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2201 NORTH MAIN STREET
HAZARD, KENTUCKY 41701-1031

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Architect's UnOfficial Interpretation of Flood Plain Data

DATE: January 30, 2008 PROJECT: PRTC Operations Center Project Site
McKee, Ky

TO: Peoples Rural Telephone Co-Operative
P.O. Box 159
McKee, Kentucky 40447
Keith Gabbard, General Manager
606-287-7101

SUBJECT ITEM:

UnOfficial Flood Plain Data at project sites

Mr. Keith Gabbard and/or Mr. Tim Bingham:

The flood plain data provided herewith is my unofficial data gained from this office's work on the culvert crossing project (i.e., bridge replacement at truck garage) and the Operations Center Building project.

The culvert crossing was permitted with a bottom beam elevation of 1038.00'. The 100 year flood plain elevation is typically below the bottom of a permitted bridge installation. Thus, we can interpret the 100 year flood elevation at the culvert crossing location to be 1038.00' or below.

The creek elevation at the culvert is 1030.00'. I state this because the creek elevation at the Operations Center building location downstream is a mean 1025.50'. The creek drops 4.5 feet in elevation between the two locations. Typically the flood plain elevation also drops accordingly and since the channel widens substantially at the location of the building, the 100 year flood plain elevation at the Operations Center building location should be around 1033.5' elevation or lower. The main floor elevation of the Operations Center building is 1039.00' in elevation, thus it can be interpreted that the Operations Center building should be approximately 5.50 feet above the 100 year flood elevation.

Thank you,



B. Daniel Roll, Architect



FEMA

National Flood Insurance Program
U.S. Department of Homeland Security
P.O. Box 2965
Shawnee Mission, KS 66201-1365
(800) 638-6620

Policy Number
1380764777

FLOOD GENERAL POLICY DECLARATION - RENEWAL

Named Insured and Mailing Address: Peoples Rural Tele Coop PO Box 159 McKee, KY 40447-0159	Policy Period: 10/30/2007 to 10/30/2008
	Policy Term: One year
Payor: Insured	National Farmers Union Ins Cos Don Heck Debbie Trusty PO Box 247 Carmel, IN 46032-0247
	Agent Phone: 317-844-5173

The building covered by this policy is located at the above mailing address unless otherwise stated below.

**US 421 S Main St
McKee, KY 40447**

RATING DESCRIPTION	
Property/Building	Contents Location
Non-residential One floor No basement	Lowest floor only above ground level Subject to, III. Property Covered, Paragraph B.
Date of construction or substantial improvement was on 07/01/1968	

LOCATION INFORMATION	
Community Name: MCKEE, CITY OF No: 2101190000B	Status: Regular CRS Class: FIRM Zone: A Elevation Difference:

COVERAGE AND RATING INFORMATION					
Coverage Type	Coverage Limit	Deductible	Rate	Deductible Adjustment	Premium
Building	\$ 25,000	\$ 1,000	00.83/00.89	\$ 0.00	\$ 208.00
Contents	\$ 100,000	\$ 1,000	01.62/00.79	\$ 0.00	\$ 1,620.00
ICC PREMIUM					\$ 75.00
ANNUAL SUBTOTAL					\$ 1,903.00
FEDERAL POLICY FEE					\$ 30.00
TOTAL PREMIUM					\$ 1,933.00

THIS IS NOT A BILL

Attachments:

**FD0003 (05-03)
FIRST MORTGAGEE
Rural Utility Services
UNKNOWN
Washington, DC 20250**

Issue Date: **10/16/2007**

Insured Copy

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) PRTCC OPERATIONS CENTER HWY 421 MCKEE, KY	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name CITY OF MCKEE	2. County(ies) JACKSON	3. State KY	4. NFIP Community Number 21019
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 21019 01	2. NFIP Map Panel Effective/ Revised Date July 17, 1986	3. LOMA/LOMR <input type="checkbox"/> yes _____ Date	4. Flood Zone A	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

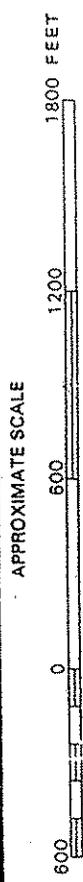
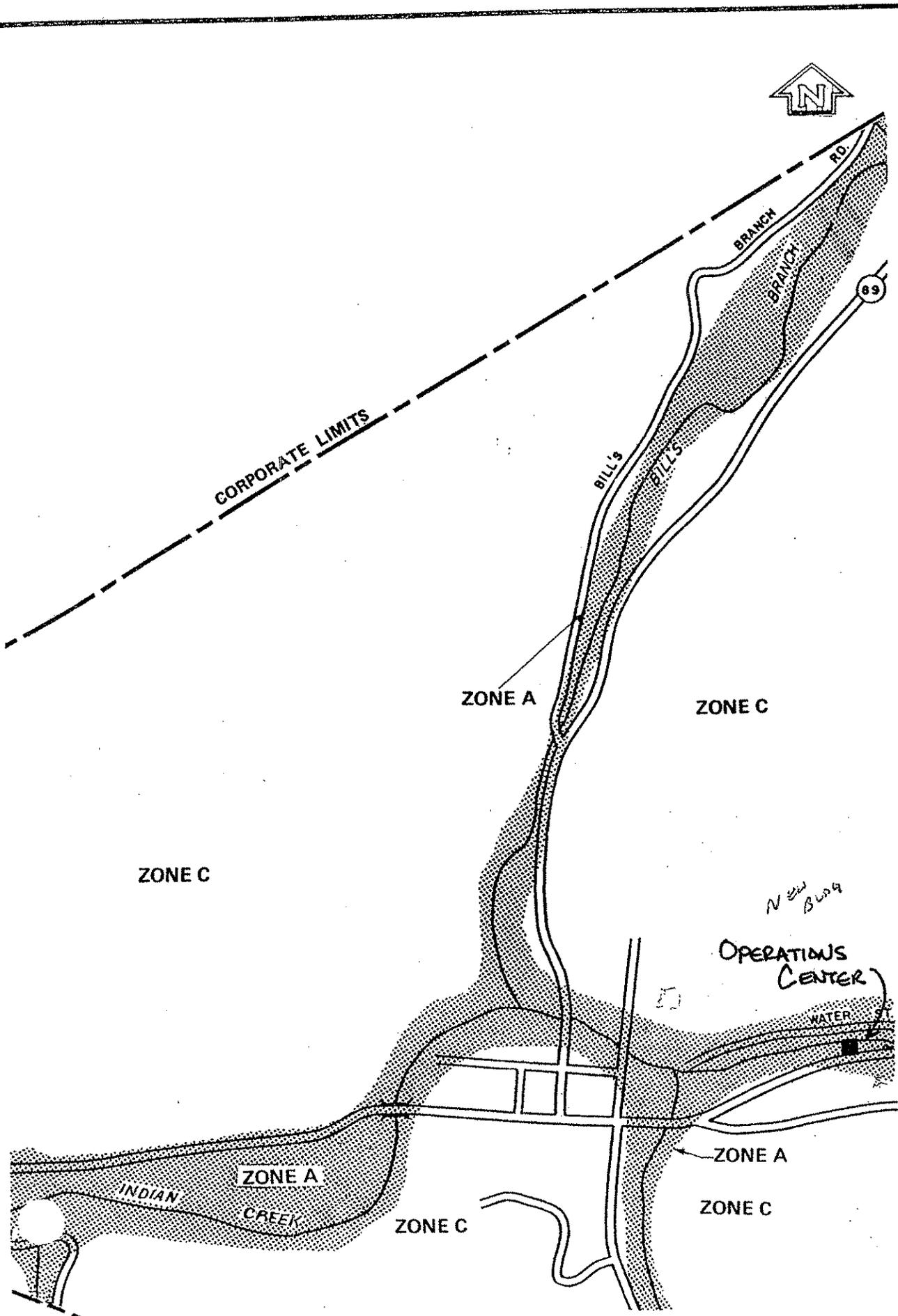
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender) JAMES WILSON RUS KY GPR	DATE OF DETERMINATION 12-11-07
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EFFECTIVE DATE:
 JULY 17, 1986

FLOOD INSURANCE RATE MAP
 COMMUNITY NUMBER 210119

FEDERAL EMERGENCY MANAGEMENT AGENCY

CITY OF MCKEE, KY
 JACKSON COUNTY

MAP 01

DEPARTMENT OF HOMELAND SECURITY
FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
Instructions

O.M.B. No. 1660-0040
Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS

USDA-RUS
WASHINGTON, DC
20250

2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS
(Legal Description may be attached)

PRCC HQ BLDG
HWY 421
MCKEE, KY

3. LENDER ID. NO.

4. LOAN IDENTIFIER

KY 514-P

5. AMOUNT OF FLOOD INSURANCE REQUIRED

\$

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name

CITY OF MCKEE

2. County(ies)

JACKSON

3. State

KY

4. NFIP Community Number

210119

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number
(Community name, if not the same as "A")

210119 02

2. NFIP Map Panel Effective/
Revised Date

7-17-1986

3. LOMA/LOMR

yes

Date

4. Flood Zone

A

5. No NFIP Map

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.

CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA

(ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.

If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

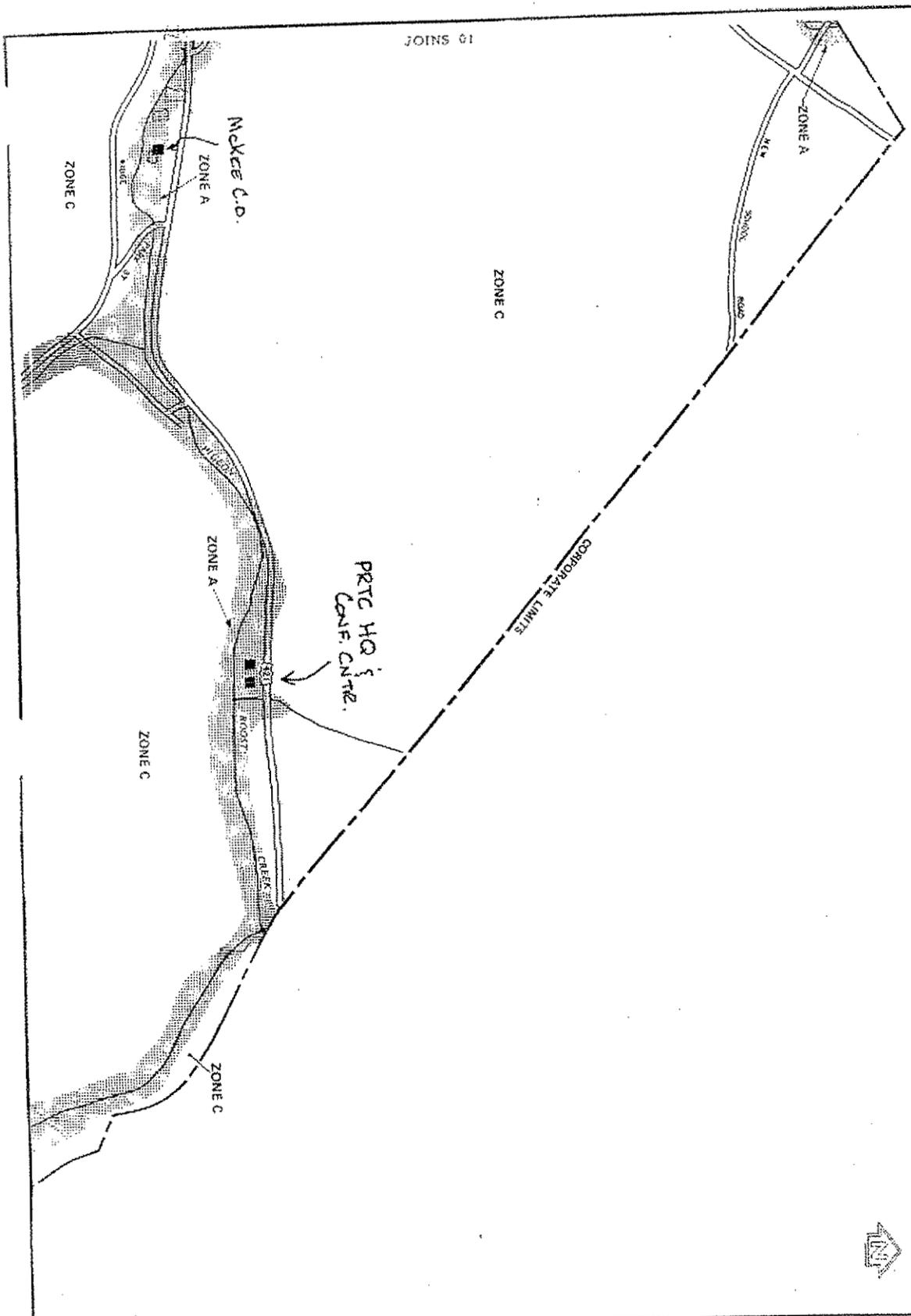
F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)

JAMES WILSON
RUS GRC KY

DATE OF DETERMINATION

12-11-07



JOINS 01

ZONE C

MCKEE C.D.
ZONE A

ZONE C

ZONE A

MINGO RIVER

CORPORATE LIMITS

PRTC HQ &
CAMP CENTER

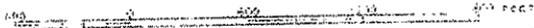
ZONE A

ZONE C

ZONE C



APPROXIMATE SCALE



FEDERAL EMERGENCY MANAGEMENT AGENCY

CITY OF MCKEE, KY.
JACKSON COUNTY

FLOOD INSURANCE RATE MAP
COMMUNITY NUMBER 210119

OFFICIAL DATE
JULY 17, 1986

M.P. 0

DEPARTMENT OF HOMELAND SECURITY
FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
Instructions

O.M.B. No. 1660-0040
Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) PRTCC McKee C.D. HWY 421 McKee, KY		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name CITY OF MCKEE	2. County(ies) JACKSON	3. State KY	4. NFIP Community Number 210119
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210119 02	2. NFIP Map Panel Effective/ Revised Date 7-17-1986	3. LOMA/LOMR <input type="checkbox"/> yes _____ Date	4. Flood Zone A	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

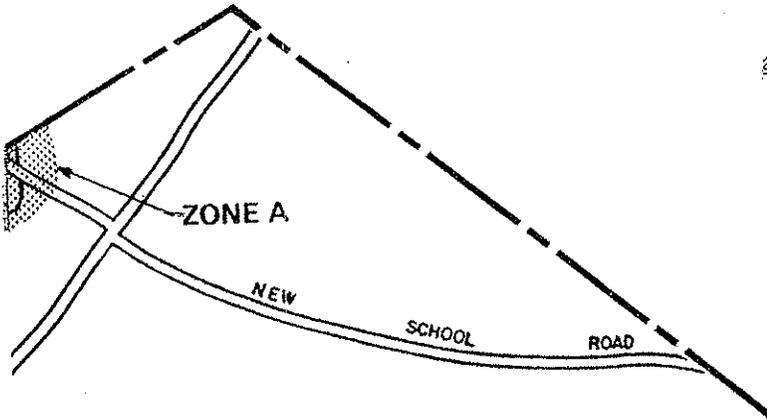
E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

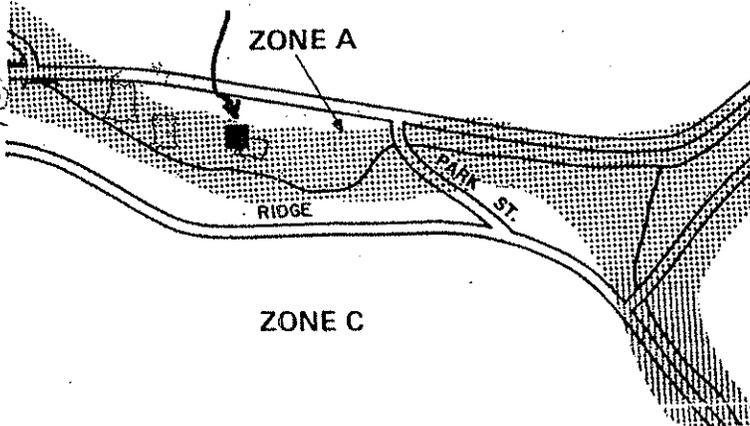
NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender) JAMES WILSON RUS KY 6FAC	DATE OF DETERMINATION 12-11-07
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JOINS 01



ZONE C

McKEE C.O.



ZONE C



APPROXIMATE SCALE



FLOOD INSURANCE RATE MAP
 COMMUNITY NUMBER 2-10119

EFFECTIVE DATE:

JULY 17, 1986

FEDERAL EMERGENCY MANAGEMENT AGENCY

CITY OF MCKEE, KY.
 JACKSON COUNTY

MAP 02

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) TRAVELERS REST STATE HWY 847 & PETER BRANCH RD	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	DOWSLEY	KY	210296

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
210296 0025A	8-5-85			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender) James Wilson RUS GEN KY	DATE OF DETERMINATION 12-11-07
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DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) VINCENT REARTE BLDG STATE HWY 30 NEAR VINCENT	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name VINCENT	2. County(ies) DUSLEY	3. State KY	4. NFIP Community Number 210296
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210296 0025B	2. NFIP Map Panel Effective/ Revised Date 8-5-85	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

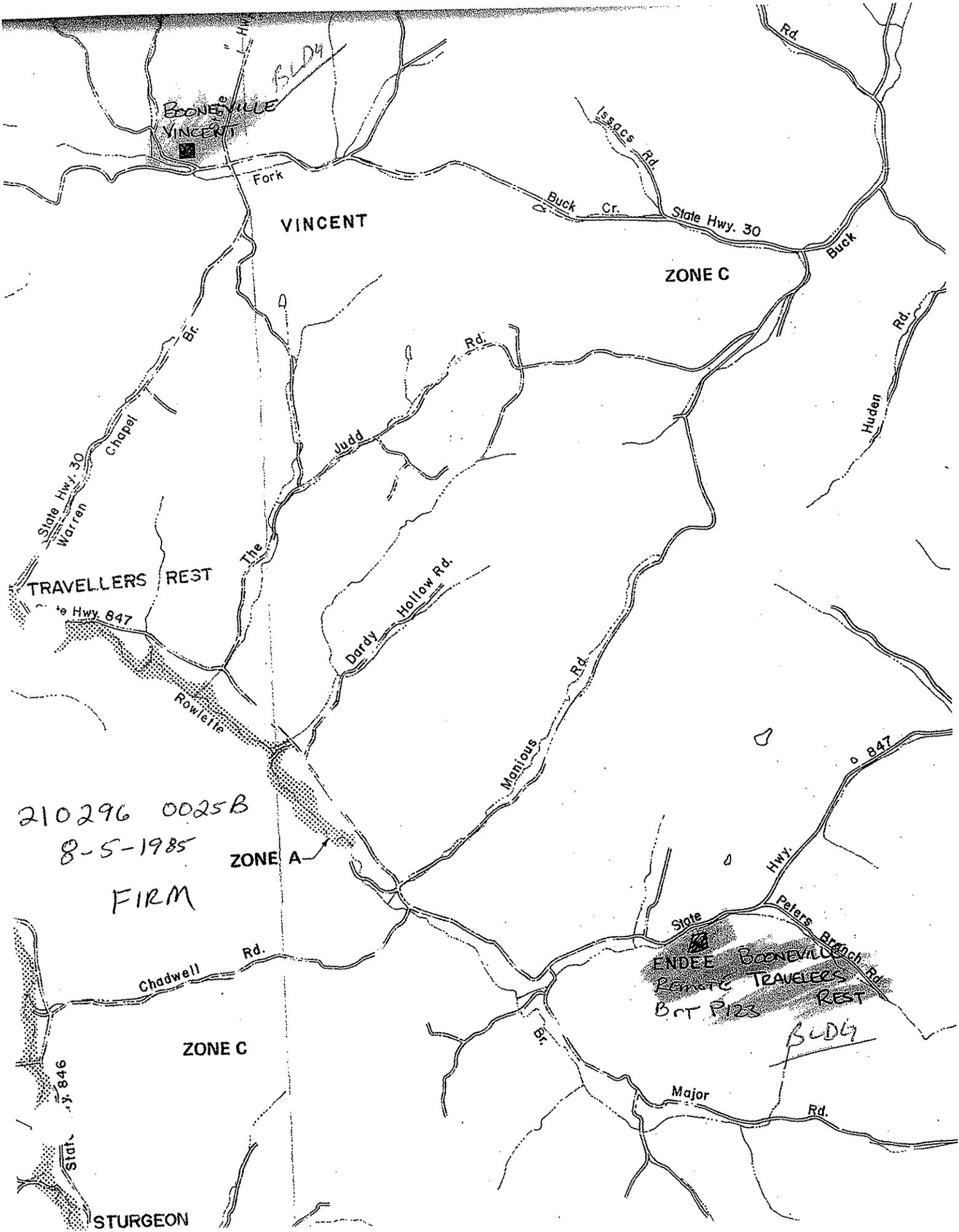
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender) JAMES WILSON RJS - GRC KY	DATE OF DETERMINATION 12-11-07
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Booneville
VINCENT

VINCENT

ZONE C

TRAVELLERS REST

ZONE A

ZONE C

ENDEE BOONEVILLE
Remote TRAVELLERS REST
BCT P123

210296 0025B
8-5-1985
FIRM

STURGEON

Hwy

BLDY

Isaac Rd.

Buck Cr.

State Hwy. 30

Buck

Huden Rd.

State Hwy. 30
Warren

Chapel

Br.

Judd

Rd.

Dardy Hollow Rd.

Rowlette

Manious Rd.

847

Hwy.

State
Peters Branch Rd.

Chadwell Rd.

Stat. y. 846

Br.

Major

Rd.

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) STORAGE RENTED BLDG ST. HUY 846 ; Gum CREEK	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	DUNLAP	KY	210296

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
210296 0075B	8-5-1985			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS BFR KY	12-11-07

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) WHITE OAK RESIDE BLDG ST. HWY 11	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	DUNLEAY	KY	210296

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
210296 0100B	8-5-1985			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

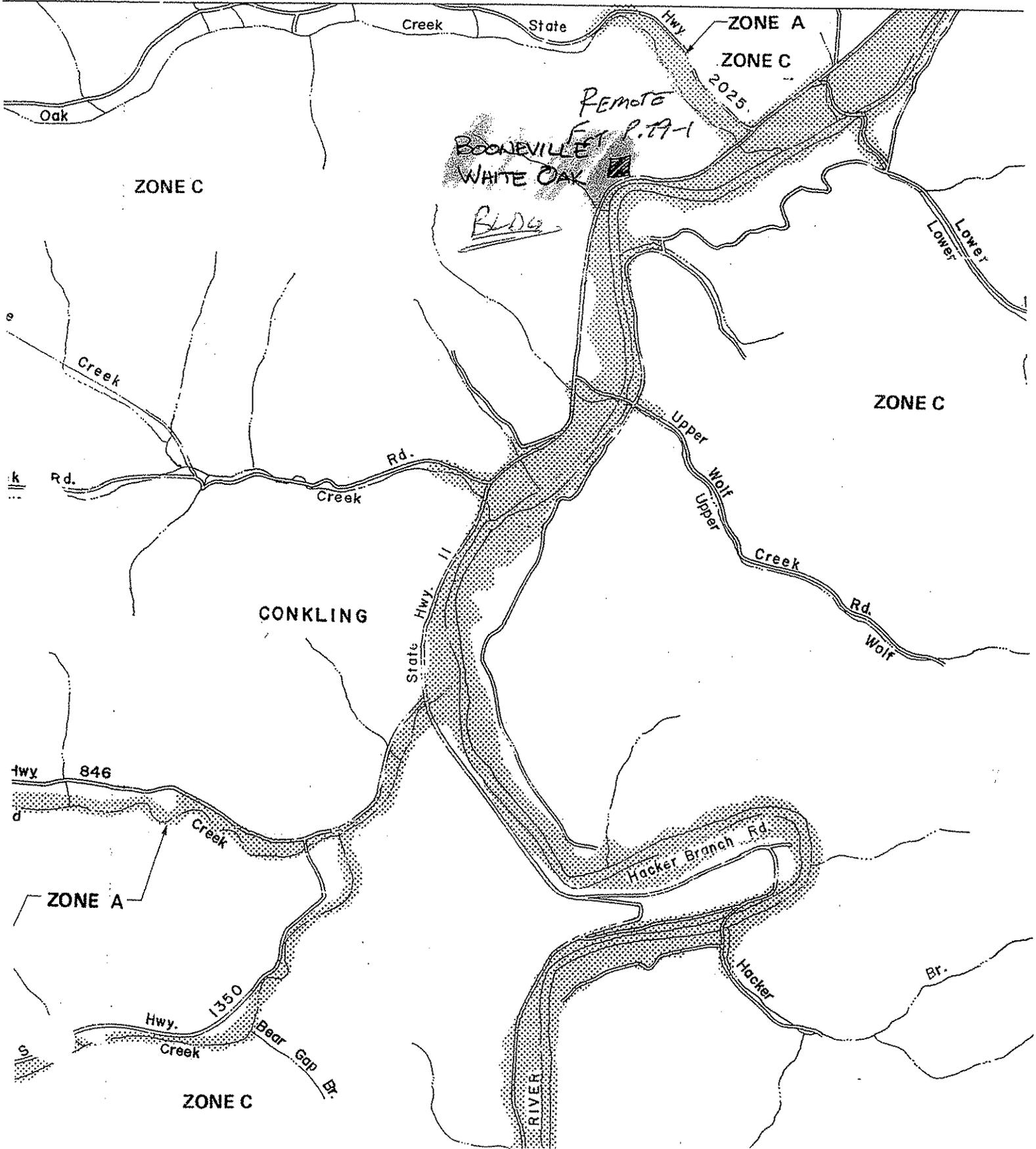
E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON ROS-GER KY	12-11-07

210296 D100B
8-5-1985 FIRM



DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) INDIAN CREEK REMOTE BLDG HWY 2024	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	OWSLEY	KY	210296

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
210296 0100B	8-5-1985			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

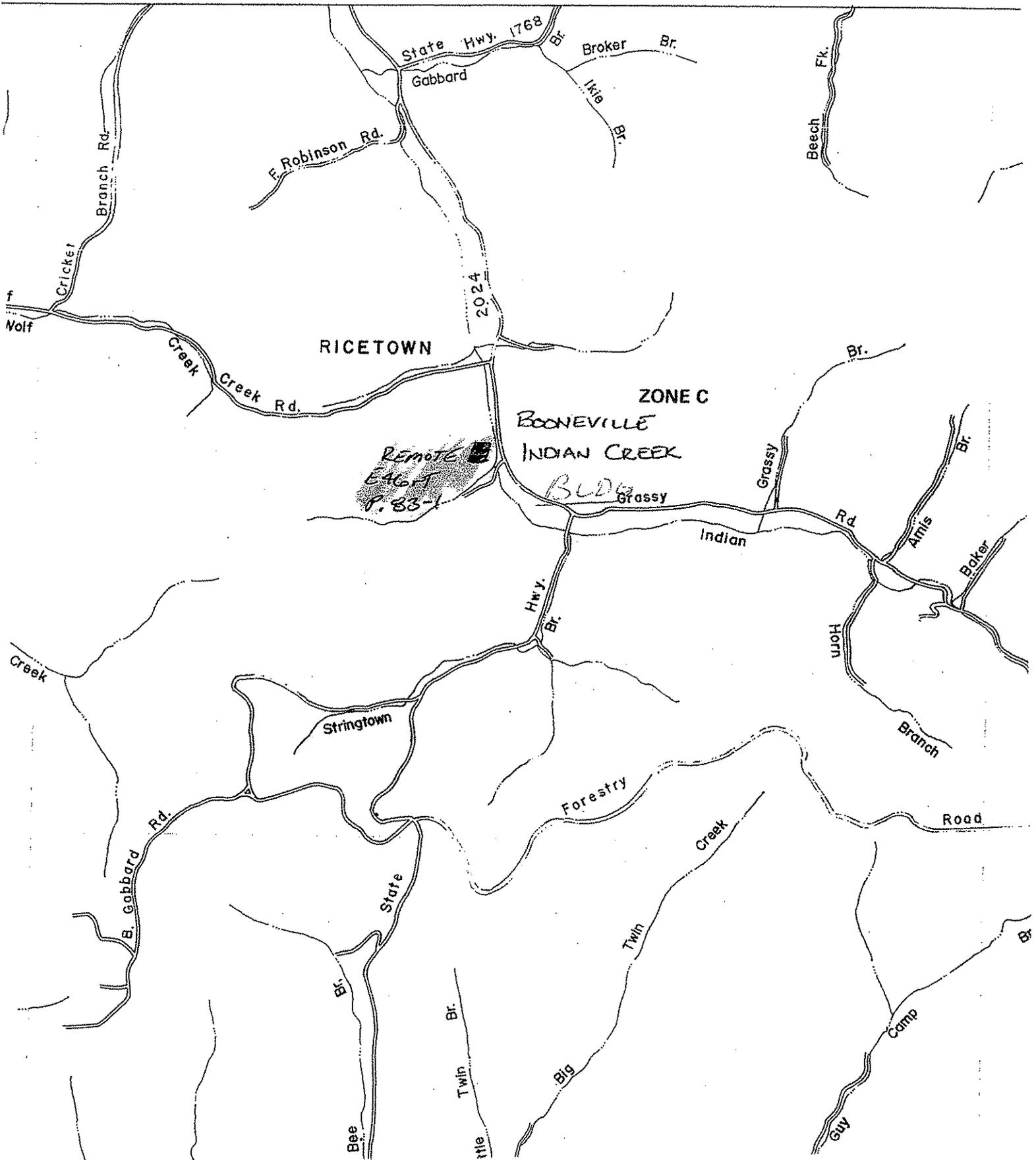
This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS BLD KY	12-11-07

210296 0100B

8-5-1985 FIRM



DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) Booneville Business Office MAIN STREET Booneville, KY	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name CITY OF BOONEVILLE	2. County(ies) OWSLEY	3. State KY	4. NFIP Community Number 210187
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210187 01	2. NFIP Map Panel Effective/ Revised Date 8-5-1985	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

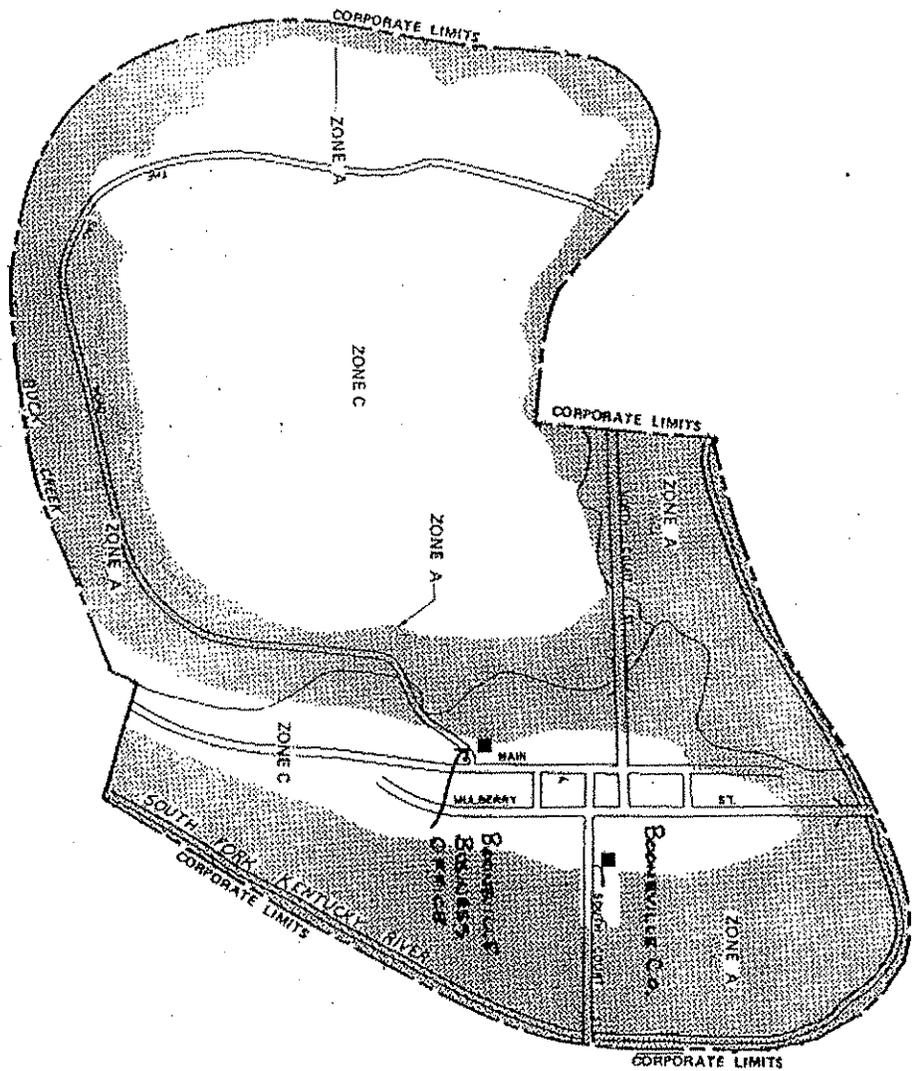
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender) JAMES WILSON RUS GFR KY	DATE OF DETERMINATION 12-13-07
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MAP 01	FEDERAL EMERGENCY MANAGEMENT AGENCY	APPROXIMATE SCALE	
	CITY OF BOONEVILLE, KY OWSLEY COUNTY	0 500 1000 1500 2000 FEET	
	FLOOD INSURANCE RATE MAP COMMUNITY NUMBER 210187	EFFECTIVE DATE AUGUST 5, 1988	

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) Booneville C.O. MOLBERRY ST & SOUTH COURT ST Booneville Ky		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name CITY OF BOONEVILLE	2. County(ies) OWSLEY	3. State KY	4. NFIP Community Number 210187
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210187 01	2. NFIP Map Panel Effective/ Revised Date 8-5-1985	3. LOMA/LOMR <input type="checkbox"/> yes Date	4. Flood Zone	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

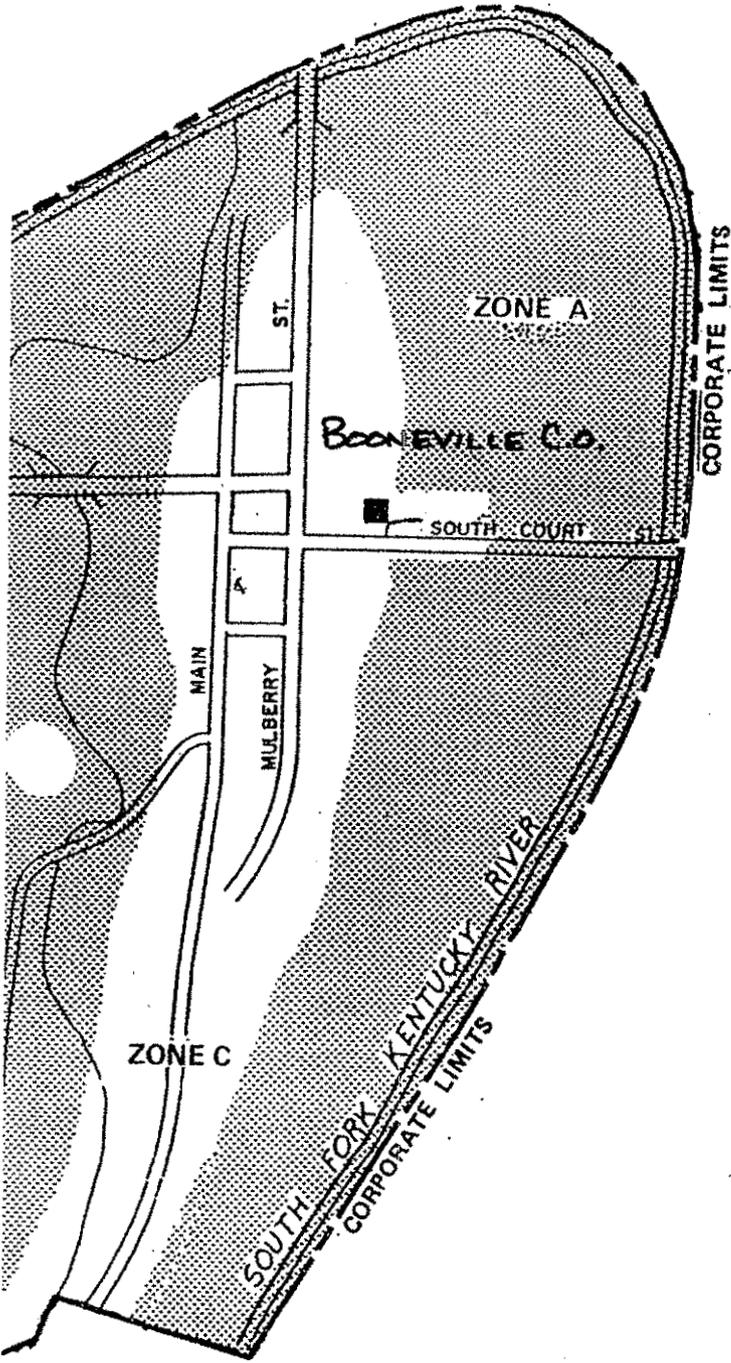
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender) James Wilson RUS GEN KY	DATE OF DETERMINATION 12-11-07
--	---------------------------------------



FEDERAL EMERGENCY MANAGEMENT AGENCY

CITY OF BOONEVILLE, KY
OWSLEY COUNTY

MAP 01

APPROXIMATE SCALE



FLOOD INSURANCE RATE MAP
COMMUNITY NUMBER 210187

EFFECTIVE DATE:

AUGUST 5, 1985

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250	2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) OLIN REMOTE BLDG STATE HWY 290
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3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$
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SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name OLIN	2. County(ies) JACKSON	3. State KY	4. NFIP Community Number 210118
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210118 0006B	2. NFIP Map Panel Effective/ Revised Date 11-11-1977	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FIRM 7-1-87 Date	4. Flood Zone	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

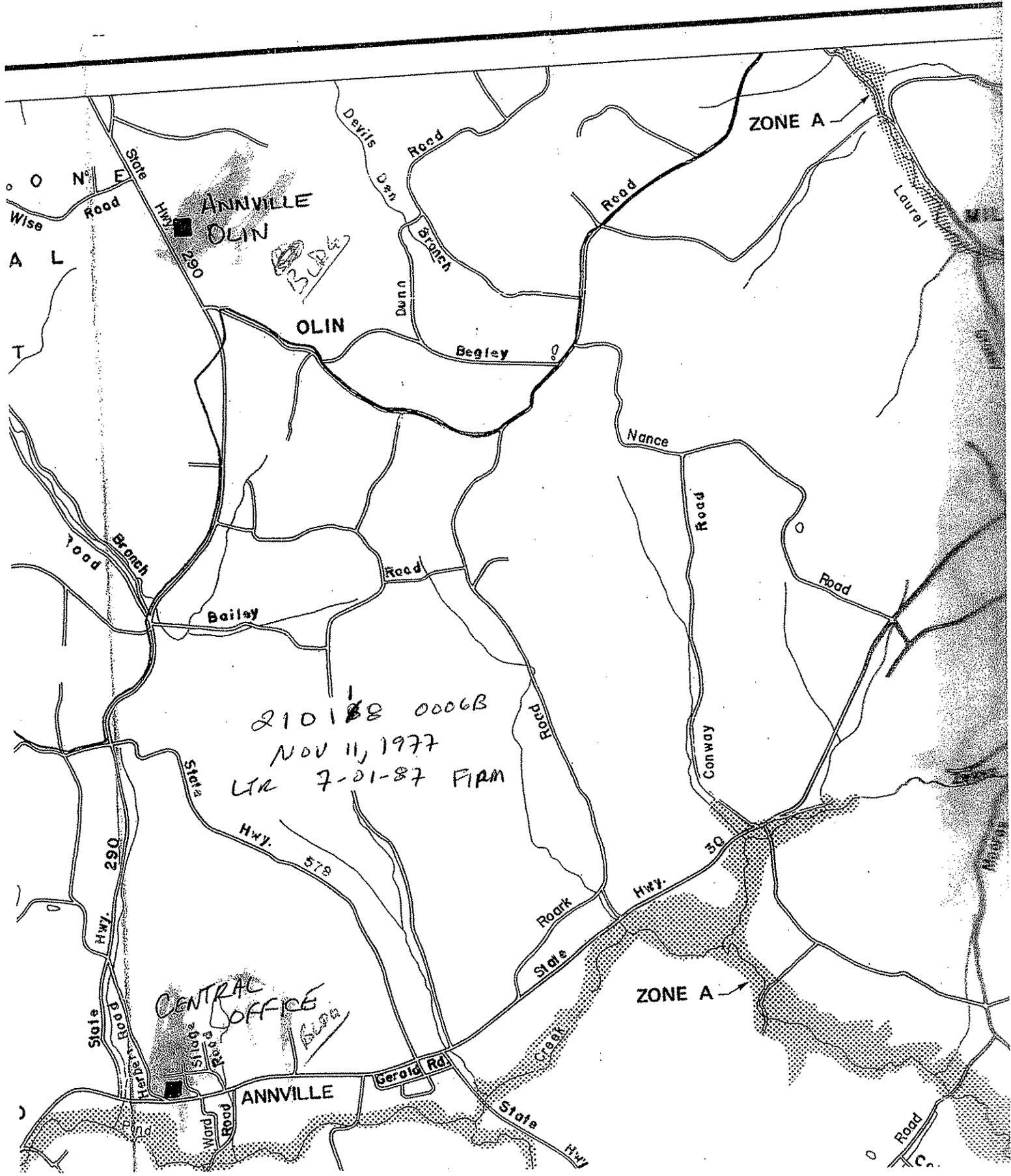
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender) JAMES WILSON RUS - GFR KY	DATE OF DETERMINATION 12-11-07
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210188 0006B
NOV 11, 1977
LIR 7-21-87 FIRM

CENTRAL OFFICE

ANNVILLE

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ZONE A

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State Hwy. 290

State Hwy. 578

State Hwy. 30

State Hwy.

