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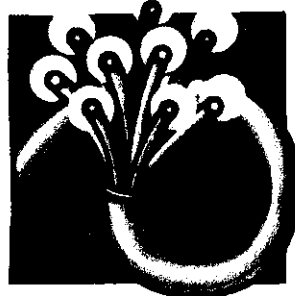
MAY 16 2006

PUBLIC SERVICE
COMMISSION

Mountain Rural Telephone Cooperative Corporation, Inc.

Gigabit Ethernet Agreement *Jan 06*

Elliott County Board of Education



Contract No. FOC112802

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TARIFF BRANCH
RECEIVED
5/5/2006
PUBLIC SERVICE
COMMISSION
OF KENTUCKY

Mountain Rural Telephone Cooperative Corporation, Inc. Service Agreement

This Agreement is made this 10th day of February, 2006 by and between Elliott County Board of Education, herein referred to as the Customer, and Mountain Rural Telephone Cooperative Corporation, Inc. with offices located at 405 Main Street, West Liberty, Kentucky 41472 herein referred to as the Company.

WHEREAS, this Agreement is made pursuant to and hereby incorporates the terms and conditions listed in Attachment B, except to the extent modified or below. Any such modification or supplements are for the purpose of this Agreement only and shall not affect any other agreement unless specifically provided therein; and

WHEREAS, this Agreement establishes certain conditions under which the Customer commits to pay established pricing for "Gigabit Ethernet Services," "Recurring and Non-Recurring Charges," "Installation," and "Engineering," as defined herein, during the Term of this Agreement and receive additional benefits as specified herein.

NOW, THEREFORE, Mountain Rural Telephone Cooperative Corporation, Inc. and the Customer agree as follows:

1. **TERM OF AGREEMENT**

The pricing and any special incentive discounts or offers described in this Agreement are contingent upon execution of this Agreement prior to February 17th 2006. The term of this Agreement shall commence on July 1st 2006 ("Effective Date"), and shall, except as otherwise provided herein, continue in effect thereafter through June 30th 2011 ("Term").

2. **DEFINITIONS**

Initially capitalized terms used in this agreement shall have the meanings specified in this Section 2, "Definitions" or in Attachment B, "Terms and Conditions."

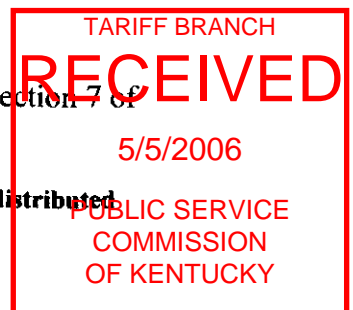
- a. "CI" shall mean the process established by Mountain Rural Telephone Cooperative Corporation, Inc. to complete accurately all of the Company's forms and to provide all information necessary for the Company to begin to engineer, and/or to provide the components of, Initial Systems and/or Extensions.
- b. "Fiber Cable" shall mean the outside plant cable connecting any two points.
- c. "Dark Fiber" shall mean any single fiber within a fiber cable.

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- d. "Engineering" shall mean the Company's engineering services which include, but are not limited to, the planning, application, configuration, and technical advice which may be associated with "Gigabit Ethernet Service" ordered to the Customer.
- e. "Extension" shall mean the Hardware which the Company engineers and installs pursuant to this Agreement and which is associated with any addition to an Initial System.
- f. "Splicing" shall mean the process of connecting the ends of any two fibers together.
- g. "Patch Panel" shall mean the device where fiber cables will be terminated.
- h. "Hardware" shall mean the hardware components, including any Vendor Items, associated with the Company's Gigabit Ethernet Service.
- i. "Initial System" shall mean any Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service arrangement which the Company initially engineers and installs pursuant to this Agreement.
- j. "Installation" shall mean the installation of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service and/or Hardware.
- k. "Office(s)" shall mean the office(s) containing the Routing Equipment where the fiber optic cable terminates.
- l. "Remote Location(s)" shall mean Location(s) not connected to the main fiber route.
- m. "Start-Up Day" shall mean the day Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is released to the Customer for first time.
- n. "Turnover" shall mean the date the Company gives notification to the Customer that the applicable fiber has been tested and hardware specifications have been met.
- o. "Vendor Items" shall mean those Hardware components which the Company designates as having been supplied to the Company by any third party, including, but not limited to, other divisions and/or parents, subsidiaries, of affiliates of the Company.
- p. "Maintenance Period" shall mean the Maintenance Period set forth in Section 7 of Attachment B.

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- q. "Customer Premise Equipment" shall mean the equipment supplied by the Company and located at the Customer locations. This equipment may consist of, but not be limited to Ethernet Switches, Fiber Termination Panels, cables and power supplies.
- r. "Transport Equipment" shall mean the equipment required to transport the data from the Customer location to the Companies Router located in the Companies nearest Central Office Serving Wire Center. This equipment may consist of, but not be limited to SX Lasers, LX Lasers, CWDM Lasers and Fiber.
- s. "Routing Equipment" shall mean the equipment housed at the Companies Central Office Serving Wire Center used to terminate and route data traffic from one Customer location to another.
- t. "SX Laser" shall mean a 1-port 1000Base-Standard Reach Gigabit Interface Converter equipped with an SC Connector.
- u. "LX Laser" shall mean a 1-port 1000Base-Long Reach Gigabit Interface Converter equipped with an SC Connector.
- v. "CWDM" shall mean a 1-port 1000Base WDM Long Haul (40KM) Gigabit Interface Converter with Avalanche Photo Diode Receiver operating at either 1490 or 1530 nm Wavelength.

3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service**

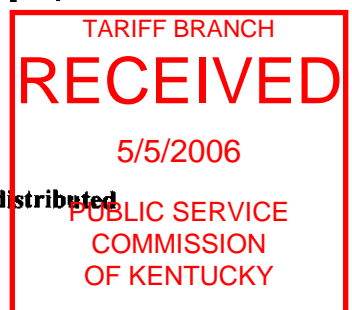
a. **Membership**

As of the Effective Date, the Customer must have established membership with Mountain Rural Telephone Cooperative Corporation, Inc. pursuant to Article 1 of Mountain Rural Telephone Cooperative Corporation, Inc. By-Laws. All membership fees shall be paid in full and any other applicable fees which may apply. Under the Agreement, the Customer may upgrade its service upon a mutually agreeable schedule during the Term, refer to Attachment B. To request an upgrade from the Company, the Customer shall submit a written request to the Company's main office.

b. **Installation**

Unless otherwise identified in Attachment A, the Installation associated with the applicable Hardware required for Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company.

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3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service (continued)**

c. **Hardware**

Hardware for the initial Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company at the pricing set forth in the presentation package and shall remain fixed during the Term. Additional Hardware required during the Term shall be subject to price adjustments as the market allows.

d. **Support**

During the Term, the Company shall provide Technical Assistance and Maintenance Repair in accordance with the Company's standard procedures at no additional charge. The Customer may call the following number for repair service: 606-743-4040.

g. **Maintenance**

The Maintenance Period of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall extend through the Term of this Agreement. Terms and conditions with respect to upgrades during the Term are set forth in Attachment B.

