
11.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 29,952,955*
12.	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>
13.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 42.11%*
14.	TYPE OF REPORTING PERSON CO

* See discussion in Items 4 and 5 of this Schedule 13D.

CUSIP NO. 920255106

1.	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON ALLTEL Holding Corp. (I.R.S. Employer Identification Number 20-3767982)	
2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
3.	SEC USE ONLY	
4.	SOURCE OF FUNDS OO	
5.	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6.	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		7. NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH SOLE VOTING POWER None
		8. SHARED VOTING POWER 29,952,955*
		9. SOLE DISPOSITIVE POWER None
		10. SHARED DISPOSITIVE POWER None
11.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 29,952,955*	
12.	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) <input type="checkbox"/>	
13.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 42.11%*	
14.	TYPE OF REPORTING PERSON CO	

* See discussion in Items 4 and 5 of this Schedule 13D.

The information set forth in response to each separate Item below shall be deemed to be a response to all Items where such information is relevant.

Item 1. Security and Issuer.

This Statement on Schedule 13D (this "Statement") relates to the shares of common stock, par value \$.0001 per share (the "Common Stock"), of Valor Communications Group, Inc., a Delaware corporation ("Valor"). The principal executive offices of Valor are located at 201 E. John Carpenter Freeway, Suite 200, Irving, Texas 75062.

Item 2. Identity and Background.

(a) - (c), (f) This Statement is filed by ALLTEL Corporation, a Delaware corporation ("ALLTEL"), and ALLTEL Holding Corp., a newly formed Delaware corporation and a wholly owned subsidiary of ALLTEL ("Spinco" and, together with ALLTEL, the "Reporting Persons", and each a "Reporting Person"). The principal business address of each of the Reporting Persons is One Allied Drive, Little Rock, Arkansas 72202. ALLTEL is a customer-focused communications company providing wireless, local telephone, long-distance, Internet and high-speed data services to residential and business customers. Spinco is a newly formed holding company organized to hold ALLTEL's wireline telecommunications business and certain related business operations (the "Spinco Business") in connection with the separation of the Spinco Business from ALLTEL, as described more fully herein.

The (i) name, (ii) business address, (iii) present principal occupation or employment, (iv) name, principal business and address of any corporation or other organization in which such employment is conducted, and (v) citizenship of each director and executive officer of ALLTEL and Spinco are set forth on Schedule I hereto and incorporated herein by reference.

(d) - (e) During the last five years, none of the Reporting Persons, nor, to the knowledge of any of the Reporting Persons, any of the individuals referred to in Schedule I, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction resulting in a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws, or finding violations with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

On December 9, 2005, ALLTEL announced that it will spin off the Spinco Business by contributing the stock of the subsidiaries conducting the Spinco Business to Spinco and distributing all of the shares of capital stock of Spinco to ALLTEL's stockholders. Immediately thereafter, Spinco will merge (the "Merger") with Valor, with Valor continuing as the surviving corporation. In order to effect the spin-off and merger, ALLTEL entered into a Distribution Agreement, dated December 8, 2005 with Spinco and

an Agreement and Plan of Merger dated December 8, 2005 (the "Merger Agreement") with ALLTEL and Valor. In connection with the spin-off and as a result of the Merger, all of the issued and outstanding shares of Spinco common stock will be converted into the right to receive an aggregate number of shares of common stock of Valor that will result in ALLTEL's stockholders holding 85% of the outstanding equity interest of the surviving corporation immediately after the Merger and the stockholders of Valor holding the remaining 15% of such equity interests (subject, in each case, to dilution from compensatory equity grants and other issuances).

As a condition of Spinco entering into the Merger Agreement, and in consideration thereof, certain affiliates of Welsh, Carson, Anderson & Stowe and certain affiliates of Vestar Capital Partners (collectively, the "Stockholders") entered into a Voting Agreement, dated as of December 8, 2005 (the "Voting Agreement"). Pursuant to the Voting Agreement, each of the Stockholders agreed to vote in favor of the Merger and against any competing proposal. Spinco did not pay additional consideration to the Stockholders in connection with the execution and delivery of the Voting Agreement.

The Merger is subject to the approval of Valor stockholders, the expiration or earlier termination of applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act, the receipt of certain required consents from the Federal Communications Commission and the receipt of certain private letter rulings and legal opinions regarding the tax-free nature of the spin-off, the Merger and certain related transactions, as well as other customary closing conditions. Copies of the Merger Agreement and the Voting Agreement are filed as Exhibits 99.1 and 99.2, respectively, and are incorporated herein by reference.

Item 4. Purpose of Transaction.

This statement on Schedule 13D has been filed in connection with the execution of the Voting Agreement by Spinco and the Stockholders, which the parties entered into as an inducement for, and in consideration of, Spinco entering into the Merger Agreement. Pursuant to the Voting Agreement, the Stockholders, which collectively own or are entitled to direct the voting of 29,952,955 shares of Common Stock, which represents approximately 42.11%¹ of the shares of Common Stock deemed to be outstanding pursuant to Rule 13d-3(d)(1) and approximately 42.11% of the voting power of Valor, have agreed to vote (or cause to be voted) their shares of Common Stock (i) in favor of the approval of the Merger and the approval and adoption of the Merger Agreement and (ii) except with the written consent of Spinco, against certain alternative acquisition proposals that may be submitted to a vote of the stockholders of Valor regarding an acquisition. In addition, the Stockholders are prohibited from selling, transferring, converting or otherwise disposing of the shares subject to the Voting Agreement, if such sale, transfer, conversion or disposition would result in the Stockholders' inability to vote such shares as required pursuant to the terms of the Voting Agreement.

¹ The share ownership percentages described in this Schedule are based on 71,130,634 shares of Common Stock outstanding as of December 6, 2005.

The purpose of the Voting Agreement is to facilitate stockholder approval for ALLTEL, Spinco and Valor to consummate the transactions contemplated by the Merger Agreement.

Upon the consummation of the Merger, the directors of Spinco immediately prior to the effective time of the Merger will be the directors of the surviving corporation, until their respective successors are duly elected or appointed and qualified. Upon consummation of the Merger, the officers of Spinco immediately prior to the effective time of the Merger will be the initial officers of the surviving corporation, until their respective successors are duly appointed.

At the effective time of the Merger, the certificate of incorporation of Valor will be amended as provided in the Merger Agreement, and as so amended will be the certificate of incorporation of the surviving corporation, until thereafter amended in accordance with such certificate of incorporation and the General Corporation Law of the State of Delaware ("DGCL"). The amended certificate of incorporation of the surviving corporation will, among other things, expand the number of authorized shares of common stock from 200,000,000 to 2,000,000,000 and the number of authorized shares of preferred stock from 20,000,000 to 200,000,000, and will also provide for a classified board of directors, with each class of directors serving three-year staggered terms.

At the effective time of the Merger, the bylaws of Valor will be amended and restated in their entirety as provided in the Merger Agreement, and as so amended and restated, will be the bylaws of the surviving corporation, until thereafter amended in accordance with the certificate of incorporation of the surviving corporation, such bylaws and the DGCL.

Except as set forth in this Item 4, none of the Reporting Persons nor, to the knowledge of any of the Reporting Persons, any of the individuals referred to in Schedule I, has any plans or proposals which relate to or would result in any of the actions specified in clauses (a) through (j) of Item 4 of Schedule 13D (although the Reporting Persons reserve the right to develop such plans).

The foregoing summary of certain provisions of the Merger Agreement and the Voting Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of such agreements.

Item 5. Interest in Securities of the Issuer.

(a)-(b) As of the filing date of this Schedule 13D, as a result of the Voting Agreement, the Reporting Persons may be deemed to have (i) beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) and (ii) shared power to vote or direct the vote 29,952,955 shares of Common Stock, which represents approximately 42.11% of the shares of Common Stock deemed to be outstanding pursuant to Rule 13d-3(d)(1).

The Reporting Persons are not entitled to any rights of a stockholder of Valor. None of the Reporting Persons has (i) sole or shared power to vote or direct the vote or (ii) sole or shared power to dispose or direct the disposition of Common Stock. Each of

the Reporting Persons expressly disclaims any beneficial ownership of any of the Common Stock under the Voting Agreement. Other than as set forth above, neither any Reporting Person nor any subsidiary of any Reporting Person, nor, to the knowledge of any Reporting Person, any of the individuals referred to in Schedule I, beneficially owns any Common Stock as to which it has the sole or shared power to vote or to direct the vote or has the sole or shared power to dispose or to direct the disposition of such shares.

(c) Except as set forth or incorporated herein, neither any Reporting Person nor, to the knowledge of any Reporting Person, any of the individuals referred to in Schedule I, has effected any transaction in Common Stock during the past 60 days.

(d) Not applicable

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Other than the Merger Agreement and the Voting Agreement, to the knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 and Schedule I and between such persons and any other person with respect to the securities of Valor, including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangement, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

Item 7. Material to be filed as Exhibits.

- 99.1. Agreement and Plan of Merger, dated December 8, 2005, among ALLTEL Corporation, a Delaware corporation, ALLTEL Holding Corp., a Delaware corporation and Valor Communications Group, Inc., a Delaware corporation (incorporated herein by reference to Exhibit 2.2 to the Current Report on Form 8-K filed by ALLTEL Corporation on December 9, 2005).
 - 99.2. Voting Agreement, dated December 8, 2005, between ALLTEL Holding Corp., a Delaware corporation, and the Stockholders listed therein (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by ALLTEL Corporation on December 9, 2005).
 - 99.3. Joint Filing Agreement, dated December 16, 2005, between ALLTEL Corporation and ALLTEL Holding Corp.
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After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: December 19, 2005

ALLTEL CORPORATION

By: /s/ Francis X. Frantz

Name: Francis X. Frantz

Title: Executive Vice President-External

Affairs, General Counsel and Secretary

ALLTEL HOLDING CORP.

By: /s/ Francis X. Frantz

Name: Francis X. Frantz

Title: Chairman

Set forth below is a list of each executive officer and director of ALLTEL Corporation and ALLTEL Holding Corp. setting forth the business address and present principal occupation or employment (and the name and address of any corporation or organization in which such employment is conducted) of each person. The persons named below are citizens of the United States.

Directors of ALLTEL Corporation

Name and Business Address	Present Principal Occupation (principal business of employer)	Name and Address of Corporation or Other Organization (if different from address provided in Column 1)
John R. Belk Belk, Inc. 2801 West Tyvola Charlotte, NC 28217-4500	President and Chief Operations Officer of Belk, Inc. (department store retailer)	
William H. Crown CC Industries, Inc. 222 North La Salle St., Suite 1000 Chicago, IL 60601	President and Chief Executive Officer of CC Industries, Inc. (diversified investment company); Vice President of Henry Crown and Company (diversified investment company); Vice President of Dane Acquisition Corp. and General Partner of Great Dane Limited Partnership (semi-truck trailers and accessories manufacturer)	
Joe T. Ford ALLTEL Corporation P.O. Box 2177 (72203) One Allied Drive Little Rock, AR 72202	Chairman of ALLTEL Corporation	
Scott T. Ford ALLTEL Corporation P.O. Box 2177 (72203) One Allied Drive Little Rock, AR 72202	President and Chief Executive Officer of ALLTEL Corporation	
Dennis E. Foster Foster Thoroughbred Investments 600 The Grange Lane Lexington, KY 40511	Principal of Foster Thoroughbred Investments	
Lawrence L. Gellerstedt, III Cousins Properties Inc. 2500 Windy Ridge Parkway Suite 1600 Atlanta, GA 30339	President of the Office/Multi-Family Division of Cousins Properties Inc. (real estate investment firm and property management services provider)	
Emon A. Mahony, Jr. Mahony Law Firm 106 West Main Street Suite 406 El Dorado, AR 71730	Chairman of the Board of Arkansas Oklahoma Gas Corporation (natural gas company); Vice President and Secretary of Mahony Corporation (family investment company); Managing Partner of EAM Company, LLC (family investment company)	Arkansas Oklahoma Gas Corporation P.O. Box 17004 115 North 12 th Street Fort Smith, AR 72917
John P. McConnell	Chairman and Chief Executive	

Worthington Industries, Inc. 200 Old Wilson Bridge Road Columbus, OH 43085	Officer of Worthington Industries, Inc. (metal processor and manufacturer)	
Josie C. Natori The Natori Company 40 East 34 th Street New York, NY 10016	President and Chief Executive Officer of the Natori Company (upscale fashion house)	
Gregory W. Penske Penske Automotive Group, Inc. 3534 North Peck Road El Monte, CA 91731	President of Penske Automotive Group, Inc. (car dealership operator)	
Warren A. Stephens Stephens, Inc. 111 Center Street Little Rock, AR 72201	Chairman of the Board, President and Chief Executive Officer of Stephens Inc. (investment banking firm)	
Ronald Townsend 13440 Ellsworth Lane Jacksonville, FL 32225	Communications Consultant (self-employed)	

Executive Officers of ALLTEL Corporation (who are not Directors)²

Name	Present Principal Occupation
Kevin L. Beebe	Group President - Operations
Jeffrey H. Fox	Group President - Shared Services
Francis X. Frantz	Executive Vice President - External Affairs, General Counsel and Secretary
Jeffrey R. Gardner	Executive Vice President - Chief Financial Officer
Keith A. Kostuch	Senior Vice President - Strategy and Sourcing
C.J. Duvall Jr.	Executive Vice President - Human Resources
Sharilyn S. Gasaway	Controller
John A. Ebner	Treasurer

² Each executive officer's present principal occupation is with ALLTEL Corporation. The business address of each executive officer is ALLTEL Corporation, P. O. Box 2177 (72203), One Allied Drive, Little Rock, Arkansas 72202.

Directors and Officers of ALLTEL Holding Corp.³

Name	Principal Occupation
Jeffery R. Gardner	Executive Vice President - Chief

	Financial Officer of ALLTEL Corporation
Francis X. Frantz	Executive Vice-President - External Affairs, General Counsel and Secretary of ALLTEL Corporation
John A. Ebner	Treasurer of ALLTEL Corporation

³ The present principal occupation of each director and executive officer of ALLTEL Holding Corp. is with ALLTEL Corporation. See table of executive officers of ALLTEL Corporation above. The business address of each director and executive officer of ALLTEL Holding Corp. is ALLTEL Holding Corp., P. O. Box 2177 (72203), One Allied Drive, Little Rock, Arkansas 72202.

INDEX TO EXHIBITS

Exhibit Number	Document
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- | | |
|-------|--|
| 99.1. | Agreement and Plan of Merger, dated December 8, 2005, among ALLTEL Corporation, a Delaware corporation, ALLTEL Holding Corp., a Delaware corporation and Valor Communications Group, Inc., a Delaware corporation (incorporated herein by reference to Exhibit 2.2 to the Current Report on Form 8-K filed by ALLTEL Corporation on December 9, 2005). |
| 99.2. | Voting Agreement, dated December 8, 2005, between ALLTEL Holding Corp., a Delaware corporation, and the Stockholders listed therein (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by ALLTEL Corporation on December 9, 2005). |
| 99.3 | Joint Filing Agreement, dated December 16, 2005, between ALLTEL Corporation and ALLTEL Holding Corp. |
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Exhibit 99.3

Joint Filing Agreement Pursuant to Rule 13d-1(k)(1)

This agreement is made pursuant to Rule 13d-1(k)(1) under the Securities Exchange Act of 1934 (the "Act") by and among the parties listed below, each referred to herein as a "Joint Filer". The Joint Filers agree that a statement of beneficial ownership as required by Section 13(d) of the Act and the Rules thereunder may be filed on each of their behalf on Schedule 13D or Schedule 13G, as appropriate, and that said joint filing may thereafter be amended by further joint filings. The Joint Filers state that they each satisfy the requirements for making a joint filing under Rule 13d-1(k)(1).

Date: December 16, 2005

ALTEL CORPORATION

By: /s/ Francis X. Frantz
Name: Francis X. Frantz
Title: Executive Vice President - External Affairs,
General Counsel and Secretary

ALTEL HOLDING CORP.

By: /s/ Francis X. Frantz
Name: Francis X. Frantz
Title: Chairman

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8-K 1 alltel8k120905.htm FORM 8-K OF ALLTEL CORPORATION

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 9, 2005

ALLTEL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	1-4996	34-0868285
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)
One Allied Drive, Little Rock, Arkansas		72202
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (501) 905-8000

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. *Entry into a Material Definitive Agreement.*

On December 9, 2005, ALLTEL Corporation (the "Company") announced that it would spin off its wireline telecommunications business to its stockholders and merge it with Valor Communications Group, Inc. ("Valor"). In order to effect the spin-off and merger, the Company entered into (i) a Distribution Agreement (the "Distribution Agreement") with ALLTEL Holding Corp., a newly formed, wholly owned subsidiary of the Company ("Spinco"), (ii) an Agreement and Plan of Merger (the "Merger Agreement") with Spinco and Valor and (iii) an Employee Benefits Agreement (the "Employee

Benefits Agreement") with Spinco. These agreements, which are described in greater detail below, provide for the separation of the Company's wireline telecommunications business and certain related business operations (the "Spinco Business"), the distribution to the Company's stockholders of all of the shares of capital stock of Spinco, a holding company subsidiary formed to hold the Company's wireline business, and the merger of Spinco with and into Valor, with Valor continuing as the surviving corporation.

Distribution Agreement

Pursuant to the Distribution Agreement, and subject to the terms and conditions set forth therein, the Company will engage in a series of preliminary restructuring transactions to effect the transfer to Spinco's subsidiaries of all of the assets relating to the Spinco Business and the transfer to the Company's subsidiaries of all assets not relating to the Spinco Business. Following these preliminary restructuring transactions, and immediately prior to the effective time of the Valor merger described below, the Company will contribute (the "Contribution") all of the stock of the Spinco subsidiaries to Spinco in exchange for: (i) the issuance to the Company of Spinco common stock to be distributed to the Company's stockholders pro rata in the spin-off (the "Distribution"), (ii) the payment of a special dividend to the Company in an amount not to exceed the Company's tax basis in Spinco (the "Special Dividend"), and (iii) the distribution by Spinco to the Company of certain Spinco debt securities (the "Spinco Exchange Notes") in an amount equal to the difference between the Spinco Financing amount and the Special Dividend, which the Company intends to exchange for outstanding Company debt securities or otherwise transfer to the Company's creditors (the "Debt Exchange"). The separation of the assets and liabilities of the Spinco Business from the Company's remaining assets, as well as the terms of the various separation agreements and similar arrangements, between the Company and Spinco will be subject to the review of a steering committee comprised of representatives designated by the Company, Spinco and Valor.

Prior to the Distribution, Spinco will consummate certain financing transactions (the "Spinco Financing") pursuant to which Spinco will borrow approximately \$3.965 billion through a new senior credit agreement, the issuance of high yield debt securities in an offering under Rule 144A or a public offering and the distribution of the Spinco Exchange Notes to the Company. The proceeds of the Spinco Financing will be used to pay the Special Dividend and for other purposes. The Company has received a commitment letter (the "Commitment Letter") from J.P. Morgan Securities Inc., JPMorgan Chase Bank, N.A. (collectively, "JP Morgan"), Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Capital Corporation (collectively, "Merrill Lynch") to provide the Company with up to \$4.2 billion in senior secured credit facilities comprised of term loan facilities in an aggregate amount of up to \$3.7 billion and a revolving credit facility of up to \$500 million. The maximum principal amount available under the term loan facilities will be reduced in the event that the Company elects to fund a portion of its capital requirements through the issuance of high yield debt securities in an offering under Rule 144A or a public offering. The commitment letter is subject to customary conditions to consummation, including the absence of any event or circumstance that, individually or in the aggregate, is materially adverse to the business, assets, properties, liabilities or condition (financial or otherwise), of Spinco and its subsidiaries or Valor and its subsidiaries since September 30, 2005. The Company has agreed to pay JP Morgan and Merrill Lynch certain fees in connection with the commitment letter and has agreed to indemnify JP Morgan and Merrill Lynch against certain liabilities.

2

The Distribution Agreement provides for a post-Closing adjustment to the extent that the net indebtedness of Spinco immediately following the Distribution is more or less than \$4.2 billion.

In connection with the transactions contemplated by the Distribution Agreement and the Merger Agreement, the Company, Spinco and Valor will enter into certain related agreements, including a Tax Sharing Agreement, an Employee Benefits Agreement, one or more Transition Services Agreements, and amendments to the Valor charter and by-laws, copies or the terms of which are attached as exhibits to the Merger Agreement or the Distribution Agreement, as the case may be. Consummation of the Distribution is subject to the satisfaction of the conditions applicable to the Company and Spinco contained in the Merger Agreement, as described below.

In connection with the execution of the Distribution Agreement, the Company and Spinco entered into the Employee Benefits Agreement pursuant to which the parties agreed to establish certain benefit plans, programs and arrangements for employees of the Company that will be employees of Spinco after the Distribution. The Employee Benefits Agreement provides for, among other things, the establishment by Spinco, and/or transfer by the Company to Spinco, of certain employee benefit plans, policies and compensation programs, including defined benefit and contribution retirement plans, health and welfare plans, incentive and stock-based compensation plans and certain executive benefit plans. The Employee Benefits Agreement also provides for the separation of assets and liabilities related to benefit plans to be assumed by Spinco at the time of the Distribution and addresses the treatment of Company employees that will be employed by Spinco. Subject to certain exceptions, the Employee Benefits Agreement also provides for reciprocal indemnification with respect to certain losses relating to (i) the transfer of assets and liabilities under the Employee Benefits Agreement, (ii) certain administrative errors or failures of the parties and (iii) certain claims for benefits under the Spinco employee benefit plans, policies and compensation programs.

Merger Agreement

Pursuant to the Merger Agreement, and subject to the terms and conditions set forth therein, immediately after the consummation of the Spinco Financing, the payment of the Special Dividend, the distribution to the Company of the Spinco Exchange Notes and the consummation of the Distribution, Spinco will merge (the "Merger") with and into Valor, with Valor continuing as the surviving corporation (the "Surviving Corporation"). As a result of the Merger, all of the issued and outstanding shares of Spinco common stock will be converted into the right to receive an aggregate number of shares of common stock of Valor that will result in the Company's stockholders holding 85% of the outstanding equity interests of the Surviving Corporation immediately after the Merger and the stockholders of Valor holding the remaining 15% of such equity interests (subject, in each case, to dilution from compensatory equity grants and other issuances).

The Merger Agreement provides that, following the Merger, Jeffrey Gardener, who currently serves as Executive Vice President - Chief Financial Officer of the Company, will serve as the Chief Executive Officer of the Surviving Corporation, and Francis X. Frantz, who currently serves as the Executive Vice President - External Affairs, General Counsel and Secretary of the Company will serve as Chairman of the Board of Directors of the Surviving Corporation. The Merger Agreement also provides that following the Merger, the Board of Directors of the Surviving Corporation will consist of nine members: Messrs. Frantz and Gardener, six directors to be designated by the Company and one director to be designated by Valor, with a majority of the Board being "independent" within the meaning of the NYSE's rules.