Road

Devils Den Road

Road

Dunn Branch

Dunn

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Gerold Rd

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Laurel

Conway

State

State

Ward

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State

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) MOORES CREEK REMOTE BLDG MOORES CREEK ROAD 1/2 ST. HWY 577		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	JACKSON	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
210118 0006B	11-11-1977	<input checked="" type="checkbox"/> yes FIRM 7-1-87 Date		

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)	DATE OF DETERMINATION
JAMES W LEBON RUS GFC KY	12-11-07

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) HIGH KNOB ST. HWY 577 1/2 BALDWIN BRANCH ROAD		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 574-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	JACKSON	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
210118 0006B	11-11-1977	<input checked="" type="checkbox"/> yes FIRM 7-1-87 Date		

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

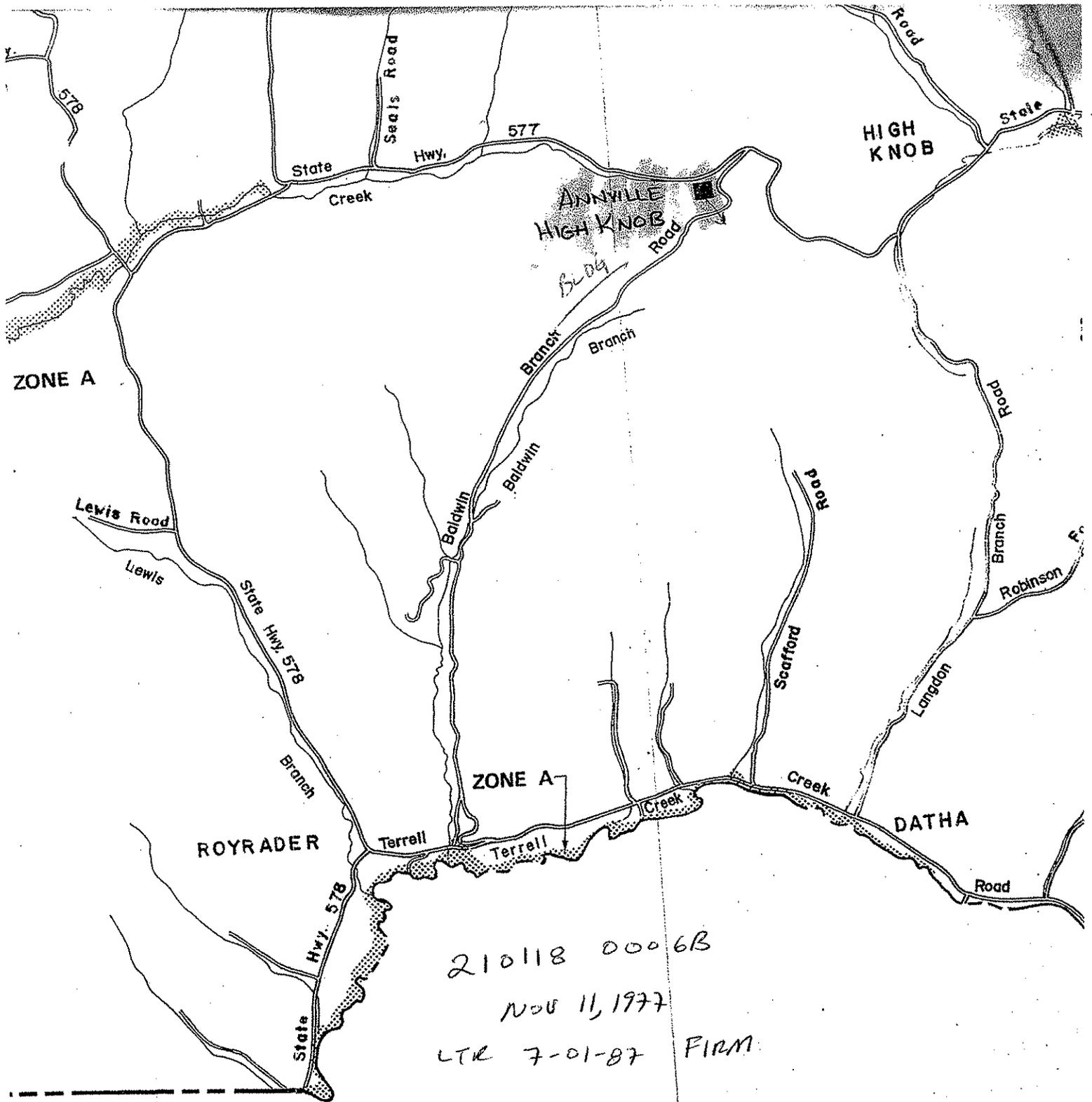
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS GFK KY	12-11-07



210118 000 6B
NOV 11, 1977
LTR 7-01-87 FIRM.

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) HOG CAMP Remote Bldg Leger RD		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	JACKSON	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FIRM # 7-1-87 Date	4. Flood Zone	5. No NFIP Map
210118 0006B	11-11-1977			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

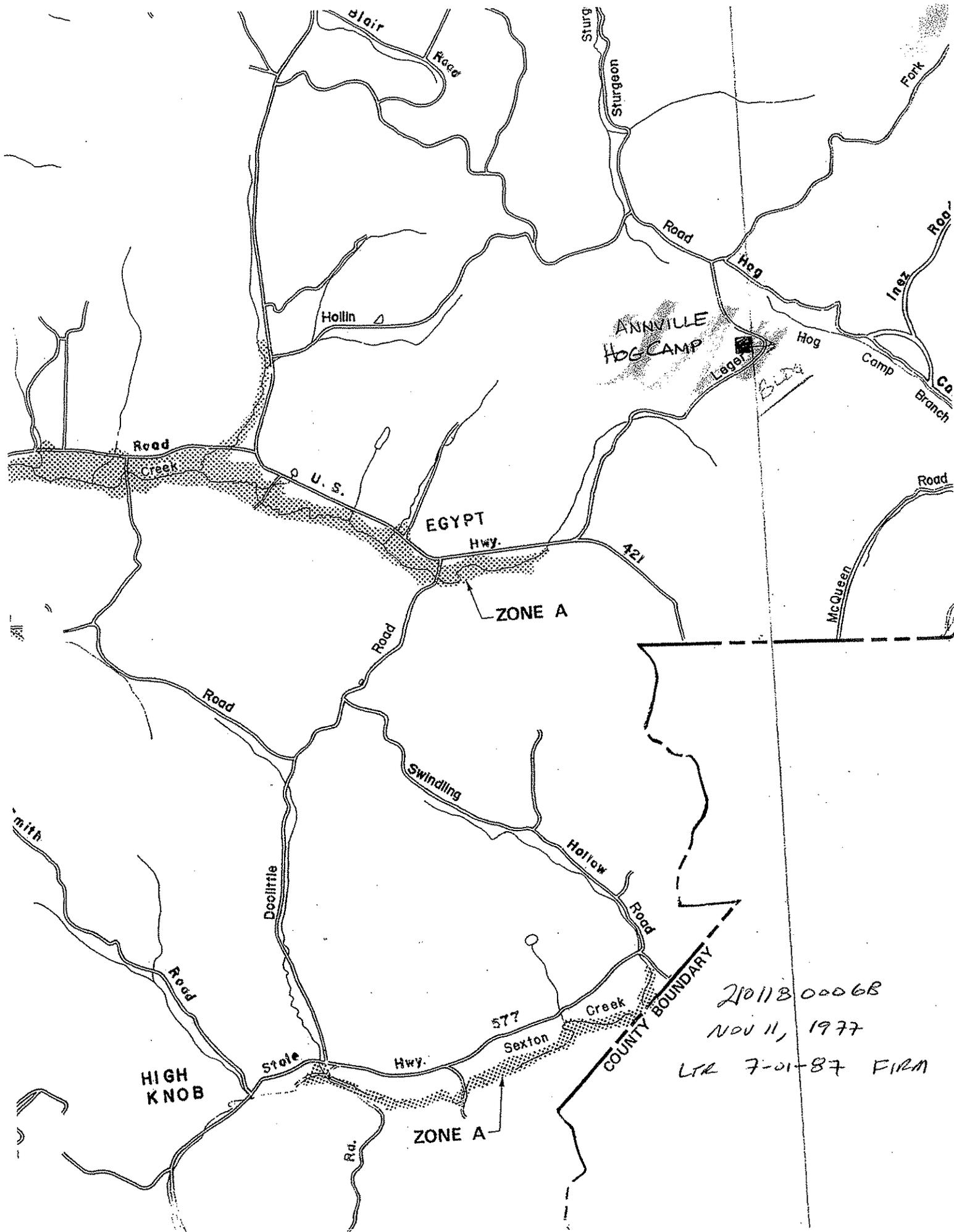
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS GFA KY	12-11-07



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LTR 7-01-87 FIRN

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) UNION SCHOOL REMOTE BLDG WILFRED FORD ROAD	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	JACKSON	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
210118 0006B	11-11-1977	<input checked="" type="checkbox"/> yes FIRM 7-1-87 Date		

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP
2. Federal Flood insurance is not available because community is not participating in the NFIP.
3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

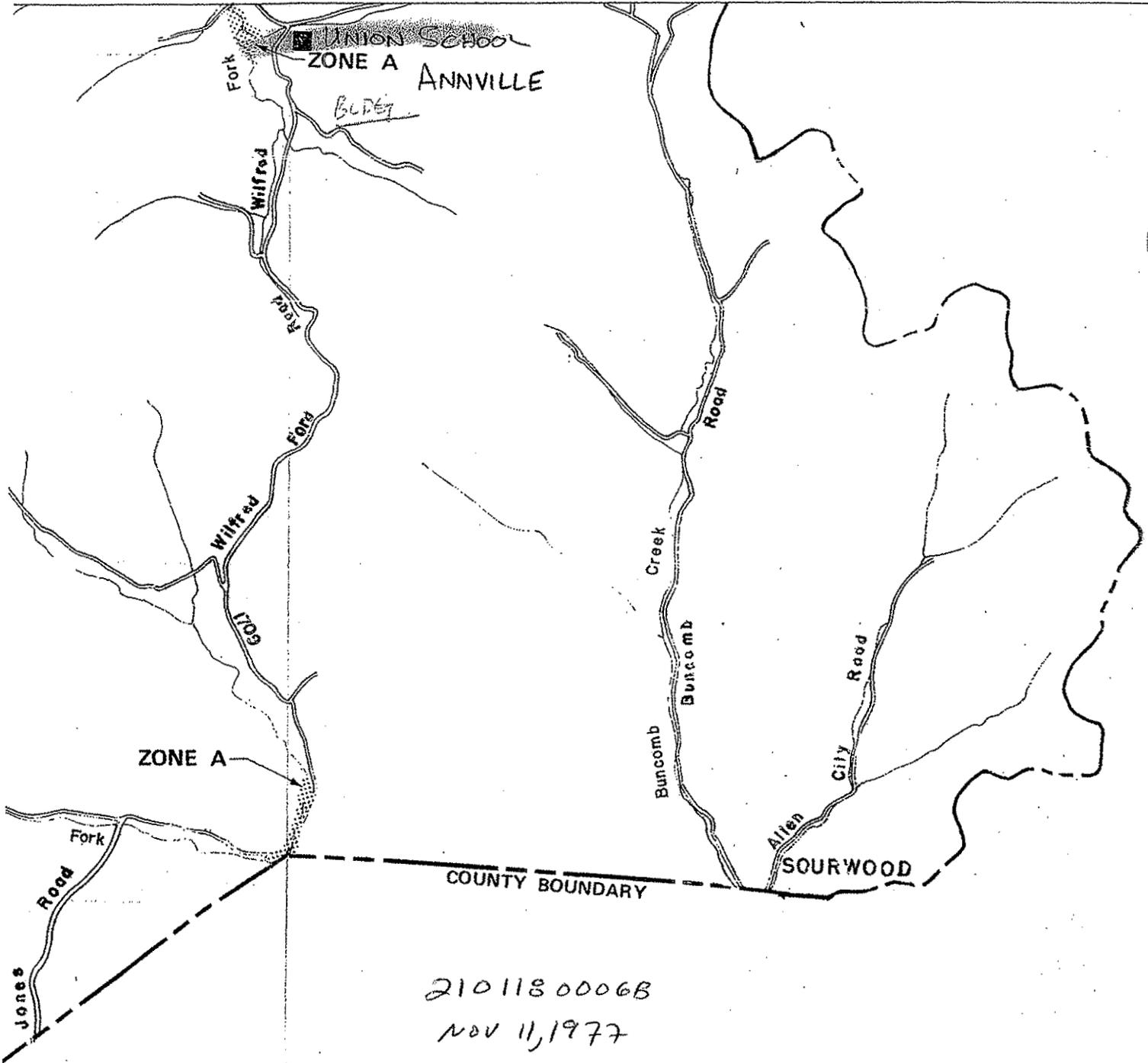
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS GFC KY	12-11-07



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NOV 11, 1977

LTR 7-01-87 FIRM

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) DABOLT Remote Bldg ST. RD. 2003 1/2 Low GAP ROAD	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	JACKSON	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FEMA 7-1-87 Date	4. Flood Zone	5. No NFIP Map
210118 0005B	11-11-1977			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP
 2. Federal Flood insurance is not available because community is not participating in the NFIP.
 3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

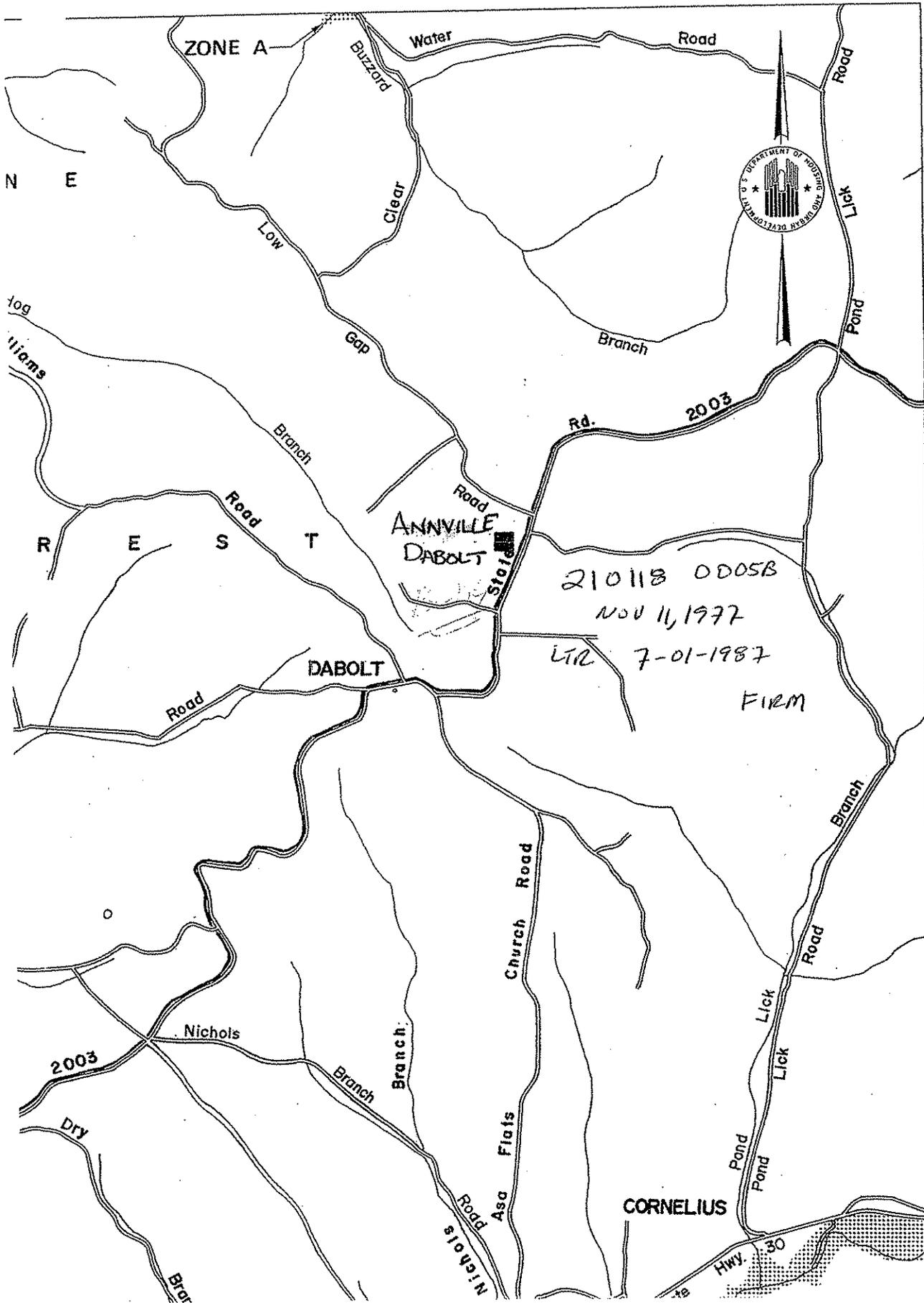
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS BURE KY	12-11-07



SPECIAL FLOOD AREA

Note: These Areas in the Special Flood modified, and o

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DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1560-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) JACKS BRANCH REMOTE BLDG PRIVETT ROAD ; TRAVIS & CREEK ROAD	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION				
1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number	
	JACKSON	KY	210118	
B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME				
1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
210118 0004B	11-11-1977	<input checked="" type="checkbox"/> YES FROM 7-1-87 Date		

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

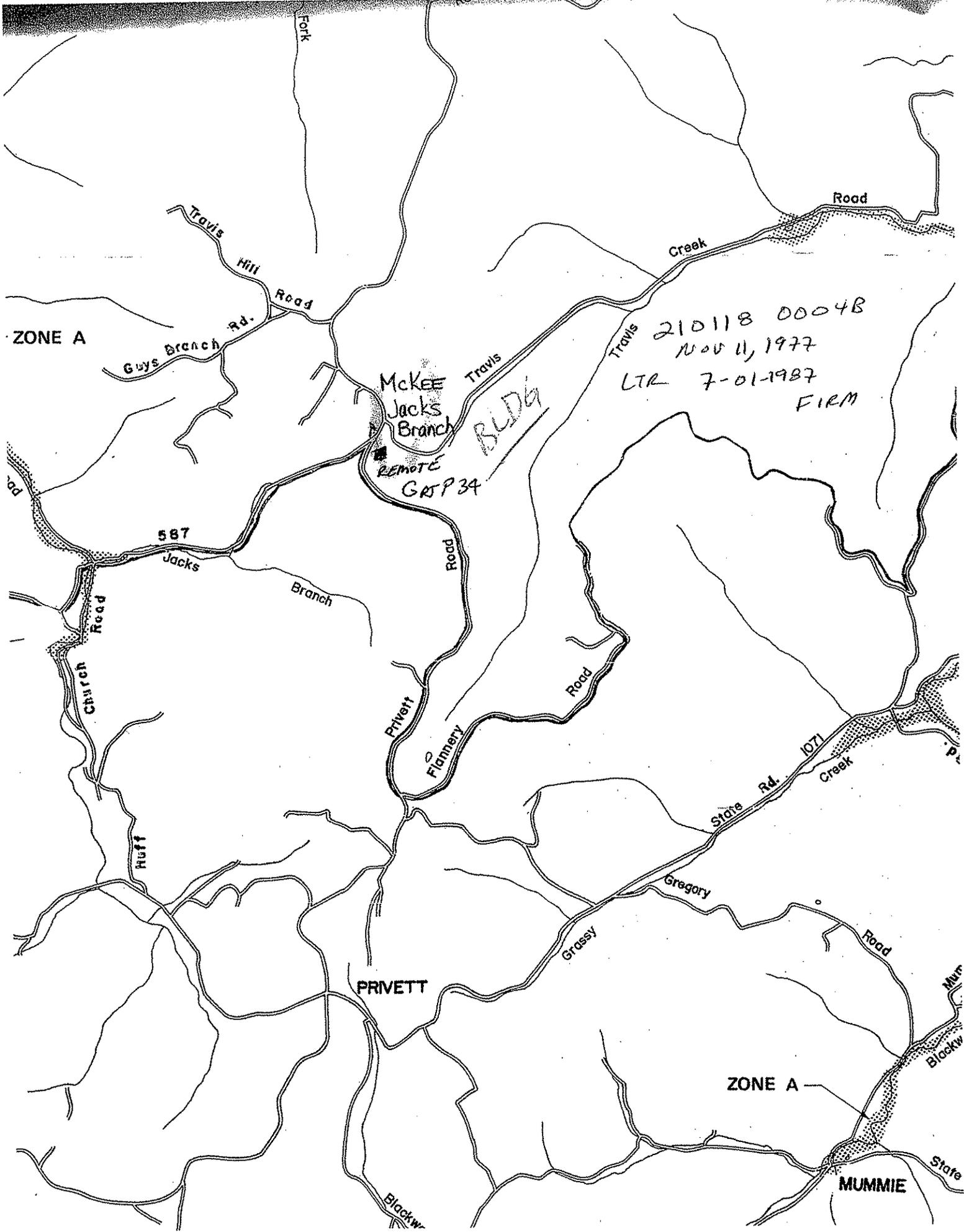
IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION	
NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS OFR KY	12-11-07



ZONE A

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Nov 11, 1977
LTR 7-01-1987
FIRM

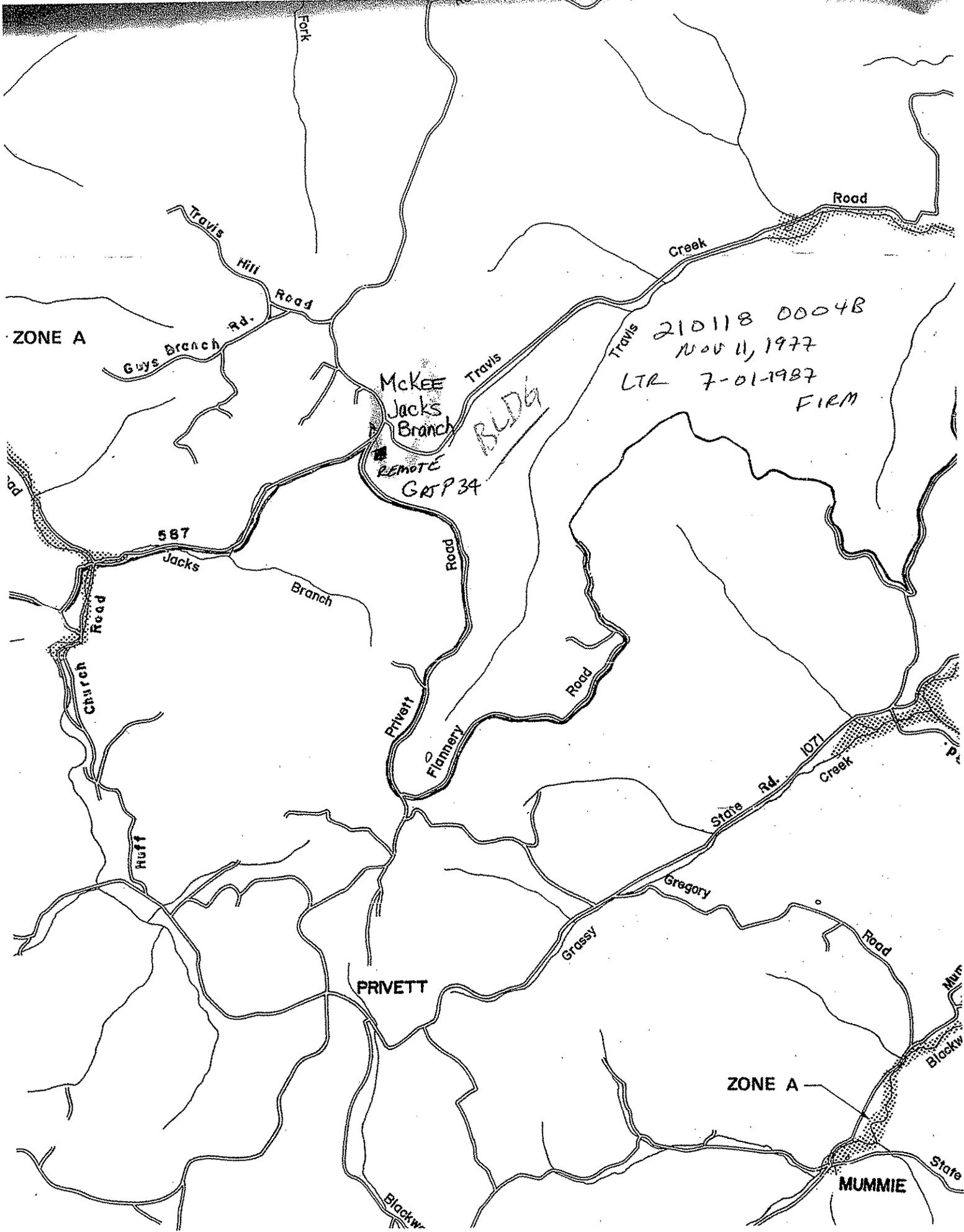
McKEE
Jacks Branch
REMOTE
GRP 34

BLDG

PRIVETT

ZONE A

MUMMIE



DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) GRAY HAWK REMOTE BLDG HWY 421 1/2 KELLY ROAD		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number	
	JACKSON	KY	210118	

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
210118 0004B	11-11-1977	<input checked="" type="checkbox"/> yes PIRM 7-1-87 Date		

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

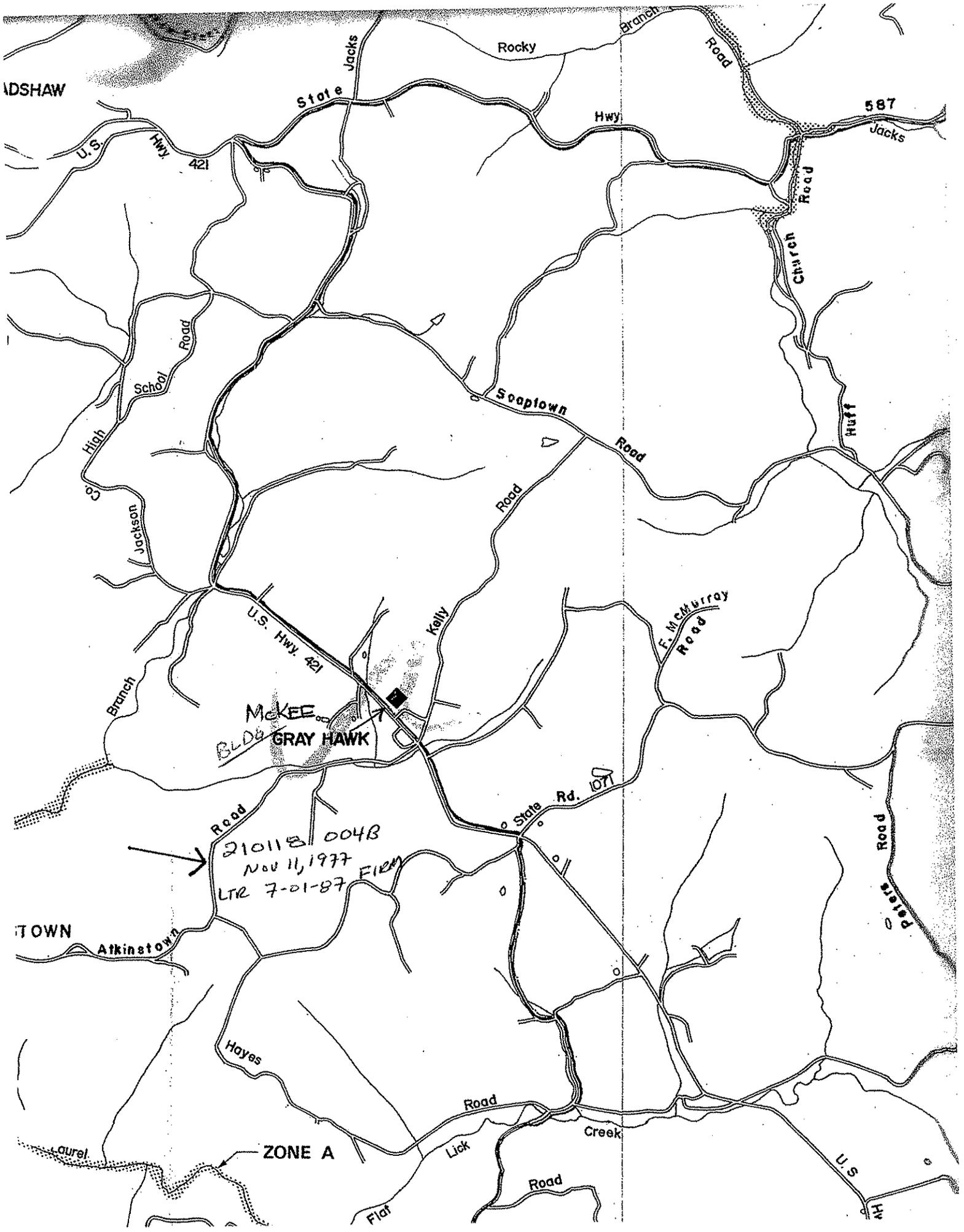
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS BER KY	12-11-87



ADSHAW

587

TOWN

McKEE
BLDG GRAY HAWK

210118 004B
Nov 11, 1977
LTR 7-01-87 FIRE

ZONE A

U.S. Hwy 421

State

Hwy

Jacks

School Road

Sceptown Road

Church Road

Huff

High

Jackson

U.S. Hwy 421

Kelly

F. McMurray Road

Branch

State Rd. 107

Patens Road

Atkinstown

Hayes

Road

Creek

U.S. Hwy

Laurel

Flat

Lick

Road

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) LAKES GATEWAY REMOTE BLDG STATE HWY 89 ; FOXTOON LAKE CREEK ROAD		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 574-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	Jackson	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FIRIA 7-1-87 Date	4. Flood Zone	5. No NFIP Map
210118 0004B	11-11-1977			

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

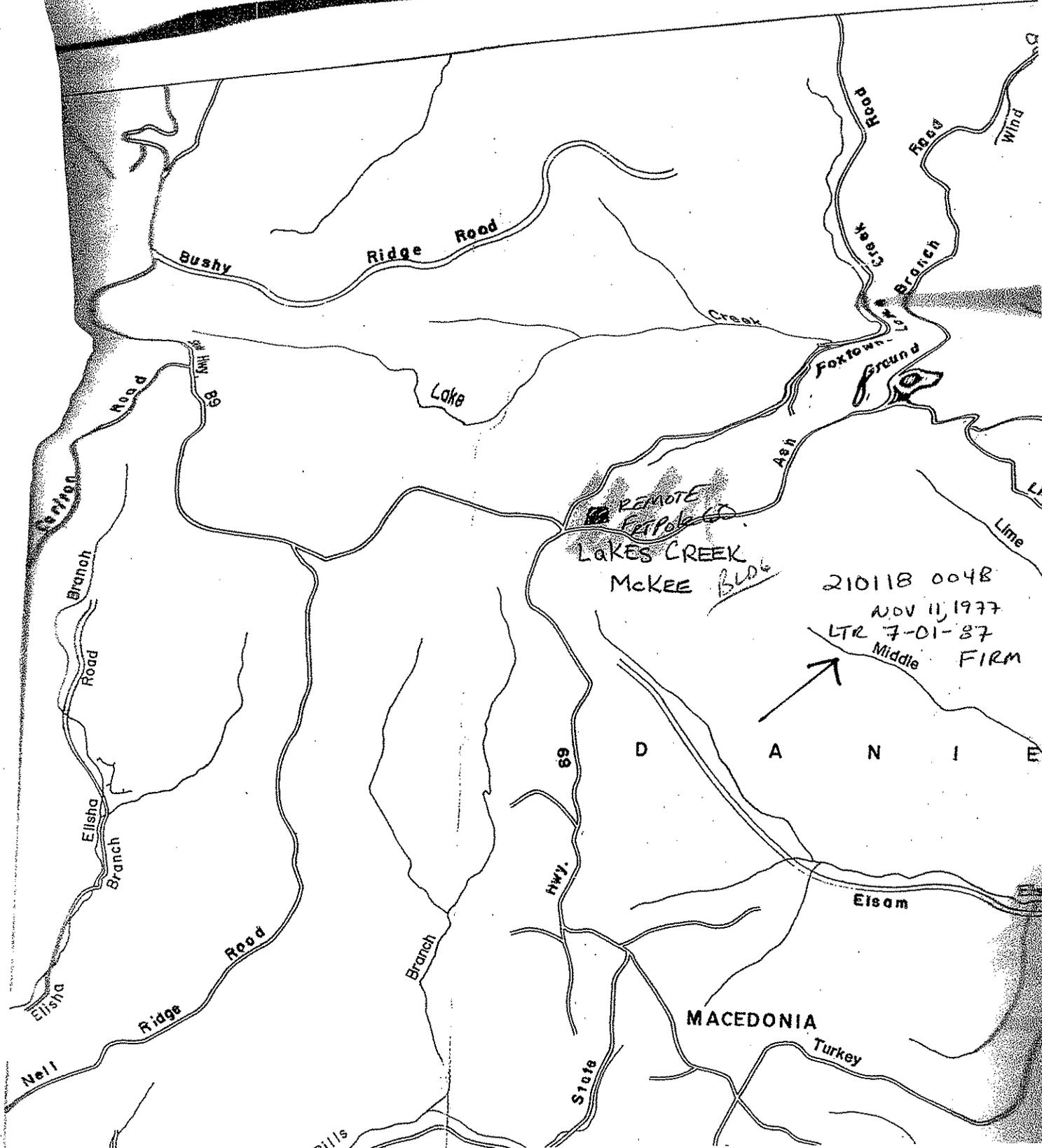
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)	DATE OF DETERMINATION
JAMES WILSON RJS-GFR KY	12-11-07



REMOTE PROPERTY
LAKES CREEK
MCKEE BLDG

210118 0048
NOV 11, 1977
LTR 7-01-87
Middle FIRM

MACEDONIA
Turkey

69 hwy.
D A N I E

Elsam

State

Hills

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS. (Legal Description may be attached) WANETA REMOTE BLDG HWY 421	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number
	JACKSON	KY	210118

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
210118 0003B	11-11-1977	<input checked="" type="checkbox"/> yes FIRM 7-1-87 Date		

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

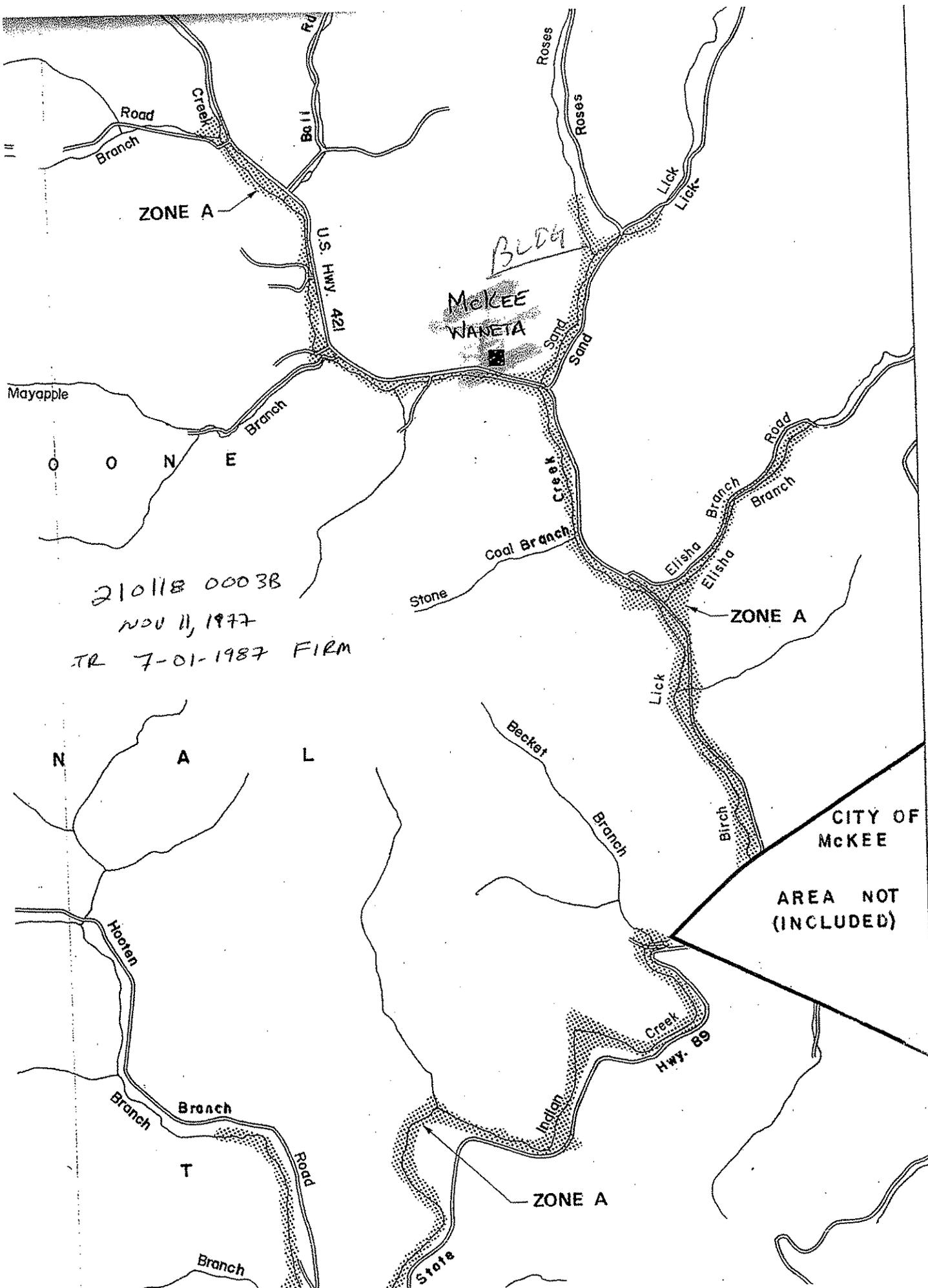
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)	DATE OF DETERMINATION
JAMES WILSON RUS KY GRR	12-11-07



ZONE A

McKEE
WANETA

BLD

U.S. HWY. 421

Lick
Lick

Mayapple

O O N E

210118 00038

NOV 11, 1977

TR 7-01-1987 FIRM

Stone

Coal Branch

Elisha
Elisha

ZONE A

Lick

N A L

Becket

Branch

CITY OF
McKEE

AREA NOT
(INCLUDED)

Hooten

Branch

Branch

T

Road

Branch

Creek
Hwy. 89

ZONE A

Indian

Stata

DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA - RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) SAND GAP CENTRAL OFFICE HWY 421		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION				
1. NFIP Community Name SAND GAP	2. County(ies) JACKSON	3. State KY	4. NFIP Community Number 210118	
B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME				
1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210118 0003B	2. NFIP Map Panel Effective/ Revised Date 11-11-1977	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FIRM 7-1-87 Date	4. Flood Zone	5. No NFIP Map