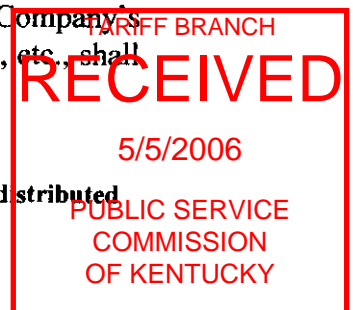
4. **SATISFACTION ASSURANCE**

To assure customer satisfaction of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service(s) a one hundred twenty (120) day evaluation period shall be provided during the Term. Within one hundred twenty (120) days after Turnover, the Customer may notify the Company in writing that the system fails to meet the objectives for which it was designed and engineered and that the Customer elects to replace such fiber(s) with an alternative, generally available transmission method for an equal or greater fee. The Company shall provide the Customer with written confirmation of such replacement and shall invoice the Customer for any additional fees. Notwithstanding the Customer's election to replace any such system(s), any amounts paid by the Customer for Hardware, Engineering, and/or Installation shall not be refunded, and the Customer shall be responsible for all amounts associated with any additional Hardware, Engineering, and/or Installation required for such replacement.

5. **PRICING**

The price of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet is fixed during the Term, except in those cases where additions or deletions affect the 80% rule (See Attachment B 3 (c) Terms). Charges and Fees related to "Changes", "Additions", and "Deletions" shall apply at the Company's hourly rate. Additional charges such as Extensions, Special Protection, etc. shall apply as defined in the Company's Standard Rates.

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6. **PAYMENT TERMS**

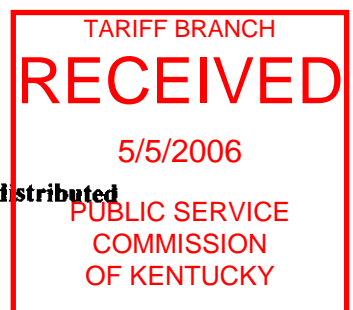
The Customer shall make monthly payments due the tenth (10th) of each month during the Term.

7. **GENERAL**

Attachment A and Attachment B, referred to herein and attached hereto are integral parts of this Agreement and are incorporated herein by this reference.

This Agreement shall constitute the entire agreement between the parties with respect to the subject matter contained herein, supersede all previous agreements pertaining to the subject matter contained herein, and may be modified only by an amendment executed in writing by both parties. All prior agreements, representation, statements, negotiations, understandings, and undertakings are superseded hereby.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives.

**MOUNTAIN RURAL TELEPHONE
COOPERATIVE CORPORATION, INC.**

**ELLIOTT COUNTY
BOARD OF EDUCATION**

By: WA Gillum

(signature)

Name: Allen Gillum

(print)

Title: General Manager

Date: 2-16-06

By: Patricia Howard

(signature)

Name: Patrica Howard

(print)

Title: Chairperson, Elliott County
Board of Education

Date: 2/10/2006

(Corporate Seal)

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ATTACHMENT A

1:53 PM 2/8/2006

Offer Date February 10, 2006
 Elliott County Board of Education, Gigabit Ethernet Agreement

<u>Item</u>	<u>Base Price Per Item</u>	<u>Quantity</u>	<u>Total Price Per Item</u>	<u>Accepted</u>
Customer Premise Equipment				
	\$26.54	3	\$159.24	<input checked="" type="checkbox"/>
Transport Equipment				
SX Lasers	\$3.72	4	\$14.88	<input checked="" type="checkbox"/>
LX Lasers	\$10.73	6	\$64.38	<input checked="" type="checkbox"/>
CWDM Lasers	\$32.30	0	\$0.00	<input checked="" type="checkbox"/>
Fiber-Sandy Hook CO to Superintendents Office	\$17.98	0.3	\$10.79	<input checked="" type="checkbox"/>
Fiber-Sandy Hook CO to Lakeside Elementary	\$17.98	5.1	\$183.40	<input checked="" type="checkbox"/>
Fiber-Sandy Hook CO to Isonville Elementary	\$17.98	5.6	\$201.38	<input checked="" type="checkbox"/>
Routing Equipment				
	\$983.61	1	\$983.61	<input checked="" type="checkbox"/>
TOTAL MONTHLY PRICING			\$1,617.67	<input checked="" type="checkbox"/>

Initial & Date PH 2/10/2006



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ATTACHMENT B

TERMS AND CONDITIONS

1. **ACCEPTANCE - NOTWITHSTANDING ANY TERMS, INCLUDING ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS CONTAINED IN ANY ORDER ISSUED BY THE CUSTOMER, CUSTOMER ACCEPTING SERVICES DESCRIBED HEREIN AND/OR BY ISSUING ANY ORDER AGREES TO THE TERMS AND CONDITIONS SET FORTH BELOW AND ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS SET FORTH BY THE CUSTOMER IN ANY ORDER OR OTHER WRITTEN ACCEPTANCE OF THIS AGREEMENT, OR OTHERWISE, ARE HEREBY DEEMED TO BE SEASONABLY OBJECTED TO BY THE COMPANY.**

2. **LIABILITY OF THE COMPANY**
Mountain Rural Telephone Cooperative Corporation, Inc. makes no guarantee and assumes no liability for claims or suits resulting from the non-performance of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service except as can be demonstrated to be due to gross negligence or willful misconduct by the Company.

3. **TERMS**
 - (a) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is provided for a minimum of sixty (60) months, beginning on the service installation date.

 - (b) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is offered via this Agreement, commencing on the date that service is established, for fixed terms of sixty months (five years). For the Agreement period, Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet rates offered by the Company will not change.

 - (c) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer is required to retain, as a minimum, an amount equal to 80% of the equipment originally engineered for the term of the Agreement.

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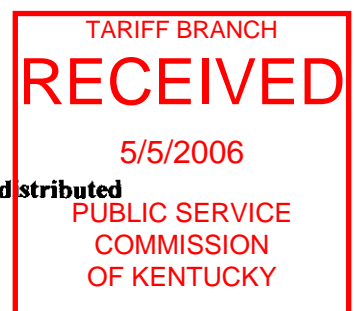
3. TERMS (cont.)

- (d) Subsequent Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet additions may be rated under a new Agreement or an Addendum to an existing Agreement for the remainder of the initial Term. A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may also request reductions that do not exceed the provision of (c) preceding. If a reduction causes the total number of route mile(s) and/or total transmission or CPE to fall, all remaining route mile(s) and/or terminations will be billed at the rates associated with the lesser mileage and/or equipment.
- (e) In the event that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet service is terminated by the Customer prior to completion of the initial Agreement period, a termination charge will apply. The Company's termination charge will equal an amount representing the present value of the remaining Agreement balance. The amount is calculated by applying a discount rate (that equals the average interest rate for Treasury Bills for the three quarters preceding the termination date) to the remaining contract balance, plus the cost of removal. The termination charge is payable in its entirety immediately upon termination of an Agreement.
- (f) When the Agreement term expires, a Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may select a new Agreement period or continue with month-to-month service at rates offered at that time.
- (g) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Agreement Customer may, at any time during the Agreement period, re-subscribe to a fixed Term of different length. The new Agreement Term begins with the date requested. No credit will be given by the Company toward the new Agreement Term for payments made during the formerly selected Term. No termination charge will be applied if a new Term is requested.