3

The Merger Agreement contains customary representations and warranties between the Company and Spinco, on the one hand, and Valor, on the other, including with respect to accuracy of financial statements, the absence of undisclosed liabilities and similar matters. The parties have also agreed to a variety of customary covenants and agreements, including with respect to confidentiality, cooperation, public disclosure, regulatory cooperation and similar matters. Subject to Delaware law, the initial quarterly dividend rate of the Surviving Corporation following the merger will be \$0.25 per share.

Under the terms of the Merger Agreement, Spinco and Valor are restricted from taking certain actions prior to the effective time of the Merger that could adversely affect the tax-free treatment of the Distribution and related transactions. In addition, the Surviving Corporation will indemnify the Company for any such actions that disqualify the Distribution for such tax-free treatment.

Unless the Merger Agreement is earlier terminated, Valor is required to submit the Merger Agreement to a stockholder vote even if the Valor Board has withdrawn its recommendation of the Merger. Valor is generally prohibited from soliciting competing acquisition proposals and may not discuss a competing acquisition proposal unless the proposal is superior to the Merger or the Valor Board of Directors determines in good faith that the proposal could lead to a superior proposal. In such event, Valor may engage in discussions with the prospective acquirer, provided certain information is given to the Company, and Valor may terminate the Merger Agreement to accept a superior proposal, subject to certain conditions

and the payment of the termination fee described below.

The Merger Agreement may be terminated: (i) by mutual consent of the parties, (ii) by any of the parties if the Merger has not been completed by December 8, 2006 (the "Termination Date"), (iii) by any of the parties if the Merger is enjoined, (iv) by the Company and Spinco, on the one hand, or Valor, on the other hand, upon an incurable material breach of the Merger Agreement by the other party or parties, (v) by any party if the Company's stockholders fail to approve the Merger, (vi) by the Company or Spinco if Valor withdraws its recommendation of the Merger or fails to hold its stockholder meeting within 60 days after effectiveness of the registration statement, or (vii) by the Company to accept a superior acquisition proposal, provided that Valor gives the Company prior notice and attempts to renegotiate the transaction, and upon termination Valor enters into a competing transaction.

In the event that (i) Valor terminates the Merger Agreement to accept a superior acquisition proposal, (ii) the Company and Spinco terminate the Merger Agreement because Valor has withdrawn its recommendation of the Merger, (iii) any of the parties terminates the Merger Agreement because the Termination Date has passed or AT Co. and Spinco terminate the Merger Agreement because the Company fails to hold its stockholder meeting, or (iv) any of the parties terminates the Merger Agreement because the Company's stockholders fail to approve the Merger, and in the case of clauses (iii) and (iv) Valor agrees to or consummates a business combination transaction within one year after termination, then Valor must pay the Company a \$35 million termination fee. If any party terminates the Merger Agreement because the termination date has passed or the Company terminates the Merger Agreement because of a material breach by the Company or Spinco and, in either case, at the time of termination substantially all other conditions to the Merger have been satisfied but the required IRS rulings or tax opinions for the transaction have not been received, then the Company must pay Valor a \$20 million termination fee and, if the Spinco Financing condition has not been satisfied at the time of termination, then the Company must pay Valor an increased termination fee of \$35 million.

4

Consummation of the Merger is subject to the satisfaction of certain conditions, including, among others, (i) the approval of the Merger by the stockholders of Valor, (ii) the receipt of required regulatory approvals, including the approval of the Federal Communications Commission and the expiration of the applicable waiting period under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended, (iii) consummation of the Contribution, the Distribution and the Debt Exchange, (iv) consummation of the Spinco Financing, (v) receipt of surplus, solvency and certain other opinions and (vi) receipt of certain rulings from the Internal Revenue Service. The Merger and the other transactions contemplated by the Merger Agreement and the Distribution Agreement are expected to be completed in the second quarter of 2006.

Voting Agreement

In connection with the execution of the Distribution Agreement and the Merger Agreement, Spinco entered in a Voting Agreement (the "Voting Agreement") with certain stockholders of Valor who collectively own approximately 39% of Valor's outstanding common shares. Pursuant to the Voting Agreement, these stockholders have agreed to vote all of their shares of Valor common stock (i) in favor of the approval of the Merger and the approval and adoption of the Merger Agreement and (ii) except with the written consent of Spinco, against certain alternative proposals that may be submitted to a vote of the stockholders of Valor regarding an acquisition of Valor. In the event that the Merger Agreement terminates for any reason, the Voting Agreement will automatically terminate.

The foregoing descriptions of the Distribution Agreement, the Merger Agreement, the Voting Agreement, the Employee Benefits Agreement and the Commitment Letter are qualified in their entirety by reference to the full text of the Distribution Agreement, the Merger Agreement, the Voting Agreement, the Employee Benefits Agreement and the Commitment Letter, copies of which are attached hereto as Exhibits 2.1, 2.2, 10.1, 10.2, and 10.3, respectively, and incorporated herein by reference.

ITEM 7.01 Regulation FD Disclosure

On December 8, 2005, the Company issued a press release announcing the transactions contemplated by the

Distribution Agreement and the Merger Agreement (the "Press Release"). A copy of the Press Release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information contained in this Item 7.01 is not filed for purposes of the Securities Exchange Act of 1934 and is not deemed incorporated by reference by any general statements incorporating by reference this report or future filings into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent the Company specifically incorporates the information by reference. By including this Item 7.01 disclosure in the filing of this Current Report on Form 8-K and furnishing this information, we make no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD.

The information contained herein is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this report, although we may do so from time to time as we believe is warranted. Any such updating may be made through the filing of other reports or documents with the Securities and Exchange Commission, through press releases or through other public disclosures.

5

Forward Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and 21E of the Securities Exchange Act of 1934. Such forward-looking statements are subject to uncertainties that could cause actual future events and results of the Company and Spinco to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs, and assumptions that the Company believes are reasonable but are not guarantees of future events and results.

Actual future events and results of the Company and Spinco may differ materially from those expressed in these forward-looking statements as a result of a number of important factors. Factors that could cause actual results to differ materially from those contemplated above include, among others: adverse changes in economic conditions in the markets served by the Company, Spinco and Valor; the extent, timing, and overall effects of competition in the communications business; material changes in the communications industry generally that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; changes in communications technology; the risks associated with the separation of the Company's wireline business; failure to realize expected synergies and other benefits as a result of the Merger and other transactions described above; adverse changes in the terms and conditions of wireline or wireless agreements of the Company, Spinco and Valor; the potential for adverse changes in the ratings given to the Company's debt securities by nationally accredited ratings organizations; the availability and cost of financing in the corporate debt markets; the uncertainties related to the Company's strategic investments; the effects of work stoppages; the effects of litigation, including any litigation with respect to the Distribution or the Merger; and the effects of federal and state legislation, rules, and regulations governing the communications industry. In addition to these factors, actual future performance, outcomes, and results may differ materially because of more general factors including, among others general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause the Company's actual results to differ materially from those contemplated in the forward-looking statements included in this Current Report on Form 8-K should be considered in connection with information regarding risks and uncertainties that may affect the Company's future results included in the Company's filings with the Securities and Exchange Commission at www.sec.gov.

ITEM 9.01. *Financial Statements and Exhibits.*

(c) Exhibits.

See Exhibit Index.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

ALLTEL CORPORATION

(Registrant)

By: /s/ Jeffery R. Gardner

Jeffery R. Gardner

Executive Vice President — Chief Financial Officer
(Principal Financial Officer)

December 9, 2005

7

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibits</u>
2.1	Distribution Agreement, dated as of December 8, 2005, between ALLTEL Corporation and ALLTEL Holding Corp.
2.2	Agreement and Plan of Merger, dated as of December 8, 2005, among ALLTEL Corporation, ALLTEL Holding Corp., and Valor Communications Group, Inc.
10.1	Voting Agreement, dated as of December 8, 2005, between ALLTEL Corporation and certain shareholders of Valor Communications Group, Inc. named therein.
10.2	Employee Benefits Agreement, dated as of December 8, 2005, between ALLTEL Corporation and ALLTEL Holding Corp.
10.3	Commitment Letter, dated as of December 8, 2005, from J.P. Morgan Securities Inc., JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Capital Corporation.
99.1	Press release of ALLTEL Corporation, dated December 9, 2005.

8

For additional information contact:

Andrew Moreau 501-905-7962
 Vice President - Corporate Communications
 andrew.moreau@alltel.com

Rob Clancy 501-905-8991
 Vice President - Investor Relations
 rob.clancy@alltel.com

Release Date:

Dec. 9, 2005

- Alltel Spins Off Wireline Business and Merges It with VALOR,
 Creates New Rural-Focused Wireline Company**
- Transaction is Tax Free for Alltel, VALOR and Respective Shareholders
 - Alltel Executives Named to Lead the Wireline Business
 - Wireline Business Will Have Headquarters in Central Arkansas
 - Alltel Becomes a Pure Wireless Company
 - Alltel Plans \$3 Billion Share-Repurchase Program After Spin-off
 - Collective Dividend to Increase 1 Cent

LITTLE ROCK, Ark. - Alltel today announced that it will spin off its wireline business and merge it with VALOR Communications Group Inc. in a transaction valued at about \$9.1 billion, based on VALOR's closing stock price as of Dec. 8. The combination creates a major wireline competitor focused on the rural U.S. The transaction will be a tax-free separation of Alltel's wireline business and will reposition the remaining Alltel as a pure-play wireless service provider with roughly 11 million customers in 34 states.

The spin-off and merger with VALOR will create a new wireline company located in Central Arkansas, with Alltel shareholders owning 85 percent of the combined entity. VALOR Communications, based in Irving, Texas, will issue approximately 400 million shares of stock to the shareholders of Alltel in exchange for the Alltel wireline business. Current Alltel shareholders will continue to own 1 share of the remaining wireless entity and will receive 1.05 shares of VALOR stock for each share of Alltel they currently own. In addition, VALOR Communications will assume approximately \$4.2 billion in additional debt. The \$9.1 billion transaction will be tax-free to Alltel, VALOR and each company's shareholders. With \$5.4 billion in total net debt, the new merged company will be levered at approximately 3.2 times net debt to operating income before depreciation and amortization, substantially lower than VALOR's current leverage ratio of approximately 4 times debt to operating income before depreciation and amortization.

Alltel's and VALOR's wireline businesses have complementary geographic footprints with favorable rural characteristics, and their integration will benefit from Alltel's existing billing system outsourcing relationship with VALOR. "This transaction creates new growth opportunities for both the wireless and wireline businesses as separate entities," said Scott Ford, Alltel president and chief executive officer. "Each business will have sufficient scale to compete on its own and will be appropriately capitalized to take advantage of strategic, operational and financial opportunities." Management teams drawn from Alltel will lead the wireless and wireline businesses. "Both businesses will gain skilled management teams with a great breadth of experience in the communications industry, with the wireline business adding senior leadership from VALOR's current team," Ford said.

Francis X. "Skip" Frantz, currently executive vice president and secretary of Alltel who has been with Alltel for more than 15 years, will become chairman of the board of the combined wireline company. Jeffrey Gardner, currently executive vice president and chief financial officer of Alltel, will become president and chief executive officer of the new company. He has been with Alltel since 1998 and has been in the industry since 1986.

"VALOR is a very good fit with the Alltel wireline business and the combined companies will add value for our shareholders and provide quality service for our customers," Gardner said. "I look forward to working with my colleagues at VALOR to run our new company."

- Following are the highlights for the combined wireline business:
- Revenues and operating income before depreciation and amortization (pre-synergy) for the last 12 months ending Sept. 30, 2005, were \$3.4 billion and \$1.7 billion, respectively. The company will have about 3.4 million customers in 16 states.
 - The company expects to gain \$40 million in net annual synergies from the combination.
 - The company expects to pay an annual dividend of \$1 per share of common stock, which equals \$1.05 per equivalent Alltel share.
 - The combined company will have net debt of about \$5.4 billion.
 - Alltel's wireline business will keep the majority of communications support services, including publishing, IT outsourcing services, retail long distance and the wireline sales portion of communications products.

The wireline business will have nine total board members, including Frantz and Gardner, each serving a staggered three-year term. Dennis Foster, currently a member of Alltel's board, will join the board of the new wireline company as lead director. Alltel will name

five other directors, and one director will be named by VALOR Communications. The company initially will locate its headquarters in facilities currently owned by Alltel and will seek a permanent location.

The wireline leadership team also will include:

- John Koch, currently president of Alltel's wireline operations, will become chief operating officer. Koch has been with Alltel since 1998 and has been in the communications business since 1991.
- Brent Whittington, currently senior vice president of operations support for Alltel, will become executive vice president and chief financial officer. Whittington joined Alltel in 2002 as vice president for finance and accounting.
- Rob Clancy, currently vice president of investor relations for Alltel, will become senior vice president, treasurer and will lead investor relations efforts. Clancy joined Alltel in 1998 and has been in the communications industry since 1987.

The transaction is expected to close by mid-2006 and requires approval from VALOR shareholders, federal and state regulators and a letter ruling from the Internal Revenue Service approving the tax-free status.

The separation of the wireless and wireline businesses is part of Alltel's strategic push to grow its domestic wireless business. During the year, Alltel has purchased Western Wireless, certain assets of Cingular and Public Service Cellular. The company also has agreed to acquire Midwest Wireless.

Here are the highlights for the wireless business:

- Alltel will remain the nation's fifth-largest wireless carrier with about 11 million customers in 34 states. Revenue and operating income before depreciation and amortization for the last 12 months ending Sept. 30, 2005, were \$7.5 billion and \$2.6 billion, respectively, pro forma to include Western Wireless and Midwest Wireless.
- Alltel will own and operate the nation's largest wireless network covering a population of 75 million with its 850 MHz business. Alltel also will remain the largest independent roaming partner to the top four wireless carriers.
- Alltel expects to receive cash proceeds and debt reduction totaling about \$4.2 billion resulting from the spin-off.
- Alltel plans an open market \$3 billion share repurchase program for the two years following the spin-off. The company also plans to implement a \$1 billion debt-reduction program.
- The wireless business expects to pay an annual dividend of 50 cents per share of common stock.
- After the spin-off, Alltel will have net debt of about \$1.2 billion and be levered at about 0.5 times net debt to operating income before depreciation and amortization, prior to the planned repurchase program.

In the wireless business, Ford will continue in his current role as will Kevin Beebe, group president of operations; Jeff Fox, group president of shared services; and John Eber, treasurer.

Sharyn Gasaway, currently controller for Alltel, will become executive vice president and chief financial officer. Gasaway has been with Alltel since 1999 and has served in various management roles in accounting and finance. Tony Thomas, currently vice president of wireless wholesale operations, will become vice president of investor relations.

Additionally, Alltel today announced it has signed an agreement to sell the Haitian and Bolivian wireless operations it acquired from Western Wireless earlier this year for an undisclosed cash price. The transaction, subject to regulatory and other approvals, is expected to close by mid-2006.

J.P. Morgan Securities Inc., Merrill Lynch & Co. and Stephens Inc. acted as financial advisers to Alltel. Skadden, Arps, Slate, Meagher & Flom LLP served as counsel to Alltel.

Investor Call and Webcast

A conference call and Webcast will be held today at 8 a.m. CST. To take part in the conference call, dial 866-831-6162 and enter the pass code 74875056. The Webcast may be accessed at www.alltel.com/investors.

Media Call and Webcast

A conference call for media will be held today at 11 a.m. CST. To take part in the conference call, dial 866-383-8119 and enter the pass code 48612524. The Webcast may be accessed at www.alltel.com/news.

About Alltel

Alltel is a customer-focused communications company with more than 15 million customers in 36 states and nearly \$10 billion in annual revenues.

Alltel claims the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to uncertainties that could cause actual future events and results to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs, and assumptions and are not guarantees of future events and results. Actual future events and results may differ materially from those expressed in these forward-looking statements as a result of a number of important factors. Representative examples of these factors include (without limitation) adverse changes in economic conditions in the markets served by Alltel; the extent, timing, and overall effects of competition in the communications business; material changes in the communications industry generally that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; changes in communications technology; the risks associated with pending acquisitions and dispositions, including the pending acquisition of the Idaho markets and Midwest Wireless and the pending dispositions of Western Wireless, Kansas and Nebraska markets, the Austrian, Bolivian and Haitian operations, and the wireline business; the risks associated with the integration of acquired businesses, including the integration of Western Wireless; the uncertainties related to any discussions or negotiations regarding the sale of any of the international assets; adverse changes in the terms and conditions of the wireless roaming agreements of Alltel; the potential for adverse changes in the ratings given to Alltel's debt securities by nationally accredited ratings organizations; the availability and cost of financing in the corporate credit and debt markets necessary to consummate the disposition of the wireline business; the uncertainties related to Alltel's strategic investments; the effects of litigation; and the effects of federal

and state legislation, rules, and regulations governing the communications industry. In addition to these factors, actual future performance, outcomes, and results may differ materially because of more general factors including (without limitation) general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes.

Non-GAAP Financial Measures

This news release includes certain non-GAAP financial measures. A reconciliation of each such measure to the most directly comparable GAAP measure is below.

Wireless Net Debt to Operating Income for the twelve months ended September 30:		Wireline Net Debt to Operating Income for the twelve months ended September 30, 2005:	
(Dollars in millions)		(Dollars in millions)	
	Pro Forma Combined		Pro Forma Combined
Long-term debt, including current maturities	\$1,223.1	Long-term debt, including current maturities	\$5,389.1
Cash and short-term investments	(69.2)	Cash and short-term investments	(55.1)
Net debt	\$1,153.7	Net debt	\$5,334.0
Operating income under GAAP	\$1,489.7		
Net debt to operating income	0.8		

Wireless Net Debt to OIBDA from Current Businesses for the twelve months ended September 30 2005 (Dollars in millions)		Wireline Net Debt to OIBDA from Current Businesses for the twelve months ended September 30, 2005: (Dollars in millions)	
	Pro Forma Combined		Pro Forma Combined
Net debt (see above)	\$1,153.7	Net debt (see above)	\$5,334.0
Wireless Operating income under GAAP	\$1,489.7	Operating income under GAAP	\$1,088.8
Restructuring and other charges	-4.2	Restructuring and other charges	11.8
Incremental costs related to Hurricane Katrina Change in accounting for leases with scheduled rent increases	10.2	Depreciation and amortization expense	\$72.5
Depreciation and amortization expense	19.8	OIBDA from current businesses	\$1,673.1
OIBDA from current businesses	\$2,605.3	Net debt to OIBDA from current businesses	3.2
Net debt to OIBDA from current businesses	0.4		

- end -

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Form 8-K

ALLTEL CORP - at

Filed: January 11, 2006 (period: December 29, 2005)

Report of unscheduled material events or corporate changes.

Table of Contents

ITEM 1.01. Entry into a Material Definitive Agreement.

ITEM 9.01. Financial Statements and Exhibits.

SIGNATURES

EXHIBIT INDEX

EX-10 (Material contracts)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
FORM 8-K**

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): December 29, 2005

ALLTEL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	1-4996	34-0868285
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

One Allied Drive, Little Rock, Arkansas	72202
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (501) 905-8000

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. Entry into a Material Definitive Agreement.

ALLTEL Corporation ("Alltel") maintains the Supplemental Executive Retirement Plan. In contemplation of the separation of Alltel's wireline and wireless businesses in accordance with the Distribution Agreement dated December 8, 2005, by and between Alltel and Alltel Holding Corp. (the "Distribution Agreement"), effective December 29, 2005, Alltel amended the Supplemental Executive Retirement Plan to provide that Francis X. Frantz and Jeffery R. Gardner will become vested in certain benefits under the plan upon the earliest to occur of January 1, 2007 and the date Alltel distributes all of the issued and outstanding shares of Alltel Holding Corp. common stock to Alltel's stockholders in accordance with the Distribution Agreement. These benefits will be paid in the form of a single lump sum within 10 days of Messrs. Frantz's and Gardner's respective retirements from Alltel.

The foregoing description of the amendment to the Supplemental Executive Retirement Plan is qualified in its entirety by the amended plan document attached as Exhibit 10.1.

ITEM 9.01. Financial Statements and Exhibits.

(c) Exhibits.

See Exhibit Index.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

ALLTEL CORPORATION

(Registrant)

By: /s/ Jeffery R. Gardner

Jeffery R. Gardner

Executive Vice President -- Chief Financial Officer

(Principal Financial Officer)

January 11, 2006

2

EXHIBIT INDEX

Exhibit
Number

Description of Exhibits

10.1

Amendment No. 2 to the ALLTEL Corporation Supplemental Executive Retirement Plan.

3

AMENDMENT NO. 2 TO THE

ALLTEL CORPORATION

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

WHEREAS, Alltel corporation (“Alltel”) maintains the Alltel Corporation Supplemental Executive Retirement Plan (the “Plan”); and

WHEREAS, Alltel desires to amend the Plan to change the vesting date of Francis X. Frantz and Jeffery R. Gardner and to provide for a single lump sum payment of these participants' retirement benefit.

NOW, THEREFORE, BE IT RESOLVED, that, effective as of December 8, 2005, the Plan is hereby amended in the following respects:

1. Section 2.01 (ee) is amended by the addition of the following sentence to the end thereof:

“Notwithstanding anything contained in Section 3.07 of the Plan to the contrary and only with respect to Francis X. Frantz and Jeffery R. Gardner, the Special Early Retirement Date with respect to each of Francis X. Frantz and Jeffery R. Gardner shall be the earlier to occur of the Distribution Date (as defined in the distribution Agreement by and between Alltel and Alltel Holding Corp., dated as of December 8, 2005) or January 1, 2007.”

2. Section 3.04 of the Plan is amended by the addition of the following sentence to the end thereof:

“Notwithstanding anything contained in this Section 3.04 to the contrary, and only with respect to Francis X. Frantz and Jeffery R. Gardner, the retirement benefit payable to Francis X. Frantz and Jeffery R. Gardner under the Plan shall be paid in the form of a single lump sum payment (based on the actuarial assumptions set forth in Exhibit A, attached hereto) within 10 days of their Retirement (or such later date as required under Section 409A of the Code).”

IN WITNESS WHEREOF, this Amendment has been executed as of this 29th day of December, 2005.