C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO

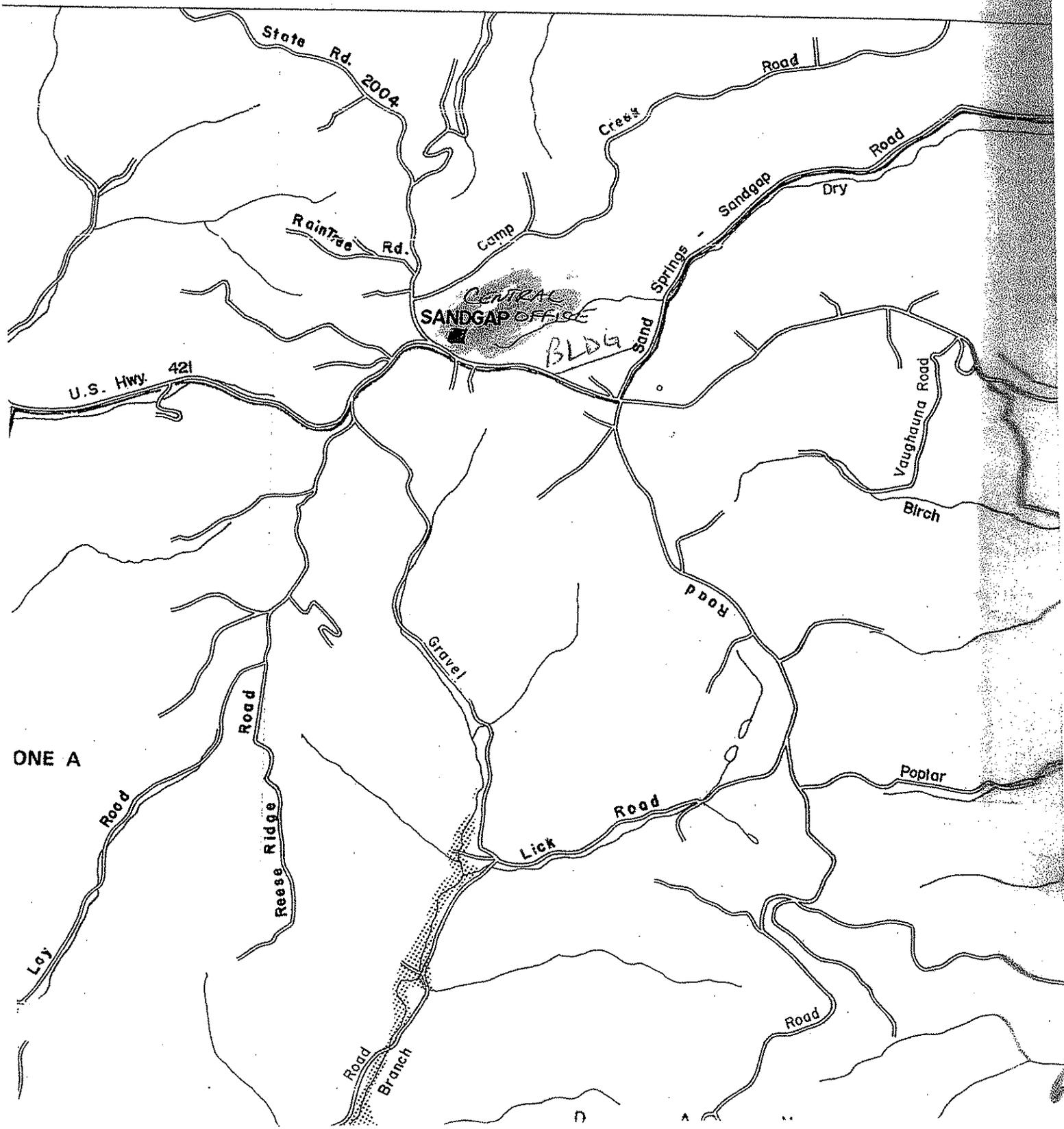
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION	
NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender) JAMES WILSON RUS - GRR KY	DATE OF DETERMINATION 12-11-07

210118 0003B
Nov 11, 1977
LTR 7-01-1987 FIRM



DEPARTMENT OF HOMELAND SECURITY
FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
Instructions

O.M.B. No. 1660-0040
Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) CLOVER BOTTOM REMOTE BLDG HWY 421	
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$	

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name CLOVER BOTTOM	2. County(ies) JACKSON	3. State KY	4. NFIP Community Number 210118
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 210118 0003B	2. NFIP Map Panel Effective/ Revised Date 11-11-1977	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FIRM 7-1-87 Date	4. Flood Zone	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP
2. Federal Flood insurance is not available because community is not participating in the NFIP.
3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
(ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

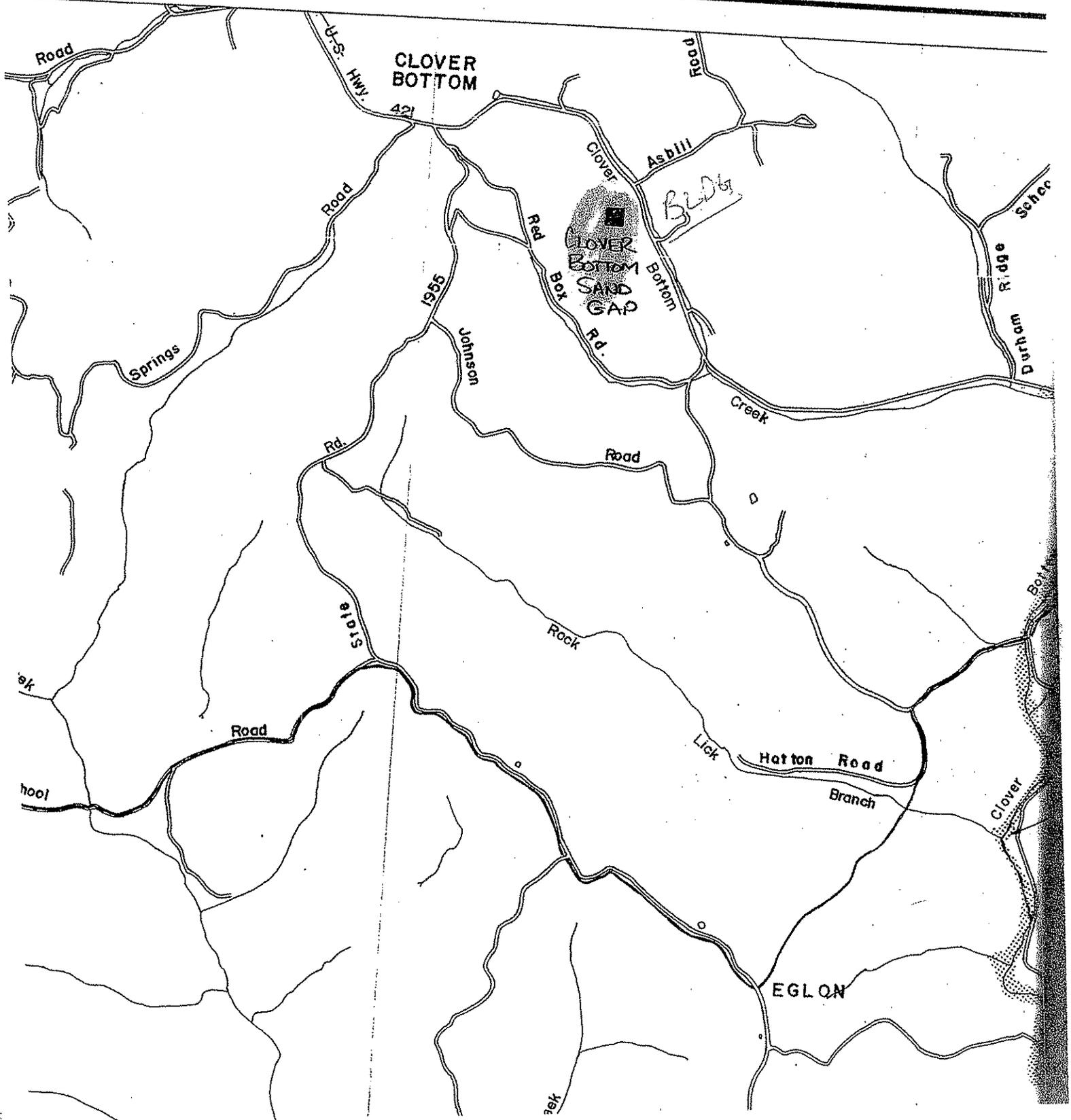
F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender) JAMES WILSON RUS KY GIRL	DATE OF DETERMINATION 12-11-07
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210 118 00038

NOV 11, 1977

LTR 7-01-87 FIRM



DEPARTMENT OF HOMELAND SECURITY
 FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See The Attached
 Instructions

O.M.B. No. 1660-0040
 Expires October 31, 2008

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS USDA-RUS WASHINGTON, DC 20250		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) SOUTH FOLK REMOTE BLDG KERBY KNOB/BEAZIL ROAD		
3. LENDER ID. NO.	4. LOAN IDENTIFIER KY 514-P	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name KERBY KNOB	2. County(ies) JACKSON	3. State KY	4. NFIP Community Number 21018
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 21018 00018	2. NFIP Map Panel Effective/ Revised Date 11-11-1977	3. LOMA/LOMR <input checked="" type="checkbox"/> yes FIRM 7-01-87 Date	4. Flood Zone	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1. Federal Flood insurance is available (community participates in NFIP). Regular Program Emergency Program of NFIP

2. Federal Flood insurance is not available because community is not participating in the NFIP.

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood insurance may not be available.
 CBRA/OPA designation date: _____

D. DETERMINATION

**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES CONTAINING THE LETTERS "A" OR "V")? YES NO**

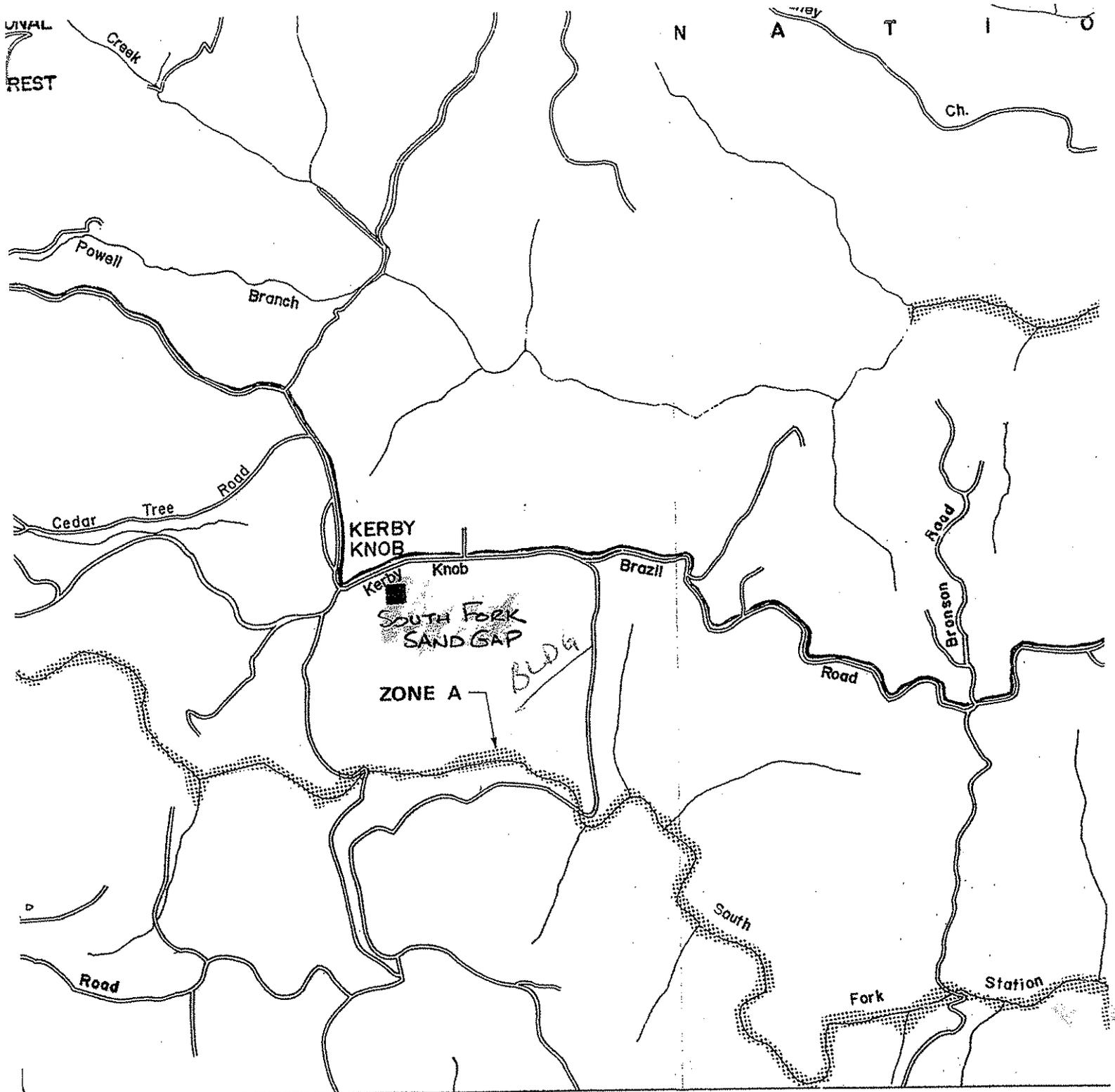
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional):

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender) JAMES WILSON RUS KY GFC	DATE OF DETERMINATION 12-11-07
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210118 0001B

NOV 11, 1977

LTR 7-01-1987 FIRM

COMPLIANCE ASSURANCE

(Title VI, Civil Rights Act of 1964,
Section 504, Rehabilitation Act of 1973,
Age Discrimination Act of 1975)

Rural Utilities Service
United States Department of Agriculture
Washington, D.C. 20250

The undersigned acknowledges that it is familiar with Title VI of the Civil Rights Act of 1964, as amended (42 U.S. C. 2000d *et seq.*) ("Title VI of the Civil Rights Act"), Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794) ("Section 504 of the Rehabilitation Act"), the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 *et seq.*) (the "Age Discrimination Act"), the rules and regulations of the U.S. Department of Agriculture implementing Title VI of the Civil Rights Act (7 CFR Part 15) and implementing Section 504 of the Rehabilitation Act (7 CFR Part 15b), the government-wide rules and regulations of the U.S. Department of Health and Human Services implementing the Age Discrimination Act (45 CFR Part 90) under which the U.S. Department of Agriculture is operating until such time as it adopts its own implementing regulations (7 CFR Part 15, 7 CFR Part 15b and 45 CFR Part 90 being hereinafter collectively called the "Departmental rules and regulations"), and the rules and regulations of the Rural Utilities Service implementing Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, the Age Discrimination Act and the Departmental rules and regulations (7 CFR Part 1786) (the "RUS Regulations").

The undersigned hereby assures the Rural Utilities Service that it will comply fully with all requirements imposed by or pursuant to such Departmental rules and regulations and the RUS regulations which require that no person, on the basis of race, color, national origin, age, or handicap, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the conduct of its program and the operation of its facilities.

The undersigned further agrees that, in the event of its violation of or failure to comply with any of the requirements imposed by or pursuant to such Departmental rules and regulations, the United States may seek judicial enforcement of compliance with such requirements.

This assurance is executed and supplied to the Rural Utilities Service pursuant to a duly adopted resolution of the board of directors of the undersigned.

PEOPLES RURAL TELEPHONE COOP. CORP., INC.

RUS Borrower

Person Authorized by the Board
To Sign This Assurance

1-14-2008

Date



**United States Department of Agriculture
Rural Development**

Rural Development Utilities Service
3413 Montavesta Road
Lexington, KY 40502

GPR
CSP
msi/ed
4/3/07

March 29, 2007

Keith Gabbard, General Manager
Peoples Rural Telephone Cooperative
P.O. Box 159
McKee, KY 40447

Dear Mr. Gabbard;

Attached for your information is a copy of the Civil Rights Compliance Review for Peoples Rural Telephone Cooperative, which was completed for Calendar Year 2007. As noted, the company is in compliance with all items.

Please let me know if you have any questions.

Sincerely,

James E. Wilson, P.E.
RUS General Field Representative

Attachment

March 29, 2007

CIVIL RIGHTS COMPLIANCE REVIEW

List below the names and titles of person(s) interviewed

Tim Bingham, Customer Service Manager

I. GENERAL INFORMATION:

Name of Borrower: **Peoples Rural Telephone Cooperative Corporation, Inc.
McKee, Kentucky**

Number of Branch Offices: **1 (Booneville)**

	Total	Male	Female
Total number of Employees	44	30	14
Number of Minority Employees	0	0	0
Minorities Management/Supervision	0	0	0
Females in Management/Supervision	1		

II. DATA COLLECTION: Does the borrower maintain current accurately coded data on the racial/ethnic categories of all patrons as required by Title VI regulations? **YES (7 CFR 15)** Explain how this information is obtained: **Visual determination is made**

III. ACCESSIBILITY:

Please address each of the following items:

Are there designated handicap parking space(s)? **YES**

Is the building accessible to persons with disabilities (i.e. wheel chair entry, curb cut, etc). **YES**

Are restroom facilities accessible to persons with disabilities? For example, is the entry door and stall door wide enough for a wheel chair? Are restroom handrails available? **YES**

Explain: **Compliant**

IV. PUBLIC NOTIFICATION:

Is the "And Justice For All" poster clearly visible by the public? At which location (front lobby, receptionist area, etc.) is the poster displayed? **YES, the poster is displayed in the front lobby.**

Is the Statement of Nondiscrimination also posted where it can clearly be seen by the public? **YES**

Does the Statement of Nondiscrimination cover Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, prohibiting discrimination on the basis of race, color, national origin, handicap, or age? Does the statement indicate that a complaint can be filed with the Secretary of Agriculture up to 180 days? If any of these points are missing, the borrower is in noncompliance. **YES** Comment:

Has the Statement of Nondiscrimination been published in the local newspaper within the past year? **YES** Verify that this is done annually and indicate the newspaper and dates of last publication. Comment: **The Statement has been published as follows:**

Jackson County Sun	2/15/07
Boonville Sentinel	3/1/07

How does the borrower provide the Statement of Nondiscrimination to new consumers or subscribers? Explain the process used by the borrower: **YES, in the directory**

How does the borrower provide the Statement of Nondiscrimination to new employees? **In a separate handout with other employment information**

Has the borrower had any civil rights complaints involving program benefits filed against the organization? **NO**. If so, explain: **N/A**

V. CIVIL RIGHTS COMPLIANCE (BRANCH OFFICES):

Are the borrower's branch office(s) in compliance with the handicap accessibility and public notification posting requirements? **YES**

Which branch office(s) did you visit? **NO**

If you did not visit the branch office(s), who provided the above information?
Tim Bingham

VI. ELECTION PROCESS (Cooperative type organization only)

It is imperative that members be provided with the bylaws section on the election process prior to the nomination of candidates for board positions. Explain the process used by the borrower regarding this requirement. **A notice was added to the billing statement sent out on 8/30/06.**

Verify the above process by indicating:

a. The date of notification to members: **August 30, 2006**

b. The date of the nominating committee meeting or district meeting(s):
September 8, 2006

GFR Non-Duplication Finding

This certifies that I have conducted a non-duplication analysis of People Rural Telephone Cooperative, Inc. (PRTCC), pursuant to Section 201 of the Rural Electrification Act of 1936, as amended. I am acquainted with the PRTCC's service area, as well as the facilities of adjacent telephone companies, and have thoroughly reviewed PRTCC's Loan Design.

The borrower's existing service area contains no foreign telephone utility. No duplication of telephone lines, facilities, or systems providing reasonably adequate telephone services will result from the loan for the following reasons:

- a. There are no lines, facilities or systems of any other telephone company in the entire area to be served by the borrower.
- b. None of the subscribers of the applicant are presently receiving any type of telephone service from facilities of other telephone companies other than cellular communications services and none is expected.
- c. A check of the borrower's plans indicates that none of the subscribers of neighboring companies have been included.

It is my finding that no duplication of subscriber or toll facilities will result from the proposed P Loan construction.

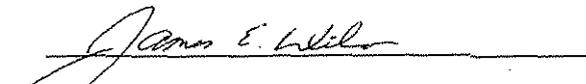
Other telecommunications providers within PRTCC's service area are:

C&W Cable (Southern Jackson County)
Expanded basic video service for \$35.00 per month
(Includes Encore Movie and Encore Western)

Field's Cable Vision (Owsley County)
Single package available at \$31.53 per month
(Includes 1 HBO, Showtime and Cimax each)

Time Warner (Owsley County)
Service includes no movie channels for \$42.98 per month

It is my understanding from discussions with the borrower and others that none of the above telecommunications providers are presently serving broadband data or voice services to their subscribers.


James E. Wilson, P.E. GFR Kentucky

Peoples Rural Telephone Coop. Corp., Inc.
McKee, Kentucky

KY514 P Loan Application
revised 1-28-2008

General Fund Capital Expenditures

5 Year Loan Period

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u> <u>2008-2012</u>
General Fund Expenditures⁽¹⁾							
Vehicles		\$60,000	\$65,000	\$70,000	\$70,000	\$70,000	\$335,000
Tools/Work Equipment		\$95,000 ⁽¹⁾	\$20,000	\$25,000	\$30,000	\$30,000	\$200,000
Office Equipment		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Computer Equipment		\$580,000 ⁽²⁾	\$100,000	\$150,000	\$150,000	\$150,000	\$1,130,000
Central Office		\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
General Fund Total	\$0	\$960,000	\$410,000	\$470,000	\$475,000	\$475,000	\$2,790,000
"P" Loan Cost Estimate⁽⁴⁾					\$930,000		\$930,000
Softswitch		\$378,500					\$378,500
Routers		\$1,127,840	\$1,127,840	\$1,127,840	\$1,127,840	\$1,127,840	\$5,639,200
Broadband Access Terminals		\$144,000	\$144,000	\$144,000	\$144,000	\$144,000	\$720,000
Copper Additions		\$2,008,568	\$2,008,568	\$2,008,568	\$2,008,568	\$2,008,568	\$10,042,839
FTTH OSP Additions		\$722,555	\$722,555	\$722,555	\$722,555	\$722,555	\$3,612,777
Engineering							
Total "N" & "P" Loan	\$0	\$4,381,463	\$4,002,963	\$4,002,963	\$4,932,963	\$4,002,963	\$21,323,316
Grand Total	\$0	\$5,341,463	\$4,412,963	\$4,472,963	\$5,407,963	\$4,477,963	\$24,113,316
Cumulative Advances		\$4,381,463	\$8,384,426	\$12,387,390	\$17,320,353	\$21,323,316	

⁽¹⁾ Includes purchase of new Forklift (\$35,000), mapping printer/plotter (\$20,000), and additional fiber splicing and maintenance equipment.

⁽²⁾ Includes purchase of new IBM AS/400 computer.

⁽³⁾ Line item General Fund expenditure estimates are based on current expenditures and are projected to remain relatively unchanged throughout the course of this loan period.

⁽⁴⁾ The goals as set forth in this loan application are expected to progress at a steady pace and therefore expenditures are expected to remain relatively constant over the course of this loan period.

Peoples Rural Telephone Coop. Corp., Inc.
 McKee, Kentucky

KY514 P Loan Application
 revised 1-25-2008

Non-Operating Income/Expense

5 Year Forecast

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Income						
Interest-CDs	\$400,000	\$420,000	\$435,000	\$450,000	\$465,000	\$475,000
East Kentucky Network	\$1,800,000	\$1,900,000	\$1,900,000	\$2,000,000	\$2,000,000	\$2,000,000
McKee Television	-\$24,526	-\$294,911	-\$342,352	\$180,762	\$239,972	\$298,662
Total Non-Operating Income	\$2,175,474	\$2,025,089	\$1,992,648	\$2,630,762	\$2,704,972	\$2,773,662
Expense						
Interest - RDUP Loan, Existing	\$800,000	\$765,000	\$649,000	\$531,000	\$417,000	\$311,000
Interest - RDUP Loan, "P" Loan	\$0	\$109,537	\$319,147	\$519,295	\$742,694	\$966,092
Total Non-Operating Expense	\$800,000	\$874,537	\$968,147	\$1,050,295	\$1,159,694	\$1,277,092
Non-Operating Net Income	\$1,375,474	\$1,150,552	\$1,024,501	\$1,580,467	\$1,545,278	\$1,496,570

Peoples Rural Telephone Coop. Corp., Inc.
 McKee, Kentucky

KY514 P Loan Application
 revised 1-15-2008

Non-Regulated Income/Expense
 5 Year Forecast

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Income						
Long Distance Company	\$870,000	\$900,000	\$945,000	\$992,250	\$1,041,863	\$1,093,956
DSL/Dial Up Internet	\$265,000	\$278,250	\$292,163	\$306,771	\$322,109	\$338,215
CPE/Others	\$495,000	\$519,750	\$545,738	\$573,024	\$601,676	\$631,759
Total Non-Regulated Income	\$1,630,000	\$1,698,000	\$1,782,900	\$1,872,045	\$1,965,647	\$2,063,930
Expense						
Long Distance Company	\$850,000	\$892,500	\$937,125	\$983,981	\$1,033,180	\$1,084,839
DSL/Dial Up Internet	\$427,000	\$448,350	\$470,768	\$494,306	\$519,021	\$544,972
CPE/Others	\$335,000	\$351,750	\$369,338	\$387,804	\$407,195	\$427,554
Total Non-Regulated Expenses	\$1,612,000	\$1,692,600	\$1,777,230	\$1,866,092	\$1,959,396	\$2,057,366
Non-Regulated Net Income	\$18,000	\$5,400	\$5,670	\$5,954	\$6,251	\$6,564

**BY-LAWS
and
ARTICLES OF INCORPORATION**

**PEOPLES RURAL TELEPHONE
COOPERATIVE CORPORATION
INCORPORATED**

McKEE, KENTUCKY

**ARTICLE I
MEMBERSHIP**

SECTION 1. Requirements for Membership. Any person, firm, association, corporation, or body politic or subdivision thereof will become a member of Peoples Rural Telephone Cooperative Corporation, Incorporated (hereinafter called the "Cooperative") upon receipt of telephone or other communications services from the Cooperative, provided that he or it has first:

- (a) Made a written application for membership therein;
- (b) Agreed to purchase services from the Cooperative in accordance with established tariffs as hereinafter specified;
- (c) Agreed to comply with and be bound by the Articles of Incorporation and bylaws of the Cooperative and any rules and regulations adopted by the board; and
- (d) Paid the membership fee hereinafter specified.

Each separate contract for membership shall be treated as a separate membership for voting and all other purposes, and any one person, married couple, firm, association, corporation, or body politic (or subdivision thereof) may have more than one membership in the corporation; provided, however, each membership shall be evidenced by a separate contract and membership fee, and separate extensions shall not operate to increase the number of memberships held by any one person or entity, and provided that no member shall be entitled to cast a vote for any purpose unless he/she/they/it is or are a member in good standing. In order to be considered a member in good standing, said member must be receiving services at the time of the scheduled vote.

SECTION 2. Membership Certificates. Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the board. Such certificate shall be signed by the President and by the Secretary of the Cooperative and the corporate seal shall be affixed thereto. No membership certificate shall be issued for less than the membership fee fixed by these bylaws, nor until such membership fee has been fully paid. In case a certificate is lost, destroyed, or mutilated, a new certificate may be issued therefor upon such uniform terms and indemnity to the Cooperative as the board may prescribe.

SECTION 3. Joint Membership. A husband and wife may apply for joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term "member" as used in these bylaws shall be deemed to include a husband and wife holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice of either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both may be elected or appointed as an officer or board member, provided that both meet the qualifications for such office;
- (h) At least ten days prior to any election, the holders of a joint membership shall designate one of the joint members who shall, in the event of the split in the vote of the joint members, have the power to override the other and vote the joint membership as a bloc on behalf of the joint members. In the event of the failure or refusal to so designate at said time, the vote of the membership shall not be counted in the event of a split in the voting of the joint members.

BY-LAWS

SECTION 4. Conversion of Membership. (a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with the articles of incorporation, bylaws, and rules and regulations adopted by the board. The outstanding membership certificate shall be surrendered, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.

(b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor. The outstanding membership certificate shall be surrendered, and shall be reissued in such manner as shall indicate the changed membership status, provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

SECTION 5. Membership Fees. The membership fee shall be ten dollars.

SECTION 6. Purchase of Services. Each member shall, as soon as service is available, take service from the Cooperative and shall pay therefor monthly at rates in accordance with established tariffs as fixed by the board. It is expressly understood that amounts paid for services in excess of costs are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these bylaws. Each member shall also pay all amounts owed by him to the Cooperative as and when the same shall become due and payable.

SECTION 7. Termination of Membership. (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the board may prescribe. The board may, by the affirmative vote of not less than two-thirds of all the members of the board, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, bylaws, or rules and regulations adopted by the board, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failure shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the board or by vote of the members at any annual or special meeting. The membership of a member who for a period of thirty (30) days after service is available to him has not permitted the installation of service, or of a member who has ceased to purchase service from the Cooperative, may be canceled by resolution of the board.

(b) Upon withdrawal, death, cessation of existence or expulsion of a member the membership of such members shall thereupon terminate, and the membership certificate of such member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative.

(c) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him, provided, however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owed by the member to the Cooperative, at which time the board of directors direct said payments to be made.

ARTICLE II RIGHTS AND LIABILITIES OF MEMBER

SECTION 1. Property Interest of Members. Upon dissolution after:

(a) All debts and liabilities of the Cooperative shall have been paid.

(b) All capital furnished through patronage shall have been retired as provided in these bylaws, and

(c) All membership fees shall have been repaid, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each member bears to the total patronage of all members during the ten years next preceding the date of the filing of the certificate of dissolution, or, if the Cooperative shall not have been in existence for such period during the period of its existence.

SECTION 2. Non-liability for Debts of the Cooperative. The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. The annual meeting of the members shall be held during the month of October of each year, at such place within a county served by the Cooperative, as selected by the board and which shall be designated in the notice of the meeting, for the purpose of electing board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the board to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

SECTION 2. Special Meetings. Special meetings of the members may be called by resolution of the board, or upon a written request signed by any three board members, by the President, or by not less than 200 members or by ten per centum of all the members, whichever shall be the lesser, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within one of the counties served by the Cooperative as designated by the board and shall be specified in the notice of the special meeting.

SECTION 3. Notice of Members' Meetings. Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. Quorum. One hundred (100) members present in person, shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

SECTION 5. Voting. Each membership shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the memberships. All questions shall be decided by a vote of a majority of the memberships voting thereon in person except as otherwise provided by law, the articles of incorporation, or these bylaws. There shall be no voting by proxy at any membership meeting.

Any membership held by a firm, association, corporation or body politic (or subdivision thereof) shall designate, at least ten (10) days preceding an election, by a form which may be secured from the corporation headquarters, one agent who shall have the power to vote on behalf of said entity each of the memberships held by said entity.

SECTION 6. Order of Business. The order of business at the annual meeting of the members and, so far as possible at all other meetings of the members, shall be essentially as follows, except as otherwise determined by the members at such meeting:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, trustees and committees.
5. Election of board members.
6. Unfinished business.
7. New business.
8. Adjournment.

A. Any member who wants to place a matter of new business of any kind on the agenda for the annual meeting, shall, not less than 30 days prior to the annual meeting, send a written description of the business and request for inclusion of such item to the principal office of the Cooperative. Absent the latter written request, no matter of new business shall be placed on the agenda or heard at the annual meeting.

SECTION 7. Voting Districts. The territory to be served by the Cooperative has always been and shall be divided into four districts, by exchange. The four districts are the Annville Exchange, Booneville Exchange (comprising all of Owsley County), the McKee Exchange, and the Sand Gap Exchange. The separate exchanges shall be represented by the following number of directors or trustees.

<u>Exchange</u>	<u>Directors</u>
Annville (364)	1
Booneville (Owsley Co. - 593)	3
McKee (287)	2
Sand Gap (965)	1

In conformity with Article IV, Section 2 of the By Laws and Articles, and the terms of office of the trustees heretofore elected, directors or trustees shall be elected by the membership, as follows:

- (a) one director or trustee each from the McKee, Sand Gap and Booneville exchanges in 1988;
- (b) one director or trustee each from the Booneville and Annville exchanges in 1989;
- (c) one director or trustee each from McKee and Booneville exchanges in 1990;
- (d) in 1991, the term of office of the trustee or directors, or their successors, elected in 1988, shall expire and a director from the McKee, Sand Gap and Booneville exchanges shall be elected, and every three years succeeding the election of the directors or trustees from the above-designated exchange, a new election shall occur for the positions then open, in the order of rotation above set forth. No person shall be eligible to be nominated for, elected to, or serve as a director or trustee unless he resides in the exchanges territory for which he seeks or holds office.

ARTICLE IV BOARD MEMBERS

SECTION 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of seven trustees or directors which shall exercise all of the powers of the Cooperative except such as are by law, the articles of incorporation, or these bylaws conferred upon or reserved to the members.

SECTION 2. Election and Tenure of Office. The directors and trustees presently serving as directors and trustees shall compose the board until the 1974 annual meeting or unless their successors shall have been elected and shall have qualified. Beginning with the year 1974 the directors and trustees of the Cooperative shall be divided into three classes, one class consisting of three members and the other two classes consisting of two members each. At the annual meeting in 1974 two directors and trustees shall be elected by secret ballot, if there are no other nominations made the vote can be by acclamation, by and from the members as directors and trustees of second class to serve until the third succeeding annual meeting or until their successors shall have been elected and shall have qualified. At the annual meeting in 1975 two directors and trustees shall be elected by secret ballot, if there are no other nominations made the vote can be by acclamation, by and from the members as directors and trustees of third class to serve until the third succeeding annual meeting or until their successors shall have been elected and shall have qualified. At the annual meeting in 1976 three directors and trustees shall be elected by secret ballot, if there are no other nominations made the vote can be by acclamation, by and from the members as directors and trustees of first class

to serve until the third succeeding annual meeting or until their successors shall have been elected and shall have qualified. If an election of board members shall not be held on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing board members within a reasonable time thereafter. Directors and trustees may be elected by a plurality vote of the members.

SECTION 3. Qualifications. No person shall be eligible to become or remain a board member of the Cooperative who:

- (a) is not a member and bona fide resident of the area served or to be served by the Cooperative; or
- (b) is in any way employed by or financially interested in a competing enterprise or a business engaged in selling telephone service or supplies, or constructing or maintaining telephone facilities, other than a business operating on a cooperative non-profit basis for the purpose of furthering rural telephones; or;
- (c) is not a natural person.

Upon establishment of the fact that a board member is holding the office in violation of any of the foregoing provisions, the board shall remove such board member from office. Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the board.

SECTION 4. Nominations. It shall be the duty of the board to appoint, not less than thirty days before the date of a meeting of the members at which board members are to be elected, a committee on nominations consisting of not less than five nor more than seven members who shall be selected from different sections so as to insure equitable representation. No member of the board may serve on such committee. The committee, shall prepare and post at the principal office of the Cooperative at least twenty days before the meeting a list of nominations for board members which shall include one candidate for each board position to be filled by the election. The Secretary shall be responsible for mailing with the notice of the meeting or separately, but at least ten days before the date of the meeting, a statement of the number of board members to be elected and the names and addresses of the candidates nominated by the committee on nominations. Any 160 or more members acting together may make other nominations by petition and the Secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. Nominations by petition, in order to be included on the ballot of the annual meeting, must be received at the principal office of the Corporation at least 20 days before the meeting. Further, in order for nominations by petition to be included on the ballot, the petition must bear the signature of the proposed nominee and said signature must be notarized.

SECTION 5. Removal of Board Member by Members. Any member may bring charges against a board member and, by filing with the Secretary such charges in writing together with a petition signed by at least ten per centum of the members or 200, whichever is the lesser, may request the removal of such board member by reason thereof. Such board member shall be informed in writing of the charges at least ten days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect to the charges; and the person or persons bringing the charges against him shall have the same opportunity. The question of removal of such board member shall be considered and voted upon at the meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations.

SECTION 6. Vacancies. Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of board members by the members, a vacancy occurring in the board shall be filled by the affirmative vote of a majority of the remaining board members for the unexpired portion of the term, provided, however, that in the event the vacancy is not filled by the board within sixty days after the vacancy occurs, the members shall have the right to fill such vacancy at a meeting of the members without compliance with the foregoing provisions in respect to nominations.

SECTION 7. Compensation. Board members shall not receive any salary for their services as such, except that board members of the Cooperative may by resolution authorize a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs or performing committee assignments when authorized by the board. If authorized by the board, board members may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business or granted a reasonable per diem allowance by the board in lieu of detailed accounting for some of these expenses. No board member shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a board member receive compensation for serving the Cooperative, unless the payment and amount of compensation shall be specifically authorized by a vote of the board members or the service by the board member or his close relative shall have been certified by the board as an emergency measure. For the purpose of this section, close relatives include grandparents, parents, husband, wife, children, grandchildren, brothers, sisters, uncles, aunts, nephews and nieces, by blood, by marriage or by adoption, and spouses of any of the foregoing.

ARTICLE V MEETINGS OF BOARD

SECTION 1. Regular Meetings. A regular meeting of the board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the board shall also be held monthly at such time and place within one of the counties served by the Cooperative as designated by the board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

SECTION 2. Special Meetings. Special meetings of the board may be called by the President or by any three board members, and it shall thereupon be the duty of the secretary to cause notice of such meeting to be given as hereinafter provided. The President or board members calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 3. Notice of Board Meetings. Written notice of the time, place, and purpose of any special meeting of the board shall be delivered to each board member either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or one of the board members calling the meeting. If mailed, such notice shall be delivered when deposited in the United States mail addressed to the board member at his address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five days before the date set for the meeting.

+ A definition of "close relative," similar to this, should be included in the Bylaws to preclude disputes over its meaning.

SECTION 4. Quorum. A majority of the board shall constitute a quorum, provided, that if less than such majority of the board is present at said meeting, a majority of the board present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent board members of the time and place of such adjourned meeting. The act of a majority of the board members present at a meeting at which a quorum is present shall be the act of the board, except as otherwise provided in these bylaws.

**ARTICLE VI
OFFICERS**

SECTION 1. Number. The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be determined by the board from time to time. The office of Secretary and Treasurer may be held by the same person.

SECTION 2. Election and Term of Office. The officers shall be elected by ballot, annually by and from the board at the meeting of the board held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until the first meeting of the board following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the board for the unexpired portion of the term.

SECTION 3. Removal of Officers and Agents by the Board. Any officer or agent elected or appointed by the board may be removed by the board whenever in its judgment the best interests of the Cooperative will be served thereby. In addition, any member of the cooperative may bring charges against an officer, and by filing with the Secretary such charges in writing together with a petition signed by ten per centum of the members or 200, whichever is the lesser, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten days prior to the board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or person bringing the charges against him shall have the same opportunity. In the event the board does not remove such officer, the question of his removal may be considered and voted upon at the next meeting of the members.

SECTION 4. President. The President shall:

- (a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the board, shall preside at all meetings of the members and the board;
- (b) sign, with the Secretary, certificates of membership, the issuance of which shall have been authorized by the board or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the board to be executed, except in cases in which the signing and executive thereof shall be expressly delegated by the board or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of President and such other duties as may be prescribed by the board from time to time.

SECTION 5. Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the board.

SECTION 6. Secretary. The Secretary shall be responsible for:

- (a) keeping the minutes of the meetings of the members and of the board in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with the bylaws or as required by law;
- (c) the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all certificates of membership prior to the issue thereof, and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these bylaws;
- (d) keeping a register of the names and post office addresses of all members;
- (e) signing, with the President, certificates of membership, the issue of which shall have been authorized by the board or the members;
- (f) keeping on file at all times a complete copy of the articles of incorporation and bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the bylaws and of all amendments thereto to each member; and
- (g) in general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the board.

SECTION 7. Treasurer. The Treasurer shall be responsible for:

- (a) custody of all funds and securities of the Cooperative;
- (b) the receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these bylaws; and
- (c) the general performance of all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the board.

SECTION 8. Manager. The board may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. the manager shall perform such duties and shall exercise such authority as the board may from time to time vest in him.

SECTION 9. Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded in such sum and with such surety as the

board shall determine. The board in its discretion may also require any other officer, agent, or employee of the Cooperative to be bonded in such amount and with such surety as it shall determine.

SECTION 10. Compensation. The powers, duties, and compensation of officers, agents and employees shall be fixed by the board subject to the provisions of these bylaws with respect to compensation for a board member and close relatives of a board member.

SECTION 11. Reports. The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII NON-PROFIT OPERATION

SECTION 1. Interest or Dividends on Capital Prohibited. The Cooperative shall at times be operated on a Cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

SECTION 2. Patronage Capital in Connection with Furnishing Telephone and Other Communication Services. In the furnishing of telephone and other communication services the Cooperative's operations shall be so conducted that all patrons will through their patronage furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of telephone and other communication services in excess of operating costs and expenses properly chargeable against the furnishing of telephone and other communication services. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books or records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its patrons on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of patrons, as herein provided.

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital credited to patrons accounts may be retired in full or in part. Any such retirements of capital shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being first retired.

Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative unless the board acting under policies of general application, shall determine otherwise. In the event that a non-member patron shall elect to become a member of the Cooperative, the capital credited to the account of such non-member patron may, at the discretion of the board, be applied toward the payment of a membership fee on behalf of such non-member patron.

Notwithstanding any other provision of these bylaws, the board at its discretion, shall have the power at any time upon the death of any patron, if the legal representatives of his estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the board, acting under policies of general application, and the legal representatives of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.

ARTICLE VIII DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds of all the members of the Cooperative, and unless the notice of such proposed sale, mortgage, lease, or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the board of the Cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises, and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms

and conditions as the board shall determine, to secure any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof; provided further that the board may upon the authorization of a majority of those members of the Cooperative present at a meeting of the members thereof, sell, lease, or otherwise dispose of all or a substantial portion of its property to another Cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated.

+ If a Cooperative is authorized to serve members only, delete this sentence.

**ARTICLE IX
SEAL**

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal State of Kentucky".

**ARTICLE X
FINANCIAL TRANSACTIONS**

SECTION 1. Contracts. Except as otherwise provided in these bylaws, the board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

SECTION 2. Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the board.

SECTION 3. Deposits. All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the board may select.

SECTION 4. Change in Rates. Written notice shall be given to the Administrator of the Rural Utilities Service of the United States of America not less than ninety days prior to the date upon which the proposed change in rates charged by the Cooperative for telephone service becomes effective.

SECTION 5. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

**ARTICLE XI
MISCELLANEOUS**

SECTION 1. Membership in Other Organizations. The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the board members at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchase provided, however, that the Cooperative may, upon the authorization of the board, purchase stock in or become a member of any corporation or organization subject to ratification of such act at their next meeting.