4. NON-RECURRING CHARGES

The prices set forth in Attachment A do not include any applicable Non-recurring charges. The Customer shall pay to the Company any Non-recurring charges assessed by the Company upon completion of Installation and prior to the Start-Up date.

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5. **REMEDIES**

In the event of any breach of this Agreement by either party which continues for thirty (30) or more days after detailed written notice of such breach has been given to the breaching party, the aggrieved party shall be entitled to pursue any remedies available at law or equity; except that the **COMPANY SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR ANY BREACH OF THIS AGREEMENT AND THE COMPANY'S LIABILITY UNDER SECTION 2 SHALL NOT BE GREATER THAN THAT DESCRIBED THEREIN.**

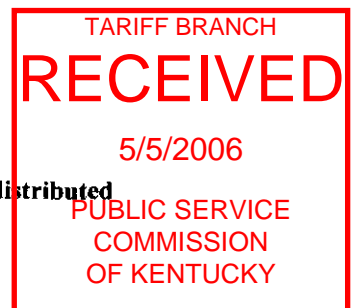
6. **INSTALLATION**

When Installation is being provided by the Company pursuant to this Agreement, the Customer shall be responsible for having the Installation site ready on time and shall reimburse the Company for any additional expense incurred by the Company as a result of the Customer's failure in this respect. Any Installation provided pursuant to this Agreement shall be performed in accordance with the Company's standard installation procedures. Upon completion of Installation, the Company shall perform its standard test procedures and shall certify to the Customer that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is ready to be placed into service. Failure of the Customer to notify the Company of any deficiencies within five (5) days of receipt of such certification by the Customer shall be deemed to be final acceptance by the Customer.

7. **WARRANTIES**

The Company warrants that the Installation, Fiber, and Connecting Hardware provided under this Agreement will, under normal use and service, be free from defective equipment and faulty workmanship for the Term of this Agreement. The Company's sole obligation and the Customer's sole remedy under the warranty are the replacement or repair, at the Company's option, of the defective component, or redoing the faulty Installation. Such obligation and remedy are conditioned upon (a) the Connecting Hardware and/or jumpers not having been altered, mishandled, misused (including use in quality or performance), improperly stored, operated or repaired, damaged by fire, explosion, power failure or any act of nature or the Installation redone by any party other than the Company, and (b) notice of the effect having been received by the Company during the Agreement Term. The Company warrants that, provided the equipment supplied under this Agreement are not altered by the Customer, the equipment shall perform during the Agreement Term substantially in accordance with the applicable specifications. In the event that any component fails to so perform, the Customer's sole remedy shall be to have the Company correct such failure.

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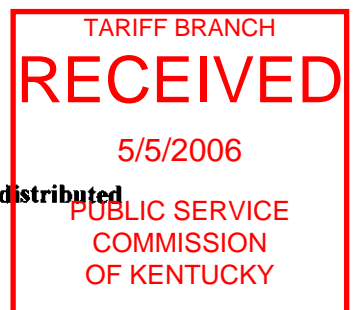


8. EXCLUSION OF WARRANTIES AND LIMITATION OF REMEDIES AND LIABILITY - THE WARRANTY AND REMEDY SET FORTH ABOVE CONSTITUTE THE ONLY WARRANTY OF THE COMPANY AND THE CUSTOMER'S ONLY REMEDY IN THE EVENT SUCH WARRANTY IS BREACHED. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES PERTAINING TO SAID EQUIPMENT AND/OR INSTALLATION, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR AGAINST INFRINGEMENT. THE COMPANY SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER.

9. **FORCE MAJEURE**

The Company shall not be liable for any loss or damage resulting from any cause beyond its reasonable control, such as, but not limited to, compliance with any law, order, regulation, requirement or any governmental authority, fire, explosion, epidemic, act or nature, unavailability of supplies or energy, power failure, breakdown of machinery, acts of third parties, acts of civil or military authority, war, revolution, civil disturbance or labor disputes such as strikes, slowdowns, picketing or boycotts. Upon the occurrence of any such event and to the extent such occurrence interferes with the Company's performance of this Agreement, the Company shall be excused from performance during the period of such interference, but no such delay shall be grounds for termination by the Customer of this Agreement or shall in the imposition of any increased obligation on the part of the Company.

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10. HAZARDOUS MATERIALS AND SUBSTANCES

The Customer shall identify and shall notify the Company in writing of the existence of any Hazardous Materials which the Company may encounter during the performance of services hereunder by the Company consisting of removal or any existing equipment and/or during the Installation of any new equipment provided pursuant to this Agreement. The Customer shall also identify and inform the Company in writing of the existence of any Hazardous Materials contained within any Customer buildings in which the Company will be performing work pursuant to this Agreement. For purposes of this Section, "Hazardous Materials" shall mean any pollutants, dangerous substances, toxic substances and/or hazardous substances (including, without limitation, asbestos) as defined in, or pursuant to, the OSHA Hazard Communications Standard (29 CFR Part 1910, Subpart Z), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.) the Comprehensive Environmental Responses Compensation and Liability Act (42 U.S.C. Section 9601, et seq.) or any other federal, state, or local environmental law, ordinance, rule or regulation. If the Customer fails to notify the Company of the existence of such Hazardous Materials and the Company, during the performance of services hereunder, discovers that Hazardous Materials are present, the Company may, at the Company's election, and without penalty, discontinue the performance of such services until the Hazardous Materials have been removed or abated by the Customer, at the Customer's sole expense. The Customer shall defend, indemnify and hold harmless the Company for any loss or damages resulting from a breach of this Section 10.

11. GENERAL

The Customer shall not assign this Agreement or any rights hereunder, nor shall the Customer sublease or resale use of the fiber and/or its bandwidth to any third party. This Agreement constitutes the final, complete and exclusive Agreement between the parties hereto and may be modified only in a writing signed by an authorized representative of each party. Unless an affirmation, representation, or warranty concerning the Services made by an agent, employee, or representative of the Company is specifically included within this Agreement, it shall not be enforceable by the Customer. The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of Kentucky, except for its rules with respect to the conflict of laws. The Company reserves the right to subcontract any portion of its obligations under this Agreement.



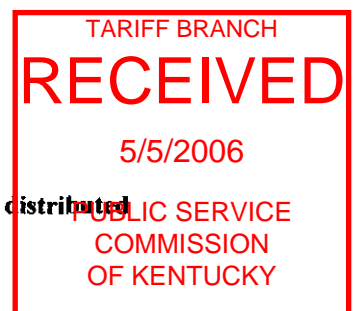
12. CUSTOMER PROVIDED EQUIPMENT AND WIRING

The Company shall not install, maintain nor service any Customer provided equipment nor Customer provided wiring. The Customer shall identify and shall notify the Company in writing of the existence of any Customer provided equipment and Customer provided wiring. The Customer shall provide written assurances to the Company that all Customer provided equipment meet the requirements as set forth in Part 68 of the FCC Rules. The Company reserves the right to suspend service to any Gigabit Ethernet Customer using Customer provided equipment or Customer provided wiring. Within 10 working days of written notification to the Customer that said equipment or wiring is adversely affecting the Company's equipment, service will be suspended providing the cause has not been corrected. The Company reserves the right to immediately suspend service to any Gigabit Ethernet facility that severely effect the Company's equipment without any prior notification, but must report such suspensions to the Customer within 24 hours.