ALLTEL CORPORATION

By: /s/ Sharilyn S. Gasaway
 Title: Controller

EXHIBIT A

Alltel Corporation - Executive Retirement Benefits

Assumptions

Rate of Compensation Increases	5.0%
Employer Profit-Sharing Contribution Rate before 1/1/06	4.0%
Employee Profit-Sharing Contribution Rate after 12/31/05	6.0%
Investment Earnings	6.0%
30-year Treasury Rate (for conversion of Profit-Sharing to annuity values)	4.5%
Lump Sum Interest Rate (SERP benefit only)	6.0%
Lump Sum Mortality Table	GAM-94-M
2005 Social Security Wage Base	\$90,000
Future Increase for Social Security Wage Base	3.0%
Normal Form of Payment (SERP benefit only)	50% joint and survivor annuity
Spouse's Age	Wives are assumed to be three years younger than their husbands

SEC EDGAR Filing Information

Form 8-K -- Current report

Period of Report: **2005-12-09**
 Filing Date Changed: **2005-12-09**
 Documents: **7**

SEC Accession No.
0000065873-05-000113
 Filing date: **2005-12-09**
 Accepted: **2005-12-09 12:15:13**

- Item 1.01:** Entry into a Material Definitive Agreement
- Item 7.01:** Regulation FD Disclosure
- Item 9.01:** Financial Statements and Exhibits

Table of submitted documents:

Seq	Type	Document	Size	Description
✓1	8-K	alltel8k120905.htm	57289	FORM 8-K OF ALLTEL CORPORATION
2	EX-2.1	alltelex21120905.htm	336295	DISTRIBUTION AGREEMENT BETWEEN ALLTEL CORPORATION AND ALLTEL HOLDING CORP
3	EX-2.2	alltelex22120905.htm	652127	AGREEMENT AND PLAN OF MERGER AMONG ALLTEL CORPORATION, ALLTEL HOLDING CORP., AND
4	EX-10.1	alltelex101120905.htm	143706	VOTING AGREEMENT BETWEEN ALLTEL CORPORATION AND CERTAIN SHAREHOLDERS OF VALOR CO
5	EX-10.2	alltelex102120905.htm	181599	EMPLOYEE BENEFITS AGREEMENT BETWEEN ALLTEL CORPORATION AND ALLTEL HOLDING CORP
6	EX-10.3	alltelex103120905.htm	211599	COMMITMENT LETTER FROM J.P. MORGAN SECURITIES, INC., JPMORGAN CHASE BANK, N.A.,
✓7	EX-99.1	alltelex991120905.htm	63964	PRESS RELEASE OF ALLTEL CORPORATION, DATED DECEMBER 9, 2005
		0000065873-05-000113.txt	1648210	Complete submission text file

Filer Information

ALLTEL CORP (Filer) (0000065873)
 IRS No.: **340868285** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
 Type: **8-K** | Act: **34** | File No.: **001-04996** | Film No.: **051254715**
 SIC: **4812** Radiotelephone Communications

Business Address	Mailing Address
ONE ALLIED DR LITTLE ROCK AR 72202 5019058967	ONE ALLIED DR LITTLE ROCK AR 72202

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

December 8, 2005

VALOR COMMUNICATIONS GROUP, INC.

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of incorporation)

001-32422
(Commission File Number)

20-0792300
(IRS Employer Identification No.)

201 E. John Carpenter Freeway, Suite 200, Irving, Texas
(Address of principal executive offices)

75062
(Zip Code)

Registrant's telephone number, including area code

(972) 373-1000

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

ITEM 1.01. Entry into a Material Definitive Agreement.

On December 9, 2005, Valor Communications Group, Inc. (the “Company”) announced that it entered into an Agreement and Plan of Merger (the “Merger Agreement”) with ALLTEL Holding Corp. (“Spinco”), a newly formed, wholly owned subsidiary of Alltel Corporation (“Alltel”) that will hold Alltel’s wireline telecommunications business and certain related business operations (“Alltel Wireline”) following the contribution by Alltel of Alltel Wireline to Spinco (the “Contribution”). Following the Contribution, Alltel will distribute to its stockholders all of the shares of capital stock of Spinco (the “Distribution”), and then Spinco will be merged with and into the Company, with the Company continuing as the surviving corporation. In order to effect the Contribution and the Distribution, Alltel and Spinco entered into a Distribution Agreement (the “Distribution Agreement”). Prior to the Distribution, Spinco will consummate certain financing transactions (the “Spinco Financing”) pursuant to which Spinco will borrow approximately \$3.965 billion through a new senior credit agreement, the issuance of high yield debt securities in an offering under Rule 144A or a public offering and the distribution of Spinco debt securities to the Company. The proceeds of the Spinco Financing will be used to pay a dividend to Alltel’s stockholders (in an amount not to exceed Alltel’s tax basis in Spinco) and for other purposes.

Merger Agreement

Pursuant to the Merger Agreement, and subject to the terms and conditions set forth therein, immediately after the consummation of the Contribution and the Distribution, Spinco will merge (the “Merger”) with and into the Company, with the Company continuing as the surviving corporation (the “Surviving Corporation”). As a result of the Merger, all of the issued and outstanding shares of Spinco common stock will be converted into the right to receive an aggregate number of shares of common stock of the Company that will result in Alltel’s stockholders holding 85% of the outstanding equity interests of the Surviving Corporation immediately after the Merger and the stockholders of the Company holding the remaining 15% of such equity interests (subject , in each case, to dilution from compensatory equity grants and other issuances).

The Merger Agreement provides that, following the Merger, Jeffrey Gardener, who currently serves as Executive Vice President — Chief Financial Officer of Alltel, will serve as the Chief Executive Officer of the Surviving Corporation, and Francis X. Frantz, who currently serves as the Executive Vice President — External Affairs, General Counsel and Secretary of Alltel will serve as Chairman of the Board of Directors of the Surviving Corporation. The Merger Agreement also provides that following the Merger, the Board of Directors of the Surviving Corporation will consist of nine members: Messrs. Frantz and Gardener, six directors to be designated by Alltel and one director to be designated by the Company, with a majority of the Board of Directors of the Surviving Corporation being “independent” within the meaning of the NYSE’s rules.

The Merger Agreement contains customary representations and warranties between Alltel and Spinco, on the one hand, and the Company, on the other, including with respect to accuracy of financial statements, the absence of undisclosed liabilities and similar matters. The parties have also agreed to a variety of customary covenants and agreements, including with respect to confidentiality, cooperation, public disclosure, regulatory cooperation and similar matters. The initial quarterly dividend rate of the Surviving Corporation following the Merger will be \$0.25 per share.

Under the terms of the Merger Agreement, Spinco and the Company are restricted from taking certain actions prior to the effective time of the Merger that could adversely affect the tax-free treatment of the Distribution and related transactions. In addition, the Surviving Corporation will indemnify Alltel for any such actions that disqualify the Distribution for such tax-free treatment.

Unless the Merger Agreement is earlier terminated, the Company is required to submit the Merger Agreement to a stockholder vote even if the Board of Directors of the Company (the "Board") has withdrawn its recommendation of the Merger. The Company is generally prohibited from soliciting competing acquisition proposals and may not discuss a competing acquisition proposal unless the proposal is superior to the Merger or the Board determines in good faith that the proposal could lead to a superior proposal. In such event, the Company may engage in discussions with the prospective acquirer, provided certain information is given to Alltel, and the Company may terminate the Merger Agreement to accept a superior proposal, subject to certain conditions and the payment of the termination fee described below.

The Merger Agreement may be terminated: (i) by mutual consent of the parties, (ii) by any of the parties if the Merger has not been completed by December 8, 2006 (the "Termination Date"), (iii) by any of the parties if the Merger is enjoined, (iv) by Alltel and Spinco, on the one hand, or the Company, on the other hand, upon an incurable material breach of the Merger Agreement by the other party or parties, (v) by any party if the Company's stockholders fail to approve the Merger, (vi) by Alltel or Spinco if the Company withdraws its recommendation of the Merger or fails to hold its stockholder meeting within 60 days after effectiveness of the registration statement, or (vii) by the Company to accept a superior acquisition proposal, provided that the Company gives Alltel prior notice and attempts to renegotiate the transaction, and upon termination the Company enters into a competing transaction.

In the event that (i) the Company terminates the Merger Agreement to accept a superior acquisition proposal, (ii) Alltel and Spinco terminate the Merger Agreement because the Board has withdrawn its recommendation of the Merger, (iii) any of the parties terminates the Merger Agreement because the Termination Date has passed or Alltel and Spinco terminate the Merger Agreement because the Company fails to hold its stockholder meeting, or (iv) any of the parties terminates the Merger Agreement because the Company's stockholders fail to approve the Merger, and in the case of clauses (iii) and (iv) the Company agrees to or consummates a business combination transaction within one year after termination, then the Company must pay Alltel a \$35 million termination fee. If any party terminates the Merger Agreement because the Termination Date has passed or the Company terminates the Merger Agreement because of a material breach by Alltel or Spinco and, in either case, at the time of termination substantially all other conditions to the Merger have been satisfied but the required IRS rulings or tax opinions for the transaction have not been received, then Alltel must pay the Company a \$20 million

termination fee and, if Alltel has failed to obtain sufficient financing to consummate the Distribution at the time of termination, then Alltel must pay the Company an increased termination fee of \$35 million.

Consummation of the Merger is subject to the satisfaction of certain conditions, including, among others, (i) the approval of the Merger by the stockholders of the Company, (ii) the receipt of required regulatory approvals, including the approval of the Federal Communications Commission and the expiration of the applicable waiting period under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended (iii) consummation of the Contribution, the Distribution and the distribution by Spinco to Alltel of certain Spinco debt securities, (iv) consummation of the Spinco Financing, (v) receipt of surplus, solvency and certain other opinions and (vi) receipt of certain rulings from the Internal Revenue Service. The Merger and the other transactions contemplated by the Merger Agreement are expected to be completed in the second quarter of 2006.

The foregoing description of the Merger Agreement is qualified in its entirety by reference to the full text of the Merger Agreement, which is incorporated herein by reference.

Forward Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and 21E of the Securities Exchange Act of 1934. Such forward-looking statements are subject to uncertainties that could cause actual future events and results of the Company to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs, and assumptions that the Company believes are reasonable but are not guarantees of future events and results.

Actual future events and results of the Company may differ materially from those expressed in these forward-looking statements as a result of a number of important factors. Factors that could cause actual results to differ materially from those contemplated above include, among others: adverse changes in economic conditions in the markets served by the Company, Spinco and Alltel; the extent, timing, and overall effects of competition in the communications business; material changes in the communications industry generally that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; changes in communications technology; the risks associated with the separation of Alltel's wireline business; failure to realize expected synergies and other benefits as a result of the Merger and other transactions described above; adverse changes in the terms and conditions of wireline agreements of the Company, Spinco and Alltel; the potential for adverse changes in the ratings given to the Company's debt securities by nationally accredited ratings organizations; the availability and cost of financing in the corporate debt markets; the uncertainties related to the Company's strategic investments; the effects of work stoppages; the effects of litigation,

including any litigation with respect to the Distribution or the Merger; and the effects of federal and state legislation, rules, and regulations governing the communications industry. In addition to these factors, actual future performance, outcomes, and results may differ materially because of more general factors including, among others general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause the Company's actual results to differ materially from those contemplated in the forward-looking statements included in this Current Report on Form 8-K should be considered in connection with information regarding risks and uncertainties that may affect the Company's future results included in the Company's filings with the Securities and Exchange Commission at www.sec.gov.

ITEM 7.01. Regulation FD Disclosure.

The Company issued a press release on December 9, 2005 announcing the transactions contemplated by the Merger Agreement (the "Press Release"), a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information contained in this Item 7.01 is not filed for purposes of the Securities Exchange Act of 1934 and is not deemed incorporated by reference by any general statements incorporating by reference this report or future filings into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent the Company specifically incorporates the information by reference. By including this Item 7.01 disclosure in the filing of this Current Report on Form 8-K and furnishing this information, we make no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD.

The information contained herein is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this report, although we may do so from time to time as we believe is warranted. Any such updating may be made through the filing of other reports or documents with the Securities and Exchange Commission, through press releases or through other public disclosures.

ITEM 9.01. Financial Statements and Exhibits.

(c) Exhibits.

See Exhibit Index.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VALOR COMMUNICATIONS GROUP, INC.

Date: December 9, 2005

/s/ William M. Ojile, Jr.

William M. Ojile, Jr.

Senior Vice President, Chief Legal Officer and
Secretary

EXHIBIT INDEX

Exhibit Number	Description of Exhibits
2.1	Agreement and Plan of Merger, dated as of December 8, 2005, among ALLTEL Corporation, ALLTEL Holding Corp., and Valor Communications Group, Inc.*
99.1	Press release of Valor Communications Group, Inc., dated December 9, 2005.

* Incorporated by reference to the Form 8-K of ALLTEL Corporation filed with the Securities and Exchange Commission on December 9, 2005.


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**VALOR Communications Group, Inc.
Announces Merger with Alltel's Wireline Business**

Transaction Creates the Leading Rural-Focused Wireline Company in the U.S.

IRVING, Texas, Dec. 9, 2005 — VALOR Communications Group, Inc. (NYSE:VCG) today announced that its Board of Directors has approved an agreement in which VALOR would merge with Alltel's (NYSE:AT) Wireline business segment ("Alltel Wireline"). Alltel Wireline will be spun off and then merged with VALOR Communications Group, Inc. in a Reverse Morris Trust transaction that will create the leading rural-focused wireline company with 3.4 million access lines in 16 states. In the transaction VALOR will issue approximately 400 million shares of stock in exchange for Alltel Wireline stock. Upon completion of the transaction, VALOR shareholders will own 15 percent of the combined entity.

VALOR will host a conference call today at 11:00 a.m. (EST) to discuss the merger. Details appear later in this press release under "Conference Call Information."

Transaction Highlights

- Creates the leading rural-focused wireline company
- Highly complementary rural market footprint
- Ease of integration (VALOR uses the Alltel billing platform)
- Greater economies of scale and scope will produce synergies for the combined company of approximately \$40 million on an annual basis
- Better diversification of customers, revenues and earnings across a broader geographic area
- Pro Forma capital structure results in lower leverage and lower cost of capital
- Company headquarters to be located in Central Arkansas
- Current Alltel executives to assume senior leadership roles; VALOR executives to play key roles

"This combination creates the clear industry leader in rural wireline telecom. Our leverage and payout ratio will decrease significantly and the combined company will have larger scale, a well clustered rural footprint and a stronger competitive position. We also have a common billing platform already in place, which reduces integration risk," said Jack Mueller, VALOR Communications Group president and chief executive officer.

- More -

Pro Forma Highlights

- Approximately 3.4 million access lines across 16 states
- Revenues of \$3.4 billion for LTM 9/30/05
- OIBDA of \$1.7 billion for LTM 9/30/05
- Leverage of approximately 3.2 times
- Payout ratio in the 65-70% range

Mr. Mueller also stated, "As part of our previously discussed focused strategy, VALOR continually reviews strategic transactions and believes that this transaction provides significant value creation for our shareholders. In addition, I believe the combined company will be able to better leverage existing infrastructure creating cost savings opportunities, financial flexibility and potential for further value creation."

"VALOR is a very good fit with the Alltel wireline business and the combined companies will add value for our shareholders," said Jeff Gardner, president and chief executive officer of the new company. "I am pleased that the new company will add senior leadership from VALOR's current team and I look forward to working with my colleagues at VALOR to run our new company," added Mr. Gardner.

The transaction is expected to close by mid-2006 and requires approval from VALOR shareholders, federal and state regulators and a letter ruling from the Internal Revenue Service approving the tax-free status.

Voting Agreements

Shareholders representing approximately 42% of the VALOR share ownership have entered into voting agreements pursuant to which they have agreed to vote in favor of this transaction.

Dividends

VALOR also announced that its Board of Directors has declared a dividend of \$0.36 per share of common stock for shareholders of record on Dec. 31, 2005. The dividend is payable on Jan. 16, 2006.

VALOR plans to continue paying its current dividend through the date of closing. Post closing the combined company expects to pay an annual dividend of \$1.00 per share.

2005 Outlook

For the full year 2005, VALOR maintains its expectations of cash available to pay dividends, as defined in its third quarter 2005 earnings release, of \$128 million to \$133 million on a pro forma basis. The company continues to expect full year 2005 capital expenditures of approximately \$59 million.

Advisors

VALOR was advised on the transaction by Wachovia Securities and Kirkland & Ellis, LLP. Wachovia Securities and Bear, Stearns & Co., Inc. rendered fairness opinions regarding the transaction to VALOR's board of directors.

- More -

Conference Call Information

VALOR will host a conference call and simultaneous Webcast to discuss the Alltel Wireline merger at 11 a.m. (EST) on Fri., Dec. 9, 2005. Presentation slides and the webcast links are available from VALOR's website at www.valortelecom.com in the investor relations section. To access the call, dial 1-800-218-0204, or outside the United States, dial 1-303-262-2075. A pass code is not required. A replay of the call will be available beginning at approximately 1 p.m. (EST), Dec. 9, 2005, through Dec. 16, 2005, by calling 1-800-405-2236 or, outside the United States, 1-303-590-3000. The pass code for the replay is 11048044#. The webcast replay will be available after the call from the link on our website.

Non-GAAP Measures

Historically, VALOR has presented certain non-GAAP measures that we believe to be useful indicators to investors in our common stock. These measures include both adjusted EBITDA and Cash Available to Pay Dividends (CAPD). We have introduced a new non-GAAP measure, Operating Income Before Depreciation and Amortization (OIBDA), in this release because it is a measure that is currently utilized by Alltel Wireline and we believe it is useful to present the same measure for comparative purposes. Also, it is likely that upon the closing of this transaction the combined entity will present this measure. A reconciliation of Operating Income, as determined under Generally Accepted Accounting Principles, to OIBDA for VALOR, Alltel Wireline, and the pro forma combined entity have been included in the table that follows. We plan to continue to present adjusted EBITDA and CAPD in our future releases until such time as the transaction has been completed.

This press release includes management's estimate of pro forma CAPD for the year ending December 31, 2005. VALOR believes the most directly comparable GAAP measure would be "Net cash provided by operating activities." Due to the difficulty in forecasting and quantifying the amounts that would be required to be included in this comparable GAAP measure, VALOR is not providing an estimate of net cash provided by operating activities for the year ending December 31, 2005 at this time.

About VALOR Communications Group

VALOR Communications Group (NYSE:VCG) is one of the largest providers of telecommunications services in rural communities in the southwestern United States. The company, through its subsidiary VALOR Telecom, offers to residential, business and government customers a wide range of telecommunications services, including: local exchange telephone services, which covers basic dial-tone service as well as enhanced services, such as caller identification, voicemail and call waiting; long distance services; and data services, such as providing digital subscriber lines. VALOR Communications Group is headquartered in Irving, Texas. For more information, visit www.valortelecom.com. Information contained on our website does not comprise a part of this press release.

Safe Harbor Statement

Certain matters discussed in this press release may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Words such as "believes," "anticipates," "expects," "intends," "estimates," "projects," "outlook" and other similar expressions, which are predictions of or indicate future events and trends, typically identify forward-looking statements. Statements in this press release regarding VALOR Communications Group's business that are not historical facts, including our intention to pay quarterly dividends and our 2005 outlook, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results or the timing of events to differ materially from those described in the forward-looking statements. We cannot assure you that the expectations discussed in these forward-looking statements will be attained. Some of the factors that could cause actual results or the timing of certain events to differ from those described in these forward-looking statements include, without limitation: our leverage and debt service obligations; the terms of our credit facility and our rights and obligations there under; any adverse changes in government regulation; the risk that we may not be able to retain existing customers or obtain new customers; the risk of increased competition in the markets we serve; our financial position, results of operations and availability of capital; and other risks detailed from time to time in our filings with the Securities and Exchange Commission, including, without limitation, the risks described in our Prospectus dated July 1, 2005, relating to our senior notes exchange offer and in our Annual Report on Form 10-K filed on March 31, 2005 with the Securities and Exchange Commission. We disclaim any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, the occurrence of future events or otherwise, except as required by law.

- More -

VALOR Communications Group, Inc.
Pro Forma Financial Measures Reflecting Merger With Alltel Wireline
(dollars in millions)
(Unaudited)

OIBDA for the twelve months ended December 31, 2004	Alltel Wireline	Valor	Pro Forma Adjustments	Pro Forma Combined
Operating income under GAAP	\$ 667.6	\$177.1	\$ 270.2(a)	\$1,114.9
Depreciation & amortization	508.5	86.5	—	595.0
OIBDA	<u>\$1,176.1</u>	<u>\$263.6</u>	<u>\$ 270.2</u>	<u>\$1,709.9</u>
OIBDA for the twelve months ended September 30, 2005	Alltel Wireline	Valor	Pro Forma Adjustments	Pro Forma Combined
Operating income under GAAP	\$ 656.2	\$164.5	\$ 268.1(a)	\$1,088.8
Depreciation & amortization	482.9	89.6	—	572.5
OIBDA	<u>\$1,139.1</u>	<u>\$254.1</u>	<u>\$ 268.1</u>	<u>\$1,661.3</u>
Net Debt to OIBDA for the twelve months ended September 30, 2005:	Alltel Wireline	Valor	Pro Forma Adjustments	Pro Forma Combined
Long-term debt, including current maturities	\$ 281.9	\$1,180.7	\$ 3,926.5(b)	\$5,389.1
Cash and cash equivalents	(8.4)	(46.7)	—	(55.1)
Net debt (A)	\$ 273.5	\$1,134.0	\$ 3,926.5	\$5,334.0
Operating income under GAAP	\$ 656.2	\$ 164.5	\$ 268.1(a)	\$1,088.8
Restructuring and other charges	11.8	—	—	11.8
Depreciation and amortization expense	482.9	89.6	—	572.5
OIBDA (B)	<u>\$1,150.9</u>	<u>\$ 254.1</u>	<u>\$ 268.1</u>	<u>\$1,673.1</u>
Net debt to OIBDA (A)/(B)		<u>4.5 x</u>		<u>3.2 x</u>

(a) - Adjustment for Royalty expense under the Alltel brand name to discontinue.

(b) - Adjustment to reflect the amount to leverage the Alltel wireline acquisition.

###

3. Have Alltel and/or Valor shareholders approved the corporate restructuring, and if not, when is such approval anticipated?

Response:

A vote of the Alltel Corporation shareholders is not required to approve the spin/merge. Valor shareholders will vote on the merger at its annual meeting. Presently, the Valor annual meeting is expected to be held in May 2006.

4. In regard to Amended and Restated Application for Approval of Transfer and Authorization to Guarantee Indebtedness, please explain:

- a. the impact on the AKI and KAI of the Lenders' requirement that "all affiliates of the Merged Wireline Business, including AKI and KAI, guarantees the Facilities, Secured Cash Management Agreements and Secured Hedge Agreements associated with the senior secured debt financing of the transactions at issue here (the "Facility Guarantees") (paragraph 42)
- b. the impact on the AKI and KAI of the Lenders' requirement that the "Facility Guarantees are to be secured by perfected first-priority liens on the assets of the respective guarantors, including KAI and AKI, as described in the Commitment Letter (the "Liens") (paragraph 42)
- c. the impact on AKI and KAI of the expectation that "all affiliates of the Merged Wireline Business, including AKI and AHCS, will also be required to give their Guarantees of all obligations under the Notes (the "Note Guarantees") (paragraph 43)
- d. the impact on AKI and KAI of the fact that the "Guarantees will be contingent liabilities of AKI and KAI." (paragraph 46)

Response:

Neither the guarantee nor the lien will impact the day-to-day operations or the financial condition of AKI or KAI.

The guarantee provides that in the unlikely event the New Holding Company defaults on its obligation, for example, to repay the debt described in the Amended Application, then AKI and KAI along with the other subsidiaries of the New Holding Company would be required to service that debt. AKI and KAI and the other New Holding Company subsidiaries will be required to place liens on their property for up to \$4.2 billion of the New Holding Company debt. In the unlikely event of default by the New Holding Company, the Lenders could attempt to foreclose on the liens.