SECTION 2. Waiver of Notice. Any member or board member may waive in writing any notice of a meeting required to be given by these bylaws. The attendance of a member or board member at any meeting shall constitute a waiver of notice of such meeting by such member or board member, except in case a member or board member shall attend a meeting for the purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

SECTION 3. Policies, Rules, and Regulations. The board shall have power to make and adopt such policies, rules, and regulations, not inconsistent with law, the Articles of Incorporation, or these bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

SECTION 4. Accounting System and Reports. The board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service of the United States of America. The board shall also cause to be made by a certified public accountant a full and complete annual audit of the accounts, books, and financial condition of the Cooperative. The results of such audit shall be reported to the members at the next following annual meeting.

SECTION 5. Area Coverage. The board shall make diligent effort to see that telephone service is extended to all unserved persons within the Cooperative service area who (a) desire such service and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

**ARTICLE XII
AMENDMENTS**

These bylaws may be altered, amended or repealed by the directors at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.



ARTICLE XIII
AMENDMENTS

That the duration of the corporation is, and shall be, perpetual.

* Article I Section 1, Article I Section 3, Article III Section 4, Article III Section 5, Article IV Section 3, Article IV Section 4.

* Amended at Annual Meeting October 15, 1983.

Article XIII Added at Annual Meeting October 20, 1990.

Article III Section 3 and Article IV Section 4 amended at regular meeting of the directors April 09, 2001.

ARTICLES OF INCORPORATION
OF
PEOPLES RURAL TELEPHONE COOPERATIVE
CORPORATION INCORPORATED

We, the undersigned, being natural persons and citizens of the Commonwealth of Kentucky do hereby execute these articles of incorporation for the purpose of organizing a nonprofit cooperative corporation (herein called the "Cooperative") under the laws of the Commonwealth of Kentucky, pursuant to an Act entitled "AN ACT relating to telephone cooperative, non-profit corporations, rural telephones and telephone services" approved March 25, 1950.

FIRST, the name of the Cooperative is Peoples Rural Telephone Cooperative Corporation, Inc.

SECOND, the address of the principal office of the Cooperative is McKee, Jackson County, Kentucky. H. W. Tussey, McKee, KY., is the process agent.

THIRD, the names and addresses of the incorporators of the Cooperative are:

Table with 2 columns: Names and Addresses. Lists incorporators: H. W. Tussey, Bruce Hays, Alfred Oppeneer, Jesse J. Smith, D. W. Barrett, Joe T. Morgan, Pleas Turner.

FOURTH, the names and addresses of the persons who shall constitute the first Board of Trustees of the Cooperative are:

Table with 2 columns: Names and Addresses. Lists trustees: H. W. Tussey, Bruce Hays, Alfred Oppeneer, Jesse J. Smith, D. W. Barrett, Joe T. Morgan, Pleas Turner.

FIFTH, the operations of the Cooperative are to be conducted in the Counties of Jackson and Owsley, and in such other counties as such operations may from time to time become necessary or desirable in the interest of this Cooperative or of its members

IN TESTIMONY WHEREOF we have hereunto subscribed our names this 30th day of November, 1950.

List of names: H. W. Tussey, Bruce Hays, Alfred Oppeneer, Jesse J. Smith, D. W. Barrett, Joe T. Morgan, Pleas Turner.

STATE OF KENTUCKY
COUNTY OF JACKSON

SCT

I, Elmer Cunagin, notary public in and for the County and State aforesaid, hereby certify that the foregoing Articles of Incorporation of the Peoples Rural Telephone Cooperative Corporation, Inc., were this day produced to me by H. W. Tussey, Bruce Hays, Alfred Oppeneer, Jesse J. Smith, D. W. Barrett, Joe T. Morgan and Pleas Turner, and acknowledged and delivered by said parties to be their act and deed, and the act and deed of each of them.

This the 30th day of November, 1950

Elmer Cunagin

Notary Public

My Commission expires November 1, 1953.

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WORKING AGREEMENT

This agreement made and entered into as of the ____ day of _____, 2008 by and between Peoples Rural Telephone Cooperative Corporation, Inc. (hereafter referred to as "PARENT") and McKee Television Enterprises Company Inc., dba Peoples Telecom LLC (hereafter referred to as "SUBSIDIARY SPECIFIC"),

Whereas, PARENT can offer certain collective services to its subsidiaries such as the SUBSIDIARY SPECIFIC, thereby saving cost to the SUBSIDIARY SPECIFIC and PARENT both individually and collectively: and

Whereas, the SUBSIDIARY SPECIFIC desires, and PARENT is willing to furnish, services on the terms and conditions hereinafter set forth; and

Now, Therefore, in consideration of the mutual undertakings contained herein, PARENT and the SUBSIDIARY SPECIFIC promise and agree as follows:

Section I: General Services and Facilities

During the term of this contract, PARENT shall provide to the SUBSIDIARY SPECIFIC such general management, engineering, customer services, and other services, as both parties deem appropriate. In providing these services, PARENT shall utilize its officers, other employee's

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independent data processing centers, consultants, and other agents as PARENT, in its determination, deem appropriate.

In providing the general services above, PARENT shall provide capable, competent, and able assistance to the SUBSIDIARY SPECIFIC regarding organization, finances, taxes, personnel relations, marketing and sales, and other services as PARENT may be able to provide and the SUBSIDIARY SPECIFIC may require.

Section II: Cash Management

A. Borrowings

Whenever the SUBSIDIARY SPECIFIC identifies and quantifies an amount of borrowings necessary to fund its ongoing, day-to-day operations, the SUBSIDIARY SPECIFIC shall borrow from the PARENT the full amount of such necessary funds. Such borrowings shall be received with a company check from the PARENT, which shall be recorded as an amount due from the SUBSIDIARY SPECIFIC to PARENT. The issuance of a promissory note from the SUBSIDIARY SPECIFIC to PARENT shall not be required.

B. Use of Borrowings

The cash borrowings shall be used by the SUBSIDIARY SPECIFIC and/or its subsidiaries, for on going day-to-day operations of the SUBSIDIARY SPECIFIC and/or for any such lawful purpose.

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C. Payment

Any and all cash borrowings by the SUBSIDIARY SPECIFIC under this section may be prepaid in whole or in part in any amount at any time during the predetermined borrowing period without penalty.

Section III: Billing & Collection Services

PARENT shall charge the SUBSIDIARY SPECIFIC on a monthly basis for billing & collection services. The charges to the SUBSIDIARY SPECIFIC shall be based on a per customer price agreed upon by both the PARENT and the SUBSIDIARY SPECIFIC.

Section IV: Charges and Cost Recovery

A. Direct Costs

All specific projects or special services provided by PARENT for the account of or the benefit of the SUBSIDIARY SPECIFIC shall be charged directly to the SUBSIDIARY SPECIFIC. The direct costs shall be made on the basis of time reports and expense records of PARENT, and shall be identified by account and function performed. In the event the specific project included PARENT utilizing any outside services, all such services shall be billed to the SUBSIDIARY SPECIFIC in the exact amount covered in the statement from such outside service provider.

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B. Indirect Costs

For those services provided by PARENT personnel that are generally made available to the SUBSIDIARY SPECIFIC and other companies that have executed similar agreements to this Agreement, which may include, but not limited to legal and accounting and finance, the charge to be made by PARENT to the SUBSIDIARY SPECIFIC shall be the fully loaded, hourly wage for the individuals assigned by PARENT for purposed of providing these general services, and also shall include any directly or indirectly related expenses.

Section V: Accounting, Records, and Payments

A. Accounting Records

PARENT shall provide for the SUBSIDIARY SPECIFIC all accounting services necessary for the SUBSIDIARY SPECIFIC to maintain a complete set of records and books in accordance with the system of accounts required and/or approved by applicable federal and state agencies which shall include annual audits, financial statements, tax returns, and other reports required for Local, State, or federal regulatory agencies.

B. Payments

The SUBSIDIARY SPECIFIC shall make payments only to PARENT and shall not directly or indirectly make payments for services covered under this Agreement to any other person or entity without the expressed, written direction of PARENT. All charges from PARENT to the SUBSIDIARY SPECIFIC shall be payable by the SUBSIDIARY SPECIFIC within thirty (30) days of the date of the monthly invoice by PARENT.

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C. Payment Method

All payments made under this Agreement shall be in immediately available funds either by bank check or bank draft sent to an address provided by PARENT to the SUBSIDIARY SPECIFIC or by electronic funds transfer to a bank account designated by PARENT. The SUBSIDIARY SPECIFIC shall have full responsibility for insuring that payments are made in funds that are immediately available on the date that payment is due.

Section VI: Term

This Agreement will be effective on the 31st day of January, 2008, and shall continue to be in effect until such time as either party terminates this Agreement. Either party may give written notice to the other party upon thirty (30) days of its desire to terminate, in whole or in part, this Agreement.

Section VII: Assignment

The rights and obligations of the parties hereunder shall not be assigned nor delegated without the prior written consent of the other party. The parties agree that such consent shall not be unreasonably withheld.

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VIII: Taxes

Both parties agree to comply with all federal, state, and local tax laws and regulations as they pertain to each party, and will make no claim on the other party for such taxes. Further, the parties indemnify and hold each other harmless from any claims, losses, penalties, interest, or other damages levied or assessed by state, local, or federal tax authorities for failure to comply with the appropriate tax statutes, regulations, or rulings.

Section IX: Force Majeure

Neither the SUBSIDIARY SPECIFIC nor PARENT shall be held responsible for delays or failures caused by fires, strikes or similar labor difficulties, embargoes, government requirements, civil or military authorities, acts of God or the public enemy or similar caused situation beyond the control of either party. In the event of a "Force Majeure" condition, the obligated party will exert all reasonable efforts to secure performance of this Agreement by alternative means.

Section X: Waiver

No provision of this Agreement may be waived unless such waiver is in writing and signed by both parties. No waiver of the terms of this Agreement or failure of one of the parties to exercise any option, right, or privilege on any occasion or through the course of dealing, shall be construed to be a waiver of the same or any other option, right or privilege on any other occasion.

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Section XI: Records and Audits

Both parties shall maintain complete and accurate records, including hours, costs, expenses, and any other matters pertaining to each party's performance and obligations under this Agreement. Such records shall satisfy all external financial reporting requirements. In order to carry out the provisions of this Agreement, PARENT agrees to allow representatives of the appropriate regulatory body access to the books and records associated with PARENT's dealings with the SUBSIDIARY SPECIFIC during PARENT's regular business hours. PARENT further agrees to maintain its accounting system in accordance with the uniform system of accounts for Class "A" telephone companies or whichever accounting system is required by the Federal Communications Commission (FCC) at the time this Agreement is entered into. PARENT agrees to file with the appropriate regulatory body the annual reports as prescribed by the regulatory body.

Section XII: Regulatory Jurisdiction

The parties recognize that some of the parties are public utility companies subject to regulation and control by governmental regulatory agencies. Therefore, the provisions of this Agreement shall be construed to be consistent with the lawful control and regulatory powers of any such agency. All books, records, accounts and other data in possession of any of the parties relating to the operations under the administration of this Agreement, shall during normal business hours be made available to any such agency engaged in the performance of its lawful function.

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Section XIII: Liability and Indemnification

PARENT assumes no liability for the obligations of the SUBSIDIARY SPECIFIC and the SUBSIDIARY SPECIFIC assumes no liability for the obligations of PARENT. Each party shall indemnify and hold harmless the other party, its directors, officers, employees, and agents from any and all loss, suit, action, or claim, including costs and attorneys' fees, by reason or injury, including death, to any person, or damage to property, arising from or in connection with, services provided by the indemnifying party for the other party pursuant to this Agreement, except for such injury or damage arising from the sole willful or sole gross negligence of the other party.

Section XIV: Binding Agreement

This agreement shall be binding upon and inure to the benefit of the successors of the parties hereto and shall be in full force and effect from its effective date and shall continue in full force and effect until terminated by either party.

Section XV: Applicable Law

The laws of the State of Kentucky shall govern the construction, interpretation, and performance of the Agreement.

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Section XVI: Warranty

PARENT warrants that all services provided under this Agreement by it, its employees, or its agents shall be performed in a workmanlike manner and in accordance with industry standards.

PARENT further warrants that all personnel furnished by PARENT shall be qualified to perform the tasks and functions to which they are assigned.

Section XVII: Compliance with Federal and State Laws and Regulations

PARENT and the SUBSIDIARY SPECIFIC agree to comply with the provisions of all applicable federal, state, county, and local laws, ordinances, regulations, and codes in the performance of this Agreement, including the procurement of permits and certificates where needed.

Section XVIII: Amendments, Modifications and Supplements

Amendments, modifications and supplements to this Agreement will be binding upon the SUBSIDIARY SPECIFIC and PARENT after the effective date, provided that the amendments, modifications, and supplements are in writing and signed by an authorized representative of both parties.

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Section XIX: Entire Agreement

This Agreement sets forth the entire Agreement and understanding between the parties as to the subject matter hereof and merges all prior discussions between them. Neither of the parties shall be bound by any conditions, definitions, warranties, understandings, or representations with respect to the subject matter of this Agreement other than as is expressly provided herein or is duly set forth on or subsequent to the date hereof in writing and signed by a proper and duly authorized officer of the party to be bound thereby.

Section XX: Severability

The parties hereby acknowledge that if any of the provisions of this Agreement are deemed invalid, unenforceable, or contrary to law, such invalidity, unenforceability or unlawfulness shall not invalidate, render unenforceable, or render unlawful the entire Agreement. Rather, the entire Agreement shall be construed as if it did not contain the particular invalid, unenforceable, or unlawful provision or provisions, and the rights and obligations of the parties shall be construed and enforced accordingly.

Section XXI: Headings

The headings in this Agreement are for convenience and shall not be construed to define or limit any of the terms herein or affect the meanings or interpretation of this Agreement.

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Section XXII: Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be original, but such counterparts shall together constitute but one and the same document.

In Witness Whereof, the parties have executed this Agreement through their duly authorized representatives this _____ day of _____, 2008.

PEOPLES RURAL TELEPHONE COOPERATIVE
CORPORATION, INC.

Signed _____

Title _____

MCKEE TELEVISION ENTERPRISES COMPANY, INC D/B/A
PEOPLES TELECOM, LLC

Signed _____

Title _____

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KY514 P - Peoples Rural Telephone Coop. Corp., Inc.
McKee, Kentucky

System Design and Loan Application

Sample Stock Certificates

7 CFR 1737.22(a)(4)

Not Applicable

Amounts of Stock Issued

7 CFR 1737.22(a)(5)

Not Applicable

Names of Principal Stock Holders

7 CFR 1737.22(a)(6)

Not Applicable

8/20/04

**AGREEMENT FOR FACILITIES-BASED NETWORK INTERCONNECTION AND
RECIPROCAL COMPENSATION FOR TRANSPORT AND TERMINATION OF
TELECOMMUNICATIONS TRAFFIC
(CMRS-LEC AGREEMENT)**

This Agreement, effective this 1st day of August, 2004, is made and entered into by and between East Kentucky Network, LLC d/b/a Appalachian Wireless, a limited liability company organized under the laws of the Commonwealth of Kentucky (hereinafter referred to as EKN) and Peoples Rural Telephone Cooperative Corporation, Inc. a corporation organized under the laws of the Commonwealth of Kentucky (hereinafter referred to as PRTC), as follows:

WITNESSETH:

WHEREAS, EKN is a Commercial Mobile Radio Services ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS; and

WHEREAS, PRTC is a local exchange carrier ("LEC") providing telecommunications services in the Commonwealth of Kentucky; and

WHEREAS, EKN desires to connect its facilities to those of PRTC in accordance with the terms and conditions of this Agreement and interchange traffic for the provision of telecommunications service; and

WHEREAS, PRTC is willing to provide such connection and interchange traffic for the provision of telecommunications service as provided herein;

NOW, THEREFORE, in consideration of the premises hereinafter contained, PRTC and EKN hereby agree as follows:

1. DESCRIPTION OF SERVICE

- 1.1 This Agreement provides PRTC equipment, facilities and services (referred to as "Service") for the interconnection and interchange of domestic public cellular radio telecommunications trafficked between EKN and PRTC.**
- 1.2 Service will be provided by an end office Type 1 interconnection arrangement as defined in Bell Communications Research publication TR-NPL-00145.**
- 1.3 This Type 1 interconnection provides for the termination of EKN originated calls to directory numbers in the local calling area (including EAS) of the specific PRTC exchange(s) and for the origination of calls from directory numbers in the local calling area (including EAS) of the specific PRTC**

exchange(s) that can be terminated directly to EKN customers via the connecting trunks provided pursuant to this Agreement.

- 1.4 Directory listings of EKN customers in PRTC directories are not included in the Service provided pursuant to this Agreement.

2. SERVICE PROVISION

- 2.1 Connecting trunks between any PRTC central office and the EKN Mobile Telephone Switching Office (MTSO) will be provided as mutually agreed to by the Parties.
- 2.2 Service will be provided by EKN placing an order to PRTC using the normal PRTC ordering procedures for connecting trunks between the PRTC central office and the EKN MTSO.
- 2.3 Signaling arrangements, digit out pulsing, answer and disconnect supervisory signaling and other equipment interconnection features will be as mutually agreed to by the Parties.

3. TROUBLE REPORTING, TESTING AND PROTECTION

- 3.1 In order to facilitate reporting of troubles and interruptions and to coordinate the restoration of Service provided to EKN by PRTC under this Agreement, PRTC will designate a Trouble Reporting Control Office (TRCO) and furnish to EKN a telephone number for such TRCO. Where possible, PRTC will provide EKN a seventy-two (72) hour advance notice of scheduled service interruptions affecting EKN operations.
- 3.2 When EKN reports a trouble or interrupted condition, it will first have used its best efforts to isolate the problem to the facilities of PRTC.
- 3.3 EKN and PRTC will make cooperative tests, as appropriate, to minimize trouble and interrupted conditions.
- 3.4 The characteristics and methods of operation of any circuits, facilities or equipment of EKN connected with circuits, facilities or equipment of PRTC pursuant to this Agreement shall not interfere with or impair other services of PRTC or its connecting and concurring carriers involved in such services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to the employees of any of them or to the public.

- 14 00 01 10.10 1000 1111
- 3.5 If such characteristics or methods of operation are not in accordance with Paragraph 3.4 above, PRTC will notify EKN of such discrepancy and non-compliance. EKN shall work diligently to correct any discrepancy or non-compliance. EKN shall immediately cease and desist any operation that interferes with or impairs the normal provisioning of telephone service to PRTC customers.

4. RATES AND CHARGES

- 4.1 EKN is responsible for the payment of all rates, charges and deposits due to PRTC under the terms of this Agreement.
- 4.2 Charges for Service provided pursuant to this Agreement shall consist of:
- (a) switched usage charges for terminating EKN traffic on the local exchange network,
 - (b) monthly recurring charges for connecting trunks between PRTC central offices and the EKN MTSO at the approved tariff rates in the intrastate access tariff of PRTC, and
 - (c) non-recurring and/or special construction charges as may be applicable to services or facilities requested by EKN.
- 4.3 Switched usage charges for the termination of EKN originated traffic interchanged with PRTC and destined to points on the local exchange network will be on an access minutes of use basis. Such traffic destined to points within the local calling scope of the PRTC central offices serving EKN will be at the rate of:
- Switched Usage Rate: \$0.0150
- 4.4 In the event that terminating access minutes cannot be measured, either on a temporary or permanent basis, the Parties will negotiate an assumed monthly minutes of use for purposes of Paragraph 4.2.
- 4.5 Monthly recurring charges, non-recurring charges and special construction charges for connecting trunks, special construction and other services and facilities as requested by EKN, will be invoiced to EKN at tariff or other applicable rates in accordance with normal PRTC billing procedures. The charges for connecting trunks within the EAB are shown on Exhibit No. 1, attached hereto and made a part hereof.

- 4.6 Exhibits to the Agreement may be added, deleted or modified as necessary to reflect changes in facilities requested, central office connections or changes in approved tariff rates.

5. DEPOSIT

Since EKN has established a satisfactory credit rating with PRTC, no deposit will be required for Service provided pursuant to this Agreement.

6. BILLING AND PAYMENT

- 6.1 PRTC will submit to EKN, no later than the tenth (10th) day of each month an invoice for the Service provided hereunder for the proceeding month pursuant to the rates and charges contained in Paragraph 4.
- 6.2 Payment is due upon receipt of invoice and considered past due in not received within thirty (30) days of the invoice date.
- 6.3 A delinquent charge of twelve percent (12%) per annum will be imposed on undisputed amounts past due.

7. MISCELLANEOUS

- 7.1 The performance of the Parties under this Agreement shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the reasonable control of the Parties.
- 7.2 Each Party agrees to indemnify and hold harmless the other Party for libel, slander, copyright, trademark or patent infringement arising from the provision of Service hereunder and claims for injuries or damages for the negligent or willful actions of the employees, agents, contractors or representatives of the indemnifying Party.
- 7.3 All information furnished by one Party to the other and identified as confidential by the furnishing Party, will not be distributed, provided or disclosed by the other Party except by order of a court or regulatory body of competent jurisdiction.
- 7.4 This Agreement may not be assigned by either Party without the written permission of the other Party, which shall not be unreasonably withheld.
- 7.5 All notices, demands, or requests which may be given by one Party to the other under this Contract (other than trouble reports and notice of interruption

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pursuant to Paragraph 3) shall be in writing and shall be deemed to have been duly given on the date delivered in person or deposited, postage, prepaid, in the United States Mail via certified mail return receipt requested, or sent via telex, telefax or cable, and addressed as follows:

Peoples Rural Telephone Cooperative Corp, Inc.
Hwy. 421 S.
P.O. Box 159
McKee, KY 40447

And to EKN, addressed as follows:

East Kentucky Network, LLC d/b/a Appalachian Wireless
P.O. Box 405
Prestonsburg, KY 41653

8. TERMINATION

- 8.1 The initial term of this Agreement shall be for one (1) year beginning with the effective date shown above and shall automatically renew for successive one (1) year terms unless terminated by either party upon sixty (60) days written notice prior to the expiration of any term, or as otherwise provided herein.
- 8.2 This Agreement shall terminate immediately upon the suspension, revocation or termination of the license or other authorization of EKN to provide Commercial Mobile Radio Services in the geographic area of PRTC.
- 8.3 This Agreement may be terminated by PRTC upon not less than thirty (30) days written notice to EKN, for failure to pay undisputed amounts past due PRTC pursuant to the provisions of this Agreement.
- 8.4 This Agreement may be terminated at any time mutual consent of both Parties and written notification thereof.

IN WITNESS WHEREOF, the Parties hereto execute this Agreement on this 14th day of July, 2004.

East Kentucky Network, LLC
d/b/a Appalachian Wireless

By: Laura Phipps

Printed: Laura Phipps

Title: General Manager

Peoples Rural Telephone
Cooperative Corporation, Inc.

By: Keith Gabbard

Printed: Keith Gabbard

Title: General Manager

KY514 P - Peoples Rural Telephone Coop. Corp., Inc.
McKee, Kentucky

System Design and Loan Application

Certified Copies of Existing Leases

7 CFR 1737.22(a)(9)

No Change

Certified Copies of Existing Franchises

7 CFR 1737.22(a)(10)

Not Applicable

Information on Required Franchises

7 CFR 1737.22(a)(11)

Not Applicable

FCC Authorizations

7 CFR 1737.22(a)(12)

Not Applicable

Assurances Required by the Uniform Act

7 CFR 1737.22(a)(18)

On File with RUS

KY514 P - Peoples Rural Telephone Coop. Corp., Inc.
McKee, Kentucky

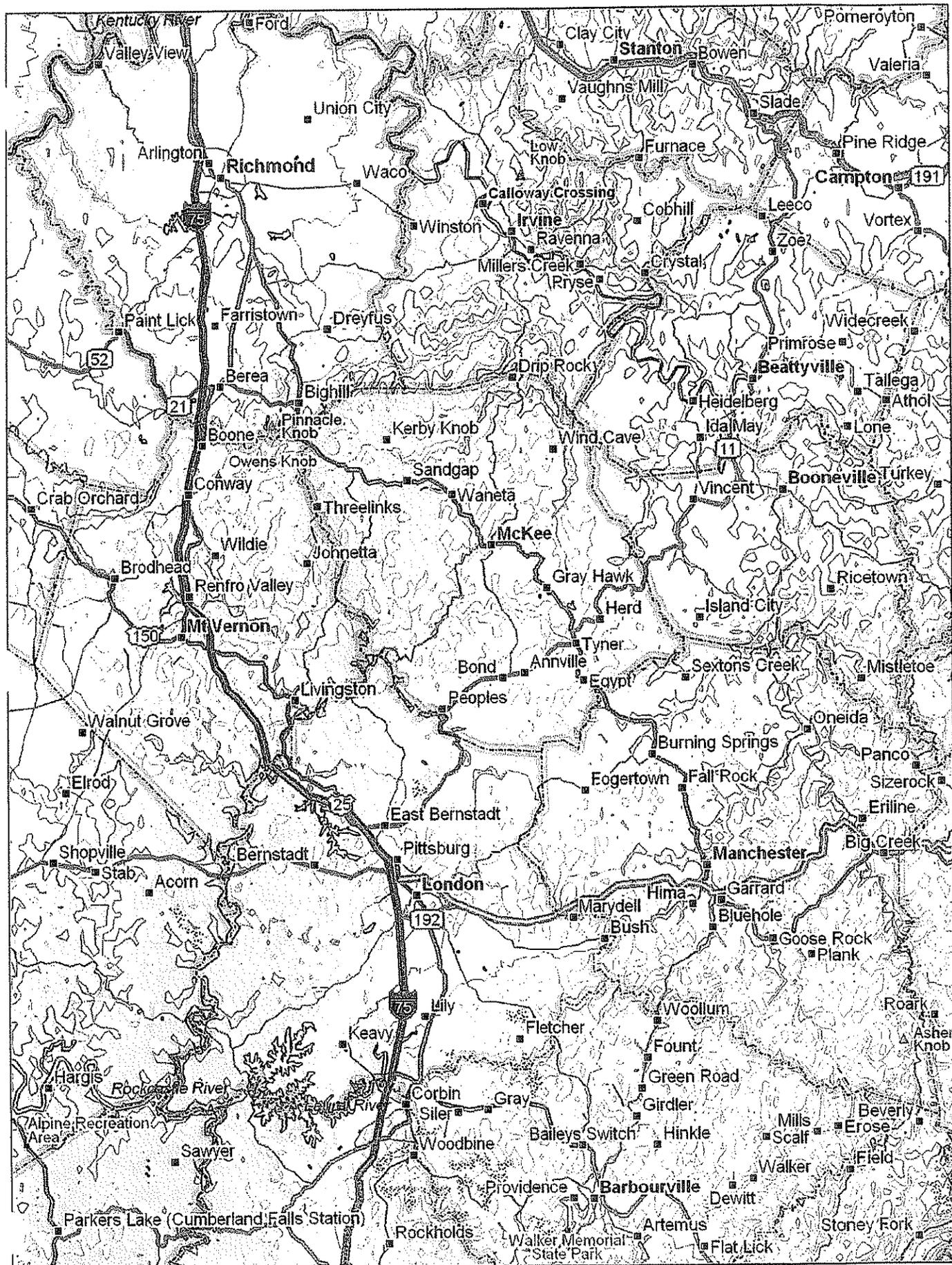
System Design and Loan Application

Area Coverage Statement

7 CFR 1735.51(b)

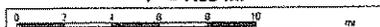
AREA COVERAGE STATEMENT

The borrower will provide adequate telephone service to the widest practical number of rural users during the life of this loan.



DELORME

Scale 1 : 500,000
1" = 7.99 mi



KY514 P - Peoples Rural Telephone Coop. Corp., Inc.
McKee, Kentucky

System Design and Loan Application

Urban/Rural Statement (if Applicable)

7 CFR 1737.52(b)

URBAN/RURAL STATEMENT

At the time of the 'A' Loan, there were no incorporated towns within the existing Peoples Rural Telephone Cooperative's certificated area which had a population of 5,000 or more. There have been no changes since the last loan.

RURAL UTILITIES SERVICE - USDA

NAME OF BORROWER

LOCAL SERVICE DATA FORM

Peoples Rural Telephone Coop. Corp., Inc.

Instructions -

BORROWER DESIGNATION

Form Data Revised 12-4-2007 LEA

KY 514

PART A - AREA COVERAGE DATA - TOTAL SYSTEM

EXCHANGES			EXISTING						PROPOSED					
<i>Use additional pages if necessary</i>			Access Lines			Rates			Access Lines			Rates		
Exchange	State	County	B1	R1	Other*	Total	B1	R1	B1	R1	Other*	Total	B1	R1
Annville	KY	Jackson	278	2,158	43	2,479	\$21.10	\$14.00	301	2,158	43	2,502	21.10	14.00
Booneville	KY	Owsley	295	1,670	90	2,055	21.10	14.00	319	1,670	90	2,079	21.10	14.00
McKee	KY	Jackson	455	1,636	197	2,288	21.10	14.00	493	1,636	197	2,326	21.10	14.00
Sand Gap	KY	Jackson	93	1,185	33	1,311	21.10	14.00	101	1,185	33	1,319	21.10	14.00
Total System			1,121	6,649	363	8,133			1,214	6,649	363	8,226		

Comments:

(*Describe "Other" Access Lines)

"Other" Access Lines include: Official (181), Key Lines (159), Pay Phone Lines (16), PABX (7)

RURAL UTILITIES SERVICE - USDA LOCAL SERVICE DATA FORM <i>Instructions -</i> <i>Form Data Revised 1-25-2008 LEA</i>	NAME OF BORROWER Peoples Rural Telephone Coop. Corp., Inc. BORROWER DESIGNATION KY 514
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PART B - ADDITIONAL REVENUE PRODUCING SERVICES - TOTAL SYSTEM
(Annual)

CUSTOM CALLING, CLASS FEATURES	Existing ⁽¹⁾		Proposed	
Description of Services	Number	Revenue	Number	Revenue
Peoples Choice	2,168	\$ 286,176	2,168	\$ 286,176
Call Forwarding	95	2,565	95	2,565
Three-Way Calling	13	429	13	429
Speed Dialing	11	528	11	528
Call Return	57	1,710	57	1,710
Call Screening	128	3,840	128	3,840
Call Trace	78	2,808	78	2,808
Caller Name	2,939	211,608	2,939	211,608
Call Waiting	969	34,884	969	34,884
Voice Mail	1,526	72,332	1,526	72,332
TCWP	256	7,680	256	7,680
Caller ID	120	5,760	120	5,760
Inside Wire Maintenance	7,725	115,875	7,725	115,875
Leased Phones	3,361	80,664	3,361	80,664
F-Secure	41	1,963	41	1,963
MOBILE TELEPHONE, CELLULAR, PCS	Existing ⁽¹⁾		Proposed	
Description of Services	Number	Revenue	Number	Revenue
Kentucky Network, LLC (Cellular and Carrier Transport)		\$ 1,711,006		\$ 2,000,000
DIAL-UP INTERNET	Existing ⁽¹⁾		Proposed	
Description of Services	Number	Revenue	Number	Revenue
Unlimited (19.95/month)	772	\$ 184,817	285	\$ 68,229
50 hours (12.95/month)	406	63,092	153	23,776
BROADBAND SERVICES, WIRED, WIRELESS, VIDEO	Existing ⁽¹⁾		Proposed	
Description of Services	Number	Revenue	Number	Revenue
Highspeed Internet (DSL & proposed FTTH)	1,642	\$ 219,062	3,619	\$ 482,817
Basic CATV & Proposed FTTH Video	1,484	(2)	4,976	(2)
Premium CATV & Proposed FTTH Video	468	(2)	1,569	(2)
OTHER REVENUE PRODUCING SERVICES	Existing ⁽¹⁾		Proposed	
Description of Services	Number	Revenue	Number	Revenue
Network Access		\$ 8,324,978		\$ 8,324,978
Carrier Billing & Collection		426,494		426,494
PRTC Long Distance		934,078		1,093,956
Interest		309,691		475,000
McKee Television ⁽²⁾		(24,526)		298,662

Comments:

⁽¹⁾ Existing Figures as of 12/31/2006

⁽²⁾ Revenue from Video Services are captured through McKee Television. For Details see tab W/23:Non-operating Net Income.

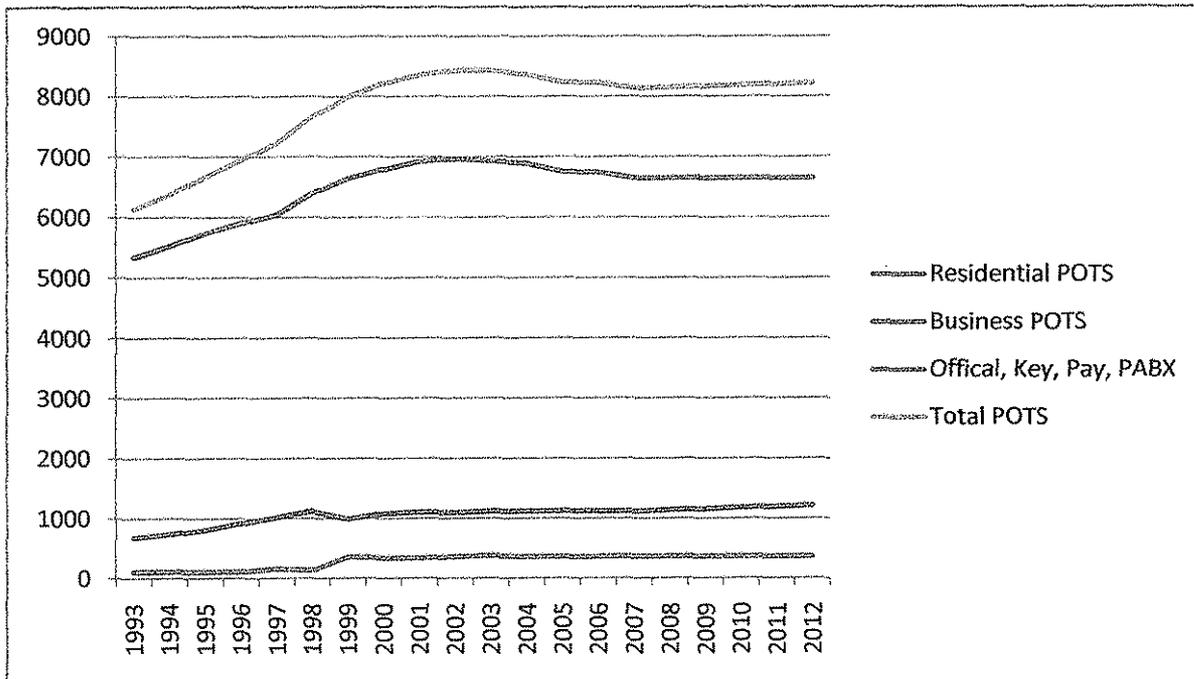
Peoples Rural Telephone Coop. Corp., Inc.

McKee, Kentucky

Access Lines Growth Prediction Chart

updated: 1-7-2008

<u>Year ending Dec-31</u>	<u>Residential POTS</u>	<u>Business POTS</u>	<u>Offical, Key, Pay, PABX</u>	<u>Total POTS</u>
1993	5335	686	110	6,131
1994	5518	741	110	6,369
1995	5737	813	110	6,660
1996	5902	921	116	6,939
1997	6042	1,019	161	7,222
1998	6,395	1,126	135	7,656
1999	6,637	994	355	7,986
2000	6,794	1,082	343	8,219
2001	6,919	1,107	335	8,361
2002	6,968	1,098	362	8,428
2003	6,932	1,120	378	8,430
2004	6,889	1,122	355	8,366
2005	6,752	1,123	358	8,233
2006	6,745	1,125	360	8,230
2007	6,649	1,121	363	8,133
2008	6,649	1,139	363	8,151
2009	6,649	1,157	363	8,169
2010	6,649	1,176	363	8,188
2011	6,649	1,194	363	8,206
2012	6,649	1,214	363	8,226



KY514P – Peoples Rural Telephone Cooperative Corporation, Inc.
Mckee, Kentucky

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KY514P – Peoples Rural Telephone Cooperative Corporation, Inc.
McKee, Kentucky

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PEOPLES RURAL TELEPHONE COOPERATIVE CORPORATION, INC.
McKee, Kentucky

SYSTEM DESIGN

NARRATIVE

(i) GENERAL

1) Introduction - Purpose and Scope:

Peoples Rural Telephone Cooperative Corporation, Inc. (PRTC) provides automatic dial, single-party telephone service to four numbered exchanges located in Jackson and Owsley Counties in southeastern Kentucky. The numbered exchanges are Annville (364), Booneville (593), McKee (287) and Sand Gap (965). PRTC was organized to provide telecommunications to persons residing in all parts of rural Jackson and Owsley Counties in Kentucky. With financial assistance from REA/RUS/RDUP, as of September 30, 2007, PRTC has grown to serve 8,133 single-party access lines, and consists of approximately 1,036 outside plant route miles and 489 drop miles.

The proposed "P" loan funds will provide facilities necessary to sustain an estimated 5-year growth to a total of 8,226 lines.

In order to upgrade the system to the required level to meet the demands indicated by increase bandwidth requirements and modest growth projections, the purposes for this loan are:

- Install Fiber-To-The-Home/Business Outside Plant facilities to approximately 50% of the entire system.
- Upgrade all Host and Remote access equipment from the rapidly exhausting capabilities of the existing circuit based AFC/Tellabs UMC1000 and EWSD platform to a 'Next Generation Digital Loop Carrier' (ngDLC) packet based platform to provide high speed digital access via xDSL and FTTH for the delivery of Triple-Play Multimedia broadband services (Voice, Data, and Video). Equipment cost estimates included herein do not include cost for equipment that can only be used for the purposes of delivery of video. Furthermore, Loan funds will not be used for equipment that can only be used for the delivery of video.
- Upgrade or Add packet based central office switching equipment from the existing Siemens EWSD platform to take advantage of the cost effectiveness and operational efficiency of a Soft Switch environment.
- Equip all wire centers with packet-based digital high-speed interfaces.
- Complete implementation of the core router network providing a high-speed transport backbone for the network.
- Minor additions of copper facilities to accommodate growth in isolated areas to replace distribution wire or where FTTH OSP facilities are unavailable or not immediately planned.
- Meet requirements of the State Telecommunications Modernization Plan (STMP).

In order for PRTC to have an outside plant design from which to work, the Engineer completed a detailed Area Coverage Survey (ACS) and OSP designs on Annville, Booneville, McKee and Sand Gap Exchanges in Jackson and Owsley Counties. A total outside plant (OSP) cost estimate was based on those detailed designs. The information leading to the development of these cost estimates has been derived from the best information available at the time. However, these could be subject to modification when field survey and staking are completed. These estimates are for budgetary purposes only.

2) Service Area Data:

PRTC service area comprises all of Jackson and Owsley Counties, mostly rural and relatively small towns. The terrain is generally hilly, typical of Appalachia. The valleys and hilltops provide a good base for residents to raise the main cash crop, tobacco. No interstate highways or major airports exist within the service area. Interstate 75 passes only a few miles west, affording north-south transportation, and the Daniel Boone Parkway passes just to the south of PRTC service area.

The residents primarily depend upon wage earning from business and manufacturing plants which are in the area and located nearby in larger cities. PRTC's service area located toward the west is growing more rapidly because of the accessibility to Interstate 75 and the short route to the cities of London and Berea. It is predicted that the residential access lines will remain somewhat constant while business access lines will continue to grow at a rate of about 1.6% a year.

3) Existing System:

3.1 General:

Utilizing RUS/REA loan funds as the primary source of investment capital, the existing PRTC system has been expanded to the point of providing single-party service for all subscribers and ADSL availability to 95%. The system provides toll free calls for all subscribers to their county seat. All toll traffic is sent to LD Carriers including AT&T(formerly Bell South) via East Kentucky Network over a bi-directional SONET network. One path being McKee to Winchester via Richmond, the other path from McKee to Winchester via Booneville, Grapevine, Hindman, Harold, Prestonsburg, Staffordsville, West Liberty, and Frenchburg.

3.2 Central Office:

All Central Office Equipment (COE) serving PRTC is digital equipment. The Siemens EWSD is currently operating with software issue 21 located in McKee and is the host office, operating as the network controller for the PRTC system. This office routes all toll in the system to all LD Carriers including AT&T(formerly Bell South), tickets said toll, and in normal operation delivers call setup information to its remotes. Annville, Sand Gap and Booneville Exchanges are equipped with EWSD remotes. There are seven Siemens/Stromberg-Carlson (S/S-C) Modified RLS 1000's and five S/S-C Modified RLS 450's operating in the system. These remotes are "true" remotes with no stand-alone capabilities of their own, no direct trunking capabilities, and all call processing for these remotes must be done by the Host EWSD. The switching equipment is summarized in Exhibit E: Existing Equipment.

3.3 Associated Facilities:

Utilizing "M" and "N" loan funds, fourteen Advanced Fibre Communications (AFC) Next Generation Digital Line Carrier (NGDLC) remotes were added in the Sand Gap, Booneville and McKee exchanges. These remotes vary in size from 48 access lines to 480 lines and summarized in Exhibit E: Existing Equipment. These remotes are currently being supported with GR303 interface.