13. TERMINATION OF SERVICE

Mountain Rural Telephone Cooperative Corporation, Inc. reserves the right to immediately terminate service to any Customer found to be reselling, subleasing or otherwise providing services to any third party. Mountain Rural Telephone Cooperative Corporation, Inc. also reserves the right to inspect the fiber termination panels without any notification to the Customer provided that the request for inspection is preformed during a reasonable time of day; during the Customers normal hours of operation. The Customer shall make available its technology coordinator to answer any questions concerning misuse of the fiber facilities.

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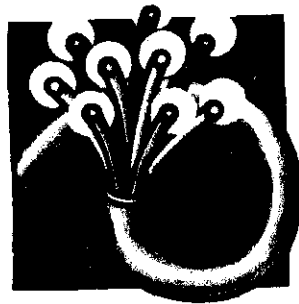
MAY 5 2006

PUBLIC SERVICE
COMMISSION

Mountain Rural Telephone Cooperative Corporation, Inc.

Gigabit Ethernet Agreement *Jan 06*

Menifee County Board of Education



Contract No. FOC112803

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TARIFF BRANCH
RECEIVED
5/5/2006
PUBLIC SERVICE
COMMISSION
OF KENTUCKY

Mountain Rural Telephone Cooperative Corporation, Inc. Service Agreement

This Agreement is made this 26th. day of January, 2006 by and between Menifee County Board of Education, herein referred to as the Customer, and Mountain Rural Telephone Cooperative Corporation, Inc. with offices located at 405 Main Street, West Liberty, Kentucky 41472 herein referred to as the Company.

WHEREAS, this Agreement is made pursuant to and hereby incorporates the terms and conditions listed in Attachment B, except to the extent modified or below. Any such modification or supplements are for the purpose of this Agreement only and shall not affect any other agreement unless specifically provided therein; and

WHEREAS, this Agreement establishes certain conditions under which the Customer commits to pay established pricing for "Gigabit Ethernet Services," "Recurring and Non-Recurring Charges," "Installation," and "Engineering," as defined herein, during the Term of this Agreement and receive additional benefits as specified herein.

NOW, THEREFORE, Mountain Rural Telephone Cooperative Corporation, Inc. and the Customer agree as follows:

1. **TERM OF AGREEMENT**

The pricing and any special incentive discounts or offers described in this Agreement are contingent upon execution of this Agreement prior to January 31st. 2006. The term of this Agreement shall commence on July 1st. 2006 ("Effective Date"), and shall, except as otherwise provided herein, continue in effect thereafter through June 30, 2011 ("Term").

2. **DEFINITIONS**

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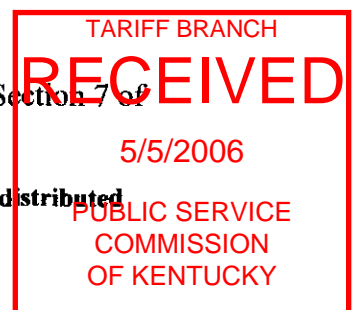
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- o. "Vendor Items" shall mean those Hardware components which the Company designates as having been supplied to the Company by any third party, including, but not limited to, other divisions and/or parents, subsidiaries, of affiliates of the Company.
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- v. "CWDM" shall mean a 1-port 1000Base WDM Long Haul (40KM) Gigabit Interface Converter with Avalanche Photo Diode Receiver operating at either 1490 or 1530 nm Wavelength.

3. Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service

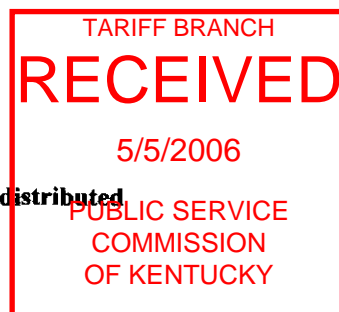
a. **Membership**

As of the Effective Date, the Customer must have established membership with Mountain Rural Telephone Cooperative Corporation, Inc. pursuant to Article 1 of Mountain Rural Telephone Cooperative Corporation, Inc. By-Laws. All membership fees shall be paid in full and any other applicable fees which may apply. Under the Agreement, the Customer may upgrade its service upon a mutually agreeable schedule during the Term, refer to Attachment B. To request an upgrade from the Company, the Customer shall submit a written request to the Company's main office.

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Unless otherwise identified in Attachment A, the Installation associated with the applicable Hardware required for Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company.

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3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service (continued)**

c. **Hardware**

Hardware for the initial Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company at the pricing set forth in the presentation package and shall remain fixed during the Term. Additional Hardware required during the Term shall be subject to price adjustments as the market allows.

d. **Support**

During the Term, the Company shall provide Technical Assistance and Maintenance Repair in accordance with the Company's standard procedures at no additional charge. The Customer may call the following number for repair service: 606-743-4040.

g. **Maintenance**

The Maintenance Period of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall extend through the Term of this Agreement. Terms and conditions with respect to upgrades during the Term are set forth in Attachment B.

4. **SATISFACTION ASSURANCE**

To assure customer satisfaction of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service(s) a one hundred twenty (120) day evaluation period shall be provided during the Term. Within one hundred twenty (120) days after Turnover, the Customer may notify the Company in writing that the system fails to meet the objectives for which it was designed and engineered and that the Customer elects to replace such fiber(s) with an alternative, generally available transmission method for an equal or greater fee. The Company shall provide the Customer with written confirmation of such replacement and shall invoice the Customer for any additional fees. Notwithstanding the Customer's election to replace any such system(s), any amounts paid by the Customer for Hardware, Engineering, and/or Installation shall not be refunded, and the Customer shall be responsible for all amounts associated with any additional Hardware, Engineering, and/or Installation required for such replacement.

5. **PRICING**

The price of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet is fixed during the Term, except in those cases where additions or deletions affect the 80% rule (See Attachment B 3 (c) Terms). Charges and Fees related to "Changes", "Additions", and "Deletions" shall apply at the Company's hourly rate. Additional charges such as Extensions, Special Protection, etc. shall apply as defined in the Company's Standard Rates.

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6. **PAYMENT TERMS**

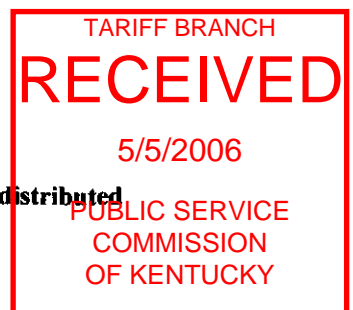
The Customer shall make monthly payments due the tenth (10th) of each month during the Term.

7. **GENERAL**

Attachment A and Attachment B, referred to herein and attached hereto are integral parts of this Agreement and are incorporated herein by this reference.