However, before any such action could be taken with respect to the AKI and KAI property, the approval of the KY Commission would be necessary.

5. In regard to the Commitment Letter, Exhibit 7, page 9, please explain the impact on AKI and KAI of the requirement that “Spinco and merger Partner (on its own behalf and on behalf of each of its subsidiaries) to assume in writing and become jointly and severally liable for all of your obligations” in the Commitment Letter and Fee Letter.

Response:

See response to Question 4.

6. In regard to the Summary of Terms and Conditions, Exhibit A of the Commitment Letter, please explain the impact on AKI and KAI of the requirements of the Guarantors (page A-1) and Security (pages A-3-4).

Response:

See response to Question 4.

7. In regard to First Amendment to Joint Application and Securities Certificate, paragraph 7, please explain and provide the calculations used to support the statement that “the Guarantees and Liens will provide specific benefits to the Merged Wireline Business by significantly reducing the debt servicing costs of the senior unsecured facility and the Notes.”

Response:

The Guarantees and Liens reduce the interest rate associated with the secured debt by 100 - 200 basis points. This reduced interest rate applied to the approximate value of the secured debt of \$ 2.5 billion results in an annual reduction of approximately \$25 - \$50M in interest expense. Actual interest expense savings will exceed the amount above in the event the secured debt is greater than \$2.5 billion.

8. In regard to the Summary of Terms and Conditions, Exhibit A of the Commitment Letter, please explain:

- a. the requirements of the Financial Covenants of the minimum interest coverage ratio and maximum leverage ratio (page A-6).
- b. whether these Financial Covenants are consistent with a capital structure that will have among the lowest debt leverage in the RLEC industry (Joint Application, paragraph 30).

Response:

The two financial covenants contained in the Commitment Letter are minimum interest coverage and maximum leverage ratio. The minimum interest coverage has not yet been determined. The maximum leverage ratio is 4.5 to 1 (Debt to EBITDA) or 4.5X. Following the spin and merger with VALOR, the Merged Wireline Business expects to have a leverage ratio of roughly 3.2X, well within the parameters of the leverage financial covenant. The maximum leverage ratio covenant of 4.5X is consistent with other publicly traded RLECs.

9. In regard to Schedule of Proposed Debt of New Holding Company, Exhibit 6, please explain for each Existing Wireline Debt to be Assumed by Newco separately listed as Nebraska Notes, Georgia Debentures, and Teleview Notes, and for Existing Valer Indebtedness to be assumed by Newco, whether these debt instruments currently require Guarantees and Liens. If so, state the conditions of those Guarantees and Liens.

Response:

The referenced existing debt is not presently secured or guaranteed; however, all affiliates of the Merged Wireline Business, in accordance with the terms of the existing debt, will be required to guarantee the obligations under the senior notes. The liens would be required to apply equally and ratably to secure the obligations thereunder.

10. For each debt instrument identified in 9 above, please explain whether it will require Guarantees and Liens after the transaction.

Response:

Please see response to Question 9.

11. Please indicate when the companies anticipate the final loan documents will be available and transmitted to the Commission.

Response:

The final credit agreements should be finalized shortly before the transaction close.

12. Please provide copies of all fairness opinions rendered by Alltel's financial advisors regarding the local wireline business separation and Valor merger.

Response:

As Alltel has effectively acquired Valor in this transaction, based on the fact that Alltel shareholders will own approximately 85% of the combined company, Alltel did not receive a fairness opinion from its financial advisors.

13. Concerning the original acquisition of KAI and AKI by Alltel:

- a) On what date did Alltel, either directly or indirectly, first acquire the assets and/or common stock of AKI and KAI?

Response: AKI in 1971 and KAI August 1, 2002.

- b) What was the acquisition cost record by Alltel for the common stock and/or assets of AKI and KAI?

Response:

The acquisition cost for the common stock and/or assets of KAI was \$1,928.7 million, which represented \$1,982.3 million of assets acquired, less liabilities assumed of \$53.6 million. Because AKI's acquisition is over 30 years old, its acquisition costs are not available.

14. Please provide a copy of the bylaws, articles of incorporation, and corporate charter for the company referred to in the Application as the Merged Wireline Business.

Response:

Attached hereto are the articles of incorporation and bylaws of the Merged Wireline Business.

Bylaws and Certificate of Incorporation

Responsive to CWA 14

Form of
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
[NAME TO BE DETERMINED]

ARTICLE ONE

The name of the Corporation is [Name to Be Determined] (the "Corporation").

ARTICLE TWO

The address of the Corporation's registered office in the state of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

ARTICLE THREE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE FOUR

Section 1. Authorized Shares. The total number of shares of capital stock which the Corporation has authority to issue is 2,200,000,000 shares, consisting of:

(a) 200,000,000 shares of Preferred Stock, par value \$.0001 per share ("Preferred Stock"); and

(b) 2,000,000,000 shares of Common Stock, par value \$.0001 per share ("Common Stock").

The Preferred Stock and the Common Stock shall have the rights, preferences and limitations set forth below.

Section 2. Preferred Stock. The Preferred Stock may be issued from time to time and in one or more series. The Board of Directors of the Corporation is authorized to determine or alter the powers, preferences and rights (including voting rights), and the qualifications, limitations and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock, and within the limitations or restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series of Preferred

Stock, to increase or decrease (but not below the number of shares of any such series of Preferred Stock then outstanding) the number of shares of any such series of Preferred Stock, and to fix the number of shares of any series of Preferred Stock. In the event that the number of shares of any series of Preferred Stock shall be so decreased, the shares constituting such decrease shall resume the status which such shares had prior to the adoption of the resolution originally fixing the number of shares of such series of Preferred Stock subject to the requirements of applicable law.

Section 3. Common Stock.

(a) Dividends. Except as otherwise provided by the Delaware General Corporation Law or this Amended and Restated Certificate of Incorporation (this "Certificate of Incorporation"), the holders of Common Stock: (i) subject to the rights of holders of any series of Preferred Stock, shall share ratably, on a per share basis, in all dividends and other distributions payable in cash, securities or other property of the Corporation as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor; and (ii) are subject to all the powers, rights, privileges, preferences and priorities of any series of Preferred Stock as provided herein or in any resolution or resolutions adopted by the Board of Directors pursuant to authority expressly vested in it by the provisions of Section 2 of this ARTICLE FOUR.

(b) Conversion Rights. The Common Stock shall not be convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same class of the Corporation's capital stock.

(c) Preemptive Rights. No holder of Common Stock shall have any preemptive rights with respect to the Common Stock or any other securities of the Corporation, or to any obligations convertible (directly or indirectly) into securities of the Corporation whether now or hereafter authorized.

(d) Voting Rights. Except as otherwise provided by the Delaware General Corporation Law or this Certificate of Incorporation and subject to the rights of holders of any series of Preferred Stock, all of the voting power of the stockholders of the Corporation shall be vested in the holders of the Common Stock, and each holder of Common Stock shall have one vote for each share held by such holder on all matters voted upon by the stockholders of the Corporation.

(e) Liquidation Rights. In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the Corporation's debts and subject to the rights of the holders of shares of Preferred Stock upon such dissolution, liquidation or winding up, the remaining net assets of the Corporation shall be distributed among holders of shares of Common Stock ratably on a per share basis. A merger or consolidation of the Corporation with or into any other corporation or

other entity, or a sale or conveyance of all or any part of the assets of the Corporation (which shall not in fact result in the liquidation of the Corporation and the distribution of assets to its stockholders) shall not be deemed to be a voluntary or involuntary liquidation or dissolution or winding up of the Corporation within the meaning of this Section 3(e).

(f) Registration or Transfer. The Corporation shall keep or cause to be kept at its principal office (or such other place as the Corporation reasonably designates) a register for the registration of Common Stock. To the greatest extent permitted by applicable Delaware law, the shares of the Corporation's Common Stock shall be uncertificated and transfer of such shares shall be reflected by book entry. Upon the surrender of any certificate representing shares of any class of Common Stock, the Corporation shall forthwith cancel such certificate and the holder thereof shall no longer be entitled to a certificate or certificates representing the shares of such class represented by the surrendered certificate. Any shares represented by a surrendered certificate cancelled as provided above shall be registered in the name and will represent such number of shares of such class as is requested by the holder of the surrendered certificate. Such book entry shall be made without charge to the holders of the surrendered certificates for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such issuance.

(g) Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing one or more shares of any class of Common Stock that is represented by a certificate, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor, its own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

(h) Notices. All notices referred to herein shall be in writing, shall be delivered personally or by first class mail, postage prepaid, and shall be deemed to have been given when so delivered or mailed to the Corporation at its principal executive offices and to any stockholder at such holder's address as it appears in the stock records of the Corporation (unless otherwise specified in a written notice to the Corporation by such holder).

(i) Fractional Shares. In no event will holders of fractional shares be required to accept any consideration in exchange for such shares other than consideration which all holders of Common Stock are required to accept.

ARTICLE FIVE

The Corporation is to have perpetual existence.

ARTICLE SIX

Section 1. Number, Election and Term of Office of Directors.

(a) The Board of Directors shall consist of not less than three nor more than fifteen members, the exact number of which shall be fixed from time to time the affirmative vote of a majority of the entire Board of Directors.

(b) The directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. Pursuant to Section 4.4 of that certain Agreement and Plan of Merger, dated as of December 8, 2005 (the "Merger Agreement"), among ALLTEL Corporation, a Delaware corporation, ALLTEL Holding Corp., a Delaware corporation, and the Corporation, (i) the initial Class I directors shall consist of three designees of ALLTEL Corporation, each of whom shall be designated by written notice to the other parties to the Merger Agreement in accordance with the terms thereof, (ii) the initial Class II directors shall consist of one designee of the Company and two (2) designees of ALLTEL Corporation, each of whom shall be designated by written notice to the other parties to the Merger Agreement in accordance with the terms thereof and (iii) the initial Class III directors shall consist of the Chairman of the Board of Directors and the Chief Executive Officer of the Corporation, each as set forth in the Merger Agreement, and one designee of ALLTEL Corporation, who shall be designated by written notice to the other parties to the Merger Agreement in accordance with the terms thereof. The term of the initial Class I directors shall terminate on the date of the 2007 annual meeting; the term of the initial Class II directors shall terminate on the date of the 2008 annual meeting; and the term of the initial Class III directors shall terminate on the date of the 2009 annual meeting. At each succeeding annual meeting of stockholders beginning in 2007, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as practicable, and any additional director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

(c) A director shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

(d) Subject to the rights, if any, of holders of any series of Preferred Stock, any vacancy on the Board of Directors that results from an increase in the number of directors may be filled by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring on the Board of Directors may be filled by a majority of the Board of Directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy not resulting from an increase in the

number of directors shall have the same remaining term as that of his or her predecessor. Subject to the rights, if any, of the holders of any series of Preferred Stock, any or all of the directors of the Corporation may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Restated Certificate applicable thereto, and such directors so elected shall not be divided into classes pursuant to this ARTICLE SIX, unless expressly provided by such terms.

ARTICLE SEVEN

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to amend, alter, change or repeal the Bylaws of the Corporation. Any amendment, alteration, change or repeal of the Corporation's Bylaws by the stockholders of the Corporation shall require the affirmative vote of a majority of the outstanding shares of the Corporation entitled to vote on such amendment, alteration, change or repeal; provided, however, that Section 11 of ARTICLE TWO and Sections 2, 3 and 4 of ARTICLE THREE and ARTICLE SEVEN of the Corporation's Bylaws shall not be amended, altered, changed or repealed and no provision inconsistent therewith shall be adopted without the affirmative vote of the holders of at least two thirds of the combined voting power of all of the then outstanding shares of the Corporation entitled to vote on such amendment, alteration, change or repeal.

ARTICLE EIGHT

Section 1. Limitation of Liability.

(a) To the fullest extent permitted by the Delaware General Corporation Law as it now exists or may hereafter be amended, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages arising from a breach of fiduciary duty owed to the Corporation or its stockholders.

(b) Any repeal or modification of the foregoing paragraph by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

Section 2. Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved (including involvement as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director, officer or other employee of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation

ii
or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators; provided, however, that, except as provided in Section 3 of this ARTICLE EIGHT with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section 2 of this ARTICLE EIGHT shall be a contract right. In addition, the Corporation shall pay the expenses incurred in defending any such proceeding in advance of its final disposition (an "advance of expenses"); provided, however, that, if and to the extent that the Delaware General Corporation Law requires, an advance of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section 2 or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same or lesser scope and effect as the foregoing indemnification of directors and officers.

Section 3. Procedure for Indemnification. Any indemnification of a director or officer of the Corporation or advance of expenses under Section 2 of this ARTICLE EIGHT shall be made promptly, and in any event within forty-five days (or, in the case of an advance of expenses, twenty days), upon the written request of the director or officer. If a determination by the Corporation that the director or officer is entitled to indemnification pursuant to this ARTICLE EIGHT is required, and the Corporation fails to respond within sixty days to a written request for indemnity, the Corporation shall be deemed to have approved the request. If the Corporation denies a written request for indemnification or advance of expenses, in whole or in part, or if payment in full pursuant to such request is not made within forty-five days (or, in the case of an advance of expenses, twenty days), the right to indemnification or advances as granted by this ARTICLE EIGHT shall be enforceable by the director or officer in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses where the undertaking required pursuant to Section 2 of this ARTICLE EIGHT, if any, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of such defense shall be on the Corporation.

Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct. The procedure for indemnification of other employees and agents for whom indemnification is provided pursuant to Section 2 of this ARTICLE EIGHT shall be the same procedure set forth in this Section 3 for directors or officers, unless otherwise set forth in the action of the Board of Directors providing indemnification for such employee or agent.

Section 4. Insurance. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was a director, officer, employee or agent of the Corporation or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, whether or not the Corporation would have the power to indemnify such person against such expenses, liability or loss under the Delaware General Corporation Law.

Section 5. Service for Subsidiaries. Any person serving as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture or other enterprise, at least 50% of whose equity interests are owned by the Corporation (a "subsidiary" for this ARTICLE EIGHT) shall be conclusively presumed to be serving in such capacity at the request of the Corporation.

Section 6. Reliance. Persons who after the date of the adoption of this provision become or remain directors or officers of the Corporation or who, while a director, officer or other employee of the Corporation, become or remain a director, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this ARTICLE EIGHT in entering into or continuing such service. The rights to indemnification and to the advance of expenses conferred in this ARTICLE EIGHT shall apply to claims made against an indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to the adoption hereof.

Section 7. Non-Exclusivity of Rights. The rights to indemnification and to the advance of expenses conferred in this ARTICLE EIGHT shall not be exclusive of any other right which any person may have or hereafter acquire under this Restated Certificate or under any statute, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

Section 8. Merger or Consolidation. For purposes of this ARTICLE EIGHT, references to the "Corporation" shall include, in addition to the resulting Corporation, any constituent Corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers and employees or agents, so that any person who is or was a

director, officer, employee or agent of such constituent Corporation, or is or was serving at the request of such constituent Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this ARTICLE EIGHT with respect to the resulting or surviving Corporation as he or she would have with respect to such constituent Corporation if its separate existence had continued.

Section 9. Savings Clause. If this ARTICLE EIGHT or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each person entitled to indemnification under Section 2 of this ARTICLE EIGHT as to all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, ERISA excise taxes and penalties, penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person and for which indemnification is available to such person pursuant to this ARTICLE EIGHT to the full extent permitted by any applicable portion of this ARTICLE EIGHT that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE NINE

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside of the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

ARTICLE TEN

For so long as any security of the Company is registered under Section 12 of the Securities Exchange Act of 1934: (i) the stockholders of the Corporation may not take any action by written consent in lieu of a meeting, and must take any actions at a duly called annual or special meeting of stockholders and the power of stockholders to consent in writing without a meeting is specifically denied; and (ii) special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by the affirmative vote of the majority of the total number of directors then in office

ARTICLE ELEVEN

Notwithstanding any other provisions of this Restated Certificate or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of the capital stock required by law or this Restated Certificate, the affirmative vote of the holders of at least two-thirds of the combined voting power of all of the then outstanding shares of the Corporation eligible to be cast in the election of directors shall be required to amend, alter, change or repeal ARTICLES EIGHT, TEN or THIRTEEN hereof, or this ARTICLE ELEVEN, or any provision thereof or hereof.

ARTICLE TWELVE

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Restated Certificate, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

ARTICLE THIRTEEN

The Corporation expressly elects to be governed by Section 203 of the Delaware General Corporation Law.

Form of
AMENDED AND RESTATED BYLAWS
OF
[NAME TO BE DETERMINED]
A Delaware Corporation
(Adopted as of _____, 2006)

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of [Name to Be Determined] (the "Corporation") in the State of Delaware shall be located at 2711 Centerville Road, Wilmington, Delaware 19801. The name of the Corporation's registered agent at such address shall be Corporation Service Company. The registered office and/or registered agent of the Corporation may be changed from time to time by action of the Board of Directors.

Section 2. Other Offices. The Corporation may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. Annual Meeting. An annual meeting of the stockholders shall be held on such date and at such time as shall be designated from time to time by the Board of Directors. At the annual meeting, stockholders shall elect Directors and transact such other business as properly may be brought before the annual meeting pursuant to Section 11 of ARTICLE II hereof.

Section 2. Special Meetings. Special meetings of the stockholders may only be called in the manner provided in ARTICLE TEN of the Restated Certificate of Incorporation of the Corporation (the "Certificate of Incorporation"). Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 3. Place of Meetings. The Board of Directors may designate any place, either within or without the State of Delaware, as the place of meeting for any annual meeting or

for any special meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal executive office of the Corporation.

Section 4. Notice. Whenever stockholders are required or permitted to take action at a meeting, written or printed notice, or notice by electronic transmission, stating the place, if any, date, time, if applicable, the means of remote communications and, in the case of special meetings, the purpose or purposes, of such meeting, shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting. All such notices shall be delivered, either personally or by mail, by or at the direction of the Board of Directors, the chairman of the board, the president or the secretary, and if mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the stockholder at his, her or its address as the same appears on the records of the Corporation. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Stockholders List. The officer having charge of the stock ledger of the Corporation shall make, at least 10 days before every meeting of the stockholders, a complete list of the stockholders entitled to vote at such meeting arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (ii) during ordinary business hours at the principal place of business of the Corporation. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 6. Quorum. The holders of a majority of the outstanding shares of capital stock entitled to vote, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders, except as otherwise provided by the General Corporation Law of the State of Delaware or by the Certificate of Incorporation. If a quorum is not present, the holders of a majority of the shares present in person or represented by proxy at the meeting, and entitled to vote at the meeting, may adjourn the meeting to another time and/or place. When a specified item of business requires a vote by a class or series (if the Corporation shall then have outstanding shares of more than one class or series) voting as a class or series, the holders of a majority of the shares of such class or series shall constitute a quorum (as to such class or series) for the transaction of such item of business.

Section 7. Adjourned Meetings. When a meeting is adjourned to another time and place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 8. Vote Required. When a quorum is present, the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders, unless (i) by express provisions of an applicable law or of the Certificate of Incorporation a different vote is required, in which case such express provision shall govern and control the decision of such question, or (ii) the subject matter is the election of Directors, in which case Section 2 of ARTICLE III hereof shall govern and control the approval of such subject matter.

Section 9. Voting Rights. Except as otherwise provided by the General Corporation Law of the State of Delaware, the Certificate of Incorporation or these Bylaws, every stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of capital stock held by such stockholder.

Section 10. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the Corporation generally. Any proxy is suspended when the person executing the proxy is present at a meeting of stockholders and elects to vote, except that when such proxy is coupled with an interest and the fact of the interest appears on the face of the proxy, the agent named in the proxy shall have all voting and other rights referred to in the proxy, notwithstanding the presence of the person executing the proxy. At each meeting of the stockholders, and before any voting commences, all proxies filed at or before the meeting shall be submitted to and examined by the secretary or a person designated by the secretary, and no shares may be represented or voted under a proxy that has been found to be invalid or irregular.

Section 11. Business Brought Before an Annual Meeting. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) brought before the meeting by or at the direction of the Board of Directors or (iii) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, such proposed business, other than the nominations of persons for election to the Board of Directors, must constitute a proper matter for stockholder actions, and the stockholder must have given timely notice thereof in writing to the secretary of the Corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than 90 days nor more than 120 days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting of stockholders is called for a date that is not within 25 days before or after such anniversary date, notice by the stockholder to be timely must be so received not later than the close of business on the 10th day following the date on which notice of the date of the annual meeting was mailed or public announcement of such date was made, whichever occurs first. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time

period (or extend any time period) for the giving of a stockholder's notice as described above. A stockholder's notice to the secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the text of the proposal or business, (ii) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (iii) the class and number of shares of the Corporation which are beneficially owned by the stockholder, (iv) any material interest of the stockholder in such business, (v) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business, and (vi) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal and/or (b) otherwise to solicit proxies from stockholders in support of such proposal. Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this section. The presiding officer of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this section; if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. For purposes of this section, "public announcement" shall mean disclosure in a press release reported by Dow Jones News Service, Associated Press or a comparable national news service. Nothing in this section shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 promulgated under the Securities Exchange Act of 1934 (the "Exchange Act").

ARTICLE III

DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to such powers as are herein and in the Certificate of Incorporation expressly conferred upon it, the Board of Directors shall have and may exercise all the powers of the Corporation, subject to the provisions of the laws of Delaware, the Certificate of Incorporation and these Bylaws.

Section 2. Number, Election and Term of Office. The Directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of Directors constituting the entire Board of Directors. The terms of the initial directors of each Class shall expire as provided in the Certificate of Incorporation, and successors to the class of Directors whose term expires at each annual meeting shall be elected for a three-year term and until their successors are duly elected and qualified. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible, and any additional Director of any class elected to fill a vacancy resulting from an increase in such class or from the removal from office, death, disability, resignation or disqualification of a Director or other cause shall hold office for a term that shall coincide with

the remaining term of that class, but in no case will a decrease in the number of Directors have the effect of removing or shortening the term of any incumbent Director. Any Director elected to fill a vacancy not resulting from an increase in the number of Directors shall have the same remaining term as that of his or her predecessor. Except as provided in Section 3 of this Article III, the Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote in the election of directors.

Section 3. Vacancies. Subject to the rights of holders of any series of Preferred Stock, any vacancy on the Board of Directors that results from an increase in the number of directors may be filled by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring on the Board of Directors may be filled by a majority of the Board of Directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his predecessor. Subject to the rights, if any, of the holders of any series of Preferred Stock, any or all of the directors of the Corporation may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of the Certificate of Incorporation applicable thereto, and such directors so elected shall not be divided into classes pursuant to Article SIX of the Certificate of Incorporation or this Section 3 unless expressly provided by such terms.

Section 4. Nominations.

(a) Only persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible to serve as Directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of stockholders (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who was a stockholder of record at the time of giving of notice provided for in these Bylaws, who is entitled to vote generally in the election of Directors at the meeting and who shall have complied with the notice procedures set forth below in Section 4(b).