Utilizing a combination of "N" loan funds and General Funds all offices (excluding existing AFC remotes) were equipped with AFC/Tellabs DSLAMS for the purpose of ADSL delivery. Siemens Accession DSLAMS were installed in the McKee, Booneville, Tyner, Gray Hawk, and Sand Gap office for ADSL delivery. The Siemens Accession equipment has since been Manufacturer Discontinued.

Utilizing "N" Loan funds, two OC-12 SONET rings were completed using Cisco 15454 and 15327 equipment. The network is comprised of eight 15454 terminals and 19 (nineteen) 15327 terminals. These expansion projects have implemented fiber optic cable and lightwave systems connecting each office for trunking of EAS and toll.

Associated Facilities contract N69 with Occam Networks installed four new remotes; three in Booneville: Sexton Creek, Stay, and Sturgeon; and one in McKee: Waneta. Through work orders currently under way, additional Occam access equipment is being installed in several remotes including the McKee Host, Annville Host, Dabolt, Olin, Tyner, and Letterbox remotes. Installation of Occam equipment in these existing remotes begins the process of replacing the Siemens Accession and AFC/Tellabs access equipment.

Associated Facilities contract N68 along with General funds were utilized to build the initial phased of the Cisco 7600 series router network. Routers have been installed in McKee, Booneville, Annville, Sand Gap, and the new Operations Center in McKee. This packet based (Ethernet) router network is the core transport facility used to support the new Occam remotes and all future remotes.

3.4 Outside Plant:

Copper OSP expansion was undertaken in all exchanges over the past several years. In this expansion, copper cable was added and existing aircore cable was replaced with filled copper cable, also PRTC is minimizing the use of distribution wire and where feasible, replacing existing distribution wire with filled copper cable. This expansion was sufficient for the design period and the available technologies for which it was built.

Fiber optic cable has been installed throughout the system to support all of the existing offices and remotes. The fiber cable has been sized to also provide diverse routing to as many remotes as possible and to allow for the implementation of a Bi-directional Line Switched Ring (BLSR). OSP additions are being completed as needs arise.

3.5 Land & Building:

All the COE equipment, including RST's is housed in environmentally controlled buildings with battery backup. The Annville and Sand Gap buildings are metal "Armco" type, all other buildings are more modern with brick and concrete masonry unit walls and concrete roofs. All buildings are well maintained and will be retained.

3.6 Auxiliary Power:

The COE equipment at Annville, Booneville, McKee and Sand Gap all have permanently mounted auxiliary power generators with automatic transfer switches installed. Prompted by severe winter weather and power outages, PRTC installed auxiliary power generators at all remaining buildings and larger remote cabinets (see Exhibit E: Existing Equipment for details). The remaining remotes are all equipped with emergency power connects and portable generators are available for power outages.

4) Long Range Planning:

PRTC maintains a progressive attitude toward keeping abreast of technology and providing the subscribers with a wide range of telecommunications related services. PRTC is providing full state-of-the-art, digital-signaling facilities, along with the additional vertical services as they become available. PRTC is actively involved in providing cellular telephone service within the serving area. Given that many of the future services are going to require broad-band capability, PRTC plans to implement fiber-to-the-home/premise OSP construction. This will allow the use of the new broadband technologies in the system, and will minimize copper cable construction cost and plant maintenance in the interim. COE planning will continue in the existing direction of providing a single point of presence for the entire system, providing capabilities of performing all maintenance, monitoring, testing and controlling functions from the McKee host office. PRTC continues to provide full state-of-the-art, digital-signaling facilities, along with the new related services as they become available. Diverse routing and support for remotes will continually be a goal so that uninterrupted service will be provided to the subscribers.

The design strategy is to provide a master plan that provides an orderly and cost effective transition from existing POTS to present and advanced telecommunication services, taking advantage of existing facilities wherever possible. Ladd Engineering Associates, Inc. (LEA) has provided a master plan for development that paints a clear direction for the future, giving criteria for plant additions and modifications while leaving the timing and equipment to be market and availability driven.

Future planning includes consideration of broadband and new equipment that will be capable (as it is built or with additional equipment) of transmitting multimedia broadband to all subscribers. Long range planning also involves consideration of RUS long-term goals in tune with other emerging technologies that will be monitored and new technology employed wherever and whenever technically and economically feasible.

5) Intermediate Planning:

Leading towards the long-range planning goals expressed above in addition to and accordance with the State Telecommunications Modernization Plan (STMP), PRTC proposes to upgrade or replace the existing Siemens EWSD/DCO network of switches to enable features which will improve operating efficiency and expand service offerings. During this design period, all offices and remotes will be equipped with NGDLC capable of providing the immediate need for higher speed broadband via ADSL2+ and evolving to fiber to the home/premise functionality. These remote upgrades will be in existing buildings and some remote cabinets and existing AFC/Tellabs remotes will be replaced with new pad mounted remotes on leased property with sufficient room for later expansion. These remotes will be located at existing sites; thus, most if not all customers will be within 5 miles.

Many of the future services are going to require broadband capability at greater speeds. PRTC plans to utilize FTTH outside plant loops of approximately 5 miles. This design will support speeds nearing 1 GigaBytes/sec. Our preference is to build the plant for the future. FTTP developments will be constantly monitored for its ability to deliver signals at a reasonable cost. In areas where the facilities are not adequate and are significantly depreciated, we will look at placing FTTP in conjunction with or in place of existing facilities.

6) Cost Summary:

1. Central Office Equipment	\$ 930,000
2. Electronic Equipment	6,017,700
3. Outside Plant	10,742,839
4. Station Equipment	0
5. Land & Building	0
6. Miscellaneous (Specific)	0
7. Removal Costs	20,000
8. Engineering	3,612,777
9. Unencumbered Funds	<u>(2,123,316)</u>
 TOTAL "P" LOAN FUNDS	 \$19,200,000

(ii) SUBSCRIBER DATA

1. History and Projections:

By June 1996, with two years remaining in the "M" loan forecast period, the number of access lines predicted by the "M" loan, REA Forms 569 for June 1997, had been surpassed. When reviewing REA form 479, PRTC has historically and consistently increased in growth through 2001. This increased growth trend leveled off between 2001 and 2003 at which time growth in residential POTS began to decline while business POTS maintained small growth. The use of cell phones and the elimination of 2nd lines used for dial-up Internet access are believed to be the major contributing factors to this decline.

The region is part of the federally mandated Empowerment Zone and the influx of federal funds has been a significant contributing factor in the growth of the area. Some positive impact to the area several new manufacturing facilities were recently completed in the larger towns adjacent to PRTC service area. Major road improvements leading into the area are also expected to have a positive impact on the growth rate of the area.

We anticipate a leveling off of the POTS decline and project a dramatic increase in the number of video subscribers. While we have little indication that video customer increase will come primarily from existing POTS subscribers, we project the current level of subscriber lines overall will be maintained and begin to show positive growth during the loan design period. This projection is based on a proposed aggressive marketing campaign along with price discounts traditionally associated with bundling of services.

Total Business Lines of 1,742 was reported in the 2006 Operations Report. This number did not include the 176 Service lines. All business line calculations on the Operating Reports include Modem Lines which are not actually physical POTS lines rather interface the switch through T1's. As a result, modem lines were subtracted from previously reported business lines yielding the business line totals found herein. The total number of modem lines in 2006 was 433 along with 360 Official, Key, PABX, and Pay lines. The calculation for 2006 business lines: $1,742 + 176 - 433 - 360 = 1,125$.

2. Access Line Growth Graph:

A graphic presentation of the growth history and projections of PRTC is presented along with Form 569-Local Service Data. During the design period, this graph demonstrates a steady number of residential and other POTS lines while maintaining a very modest growth in Business lines. We are projecting a stoppage in the decrease of residential POTS lines as we believe growth will soon become positive as a result of triple-play bundling of services and the associated price discount to customers.

(iii) PROPOSED CONSTRUCTION

1. Central Office Equipment:

The existing Siemens EWSD switching equipment is expected to be replaced in the later stage of this loan design. The replacement cost as proposed is based on a soft switch network design. This future solution is to replace the class 5 EWSD equipment with a (Voice over IP) VoIP network using media gateways and associated routers that efficiently handle packets of data. During this design period evolving subscriber services will require options such as, to continue the EWSD equipment in its present configuration and cap the existing switch capacity and migrate to a soft switch platform. Under both circuit and packet based networks, PRTC will continue to be CALEA compliant. Additionally, when required, the power boards, associated battery, and emergency power equipment will be reviewed and upgraded as necessary. These options are budgeted for and will be implemented at the time a Central Office Contract is required.

The analysis and cost estimates presented in Exhibit C: Equipment Estimates are based on the MetaSwitch and Occam product line for budgetary purposes only and no recommendation or endorsement of this equipment is intended. At the time a Central Office Equipment Contract is required, all known equipment manufacturers (RUS listed) will be analyzed to meet current and future requirements. The final decision on the type of equipment to be used will be based upon pricing and feature availability.

All offices will be equipped with POTS and high-speed data lines. The minimum number of equipped lines is to be 15% over the 5-year growth. All new and existing switching equipment will continue to provide custom-calling features, in addition to providing CLASS calling features to each PRTC member served.

2. Associated Facilities:

During the previous design periods, PRTC has linked all remotes in the system with fiber optic cable and light wave systems. During this design, PRTC proposes to replace existing access platforms with packet based systems that can continue to provide for copper access while seamlessly evolving to fiber-to-the-home/premise. Equipment is included for the termination at the subscriber premise.

PRTC is currently running two separate but parallel systems for transport and trunking. The SONET network, made up of the Cisco 15454 and 15327 platform, and the router network, made up of Cisco 7600 series routers. As a part of the associated facilities package, PRTC plans to upgrade the timing and control network in the Cisco 15454/15327 SONET gear. Two additional Cisco 7600 series routers are expected to be installed during the design period.

3. Outside Plant:

This design is based on fiber-to-the-home/premise delivery while continuing to modestly, only as required, expand the current copper based platform used today. Facilities that have the longest life and most robust delivery capability must be used to reap the greatest returns on investment. Fiber To The Premise (FTTP) delivery is maturing; its cost to bandwidth delivered efficiencies and life expectancy is becoming an effective alternative to copper. FTTP is a cost effective application for a long-term solution in the replacement of aerial, air core, and new development. New copper placement is projected to outlive its bandwidth capacity and has been proposed sparingly to provide for the near-term needs of the traditional POTS and data subscriber.

FTTP is proposed for approximately 50% of the total route miles of the PRTC system. Areas slated in this loan design period are primarily those without existing video service. Funds are also provided for service drops, including Network Interface Devices (NID's), for 60% of homes passed over the 5-year design period. Detailed cost and mileage estimates can be found in Exhibit B: OSP Estimates.

Plans and Specifications are currently underway for the Booneville Host area. We have included costs estimates for this area in this P loan application for this project which will be funded from the N loan. The costs are therefore subtracted from the total P loan amount through N loan unencumbered funds of \$2,123,316. This project is included in the P loan so that in the unlikely event N loan funds fall short (deficient) to complete this project, P loan fund will be available for such purpose.

4. Station Equipment:

No funds are included herein for station equipment, with the exception of network termination devices.

5. Land and Buildings:

No funds are included herein for Land and Buildings.

6. Removals:

Any facilities removed from service will be properly disposed.

7. Environmental Considerations:

The Environmental Report (ER) is submitted in generic form and is being submitted as part of this loan design for review by RUS. No problems are anticipated which would limit or prevent construction. Site-specific ER reports as required for any new construction areas will be submitted at the time a final plans have been completed.

(iv) SERVICE AREA STATEMENT

No additions, modifications or deletions from the existing incumbent service area boundaries are anticipated within this planning period. No construction for purposes of customer service is proposed outside these boundaries.

(v) TOLL AND EAS STATEMENT

No change in the toll center or existing EAS pattern is proposed during this design period.

(vi) RADIO TELEPHONE SERVICE STATEMENT

There are cellular telephone and PCS systems operational in the area. (Owned by others).

(vii) SPECIAL PROJECTS STATEMENT

There is no single subscriber within the PRTC area requiring an expenditure of \$100,000 or more. No special projects oriented to one single subscriber of this magnitude are anticipated within this design period.

(viii) NON RURAL INVESTMENT STATEMENT

No incorporated areas within the service boundary exceeded 5,000 in population at the time of the original REA loan. Therefore, none of the proposed funding will be spent within non-rural areas.

(ix) PRIOR LOAN DEFICIENCY STATEMENT

All prior loan funds have been exhausted for several years representing zero loan deficiency.

(x) ROUTE MILES STATEMENT

This system design covers the entire PRTC system. Therefore, all of the route miles are presented within this plan (see also RUS form 495). Refer to the trunking diagram for distances between wire centers.

(xi) FUTURE PLANNING STATEMENT

The system design described herein includes the entire service area.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number for this information collection is 0572-0079. The time required to complete this information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE LOAN DESIGN SUMMARY	NAME OF BORROWER Peoples Rural Telephone Coop. Corp., Inc. BORROWER and LOAN DESIGNATION KY514 P LAST YEAR-END DATE 12/31/2007		
INSTRUCTIONS - Prepare one copy of this form for each copy of the Loan Design. For further information, see RUS Bulletin 1737-2. Submission is required.			
PART A. PROPOSED EXPENDITURES			
PROPOSED CAPITAL EXPENDITURES	TOTAL	RUS FINANCING	(FOR RUS USE ONLY)
TOTAL EXCHANGE CONSTRUCTION BUDGET FROM FORM 495(s)	CONSTRUCTION (\$)	REQUESTED (\$)	FINANCING APPROVED
1. SYSTEM			
2. McKee	5,189,607	5,189,607	
3. Annville	3,534,036	3,534,036	
4. Booneville	6,481,894	6,481,894	
5. Sand Gap	2,505,002	2,505,002	
6.			
7.			
8.			
9.			
10.			
A. TOTAL PROPOSED CONSTRUCTION BUDGET (Sum of all exchanges)	17,710,539	17,710,539	0
SYSTEM ENGINEERING BUDGET			
1. PRELOAN ENGINEERING	17,000	17,000	
2. CONSTRUCTION ENGINEERING	3,595,777	3,595,777	
B. TOTAL PROPOSED ENGINEERING BUDGET	3,612,777	3,612,777	0
SUPPORT ASSETS			
1. FURNITURE & OFFICE EQUIPMENT			
2. GENERAL PURPOSE COMPUTERS			
3. VEHICLES			
4. WORK EQUIPMENT			
C. TOTAL PROPOSED SUPPORT & OTHER ASSETS	0	0	0
TOTAL PROPOSED CAPITAL EXPENDITURES (A+B+C)	21,323,316	21,323,316	0
PROPOSED OTHER EXPENDITURES			
1. REFINANCING & DEBT RETIREMENT			
2. ACQUISITIONS			
3. COMPLETE PRIOR LOAN PROJECTS	-2,123,316	-2,123,316	
4. OTHER			
D. TOTAL PROPOSED OTHER EXPENDITURES	-2,123,316	-2,123,316	0
TOTAL PROPOSED EXPENDITURES (A+B+C+D)	19,200,000	19,200,000	0
PART B. PROPOSED FINANCING			
	PER FRS NO. 213	(FOR RUS USE ONLY)	(FOR RUS USE ONLY)
	DATED 8/22/07	Adjustment	New Project Budget
PRIOR RUS LOAN FUNDS AVAILABLE			
1. CENTRAL OFFICE EQUIPMENT RESERVES	1,641,008		
2. OUTSIDE PLANT & STATION EQUIPMENT RESERVES	482,808		
3. LAND & BUILDINGS RESERVES			
4. ENGINEERING RESERVES			
5. OFFICE EQUIPMENT RESERVES			
6. VEHICLES AND WORK EQUIPMENT RESERVES			
7. GENERAL & OTHER RESERVES			
8. ENCUMBERED BUT UNADVANCED FUNDS			
E. TOTAL PRIOR RUS LOAN FUNDS AVAILABLE	2,123,316	0	0
NONRUS FUNDS AVAILABLE			
1. CASH & OTHER FUNDS			
2. MATERIALS AVAILABLE FOR CONSTRUCTION			
F. TOTAL NONRUS FUNDS AVAILABLE	0	0	0
TOTAL FUNDS AVAILABLE FOR PROPOSED EXPENDITURES (E+F)	2,123,316	0	0
NET RUS FINANCING			0
NET PROPOSED EXPENDITURES			0
REMARKS:			
The Outside Plant and Electronics additions for the Booneville Host area FTTH project are included in these estimates and will be primarily financed with unencumbered N Loan funds.			

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number for this information collection is 0572-0079. The time required to complete this information is estimated to average 14 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completion and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE CONSTRUCTION COST ESTIMATES	NAME OF BORROWER Peoples Rural Telephone Coop. Corp., Inc. BORROWER and LOAN DESIGNATION KY514 P NAME OF EXCHANGE _____ STATE KY
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INSTRUCTIONS - Prepare one copy of this form for each copy of the Loan Design. For further information, see RUS Bulletin 1737-2. Submission is required.

PART A. PROPOSED CONSTRUCTION BUDGET (LOAN DESIGN)			TOTAL CONSTRUCTION (\$)	RUS FINANCING REQUESTED (\$)	(FOR RUS USE ONLY) FINANCING APPROVED
CENTRAL OFFICE & ELECTRONIC EQUIPMENT					
	Description				
1.	NEW SWITCH	Softswitch Network	930,000	930,000	
2.	ADDITIONS				
3.	UPGRADE				
4.	OPERATOR SYSTEMS				
5.	RADIO SYSTEMS				
6.	TOLL ELECTRONICS				
7.	EAS ELECTRONICS		5,639,200	5,639,200	
8.	LOCAL SERVICE ELECTRONICS	Broadband Access Terminals	378,500	378,500	
9.	OTHER	Transport Additions			
10.	REMOVALS				
11.	SUBTOTAL COE & ELECTRONIC EQUIP. (1 thru 10)		6,947,700	6,947,700	0
OUTSIDE PLANT					
		ROUTE MILES			
12.	BURIED PLANT - METAL	13.3	261,604	261,604	
13.	BURIED PLANT - FIBER	186.4	3,208,771	3,208,771	
14.	AERIAL PLANT - METAL	31.8	383,396	383,396	
15.	AERIAL PLANT - FIBER	513.9	6,834,068	6,834,068	
16.	AERIAL PLANT - POLES				
17.	CONDUIT & MANHOLE SYSTEMS				
18.	UNDERGROUND CABLE - METAL				
19.	UNDERGROUND CABLE - FIBER				
20.	OTHER (Describe)		75,000	75,000	
21.	REMOVALS				
22.	ROW PROCUREMENT		10,762,839	10,762,839	0
23.	SUBTOTAL OUTSIDE PLANT (12 thru 22)				
LAND & BUILDINGS					
	Location	Size (sq. ft.)			
24.	CO BUILDING				
25.	HQ BUILDING				
26.	WAREHOUSE / GARAGE				
27.	LAND				
28.	OTHER (Describe)				
29.	REMOVALS		0	0	0
30.	SUBTOTAL LAND & BUILDINGS (24 thru 29)		17,710,539	17,710,539	0
35.	TOTAL EXCHANGE CONSTRUCTION BUDGET (11+23+30)				

PART B. ROUTE MILES OF PLANT (Including drops)	PART D. EAS	EXCHANGE
1. EXISTING TO REMAIN AS IS: 794.6	1. EXISTING SERVICE	
2. EXISTING TO BE MODIFIED 879.0		
3. NEW ROUTE 21.3		
4. ROUTE RELINQUISHED 0.0		

PART C. TELECOMMUNICATIONS PLANT RETIRED		
TYPE	ORIGINAL COST (\$)	SALVAGE (\$)
1. COE & ELECTRONIC EQUIPMENT		
2. OUTSIDE PLANT		
3. LAND & BUILDINGS		

REMARKS:

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number for this information collection is 0572-0079. The time required to complete this information is estimated to average 14 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE CONSTRUCTION COST ESTIMATES	NAME OF BORROWER Peoples Rural Telephone Coop. Corp., Inc.	
BORROWER and LOAN DESIGNATION KY514 P		
NAME OF EXCHANGE McKee		STATE KY
INSTRUCTIONS - Prepare one copy of this form for each copy of the Loan Design. For further information, see RUS Bulletin 1737-2. Submission is required.		

PART A. PROPOSED CONSTRUCTION BUDGET (LOAN DESIGN)			
	TOTAL CONSTRUCTION (\$)	RUS FINANCING REQUESTED (\$)	(FOR RUS USE ONLY) FINANCING APPROVED
CENTRAL OFFICE & ELECTRONIC EQUIPMENT			
Description			
1. NEW SWITCH	930,000	930,000	
2. ADDITIONS			
3. UPGRADE			
4. OPERATOR SYSTEMS			
5. RADIO SYSTEMS			
6. TOLL ELECTRONICS			
7. EAS ELECTRONICS			
8. LOCAL SERVICE ELECTRONICS	1,397,857	1,397,857	
9. OTHER	174,400	174,400	
10. REMOVALS			
11. SUBTOTAL COE & ELECTRONIC EQUIP. (1 thru 10)	2,502,257	2,502,257	
OUTSIDE PLANT			
	ROUTE MILES		
12. BURIED PLANT - METAL	3.6	82,241	82,241
13. BURIED PLANT - FIBER	54.7	1,098,369	1,098,369
14. AERIAL PLANT - METAL	8.1	79,959	79,959
15. AERIAL PLANT - FIBER	124.7	1,401,781	1,401,781
16. AERIAL PLANT - POLES			
17. CONDUIT & MANHOLE SYSTEMS			
18. UNDERGROUND CABLE - METAL			
19. UNDERGROUND CABLE - FIBER			
20. OTHER (Describe)			
21. REMOVALS		25,000	25,000
22. ROW PROCUREMENT			
23. SUBTOTAL OUTSIDE PLANT (12 thru 22)	2,687,350	2,687,350	
LAND & BUILDINGS			
	Location	Size (sq. ft.)	
24. CO BUILDING			
25. HQ BUILDING			
26. WAREHOUSE / GARAGE			
27. LAND			
28. OTHER (Describe)			
29. REMOVALS			
30. SUBTOTAL LAND & BUILDINGS (24 thru 29)			
35. TOTAL EXCHANGE CONSTRUCTION BUDGET (11+23+30)	5,189,607	5,189,607	

PART B. ROUTE MILES OF PLANT (including drops)	PART D. EAS	EXCHANGE
1. EXISTING TO REMAIN AS IS: <u>214.7</u>	1. EXISTING SERVICE	
2. EXISTING TO BE MODIFIED <u>173.8</u>		
3. NEW ROUTE <u>5.6</u>		
4. ROUTE RELINQUISHED		
PART C. TELECOMMUNICATIONS PLANT RETIRED	2. NEW SERVICE	
TYPE	ORIGINAL COST (\$)	SALVAGE (\$)
1. COE & ELECTRONIC EQUIPMENT		
2. OUTSIDE PLANT		
3. LAND & BUILDINGS		

REMARKS:

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number for this information collection is 0572-0079. The time required to complete this information is estimated to average 14 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		NAME OF BORROWER	
CONSTRUCTION COST ESTIMATES		Peoples Rural Telephone Coop. Corp., Inc.	
INSTRUCTIONS - Prepare one copy of this form for each copy of the Loan Design. For further information, see RUS Bulletin 1737-2. Submission is required.		BORROWER and LOAN DESIGNATION	
		KY514 P	
		NAME OF EXCHANGE	STATE
		Annville	KY
PART A. PROPOSED CONSTRUCTION BUDGET (LOAN DESIGN)			
CENTRAL OFFICE & ELECTRONIC EQUIPMENT	Description	TOTAL CONSTRUCTION (\$)	RUS FINANCING REQUESTED (\$)
			(FOR RUS USE ONLY) FINANCING APPROVED
1. NEW SWITCH			0
2. ADDITIONS			
3. UPGRADE			
4. OPERATOR SYSTEMS			
5. RADIO SYSTEMS			
6. TOLL ELECTRONICS			
7. EAS ELECTRONICS			
8. LOCAL SERVICE ELECTRONICS	Broadband Access Terminals	987,577	987,577
9. OTHER	Transport Additions	29,700	29,700
10. REMOVALS			
11. SUBTOTAL COE & ELECTRONIC EQUIP. (1 thru 10)		1,017,277	1,017,277
			0
OUTSIDE PLANT			
	ROUTE MILES		
12. BURIED PLANT - METAL	5.7	110,205	110,205
13. BURIED PLANT - FIBER	68.1	1,132,442	1,132,442
14. AERIAL PLANT - METAL	8.3	98,995	98,995
15. AERIAL PLANT - FIBER	88.6	1,161,117	1,161,117
16. AERIAL PLANT - POLES			
17. CONDUIT & MANHOLE SYSTEMS			
18. UNDERGROUND CABLE - METAL			
19. UNDERGROUND CABLE - FIBER			
20. OTHER (Describe)			
21. REMOVALS		14,000	14,000
22. ROW PROCUREMENT			
23. SUBTOTAL OUTSIDE PLANT (12 thru 22)		2,516,759	2,516,759
			0
LAND & BUILDINGS			
	Location	Size (sq. ft.)	
24. CO BUILDING			
25. HQ BUILDING			
26. WAREHOUSE / GARAGE			
27. LAND			
28. OTHER (Describe)			
29. REMOVALS			
30. SUBTOTAL LAND & BUILDINGS (24 thru 29)			
30. SUBTOTAL LAND & BUILDINGS (24 thru 29)			0
35. TOTAL EXCHANGE CONSTRUCTION BUDGET (11+23+30)		3,534,036	3,534,036
			0
PART B. ROUTE MILES OF PLANT (including drops)		PART D. EAS	
1. EXISTING TO REMAIN AS IS:	281.2	1. EXISTING SERVICE	
2. EXISTING TO BE MODIFIED	144.2		
3. NEW ROUTE	4.5		
4. ROUTE RELINQUISHED	0.0		
PART C. TELECOMMUNICATIONS PLANT RETIRED		2. NEW SERVICE	
TYPE	ORIGINAL COST (\$)	SALVAGE (\$)	
1. COE & ELECTRONIC EQUIPMENT			
2. OUTSIDE PLANT			
3. LAND & BUILDINGS			
REMARKS:			

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number for this information collection is 0572-0079. The time required to complete this information is estimated to average 14 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE CONSTRUCTION COST ESTIMATES	NAME OF BORROWER Peoples Rural Telephone Coop. Corp., Inc. BORROWER and LOAN DESIGNATION KY514 P NAME OF EXCHANGE Booneville
INSTRUCTIONS - Prepare one copy of this form for each copy of the Loan Design. For further information, see RUS Bulletin 1737-2. Submission is required.	STATE KY

PART A. PROPOSED CONSTRUCTION BUDGET (LOAN DESIGN)			
	TOTAL CONSTRUCTION (\$)	RUS FINANCING REQUESTED (\$)	(FOR RUS USE ONLY) FINANCING APPROVED
CENTRAL OFFICE & ELECTRONIC EQUIPMENT			
Description			
1. NEW SWITCH		0	
2. ADDITIONS			
3. UPGRADE			
4. OPERATOR SYSTEMS			
5. RADIO SYSTEMS			
6. TOLL ELECTRONICS			
7. EAS ELECTRONICS			
8. LOCAL SERVICE ELECTRONICS	Broadband Access Terminals 2,340,498	2,340,498	
9. OTHER	Transport Additions 144,700	144,700	
10. REMOVALS			
11. SUBTOTAL COE & ELECTRONIC EQUIP. (1 thru 10)	2,485,198	2,485,198	0
OUTSIDE PLANT			
	ROUTE MILES		
12. BURIED PLANT - METAL	1.8	21,039	21,039
13. BURIED PLANT - FIBER	43.6	446,118	446,118
14. AERIAL PLANT - METAL	9.5	134,961	134,961
15. AERIAL PLANT - FIBER	225.3	3,370,578	3,370,578
16. AERIAL PLANT - POLES			
17. CONDUIT & MANHOLE SYSTEMS			
18. UNDERGROUND CABLE - METAL			
19. UNDERGROUND CABLE - FIBER			
20. OTHER (Describe)			
21. REMOVALS		24,000	24,000
22. ROW PROCUREMENT			
23. SUBTOTAL OUTSIDE PLANT (12 thru 22)	3,896,696	3,896,696	0
LAND & BUILDINGS			
	Location	Size (sq. ft.)	
24. CO BUILDING			
25. HQ BUILDING			
26. WAREHOUSE / GARAGE			
27. LAND			
28. OTHER (Describe)			
29. REMOVALS			
30. SUBTOTAL LAND & BUILDINGS (24 thru 29)		0	0
35. TOTAL EXCHANGE CONSTRUCTION BUDGET (11+23+30)		6,481,894	6,481,894
PART B. ROUTE MILES OF PLANT (including drops)		PART D. EAS EXCHANGE	
1. EXISTING TO REMAIN AS IS:	132.3	1. EXISTING SERVICE	
2. EXISTING TO BE MODIFIED	260.8		
3. NEW ROUTE	8.1		
4. ROUTE RELINQUISHED	0.0		
PART C. TELECOMMUNICATIONS PLANT RETIRED		2. NEW SERVICE	
TYPE	ORIGINAL COST (\$)	SALVAGE (\$)	
1. COE & ELECTRONIC EQUIPMENT			
2. OUTSIDE PLANT			
3. LAND & BUILDINGS			

REMARKS:
 The Outside Plant and Electronics additions for the Booneville Host area FTTH project are included in these estimates and will be primarily financed with unencumbered N Loan funds.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0079. The time required to complete this information is estimated to average 14 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE CONSTRUCTION COST ESTIMATES		NAME OF BORROWER Peoples Rural Telephone Coop. Corp., Inc.		
		BORROWER and LOAN DESIGNATION KY514 P		
INSTRUCTIONS - Prepare one copy of this form for each copy of the Loan Design. For further information, see RUS Bulletin 1737-2. Submission is required.		NAME OF EXCHANGE Sand Gap	STATE KY	
PART A. PROPOSED CONSTRUCTION BUDGET (LOAN DESIGN)				
CENTRAL OFFICE & ELECTRONIC EQUIPMENT	Description	TOTAL CONSTRUCTION (\$)	RUS FINANCING REQUESTED (\$)	
1. NEW SWITCH			0	
2. ADDITIONS				
3. UPGRADE				
4. OPERATOR SYSTEMS				
5. RADIO SYSTEMS				
6. TOLL ELECTRONICS				
7. EAS ELECTRONICS				
8. LOCAL SERVICE ELECTRONICS	Broadband Access Terminals	913,268	913,268	
9. OTHER	Transport Additions	28,700	29,700	
10. REMOVALS				
11. SUBTOTAL COE & ELECTRONIC EQUIP. (1 thru 10)		942,968	942,968	
OUTSIDE PLANT				
	ROUTE MILES			
12. BURIED PLANT - METAL	2.2	48,119	48,119	
13. BURIED PLANT - FIBER	28.0	531,842	531,842	
14. AERIAL PLANT - METAL	5.9	69,481	69,481	
15. AERIAL PLANT - FIBER	75.3	900,592	900,592	
16. AERIAL PLANT - POLES				
17. CONDUIT & MANHOLE SYSTEMS				
18. UNDERGROUND CABLE - METAL				
19. UNDERGROUND CABLE - FIBER				
20. OTHER (Describe)				
21. REMOVALS		12,000	12,000	
22. ROW PROCUREMENT				
23. SUBTOTAL OUTSIDE PLANT (12 thru 22)		1,562,034	1,562,034	
LAND & BUILDINGS				
	Location	Size (sq. ft.)		
24. CO BUILDING				
25. HQ BUILDING				
26. WAREHOUSE / GARAGE				
27. LAND				
28. OTHER (Describe)				
29. REMOVALS				
30. SUBTOTAL LAND & BUILDINGS (24 thru 29)		0	0	
35. TOTAL EXCHANGE CONSTRUCTION BUDGET (11+23+30)		2,505,002	2,505,002	
PART B. ROUTE MILES OF PLANT (including drops)		PART D. EAS		
1. EXISTING TO REMAIN AS IS:	168.4	EXCHANGE 1. EXISTING SERVICE		
2. EXISTING TO BE MODIFIED	100.2			
3. NEW ROUTE	3.1			
4. ROUTE RELINQUISHED	0.0			
PART C. TELECOMMUNICATIONS PLANT RETIRED		2. NEW SERVICE		
TYPE	ORIGINAL COST (\$)			SALVAGE (\$)
1. COE & ELECTRONIC EQUIPMENT				
2. OUTSIDE PLANT				
3. LAND & BUILDINGS				
REMARKS:				

Peoples Rural Telephone coop. Corp., Inc.
 McKee, Kentucky

'P' Loan OSP Cost Estimate Summary
 revised 1-21-2008 JMS

OSP Construction

McKee - Fiber	179.4 Miles	\$2,107,900		
Copper	11.7 Miles	162,200		
Removals		25,000		
Drops	523 Drops	<u>392,250</u>	\$2,687,350	
Annville - Fiber	148.7 Miles	\$1,752,059		
Copper	14.0 Miles	209,200		
Removals		14,000		
Drops	722 Drops	<u>541,500</u>	\$2,516,759	
Booneville - Fiber	268.9 Miles	\$2,718,696		
Copper	11.3 Miles	156,000		
Removals		24,000		
Drops	1,464 Drops	<u>1,098,000</u>	\$3,996,696	
Sand Gap - Fiber	103.3 Miles	\$1,185,684		
Copper	8.1 Miles	117,600		
Removals		12,000		
Drops	329 Drops	<u>246,750</u>	<u>\$1,562,034</u>	\$10,762,839

Drop Cost Estimate

Drop Cable (275 Feet @ \$1.15/foot)	\$316.25
Enclosure (Prorated at 50% of \$750)	325.00
Splice & Test (each End @\$35 each)	70.00
Pig Tail	38.75
	<hr/>
Total OSP Cost per Drop	\$750.00

Note: The Outside Plant and Electronics additions for the Booneville Host area FTTH project are included in these estimates and will be primarily financed with unencumbered N Loan funds.

Peoples Rural Telephone Coop. Corp., Inc.
 McKee, Kentucky

P Loan Cable Additions Summary

revised 1-28-2008

	<u>McKee</u>		<u>Annville</u>		<u>Booneville</u>		<u>Sand Gap</u>		<u>Totals</u>	
	<u>Miles</u>	<u>Cost</u>	<u>Miles</u>	<u>Cost</u>	<u>Miles</u>	<u>Cost</u>	<u>Miles</u>	<u>Cost</u>	<u>Miles</u>	<u>Cost</u>
<u>FIBER</u>										
Aerial OSP	105.8	\$1,181,855	66.2	\$886,982	161.4	\$2,400,919	62.8	\$745,457	396.2	\$5,215,213
Aerial Drops	18.9	\$219,926	22.4	\$274,135	63.9	\$969,659	12.5	\$155,135	117.7	\$1,618,855
Total Aerial Fiber	124.7	\$1,401,781	88.6	\$1,161,117	225.3	\$3,370,578	75.3	\$900,592	513.9	\$6,834,068
Buried OSP	46.4	\$926,045	44.9	\$865,077	31.2	\$317,777	23.4	\$440,227	145.9	\$2,549,126
Buried Drops	8.3	\$172,324	15.2	\$267,365	12.4	\$128,341	4.6	\$91,615	40.5	\$659,645
Total Buried Fiber	54.7	\$1,098,369	60.1	\$1,132,442	43.6	\$446,118	28	\$531,842	186.4	\$3,208,771
<u>METAL</u>										
Aerial Copper	8.1	\$79,959	8.3	\$98,995	9.5	\$134,961	5.9	\$69,481	31.8	\$383,396
Removals		\$25,000		\$14,000		\$24,000		\$12,000		\$75,000
Total Aerial Metal	8.1	\$104,959	8.3	\$112,995	9.5	\$158,961	5.9	\$81,481	31.8	\$458,396
Buried Copper	3.6	\$82,241	5.7	\$110,205	1.8	\$21,039	2.2	\$48,119	13.3	\$261,604
Total Buried Metal	3.6	\$82,241	5.7	\$110,205	1.8	\$21,039	2.2	\$48,119	13.3	\$261,604
Total New Fiber	179.4	\$2,500,150	148.7	\$2,293,559	268.9	\$3,816,696	103.3	\$1,432,434	700.3	\$10,042,839
Total New Copper	11.7	\$187,200	14	\$223,200	11.3	\$180,000	8.1	\$129,600	45.1	\$720,000
Construction Totals	191.1	\$2,687,350	162.7	\$2,516,759	280.2	\$3,996,696	111.4	\$1,562,034	745.4	\$10,762,839

New Fiber Drop Count

Aerial	364	430	1,227	240	2,261
Buried	159	292	237	89	777
Total	523	722	1,464	329	3,038

Note: The Outside Plant and Electronics additions for the Booneville Host area FTTH project are included in these estimates and will be primarily financed with unencumbered N Loan funds.

Peoples Rural Telephone coop. Corp., Inc.
McKee, Kentucky

'P' Loan Outside Plant & Drops Cost Estimate
revised 12-5-2007 JMS

	Route Miles	FTTH OSP Cost		Existing Drops	Active Subscribers	Estimated FTTH Drops	FTTH Drop Cost	
						60%	\$750	
McKee Exchange								
Loan Proposal								
Russell Flat	10.8	\$170,055		104	77	62	\$46,500	
Salt Rock	15.3	171,831		73	64	44	33,000	
Flat Top	9.4	111,605		22	22	13	9,750	
Laurel Branch	7.1	121,737		24	20	14	10,500	
Drip Rock	9.9	134,271		52	31	31	23,250	
Jack's Branch	25.6	386,996		183	136	110	82,500	
Mt. Bethel	24.9	339,083		97	87	58	43,500	
Lakes Creek	17.7	262,557		145	98	87	65,250	
Blackwater	31.5	409,765	\$2,107,900	174	136	671	104	\$392,250
				874			523	
Future Proposals								
Host	52.3	\$935,114 *		1,338	1,142			
Gray Hawk	43.7	670,838 *		580	475			
Wanetta	11.1	194,263 *		148				
	107.1	\$1,800,215		2,066	1,617			
McKee Exchange Total:								\$2,500,150

Annville Exchange								
Loan Proposal								
Host	59.3	\$980,526		918	701	551	\$413,250	
High Knob	32.3	489,653		184	149	110	\$82,500	
Union School	19.5	281,880	\$1,752,059	102	67	917	61	\$45,750
				1,204			722	\$541,500
Future Proposals								
Olin	26.2	\$417,527 *		283	335			
Dabolt	16.6	273,706 *		214	164			
Moore's Creek	36.8	539,344 *		221	186			
Hog Camp	25.5	380,134 *		164	130			
Tyner	51.0	866,580 *		609	522			
Letterbox	33.2	541,370 *		274	225			
	189.3	3,018,661		1,765	1,562			
Annville Exchange Total:								\$2,293,559

Sand Gap Exchange								
Loan Proposal								
Three Links	5.9	\$102,119		54	46	32	\$24,000	
Pine Grove	19.1	257,177		101	76	61	45,750	
Kirby Knob/Alcorn	27.5	359,430		141	44	85	63,750	
Chestnut Flat	12.9	191,120		77	52	46	34,500	
Walkers Branch	10.9	148,311		58	35	35	26,250	
South Fork	9.9	127,527	\$1,185,684	116	87	340	70	52,500
				547			329	\$246,750
Future Proposals								
Host	45.7	\$689,360 *		689	546			
Clover Bottom	25.8	389,488 *		348	222			
Morrill	25.6	351,426 *		294	203			
	97.1	\$1,430,274		1,331	971			
Sand Gap Exchange Total:								\$1,432,434

Booneville Exchange								
Loan Proposal								
Host	63.1	\$895,383		1,383	1,009	830	\$622,500	
Island City	14.9	183,159		111	78	67	50,250	
Pebworth	14.1	237,329		207	107	124	93,000	
Stay	10.5	119,102		55		33	24,750	
Sturgeon	13.7	211,920		135		81	60,750	
Lucky Fork	10.1	117,812		23		14	10,500	
Mistletoe	6.3	94,414		18		11	8,250	
White Oak	22.4	297,656		151	125	91	68,250	
Sexton Creek	12.4	129,747		36		22	16,500	
LeRose	26.1	432,174	\$2,718,696	319	156	1,475	191	143,250
				2,438			1,464	\$1,098,000
Future Proposals								
Vincent	30.9	\$504,486 *		243	163			
Cowcreek	27.0	376,206 *		168	108			
Travelers Rest	25.3	322,605 *		111	207			
Indian Creek	17.1	200,924 *		93	102			
	100.3	\$1,404,221		615	580	3,403	3,038	
	1,035.9	493.8	\$42.1	7,653,371	10,840	8,133		
Booneville Exchange Total:								\$3,816,696

Total Estimated FTTH OSP Cost: \$7,764,339 Total Estimated FTTH Drop Cost: \$2,278,500

Total Miles of Construction	Route Miles	Drops	Total Estimated OSP and Drop Cost:	Proposed Loan	Build Everything
	542.1		\$10,042,839	\$20,295,710	
	158.2		Total Estimated FTTH Drops: 3,038	6,504	
	700.3 Miles		Average Cost per Subscriber: \$3,306	\$3,120	
			Average Cost per Mile: \$14,340	\$14,764	1,375 Miles

*FTTH Outside plant for remote areas indicated with a * are NOT included in this loan application.