This Agreement shall constitute the entire agreement between the parties with respect to the subject matter contained herein, supersede all previous agreements pertaining to the subject matter contained herein, and may be modified only by an amendment executed in writing by both parties. All prior agreements, representation, statements, negotiations, understandings, and undertakings are superseded hereby.

“PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons.”



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives.

**MOUNTAIN RURAL TELEPHONE
COOPERATIVE CORPORATION, INC.**

**MENIFEE COUNTY
BOARD OF EDUCATION**

By: WA Gillum

(signature)

Name: Allen Gillum

(print)

Title: General Manager

Date: 2-15-06

By: James R. Ross

(signature)

Name: James R. Ross

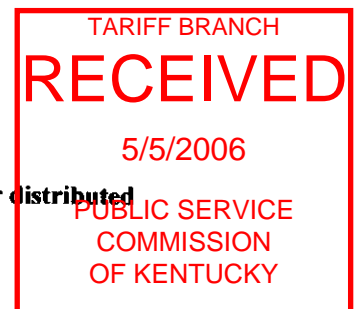
(print)

Title: Chairperson, Menifee County
Board of Education

Date: 1-26-06

(Corporate Seal)

“PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons.”



ATTACHMENT A

Offer Date January 9, 2006
 Menifee County Board of Education. Gigabit Ethernet Agreement

<u>Item</u>	<u>Base Price Per Item</u>	<u>Quantity</u>	<u>Total Price Per Item</u>	<u>Accepted</u>
Customer Premise Equipment				
	\$26.54	5	\$265.40	<input checked="" type="checkbox"/>
Transport Equipment				
SX Lasers	\$3.72	6	\$22.32	<input checked="" type="checkbox"/>
LX Lasers	\$10.73	6	\$64.38	<input checked="" type="checkbox"/>
CWDM Lasers	\$32.30	4	\$129.20	<input checked="" type="checkbox"/>
Fiber-Frenchburg CO to Superintendents Office	\$17.98	0.2	\$7.19	<input checked="" type="checkbox"/>
Fiber-Frenchburg CO to MCHS	\$17.98	1.6	\$57.54	<input checked="" type="checkbox"/>
Fiber-Frenchburg CO to Boitts Elementary	\$17.98	7.2	\$258.91	<input checked="" type="checkbox"/>
Fiber-Frenchburg CO to Alt. Ed. Location	\$17.98	1.3	\$46.75	<input checked="" type="checkbox"/>
Fiber-Frenchburg CO to Job Corps	\$17.98	10.5	\$377.58	<input checked="" type="checkbox"/>
Routing Equipment				
	\$983.61	1	\$983.61	<input checked="" type="checkbox"/>
TOTAL MONTHLY PRICING			\$2,212.88	<input checked="" type="checkbox"/>

Initial & Date 1-26-06



PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons.

ATTACHMENT B

TERMS AND CONDITIONS

1. **ACCEPTANCE - NOTWITHSTANDING ANY TERMS, INCLUDING ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS CONTAINED IN ANY ORDER ISSUED BY THE CUSTOMER, CUSTOMER ACCEPTING SERVICES DESCRIBED HEREIN AND/OR BY ISSUING ANY ORDER AGREES TO THE TERMS AND CONDITIONS SET FORTH BELOW AND ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS SET FORTH BY THE CUSTOMER IN ANY ORDER OR OTHER WRITTEN ACCEPTANCE OF THIS AGREEMENT, OR OTHERWISE, ARE HEREBY DEEMED TO BE SEASONABLY OBJECTED TO BY THE COMPANY.**

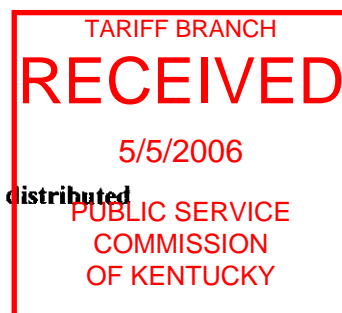
2. **LIABILITY OF THE COMPANY**
Mountain Rural Telephone Cooperative Corporation, Inc. makes no guarantee and assumes no liability for claims or suits resulting from the non-performance of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service except as can be demonstrated to be due to gross negligence or willful misconduct by the Company.

3. **TERMS**
 - (a) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is provided for a minimum of sixty (60) months, beginning on the service installation date.

 - (b) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is offered via this Agreement, commencing on the date that service is established, for fixed terms of sixty months (five years). For the Agreement period, Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet rates offered by the Company will not change.

 - (c) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer is required to retain, as a minimum, an amount equal to 80% of the equipment originally engineered for the term of the Agreement.

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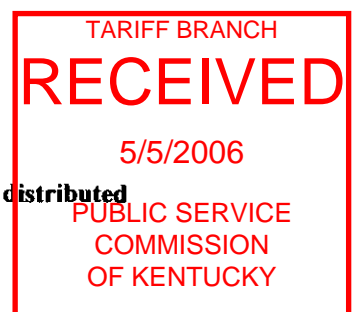
3. TERMS (cont.)

- (d) Subsequent Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet additions may be rated under a new Agreement or an Addendum to an existing Agreement for the remainder of the initial Term. A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may also request reductions that do not exceed the provision of (c) preceding. If a reduction causes the total number of route mile(s) and/or total transmission or CPE to fall, all remaining route mile(s) and/or terminations will be billed at the rates associated with the lesser mileage and/or equipment.
- (e) In the event that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet service is terminated by the Customer prior to completion of the initial Agreement period, a termination charge will apply. The Company's termination charge will equal an amount representing the present value of the remaining Agreement balance. The amount is calculated by applying a discount rate (that equals the average interest rate for Treasury Bills for the three quarters preceding the termination date) to the remaining contract balance, plus the cost of removal. The termination charge is payable in its entirety immediately upon termination of an Agreement.
- (f) When the Agreement term expires, a Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may select a new Agreement period or continue with month-to-month service at rates offered at that time.
- (g) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Agreement Customer may, at any time during the Agreement period, re-subscribe to a fixed Term of different length. The new Agreement Term begins with the date requested. No credit will be given by the Company toward the new Agreement Term for payments made during the formerly selected Term. No termination charge will be applied if a new Term is requested.

4. NON-RECURRING CHARGES

The prices set forth in Attachment A do not include any applicable Non-recurring charges. The Customer shall pay to the Company any Non-recurring charges assessed by the Company upon completion of Installation and prior to the Start-Up date.