(b) In order for a stockholder to nominate a person for election to the Board of Directors of the Corporation at a meeting of stockholders, such stockholder shall have delivered timely notice of such stockholder's intent to make such nomination in writing to the secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to or mailed and received at the principal executive offices of the Corporation (i) in the case of an annual meeting, not less than 90 nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is changed by more than 30 days from such anniversary date, notice by the stockholder to be timely must be so received not later than the close of business on the 10th day following the day on

which notice of the date of the meeting was mailed or public disclosure of the meeting was made, whichever occurs first, and (ii) in the case of a special meeting at which Directors are to be elected, not later than the close of business on the 10th day following the day on which notice of the date of the meeting was mailed or public disclosure of the meeting was made, whichever occurs first. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth (i) as to each person whom the stockholder proposes to nominate for election as a Director at such meeting all information relating to such person that is required to be disclosed in solicitations of proxies for election of Directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a Director if elected) and such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (ii) as to the stockholder giving the notice (A) the name and address, as they appear on the Corporation's books, of such stockholder and (B) the class and number of shares of the Corporation which are beneficially owned by such stockholder and also which are owned of record by such stockholder; and (iii) as to the beneficial owner, if any, on whose behalf the nomination is made, (A) the name and address of such person and (B) the class and number of shares of the Corporation which are beneficially owned by such person (C) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such nomination, and (D) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to elect the nominee and/or (b) otherwise to solicit proxies from stockholders in support of such nomination. At the request of the Board of Directors, any person nominated by the Board of Directors for election as a Director shall furnish to the secretary of the Corporation that information required to be set forth in a stockholder's notice of nomination which pertains to the nominee.

(c) No person shall be eligible to serve as a Director of the Corporation unless nominated in accordance with the procedures set forth in this section. The chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by this section, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded. A stockholder seeking to nominate a person to serve as a Director must also comply with all applicable requirements of the Exchange Act, and the rules and regulations thereunder with respect to the matters set forth in this section.

Section 5. Annual Meetings. The annual meeting of the Board of Directors shall be held, without any notice other than this Section 5, immediately after, and at the same place as, the annual meeting of stockholders.

Section 6. Other Meetings and Notice. Regular meetings, other than the annual meeting, of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of the Board of Directors. Special meetings of the Board of Directors may be called by the chairman of the board, the president (if the

president is a Director) or, upon the written request of a majority of the total number of Directors then in office, the secretary of the Corporation on at least 24 hours notice to each Director, either personally, by telephone, by mail or by telecopy.

Section 7. Chairman of the Board, Quorum, Required Vote and Adjournment. The Board of Directors shall elect, by the affirmative vote of a majority of the total number of Directors then in office, a chairman of the board, who shall preside at all meetings of the stockholders and Board of Directors at which he or she is present and shall have such powers and perform such duties as the Board of Directors may from time to time prescribe. If the chairman of the board is not present at a meeting of the stockholders or the Board of Directors, the president (if the president is a Director and is not also the chairman of the board) shall preside at such meeting, and, if the president is not present at such meeting, a majority of the Directors present at such meeting shall elect one of their members to so preside. A majority of the total number of Directors then in office shall constitute a quorum for the transaction of business. Unless by express provision of an applicable law, the Certificate of Incorporation or these Bylaws a different vote is required, the vote of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8. Committees. The Board of Directors may, by resolution passed by a majority of the total number of Directors then in office, designate one or more committees, each committee to consist of one or more of the Directors of the Corporation, which to the extent provided in such resolution or these Bylaws shall have, and may exercise, the powers of the Board of Directors in the management and affairs of the Corporation, except as otherwise limited by law. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors upon request.

Section 9. Committee Rules. Each committee of the Board of Directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the Board of Directors designating such committee. Unless otherwise provided in such a resolution, the presence of at least a majority of the members of the committee shall be necessary to constitute a quorum. Unless otherwise provided in such a resolution, in the event that a member and that member's alternate, if alternates are designated by the Board of Directors, of such committee is or are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member.

Section 10. Communications Equipment. Members of the Board of Directors or any committee thereof may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all

persons participating in the meeting can hear and speak with each other, and participation in the meeting pursuant to this section shall constitute presence in person at the meeting.

Section 11. Waiver of Notice and Presumption of Assent. Any member of the Board of Directors or any committee thereof who is present at a meeting shall be conclusively presumed to have waived notice of such meeting except when such member attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Such member shall be conclusively presumed to have assented to any action taken unless his or her dissent shall be entered in the minutes of the meeting or unless his or her written dissent to such action shall be filed with the person acting as the secretary of the meeting before the adjournment thereof or shall be forwarded by registered mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to any member who voted in favor of such action.

Section 12. Action by Written Consent. Unless otherwise restricted by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of such board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission are filed with the minutes of proceedings of the board or committee.

ARTICLE IV

OFFICERS

Section 1. Number. The officers of the Corporation shall be elected by the Board of Directors and shall consist of a chairman of the board, a chief executive officer, a president, one or more vice-presidents, a secretary, a chief financial officer and such other officers and assistant officers as may be deemed necessary or desirable by the Board of Directors. Any number of offices may be held by the same person, except that neither the chief executive officer nor the president shall also hold the office of secretary. In its discretion, the Board of Directors may choose not to fill any office for any period as it may deem advisable, except that the offices of president and secretary shall be filled as expeditiously as possible.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at its first meeting held after each annual meeting of stockholders or as soon thereafter as convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent elected by the Board of Directors may be removed by the Board of Directors at its discretion, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. Any vacancy occurring in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors.

Section 5. Compensation. Compensation of all executive officers shall be approved by the Board of Directors, and no officer shall be prevented from receiving such compensation by virtue of his or her also being a Director of the Corporation; provided however, that compensation of all executive officers may be determined by a committee established for that purpose if so authorized by the Board of Directors.

Section 6. Chairman of the Board. The chairman of the Board of Directors shall preside at all meetings of the stockholders and of the Board of Directors and shall have such other powers and perform such other duties as may be prescribed to him or her by the Board of Directors or provided in these Bylaws.

Section 7. Chief Executive Officer. The chief executive officer shall have the powers and perform the duties incident to that position. Subject to the powers of the Board of Directors and the chairman of the board, the chief executive officer shall be in the general and active charge of the entire business and affairs of the Corporation, and shall be its chief policy making officer. The chief executive officer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or provided in these Bylaws. The chief executive officer is authorized to execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation. Whenever the president is unable to serve, by reason of sickness, absence or otherwise, the chief executive officer shall perform all the duties and responsibilities and exercise all the powers of the president.

Section 8. The President. The president of the Corporation shall, subject to the powers of the Board of Directors, the chairman of the board and the chief executive officer, have general charge of the business, affairs and property of the Corporation, and control over its officers, agents and employees. The president shall see that all orders and resolutions of the Board of Directors are carried into effect. The president is authorized to execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation. The president shall have such other powers and perform such other duties as may be prescribed by the chairman of the board, the chief executive officer, the Board of Directors or as may be provided in these Bylaws.

Section 9. Vice-Presidents. The vice-president, or if there shall be more than one, the vice-presidents in the order determined by the Board of Directors or the chairman of the board, shall, in the absence or disability of the president, act with all of the powers and be subject to all the restrictions of the president. The vice-presidents shall also perform such other duties and have such other powers as the Board of Directors, the chairman of the board, the chief executive officer, the president or these Bylaws may, from time to time, prescribe. The vice-

presidents may also be designated as executive vice-presidents or senior vice-presidents, as the Board of Directors may from time to time prescribe.

Section 10. The Secretary and Assistant Secretaries. The secretary shall attend all meetings of the Board of Directors, all meetings of the committees thereof and all meetings of the stockholders and record all the proceedings of the meetings in a book or books to be kept for that purpose or shall ensure that his or her designee attends each such meeting to act in such capacity. Under the chairman of the Board of Directors' supervision, the secretary shall give, or cause to be given, all notices required to be given by the Certificate of Incorporation, these Bylaws or by applicable law; shall have such powers and perform such duties as the Board of Directors, the chairman of the board, the chief executive officer, the president or these Bylaws may, from time to time, prescribe; and shall have custody of the corporate seal of the Corporation. The secretary, or an assistant secretary, shall have authority to affix the corporate seal to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature. The assistant secretary, or if there be more than one, any of the assistant secretaries, shall in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the Board of Directors, the chairman of the board, the chief executive officer, the president, or secretary may, from time to time, prescribe.

Section 11. The Chief Financial Officer. The chief financial officer shall have the custody of the corporate funds and securities; shall keep full and accurate all books and accounts of the Corporation as shall be necessary or desirable in accordance with applicable law or generally accepted accounting principles; shall deposit all monies and other valuable effects in the name and to the credit of the Corporation as may be ordered by the chairman of the board or the Board of Directors; shall cause the funds of the Corporation to be disbursed when such disbursements have been duly authorized, taking proper vouchers for such disbursements; and shall render to the Board of Directors, at its regular meeting or when the Board of Directors so requires, an account of the Corporation; shall have such powers and perform such duties as the Board of Directors, the chairman of the board, the chief executive officer, the president or these Bylaws may, from time to time, prescribe. If required by the Board of Directors, the chief financial officer shall give the Corporation a bond (which shall be rendered every six years) in such sums and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office of chief financial officer and for the restoration to the Corporation, in case of death, resignation, retirement or removal from office of all books, papers, vouchers, money and other property of whatever kind in the possession or under the control of the chief financial officer belonging to the Corporation.

Section 12. Other Officers, Assistant Officers and Agents. Officers, assistant officers and agents, if any, other than those whose duties are provided for in these Bylaws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the Board of Directors.

Section 13. Absence or Disability of Officers. In the case of the absence or disability of any officer of the Corporation and of any person hereby authorized to act in such officer's

place during such officer's absence or disability, the Board of Directors may by resolution delegate the powers and duties of such officer to any other officer or to any Director, or to any other person selected by it.

ARTICLE V

CERTIFICATES OF STOCK

Section 1. Form. To the greatest extent permitted by applicable Delaware law, the shares of the Corporation's Common Stock shall be uncertificated and transfer of such shares shall be reflected by book entry. Notwithstanding the foregoing, every holder of stock in the Corporation, if any, that is represented by a certificate shall be entitled to have a certificate, signed by, or in the name of the Corporation by the chairman of the board, the chief executive officer or the president and the secretary or an assistant secretary of the Corporation, certifying the number of shares owned by such holder in the Corporation. If such a certificate is countersigned (i) by a transfer agent or an assistant transfer agent other than the Corporation or its employee or (ii) by a registrar, other than the Corporation or its employee, the signature of any such chairman of the board, chief executive officer, president, secretary or assistant secretary may be facsimiles. In case any officer or officers who have signed, or whose facsimile signature or signatures have been used on, any such certificate or certificates shall cease to be such officer or officers of the Corporation whether because of death, resignation or otherwise before such certificate or certificates have been delivered by the Corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of the Corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the Corporation. Shares of stock of the Corporation shall only be transferred on the books of the Corporation by the holder of record thereof or by such holder's attorney duly authorized in writing, in the case of certificated shares, upon surrender to the Corporation of the certificate or certificates for such shares endorsed by the appropriate person or persons, with such evidence of the authenticity of such endorsement, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps, or in the case of uncertificated shares, upon delivery to the Corporation of evidence, in form and substance reasonably satisfactory to the Corporation, demonstrating that the party requesting such transfer is the record holder thereof or the holder's attorney duly authorized in writing. Upon the surrender of any certificate representing shares of any class of Common Stock, the Corporation shall forthwith cancel such certificate and the holder thereof shall no longer be entitled to a certificate or certificates representing the shares of such class represented by the surrendered certificate. Any shares represented by a surrendered certificate cancelled as provided above shall be registered in the name and will represent such number of shares of such class as is requested by the holder of the surrendered certificate. Such book entry shall be made without charge to the holders of the surrendered certificates for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such issuance. The Board of Directors may appoint a bank or trust company organized under the laws of the United States or

any state thereof to act as its transfer agent or registrar, or both in connection with the transfer of any class or series of securities of the Corporation.

Section 2. Lost Certificates. The Board of Directors may direct a new certificate or certificates, if any, to be issued in place of any certificate or certificates previously issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or his or her legal representative, to give the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against the Corporation on account of the loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 3. Fixing a Record Date for Stockholder Meetings. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on the next day preceding the day on which notice is first given. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 4. Fixing a Record Date for Other Purposes. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purposes of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 5. Registered Stockholders. Prior to the surrender to the Corporation of the certificate or certificates, if any, for a share or shares of stock with a request to record the transfer of such share or shares, the Corporation may treat the registered owner as the person entitled to receive dividends, to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner. The Corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof.

Section 6. Subscriptions for Stock. Unless otherwise provided for in the subscription agreement, subscriptions for shares shall be paid in full at such time, or in such installments and at such times, as shall be determined by the Board of Directors. Any call made by the Board of

Directors for payment on subscriptions shall be uniform as to all shares of the same class or as to all shares of the same series. In case of default in the payment of any installment or call when such payment is due, the Corporation may proceed to collect the amount due in the same manner as any debt due the Corporation.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, in accordance with applicable law. Dividends may be paid in cash, in property or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or any other purpose and the Directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Checks, Drafts or Orders. All checks, drafts or other orders for the payment of money by or to the Corporation and all notes and other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall be determined by resolution of the Board of Directors or a duly authorized committee thereof.

Section 3. Contracts. In addition to the powers otherwise granted to officers pursuant to ARTICLE IV hereof, the Board of Directors may authorize any officer or officers, or any agent or agents, of the Corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 4. Loans. Subject to compliance with applicable laws, the Corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the Corporation or of its subsidiaries, including any officer or employee who is a Director of the Corporation or its subsidiaries, whenever, in the judgment of the Directors, such loan, guaranty or assistance may reasonably be expected to benefit the Corporation. The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the Corporation. Nothing in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the Corporation at common law or under any statute.

Section 5. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 6. Corporate Seal. The Board of Directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise. No seal shall be required by virtue of this Section.

Section 7. Voting Securities Owned By Corporation. Voting securities in any other Corporation held by the Corporation shall be voted by the chief executive officer, the president or a vice-president, unless the Board of Directors specifically confers authority to vote with respect thereto, which authority may be general or confined to specific instances, upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 8. Inspection of Books and Records. The Board of Directors shall have power from time to time to determine to what extent and at what times and places and under what conditions and regulations the accounts and books of the Corporation, or any of them, shall be open to the inspection of the stockholders; and no stockholder shall have any right to inspect any account or book or document of the Corporation, except as conferred by the laws of the State of Delaware, unless and until authorized so to do by resolution of the Board of Directors or of the stockholders of the Corporation.

Section 9. Section Headings. Section headings in these Bylaws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 10. Inconsistent Provisions. In the event that any provision of these Bylaws is or becomes inconsistent with any provision of the Certificate of Incorporation, the General Corporation Law of the State of Delaware or any other applicable law, the provision of these Bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VII

AMENDMENTS

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter, amend, change, add to or repeal these Bylaws by the affirmative vote of a majority of the total number of Directors then in office. Any alteration or repeal of these Bylaws by the stockholders of the Corporation shall require the affirmative vote of a majority of the outstanding shares of the Corporation entitled to vote on such alteration or repeal; provided, however, that Section 11 of ARTICLE II and Sections 2, 3 and 4 of ARTICLE III and this ARTICLE VII of these Bylaws shall not be altered, amended or repealed and no provision inconsistent therewith shall be adopted without the affirmative vote of the holders of at least two-thirds of the combined voting power of all of the then outstanding shares of the Corporation entitled to vote on such alteration or repeal.

15. Please provide the most recent information regarding the Board of Directors of the Merged Wireline Business.

a) How many members will be on the Board of Directors?

Response:

Nine Members

b) How will the Board of Directors be structured (for example, the number of inside and independent directors; length of Directors' terms; whether Directors' term will be staggered; and similar information).

Response:

The initial board of directors will be determined in accordance with Section 4.4 of the Merger Agreement. Francis X. Frantz, Chairman of [Newco], and Jeffery R. Gardner, CEO of [Newco] will serve on the board of directors. It is anticipated that the remaining seven members of the board of directors will qualify as "independent" under NYSE rules, and no fewer than five members of the board of directors will qualify as "independent" under NYSE rules. The board of directors will be divided into three classes serving staggered three year terms.

c) Please identify each member of the initial Board of Directors and, if not already provided in the Application, a professional biography.

Response:

See Application. Since the filing of the Application, Anthony J. de Nicola has been named to the Board of Directors of the Merged Wireline Business. Mr. de Nicola has served as director of Valor since March 2004 and as Chairman since

April 2004. Mr. de Nicola is currently a general partner of Welsh, Carson, Anderson and Stowe, which is one of Valor's stockholders. He joined Welsh, Carson, Anderson and Stowe in 1994 and focuses on investments in the information and business services and communications industries. Before joining Welsh, Carson, Anderson and Stowe, he worked for four years in the private equity group at William Blair and Company. Previously, Mr. de Nicola worked at Goldman, Sachs & Co. in the Mergers and Acquisitions Department. Mr. de Nicola is also a member of the boards of directors of Centennial Communications Corp., ITC Deltacom, Inc., R.H. Donnelly and several private companies.

16. Please provide a copy of the most recent actuarial report(s) for the pension funds that relate to KAI, AKI, and other Alltel employees.

Response:

Attached hereto is the 2005 Actuarial Valuation Report. The actuarial report includes wireline and wireless employees. This report is considered proprietary and confidential.

**RESPONSE TO COMMUNICATION
WORKERS OF AMERICA'S REQUEST
NUMBER 16**

ENTIRE DOCUMENT REDACTED

17. Please provide a copy of the most recent actuarial report(s) for the post-retirement benefits other than pensions (OPEBs) that related to KAI, AKI, and other Alltel employees.

Response:

Attached hereto is the most recent actuarial report. This report includes wireline and wireless employees. The report is considered proprietary and confidential.

**RESPONSE TO COMMUNICATION
WORKERS OF AMERICA'S REQUEST
NUMBER 17**

ENTIRE DOCUMENT REDACTED

18. Concerning the pension funds currently held by Alltel, or any of its subsidiaries, on behalf of employees of the local telephone companies, including AKI and KAI (these will be referred to as “pension funds” in the following questions):

- a) Identify the entities that currently hold all pension funds and other pension-related assets.

Response:

The assets are held in trust for plan beneficiaries by J.P. Morgan/Chase Bank. The Plan Sponsor is Alltel Corp.

- b) Please describe in detail how the pension funds and other pension-related assets will be divided between Alltel and the Merged Wireline Business

Response:

The pension assets will be divided between the pension plan trusts of Alltel Corp and Wireline in accordance with the Employee Benefits Agreement. Attached hereto are the relevant pages from the Employee Benefits Agreement.

- c) Please describe in detail how the liabilities for the payment of pension benefits will be divided between Alltel and the Merged Wireline Business

Response:

Please see attachment provided for 18(b).

- d) Identify the entities that will hold all pension funds and other pension-related assets after the separation.

Response:

The assets will be held in trust for each plan separately by J.P Morgan/Chase Bank. The Plan Sponsors will be Alltel Corp. and the Merged Wireline Business.

- e) Will the separation of the Merged Wireline Business result in any change in the pension benefits payable to any current retirees of any of the local telephone companies, including AKI and KAI? If so, please describe in detail.

Response:

There will not be any changes to benefits payable to current retirees as a result of the separation.

- f) Will the separation of the Merged Wireline Business result in any change in the pension benefits payable to any current employees of any of the local telephone companies, including AKI and KAI. If so, please describe in detail all such changes.

Response:

There will not be any changes to benefits payable to current employees as a result of the separation.

Relevant Pages from Employees Benefit Agreement

Responsive to CWA 18

Alltel employee benefit plan, policy or compensation program in effect immediately prior to the Effective Time.

2.12. No Alteration of Collective Bargaining Agreements. Nothing in this Agreement is intended to alter the provisions of any collective bargaining agreement set forth on Schedule II or modify in any way the obligations of the AT Group or Spinco or the Spinco Group to any person or union as described in such agreement.

2.13. Government Reporting. Prior to the Distribution Date or within such other time period described by applicable law or regulation, Alltel shall notify or report to the appropriate government agency regarding the transactions contemplated by, or the actions taken pursuant to this Agreement to the extent such notification or report is required by ERISA, the Code or other applicable law, and shall provide all information required by such government agency.

ARTICLE 3

DEFINED BENEFIT RETIREMENT PLANS

3.01. Establishment of Mirror Retirement Plan and Trust.

(a) Establishment. Prior to the Distribution Date, Spinco shall establish, or cause to be established, a plan and related trust intended to be qualified under Section 401(a) of the Code and exempt from taxation under Section 501(a) of the Code for Spinco Employees and Spinco Individuals, the provisions of which shall be substantially similar to provisions of the Alltel Corporation Pension Plan (the "Spinco Pension Plan") including for this purpose the amendments to the Alltel Corporation Pension Plan regarding the freeze of benefit accruals under such plan for certain employees effective as of December 31, 2005 or December 31, 2010, as applicable, under the amendment.

(b) Determination Letter. Before the expiration of the applicable remedial amendment period under Section 401(b) of the Code, Spinco shall file an application for and make commercially reasonable efforts to obtain a determination from the Internal Revenue Service that the Spinco Pension Plan and related trust are qualified within the meaning of Sections 401(a) and 501(a) of the Code, respectively.

(c) Transfer of Assets/Liabilities. On the Pension Transfer Date, Alltel shall transfer, or cause to be transferred, in accordance with Section 414(l) of the Code, the assets and liabilities attributable to the Spinco Employees and Spinco Individuals from the Alltel Corporation Pension Plan and its related trust to the Spinco Pension Plan and its related trust. The amount of assets and liabilities transferred from the Alltel Corporation Pension Plan to the Spinco Pension Plan shall be determined in accordance with Section 3.02.

3.02. Pension Plan Transfer Amount.

(a) The liabilities transferred from the Alltel Corporation Pension Plan to the Spinco Pension Plan will be the current liability with respect to the Spinco

Employees and Spinco Individuals under the Alltel Corporation Pension Plan as of the Pension Transfer Date. Except as provided in Section 3.02(b), the amount of assets transferred from the Alltel Corporation Pension Plan to the Spinco Pension Plan shall be the amount equal to a percentage of the fair market value of the assets of the Alltel Corporation Pension Plan as of the Pension Transfer Date, where the percentage is the quotient of (1) the current liability with respect to the Spinco Employees and Spinco Individuals under the Alltel Corporation Pension Plan as of the Pension Transfer Date divided by (2) the entire current liability under the Alltel Corporation Pension Plan as of the Pension Transfer Date. "Current liability" shall be calculated utilizing the actuarial methods and assumptions attached hereto as Schedule IV.

(b) In no event shall the amount transferred under Section 3.02(a) be less than the amount required to be transferred under the requirements of Section 414(l) of the Code.