Note: The Outside Plant and Electronics additions for the Booneville Host area FTTH project are included in these estimates and will be primarily financed with unencumbered N Loan funds.

MCKEE-(MT. BETHEL)-FTTH--BY ROUTE
2/22/07

*Notes: Remote Moved To (Rt.L) Ped27.
Routes And Pole/Ped Numbers Will Change .
Now (Rt.K) From Ped28 To P38 Are Part Of Jack's Branch Remote.

Unit	Loaded Cost	Footage			Footage			Unit Totals	Extended Totals
		<u>Rt. K</u>	Loops 15%	Extended	<u>Rt. L</u>	Loops 15%	Extended		
CO48	\$2.69		0	\$0	3,200	3,680	\$9,899	3,680	\$9,899
CO36	\$2.43	3,300	3,795	\$9,222		0	\$0	3,795	\$9,222
CO24	\$2.38	2,400	2,760	\$6,569	7,800	8,970	\$21,349	11,730	\$27,918
CO12	\$1.74	14,800	17,020	\$29,615	31,550	36,283	\$63,132	<u>53,303</u>	<u>\$92,747</u>
								72,508	\$139,786
BFO96	\$4.62		0	\$0	11,400	13,110	\$60,568	13,110	\$60,568
BFO60	\$4.08	7,300	8,395	\$34,252		0	\$0	8,395	\$34,252
BFO24	\$3.09		0	\$0	8,500	9,775	\$30,205	9,775	\$30,205
BFO12	\$2.70	12,520	14,398	\$38,875	11,400	13,110	\$35,397	<u>27,508</u>	<u>\$74,272</u>
								58,788	\$199,297
Totals		40,320	46,368	\$118,533	73,850	84,928	\$220,550	131,296	\$339,083

MCKEE-(DRIP ROCK)-FTTH--BY ROUTE
2/26/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. U</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. T</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO48	\$2.69		0	\$0	1,650	1,898	\$5,106	1,898	\$5,106
CO24	\$2.38	10,200	11,730	\$27,917	8,100	9,315	\$22,170	21,045	\$50,087
CO12	\$1.74	5,200	5,980	\$10,405	9,800	11,270	\$19,610	17,250	\$30,015
								<u>40,193</u>	<u>\$85,208</u>
BFO60	\$4.08	9,700	11,155	\$45,512		0	\$0	11,155	\$45,512
BFO48	\$3.86		0	\$0	800	920	\$3,551	920	\$3,551
								<u>12,075</u>	<u>\$49,063</u>
Totals		25,100	28,865	\$83,834	20,350	23,403	\$50,437	52,268	\$134,271

MCKEE-(SALT ROCK)-FTTH--BY ROUTE
2/26/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. Q</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. V</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. W</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO72	\$3.02		0	\$0		0	\$0	4,400	5,060	\$15,281	5,060	\$15,281
CO60	\$2.82		0	\$0		0	\$0	4,200	4,830	\$13,621	4,830	\$13,621
CO48	\$2.69		0	\$0	7,800	8,970	\$24,129		0	\$0	8,970	\$24,129
CO36	\$2.43		0	\$0	6600	7,590	\$18,444		0	\$0	7,590	\$18,444
CO24	\$2.38	8300	9,545	\$22,717		0	\$0		0	\$0	9,545	\$22,717
CO12	\$1.74	4,900	5,635	\$9,805	11,600	13,340	\$23,212	22,300	25,645	\$44,622	44,620	\$77,639
Totals		13,200	15,180	\$32,522	26,000	29,900	\$65,785	30,900	35,535	\$73,524	80,615	\$171,831

MCKEE-(JACKS BRANCH)-FTTH--BY ROUTE
2/26/07

NOTE: Part of Mt. Bethel (Rt. K-Ped 28 to End) are now part of Jack's Branch.

Unit	Loaded Cost	Footage Rt. J	Loops 15%	Extended	Footage Rt. J1	Loops 15%	Extended	Footage Rt. M	Loops 15%	Extended	Unit Totals	Extended Totals
CO108	\$3.97	3,300	3,795	\$15,066							3,795	\$15,066
CO72	\$3.02		0	\$0				1,500	1,725	\$5,210	1,725	\$5,210
CO36	\$2.43	3,200	3,680	\$8,942	0	0	\$0	4,200	4,830	\$11,737	8,510	\$20,679
CO24	\$2.38		0	\$0	12,700	14,605	\$34,760	5,400	6,210	\$14,780	20,815	\$49,540
CO12	\$1.74	15,150	17,423	\$30,316	13,600	15,640	\$27,214	14,250	16,388	\$28,515	49,451	\$86,045
											84,296	\$176,539
BFO120	\$4.93		0	\$0	5,450	6,268	\$30,901		0	\$0	6,268	\$30,901
BFO96	\$4.62	10,100	11,615	\$53,661		0	\$0		0	\$0	11,615	\$53,661
BFO84	\$4.53		0	\$0	2,400	2,760	\$12,503		0	\$0	2,760	\$12,503
BFO72	\$4.29		0	\$0		0	\$0	5,800	6,670	\$28,614	6,670	\$28,614
BFO60	\$4.08	4,800	5,520	\$22,522		0	\$0		0	\$0	5,520	\$22,522
BFO36	\$3.47	5,800	6,670	\$23,145	9,000	10,350	\$35,915		0	\$0	17,020	\$59,059
BFO24	\$3.09		0	\$0	200	230	\$711		0	\$0	230	\$711
BFO12	\$2.70		0	\$0	800	920	\$2,484		0	\$0	920	\$2,484
											51,003	\$210,455
Totals		42,350	48,703	153,652	44,150	50,773	144,488	31,150	35,823	\$88,856	135,299	\$386,995

MCKEE-(BLACKWATER)-FTTH--BY ROUTE
2/26/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. N</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt.P</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO192	\$5.22	0	0	\$0		0	\$0	0	\$0
CO144	\$4.54	8,300	9,545	\$43,334		0	\$0	9,545	\$43,334
CO96	\$3.78	6,400	7,360	\$27,821		0	\$0	7,360	\$27,821
CO60	\$2.82		0	\$0	2,600	2,990	\$8,432	2,990	\$8,432
CO48	\$2.69		0	\$0	4,950	5,693	\$15,314	5,693	\$15,314
CO36	\$2.43	10,950	12,593	\$30,601	7,200	8,280	\$20,120	20,873	\$50,721
CO24	\$2.38	6,300	7,245	\$17,243	6,600	7,590	\$18,064	14,835	\$35,307
CO12	\$1.74	35,350	40,653	\$70,736	39,650	45,598	\$79,341	86,251	\$150,077
								<u>147,547</u>	<u>\$331,007</u>
BFO192	\$5.63	1,900	2,185	\$12,302		0	\$0	2,185	\$12,302
BFO108	\$4.78		0	\$0	8,700	10,005	\$47,824	10,005	\$47,824
BFO12	\$2.70	5,350	6,153	\$16,613	650	748	\$2,020	6,901	\$18,633
								<u>19,091</u>	<u>\$78,758</u>
Totals		74,550	85,734	\$218,650	70,350	80,904	\$191,115	166,638	\$409,765

MCKEE-(LAKES CREEK)-FTTH--BY ROUTE
2/27/07

Unit	Loaded Cost	Footage Rt. C	Loops 15%	Extended	Footage Rt. D	Loops 15%	Extended	Footage Rt. E	Loops 15%	Extended	Unit Totals	Extended Totals
											3,565	\$16,185
CO144	\$4.54	3,100	3,565	\$16,185			\$0			\$0	6,325	\$17,837
CO60	\$2.82	5,500	6,325	\$17,837			\$0			\$0	4,255	\$11,446
CO48	\$2.69	3,700	4,255	\$11,446			\$0			\$0	5,923	\$14,393
CO36	\$2.43	1,950	2,243	\$5,450	3,200	3,680	\$8,942			\$0	11,098	\$26,413
CO24	\$2.38	2,900	3,335	\$7,937	1,650	1,898	\$4,517	5,100	5,865	\$13,959	31,568	\$54,928
CO12	\$1.74	4,200	4,830	\$8,404	4,750	5,463	\$9,506	18,500	21,275	\$37,019	62,734	\$141,202
											8,970	\$49,066
BFO180	\$5.47	7,800	8,970	\$49,066			\$0			\$0	16,445	\$57,064
BFO36	\$3.47		0	\$0	14,300	16,445	\$57,064			\$0	2,415	\$7,462
BFO24	\$3.09	2,100	2,415	\$7,462			\$0			\$0	2,875	\$7,763
BFO12	\$2.70	2,500	2,875	\$7,763			\$0			\$0	30,705	\$121,355
Totals		33,750	38,813	131,550	23,900	27,486	80,029	23,600	27,140	\$50,978	93,439	\$262,557

MCKEE-(RUSSELL FLAT)-FTTH--BY ROUTE
2/26/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. R</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt.S</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
								3,105	\$7,545
CO36	\$2.43	2,700	3,105	\$7,545			0	6,670	\$15,875
CO24	\$2.38	5,800	6,670	\$15,875			0	21,391	\$37,220
CO12	\$1.74	9,350	10,753	\$18,710	9,250	10,638	\$18,510	<u>31,166</u>	<u>\$60,640</u>
								10,350	\$52,164
BFO144	\$5.04	9,000	10,350	\$52,164			0	3,105	\$14,066
BFO84	\$4.53	2,700	3,105	\$14,066			0	8,855	\$34,180
BFO48	\$3.86		0	\$0	7,700	8,855	\$34,180	3,335	\$9,005
BFO12	\$2.70	500	575	\$1,553	<u>2,400</u>	<u>2,760</u>	<u>\$7,452</u>	<u>25,645</u>	<u>\$109,414</u>
								56,811	\$170,055
Totals		30,050	34,558	\$109,913	19,350	22,253	\$60,142		

ANNVILLE-(HOST)-FTTH BY ROUTE
4/10/2007

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.A</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt.B</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO288	\$6.43	9,860	11,339	\$72,910	3,760	4,324	\$27,803	15,663	\$100,713
CO180	\$5.02	3,560	4,094	\$20,552		0	\$0	4,094	\$20,552
CO156	\$4.66	5,250	6,038	\$28,137		0	\$0	6,038	\$28,137
CO144	\$4.54	310	357	\$1,621	5,510	6,337	\$28,770	6,694	\$30,391
CO108	\$3.97		0	\$0	1,060	1,219	\$4,839	1,219	\$4,839
CO96	\$3.78	1,500	1,725	\$6,521		0	\$0	1,725	\$6,521
CO84	\$3.39		0	\$0	3,742	4,303	\$14,587	4,303	\$14,587
CO72	\$3.02	7,090	8,154	\$24,625		0	\$0	8,154	\$24,625
CO60	\$2.82	3,570	4,106	\$11,579		0	\$0	4,106	\$11,579
CO48	\$2.69	4,910	5,647	\$15,190	8,310	9,557	\$25,708	15,204	\$40,899
CO36	\$2.43	4,090	4,704	\$11,431	5,480	6,302	\$15,314	11,006	\$26,745
CO24	\$2.38	18,850	21,678	\$51,594	10,490	12,064	\$28,712	33,742	\$80,306
CO12	\$1.74	37,745	43,407	\$75,528	38,080	43,792	\$76,198	87,199	\$151,726
Aerial Total								199,147	541,620
BFO288	\$6.86	4,250	4,888	\$33,532	800	920	\$6,311	5,808	\$39,843
BFO156	\$5.20		0	\$0	6,450	7,418	\$38,574	7,418	\$38,574
BFO144	\$5.04	4,140	4,761	\$23,995	1,700	1,955	\$9,853	6,716	\$33,849
BFO108	\$4.78		0	\$0	570	656	\$3,136	656	\$3,136
BFO96	\$4.62	4,560	5,244	\$24,227		0	\$0	5,244	\$24,227
BFO84	\$4.53		0	\$0	5,000	5,750	\$26,048	5,750	\$26,048
BFO72	\$4.29	4,170	4,796	\$20,575		0	\$0	4,796	\$20,575
BFO60	\$4.08	9,570	11,006	\$44,904	2,850	3,278	\$13,374	14,284	\$58,279
BFO48	\$3.86		0	\$0	3,790	4,359	\$16,826	4,359	\$16,826
BFO36	\$3.47	12,370	14,226	\$49,364	3,145	3,617	\$12,551	17,843	\$61,915
BFO24	\$3.09	7,900	9,085	\$28,073	650	748	\$2,311	9,833	\$30,384
BFO12	\$2.70	18,790	21,609	\$58,344	9,040	10,396	\$28,069	32,005	\$86,414
Buried Total								114,712	440,070
Totals		162,485	186,864	\$602,702	110,427	126,995	\$378,984	313,859	\$981,690

ANNVILLE-(HIGH KNOB)-FTTH BY ROUTE

4/23/07

Unit	Loaded Cost	Footage Rt V	Loops 15%	Extended	Footage Rt. W	Loops 15%	Extended	Footage Rt. Y	Loops 15%	Extended	Unit Totals	Extended Totals
CO192	\$5.22		0	\$0	7,140	8,211	\$42,861		0	\$0	8,211	\$42,861
CO72	\$3.02		0	\$0		0	\$0	410	472	\$1,425	472	\$1,425
CO60	\$2.82	5,830	6,705	\$18,908		0	\$0		0	\$0	6,705	\$18,908
CO48	\$2.69		0	\$0		0	\$0		0	\$0	0	\$0
CO36	\$2.43	3,760	4,324	\$10,507	12,960	14,904	\$36,217		0	\$0	19,228	\$46,724
CO24	\$2.38	1,860	2,139	\$5,091	6,542	7,523	\$17,905	6,780	7,797	\$18,557	17,459	\$41,552
CO12	\$1.74	5,800	6,670	\$11,606	16,056	18,464	\$32,127	12,570	14,456	\$25,153	39,590	\$68,887
											91,665	\$220,358
BFO84	\$4.53		0	\$0		0	\$0	850	978	\$4,430	978	\$4,430
BFO72	\$4.29		0	\$0	6,970	8,016	\$34,389	9,460	10,879	\$46,671	18,895	\$81,060
BFO60	\$4.08		0	\$0	5,820	6,693	\$27,307		0	\$0	6,693	\$27,307
BFO48	\$3.86		0	\$0		0	\$0	6,250	7,188	\$27,746	7,188	\$27,746
BFO36	\$3.47		0	\$0	5,270	6,061	\$21,032		0	\$0	6,061	\$21,032
BFO24	\$3.09	2,470	2,841	\$8,779	4,170	4,796	\$14,820	1,340	1,541	\$4,762	9,178	\$28,360
BFO12	\$2.70	5,390	6,199	\$16,737	4,840	5,566	\$15,028	13,460	15,479	\$41,793	27,244	\$73,559
											76,237	\$263,494
Totals		25,110	28,878	\$71,628	69,768	80,234	\$241,686	51,120	58,790	\$170,537	\$167,902	\$483,852

ANNVILLE-(UNION SCHOOL)-FTTH BY ROUTE
4/2/2007

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.AA</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. BB</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO60	\$2.82	340	391	\$1,103	8,100	9,315	\$26,268	9,706	\$27,371
CO48	\$2.69	1,130	1,300	\$3,497		0	\$0	1,300	\$3,497
CO36	\$2.43		0	\$0	2,060	2,369	\$5,757	2,369	\$5,757
CO24	\$2.38	8,570	9,856	\$23,457	4,770	5,486	\$13,057	15,342	\$36,514
CO12	\$1.74	22,880	26,312	\$45,783	3,040	3,496	\$6,083	29,808	\$51,866
								<u>58,525</u>	<u>\$125,004</u>
BFO120	\$4.93	2,870	3,301	\$16,274		0	\$0	3,301	\$16,274
BFO72	\$4.29		0	\$0	3,210	3,692	\$15,839	3,692	\$15,839
BFO60	\$4.08	9,380	10,787	\$44,011		0	\$0	10,787	\$44,011
BFO36	\$3.47	3,410	3,922	\$13,609		0	\$0	3,922	\$13,609
BFO24	\$3.09	10,260	11,799	\$36,459		0	\$0	11,799	\$36,459
BFO12	\$2.70	9,350	10,753	\$29,033	1,060	1,219	\$3,291	11,972	\$32,324
								<u>45,473</u>	<u>\$158,516</u>
Totals		68,190	78,421	213,226	22,240	25,577	\$70,295	103,998	\$283,521

BOONEVILLE-(HOST)-FT in BY ROUTE

4/25/07

NOTE: BOUNDARY CHANGES AT LEROSE, STAY, AND PEBWORTH.

Unit	Loaded Cost	Footage			Footage			Footage			Footage			Unit Totals	Extended Totals			
		Rt.A	Loops 15%	Extended	Rt.B	Loops 15%	Extended	Rt.C	Loops 15%	Extended	Rt.D	Loops 15%	Extended			Rt.E	Loops 15%	Extended
CO228	\$5.66	6,495	7,469	\$42,275		0	\$0	7,400	8,510	\$48,167		0	\$0		0	\$0	15,979	\$90,441
CO204	\$5.34		0	\$0	7,950	9,143	\$48,824		0	\$0		0	\$0	3,600	4,140	\$22,108	13,283	\$70,931
CO180	\$5.02		0	\$0		0	\$0		0	\$0		0	\$0	3,600	4,140	\$20,783	4,140	\$20,783
CO168	\$4.86	1,970	2,266	\$11,013		0	\$0		0	\$0	6,250	7,188	\$34,934		0	\$0	9,454	\$45,946
CO144	\$4.54	1,300	1,495	\$6,787	1,650	1,898	\$8,617		0	\$0		0	\$0		0	\$0	3,393	\$15,404
CO120	\$4.16		0	\$0		0	\$0	850	978	\$4,068	2,300	2,645	\$11,003	2,800	3,220	\$13,395	6,843	\$28,467
CO108	\$3.97	2,960	3,404	\$13,514	1,200	1,380	\$5,479		0	\$0		0	\$0	1,100	1,265	\$5,022	6,049	\$24,015
CO96	\$3.78		0	\$0	5,950	6,843	\$25,867	7,400	8,510	\$32,168	6,250	7,188	\$27,171		0	\$0	22,541	\$85,205
CO72	\$3.02	4,381	5,038	\$15,215		0	\$0	2,250	2,588	\$7,816	800	920	\$2,778	4,600	5,290	\$15,976	13,836	\$41,785
CO60	\$2.82	2,257	2,596	\$7,321	7,440	8,556	\$24,128		0	\$0	2,500	2,875	\$8,108		0	\$0	14,027	\$39,556
CO48	\$2.69		0	\$0	110	127	\$342	2,340	2,691	\$7,239	750	863	\$2,321	2,950	3,393	\$9,127	7,074	\$19,029
CO36	\$2.43	6,505	7,481	\$18,179	4,750	5,463	\$13,275		0	\$0	4,500	5,175	\$12,575	1,650	1,898	\$4,612	20,017	\$48,641
CO24	\$2.38	2,094	2,408	\$5,731	7,670	8,821	\$20,994	10,160	11,684	\$27,808	7,420	8,533	\$20,309	14,650	16,848	\$40,098	48,294	\$114,940
CO12	\$1.74	12,242	14,078	\$24,496	20,800	23,920	\$41,621	18,851	21,679	\$37,721	19,860	22,839	\$39,740	13,050	15,008	\$26,114	97,524	\$169,692
																	282,454	\$814,835
BFO228	\$6.06	100	115	\$697		0	\$0	150	173	\$1,048		0	\$0		0	\$0	288	\$1,745
BFO204	\$5.76		0	\$0	150	173	\$996		0	\$0		0	\$0	100	115	\$662	288	\$1,659
BFO180	\$5.47		0	\$0		0	\$0		0	\$0		0	\$0	100	115	\$629	115	\$629
BFO168	\$5.33		0	\$0		0	\$0		0	\$0	100	115	\$613		0	\$0	115	\$613
BFO144	\$5.04	100	115	\$580	150	173	\$872		0	\$0		0	\$0		0	\$0	288	\$1,452
BFO108	\$4.78		0	\$0	2,170	2,496	\$11,931		0	\$0		0	\$0		0	\$0	2,496	\$11,931
BFO96	\$4.62		0	\$0		0	\$0	150	173	\$799	100	115	\$531		0	\$0	288	\$1,331
BFO72	\$4.29		0	\$0		0	\$0		0	\$0	100	115	\$493		0	\$0	115	\$493
BFO60	\$4.08		0	\$0	150	173	\$706		0	\$0		0	\$0	2,000	2,300	\$9,384	2,473	\$10,090
BFO48	\$3.86		0	\$0	6,780	7,797	\$30,096		0	\$0		0	\$0		0	\$0	7,797	\$30,096
BFO12	\$2.70	464	534	\$1,442	2,740	3,151	\$8,508		0	\$0	800	920	\$2,484	2,600	2,990	\$8,073	7,595	\$20,507
																	21,858	\$80,546
Totals		40,868	46,999	\$147,250	69,660	80,114	\$242,256	49,551	56,986	\$166,834	51,730	59,491	\$163,060	52,800	60,722	\$175,983	304,312	\$895,381
											Total Footage			264,609			304,312	

BOONEVILLE-(ISLAND CITY)-FTTH BY ROUTE
4/25/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.S</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. T</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO120	\$4.16		0	\$0	2,000	2,300	\$9,568	2,300	\$9,568
CO60	\$2.82		0	\$0	2,300	2,645	\$7,459	2,645	\$7,459
CO48	\$2.69	7,000	8,050	\$21,655		0	\$0	8,050	\$21,655
CO36	\$2.43		0	\$0	5,000	5,750	\$13,973	5,750	\$13,973
CO24	\$2.38	17,100	19,665	\$46,803	18,050	20,758	\$49,404	40,423	\$96,207
CO12	\$1.74	2,300	2,645	\$4,602	14,840	17,066	\$29,695	19,711	\$34,297
	Totals	26,400	30,360	\$73,060	42,190	48,519	\$110,099	78,879	\$183,158
								78,879	
					Total Footage:	68,590			

BOONEVILLE-(PEBWORTH)-FTTH BY ROUTE
4/25/27

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.K</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. L</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
								6,061	\$27,517
CO144	\$4.54	5,270	6,061	\$27,517			0	\$0	
CO120	\$4.16	8,200	9,430	\$39,229			0	\$0	9,430 \$39,229
CO84	\$3.39	1,600	1,840	\$6,238			0	\$0	1,840 \$6,238
CO60	\$2.82	4,000	4,600	\$12,972	3,000	3,450	\$9,729		8,050 \$22,701
CO48	\$2.69		0	\$0			0	\$0	0 \$0
CO36	\$2.43	10,800	12,420	\$30,181			0	\$0	12,420 \$30,181
CO24	\$2.38	6,950	7,993	\$19,023	2,500	2,875	\$6,843		10,868 \$25,866
CO12	\$1.74	32,410	37,272	\$64,853	3,800	4,370	\$7,604		41,642 \$72,457
								<u>90,311</u>	<u>\$224,188</u>
BFO144	\$5.04	400	460	\$2,318			0	\$0	460 \$2,318
BFO120	\$4.93	400	460	\$2,268			0	\$0	460 \$2,268
BFO60	\$4.08		0	\$0	400	460	\$1,877		460 \$1,877
BFO12	\$2.70	2,150	2,473	\$6,677			0	\$0	2,473 \$6,677
		<u>2,150</u>	<u>2,473</u>	<u>\$6,677</u>	<u>400</u>	<u>460</u>	<u>\$1,877</u>	<u>2,473</u>	<u>\$6,677</u>
Totals		72,180	83,009	\$211,276	9,700	11,155	\$26,053	94,164	\$237,328
					Total Footage:		81,880		

BOONEVILLE-(STAY)-FTTH BY ROUTE
4/26/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.JJ</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. KK</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO72	\$3.02	9,390	10,799	\$32,613		0	\$0	10,799	\$32,613
CO60	\$2.82		0	\$0	820	943	\$2,659	943	\$2,659
CO24	\$2.38		0	\$0	10,450	12,018	\$28,603	12,018	\$28,603
CO12	\$1.74	3,420	3,933	\$6,843	24,180	27,807	\$48,384	31,740	\$55,227
Totals		12,810	14,732	\$39,456	35,450	40,768	\$79,646	55,500	\$119,102
					Total Footage =		48,260		

BOONEVILLE-(STURGEON)-FTTH BY ROUTE
4/26/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. DD</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. EE</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO168	\$4.86	9,420	10,833	\$52,648		0	\$0	10,833	\$52,648
CO96	\$3.78		0	\$0	7,570	8,706	\$32,909	8,706	\$32,909
CO48	\$2.69		0	\$0	7,035	8,090	\$21,762	8,090	\$21,762
CO36	\$2.43	5,700	6,555	\$15,929		0	\$0	6,555	\$15,929
CO24	\$2.38	4,730	5,440	\$12,947		0	\$0	5,440	\$12,947
CO12	\$1.74	10,250	11,788	\$20,511	11,430	13,145	\$22,872	24,933	\$43,383
								<u>64,557</u>	<u>\$179,578</u>
BFO168	\$5.33	1000	1,150	\$6,130		0	\$0	1,150	\$6,130
BFO96	\$4.62		0	\$0	3940	4,531	\$20,933	4,531	\$20,933
BFO12	\$2.70	1,700	1,955	\$5,279		0	\$0	1,955	\$5,279
								<u>7,636</u>	<u>\$32,341</u>
Totals		32,800	37,721	113,444	29,975	34,472	98,476	72,193	211,920
								\$72,193	
					Total Footage =		62,775		

BOONEVILLE-(LUCKY FORK)-FTTH BY ROUTE

4/30/07

NOTE: OLD RT. N54 AND PART OF RT. N OF INDIAN CREEK.

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.MM</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. NN</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt.PP</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO36	\$2.43	12,700	14,605	\$35,490		0	\$0		0	\$0	14,605	\$35,490
CO24	\$2.38		0	\$0	9,800	11,270	\$26,823		0	\$0	11,270	\$26,823
CO12	\$1.74	2,150	2,473	\$4,303	7,550	8,683	\$15,108	18,035	20,740	\$36,088	31,896	\$55,499
Totals		14,850	17,078	\$39,793	17,350	19,953	\$41,931	18,035	20,740	\$36,088	57,771	\$117,812
TOTAL FOOTAGE:								50,235			57,771	\$117,812

BOONEVILLE-(MISTLETOE)-FTTH BY ROUTE
4/25/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.KK</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. LL</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO24	\$2.38	16,660	19,159	\$45,598	7,300	8,395	\$19,980	27,554	\$65,578
CO12	\$1.74	8,710	10,017	\$17,430	5,700	6,555	\$11,406	16,572	\$28,836
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Totals		25,370	29,176	\$63,028	13,000	14,950	\$31,386	44,126	\$94,414
					TOTAL FOOTAGE:		\$38,370	44,126	

BOONEVILLE-(WHITEOAK)-FTTH BY ROUTE
4/25/07

Unit	Loaded Cost	Footage			Footage			Unit Totals	Extended Totals
		Rt.F	Loops 15%	Extended	Rt. G	Loops 15%	Extended		
CO288	\$6.43		0	\$0		0	\$0	0	\$0
CO120	\$4.16	5,600	6,440	\$26,790	2,800	3,220	\$13,395	9,660	\$40,185
CO108	\$3.97		0	\$0		0	\$0	0	\$0
CO96	\$3.78		0	\$0		0	\$0	0	\$0
CO84	\$3.39		0	\$0		0	\$0	0	\$0
CO72	\$3.02		0	\$0		0	\$0	0	\$0
CO60	\$2.82	5,600	6,440	\$18,161	3,900	4,485	\$12,648	10,925	\$30,809
CO48	\$2.69	7,400	8,510	\$22,892		0	\$0	8,510	\$22,892
CO36	\$2.43	6,300	7,245	\$17,605	15,200	17,480	\$42,476	24,725	\$60,081
CO24	\$2.38	2,100	2,415	\$5,748	3,900	4,485	\$10,674	6,900	\$16,422
CO12	\$1.74	21,100	24,265	\$42,221	18,810	21,632	\$37,640	45,897	\$79,861
								<u>106,617</u>	<u>\$250,250</u>
BFO36	\$3.47		0	\$0	7,600	8,740	\$30,328	8,740	\$30,328
BFO12	\$2.70		0	\$0	5,500	6,325	\$17,078	6,325	\$17,078
								<u>15,065</u>	<u>\$47,406</u>
Totals		48,100	55,315	\$133,417	57,710	66,367	\$164,239	121,682	\$297,656

BOONEVILLE-(SEXTON CREEK)-FTTH BY ROUTE
4/25/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. FF</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. GG</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. HH</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO48	\$2.69	10,890	12,524	\$33,690		0	\$0		0	\$0	12,524	\$33,690
CO36	\$2.43	3,720	4,278	\$10,396		0	\$0		0	\$0	4,278	\$10,396
CO24	\$2.38		0	\$0	8,400	9,660	\$22,991	4,320	4,968	\$11,824	14,628	\$34,815
CO12	\$1.74	8,340	9,591	\$16,688	7,610	8,752	\$15,228	9,120	10,488	\$18,249	28,831	\$50,166
UO48	\$3.70	160	184	\$681		0	\$0		0	\$0	184	\$681
Totals		23,110	26,577	\$61,455	16,010	18,412	\$38,219	13,440	15,456	\$30,073	\$60,445	\$129,746

Total Footage = 52,560

BOONEVILLE-(LEROSE)-FTTH BY ROUTE
4/27/07

Unit	Loaded Cost	Footage			Footage			Unit Totals	Extended Totals
		Rt. H	Loops 15%	Extended	Rt. J	Loops 15%	Extended		
CO144	\$4.54	10,850	12,478	\$56,650		0	\$0	12,478	\$56,650
CO132	\$4.35	5,300	6,095	\$26,513		0	\$0	6,095	\$26,513
CO96	\$3.78		0	\$0	5,400	6,210	\$23,474	6,210	\$23,474
CO72	\$3.02	1,550	1,783	\$5,385		0	\$0	1,783	\$5,385
CO60	\$2.82	2,300	2,645	\$7,459		0	\$0	2,645	\$7,459
CO48	\$2.69	1,800	2,070	\$5,568		0	\$0	2,070	\$5,568
CO36	\$2.43	12,300	14,145	\$34,372		0	\$0	14,145	\$34,372
CO24	\$2.38	12,850	14,778	\$35,172	5,500	6,325	\$15,054	21,103	\$50,226
CO12	\$1.74	26,975	31,021	\$53,977	12,100	13,915	\$24,212	44,936	\$78,189
								<u>111,465</u>	<u>\$287,836</u>
BFO144	\$5.04	1,500	1,725	\$8,694		0	\$0	1,725	\$8,694
BFO72	\$4.29	3,630	4,175	\$17,911		0	\$0	4,175	\$17,911
BFO60	\$4.08		0	\$0	6,750	7,763	\$31,673	7,763	\$31,673
BFO48	\$3.86	3,000	3,450	\$13,317		0	\$0	3,450	\$13,317
BFO24	\$3.09	14,400	16,560	\$51,170	3,100	3,565	\$11,016	20,125	\$62,186
BFO12	\$2.70		0	\$0	3,400	3,910	\$10,557	3,910	\$10,557
								<u>41,148</u>	<u>\$144,338</u>
Totals		96,455	110,925	\$316,188	36,250	41,688	\$115,986	152,613	\$432,174
								152,613	
					Total Footage = 132,705				

SAND GAP-(THRE WKS)-FTTH BY ROUTE
8/9/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. V</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. W</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO48	\$2.69	5,270	6,061	\$16,304		0	\$0	6,061	\$16,304
CO24	\$2.38		0	\$0	1,260	1,449	\$3,449	1,449	\$3,449
CO12	\$1.74	1,100	1,265	\$2,201	4,045	4,652	\$8,094	5,917	\$10,295
								<u>13,427</u>	<u>\$30,048</u>
BFO60	\$4.08		0	\$0	10,250	11,788	\$48,093	11,788	\$48,093
BFO48	\$3.86		0	\$0	5,380	6,187	\$23,882	6,187	\$23,882
BFO24	\$3.09	7,200	8,280	\$25,585		0	\$0	8,280	\$25,585
BFO12	\$2.70	3,200	3,680	\$9,936		0	\$0	3,680	\$9,936
		<u>16,770</u>	<u>19,286</u>	<u>\$54,026</u>	<u>20,935</u>	<u>24,075</u>	<u>\$83,517</u>	<u>29,935</u>	<u>\$107,496</u>
Totals								43,361	137,543

SAND GAP-(PINE GROVE)-FTTH BY ROUTE
3/28/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.S</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. T</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. U</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO72	\$3.02		0	\$0	1,220	1,403	\$4,237		0	\$0	1,403	\$4,237
CO60	\$2.82	6,100	7,015	\$19,782	4,380	5,037	\$14,204		0	\$0	12,052	\$33,987
CO48	\$2.69	2,520	2,898	\$7,796	6,240	7,176	\$19,303		0	\$0	10,074	\$27,099
CO24	\$2.38	3,850	4,428	\$10,539	6,550	7,533	\$17,929	4,200	4,830	\$11,495	16,791	\$39,963
CO12	\$1.74	9,445	10,862	\$18,900	17,830	20,505	\$35,679	3,000	3,450	\$6,003	34,817	\$60,582
											<u>75,137</u>	<u>\$165,867</u>
BFO72	\$4.29		0	\$0	4,720	5,428	\$23,286		0	\$0	5,428	\$23,286
BFO60	\$4.08		0	\$0		0	\$0	5,500	6,325	\$25,806	6,325	\$25,806
BFO36	\$3.47		0	\$0		0	\$0	2,350	2,703	\$9,379	2,703	\$9,379
BFO24	\$3.09	4,700	5,405	\$16,701		0	\$0		0	\$0	5,405	\$16,701
BFO12	\$2.70		0	\$0	2,370	2,726	\$7,360	3,420	3,933	\$10,619	6,659	\$17,979
											<u>26,520</u>	<u>\$93,152</u>
Totals		26,615	30,608	\$73,718	43,310	49,808	\$121,998	18,470	21,241	\$63,302	101,657	\$259,019

SAND GAP-(CHESTNUT FLAT)-FTTH BY ROUTE
3/30/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. M</u>	<u>Loops 15% Extended</u>		<u>Footage Rt. N</u>	<u>Loops 15% Extended</u>		<u>Footage Rt. P</u>	<u>Loops 15% Extended</u>		<u>Unit Totals</u>	<u>Extended Totals</u>
CO48	\$2.69	6,500	7,475	\$20,108		0	\$0		0	\$0	7,475	\$20,108
CO36	\$2.43	2,400	2,760	\$6,707		0	\$0		0	\$0	2,760	\$6,707
CO24	\$2.38	3,750	4,313	\$10,265		0	\$0		0	\$0	4,313	\$10,265
CO12	\$1.74	12,290	14,134	\$24,593	9,900	11,385	\$19,810		0	\$0	25,519	\$44,403
											<u>40,067</u>	<u>\$81,483</u>
BFO84	\$4.53	8,300	9,545	\$43,239		0	\$0		0	\$0	9,545	\$43,239
BFO48	\$3.86		0	\$0	6,560	7,544	\$29,120		0	\$0	7,544	\$29,120
BFO36	\$3.47		0	\$0		0	\$0	8,400	9,660	\$33,520	9,660	\$33,520
BFO12	\$2.70		0	\$0		0	\$0	1,210	1,392	\$3,758	1,392	\$3,758
											<u>28,141</u>	<u>\$109,637</u>
Totals		33,240	38,227	\$104,912	16,460	18,929	\$48,930	9,610	11,052	\$37,278	68,208	\$191,120

SAND GAP-(WALKER'S BRANCH)-FTTH BY ROUTE
3/28/07

Unit	Loaded Cost	Footage <u>Rt AA</u>	Loops 15%	Extended	Footage <u>Rt. BB</u>	Loops 15%	Extended	Footage <u>Rt. CC</u>	Loops 15%	Extended	Unit Totals	Extended Totals
CO48	\$2.69		0	\$0		0	\$0	4,600	5,290	\$14,230	5,290	\$14,230
CO36	\$2.43	4,800	5,520	\$13,414		0	\$0		0	\$0	5,520	\$13,414
CO24	\$2.38		0	\$0		0	\$0	8,920	10,258	\$24,414	10,258	\$24,414
CO12	\$1.74	8,190	9,419	\$16,389	8,440	9,706	\$16,888	1,250	1,438	\$2,502	20,563	\$35,780
											<u>41,631</u>	<u>\$87,837</u>
BFO60	\$4.08		0	\$0		0	\$0	3,703	4,258	\$17,373	4,258	\$17,373
BFO48	\$3.86	1,020	1,173	\$4,528	7,570	8,706	\$33,605		0	\$0	9,879	\$38,133
BFO12	\$2.70	1,600	1,840	\$4,968		0	\$0		0	\$0	1,840	\$4,968
											<u>15,977</u>	<u>\$60,474</u>
Totals		15,610	17,952	\$39,299	16,010	18,412	\$50,493	18,473	21,244	\$58,519	57,608	\$148,311

SAND GAP-(SOUTH FORK)-FTTH BY ROUTE
2/22/07

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt. HH</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. JJ</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt. KK</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO84	\$3.39	0	0	\$0	1,380	1,587	\$5,380	0	0	\$0	1,587	\$5,380
CO60	\$2.82	0	0	\$0	6,330	7,280	\$20,530	0	0	\$0	7,280	\$20,530
CO48	\$2.69	0	0	\$0		0	\$0	3,490	4,014	\$10,798	4,014	\$10,798
CO24	\$2.38	2600	2,990	\$7,116	2580	2,967	\$7,061	3550	4,083	\$9,718	10,040	\$23,895
CO12	\$1.74	12,690	14,594	\$25,394	5,070	5,831	\$10,146	1,460	1,679	\$2,921	22,104	\$38,461
											<u>45,025</u>	<u>\$99,063</u>
BFO72	\$4.29	4800	5,520	\$23,681	0	0	\$0	0	0	\$0	5,520	\$23,681
BFO12	\$2.70	1,540	1,771	\$4,782	0	0	\$0	0	0	\$0	1,771	\$4,782
											<u>7,291</u>	<u>\$28,463</u>
Totals		21,630	24,875	\$60,973	15,360	17,665	\$43,117	8,500	9,776	\$23,437	52,316	\$127,526

SAND GAP-("NEW" KIRBY KNOB & ALCORN)-FTTH-BY ROUTE
3/22/07

*Notes: *Notes: Combines Kirby Knob and Alcorn Remotes.
New Remote Location is at P68 of Rt. J--Kirby Knob.