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5. **REMEDIES**

In the event of any breach of this Agreement by either party which continues for thirty (30) or more days after detailed written notice of such breach has been given to the breaching party, the aggrieved party shall be entitled to pursue any remedies available at law or equity; except that the **COMPANY SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR ANY BREACH OF THIS AGREEMENT AND THE COMPANY'S LIABILITY UNDER SECTION 2 SHALL NOT BE GREATER THAN THAT DESCRIBED THEREIN.**

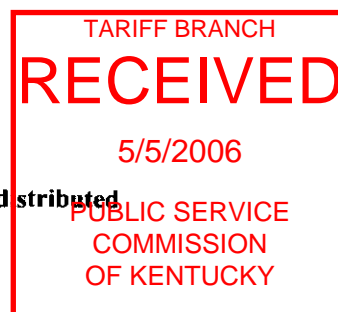
6. **INSTALLATION**

When Installation is being provided by the Company pursuant to this Agreement, the Customer shall be responsible for having the Installation site ready on time and shall reimburse the Company for any additional expense incurred by the Company as a result of the Customer's failure in this respect. Any Installation provided pursuant to this Agreement shall be performed in accordance with the Company's standard installation procedures. Upon completion of Installation, the Company shall perform its standard test procedures and shall certify to the Customer that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is ready to be placed into service. Failure of the Customer to notify the Company of any deficiencies within five (5) days of receipt of such certification by the Customer shall be deemed to be final acceptance by the Customer.

7. **WARRANTIES**

The Company warrants that the Installation, Fiber, and Connecting Hardware provided under this Agreement will, under normal use and service, be free from defective equipment and faulty workmanship for the Term of this Agreement. The Company's sole obligation and the Customer's sole remedy under the warranty are the replacement or repair, at the Company's option, of the defective component, or redoing the faulty Installation. Such obligation and remedy are conditioned upon (a) the Connecting Hardware and/or jumpers not having been altered, mishandled, misused (including use in quality or performance), improperly stored, operated or repaired, damaged by fire, explosion, power failure or any act of nature or the Installation redone by any party other than the Company, and (b) notice of the effect having been received by the Company during the Agreement Term. The Company warrants that, provided the equipment supplied under this Agreement are not altered by the Customer, the equipment shall perform during the Agreement Term substantially in accordance with the applicable specifications. In the event that any component fails to so perform, the Customer's sole remedy shall be to have the Company correct such failure.

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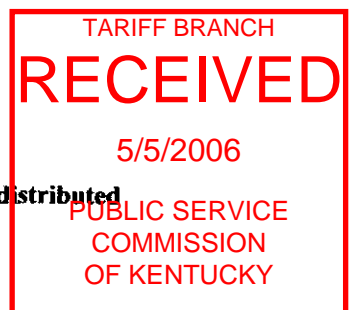


8. **EXCLUSION OF WARRANTIES AND LIMITATION OF REMEDIES AND LIABILITY - THE WARRANTY AND REMEDY SET FORTH ABOVE CONSTITUTE THE ONLY WARRANTY OF THE COMPANY AND THE CUSTOMER'S ONLY REMEDY IN THE EVENT SUCH WARRANTY IS BREACHED. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES PERTAINING TO SAID EQUIPMENT AND/OR INSTALLATION, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR AGAINST INFRINGEMENT. THE COMPANY SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER.**

9. **FORCE MAJEURE**

The Company shall not be liable for any loss or damage resulting from any cause beyond its reasonable control, such as, but not limited to, compliance with any law, order, regulation, requirement or any governmental authority, fire, explosion, epidemic, act or nature, unavailability of supplies or energy, power failure, breakdown of machinery, acts of third parties, acts of civil or military authority, war, revolution, civil disturbance or labor disputes such as strikes, slowdowns, picketing or boycotts. Upon the occurrence of any such event and to the extent such occurrence interferes with the Company's performance of this Agreement, the Company shall be excused from performance during the period of such interference, but no such delay shall be grounds for termination by the Customer of this Agreement or shall in the imposition of any increased obligation on the part of the Company.

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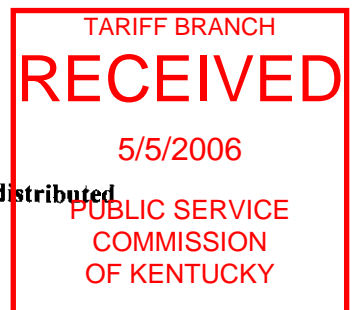
10. HAZARDOUS MATERIALS AND SUBSTANCES

The Customer shall identify and shall notify the Company in writing of the existence of any Hazardous Materials which the Company may encounter during the performance of services hereunder by the Company consisting of removal or any existing equipment and/or during the Installation of any new equipment provided pursuant to this Agreement. The Customer shall also identify and inform the Company in writing of the existence of any Hazardous Materials contained within any Customer buildings in which the Company will be performing work pursuant to this Agreement. For purposes of this Section, "Hazardous Materials" shall mean any pollutants, dangerous substances, toxic substances and/or hazardous substances (including, without limitation, asbestos) as defined in, or pursuant to, the OSHA Hazard Communications Standard (29 CFR Part 1910, Subpart Z), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.) the Comprehensive Environmental Responses Compensation and Liability Act (42 U.S.C. Section 9601, et seq.) or any other federal, state, or local environmental law, ordinance, rule or regulation. If the Customer fails to notify the Company of the existence of such Hazardous Materials and the Company, during the performance of services hereunder, discovers that Hazardous Materials are present, the Company may, at the Company's election, and without penalty, discontinue the performance of such services until the Hazardous Materials have been removed or abated by the Customer, at the Customer's sole expense. The Customer shall defend, indemnify and hold harmless the Company for any loss or damages resulting from a breach of this Section 10.

11. GENERAL

The Customer shall not assign this Agreement or any rights hereunder, nor shall the Customer sublease or resale use of the fiber and/or its bandwidth to any third party. This Agreement constitutes the final, complete and exclusive Agreement between the parties hereto and may be modified only in a writing signed by an authorized representative of each party. Unless an affirmation, representation, or warranty concerning the Services made by an agent, employee, or representative of the Company is specifically included within this Agreement, it shall not be enforceable by the Customer. The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of Kentucky, except for its rules with respect to the conflict of laws. The Company reserves the right to subcontract any portion of its obligations under this Agreement.

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12. CUSTOMER PROVIDED EQUIPMENT AND WIRING

The Company shall not install, maintain nor service any Customer provided equipment nor Customer provided wiring. The Customer shall identify and shall notify the Company in writing of the existence of any Customer provided equipment and Customer provided wiring. The Customer shall provide written assurances to the Company that all Customer provided equipment meet the requirements as set forth in Part 68 of the FCC Rules. The Company reserves the right to suspend service to any Gigabit Ethernet Customer using Customer provided equipment or Customer provided wiring. Within 10 working days of written notification to the Customer that said equipment or wiring is adversely affecting the Company's equipment, service will be suspended providing the cause has not been corrected. The Company reserves the right to immediately suspend service to any Gigabit Ethernet facility that severely effect the Company's equipment without any prior notification, but must report such suspensions to the Customer within 24 hours.

13. TERMINATION OF SERVICE

Mountain Rural Telephone Cooperative Corporation, Inc. reserves the right to immediately terminate service to any Customer found to be reselling, subleasing or otherwise providing services to any third party. Mountain Rural Telephone Cooperative Corporation, Inc. also reserves the right to inspect the fiber termination panels without any notification to the Customer provided that the request for inspection is preformed during a reasonable time of day; during the Customers normal hours of operation. The Customer shall make available its technology coordinator to answer any questions concerning misuse of the fiber facilities.

"PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons."