(c) In the event Alltel makes a contribution(s) to the Alltel Corporation Pension Plan at or prior to the time of transfer of assets and liabilities to the Spinco Pension Plan, Spinco will pay to Alltel the percentage of the contribution(s) over \$20 million equal to the quotient of (1) the current liability (as defined in Section 3.02(a)) with respect to the Spinco Individuals under the Alltel Corporation Pension Plan as of the Pension Transfer Date divided by (2) the entire current liability (as defined in Section 3.02(a)) under the Alltel Corporation Pension Plan as of the Pension Transfer Date.

ARTICLE 4

DEFINED CONTRIBUTION RETIREMENT PLANS

4.01. Establishment of Mirror 401(k) Plan and Trust.

(a) Establishment. Prior to the Distribution Date, Spinco shall establish, or cause to be established, a plan and related trust intended to be qualified under Section 401(a) of the Code and exempt from taxation under Section 501(a) of the Code for Spinco Employee and Spinco Individuals, the provisions of which shall be substantially similar to provisions of the Alltel Corporation 401(k) Plan (the "Spinco 401(k) Plan").

(b) Determination Letter. Before the expiration of the applicable remedial amendment period under Section 401(b) of the Code, Spinco shall file for and make commercially reasonable efforts to obtain a determination from the Internal Revenue Service that the Spinco 401(k) Plan and related trust are qualified within the meaning of Sections 401(a) and 501(a) of the Code, respectively.

(c) Transfer of Assets/Liabilities. As soon as reasonably practicable after the establishment of the Spinco 401(k) Plan, Alltel shall transfer, or cause to be transferred, in accordance with Section 414(l) of the Code, the account balances (assets and liabilities) of the Spinco Employees and Spinco Individuals from the Alltel

SCHEDULE IV
PENSION ACTUARIAL ASSUMPTIONS AND METHODOLOGIES

The following actuarial assumptions and methodologies will be used to calculate the current liabilities to be transferred to the Spinco Pension Plan as of the Pension Transfer Date. The IRS publishes the permissible range of current liability interest rates through IRS notices.

Economic Assumptions

Interest Rates

- ERISA funding 8.00%
- FAS No. 87 expense to be determined by Alltel
- FAS No. 87 long-term asset return 8.50%
- Current liability the highest rate allowed under section 412(b)(5)(B) of the Code as of the Pension Transfer Date

Salary Increases

- ERISA funding 5.50%
- FAS No. 87 3.50%

Social Security Wage Base Increases 4.00%

2005 Salary Limit \$210,000 (indexed)

2005 Benefit Limit \$170,000 (indexed)

Administrative Expenses None

Demographic Assumptions

Mortality Decrements 1994 Group Annuity Mortality table

Disabled Mortality Decrements

Sample Rates

<u>Age</u>	<u>Rates</u>
30	0.31%
40	0.63%
50	2.04%
60	4.90%
65	8.42%
70	9.10%

Retirement Decrements**Sample Rates**

<u>Age</u>	<u>Rates</u>
Less than 56	5%
56-59	3%
60	15%
61-62	10%
63	30%
64	35%
65+	100%

Turnover Rates**Sample Rates**

<u>Age</u>	<u>Years of Service</u>			
	<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>Ultimate</u>
25	34.74%	26.05%	17.37%	8.57%
35	24.21%	18.16%	12.11%	5.71%
45	13.68%	10.26%	6.84%	2.86%
55	3.16%	2.37%	1.58%	0.00%

Prior Plan 360:**Sample Rates**

<u>Age</u>	<u>Rates</u>
25	23.00%
35	17.33%
45	13.27%
55	10.80%

Disability Decrements

75% of Table S-10 of 11th Railroad Retirement Board (modified)

Sample Rates

<u>Age</u>	<u>Rates</u>
30	0.45%
40	0.09%
50	0.39%
55	0.82%
60	1.86%
64	2.25%

Marital Status

85% of participants are assumed to be married.
Husbands are assumed to be three years older than their wives.

Actuarial Cost Method (Funding)

The actuarial cost method used for plan funding is called the entry age normal cost method. This method determines the amount of actuarial liability associated with all benefits payable under the plan at the time an employee would have become a participant according to the plan document, if the current plan document was always in effect. For every participant, the level annual dollar amount, or percentage of annual salary, required to fund this liability over the participant's lifetime is then determined. The percentage of annual salary approach is used whenever benefits are based on salary levels of the participants; otherwise the level annual dollar amount is used. The normal cost for a participant for a given year equals the above level annual dollar amount, if that method is employed, or it equals the percentage of annual salary multiplied by the participant's current salary. The actuarial accrued liability is the accumulated value of all previous years of normal cost that would have accrued for the participant had the plan always been in effect.

Asset Valuation Method (Funding)

Fair market value (market value of assets as of December 31 preceding the valuation date plus receivables.)

Actuarial Cost Method (FAS No. 87)

The actuarial cost method prescribed by FAS No. 87 is the projected unit credit cost method. Under this method, the projected benefit obligation (actuarial accrued liability) is first computed for each participant by calculating the present value of the portion of the projected benefit earned to date. This is done by applying the plan's benefit formula to service earned to the measurement date and the average earnings projected to retirement or other termination date.

The service cost (normal cost) is the single sum required to fully fund the increment of projected benefits expected to be earned during the current plan year.

Asset Valuation Method (FAS No. 87)

The market-related value of assets is equal to the market value of assets.

Other Procedures

No benefits are projected to be greater than the limitation currently imposed by section 415(b) of the Internal Revenue Code, in accordance with the requirements of section 404(j) of the code.

No actuarial accrued liability is held for non-vested, inactive participants who have a break in service, or for non-vested participants who have quit or been terminated even if a break in service had not occurred as of the valuation date.

19. Concerning assets associated with the provision of non-pension post-retirement benefits currently held by Alltel, or any of its subsidiaries, on behalf of employees of the local telephone companies, including AKI and KAI (referred to as “funded PRBs” in the following questions):

- a) identify the entities that currently hold all funds or other assets related to funded PRBs

Response:

There are no assets associated with non-pension post retirement benefits.

- b) Please describe in detail how the funded PRB funds or other assets will be divided between Alltel and the Merged Wireline Business

Response:

Not Applicable.

- c) Please describe in detail how the liabilities for the payment of funded PRBs will be divided between Alltel and Merged Wireline Business

Response:

Not Applicable.

- d) Identify the entities that will hold all funded PRB funds or other assets after the Merged Wireline Business is separated from Alltel

Response:

Not Applicable.

- e) Will the separation of the Merged Wireline Business from Alltel result in any change in the funded PRBs available to any current retirees of any of the local telephone companies, including AKI and KAI? If so, please describe in detail all such changes.

Response:

Not Applicable.

- f) Will the separation of the Merged Wireline Business from Alltel result in any change in the funded PRBs available to any current employees of any of the local telephone companies, including AKI and KAI? If so, please describe in detail all such changes.

Response:

Not Applicable.

20. If the transaction is approved does the Merged Wireline Business, AKI, or KAI have any plans to change the number and/or types of employees currently working at the Merged Wireline Business or AKI and KAI? If so, please describe in detail all such changes.

Response:

There are no plans to change either the number or types of employees currently working at AKI or KAI if the transaction is approved. There will be some changes in the number of employees working at the corporate offices of the Merged Wireline Business to avoid duplication between the Alltel wireline corporate staff and the Valor corporate staff and provide the appropriate level of support to the local operating companies. The integration plans are under development.

21. With regard to the answer above in Request 20, produce copies of all documents which discuss, review or analyze this issue and resulting decisions.

Response:

None at this time.

22. If the transaction is approved does the Merged Wireline Business, AKI, or KAI have any plans to change the levels of compensation and/or of employees currently working at the Merged Wireline Business, AKI, or KAI? If so, please describe in detail all such changes.

Response:

There are no plans to change the levels of compensation and/or the employees currently working at AKI or KAI as a result of the transaction approval. There are likely to be changes within the Merged Wireline Business as integration and business plans are developed and roles are redefined.

23. With regard to the answer above in Request 22, produce copies of all documents which discuss, review or analyze this issue and resulting decisions.

Response:

Not Applicable.

24. Will the existing collective bargaining agreement between AKI and/or KAI and the Communications Workers of America be affected in any manner by the proposed transaction. If so, please describe in detail all such changes.

Response:

The collective bargaining agreement between AKI and/or KAI and the CWA will not be affected by the proposed transaction.

25. With regard to the answer above in Request 24, produce copies of all documents which discuss, review or analyze this issue and resulting decisions.

Response:

Not Applicable.

26. Please explain the impact of the separation and merger on employee levels in Kentucky and anticipated investment and expense levels for the next five years.

Response:

The separation and merger will have no effect on employee levels in Kentucky. Additionally, the Merged Wireline Business does not anticipate a material change in either investment or expense levels in Kentucky for the next five years as a result of the separation and merger.

27. Please state whether the separation and merger will result in any changes in pensions and/or other benefit programs for existing Alltel employees generally and for AKI and KAI employees in particular. If yes, please explain in detail.

Response:

No. Employee benefit plans will remain substantially the same following the separation and merger.

28. Please provide the total number of employees of KAI and AKI at the end of each of the years beginning December 31, 2000 and ending December 31, 2005.

Response:

<u>Year</u>	<u>KAI</u>	<u>AKI</u>
2005	688	23
2004	721	25
2003	759	26
2002	861	26
2001	0	25
2000	0	25

29. Please provide the total number of access lines served by KAI and AKI at the end of each of the years beginning December 31, 2000 and ending December 31, 2005.

Response:

<u>Year</u>	<u>KAI</u>	<u>AKI</u>	<u>Total</u>
2000		27,377	27,377
2001		27,839	27,839
2002	545,190	27,927	573,117
2003	522,569	27,659	550,228
2004	500,937	27,501	528,438

2005 ^a	510,399	26,902	537,301
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^a Change due to special access line count revisions.

30. Please provide the total annual maintenance expenses spent by KAI and AKI for local exchange services for each of the years from the beginning of 2000 to year-end 2005.

Response:

Per both company's filed Annual PSC reports, the following amounts represent the sum of both plant specific expenses and plant non-specific expenses. Please note that 2002 only represents a partial year for KYA, as the transaction close date for these properties purchased from Verizon was August, 2002.

	<u>KAI</u>	<u>AKI</u>
2000	N/A	\$6,930,991
2001	N/A	\$7,498,071
2002	\$97,127,425	\$7,090,758
2003	\$273,526,378	\$7,128,399
2004	\$248,138,435	\$7,247,296
2005	Not available	Not available

31. Please provide the total capital construction amount expended by KAI and AKI for local exchange services for each of the years from the beginning of 2000 to year-end 2005.

Response:

Attached hereto are the wireline capital expenditures for the years 2000 through 2005.

Wireline Capital Expenditures for 2000-2005

Responsive to CWA 31

2002-2005 Wireline Capital Expenditures
(\$000)

<u>State/Year</u>	<u>Total</u>
<u>2005</u> Kentucky	64,191.5
<u>2004</u> Kentucky	63,989.1
<u>2003</u> Kentucky	80,791.1
<u>2002</u> Kentucky	39,555.2
<u>2001</u> Kentucky	5,175.0
<u>2000</u> Kentucky	3,347.7

32. Please provide total annual expenditures paid by KAI and AKI to outside contractors and/or vendors for maintenance expense for the years 2000-2005.

Response:

The amounts listed below represent total annual expenditures paid by both KAI and AKI (2000 – 2005) for both contract labor and contract services. Please note that 2002 only represents a partial year for KAI, as the transaction close date for these properties purchased from Verizon was August, 2002. The increase in contract labor and contract service expense for KAI in 2003 was as a result of the ice storm.

	<u>KAI</u>	<u>AKI</u>
2000	N/A	\$447,162
2001	N/A	\$618,893
2002	\$2,413,154	\$472,683
2003	\$34,541,689	\$318,851
2004	\$12,520,094	\$380,976
2005	\$8,481,542	\$297,860

33. Please provide the total annual expenditures paid by KAI and AKI to outside contractors and/or vendors for personnel-related expenses for maintenance for the years 2000-2005.

Response:

Please see response to Question 32 for total contract labor and materials expenses.

34. Please provide total annual expenditures paid by KAI and AKI to outside contractors and/or vendors for construction expense for the years 2000-2005.

Response:

Attached hereto are the 2005 annual expenditures paid by KAI and AKI to outside contractors and/or vendors for construction.

35. Please provide the total annual expenditures paid by KAI and AKI to outside contractors and/or vendors for personnel-related expenses for construction for the years 2000-2005.

Response:

See response to Question 34.

2005 Annual Expenditure Paid to Outside Contractors and/or Vendors

Responsive to CWA 34 and CWA 35

Annual Expenditures to Outside Contractors/Vendors for Construction

Year	2005
Material	\$7,125.00
Labor	\$16,681.10
TOTAL	\$25,811.10

36. Please provide a matrix showing KAI and AKI service quality performance for the most recent 36 months in each of the following categories:

- a. Customer Trouble Reports per 100 Lines
- b. Out-Of-Service Trouble Clearing Time Within 24 Hours
- c. Percentage of Primary Service Orders Completed Within 5 Days
- d. Percentage of Non-Primary Service Orders Completed Within 20 Days
- e. Percentage of Installation Appointments Met
- f. Percentage of Calls to Repair Service Answered in 20 Seconds
- g. Percentage of Calls to the Business Office Answered in 20 Seconds
- h. Percentage of Calls With Dial Tone Within 3 Seconds

Response:

Customer Trouble Reports per 100 Lines, Out-Of-Service Trouble Clearing Time Within 24 Hours, Percentage of Primary Service Orders Completed Within 5 Days, Percentage of Calls to Repair Service Answered in 20 Seconds, and Percentage of Calls With Dial Tone Within 3 Seconds are reported on the monthly quality of service reports provided to the Kentucky Public Service Commission which are provided in response to Data Request number 37. Alltel does not track Percentage of Non-Primary Service Orders Completed Within 20 Days or Percentage of Installation Appointments Met, and, as such are not provided. Attached hereto are the Percentage of Calls to the Business Office Answered in 20 Seconds.

Percentage of Calls to the Business Office Answered in 20 Seconds

Responsive to CWA 36

Month	Service Level
Feb-03	83.28%
Mar-03	88.14%
Apr-03	84.21%
May-03	85.44%
Jun-03	85.19%
Jul-03	77.36%
Aug-03	78.13%
Sep-03	81.87%
Oct-03	87.59%
Nov-03	85.49%
Dec-03	87.57%
Jan-04	80.06%
Feb-04	85.97%
Mar-04	88.27%
Apr-04	85.90%
May-04	84.14%
Jun-04	73.67%
Jul-04	81.06%
Aug-04	83.15%
Sep-04	87.51%
Oct-04	90.12%
Nov-04	85.40%
Dec-04	87.96%
Jan-05	71.37%
Feb-05	86.99%
Mar-05	90.51%
Apr-05	92.99%
May-05	85.45%
Jun-05	84.04%
Jul-05	84.69%
Aug-05	77.69%
Sep-05	68.50%
Oct-05	77.30%
Nov-05	66.24%
Dec-05	59.24%
Jan-06	60.98%
Feb-06	80.14%

37. Please provide copies of all service quality reports filed with the Kentucky PSC during the past 36 months.

Response:

Attached hereto are service quality reports filed with the Kentucky PSC during the past 36 months.

Quality of Service Reports

Responsive to CWA 37

ALLTEL COMMUNICATIONS

230 Lexington Green Circle
P. O. Box 1650
Lexington, KY 40588



Stephen R. Byars

Vice President - External Affairs

859-271-8324 (office)
859-271-7811 (fax)

September 2, 2003

Mr. Vern Miracle
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: ALLTEL Kentucky and Kentucky ALLTEL Service Reports for June

Dear Mr. Miracle:

Enclosed are both ALLTEL Kentucky's and Kentucky ALLTEL's service reports for the month of June, 2003.

As always, please call with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen R. Byars". The signature is fluid and cursive, written over a horizontal line.

Stephen R. Byars

Enclosures

Monthly Report
JUNE 2003

TELEPHONE COMPANY: ALLTEL COMMUNICATIONS, INC.						
PHONE NUMBER: 502/957-7107						
REPORTING MONTH: June-2003						
EXCHANGE CODE:	MTWS	SHPV	SHPV	SHPV	ZNTN	ZNTN
EXCHANGE PREFIX:	538	543	921	955	957	
PROVISION OF SERVICE:						
1) HELD ORDERS AT THE BEGINNING OF THE MONTH	0	0	0	0	0	0
1) HELD ORDERS ADDED DURING MONTH	1	0	0	0	0	3
1) HELD ORDERS WORKED DURING MONTH	1	0	0	0	0	0
1) HELD ORDERS AT THE END OF THE MONTH	0	0	0	0	0	3
2) SERVICE REQUESTS (90% IN 5 DAYS/BY WEEK)	100%	100%	100%	100%	100%	100%
REGRADE REQUESTS 90% IN 30 DAYS)	NONE	NONE	NONE	NONE	NONE	NONE
TOTAL SERVICE REQUIREMENTS:						
3) DIAL TONE (95% WITHIN 3 SECONDS)	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
4a) LOCAL CALLS (LESS THAN 3% ATB)	100%	100%	100%	100%	100%	100%
TOTAL SERVICE REQUIREMENTS:						
4b) TOLL CALLS (LESS THAN 3% ATB)	100%	100%	100%	100%	100%	100%
ANSWER TIME REQUIREMENTS*:						
5) REPAIR SERVICE (AVG. ANS. TIME NOT TO EXCEED 20 SECONDS)	1.1 sec.					
OPERATOR SERVICE REQUIREMENTS:						
ASSISTED CALLS (90% WITHIN 10 SECONDS)	N/A	N/A	N/A	N/A	N/A	N/A
ON 1 CALL (90% WITHIN 4 SECONDS)	N/A	N/A	N/A	N/A	N/A	N/A
SERVICE INTERRUPTION REQUIREMENTS:						
6) CLEARED OUT OF SERVICE (85% WITHIN 24 HR)	100	92.4	92.4	98.6	98.6	98.6
6) TOTAL TROUBLE REPORTS (8 PER 100 LINES)	1.8	1.8	1.8	1.5	1.5	1.5
*REPAIR SERVICE ANSWER TIME CONSISTS OF SEVEN STATES COMBINED.						

KENTUCKY ALTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Regular Service Installation
Commission Objective - 90% Within 5 Days
Case No. 99-296 Objectives: Central=94.2 East=95.8 West=97.3
SECTION 10 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	98.5	97.7	79.5	90.4	82.9	83.7						
East Dist	98.8	94.1	78.0	92.7	94.4	90.8						
West Dist	99.0	93.5	83.4	90.7	86.3	84.6						
Total Co.	98.7	95.4	79.9	91.3	87.3	86.0						

Trouble Clearing - 24 Hours
Commission Objective - 85%
Case No. 99-296 Objectives: Central=89.9 East=89.6 West=93.1
SECTION 25 (3)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	87.0	54.2	31.9	80.6	75.3	80.5						
East Dist	96.7	58.3	47.5	89.8	73.7	68.9						
West Dist	94.7	94.8	96.2	96.7	96.8	95.5						
Total Co.	92.5	62.5	44.4	87.2	79.5	80.0						

Answering Time - Toll - Operator Assistance
Objective - Average Speed of Answer - 8 Seconds
SECTION 22 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	7	6.4	6.6	6.9	6.4	6.4						
East Dist												
West Dist												
Total Co.												

Trouble Reports Per 100 Lines
Commission Objective - 8 or Less Per 100 Lines
Case No. 99-296 Objectives: Central=1.7 East=2.5 West=1.9
SECTION 25 (4)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	1.1	2.0	3.4	1.5	1.5	1.7						
East Dist	2.4	3.1	4.2	2.6	3.1	2.9						
West Dist	2.0	2.3	2.1	2.1	2.4	2.4						
Total Co.	1.6	2.3	3.3	1.9	2.1	2.1						

Answering Time - Repair
Objective - Average Speed of Answer - 20 Seconds
SECTION 22 (2)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	3	4	2	1	1	1						
East Dist												
West Dist												
Total Co.												

KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Local Dialing
Objective - 5% or Less ATB

SECTION 15 (2)

	J	F	M	A	M	J	J	J	A	S	O	N	D
Central Dist	0	0	0	0	0	0	0	0					
East Dist	0	0	0	0	0	0	0	0					
West Dist	0	0	0	0	0	0	0	0					
Total Co.	0	0	0	0	0	0	0	0					

Dial Tone
Objective - 95% Within 3 Seconds

SECTION 15 (1)

	J	F	M	A	M	J	J	J	A	S	O	N	D
Central Dist	99.9	99.9	99.9	99.9	99.4	99.9	99.9	99.9					
East Dist	99.9	99.7	99.9	99.9	99.9	99.9	99.9	99.9					
West Dist	99.9	99.9	99.9	99.9	98.3	99.9	99.9	99.9					
Total Co.	99.9	99.9	99.9	99.9	99.2	99.9	99.9	99.9					

Toll Connecting
Objective - 3% or Less ATB

SECTION 15 (3)

	J	F	M	A	M	J	J	J	A	S	O	N	D
Central Dist	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0					
East Dist	0.0	0.5	0.1	0.1	0.0	0.0	0.0	0.0					
West Dist	0.02	0.0	0.0	0.0	0.0	0.0	0.0	0.0					
Total Co.	0.01	0.1	0.0	0.0	0.0	0.0	0.0	0.0					

KYPUCBENC

PERCENT OUT OF SERVICE TROUBLES CLEARED IN 24 HRS

Obj:	Jan02	Feb02	Mar02	Apr02	May02	Jun02	Jul02	Aug02	Sep02	Oct02	Nov02	Dec02
89.9												
PSC DAC 3100	85.01	49.70	26.68	81.21	77.05	80.30						
PSC DAC 3103	86.91	53.55	28.73	77.41	70.28	78.22						
PSC DAC 3104	90.77	77.09	88.98	91.67	82.06	86.68						
PSC DAC 3105	100.00	96.23	98.71	95.08	89.47	92.11						
KY Central District	87.02	54.21	31.89	80.57	75.31	80.51						
89.6												
PSC DAC 3200	94.37	53.16	42.99	86.08	61.05	51.13						
PSC DAC 3300	97.77	93.38	95.88	98.15	97.12	97.47						
PSC DAC 3400	98.17	48.42	35.81	87.87	78.72	67.16						
PSC DAC 3500	97.27	70.13	91.10	98.10	92.98	82.42						
KY Eastern District	96.68	58.27	47.54	89.83	73.74	68.92						
93.1												
PSC DAC 3600	93.81	95.25	96.1	98.34	97.11	98.52						
PSC DAC 3700	95.15	95.2	95.53	93.25	97.57	93.42						
PSC DAC 3800	96.43	94.54	96.57	98.32	98.08	96.51						
PSC DAC 3900	92.31	93.95	97.74	95.6	96.57	92.97						
PSC DAC 3901	96.36	94.88	94.15	96.82	94.4	95.11						
KY Western District	94.70	94.76	96.16	96.69	96.77	95.47						
Total State Of KY	92.51	62.49	44.42	87.22	79.53	80.03						

TROUBLES PER 100 ACCESS LINES

	Jan02	Feb02	Mar02	Apr02	May02	Jun02	Jul02	Aug02	Sep02	Oct02	Nov02	Dec02
KY Central PSC Obj:												
1.7												
PSC DAC 3100	0.49	1.02	1.73 *	0.71	0.70	0.80						
PSC DAC 3103	5.16 *	9.82 *	19.61 *	8.09 *	5.83 *	7.07 *						
PSC DAC 3104	2.77 *	3.43 *	3.12 *	2.66 *	3.53 *	3.93 *						
PSC DAC 3105	1.78 *	1.93 *	3.15 *	2.28 *	2.67 *	2.04 *						
	1.07	1.97 *	3.42 *	1.53	1.46	1.69						
KY Central District												
KY Eastern PSC Obj:												
2.5												
PSC DAC 3200	1.96	3.24 *	5.36 *	2.76 *	3.61 *	2.89 *						
PSC DAC 3300	1.97	2.04	1.70	1.90	2.07	2.21						
PSC DAC 3400	3.38 *	4.77 *	6.51 *	3.41 *	4.03 *	3.64 *						
PSC DAC 3500	3.65 *	3.02 *	2.90 *	2.20	2.42	3.55 *						
	2.39	3.14 *	4.19 *	2.56 *	3.09 *	2.88 *						
KY Eastern District												
KY Western PSC Obj:												
1.9												
PSC DAC 3600	1.79	1.96 *	2.02 *	1.83	2.10 *	2.08 *						
PSC DAC 3700	1.89	2.65 *	1.85	2.12 *	2.34 *	2.44 *						
PSC DAC 3800	2.05 *	1.85	2.12 *	2.10 *	2.07 *	2.13 *						
PSC DAC 3900	2.10 *	2.57 *	2.38 *	2.23 *	2.71 *	2.85 *						
PSC DAC 3901	2.58 *	2.47 *	2.43 *	2.43 *	3.17 *	2.73 *						
	2.02 *	2.25 *	2.14 *	2.09 *	2.42 *	2.39 *						
KY Western District												
Total State Of KY	1.62	2.33	3.34	1.92	2.09	2.15						

ALLTEL COMMUNICATIONS

230 Lexington Green Circle
P. O. Box 1650
Lexington, KY 40588



Stephen R. Byars

Vice President - External Affairs

859-271-8324 (office)
859-271-7811 (fax)

October 13, 2003

Mr. Vern Miracle
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: ALLTEL Kentucky and Kentucky ALLTEL Service Reports for July

Dear Mr. Miracle:

Enclosed are both ALLTEL Kentucky's and Kentucky ALLTEL's service reports for the month of July, 2003.