<u>Unit</u>	<u>Loaded Cost</u>	<u>Footage Rt.J</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Footage Rt.K</u>	<u>Loops 15%</u>	<u>Extended</u>	<u>Unit Totals</u>	<u>Extended Totals</u>
CO120	\$4.16	5,850	6,728	\$27,988	4,520	5,198	\$21,624	11,926	\$49,612
CO84	\$3.39	5,850	6,728	\$22,808	8,720	10,028	\$33,995	16,756	\$56,803
CO60	\$2.82	6,100	7,015	\$19,782	0	0	\$0	7,015	\$19,782
CO48	\$2.69	3,150	3,623	\$9,746	2,900	3,335	\$8,971	6,958	\$18,717
CO36	\$2.43	0	0	\$0	4,290	4,934	\$11,990	4,934	\$11,990
CO24	\$2.38	5,450	6,268	\$14,918	450	518	\$1,233	6,786	\$16,151
CO12	\$1.74	29,665	34,115	\$59,360	24,360	28,014	\$48,744	62,129	\$108,104
						0	\$0	116,504	\$281,159
						0	\$0		
BFO24	\$3.09	0	0	\$0	2,650	3,048	\$9,418	3,048	\$9,418
BFO12	\$2.70	6,795	7,814	\$21,098	15,380	17,687	\$47,755	25,501	\$68,853
								28,549	\$78,271
Totals		62,860	72,291	\$175,700	63,270	72,762	\$183,730	145,053	\$359,430

Peoples Rural Telephone coop. Corp., Inc.
 McKee, Kentucky

'P' Loan Equipment Cost Estimate Summary
 revised 1-24-2008 JMS

				<u>COE</u>	<u>ACCESS</u>	<u>TRANSPORT</u>
<u>Central Office Equipment</u>						
McKee - Soft Switch Network				\$930,000		
 <u>Local Access Equipment</u>						
<u>McKee</u>						
FTTH Access Equipment	523 @	1,100	575,300			
Customer Premise Equipment						
Set-top Boxes	78 @	300	\$23,400			
New remote Cabinets						
Russell Flat-240(McKee)	78 @	700	54,600			
Salt Rock-240(McKee)	65 @	700	45,500			
Flat Top-48(McKee)	23 @	700	16,100			
Laurel Branch-120(McKee)	20 @	700	14,000			
Drip Rock-240(McKee)	32 @	700	22,400			
Mt Bethel-240(McKee)	88 @	700	61,600			
Pad Preparation	6 @	10,000	60,000			
Broadband DSLAM's						
McKee Host	1,152 @	243	\$279,935			
Jacks Branch(McKee)	137 @	243	\$33,291			
Lakes Creek(McKee)	99 @	243	\$24,057			
Blackwater(McKee)	137 @	243	\$33,291			
Installation	5 @	7,500	\$37,500			
Replace Accession Equipment						
Gray Hawk(McKee)	481 @	243	116,883		1,397,857	
Transport						
Add Router in Gray Hawk	1 @	90,000	90,000			
Add 10Gig to Router Network	3 @	25,000	75,000			
OC-12 Ring Upgrade	2 @	4,700	9,400			174,400
 <u>Annville</u>						
FTTH Access Equipment	722 @	1,100	794,200			
Customer Premise Equipment						
Set-top Boxes	108 @	300	\$32,400			
Broadband DSLAM's						
Moore's Creek(Annville)	189 @	243	\$45,927			
High Knob(Annville)	151 @	243	\$36,693			
Hog Camp(Annville)	131 @	243	\$31,833			
Union School(Annville)	68 @	243	\$16,524			
Installation	4 @	7,500	\$30,000		987,577	
Transport						
Add 10Gig to Router Network	1 @	25,000	25,000			
OC-12 Ring Upgrade	1 @	4,700	4,700			29,700

Peoples Rural Telephone coop. Corp., Inc.
 McKee, Kentucky

'P' Loan Equipment Cost Estimate Summary
 revised 1-24-2008 JMS

			<u>COE</u>	<u>ACCESS</u>	<u>TRANSPORT</u>
<u>Booneville</u>					
FTTH Access Equipment	1464 @	1,100	1,610,400		
Customer Premise Equipment					
Set-top Boxes	220 @	300	\$66,000		
New remote Cabinets					
Island City-240(Booneville)	79 @	700	55,300		
Pebworth-240(Booneville)	109 @	700	76,300		
Pad Preparation	2 @	10,000	20,000		
Broadband DSLAM's					
Booneville Host	1,021 @	243	\$248,102		
LeRose(Booneville)	158 @	243	\$38,394		
White Oak(Booneville)	126 @	243	\$30,618		
Vincent(Booneville)	165 @	243	\$40,095		
CowCreek(Booneville)	110 @	243	\$26,730		
Travelers Rest(Booneville)	209 @	243	\$50,787		
Indian Creek(Booneville)	104 @	243	\$25,272		
Installation	7 @	7,500	<u>\$52,500</u>	2,340,498	
Transport					
Add Router at Indian Creek	1 @	90,000	90,000		
Add 10Gig to Router Network	2 @	25,000	50,000		
OC-12 Ring Upgrade	1 @	4,700	<u>4,700</u>		144,700
<u>Sand Gap</u>					
FTTH Access Equipment	329 @	1,100	361,900		
Customer Premise Equipment					
Set-top Boxes	50 @	300	\$14,910		
New remote Cabinets					
Three Links-200(Sand Gap)	46 @	700	32,200		
Pine Grove-120(Sand Gap)	77 @	700	53,900		
Alcorn-120(Sand Gap)	44 @	700	30,800		
Chestnut Flat-120(Sand Gap)	52 @	700	36,400		
Walkers Branch-120(Sand Gap)	36 @	700	25,200		
Pad Preparation	5 @	10,000	50,000		
Broadband DSLAM's					
South Fork(Sand Gap)	88 @	243	\$21,384		
Kirby Knob(Sand Gap)	44 @	243	\$10,692		
Morrill(Sand Gap)	205 @	243	\$49,815		
Clover Bottom(Sand Gap)	224 @	243	\$54,432		
Installation	5 @	7,500	\$37,500		
Replace Accession Equipment					
Sand Gap	552 @	243	<u>134,136</u>	913,268	
Transport					
Add 10Gig to Router Network	1 @	25,000	25,000		
OC-12 Ring Upgrade	1 @	4,700	<u>4,700</u>		29,700
			\$930,000	\$5,639,200	<u>\$378,500</u>
					\$6,947,700

Peoples Rural Telephone coop. Corp., Inc.
McKee, Kentucky

'P' Loan Equipment Port Cost Estimate
revised 1-28-2008 JMS

New Remote Cabinets

Based on Occam Contract N69

Sexton Creek	\$36,675.95	48 Lines
Stay	\$56,131.63	96 Lines
	<u>\$92,807.58</u>	144

\$644.50 Per Line

Using \$700 per line for Loan Cost Estimate Purposes

Broadband DSLAM's

1. Based on Occam Contract N69

Waneta	\$70,460.47	288 Lines
Sturgeon	\$46,330.13	192 Lines
	<u>\$116,790.60</u>	480

Average \$243.31 Per Line

2. Based on Attached Quote for Annville (Purchase Order)

\$73,904.50 336 Lines

Average \$219.95 Per Line

Using \$230 per line for Loan Cost Estimate Purposes

FTTH Access Equipment

Based on Attached Quote for Sturgeon

Quote (30 ports with 10 ONTs)	\$17,072.50
Add 20 ONT's @ \$657.25 ea	<u>\$12,145.00</u>
	\$29,217.50

Average \$973.92 Per Line

Installation \$120.00
\$1,093.92

Using \$1,100 per line for Loan Cost Estimate Purposes



Geographically Distributed Call Agents in McKee and Booneville
 MG2510 gateways configured to support 80 T-1's of trunking each
 Licensed capacity for 10,000 subscribers

17 Dec 2007

Proposal number: Budgetary Quote
 Customer name: Peoples Rural Telephone Cooperative

Component Pricing

Component	Description	Quantity	Unit Price (\$)	Extd Price (\$)
Hardware				
Network Elements				
CA9020	Call Agent - 200k Subs, NEBS	2	19,638	39,276
CH2510	MG Chassis including dual redundant CPU units, fans, PSUs, alarms, switches	2	42,512	85,024
PB3100	VoIP Adaptor - 16xT1/12xE1 - Live card	10	14,388	143,880
PB3100EPS	VoIP Adaptor - 16xT1/12xE1 - EPS card	2	14,388	28,776
EMS servers				
EM4112	EMS Server System - up to 200k subs, non-NEBS, DC	1	8,788	8,788
CommPortal Server				
CP4112	Comm Portal - up to 200k subs, non-NEBS, DC	1	8,668	8,668
			Hardware Subtotal	314,412
			Discount	15%
			Hardware Total	267,250
Base Software				
OnSwitch features				
CAUSBase45	CA Software, including base Class 4 and 5 Features, any access method	1	60,000	60,000
MGUSBase	MG software	2	20,000	40,000
CAUSLI	CALEA license per CA	1	15,000	15,000
CAUSCbr	Centrex license per CA	1	25,000	25,000
CAAdvCNAMLNP	Advanced CNAM and LNP features license per CA	1	20,000	20,000
CAVQM	VoIP QoS Monitoring and Alarms	1	15,000	15,000
MetaSphere features				
CPBase	CommPortal base license per CA	1	20,000	20,000
			Software Subtotal	195,000
			Discount	30%
			Software Total	136,500
Capacity				
Switch Features				
CSSUB	Class 5 subscriber license	10000	18	180,000
CAPORT	Per Port license on CA (TDM or IP)	7680	10	76,800
MGPORT	Per Port license on MG (TDM or IP)	7680	10	76,800
MetaSphere Features				
CPDashbdUser	CommPortal Dashboard base functions, per user	10000	3	30,000
			Capacity Subtotal	363,600
			Discount	30%
			Capacity Total	264,520
			HW+SW+Capacity Total	668,270
Support				
WarrantySTD	Standard Warranty during year 1	1	46,079	No Charge
SuptPREM	Premium Support Plan, annual following 1-year warranty	1	11.0%	72,410
SuptSW	Software Upgrade Service (option during warranty and annually post year 1)	1	4%	26,331
			Support Total	98,741
Professional Services				
SITESURVEY	Site Survey, including IP network audit	1	5,000	5,000
GNDAUDIT	Ground Audit	1	4,000	4,000
IPNetwkDesign	IP Network Design (mandatory for split CAs)	1	10,000	10,000
INSTALL	EF&I Core MetaSwitch equipment (per CA+MG or integrated switch)	1	10,000	10,000
MGInstall	EF&I Core MetaSwitch equipment (per additional MG)	1	6,000	6,000
COMMISSION	One-time Commissioning (per CA+MG or integrated Switch)	1	10,000	10,000
MGCommission	One-time Commissioning (per additional MG)	1	3,000	3,000
ONSite	Additional Onsite Support (per day, max 4 w/o specific SoW)	4	2,500	10,000
	<i>The following additional services are available via custom quotation:</i>			
	- Subscriber migration			
	- Project Management			
	- Extended On Site support			
	- OSS integration			
	- Custom development/interop testing			
			Professional Services Total	58,000
Training				
MetaSwitch training				
MTOverviewSeat	MetaSwitch Training: 5 day System Overview course (per seat)	2	2,500	5,000
MTAdvXLTNSeat	MetaSwitch Training: Advanced Translations 5 day course (per seat)	2	2,500	5,000
MTAdvTbIShootSeat	MetaSwitch Training: Advanced Trouble Shooting 5 day course (per seat)	2	2,500	5,000
Technology training				
IPFundamentals	IP Fundamentals for VoIP 5 day course, per seat, MetaSwitch location	2	2,750	5,500
VOIPTbIshoot	VoIP Trouble Shooting 5 day course, per seat, MetaSwitch location	2	2,750	5,500
			Training Total	26,000
Spares				
2510Spares	2510 Spares Kit (CPU, Switch, PSU, Alarm, Fan)	2	12,080	24,159
PB3100Spares	Spare VoIP Adaptor - 16xT1/12xE1	2	14,388	28,776
			Spares Subtotal	52,935
			Discount	15%
			Spares Total	44,995

Contact: Michael Stidham
 Phone: 606-287-7101
 Company: People's Rural Tel
 Address: Hwy 421 S.
 City, St, Zip: McKee, KY 40447



ONTs

Date: 05/22/07

Quote Number: 052207-pbm

Qty.	Part Number	Part Name	Description	List Price	Price	Extended Price
6000 Blades						
3	710099	6312 Optical Line Termination	6312 Optical Line Termination blade: 16 SFP 1GbE ports, 6 SFP 1GbE or 10/100/1000TX ports, 2 10Gb Copper ports	\$8,200	\$3,500.00	\$10,500.00
Subtotal						\$10,500.00

Optical Network Terminal Systems

10	710175	ON 2342 ONT System	ON 2342 Optical Network Terminal System with 2xGigE SFP socket, 2 Voice, and 4 10/100 BaseT Ethernet ports. Includes Electronics, environmentally hardened external enclosure and Uninterruptable AC Power System with a 7.2 Ahr battery.	\$720	\$396.00	\$3,960.00
10	725168-050	ONT Power Cord - 50 foot to UPS Power System	This cord is terminated in a plug for use a the ONT and is blunt cut at the UPS end to ease the installation through house walls. The connector from the UPS system is installed on the cord after it is striped and then plugged into the UPS system	\$75	\$41.25	\$412.50
Subtotal						\$4,372.50

Optical Transceivers

10	105170	1 GbE Single Fiber XCVR 1310nm Xmt/1490nm Rcv SMF SFP SC 10 Km	1 Gb Ethernet Optical FP Transceiver, Single Fiber, 1310nm transmit and 1490nm receive, Single Mode Fiber, Small Form-factor Pluggable, SC Connector, -40°C to +80°C, Output Power -9.0 to -3.0 dBm, Minimum Input Power -20.0 dBm, Maximum Input Power -3.0 dBm, Power Budget 11.0 dB, 10 Km range.	\$175	\$98.25	\$982.50
10	105161	1 GbE Single Fiber XCVR 1490nm Xmt/1310nm Rcv SMF SFP LC 11dB	1 Gb Ethernet Optical Transceiver, Single Fiber, 1490nm transmit and 1310nm receive, Single Mode Fiber, Small Form-factor Pluggable, LC Connector, -40°C to +80°C, Output Power -9.0 to -3.0 dBm, Minimum Input Power -20.0 dBm, Maximum Input Power -3.0 dBm, Power Budget 11.0 dB, 10 Km range.	\$225	\$123.75	\$1,237.50
Subtotal						\$2,200.00

Summary

BLC 6000 Blades	\$10,500.00
Optical Network Terminal Systems	\$4,372.50
Optical Transceivers	\$2,200.00
Total	\$17,072.50

Notes

This quotation is valid for 30 days.
 A copy of this quotation must be submitted with your purchase order.
 Payment Terms: 30 Days Net
 Shipping Terms: FOB Origin
 Please see Occam's Terms & Conditions provided.
 Please fax purchase order to:
 Rebecca Macdonald
 Sales Administrator
 Fax: 605-692-2905
 Ph: 605-692-2925

Contact: Michael Stidham
 Phone: 859-333-8396
 Company: Peoples Rural
 Address: US Hwy 421 South
 City, St, Zip McKee, KY



Annville

Date: 08/10/07
 Quote Number: 081007-PHC

Qty.	Part Number	Part Name	Description	Price	Extended Price
BLC 6000 Blades					
7	710090	6252-02 ADSL2Plus and POTS, 48 ports	6252-02 ADSL2Plus and Lifeline POTS blade: 48 ADSL2Plus and POTS combination ports, 4 SFP 1GbE ports, 6 10/100/1000TX ports	\$7,095.00	\$49,665.00
2	710081	6640-01 Subscriber Trunk Gateway	6640-01 Subscriber Trunk Gateway blade: 8 T1 TR-08/GR-303 ports, 4 SFP 1GbE ports, 6 10/100/1000TX ports	\$8,497.50	\$16,995.00
				Subtotal	\$66,660.00

BLC 6000 Chassis					
2	710053-G	BLC 6012 High Capacity Chassis - Gateway, CO	BLC 6012 High Capacity CO Chassis wired Gateway for any blade other than 6235 or 6151: capacity for 12 blades, 12RU	\$2,145.00	\$4,290.00
				Subtotal	\$4,290.00

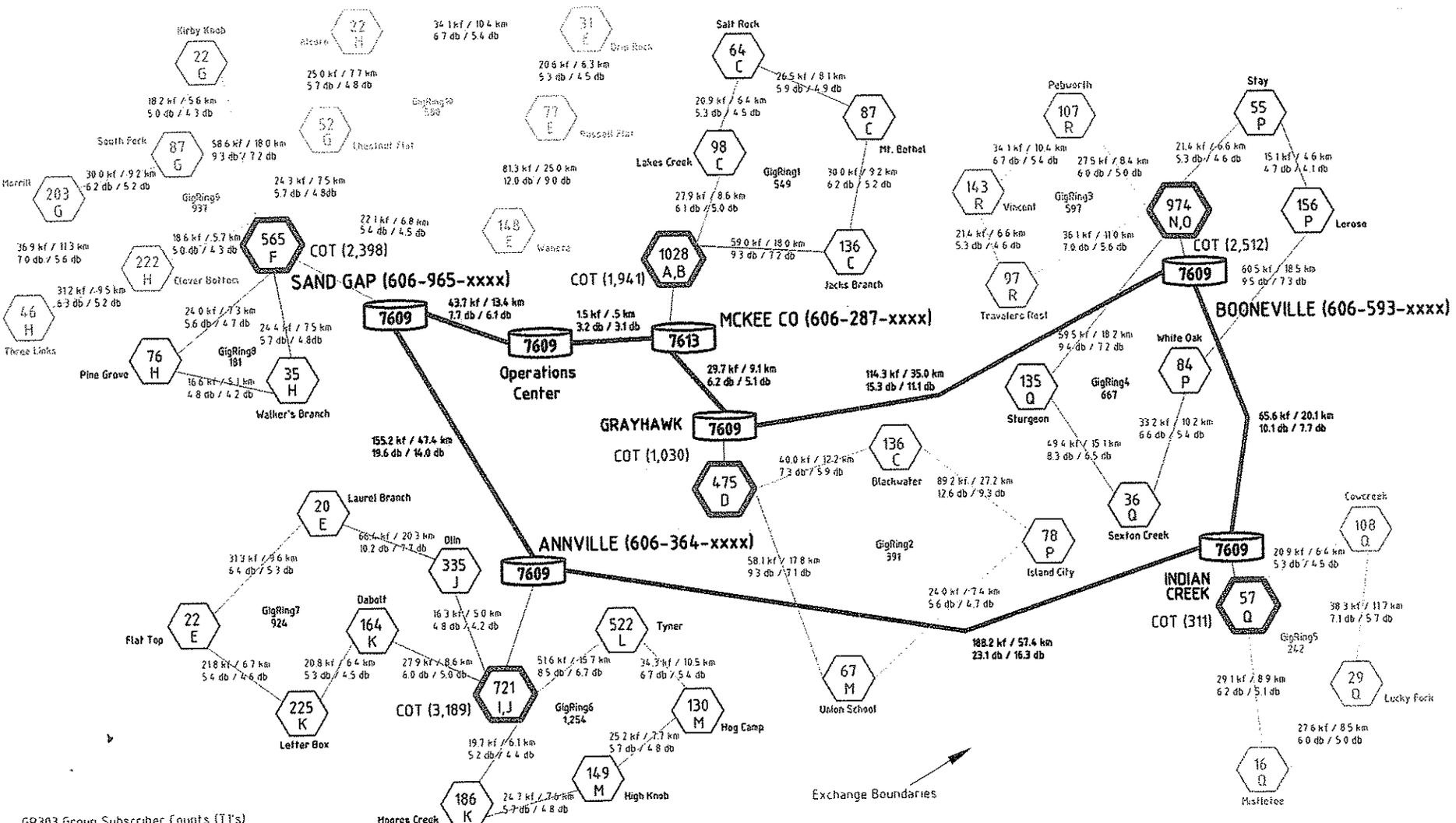
BLC 6000 Accessories, Documentation and Miscellaneous					
2	659216	BLC 6012 Power Wiring Kit	Power Wiring Kit with 15 foot A/B dual power (Black) and return (Red) 8 AWG and a 15 foot 8 AWG Ground (Yellow) wires with appropriate dual terminal lugs for attaching to BLC 6012 Chassis.	\$105.00	\$210.00
				Subtotal	\$210.00

Optical Transceivers					
2	105004	1Gb EO-XCVR 1310nm SMF SFP LC 15dB	1 Gb Ethernet Optical Transceiver, 1310nm, Single Mode Fiber, Small Form-factor Pluggable, LC Connector, -40°C to +80°C, Output Power -5.0 to 0 dBm, Minimum Input Power -20.0 dBm, Maximum Input Power -3.0 dBm, Power Budget 15.0 dB	\$206.25	\$412.50
0	105005	1Gb EO-XCVR 1310nm SMF SFP LC 17dB	1 Gb Ethernet Optical Transceiver, 1310nm, Single Mode Fiber, Small Form-factor Pluggable, LC Connector, -40°C to +80°C, Output Power -4.0 to +1.0 dBm, Minimum Input Power -21.0 dBm, Maximum Input Power -3.0 dBm, Power Budget 17.0dB	\$687.50	\$0.00
2	105145	1Gb EO-XCVR 1550nm SMF SFP LC 22dB	1 Gb Ethernet Optical Transceiver, 1550nm, Single Mode Fiber, Small Form-factor Pluggable, LC Connector, -25°C to +85°C, Output Power -2.0 to +3.0 dBm, Minimum Input Power -24.0 dBm, Maximum Input Power -3.0 dBm, Power Budget 22.0 dB	\$1,166.00	\$2,332.00
0	105146	1Gb EO-XCVR 1550nm SMF SFP LC 24dB	1 Gb Ethernet Optical Transceiver, 1550nm, Single Mode Fiber, Small Form-factor Pluggable, LC Connector, -25°C to +85°C, Output Power 0.0 to +5.0 dBm, Minimum Input Power -24.0 dBm, Maximum Input Power -3.0 dBm, Power Budget 24.0 dB	\$1,240.25	\$0.00
				Subtotal	\$2,744.50

Summary					
BLC 6000 Blades					\$66,660.00
BLC 6000 Chassis					\$4,290.00
BLC 6000 Accessories, Documentation and Miscellaneous					\$210.00
Optical Transceivers					\$2,744.50
				Total	\$73,904.50

Terms:

This quotation is valid for 30 days.
 A copy of this quotation must be submitted with your purchase order.
 Payment Terms: 30 Days Net
 Shipping Terms: FOB Origin
 Please see Occam's Terms & Conditions provided.
 Please fax purchase order to:
 Nancy McBrayer
 Sales Administrator
 Fax: 805-692-2990
 Ph: 805-692-3518



GR303 Group Subscriber Counts (T1's)

- A - > 1,392 (13) McKee Host + COT
- B - 742 (7) Lakes Creek, Salt Rock, Mt Bethel, Jacks Branch, Blackwater
- C - 639 (6) Grayhawk + COT
- E - 594 (5) Laurel Branch, Flat Top, Drip Rock, Russell Flat, Waneta
- F - 700 (7) Sand Gap Host + COT
- G - 624 (6) Kirby Knob, South Fork, Morrill, Chestnut Flat
- H - 661 (6) Clover Bottom, Alcorn, Pine Grove, Walkers Branch, Three Links
- I - > 1,392 (14) Annville Host + COT, Otin
- J - 766 (7) Letterbox, Dabolt, Moores Creek
- K - 624 (6) Tyner
- M - 469 (5) Hog Camp, High Knob, Union School
- N - > 1,248 (14) Booneville Host + COT
- O - 594 (6) Stay, LaRose, White Oak, Island City
- P - 508 (6) Indian Creek + COT, Sturgeon, Sexton Creek, Cowcreek, Lucky Fork, Mistletoe
- R - 597 (6) Pebworth, Vincent, Traveler's Rest

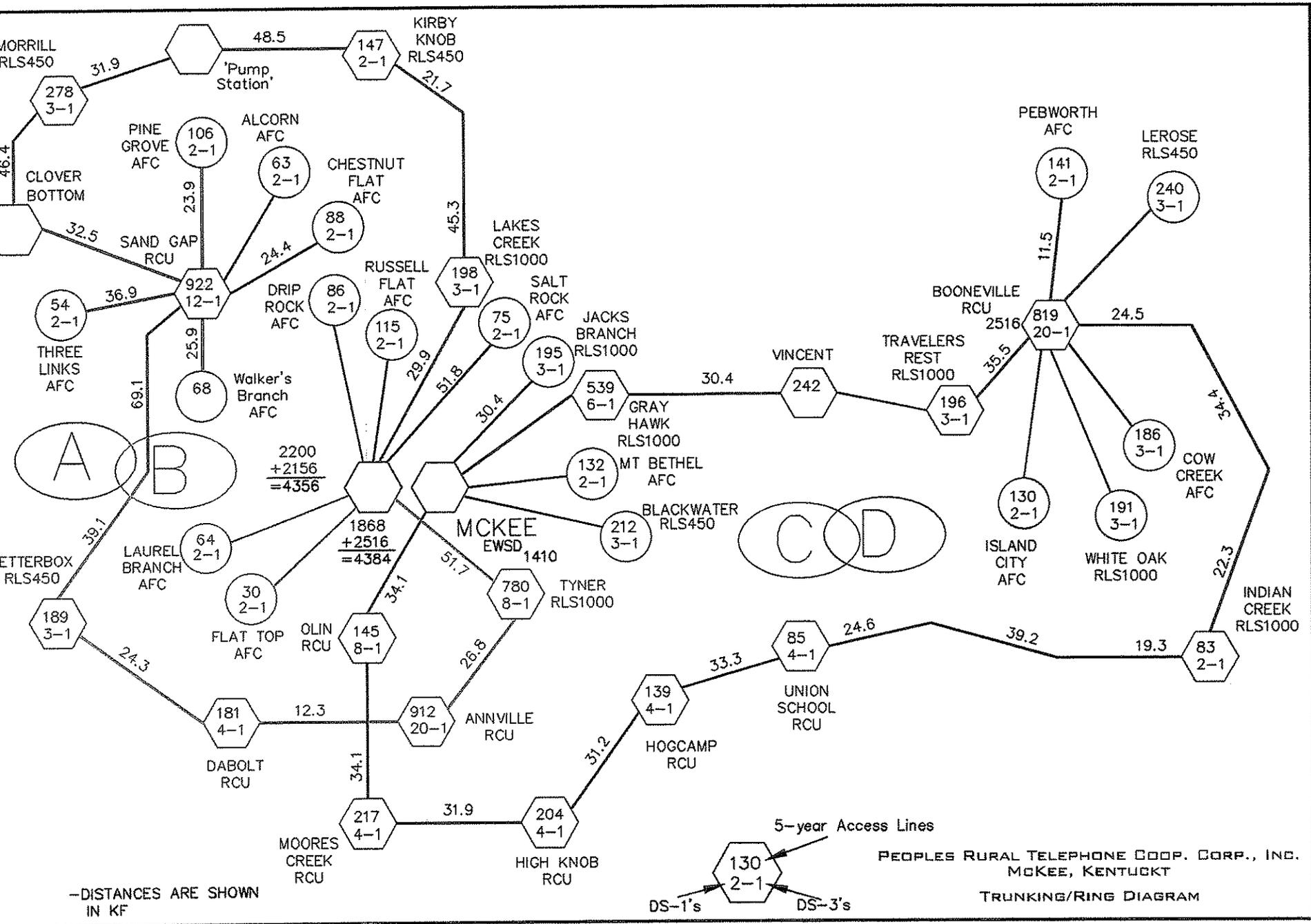
- Cisco 7600 Series Router
- Occam Central Office Terminal plus Local Line Access
- Occam Remote Access Terminal
- 5-Year Design Access Lines
- GR303 Group Assignment

Note: All links are gigabit Ethernet starting at 1GB and expandable in 1GB increments to 10GB

Access Rings
DESIGN

Revision 1-14-2008

RTC
The People's Network
Peoples Rural Telephone Cooperative



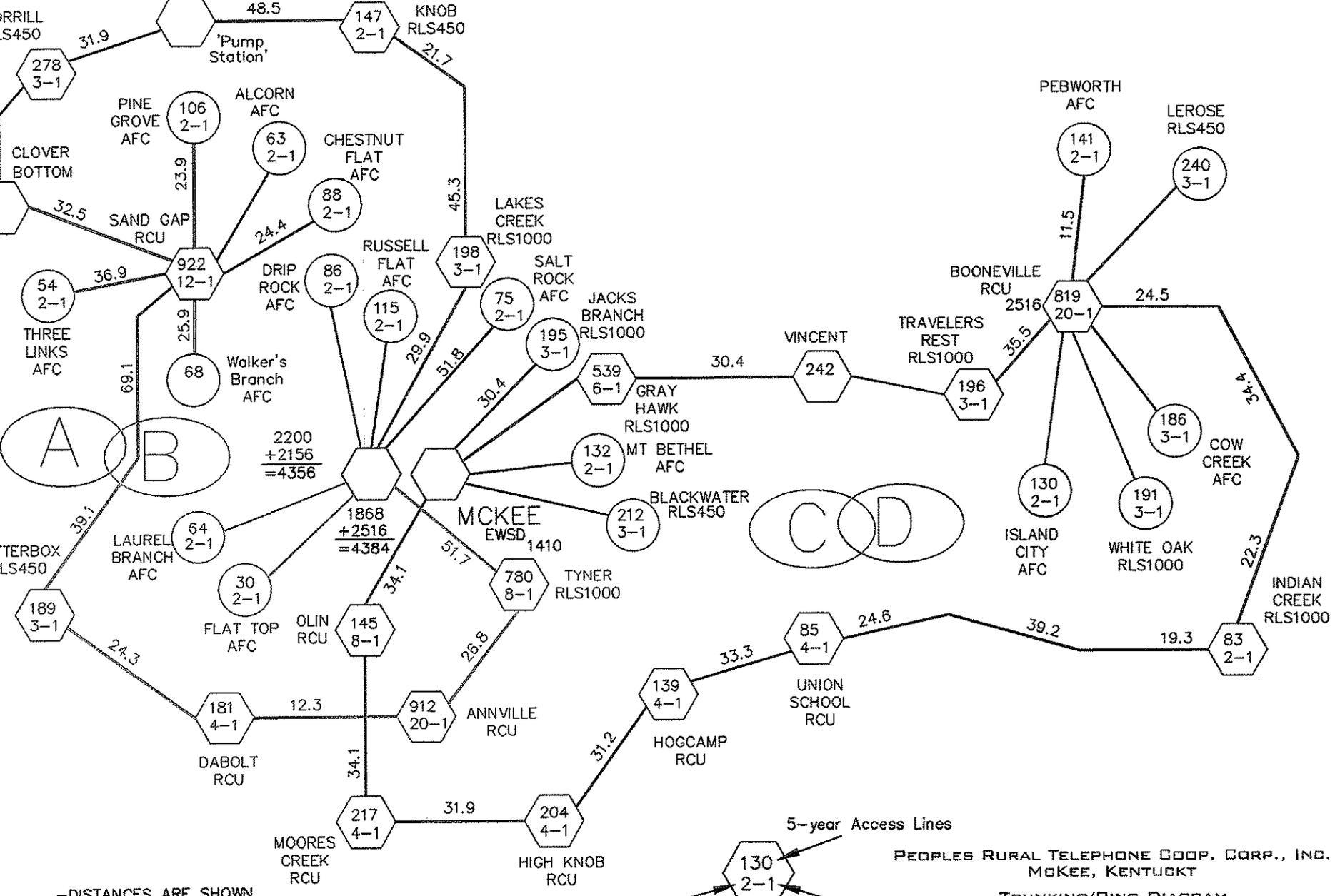
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A B

C D

MCKEE
EWSD 1410



Peoples Rural Telephone Coop. Corp., Inc.
McKee, Kentucky

Switching Equipment Summary

12/28/07 1-11-2008 JMS

Building	Generator	POTS Access	ADSL Access	Batteries	Emergency Stand Alone Switching	Ultimate Capacity	Wired	Equipped	See Note	Estimated Subscribers Dec. 31, 2012 (5-Year)	Lines Currently in Use (12-2007)	Current T1's	Total Proposed Equipped Lines	New or Added Lines	Proposed Host-Remote Links	New or Added Host-Remote Links	Proposed Ultimate Capacity
Annville	X	100KW	EWSD	Occam	Exide ET17 (10-8-1983)	No	4,000	1,620	1,578	721	701	15	864	-714	GigE		1,152
Olin	X	35KW	EWSD	Occam	YuasaDDS DD125-17 1000AH(2-13-02)	No				335	335	12	432	432	GigE		576
Dabolt	X	35KW	EWSD	Occam	YuasaDDS DD125-17 1000AH(2-13-02)	No				164	164		192	192	GigE		576
Moores Creek	X	35KW	EWSD	AFC	YuasaDDS DD125-17 1000AH(2-13-02)	No				186	186		240	240	GigE		576
High Knob	X	35KW	EWSD	AFC	YuasaDDS DD125-17 1000AH(2-13-02)	No				149	149		192	192	GigE		576
Hog Camp	X	35KW	EWSD	AFC	YuasaDDS DD125-17 1000AH(2-13-02)	No				130	130		192	192	GigE		576
Union School	X	35KW	EWSD	AFC	YuasaDDS DD125-17 1000AH(2-13-02)	No				67	67		96	96	GigE		192
Tyner	X	35KW	RLS1000	Occam	Exide E-EU17 (8-21-1990)	No	1,080	810	810	522	522	5	624	-186	GigE		1,152
Letterbox		15KW	RLS450	Occam	Monolite 2SLA300 (11/28/1998)	No	450	450	216	225	225	2	288	72	GigE		576
								2,604		2,499	2,479		3,120	516			5,952
Booneville	X	100KW	EWSD	Occam	Exide GU15 (5/8/1991)	No	4,000	2,160	1,929	974	1,009	13	1,152	-777	GigE		1,152
Cowcreek		15KW	AFC840	AFC	yes	No	640	480	180	108	108		144	-36	GigE		576
Island City		15KW	AFC240	AFC	yes	No	240	240	128	78	78		96	-32	GigE		192
Pebworth		15KW	AFC240	AFC	yes	No	240	240	139	107	107		144	5	GigE		576
Vincent		35KW	AFC	AFC	yes	No	240	242	143	143	163		192	-50	GigE		576
Stay		Proposed	Occam	Occam	yes	No	576	98	55	55		GigE	96	0	GigE		576
Travelers Rest	X	35KW	RLS1000	AFC	Exide EU-7 (4-26-1983)	No	1,080	360	327	97	207	3	144	-183	GigE		576
Sturgeon	X	35KW	Occam	Occam	yes	No	576	192	192	135	102	GigE	192	0	GigE		576
Indian Creek	X	35KW	RLS1000	AFC	Exide E-EU7 (2000)	No	1,080	270	141	102	102	2	144	3	GigE		576
Lucky Fork		Proposed	Future														
Mistletoe		Proposed	Future														
White Oak	X	35KW	RLS1000	AFC	Exide E-EU7 (2000)	No	1,080	270	231	84	125	2	144	-87	GigE		192
Sexton Creek		Proposed	Occam	Occam	yes	No	192	48	48	36		GigE	48	0	GigE		192
LeRose		15KW	RLS450	AFC	Monolite 2SLA300 (6/13/1997)	No	450	450	243	156	156	3	192	-51	GigE		576
								2,871		2,075	2,055		2,688	-1,208			6,336
McKee	X	100KW	DCO	Occam	Exide G-GU15 (4/23/1991)	Yes	30,000	2,310	2,445	1,028	1,142		1,200	-1,245	GigE		1,728
Russell Flat		15KW	AFC240	AFC	yes	No	240	240	110	77	77		96	-14	GigE		576
Salt Rock		15KW	AFC240	AFC	yes	No	240	240	72	64	64		96	24	GigE		576
Flat Top		none	AFC48	AFC	yes	No	48	48	25	22	22		48	23	GigE		576
Laurel Branch		none	AFC120	AFC	yes	No	120	120	62	20	20		48	-14	GigE		576
Drip Rock		none	AFC240	AFC	yes	No	240	240	83	31	31		48	-35	GigE		576
Jack's Branch	X	35KW	RLS1000	AFC	Exide E-EU7 (1/4/1999)	No	1,080	270	267	136	136	2	192	-75	GigE		576
Mt. Bethel		15KW	AFC240	AFC	yes	No	240	240	132	87	87		144	12	GigE		576
Lakes Creek	X	35KW	RLS1000	AFC	Exide EU13 (1983)	No	1,080	270	237	98	98	2	144	-93	GigE		576
Gray Hawk	X	35KW	RLS1000	Accession/Occam	MCX-11 425AH	No	1,080	720	660	475	475	6	576	-84	GigE		576
Waneta	X	35KW	Occam	Occam	yes	No	576	240	240	148		GigE	192	-48	GigE		576
Blackwater		15KW	RLS450	AFC	Monolite 2SLA300	No	450	450	210	136	136	3	192	-18	GigE		576
								3,714		2,322	2,288		2,976	-1,567			8,064
Sand Gap	X	60KW	RLS4000	Accession	Exide E-ET11	No	4,000	1,170	1,125	565	546	12	672	-453	GigE		1,152
Three Links		Proposed	AFC120	AFC	yes	No	120	120	48	46	46		96	48	GigE		576
Pine Grova		Proposed	AFC120	AFC	yes	No	120	120	90	76	76		96	6	GigE		576
Alcorn		Proposed	AFC120	AFC	yes	No	120	120	54	22	22		48	-6	GigE		576
Chestnut Flat		15KW	AFC120	AFC	yes	No	120	120	72	52	52		96	24	GigE		576
Walkers Branch		15KW	AFC240	AFC	yes	No	240	240	35	35	35		48	48	GigE		576
Clover Bottom	X	40KW	AFC	AFC	Liberty HD400 (7/6/2004)	No	240		312	222	222	5	288	-24	GigE		576
Morrill		15KW	RLS450	AFC	Monolite 2SLA300 (5/26/2000)	No	450	450	285	203	203	2	240	-45	GigE		576
South Fork	X	40KW	AFC	AFC	Liberty HD400 (8/19/2005)	No	240		144	87	87	3	144	0	GigE		576
Kirby Knob		15KW	RLS450	AFC	Monolite 2SLA300 (5/26/2000)	No	450	260	192	22	22	2	48	-144	GigE		576
								1,602		1,330	1,311		1,776	-546			6,336
Total Equipped Lines Available System Wide								10,791	8,226	8,133	10,560	-2,805		26,688			

(1) Lines supported from local bond.
(2) Contracts currently under consideration.
(3) Future contract.

Borrower Name and Address
PEOPLES RURAL TELEPHONE COOP. CORP., INC.
PO BOX 159
MCKEE, KY 40447

DATE RECEIVED 8/30/07	REA NUMBER 14,079	AMOUNT ENCUMBERED		TOTAL ADVANCES TO DATE (3)	ADVANCES NOW REQUESTED (4)	REA USE ONLY ADVANCES CURRENTLY APPROVED (5)	TOTAL DISBURSEMENTS & CREDITS AS OF 8/21/07
		REA USE ONLY WITHHELD ON CONTRACT (1)	TOTAL APPROVED FOR ADVANCE (2)				
1. Construction							
a. SE K-40 (F)			13,771	12,394			12,394.00
b. APP'D WORK ORDERS			572,726	572,547			483,831.00
c. COE K-39 (F)			19,855	19,855			19,845.00
d. COE M-47 (F)			476,093	476,093			476,093.00
e. OP M-50 (F)			169,056	169,056			169,056.00
f. COE M-51 (F)			116,318	116,318			116,318.00
g. SE M-52 (F)			15,416	15,416			15,416.00
2. Engineering - a.							
b. PRE LOAN			23,900	23,900			23,900.00
3. Operating Equip. - a.							
4. General - a.							
5. RTB Stock							
c. RTB Stock			208,801	208,801			208,801.00
6. Operating Funds							
7. Debt Retirement							
8. Acquisitions - a.							
9. Closed Budget - Unaudited							
b. Closed Budget - Audited			18,914,193	18,914,193			18,914,193.00
9. Subtotals - All Funds		14,079	36,041,309	35,239,652	430,372	430,372	35,224,454.10
10. Sale of Property							
Other - a. Req'd Non-Loan			(12,832)	(12,832)			(12,831.97)
REIMB ROAD MOVE/INTEREST			(75,706)	(75,706)			(75,705.51)
c. GR DEP OP L-45			(32,963)	(32,963)			(32,963.12)
12. NET Totals - Loan Funds		14,079	35,662,473	34,861,816	430,372	430,372	34,846,618.90
13. REA LOAN							18,101.28
14. RTB LOAN							(2,902.64)
15. FFB LOAN							(1.54)
16. TOTAL							34,861,816.00

UNENCUMBERED RESERVES (This Space For REA Use Only)		17. Cash Bal. Pay Gen. Ledger	18,101.28
17. REAL LOAN	TOTAL LOAN UNDER NOTE	18. Adv. Not Deposited FRS #	
29	918,000 29,918,000	19. Other Adjustments (Specify)	(2,902.64)
7	932,801 7,932,801	20. Total Item 12, Col. 6+17, 18 & 19	34,861,816.00
15		21. Funds Not Released	
16	37,850,801 37,850,801		

CERTIFICATION

On behalf of the designated borrower, I request that the amount set forth as "Advances Now Requested" (Item 12, Col. 4 above) be advanced under the loan contract "Loan contract" includes in addition to the REA and RTB loan contracts, the Federal Financing Bank - REA Loan Commitment Agreement, and the related Commitment Notice and correspondence concerning loan terms and conditions. I certify that the amount so requested is for a purpose or purposes for which funds have either been approved for advance or for which approval is requested herewith; that the amount advanced will be deposited in the TREATee, REA Construction Fund account of the Corporation in the **JACKSON COUNTY** bank, which is a member of the FDIC; that loan and other funds required to be deposited in such bank account will be disbursed only for the purposes and not to exceed the amounts approved for each purpose in Column (2) "Total Approved For Advance" of the Financial Requirement Statements; that the cash balance shown herein is the balance of the Construction Fund-TREATee account of the general Ledger as of **8/21/07**; and that the disbursements reported in Column (6) were made in the amounts stated for each purpose; all in accordance with the provisions of the loan contract.

SIGNATURE (ORIGINAL MUST APPEAR ON EACH PAGE) _____ TITLE (Authorized Corporate Officer or Manager)
MANAGER

RTB/11/2/99

USDA - REA
FINANCIAL REQUIREMENT STATEMENT
 (REA; RTB; FFB)

FORM APPROVED OMB NO. 0572-0023

BORR. DESIG. 18-514 STATEMENT NO. 213 DATE PREPARED 8/22/07

INST. - Submit an original & 2 copies to REA. See Bul. 327-1.

BORROWER NAME AND ADDRESS
PEOPLES RURAL TELEPHONE COOP. CORP., INC.
 PO BOX 159
 MCKEE, KY 40447

DATE RECEIVED	RE A USE ONLY		TOTAL APPROVED FOR ADVANCE	TOTAL ADVANCES TO DATE	ADVANCES NOW REQUESTED	RE A USE ONLY ADVANCES CURRENTLY APPROVED	TOTAL DISBURSEMENTS & CREDITS AS OF
	RE A NUMBER	AMOUNT ENCUMBERED					
APPROVED PURPOSES (Use Supplemental Sheets as necessary)	RE A USE ONLY WITHHELD ON CONTRACT (1)	TOTAL APPROVED FOR ADVANCE (2)	(3)	(4)	(5)	(6)	8/22/07
1. CONSTRUCTION							
h. OP M-56 (F)		1,364,376	1,364,376				1,364,376.00
i. COE M-57 (F)		235,548	235,548				235,548.00
j. SE M-58 (F)		302,112	302,112				291,517.00
k. OP M-59 (F)		1,478,613	1,478,613				1,478,613.00
l. COE M/N-61 (F)		743,223	743,223				743,223.00
m. OP N-63 (F)		472,845	472,845				472,845.15
n. SE N-64 (F)		77,342	77,342				77,342.24
o. OP N-65 (F)		2,431,940	2,431,940				2,431,940.31
p. COE N-66 (F)		3,198,617	3,198,617				3,198,616.67
q. SE N-67 (F)		230,573	230,573				230,573.43
r. SE N-68 (F)		279,465	239,000	40,465	40,465		279,465.22
s. SE N-69	28,212	199,907	60,000	139,907	139,907		60,061.48
t.							
u.							
v.							
w.							
x.							
y.							
z.							
aa.							
bb.							
cc.							
dd.							
ee.							
ff.							
gg.							
hh.							
ii.							
jj.							
kk.							
ll.							
mm.							
nn.							
oo.							
2. ENGINEERING							
c. M-49E (F)		1,988,419	1,988,419				1,988,419.00
d. N-62E	41,200	2,508,200	1,888,471	250,000	250,000		1,932,066.60
e.							
f.							
g.							
h.							
i.							
j.							
k.							
l.							
m.							
n.							
o.							