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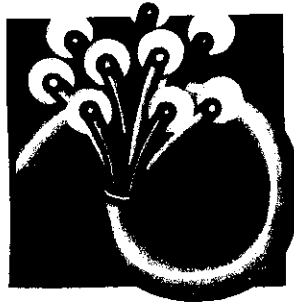
PUBLIC SERVICE
COMMISSION

Mountain Rural Telephone Cooperative Corporation, Inc.

Gigabit Ethernet Agreement

Jan 06

Morgan County Board of Education



Contract No. FOC112801

“PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons.”

TARIFF BRANCH
RECEIVED
5/5/2006
PUBLIC SERVICE
COMMISSION
OF KENTUCKY

Mountain Rural Telephone Cooperative Corporation, Inc. Service Agreement

This Agreement is made this 30th day of January, 2006 by and between Morgan County Board of Education, herein referred to as the Customer, and Mountain Rural Telephone Cooperative Corporation, Inc. with offices located at 405 Main Street, West Liberty, Kentucky 41472 herein referred to as the Company.

WHEREAS, this Agreement is made pursuant to and hereby incorporates the terms and conditions listed in Attachment B, except to the extent modified or below. Any such modification or supplements are for the purpose of this Agreement only and shall not affect any other agreement unless specifically provided therein; and

WHEREAS, this Agreement establishes certain conditions under which the Customer commits to pay established pricing for "Gigabit Ethernet Services," "Recurring and Non-Recurring Charges," "Installation," and "Engineering," as defined herein, during the Term of this Agreement and receive additional benefits as specified herein.

NOW, THEREFORE, Mountain Rural Telephone Cooperative Corporation, Inc. and the Customer agree as follows:

1. **TERM OF AGREEMENT**

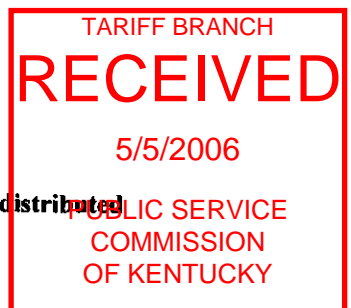
The pricing and any special incentive discounts or offers described in this Agreement are contingent upon execution of this Agreement prior to February 3rd 2006. The term of this Agreement shall commence on July 1st 2006 ("Effective Date"), and shall, except as otherwise provided herein, continue in effect thereafter through June 30th, 2011 ("Term").

2. **DEFINITIONS**

Initially capitalized terms used in this agreement shall have the meanings specified in this Section 2, "Definitions" or in Attachment B, "Terms and Conditions."

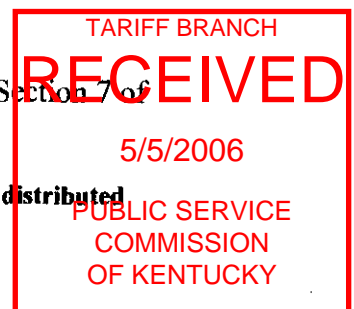
- a. "CP" shall mean the process established by Mountain Rural Telephone Cooperative Corporation, Inc. to complete accurately all of the Company's forms and to provide all information necessary for the Company to begin to engineer, and/or to provide the components of, Initial Systems and/or Extensions.
- b. "Fiber Cable" shall mean the outside plant cable connecting any two points.
- c. "Dark Fiber" shall mean any single fiber within a fiber cable.

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- d. "Engineering" shall mean the Company's engineering services which include, but are not limited to, the planning, application, configuration, and technical advice which may be associated with "Gigabit Ethernet Service" ordered to the Customer.
- e. "Extension" shall mean the Hardware which the Company engineers and installs pursuant to this Agreement and which is associated with any addition to an Initial System.
- f. "Splicing" shall mean the process of connecting the ends of any two fibers together.
- g. "Patch Panel" shall mean the device where fiber cables will be terminated.
- h. "Hardware" shall mean the hardware components, including any Vendor Items, associated with the Company's Gigabit Ethernet Service.
- i. "Initial System" shall mean any Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service arrangement which the Company initially engineers and installs pursuant to this Agreement.
- j. "Installation" shall mean the installation of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service and/or Hardware.
- k. "Office(s)" shall mean the office(s) containing the Routing Equipment where the fiber optic cable terminates.
- l. "Remote Location(s)" shall mean Location(s) not connected to the main fiber route.
- m. "Start-Up Day" shall mean the day Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is released to the Customer for first time.
- n. "Turnover" shall mean the date the Company gives notification to the Customer that the applicable fiber has been tested and hardware specifications have been met.
- o. "Vendor Items" shall mean those Hardware components which the Company designates as having been supplied to the Company by any third party, including, but not limited to, other divisions and/or parents, subsidiaries, of affiliates of the Company.
- p. "Maintenance Period" shall mean the Maintenance Period set forth in Section 7 of Attachment B.

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- q. "Customer Premise Equipment" shall mean the equipment supplied by the Company and located at the Customer locations. This equipment may consist of, but not be limited to Ethernet Switches, Fiber Termination Panels, cables and power supplies.
- r. "Transport Equipment" shall mean the equipment required to transport the data from the Customer location to the Companies Router located in the Companies nearest Central Office Serving Wire Center. This equipment may consist of, but not be limited to SX Lasers, LX Lasers, CWDM Lasers and Fiber.
- s. "Routing Equipment" shall mean the equipment housed at the Companies Central Office Serving Wire Center used to terminate and route data traffic from one Customer location to another.
- t. "SX Laser" shall mean a 1-port 1000Base-Standard Reach Gigabit Interface Converter equipped with an SC Connector.
- u. "LX Laser" shall mean a 1-port 1000Base-Long Reach Gigabit Interface Converter equipped with an SC Connector.
- v. "CWDM" shall mean a 1-port 1000Base WDM Long Haul (40KM) Gigabit Interface Converter with Avalanche Photo Diode Receiver operating at either 1490 or 1530 nm Wavelength.

3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service**

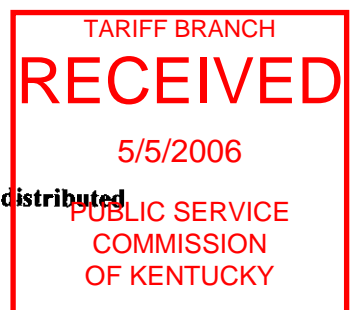
a. **Membership**

As of the Effective Date, the Customer must have established membership with Mountain Rural Telephone Cooperative Corporation, Inc. pursuant to Article 1 of Mountain Rural Telephone Cooperative Corporation, Inc. By-Laws. All membership fees shall be paid in full and any other applicable fees which may apply. Under the Agreement, the Customer may upgrade its service upon a mutually agreeable schedule during the Term, refer to Attachment B. To request an upgrade from the Company, the Customer shall submit a written request to the Company's main office.

b. **Installation**

Unless otherwise identified in Attachment A, the Installation associated with the applicable Hardware required for Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company.