As always, please call with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen R. Byars". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen R. Byars

Enclosures

TELEPHONE COMPANY: ALLTEL COMMUNICATIONS, INC.						
PHONE NUMBER: 502/957-7107						
REPORTING MONTH: July-2003						
EXCHANGE CODE:						
EXCHANGE PREFIX:						
	MTWS	SHPV	SHPV	SHPV	ZNTN	ZNTN
	538	543	921	955	957	
PROVISION OF SERVICE:						
1)	0	0	0	0	3	3
1)	1	0	1	1	0	0
1)	0	0	0	0	3	3
1)	1	0	1	1	0	0
2)	100%	100%	100%	100%	100%	100%
	NONE	NONE	NONE	NONE	NONE	NONE
TOTAL SERVICE REQUIREMENTS:						
3)	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
4a)	100%	100%	100%	100%	100%	100%
TOTAL SERVICE REQUIREMENTS:						
4b)	100%	100%	100%	100%	100%	100%
ANSWER TIME REQUIREMENTS*:						
5)	1.6 sec.					
OPERATOR SERVICE REQUIREMENTS:						
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
SERVICE INTERRUPTION REQUIREMENTS:						
6)	100	97	97	97	93.2	93.2
6)	2.6	2.3	2.3	2.3	1.9	1.9
*REPAIR SERVICE ANSWER TIME CONSISTS OF SEVEN STATES COMBINED.						

KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Regular Service Installation
Commission Objective - 90% Within 5 Days
Case No. 99-296 Objectives: Central=94.2 East=95.8 West=97.3
SECTION 10 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	98.5	97.7	79.5	90.4	82.9	83.7	88.9					
East Dist	98.8	94.1	78.0	92.7	94.4	90.8	87.4					
West Dist	99.0	93.5	83.4	90.7	86.3	84.6	89.4					
Total Co.	98.7	95.4	79.9	91.3	87.3	86.0	88.6					

Trouble Clearing - 24 Hours
Commission Objective - 85%
Case No. 99-296 Objectives: Central=89.9 East=89.6 West=93.1
SECTION 25 (3)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	87.0	54.2	31.9	80.6	75.3	80.5	85.4					
East Dist	96.7	58.3	47.5	89.8	73.7	68.9	64.5					
West Dist	94.7	94.8	96.2	96.7	96.8	95.5	95.4					
Total Co.	92.5	62.5	44.4	87.2	79.5	80.0	78.9					

Answering Time - Toll - Operator Assistance
Objective - Average Speed of Answer - 8 Seconds
SECTION 22 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Total Co.	7	6.4	6.6	6.9	6.4	6.4	6.2					

Trouble Reports Per 100 Lines
Commission Objective - 8 or Less Per 100 Lines
Case No. 99-296 Objectives: Central=1.7 East=2.5 West=1.9
SECTION 25 (4)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	1.1	2.0	3.4	1.5	1.5	1.7	1.7					
East Dist	2.4	3.1	4.2	2.6	3.1	2.9	4.2					
West Dist	2.0	2.3	2.1	2.1	2.4	2.4	2.9					
Total Co.	1.6	2.3	3.3	1.9	2.1	2.1	2.6					

Answering Time - Repair
Objective - Average Speed of Answer - 20 Seconds
SECTION 22 (2)

	J	F	M	A	M	J	J	A	S	O	N	D
Total Co.	3	4	2	1	1	1	2					

KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Dial Tone
Objective - 95% Within 3 Seconds

SECTION 15 (1)

	J	F	M	A	M	A	M	J	J	J	A	S	O	N	D
Central Dist	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9				
East Dist	99.9	99.7	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9				
West Dist	99.9	99.9	99.9	99.9	99.9	98.3	99.9	99.9	99.9	99.9	99.9				
Total Co.	99.9	99.9	99.9	99.9	99.9	99.2	99.9	99.9	99.9	99.9	99.9				

Local Dialling
Objective - 5% or Less ATB

SECTION 15 (2)

	J	F	M	A	M	A	M	J	J	J	A	S	O	N	D
Central Dist	0	0	0	0	0	0	0	0	0	0	0				
East Dist	0	0	0	0	0	0	0	0	0	4					
West Dist	0	0	0	0	0	0	0	0	0	0					
Total Co.	0	0	0	0	0	0	0	0	0	1					

Toll Connecting
Objective - 3% or Less ATB

SECTION 15 (3)

	J	F	M	A	M	A	M	J	J	J	A	S	O	N	D
Central Dist	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0				
East Dist	0.0	0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.3	0.0	0.0				
West Dist	0.02	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Total Co.	0.01	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0				

KYPUCB.ENC

PERCENT OUT OF SERVICE TROUBLES CLEARED IN 24 HRS

	Jan02	Feb02	Mar02	Apr02	May02	Jun02	Jul02	Aug02	Sep02	Oct02	Nov02	Dec02
89.9												
PSC DAC 3100	85.01 *	49.70 *	26.68 *	81.21 *	77.05 *	80.30 *	86.98 *					
PSC DAC 3103	86.91 *	53.55 *	28.73 *	77.41 *	70.28 *	78.22 *	83.45 *					
PSC DAC 3104	90.77	77.09 *	88.98 *	91.67	82.06 *	86.68 *	84.81 *					
PSC DAC 3105	100.00	96.23	98.71	95.08	89.47 *	92.11	95.86					
	87.02 *	54.21 *	31.89 *	80.57 *	75.31 *	80.51 *	85.37 *					
KY Central District												
89.6												
PSC DAC 3200	94.37	53.16 *	42.99 *	86.08 *	61.05 *	51.13 *	52.89 *					
PSC DAC 3300	97.77	93.38	95.88	98.15	97.12	97.47	97.25					
PSC DAC 3400	98.17	48.42 *	35.81 *	87.87 *	78.72 *	67.16 *	69.54 *					
PSC DAC 3500	97.27	70.13 *	91.10	98.10	92.98	82.42 *	71.30 *					
	96.68	58.27 *	47.54 *	89.83	73.74 *	68.92 *	64.49 *					
KY Eastern District												
93.1												
PSC DAC 3600	93.81	95.25	96.1	98.34	97.11	98.52	98.17					
PSC DAC 3700	95.15	95.2	95.53	93.25	97.57	93.42	93.77					
PSC DAC 3800	96.43	94.54	96.57	98.32	98.08	96.51	96.52					
PSC DAC 3900	92.31 *	93.95	97.74	95.6	96.57	92.97 *	92.32 *					
PSC DAC 3901	96.36	94.88	94.15	96.82	94.4	95.11	97.53					
	94.70	94.76	96.16	96.69	96.77	95.47	95.41					
KY Western District												
Total State Of KY	92.51	62.49	44.42	87.22	79.53	80.03	78.85					

TROUBLES PER 100 ACCESS LINES

	Jan02	Feb02	Mar02	Apr02	May02	Jun02	Jul02	Aug02	Sep02	Oct02	Nov02	Dec02
KY Central PSC Obj:												
1.7	0.49	1.02	1.73	0.71	0.70	0.80	0.80					
PSC DAC 3100												
PSC DAC 3103	5.16	9.82	19.61	8.09	5.83	7.07	6.83	*				
PSC DAC 3104	2.77	3.43	3.12	2.66	3.53	3.93	4.13	*				
PSC DAC 3105	1.78	1.93	3.15	2.28	2.67	2.04	2.79	*				
	1.07	1.97	3.42	1.53	1.46	1.69	1.71	*				
KY Central District												
KY Eastern PSC Obj:												
2.5	1.96	3.24	5.36	2.76	3.61	2.89	5.51	*				
PSC DAC 3200	1.97	2.04	1.70	1.90	2.07	2.21	2.35					
PSC DAC 3300	3.38	4.77	6.51	3.41	4.03	3.64	5.12	*				
PSC DAC 3400	3.65	3.02	2.90	2.20	2.42	3.55	3.77	*				
PSC DAC 3500	2.39	3.14	4.19	2.56	3.09	2.88	4.24	*				
KY Eastern District												
KY Western PSC Obj:												
1.9	1.79	1.96	2.02	1.83	2.10	2.08	1.86					
PSC DAC 3600	1.89	2.65	1.85	2.12	2.34	2.44	2.40	*				
PSC DAC 3700	2.05	1.85	2.12	2.10	2.07	2.13	2.67	*				
PSC DAC 3800	2.10	2.57	2.38	2.23	2.71	2.85	4.98	*				
PSC DAC 3900	2.58	2.47	2.43	2.43	3.17	2.73	2.94	*				
PSC DAC 3901	2.02	2.25	2.14	2.09	2.42	2.39	2.89	*				
KY Western District												
Total State Of KY	1.62	2.33	3.34	1.92	2.09	2.15	2.62					

PERCENT REGULAR SERVICE INSTALLATIONS IN 5 DAYS

	Jan02	Feb02	Mar02	Apr02	May02	Jun02	Jul02	Aug02	Sep02	Oct02	Nov02	Dec02
94.2												
PSC DAC 3100	98.66	97.81	74.60	86.36	76.11	81.49	86.56					
PSC DAC 3103	98.81	98.43	77.46	91.77	85.16	83.45	88.55					
PSC DAC 3104	97.51	96.03	97.64	96.50	93.00	88.36	96.40					
PSC DAC 3105	96.67	95.24	88.51	96.30	98.41	98.53	###					
98.53	97.72	79.52	90.43	82.90	83.70	88.88						
95.8												
PSC DAC 3200	99.34	97.64	68.41	89.57	95.07	85.38	82.38					
PSC DAC 3300	98.77	92.79	91.94	95.71	94.75	96.33	92.29					
PSC DAC 3400	98.17	95.78	62.02	94.94	93.59	85.58	87.71					
PSC DAC 3500	98.74	84.80	79.73	83.77	92.75	92.92	85.82					
98.81	94.12	77.99	92.65	94.45	90.83	87.41						
97.3												
PSC DAC 3600	99.74	87.50	66.45	89.08	84.82	84.67	90.54					
PSC DAC 3700	98.41	96.82	95.04	95.67	97.85	75.85	82.50					
PSC DAC 3800	98.41	94.95	79.06	82.77	77.81	78.75	91.15					
PSC DAC 3900	98.68	93.58	87.80	95.62	82.90	93.77	89.96					
PSC DAC 3901	99.49	95.63	93.52	94.15	92.46	90.82	92.74					
98.95	93.48	83.40	90.66	86.29	84.59	89.42						
Total State Of KY	98.74	95.40	79.93	91.26	87.30	86.03	88.57					

ALLTEL COMMUNICATIONS

230 Lexington Green Circle
P. O. Box 1650
Lexington, KY 40588



Stephen R. Byars
Vice President - External Affairs
859-271-8324 (office)
859-271-7811 (fax)

November 5, 2003

Mr. Vern Miracle
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

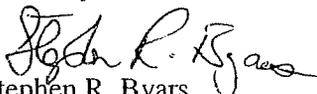
Re: ALLTEL Kentucky and Kentucky ALLTEL Service Results for August 2003

Dear Mr. Miracle:

Enclosed are both ALLTEL Kentucky's and Kentucky ALLTEL's service results for the month of August 2003.

As always, please call with any questions.

Sincerely,


Stephen R. Byars

Enclosures

TELEPHONE COMPANY: ALLTEL COMMUNICATIONS, INC.						
PHONE NUMBER: 502/957-7107						
REPORTING MONTH: August-2003						
EXCHANGE CODE:	MTWS	SHPV	SHPV	SHPV	ZNTN	ZNTN
EXCHANGE PREFIX:	538	543	921	955	957	
PROVISION OF SERVICE:						
1) HELD ORDERS AT THE BEGINNING OF THE MONTH	1	0	1	1	0	0
1) HELD ORDERS ADDED DURING MONTH	1	2	0	0	0	0
1) HELD ORDERS WORKED DURING MONTH	1	0	1	1	0	0
1) HELD ORDERS AT THE END OF THE MONTH	1	2	0	0	0	0
2) SERVICE REQUESTS (90% IN 5 DAYS/BY WEEK)	100%	100%	100%	100%	100%	100%
REGRADE REQUESTS 90% IN 30 DAYS)	NONE	NONE	NONE	NONE	NONE	NONE
TOTAL SERVICE REQUIREMENTS:						
3) DIAL TONE (95% WITHIN 3 SECONDS)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
4a) LOCAL CALLS (LESS THAN 3% ATB)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL SERVICE REQUIREMENTS:						
4b) TOLL CALLS (LESS THAN 3% ATB)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
ANSWER TIME REQUIREMENTS*:						
5) REPAIR SERVICE (AVG. ANS. TIME NOT TO EXCEED 20 SECONDS)	.9 sec					
OPERATOR SERVICE REQUIREMENTS:						
ASSISTED CALLS (90% WITHIN 10 SECONDS)	N/A	N/A	N/A	N/A	N/A	N/A
ON 1 CALL (90% WITHIN 4 SECONDS)	N/A	N/A	N/A	N/A	N/A	N/A
SERVICE INTERRUPTION REQUIREMENTS:						
6) CLEARED OUT OF SERVICE (85% WITHIN 24 HR)	96.9	94.6	94.6	94.6	94.6	94.6
6) TOTAL TROUBLE REPORTS (8 PER 100 LINES)	3	2.2	2.2	1.4	1.4	1.4
*REPAIR SERVICE ANSWER TIME CONSISTS OF SEVEN STATES COMBINED.						

KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Regular Service Installation
Commission Objective - 90% Within 5 Days
Case No. 99-296 Objectives: Central=94.2 East=95.8 West=97.3
SECTION 10 (1)

Trouble Clearing - 24 Hours
Commission Objective - 85%
Case No. 99-296 Objectives: Central=89.9 East=89.6 West=93.1
SECTION 25 (3)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	98.5	97.7	79.5	90.4	82.9	83.7	88.9	95.0				
East Dist	98.8	94.1	78.0	92.7	94.4	90.8	87.4	91.9				
West Dist	99.0	93.5	83.4	90.7	86.3	84.6	89.4	89.6				
Total Co.	98.7	95.4	79.9	91.3	87.3	86.0	88.6	93.0				

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	87.0	54.2	31.9	80.6	75.3	80.5	85.4	72.7				
East Dist	96.7	58.3	47.5	89.8	73.7	68.9	64.5	69.4				
West Dist	94.7	94.8	96.2	96.7	96.8	95.5	95.4	96.0				
Total Co.	92.5	62.5	44.4	87.2	79.5	80.0	78.9	76.6				

Answering Time - Toll - Operator Assistance
Objective - Average Speed of Answer - 8 Seconds

SECTION 22 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Total Co.	7	6.4	6.6	6.9	6.4	6.4	6.2	5.8				

Answering Time - Repair
Objective - Average Speed of Answer - 20 Seconds

SECTION 22 (2)

	J	F	M	A	M	J	J	A	S	O	N	D
Total Co.	3	4	2	1	1	1	2	1				

Trouble Reports Per 100 Lines
Commission Objective - 8 or Less Per 100 Lines
Case No. 99-296 Objectives: Central=1.7 East=2.5 West=1.9
SECTION 25 (4)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	1.1	2.0	3.4	1.5	1.5	1.7	1.7	1.9				
East Dist	2.4	3.1	4.2	2.6	3.1	2.9	4.2	4.0				
West Dist	2.0	2.3	2.1	2.1	2.4	2.4	2.9	2.7				
Total Co.	1.6	2.3	3.3	1.9	2.1	2.1	2.6	2.6				

KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Local Dialing
Objective - 5% or Less ATB

SECTION 15 (2)

	J	F	M	A	M	J	J	J	A	S	O	N	D
Central Dist	0	0	0	0	0	0	0	0	0	0	0	0	0
East Dist	0	0	0	0	0	0	4	0	0	0	0	0	0
West Dist	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Co.	0	0	0	0	0	0	1	0	0	0	0	0	0

Dial Tone
Objective - 95% Within 3 Seconds

SECTION 15 (1)

	J	F	M	A	M	J	J	J	A	S	O	N	D
Central Dist	99.9	99.9	99.9	99.9	99.4	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9
East Dist	99.9	99.7	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9
West Dist	99.9	99.9	99.9	99.9	98.3	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9
Total Co.	99.9	99.9	99.9	99.9	99.2	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9

Toll Connecting
Objective - 3% or Less ATB

SECTION 15 (3)

	J	F	M	A	M	J	J	J	A	S	O	N	D
Central Dist	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
East Dist	0.0	0.5	0.1	0.1	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0
West Dist	0.02	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0
Total Co.	0.01	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.0

KYPUCLBENC

PERCENT OUT OF SERVICE TROUBLES CLEARED IN 24 HRS

Obj:	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
89.9												
PSC DAC 3100	85.01	49.70	26.68	81.21	77.05	80.30	86.98	76.97				
PSC DAC 3103	86.91	53.55	28.73	77.41	70.28	78.22	83.45	68.93				
PSC DAC 3104	90.77	77.09	88.98	91.67	82.06	86.68	84.81	72.75				
PSC DAC 3105	100.00	96.23	98.71	95.08	89.47	92.11	95.86	86.55				
87.02	54.21	31.89	80.57	75.31	80.51	85.37	72.66					
89.6												
PSC DAC 3200	94.37	53.16	42.99	86.08	61.05	51.13	52.89	58.02				
PSC DAC 3300	97.77	93.38	95.88	98.15	97.12	97.47	97.25	97.75				
PSC DAC 3400	98.17	48.42	35.81	87.87	78.72	67.16	69.54	73.72				
PSC DAC 3500	97.27	70.13	91.10	98.10	92.98	82.42	71.30	74.45				
96.68	58.27	47.54	89.83	73.74	68.92	64.49	69.36					
93.1												
PSC DAC 3600	93.81	95.25	96.1	98.34	97.11	98.52	98.17	97.951				
PSC DAC 3700	95.15	95.2	95.53	93.25	97.57	93.42	93.77	96.606				
PSC DAC 3800	96.43	94.54	96.57	98.32	98.08	96.51	96.52	97.5				
PSC DAC 3900	92.31	93.95	97.74	95.6	96.57	92.97	92.32	96.255				
PSC DAC 3901	96.36	94.88	94.15	96.82	94.4	95.11	97.53	90.994				
94.70	94.76	96.16	96.69	96.77	95.47	95.41	96.038					
Total State Of KY	92.51	62.49	44.42	87.22	79.53	80.03	78.85	76.576				

TROUBLES PER 100 ACCESS LINES

	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
1.7												
PSC DAC 3100	0.49	1.02	1.73 *	0.71	0.70	0.80	0.80	1.08				
PSC DAC 3103	5.16 *	9.82 *	19.61 *	8.09 *	5.83 *	7.07 *	6.83 *	3.14 *				
PSC DAC 3104	2.77 *	3.43 *	3.12 *	2.66 *	3.53 *	3.93 *	4.13 *	4.61 *				
PSC DAC 3105	1.78 *	1.93 *	3.15 *	2.28 *	2.67 *	2.04 *	2.79 *	2.39 *				
KY Central District	1.07	1.97 *	3.42 *	1.53	1.46	1.69	1.71 *	1.91 *				
2.5												
PSC DAC 3200	1.96	3.24 *	5.36 *	2.76 *	3.61 *	2.89 *	5.51 *	5.19 *				
PSC DAC 3300	1.97	2.04	1.70	1.90	2.07	2.21	2.35	2.18				
PSC DAC 3400	3.38 *	4.77 *	6.51 *	3.41 *	4.03 *	3.64 *	5.12 *	5.08 *				
PSC DAC 3500	3.65 *	3.02 *	2.90 *	2.20	2.42	3.55 *	3.77 *	3.69 *				
KY Eastern District	2.39	3.14 *	4.19 *	2.56 *	3.09 *	2.88 *	4.24 *	4.05 *				
1.9												
PSC DAC 3600	1.79	1.96 *	2.02 *	1.83	2.10 *	2.08 *	1.86	2.33 *				
PSC DAC 3700	1.89	2.65 *	1.85	2.12 *	2.34 *	2.44 *	2.40 *	2.50 *				
PSC DAC 3800	2.05 *	1.85	2.12 *	2.10 *	2.07 *	2.13 *	2.67 *	2.29 *				
PSC DAC 3900	2.10 *	2.57 *	2.38 *	2.23 *	2.71 *	2.85 *	4.98 *	3.21 *				
PSC DAC 3901	2.58 *	2.47 *	2.43 *	2.43 *	3.17 *	2.73 *	2.94 *	3.54 *				
KY Western District	2.02 *	2.25 *	2.14 *	2.09 *	2.42 *	2.39 *	2.89 *	2.68 *				
Total State Of KY	1.62	2.33	3.34	1.92	2.09	2.15	2.62	2.61				