KY514-P – PEOPLES RURAL TELEPHONE COOP. CORP., INC.
MCKEE, KENTUCKY

System Design & RUS Loan Application

Engineering Certification

We, the undersigned, certify that the data in this Loan Design are correct to the best of our knowledge and belief and reasonably reflect the cost to serve the subscribers as proposed on the Form 569, "Area Coverage Survey Report," which are integral parts hereof, and that this Loan Design adheres to RUS Engineering and Construction Standards and Practices.

LADD ENGINEERING ASSOCIATES, INC.

Robert O. Wilford
Robert O. Wilford, P.E.

1-21-2008
Date

4010 KY 7/15/1959
License No. State Issued

PEOPLES RURAL TELEPHONE COOP. CORP., INC.

Keith Gabbard
Keith Gabbard, Manager

1-14-2008
Date

ENVIRONMENTAL REPORT

FOR

**PEOPLES RURAL TELEPHONE COOP. CORP., INC.
McKEE, KENTUCKY**

KY514 P - PEOPLES

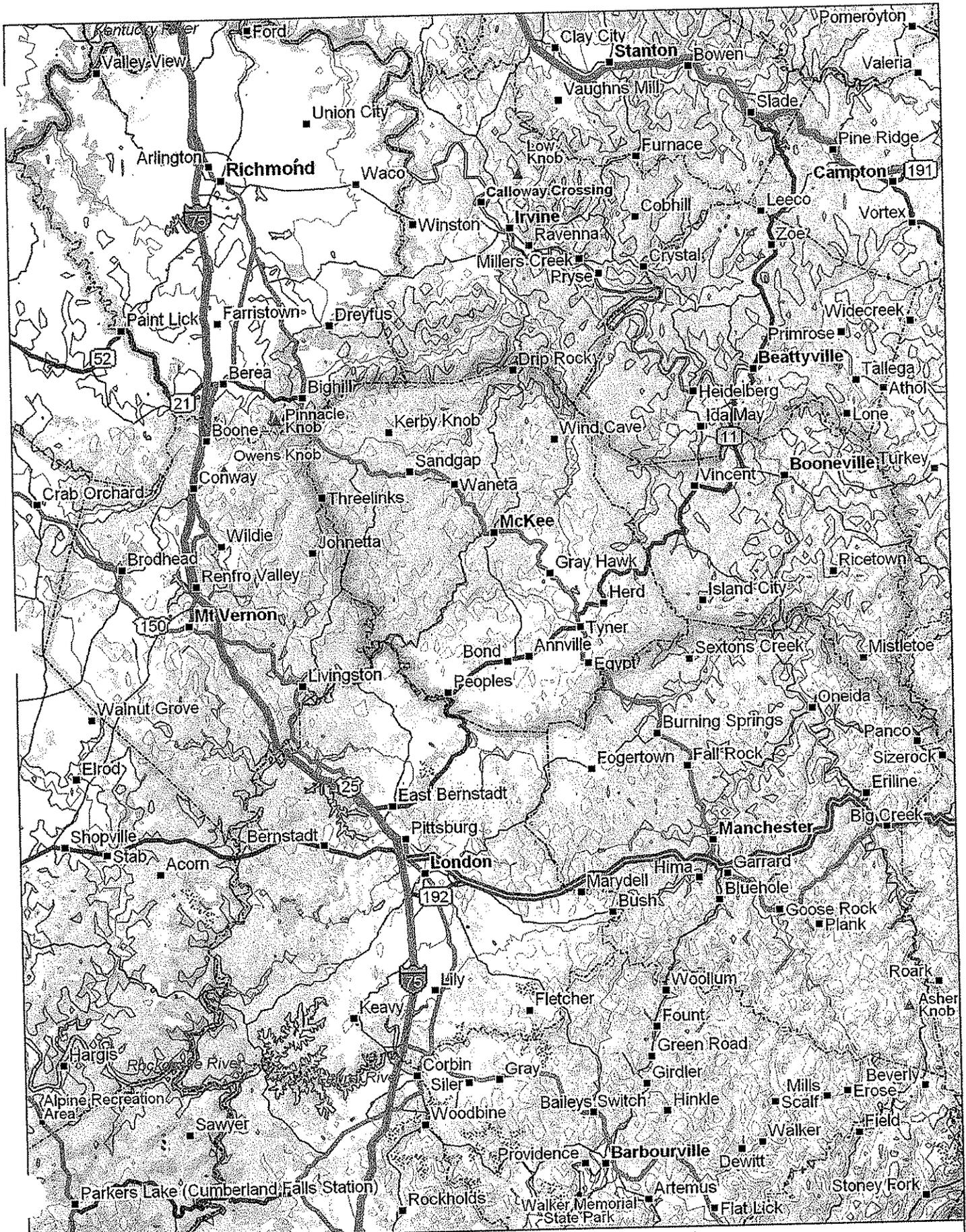
Prepared By:

**LADD ENGINEERING ASSOCIATES, INC.
Nicholasville, Kentucky**

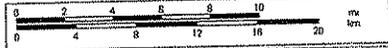
JANUARY 2008

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Scale 1 : 500,000
1" = 7.89 mi



TN
MN
4.7°W

DELORME

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2.1 PROJECT DESCRIPTION

Peoples Rural Telephone Coop. Corp., Inc., (PRTC) is currently making application to the Rural Utilities Services (RUS) for a loan to finance certain telephone facilities. This report will be submitted to RUS, to assist in their evaluation of the effects upon the environment, which may be caused by the proposed project, fulfilling the requirements set forth under the National Environmental Policy Act of 1969 (NEPA) as amended.

PRTC is located in Jackson and Owsley Counties in Kentucky and involves the Annville, Booneville, McKee and Sand Gap exchange areas. PRTC operates a modern telephone system in the area. The digital switches, located at each exchange central office, are all connected to the host switch located at McKee via fiber optic cable. When feasible, PRTC utilizes remote switching units to supply telephone and broadband service in the area. Remote switching units allow the subscriber better telecommunications by reducing the local loop, providing the subscriber access to future services which require the local loop to be less than 18kf from the switching unit. At the present time, Peoples is planning to upgrade its outside plant to fiber-to-the-home facilities for approximately 50% of their operating area. The McKee, Annville, Booneville and Sand Gap exchanges all have existing remote switching units housed in masonry type buildings and on concrete pads. The equipment at each of the remotes will be upgraded to provide state of the art broadband capability. PRTC proposes the continued use of 22 central office and remote buildings and 21 pad mounted type remote switches throughout the system. The pad mounted remote switches do not require a building; they are self-contained and are installed on a concrete pad approximately 10' x 16'. All offices will continue to utilize the existing copper cable in the area. Additional outside plant copper and fiber optic cable is required to meet the service requirements of the subscribers in PRTC's system. Some of the fiber cable to be installed will replace existing copper cable; thus, reducing the maintenance expense of the Cooperative. Approximately 75% of the proposed construction will be aerial cable. The outside plant construction will be along existing rights-of-way and cable routes. The aerial cable will be all single pole type construction.

At the present time, PRTC serves approximately 8,133 access lines throughout Jackson and Owsley counties in Kentucky with a projected growth of 93 access lines by year ending 2012.

2.2 NEED FOR THE PROJECT

The planned construction is needed to provide PRTC subscribers/members with the most modern broadband technology available.

2.3 ALTERNATIVES TO THE PROPOSED PROJECT

The following alternatives have been considered and will be discussed further: (1) No action, (2) Other Methods to Provide Service, (3) Alternative construction methods and materials and (4) Alternative Design

1. No Action Alternative

To choose the no action alternative would deny subscribers/members the expanded broadband service. This service required to offer the broad range of voice, video and data (triple-play) access that current technology offers and future technologies will require.

2. Other Methods to Provide Service

Broadband can also be delivered by means of wireless but the ground terrain and summer foliage reduces the available subscribers to shorter air spans requiring additional towers to be placed for optimum service reducing the cost effectiveness. The dissatisfying service possibilities along with the cost made our study alternative of FTTP a preferred method of delivery.

Utilizing the existing paired copper facilities would require many additional pad mounted remote switching units thus potentially having a greater environmental impact. Furthermore, bandwidths necessary to provide the level of service demanded is not possible over pair copper cables.

3. Alternative construction methods and materials

Through expanding the existing coaxial network, broadband bandwidths necessary to deliver a broad range of services is possible and was considered. However, the areas where construction is proposed in this application currently do not have coaxial cable available. As a result, a complete build-out would also be required for this alternative. The environmental impact as well as cost to build this type of network is comparable to the proposed construction; however, the fiber-to-the-home network will be a viable technology for a period well beyond the anticipated useful life of a coaxial network.

4. Alternative Design

Construction of these proposed facilities is along existing routing and provides for the most efficient path to reach all subscribers/members. Any change in cable routing that will provide less of an environmental impact while providing the same level of service will be considered; however, changes of this nature are expected to be extremely rare.

2.4 AFFECTED ENVIRONMENT

The Engineer has completed a brief study on the general description of the environment in the affected area. The basic land description is hilly to mountainous and centered in the Daniel Boone National Forest. The agricultural economy is classed as fair to good, with increasing employment opportunities in small manufacturing plants. Most of the land is privately owned with the exception of the Daniel Boone National Forest Area.

Due to the type of construction and proposed location of the routing of cable as stated in 2.3, Item 3, the construction procedures chosen will minimize siltation by disturbing the area for only a short time. Following the requirements for reclamation by the state of Kentucky, the disturbed land should heal quickly.

2.5 ENVIRONMENTAL IMPACT

Due to the nature of this project it is doubtful that any adverse environmental impacts will occur. Highway rights-of-way are frequently disturbed by road and utility maintenance procedures: These acts of maintenance would discourage the establishments of any but the hardiest and resilient species.

Floodplain maps were gathered of the area, and it was left up to the Engineer to determine if there are floodplains in the project area. As stated earlier, the construction will be mostly single pole type construction with a small amount of buried outside plant. It is the Engineer's opinion that floodplains may exist in the project area, but this type of construction will not adversely affect the floodplains.

2.6 MITIGATION AND MONITORING

The location of the construction and the method of construction were chosen so that the present ecosystem would be minimally affected by this project. Therefore, no environmental or historical impact is expected. No problems are anticipated which would limit or prevent construction of the proposed facilities. If detailed engineering studies indicate the need for a new remote site or additional cable routing, at that time a site-specific Environmental Report will be prepared.

2.7 CORRESPONDENCE

The following agencies have been contacted:

Virgil Lee Andrews, Jr., Field Supervisor (502-695-0468)
United State Department of the Interior
Fish and Wildlife Service, Kentucky Ecological Services Field Office
330 West Broadway, Suite 265, Frankfort, Kentucky 40601

Chuck Gibson, District Conservationist, McKee Field Office
Natural Resources Conservation Service
PO Box 172, McKee, Kentucky 40447-0172

David G. Edwards, District Conservationist
32 Big Hill Drive, PO Box 248, Beattyville, Kentucky 41311

Donna M. Neary, Executive Director
Kentucky Heritage Commission
300 Washington Street, Frankfort, Kentucky 40601

Col Raymond Midkiff, District Engineer
US Army Corps of Engineers
PO Box 59, Louisville, Kentucky 40201-0059

Mr. Mike Rock
US Forest Service
1700 By-Pass Road, Winchester, Kentucky 40391

Should a site-specific environmental report be required, these aforementioned agencies will be contacted as required.

Mr. Chuck Gibson, District Conservationist, was contacted for his comments regarding the impact to the environment: Expressed concerns – site soil erosion and off-site sedimentation. This is not usually a problem with aerial cable construction. The day-by-day progress on the project will be monitored by the Resident Engineer. RUS Specifications and Drawings for Construction of Direct Buried Plant, on Page 19, Section 4.111 states that all damage caused by the equipment will be immediately repaired to the satisfaction of the Engineer and the Owner. In most cases, Kentucky 31 Fescue grass seed, with germination at about 80%, will be distributed along the impact area, with a light straw covering. This would be considered satisfactory action and the Engineer would approve, unless otherwise advised. No prime farm land will be affected.

Notification of the project to Mr. Virgil Lee Andrews, Jr. of the U.S. Fish and Wildlife Services, yielded two concerns: endangered mussels and impacts to aquatic environments. While the project will consist primarily of single pole line construction, the agency's concerns are well noted with regard to land disturbances near streams. Every effort will be made to avoid the disturbance of streams through aerial inserts and directional boring; however, should the need arise the Fish and Wildlife Service will be contacted immediately. Furthermore, as stated above, that all damage caused by the equipment will be immediately repaired to the satisfaction of the Owner, Engineer and environmental agencies.

A map and description of the proposed project was forwarded to Donna M. Neary, Executive Director of the Kentucky Heritage Council for review. Ms. Neary stated the two areas of concern were the effects of the construction upon historic places and the disturbance of present and/or future archaeological sites. After review of the project, no objections were listed in their reply, and no archaeological survey will be required.

In a telephone conversation with Mike Turner with the US Army Corps of Engineers, he informed us that "their typical response was no response." He further stated that they would only respond if they see an issue they believe needs to be addressed and therefore we would not be receiving any correspondence.

Jerome E. Perez, Forest Supervisor for the US Forest Service, acknowledges that PRTC has existing 'Special Use Permits' for existing forest encroachments. Site specific studies will be required and will be followed for any new encroachments within forest boundaries. No new encroachments are planned at this time.

Receiving no objections from the Booneville District Conservationists, the Engineer concludes that the proposed project will have no adverse effect upon the environment, due to this construction.

The comments of each contacted agency have been attached.

2.8 NEWSPAPER ADVERTISEMENTS AND LEGAL NOTICES

Various federal state and local agencies will be contacted and asked to review the proposed project with respect to their areas of expertise. In the event the proposed construction will affect floodplains or wetlands, PRTC will publish a legal notice and paid advertisement requesting comments and review by interested parties. This action will fulfill requirements as set forth by 7 CFR Part 1794.

2.9 MANAGER'S STATEMENT

I have reviewed the environmental report (ER) and to the best of my knowledge, it accurately describes the proposed project, associated environmental impacts, and reasonable alternatives. Peoples Rural Telephone Coop. Corp., Inc. intends to carry out the environmental commitments, mitigation measures and monitoring efforts presented in the ER. Our personnel and those of any involved independent contractor will be made aware of such environmental commitments before the initiation of construction. If any information relevant to the environmental effects of the proposed project comes to our attention subsequent to the submission of this ER, such material will be provided promptly to RUS.



Keith Gabbard, Manager
PEOPLES RURAL TELEPHONE COOP. CORP., INC.

USDA United States
Department of
Agriculture

Forest
Service

Daniel Boone
National Forest

1700 Bypass Road
Winchester, KY 40391
859-745-3100

File Code: 2700

Date: FEB 01 2008

RECEIVED

FEB 04 2008

**LADD ENGINEERING
ASSOCIATES, INC.**

Mr. Robert Wilford, PE
Chief Communications Engineer
LADD Engineering Associates, Inc.
3007-A Park Central Avenue
Nicholasville, KY 40336

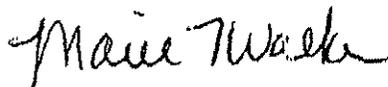
Dear Mr. Wilford:

Thank you for the opportunity to review the proposal as described in your December 3, 2007 letter. I apologize for not responding sooner. Key vacancies in our staffing have resulted in delayed responses.

Your proposal covers a rather large area and some of the lines most likely cross National Forest System (NFS) lands. A records search has not been done, but it is reasonable that Peoples Rural Telephone Cooperative (PRTC) has one or more Special Use Permit with the Forest Service for their existing rights-of-way across NFS lands. Should the proposal result in new locations across NFS lands, or in changes to existing authorities, an amended Special Use Permit would be needed. Prior to issuing any new permits, additional environmental analysis may be needed in compliance with various laws, such as the National Environmental Policy Act, Endangered Species Act, and National Historic Preservation Act. Site-specific consideration is essential to accurately disclose environmental impacts. However, use of existing rights-of way would likely reduce impacts as these areas have already been cleared of vegetation and access roads likely exist.

You should continue to coordinate with Mike Rock (606) 598-2192, ext 106, as your planning effort progresses.

Sincerely,



for JEROME E. PEREZ
Forest Supervisor

Cc: Michael Stidham





COMMERCE CABINET
KENTUCKY HERITAGE COUNCIL

Steven L. Beshear
Governor

The State Historic Preservation Office
300 Washington Street
Frankfort, Kentucky 40601
Phone (502) 564-7005
Fax (502) 564-5820
www.kentucky.gov

Marcheta Sparrow
Secretary

Donna M. Neary
Executive Director and
State Historic Preservation Officer

January 28, 2008

Mr. Robert Wilford
Ladd Engineering Associates, Inc
3007-A Park Central Avenue
Nicholasville, Kentucky 40356

RECEIVED

JAN 31 2008

LADD ENGINEERING
ASSOCIATES, INC.

Re: People Rural Telephone Cooperative, McKee, Kentucky

Dear Mr. Wilford:

Thank you for your correspondence concerning the above referenced project. Our review indicates the proposed project will not impact any National Register properties or sites as the project will utilize existing roadways and previously disturbed areas. In accordance with 36CFR Part 800.4 (d) of the Advisory Council's revised regulation, our finding is that there are No Historic Properties Present within the undertaking's area of potential impact. Therefore, we have no further comments and the responsibility to consult with the Kentucky State Historic Preservation Officer under the Section 106 review process is fulfilled for the archaeology portion of the project.

Should you have any questions, feel free to contact Lori Stahlgren of my staff at (502) 564-7005, extension 151.

Sincerely,

Donna M. Neary, Executive Director
Kentucky Heritage Council and
State Historic Preservation Officer

LCS:lcs



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Kentucky Ecological Services Field Office
330 West Broadway, Suite 265
Frankfort, Kentucky 40601
(502) 695-0468
January 18, 2008

RECEIVED

JAN 29 2008

LADD ENGINEERING
ASSOCIATES, INC.

Mr. Robert Wilford
LADD Engineering Associates, Inc.
3007-A Park Central Avenue
Nicholasville, Kentucky 40356

Subject: FWS #2008-B-0219; Conversion of Phone Line Cables, Jackson and Owsley Counties, Kentucky

Dear Mr. Wilford:

Thank you for your correspondence of December 3, 2007, regarding the proposed conversion of the existing hybrid fiber-copper telephone cable to "fiber to the premise" cable. According to your letter, existing pole line and buried corridors would be utilized for the new cable. The project would include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties. Fish and Wildlife Service (Service) personnel have reviewed the information submitted, and we offer the following comments:

We note that the proposed project may include cable crossings over streams. Records for endangered mussels, specifically, the Cumberland bean (*Villosa trabalis*) and the Littlewing pearly mussel (*Pegias fibula*), may exist within the project area. Therefore, we request that all streams be crossed aurally or by directionally boring with no in-stream disturbances. If this cannot be accomplished, this office should be notified immediately and a mussel survey of the proposed stream crossing may be necessary to determine the absence/presence of these species.

Additionally, we request that further planning on this project include the most stringent erosion and sediment control measures possible and that this planning evaluate all appropriate measures to minimize direct impacts to aquatic environments. Complete avoidance of impacts to aquatic ecosystems is preferred. However, if direct impacts are necessary, we suggest that you incorporate the following recommendations in order to protect this extremely important resource.

- We recommend the installation of silt barriers when working adjacent to all streams to prevent runoff of sediment.
- The attachment of pipeline(s) to road bridges would avoid and minimize impacts to stream habitat and water quality. However, if the line(s) cannot be attached to road bridges, we recommend that they be installed using directional boring or aurally in order to minimize disturbance to the streams that are crossed.

- Streambanks should be reseeded with native vegetation beneficial to wildlife immediately following completion of the stream crossing, disturbed surfaces should be restored to original contours, and excess materials removed to a properly confined upland area.
- Work areas should be monitored on a continuous basis by an inspector trained in erosion and sediment control. This would ensure the timely restabilization of disturbed area that could potentially contribute sediment to aquatic ecosystems.

Thank you for the opportunity to comment on this proposed action. If you have any questions regarding the information which we provided, please contact Mindi Lawson at (502)695-0468.

Sincerely,



Virgil Lee Andrews, Jr.
Field Supervisor

United States Department of Agriculture



Natural Resources Conservation Service
P.O. Box 172
McKee, Kentucky 40447-0172

December 19, 2007

Robert Wilford, PE, Chief Communications Engineer
LADD Engineering Associates, Inc.
3007-A Park Central Avenue
Nicholasville, Kentucky 40356

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DEC 21 2007

**LADD ENGINEERING
ASSOCIATES, INC.**

Re: Peoples Rural Telephone Cooperative Project

Mr. Wilford,

In regard to the project referenced above and in response to your letter dated 12-3-07 please see the following information.

Regarding hydric soils and possible impacts to wetlands, the USDA Natural Resources Conservation Service does not make wetland determinations for non-agricultural land uses. It will be necessary for you to contact the U.S. Army Corps of Engineers for determinations regarding hydric soils and potential impacts to wetlands.

Please find enclosed a map of Jackson and Owsley counties that identifies the prime farmland soils and the soils of statewide importance. The legend on the map identifies the prime farmland soils in green. The soils of statewide importance are outlined in black and colored in red. However, the red does not show up well on this scale.

The U. S. Department for Fish and Wildlife and the Kentucky State Nature Preserves Commission should be contacted regarding potential impacts to threatened and endangered species.

I am currently unaware of any state or local programs to address the preservation of farmland in the project area. You should contact the Jackson County and Owsley County fiscal courts to obtain further information regarding local efforts to protect farmland.

Helping People Help the Land

An Equal Opportunity Provider and Employer

On site soil erosion and off site sedimentation will be the two major impacts the Natural Resources Conservation Service would be concerned with. It is my understanding that most of this type of action would occur during construction/installation. Therefore, I would recommend that as soon as a section or segment of the project is completed, then that area should be graded and shaped, seeded and mulched to re-establish vegetation as quickly as possible. The less ground disturbance that occurs during construction/installation should result in less severe environmental impacts. Stream crossings and steep slopes will present difficult challenges to the contractor to minimize negative environmental impacts during construction/implementation and to maintain the stability of the site after completion.

If you need further information regarding this project, please contact me at the McKee field office for the Natural Resources Conservation Service.

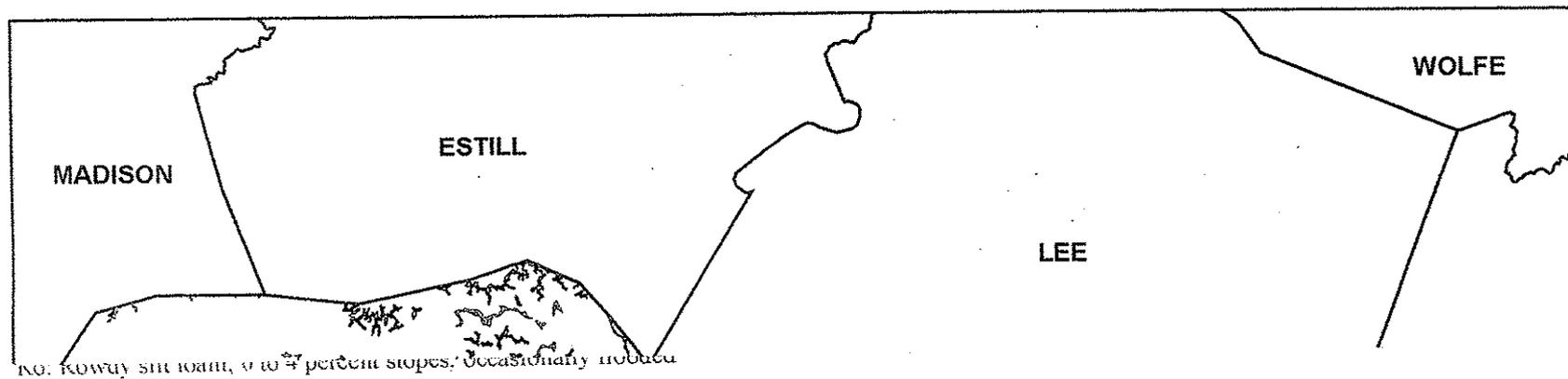
Respectfully,

A handwritten signature in cursive script that reads "Chuck Gibson".

Chuck Gibson,
District Conservationist
McKee Field Office

Enclosure

Jackson and Owsley Prime Farmland and Soils of Statewide Importance Map



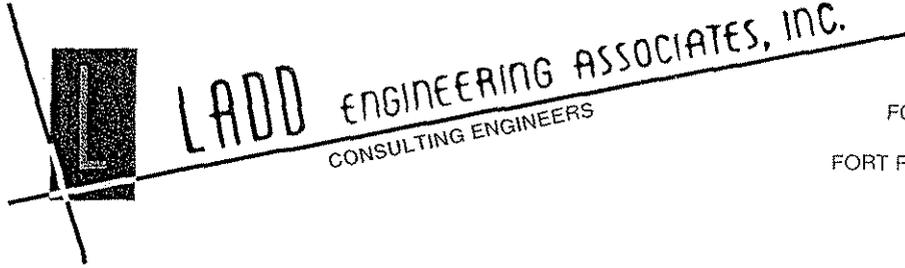
NO. 10049 Silt loam, 0 to 7 percent slopes, occasionally wooded

Soils of Statewide Importance

GnC Gilpin silt loam, 6 to 12 percent slopes

LxG Lily and Gilpin soils, sloping

See published survey for more detailed information.



HEADQUARTERS
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FORT PAYNE, ALABAMA 35968-1608

KENTUCKY BRANCH
PHONE (859) 885-3322
FAX (859) 885-1952
3007-A PARK CENTRAL AVENUE
NICHOLASVILLE, KENTUCKY 40356

December 3, 2007

Mr. David Morgan
Kentucky Heritage Commission
300 Washington Street
Frankfort, KY 40601

Dear Mr. Morgan:

Peoples Rural Telephone Cooperative, McKee, Kentucky is in the process of preparing an environmental report for the Rural Utilities Service in order that it may assess the environmental impacts of the conversion to "fiber to the premise" from the existing hybrid fiber-copper environment. At sometime in the future it is planned to remove the existing copper cable. Existing pole line and buried corridors will be utilized for the new cable. The project will include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties.

Enclosed is a map based on U. S. Geological Survey Maps which show the service area of the telephone company.

Peoples Rural requests your office provide comment regarding the possible impacts created by the proposed project on the historic properties in the project area. Please provide any recommendations you may have to avoid these impacts.

We would appreciate a response within thirty (30) days. If you need any further information or wish to discuss the project, please contact me at 859 885-3322.

Sincerely,

LADD ENGINEERING ASSOCIATES, INC.

Robert Wilford, PE
Chief Communications Engineer

ROW:gh

Enclosure



LADD ENGINEERING ASSOCIATES, INC.
CONSULTING ENGINEERS

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NICHOLASVILLE, KENTUCKY 40356

December 3, 2007

Mr. Jack Gibson
District Conservationist
P. O. Box 172
McKee, KY 40447

Dear Mr. Gibson:

Peoples Rural Telephone Cooperative, McKee, Kentucky is in the process of preparing an environmental report for the Rural Utilities Service in order that it may assess the environmental impacts of the conversion to "fiber to the premise" from the existing hybrid fiber-copper environment. At sometime in the future it is planned to remove the existing copper cable. Existing pole line and buried corridors will be utilized for the new cable. The project will include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties.

Enclosed is a map based on U.S. Geological Survey Maps which show the service area of the telephone company.

We are requesting information on the possible effects of the proposed project on hydric soils, important farmland, prime forest land or prime rangeland and any recommendations you have to minimize or avoid these effects. We also seek your assessment of the compatibility of the proposals with State and local government and private programs and policies to protect farmland.

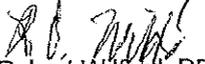
Peoples requests your office to review the proposed project for possible impacts to wetlands, threatened and endangered species, and other important state natural resources that occur in the project area. Please provide any recommendations you may have to mitigate or avoid these impacts.

If the project area has been mapped for important or prime farmland, please inform us how a copy can be obtained.

We would appreciate a response within thirty (30) days. If you need any further information or wish to discuss the project, please contact me at 859 885-3322.

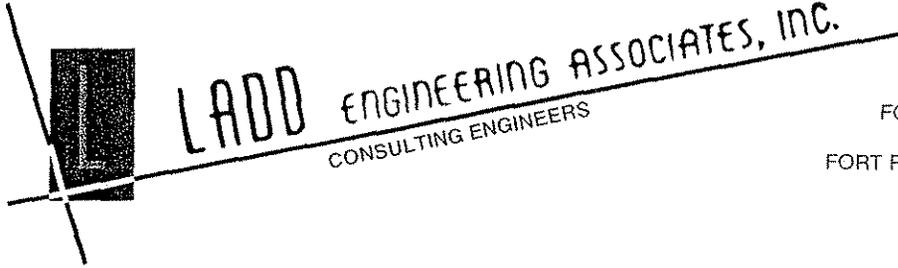
Sincerely,

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Robert Wilford, PE
Chief Communications Engineer

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NICHOLASVILLE, KENTUCKY 40356

December 3, 2007

Ms. Mindi Lawson
U.S. Fish & Wildlife Service
330 West Broadway
Room 265
Frankfort, KY 40601

Dear Ms. Lawson:

Peoples Rural Telephone Cooperative, McKee, Kentucky is in the process of preparing an environmental report for the Rural Utilities Service in order that it may assess the environmental impacts of the conversion to "fiber to the premise" from the existing hybrid fiber-copper environment. At sometime in the future it is planned to remove the existing copper cable. Existing pole line and buried corridors will be utilized for the new cable. The project will include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties.

Enclosed is a map based on U. S. Geological Survey Maps which show the service area of the telephone company.

The proposed project does not represent a "major construction activity" as defined in 50 CFR 402.02. We request a list of any listed or proposed threatened or endangered species and designated or proposed critical habitat that may be present in the project area. In addition, please advise us of any present concerns you may have related to possible effects of the project listed above on such species or critical habitat, as well as any other wildlife concerns.

Peoples requests you compare the proposed project location to your wetland Inventory Maps in order to determine if wetlands will be impacted, and provide any recommendations you may have to minimize or avoid impacts to wetlands.

We would appreciate a response within thirty (30) days. If you need any further information or wish to discuss the project, please contact me at 859 885-3322.

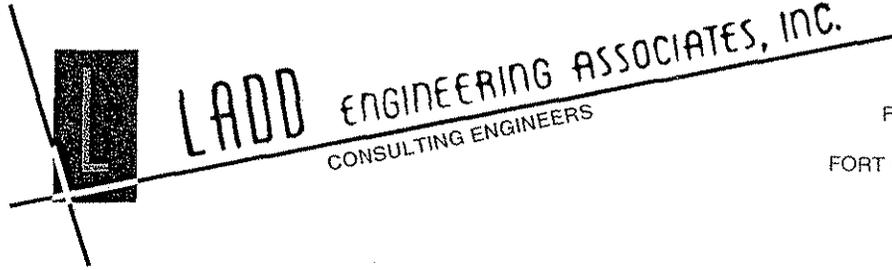
Sincerely,

LADD ENGINEERING ASSOCIATES, INC.

Robert Wilford, PE
Chief Communications Engineer

ROW:gh

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December 3, 2007

Mr. David G. Edwards
District Conservationist
32 Big Hill Drive
P. O. Box 248
Beattyville, KY 41311

Dear Mr. Edwards:

Peoples Rural Telephone Cooperative, McKee, Kentucky is in the process of preparing an environmental report for the Rural Utilities Service in order that it may assess the environmental impacts of the conversion to "fiber to the premise" from the existing hybrid fiber-copper environment. At sometime in the future it is planned to remove the existing copper cable. Existing pole line and buried corridors will be utilized for the new cable. The project will include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties.

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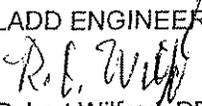
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We would appreciate a response within thirty (30) days. If you need any further information or wish to discuss the project, please contact me at 859 885-3322.

Sincerely,

LADD ENGINEERING ASSOCIATES, INC.


Robert Wilford, PE
Chief Communications Engineer

ROW:gh

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NICHOLASVILLE, KENTUCKY 40356

December 3, 2007

Col. Raymond Midkiff
District Engineer
U.S. Army Corps of Engineers
P. O. Box 59
Louisville, KY 40201-0059

Dear Col. Midkiff:

Peoples Rural Telephone Cooperative, McKee, Kentucky is in the process of preparing an environmental report for the Rural Utilities Service in order that it may assess the environmental impacts of the conversion to "fiber to the premise" from the existing hybrid fiber-copper environment. At sometime in the future it is planned to remove the existing copper cable. Existing pole line and buried corridors will be utilized for the new cable. The project will include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties.

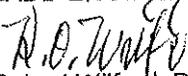
Enclosed is a map based on U. S. Geological Survey Maps which show the service area of the telephone company.

Peoples Rural requests your office to review the proposed project for possible impacts to 100-year floodplains, wetlands, and other important natural resources that occur in the project area.

Please provide any recommendations you may have to mitigate or avoid these impacts. We would appreciate a response within thirty (30) days. If you need any further information or wish to discuss the project, please contact me at 859 885-3322.

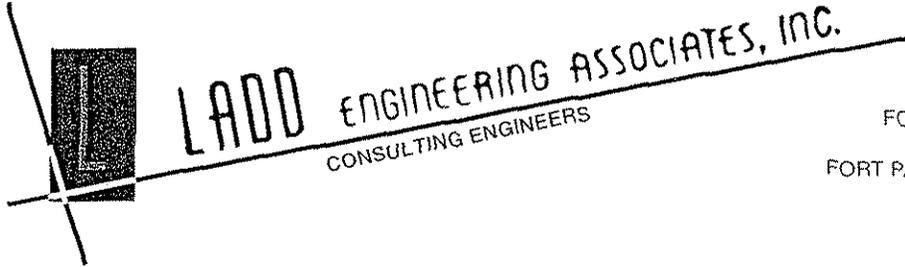
Sincerely,

LADD ENGINEERING ASSOCIATES, INC.


Robert Wilford, PE
Chief Communications Engineer

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NICHOLASVILLE, KENTUCKY 40356

December 3, 2007

Mr. Mike Rock
U.S. Forest Service
1700 By-Pass Road
Winchester, KY 40391

Dear Mr. Rock:

Peoples Rural Telephone Cooperative, McKee, Kentucky is in the process of preparing an environmental report for the Rural Utilities Service in order that it may assess the environmental impacts of the conversion to "fiber to the premise" from the existing hybrid fiber-copper environment. At sometime in the future it is planned to remove the existing copper cable. Existing pole line and buried corridors will be utilized for the new cable. The project will include the entire service area of the cooperative which consists of all of Jackson and Owsley Counties.

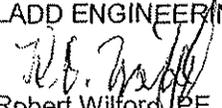
Enclosed is a map based on U.S. Geological Survey Maps which show the service area of the telephone company.

Some of the construction may take place in the Daniel Boone National Forest. Although the submittal of a special use permit application at this time would be premature, we are seeking information on environmental effects from the project as an input to RUS' decision-making process. We request your review of this project for potential impacts to officially designated areas within the Daniel Boone National Forest and any recommendations you may have to mitigate or avoid these effects.

We would appreciate a response within thirty (30) days. If you need any further information or wish to discuss the project, please contact me at 859 885-3322.

Sincerely,

LADD ENGINEERING ASSOCIATES, INC.


Robert Wilford, P.E.
Chief Communications Engineer

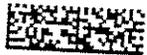
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Mr. Jack Gibson
District Conservationist
P. O. Box 172
McKee, KY 40447

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Mr. Mike Rock
U.S. Forest Service
1700 By-Pass Road
Winchester, KY 40391



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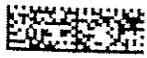


Mr. David Morgan
Kentucky Heritage Commission
300 Washington Street
Frankfort, KY 40601

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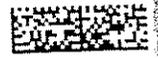

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|||
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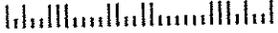
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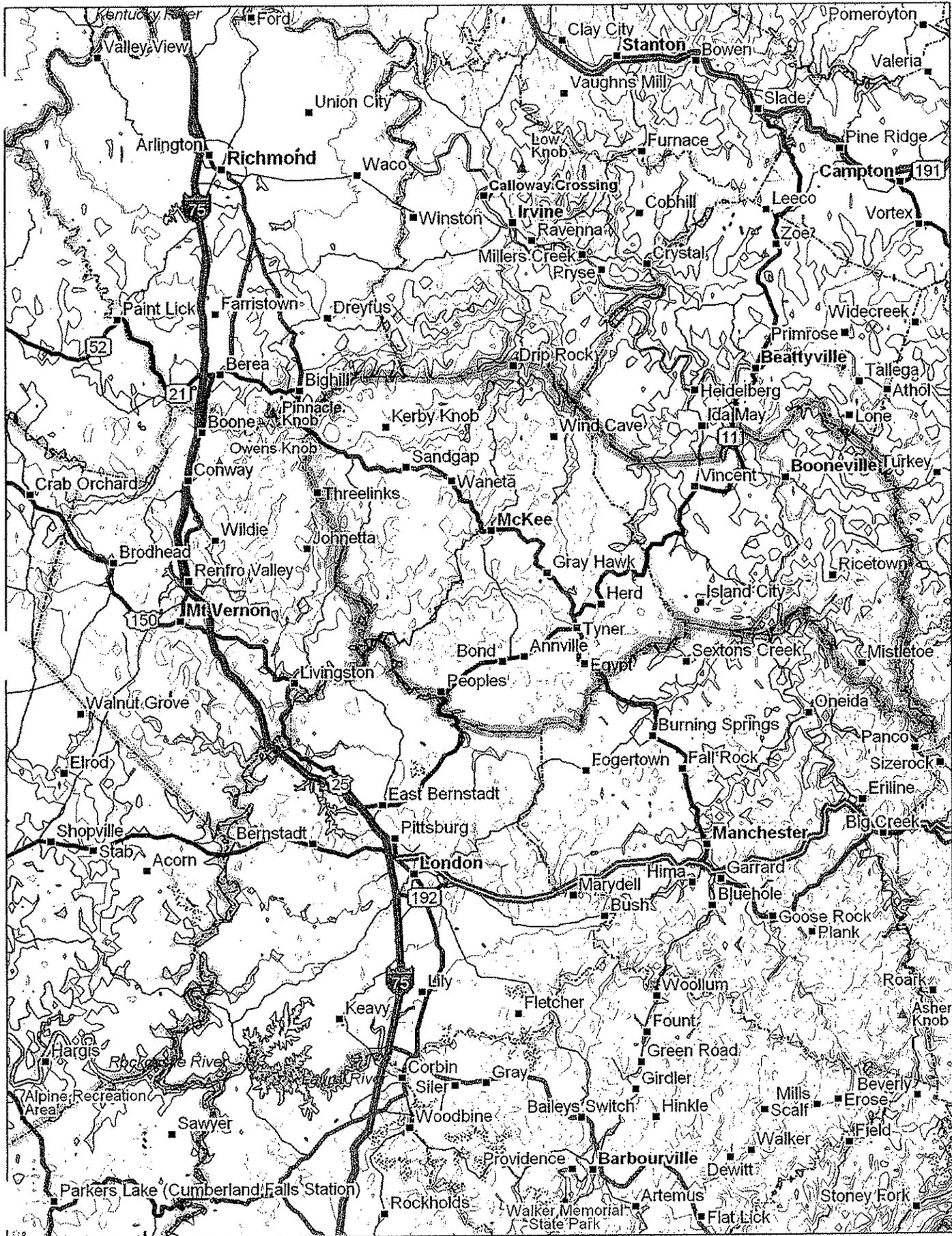
0226

 **LADD** ENGINEERING ASSOCIATES, INC.
3007-A PARK CENTRAL AVENUE
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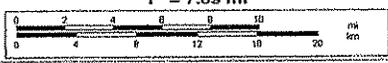

Ms. Mindi Lawson
U.S. Fish & Wildlife Service
330 West Broadway
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Frankfort, KY 40601

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www.delorme.com

**Application for a Certificate of Public Convenience and Necessity
Exhibit B**

Three (3) Maps of proposed construction

CASE NO: 2008-00081

**CONTAINS
LARGE OR OVERSIZED
MAP(S)**

RECEIVED ON: March 4, 2008