PERCENT REGULAR SERVICE INSTALLATIONS IN 5 DAYS

Obj	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
94.2												
PSC DAC 3100	98.66	97.81	74.60	86.36	76.11	81.49	86.56	97.07				
PSC DAC 3103	98.81	98.43	77.46	91.77	85.16	83.45	88.55	93.50				
PSC DAC 3104	97.51	96.03	97.64	96.50	93.00	88.36	96.40	95.53				
PSC DAC 3105	96.67	95.24	88.51	96.30	98.41	98.53	100.00	92.31				
	98.53	97.72	79.52	90.43	82.90	83.70	88.88	94.99				
95.8												
PSC DAC 3200	99.34	97.64	68.41	89.57	95.07	85.38	82.38	91.03				
PSC DAC 3300	98.77	92.79	91.94	95.71	94.75	96.33	92.29	93.50				
PSC DAC 3400	98.17	95.78	62.02	94.94	93.59	85.58	87.71	92.77				
PSC DAC 3500	98.74	84.80	79.73	83.77	92.75	92.92	85.82	85.00				
	98.81	94.12	77.99	92.65	94.45	90.83	87.41	91.91				
97.3												
PSC DAC 3600	99.74	87.50	66.45	89.08	84.82	84.67	90.54	92.88				
PSC DAC 3700	98.41	96.82	95.04	95.67	97.85	75.85	82.50	81.45				
PSC DAC 3800	98.41	94.95	79.06	82.77	77.81	78.75	91.15	96.56				
PSC DAC 3900	98.68	93.58	87.80	95.62	82.90	93.77	89.96	87.01				
PSC DAC 3901	99.49	95.63	93.52	94.15	92.46	90.82	92.74	85.33				
	98.95	93.48	83.40	90.66	86.29	84.59	89.42	89.63				
Total State Of KY	98.74	95.40	79.93	91.26	87.30	86.03	88.57	92.98				

PERCENT OUT OF SERVICE TROUBLES CLEARED IN 24 HRS

	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
89.9												
KY Central PSC Obj:												
PSC DAC 3100	85.01	49.70	26.68	81.21	77.05	80.30	86.98	76.97	74.89	87.42	90.15	85.70
PSC DAC 3103	86.91	53.55	28.73	77.41	70.28	78.22	83.45	68.93	75.63	82.42	87.06	86.08
PSC DAC 3104	90.77	77.09	88.98	91.67	82.06	86.68	84.81	72.75	87.77	88.54	86.64	82.90
PSC DAC 3105	100.00	96.23	98.71	95.08	89.47	92.11	95.86	86.55	93.88	97.33	97.50	94.87
KY Central District	87.02	54.21	31.89	80.57	75.31	80.51	85.37	72.66	77.23	85.59	88.34	85.67
89.6												
KY Eastern PSC Obj:												
PSC DAC 3200	94.37	53.16	42.99	86.08	61.05	51.13	52.89	58.02	70.39	79.97	81.17	85.55
PSC DAC 3300	97.77	93.38	95.88	98.15	97.12	97.47	97.25	97.75	97.57	98.97	96.85	97.32
PSC DAC 3400	98.17	48.42	35.81	87.87	78.72	67.16	69.54	73.72	66.27	96.24	87.95	88.26
PSC DAC 3500	97.27	70.13	91.10	98.10	92.98	82.42	71.30	74.45	84.83	88.00	97.33	91.91
KY Eastern District	96.68	58.27	47.54	89.83	73.74	68.92	64.49	69.36	74.56	88.45	87.16	89.10
93.1												
KY Western PSC Obj:												
PSC DAC 3600	93.81	95.25	96.1	98.34	97.11	98.52	98.17	97.951	98.53	98.23	99.28	98.86
PSC DAC 3700	95.15	95.2	95.53	93.25	97.57	93.42	93.77	96.606	95.28	97.82	96.91	89.13
PSC DAC 3800	96.43	94.54	96.57	98.32	98.08	96.51	96.52	97.5	96.7	95.38	90.78	93.47
PSC DAC 3900	92.31	93.95	97.74	95.6	96.57	92.97	92.32	96.255	94.84	97.93	95.75	92.61
PSC DAC 3901	96.36	94.88	94.15	96.82	94.4	95.11	97.53	90.994	94.63	97.65	96.53	95.85
KY Western District	94.70	94.76	96.16	96.69	96.77	95.47	95.41	96.038	96.11	97.46	95.91	94.59
Total State Of KY	92.51	62.49	44.42	87.22	79.53	80.03	78.85	76.576	79.99	89.22	89.62	87.93

TROUBLES PER 100 ACCESS LINES

	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
1.7												
KY Central PSC Obj:												
PSC DAC 3100	0.49	1.02	1.73	0.71	0.70	0.80	0.80	1.08	1.04	0.68	0.64	0.60
PSC DAC 3103	5.16	9.82	19.61	8.09	5.83	7.07	6.83	3.14	3.11	1.76	1.68	1.78
PSC DAC 3104	2.77	3.43	3.12	2.66	3.53	3.93	4.13	4.61	4.43	2.92	2.87	2.25
PSC DAC 3105	1.78	1.93	3.15	2.28	2.67	2.04	2.79	2.39	2.69	2.00	1.56	1.37
KY Central District	1.07	1.97	3.42	1.53	1.46	1.69	1.71	1.91	1.90	1.14	1.08	1.04
2.5												
KY Eastern PSC Obj:												
PSC DAC 3200	1.96	3.24	5.36	2.76	3.61	2.89	5.51	5.19	4.28	2.53	2.88	2.40
PSC DAC 3300	1.97	2.04	1.70	1.90	2.07	2.21	2.35	2.18	2.02	1.64	1.85	1.60
PSC DAC 3400	3.38	4.77	6.51	3.41	4.03	3.64	5.12	5.08	4.90	3.29	2.82	3.40
PSC DAC 3500	3.65	3.02	2.90	2.20	2.42	3.55	3.77	3.69	3.88	2.89	2.56	2.08
KY Eastern District	2.39	3.14	4.19	2.56	3.09	2.88	4.24	4.05	3.72	2.43	2.50	2.32
1.9												
KY Western PSC Obj:												
PSC DAC 3600	1.79	1.96	2.02	1.83	2.10	2.08	1.86	2.33	2.01	1.32	1.73	1.46
PSC DAC 3700	1.89	2.65	1.85	2.12	2.34	2.44	2.40	2.50	2.29	1.77	1.68	1.57
PSC DAC 3800	2.05	1.85	2.12	2.10	2.07	2.13	2.67	2.29	1.99	1.54	1.71	1.39
PSC DAC 3900	2.10	2.57	2.38	2.23	2.71	2.85	4.98	3.21	3.17	2.15	2.23	2.19
PSC DAC 3901	2.58	2.47	2.43	2.43	3.17	2.73	2.94	3.54	2.76	2.23	1.90	1.85
KY Western District	2.02	2.25	2.14	2.09	2.42	2.39	2.89	2.68	2.43	1.72	1.84	1.66
Total State Of KY	1.62	2.33	3.34	1.92	2.09	2.15	2.62	2.61	2.43	1.60	1.62	1.52

PERCENT REGULAR SERVICE INSTALLATIONS IN 5 DAYS

KY Central PSC Obj:	94.2	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
	PSC DAC 3100	98.66	97.81	74.60	* 86.36	* 76.11	* 81.49	* 86.56	* 97.07	* 93.36	* 98.00	96.25	95.38
	PSC DAC 3103	98.81	98.43	77.46	* 91.77	* 85.16	* 83.45	* 88.55	* 93.50	* 92.88	* 96.57	96.69	96.79
	PSC DAC 3104	97.51	96.03	97.64	96.50	93.00	* 88.36	* 96.40	95.53	91.76	* 88.59	* 84.33	* 67.44
	PSC DAC 3105	96.67	95.24	88.51	* 96.30	98.41	98.53	100.00	92.31	* 93.06	* 100.00	97.26	97.37
		98.53	97.72	79.52	* 90.43	* 82.90	* 83.70	* 88.88	* 94.99	92.94	* 96.32	95.01	92.37
KY Central District													
KY Eastern PSC Obj:	95.8	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
	PSC DAC 3200	99.34	97.64	68.41	* 89.57	* 95.07	* 85.38	* 82.38	* 91.03	* 83.14	* 90.53	* 93.12	* 92.23
	PSC DAC 3300	98.77	92.79	* 91.94	* 95.71	* 94.75	* 96.33	92.29	93.50	* 91.50	* 94.31	* 96.90	85.22
	PSC DAC 3400	98.17	95.78	* 62.02	* 94.94	* 93.59	* 85.58	* 87.71	92.77	* 78.68	* 93.97	* 91.69	* 94.37
	PSC DAC 3500	98.74	84.80	* 79.73	* 83.77	* 92.75	* 92.92	* 85.82	85.00	* 91.40	* 87.94	* 87.58	* 85.71
		98.81	94.12	* 77.99	* 92.65	* 94.45	* 90.83	* 87.41	* 91.91	* 85.82	* 92.71	* 93.87	* 89.31
KY Eastern District													
KY Western PSC Obj:	97.3	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03	Oct03	Nov03	Dec03
	PSC DAC 3600	99.74	87.50	* 66.45	* 89.08	* 84.82	* 84.67	* 90.54	* 92.88	* 95.81	* 98.61	99.16	95.87
	PSC DAC 3700	98.41	96.82	* 95.04	* 95.67	* 97.85	75.85	82.50	* 81.45	* 88.29	* 98.01	96.38	* 72.73
	PSC DAC 3800	98.41	94.95	* 79.06	* 82.77	* 77.81	* 78.75	* 91.15	* 96.56	* 91.85	* 96.88	* 97.35	89.46
	PSC DAC 3900	98.68	93.58	* 87.80	* 95.62	* 82.90	* 93.77	* 89.96	* 87.01	* 88.46	* 97.04	* 95.77	* 85.45
	PSC DAC 3901	99.49	95.63	* 93.52	* 94.15	* 92.46	* 90.82	* 92.74	* 85.33	* 89.12	* 93.45	* 97.83	86.12
		98.95	93.48	* 83.40	* 90.66	* 86.29	* 84.59	* 89.42	* 89.63	* 91.05	* 97.02	* 97.36	* 87.09
KY Western District													
Total State Of KY		98.74	95.40	79.93	91.26	87.30	86.03	88.57	92.98	90.33	95.37	95.25	89.89

ALLTEL COMMUNICATIONS

230 Lexington Green Circle
P. O. Box 1650
Lexington, KY 40588



Stephen R. Byars

Vice President - External Affairs

859-271-8324 (office)
859-271-7811 (fax)

November 25, 2003

Mr. Vern Miracle
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: Kentucky ALLTEL and ALLTEL Kentucky service results for September, 2003

Dear Mr. Miracle:

Enclosed are both Kentucky ALLTEL's and ALLTEL Kentucky's service results for the month of September, 2003. This report indicates the last full month of service results occurring during the strike by the Communications Workers of America against ALLTEL.

As always, please call with any questions.

Sincerely,


Stephen R. Byars

Enclosure

11/25/03 Don. Ohio Team F. J.T. MESTER

Monthly Report
 SEPTEMBER 2003

TELEPHONE COMPANY: ALLTEL COMMUNICATIONS, INC.						
PHONE NUMBER: 502/957-7107						
REPORTING MONTH: September-2003						
EXCHANGE CODE:						
EXCHANGE PREFIX:						
		MTWS	SHPV	SHPV	ZNTN	ZNTN
		538	543	921	955	957
PROVISION OF SERVICE:						
1)	Held Orders at the Beginning of the Month	1	2	0	0	0
1)	Held Orders Added During Month	0	0	1	0	0
1)	Held Orders Worked During Month	0	1	0	0	0
1)	Held Orders at the End of the Month	1	1	1	0	0
2)	Service Requests (90% in 5 Days/By Week)	100%	100%	100%	100%	100%
	Regrade Requests 90% in 30 Days	NONE	NONE	NONE	NONE	NONE
TOTAL SERVICE REQUIREMENTS:						
3)	Dial Tone (95% within 3 seconds)	100%	100%	100%	100%	100%
4a)	Local Calls (Less than 3% ATB)	100%	100%	100%	100%	100%
TOTAL SERVICE REQUIREMENTS:						
4b)	Toll Calls (Less than 3% ATB)	100%	100%	100%	100%	100%
ANSWER TIME REQUIREMENTS*:						
5)	Repair Service (Avg. Ans. Time Not to Exceed 20 Seconds)	.8 sec				
OPERATOR SERVICE REQUIREMENTS:						
	Assisted Calls (90% within 10 seconds)	N/A	N/A	N/A	N/A	N/A
	On 1 Call (90% within 4 seconds)	N/A	N/A	N/A	N/A	N/A
SERVICE INTERRUPTION REQUIREMENTS:						
6)	Cleared Out of Service (85% within 24 hr)	64.5	95.4	95.4	92.4	92.4
6)	Total Trouble Reports (8 per 100 lines)	2.7	3.1	3.1	2	2
*REPAIR SERVICE ANSWER TIME CONSISTS OF SEVEN STATES COMBINED.						

KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Regular Service Installation
Commission Objective - 90% Within 5 Days
Case No. 99-296 Objectives: Central=94.2 East=95.8 West=97.3
SECTION 10 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	98.5	97.7	79.5	90.4	82.9	83.7	88.9	95.0	92.9			
East Dist	98.8	94.1	78.0	92.7	94.4	90.8	87.4	91.9	85.8			
West Dist	99.0	93.5	83.4	90.7	86.3	84.6	89.4	89.6	91.1			
Total Co.	98.7	95.4	79.9	91.3	87.3	86.0	88.6	93.0	90.3			

Trouble Clearing - 24 Hours
Commission Objective - 85%
Case No. 99-296 Objectives: Central=89.9 East=89.6 West=93.1
SECTION 25 (3)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	87.0	54.2	31.9	80.6	75.3	80.5	85.4	72.7	77.2			
East Dist	96.7	58.3	47.5	89.8	73.7	68.9	64.5	69.4	74.6			
West Dist	94.7	94.8	96.2	96.7	96.8	95.5	95.4	96.0	96.1			
Total Co.	92.5	62.5	44.4	87.2	79.5	80.0	78.9	76.6	80.0			

Answering Time - Toll - Operator Assistance
Objective - Average Speed of Answer - 8 Seconds
SECTION 22 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	7	6.4	6.6	6.9	6.4	6.4	6.2	5.8	6.8			
East Dist												
West Dist												
Total Co.												

Trouble Reports Per 100 Lines
Commission Objective - 8 or Less Per 100 Lines
Case No. 99-296 Objectives: Central=1.7 East=2.5 West=1.9
SECTION 25 (4)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	1.1	2.0	3.4	1.5	1.5	1.7	1.7	1.9	1.9			
East Dist	2.4	3.1	4.2	2.6	3.1	2.9	4.2	4.0	3.7			
West Dist	2.0	2.3	2.1	2.1	2.4	2.4	2.9	2.7	2.4			
Total Co.	1.6	2.3	3.3	1.9	2.1	2.1	2.6	2.6	2.4			

Answering Time - Repair
Objective - Average Speed of Answer - 20 Seconds
SECTION 22 (2)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	3	4	2	1	1	1	2	1	1			
East Dist												
West Dist												
Total Co.												

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KENTUCKY ALLTEL

2003 PSC OBJECTIVE REPORT
807 KAR 5:061

Local Dialing
Objective - 5% or Less ATB

SECTION 15 (2)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	0	0	0	0	0	0	0	0	0	0		
East Dist	0	0	0	0	0	4	0	0	0			
West Dist	0	0	0	0	0	0	0	0	0			
Total Co.	0	0	0	0	0	0	1	0	0			

Dial Tone
Objective - 95% Within 3 Seconds

SECTION 15 (1)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	99.9	99.9	99.9	99.9	99.4	99.9	99.9	99.9	99.9			
East Dist	99.9	99.7	99.9	99.9	99.9	99.9	99.9	99.9	99.9			
West Dist	99.9	99.9	99.9	99.9	98.3	99.9	99.9	99.9	99.9			
Total Co.	99.9	99.9	99.9	99.9	99.2	99.9	99.9	99.9	99.9			

Toll Connecting
Objective - 3% or Less ATB

SECTION 15 (3)

	J	F	M	A	M	J	J	A	S	O	N	D
Central Dist	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.1			
East Dist	0.0	0.5	0.1	0.1	0.0	0.0	0.3	0.0	0.1			
West Dist	0.02	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.1			
Total Co.	0.01	0.1	0.0	0.0	0.0	0.0	0.1	0.2	0.1			

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PERCENT REGULAR SERVICE INSTALLATIONS IN 5 DAYS

KY Central PSC Obj:	94.2	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
PSC DAC 3100	98.66	97.81	74.60	86.36	76.11	81.49	86.56	97.07	93.36	*
PSC DAC 3103	98.81	98.43	77.46	91.77	85.16	83.45	88.55	93.50	92.88	*
PSC DAC 3104	97.51	96.03	97.64	96.50	93.00	88.36	96.40	95.53	91.76	*
PSC DAC 3105	96.67	95.24	88.51	96.30	98.41	98.53	100.00	92.31	93.06	*
KY Central District	98.53	97.72	79.52	90.43	82.90	83.70	88.88	94.99	92.94	*
KY Eastern PSC Obj:	95.8	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
PSC DAC 3200	99.34	97.64	68.41	89.57	95.07	85.38	82.38	91.03	83.14	*
PSC DAC 3300	98.77	92.79	91.94	95.71	94.75	96.33	92.29	93.50	91.50	*
PSC DAC 3400	98.17	95.78	62.02	94.94	93.59	85.58	87.71	92.77	78.68	*
PSC DAC 3500	98.74	84.80	79.73	83.77	92.75	92.92	85.82	85.00	91.40	*
KY Eastern District	98.81	94.12	77.99	92.65	94.45	90.83	87.41	91.91	85.82	*
KY Western PSC Obj:	97.3	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
PSC DAC 3600	99.74	87.50	66.45	89.08	84.82	84.67	90.54	92.88	95.81	*
PSC DAC 3700	98.41	96.82	95.04	95.67	97.85	75.85	82.50	81.45	88.29	*
PSC DAC 3800	98.41	94.95	79.06	82.77	77.81	78.75	91.15	96.56	91.85	*
PSC DAC 3900	98.68	93.58	87.80	95.62	82.90	93.77	89.96	87.01	88.46	*
PSC DAC 3901	99.49	95.63	93.52	94.15	92.46	90.82	92.74	85.33	89.12	*
KY Western District	98.95	93.48	83.40	90.66	86.29	84.59	89.42	89.63	91.05	*
Total State Of KY	98.74	95.40	79.93	91.26	87.30	86.03	88.57	92.98	90.33	

TROUBLES PER 100 ACCESS LINES

	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
KY Central PSC Obj:									
1.7									
PSC DAC 3100	0.49	1.02	1.73	0.71	0.70	0.80	0.80	1.08	1.04
PSC DAC 3103	5.16	9.82	19.61	8.09	5.83	7.07	6.83	3.14	3.11
PSC DAC 3104	2.77	3.43	3.12	2.66	3.53	3.93	4.13	4.61	4.43
PSC DAC 3105	1.78	1.93	3.15	2.28	2.67	2.04	2.79	2.39	2.69
	1.07	1.97	3.42	1.53	1.46	1.69	1.71	1.91	1.90
KY Central District									
KY Eastern PSC Obj:									
2.5									
PSC DAC 3200	1.96	3.24	5.36	2.76	3.61	2.89	5.51	5.19	4.28
PSC DAC 3300	1.97	2.04	1.70	1.90	2.07	2.21	2.35	2.18	2.02
PSC DAC 3400	3.38	4.77	6.51	3.41	4.03	3.64	5.12	5.08	4.90
PSC DAC 3500	3.65	3.02	2.90	2.20	2.42	3.55	3.77	3.69	3.88
	2.39	3.14	4.19	2.56	3.09	2.88	4.24	4.05	3.72
KY Eastern District									
KY Western PSC Obj:									
1.9									
PSC DAC 3600	1.79	1.96	2.02	1.83	2.10	2.08	1.86	2.33	2.01
PSC DAC 3700	1.89	2.65	1.85	2.12	2.34	2.44	2.40	2.50	2.29
PSC DAC 3800	2.05	1.85	2.12	2.10	2.07	2.13	2.67	2.29	1.99
PSC DAC 3900	2.10	2.57	2.38	2.23	2.71	2.85	4.98	3.21	3.17
PSC DAC 3901	2.58	2.47	2.43	2.43	3.17	2.73	2.94	3.54	2.76
	2.02	2.25	2.14	2.09	2.42	2.39	2.89	2.68	2.43
KY Western District									
Total State Of KY	1.62	2.33	3.34	1.92	2.09	2.15	2.62	2.61	2.43

PERCENT OUT OF SERVICE TROUBLES CLEARED IN 24 HRS

89.9	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
KY Central PSC Obj:									
PSC DAC 3100	85.01	49.70	26.68	81.21	77.05	80.30	86.98	76.97	74.89
PSC DAC 3103	86.91	53.55	28.73	77.41	70.28	78.22	83.45	68.93	75.63
PSC DAC 3104	90.77	77.09	88.98	91.67	82.06	86.68	84.81	72.75	87.77
PSC DAC 3105	100.00	96.23	98.71	95.08	89.47	92.11	95.86	86.55	93.88
KY Central District	87.02	54.21	31.89	80.57	75.31	80.51	85.37	72.66	77.23
KY Eastern PSC Obj:									
89.6	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
PSC DAC 3200	94.37	53.16	42.99	86.08	61.05	51.13	52.89	58.02	70.39
PSC DAC 3300	97.77	93.38	95.88	98.15	97.12	97.47	97.25	97.75	97.57
PSC DAC 3400	98.17	48.42	35.81	87.87	78.72	67.16	69.54	73.72	66.27
PSC DAC 3500	97.27	70.13	91.10	98.10	92.98	82.42	71.30	74.45	84.83
KY Eastern District	96.68	58.27	47.54	89.83	73.74	68.92	64.49	69.36	74.56
KY Western PSC Obj:									
93.1	Jan03	Feb03	Mar03	Apr03	May03	Jun03	Jul03	Aug03	Sep03
PSC DAC 3600	93.81	95.25	96.1	98.34	97.11	98.52	98.17	97.951	98.53
PSC DAC 3700	95.15	95.2	95.53	93.25	97.57	93.42	93.77	96.606	95.28
PSC DAC 3800	96.43	94.54	96.57	98.32	98.08	96.51	96.52	97.5	96.7
PSC DAC 3900	92.31	93.95	97.74	95.6	96.57	92.97	92.32	96.255	94.84
PSC DAC 3901	96.36	94.88	94.15	96.82	94.4	95.11	97.53	90.994	94.63
KY Western District	94.70	94.76	96.16	96.69	96.77	95.47	95.41	96.038	96.11
Total State Of KY	92.51	62.49	44.42	87.22	79.53	80.03	78.85	76.576	79.99