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3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service (continued)**

c. **Hardware**

Hardware for the initial Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company at the pricing set forth in the presentation package and shall remain fixed during the Term. Additional Hardware required during the Term shall be subject to price adjustments as the market allows.

d. **Support**

During the Term, the Company shall provide Technical Assistance and Maintenance Repair in accordance with the Company's standard procedures at no additional charge. The Customer may call the following number for repair service: 606-743-4040.

g. **Maintenance**

The Maintenance Period of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall extend through the Term of this Agreement. Terms and conditions with respect to upgrades during the Term are set forth in Attachment B.

4. **SATISFACTION ASSURANCE**

To assure customer satisfaction of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service(s) a one hundred twenty (120) day evaluation period shall be provided during the Term. Within one hundred twenty (120) days after Turnover, the Customer may notify the Company in writing that the system fails to meet the objectives for which it was designed and engineered and that the Customer elects to replace such fiber(s) with an alternative, generally available transmission method for an equal or greater fee. The Company shall provide the Customer with written confirmation of such replacement and shall invoice the Customer for any additional fees. Notwithstanding the Customer's election to replace any such system(s), any amounts paid by the Customer for Hardware, Engineering, and/or Installation shall not be refunded, and the Customer shall be responsible for all amounts associated with any additional Hardware, Engineering, and/or Installation required for such replacement.

5. **PRICING**

The price of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet is fixed during the Term, except in those cases where additions or deletions affect the 80% rule (See Attachment B 3 (c) Terms). Charges and Fees related to "Changes", "Additions", and "Deletions" shall apply at the Company's hourly rate. Additional charges such as Extensions, Special Protection, etc. shall apply as defined in the Company's Standard Rates.



6. **PAYMENT TERMS**

The Customer shall make monthly payments due the tenth (10th) of each month during the Term.

7. **GENERAL**

Attachment A and Attachment B, referred to herein and attached hereto are integral parts of this Agreement and are incorporated herein by this reference.

This Agreement shall constitute the entire agreement between the parties with respect to the subject matter contained herein, supersede all previous agreements pertaining to the subject matter contained herein, and may be modified only by an amendment executed in writing by both parties. All prior agreements, representation, statements, negotiations, understandings, and undertakings are superseded hereby.

“PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons.”



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives.

**MOUNTAIN RURAL TELEPHONE
COOPERATIVE CORPORATION, INC.**

**MORGAN COUNTY
BOARD OF EDUCATION**

By: WA Gillum

(signature)

Name: Allen Gillum

(print)

Title: General Manager

Date: 2-15-06

By: Jane Smith

(signature)

Name: Jane Smith

(print)

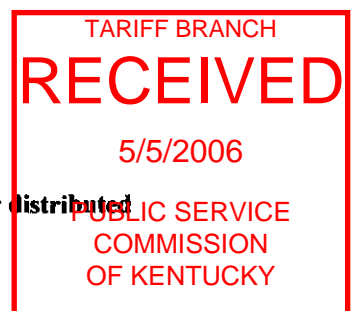
Title: Chairperson, Morgan County
Board of Education

Date: 1-30-06

Joe Don Self
SUPERINTENDENT

(Corporate Seal)

"PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons."



ATTACHMENT A

Offer Date January 30, 2006
 Morgan County Board of Education Gigabit Ethernet Agreement

<u>Item</u>	<u>Base Price Per Item</u>	<u>Quantity</u>	<u>Total Price Per Item</u>	<u>Accepted</u>
Customer Premise Equipment				
	\$26.54	6	\$318.48	<input checked="" type="checkbox"/>
Transport Equipment				
SX Lasers	\$3.72	7	\$26.04	<input checked="" type="checkbox"/>
LX Lasers	\$10.73	6	\$64.38	<input checked="" type="checkbox"/>
CWDM Lasers	\$32.30	6	\$193.80	<input checked="" type="checkbox"/>
Fiber-West Liberty CO to Superintendents Office	\$17.98	0.6	\$21.58	<input checked="" type="checkbox"/>
Fiber-West Liberty CO to MCHS/MCMS	\$17.98	3.6	\$129.46	<input checked="" type="checkbox"/>
Fiber-West Liberty CO to Ezel Elementary	\$17.98	16.2	\$582.55	<input checked="" type="checkbox"/>
Fiber-West Liberty CO to East Valley Elementary	\$17.98	9.1	\$327.24	<input checked="" type="checkbox"/>
Fiber-West Liberty CO to West Liberty Elementary	\$17.98	0.9	\$32.36	<input checked="" type="checkbox"/>
Fiber-West Liberty CO to Wrigley Elementary	\$17.98	9.6	\$345.22	<input checked="" type="checkbox"/>
Routing Equipment				
	\$983.61	1	\$983.61	<input checked="" type="checkbox"/>
TOTAL MONTHLY PRICING			\$3,024.71	<input checked="" type="checkbox"/>

Initial & Date [Signature] 1-30-06
[Signature] 1-30-06

RECEIVED
 JAN 30 2006
 PUBLIC SERVICE COMMISSION OF KENTUCKY
 TARIFF BRANCH

PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons.

ATTACHMENT B

TERMS AND CONDITIONS

1. **ACCEPTANCE - NOTWITHSTANDING ANY TERMS, INCLUDING ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS CONTAINED IN ANY ORDER ISSUED BY THE CUSTOMER, CUSTOMER ACCEPTING SERVICES DESCRIBED HEREIN AND/OR BY ISSUING ANY ORDER AGREES TO THE TERMS AND CONDITIONS SET FORTH BELOW AND ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS SET FORTH BY THE CUSTOMER IN ANY ORDER OR OTHER WRITTEN ACCEPTANCE OF THIS AGREEMENT, OR OTHERWISE, ARE HEREBY DEEMED TO BE SEASONABLY OBJECTED TO BY THE COMPANY.**

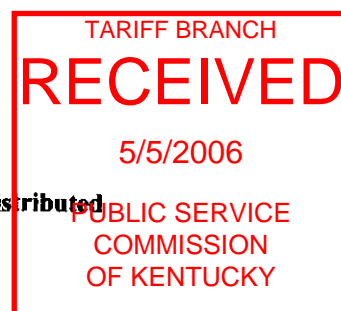
2. **LIABILITY OF THE COMPANY**
Mountain Rural Telephone Cooperative Corporation, Inc. makes no guarantee and assumes no liability for claims or suits resulting from the non-performance of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service except as can be demonstrated to be due to gross negligence or willful misconduct by the Company.

3. **TERMS**
 - (a) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is provided for a minimum of sixty (60) months, beginning on the service installation date.

 - (b) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is offered via this Agreement, commencing on the date that service is established, for fixed terms of sixty months (five years). For the Agreement period, Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet rates offered by the Company will not change.

 - (c) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer is required to retain, as a minimum, an amount equal to 80% of the equipment originally engineered for the term of the Agreement.

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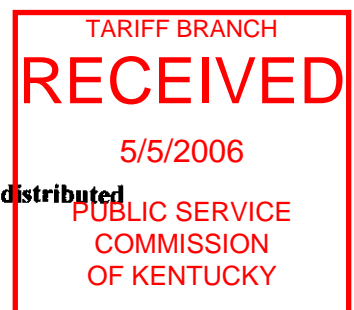
3. TERMS (cont.)

- (d) Subsequent Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet additions may be rated under a new Agreement or an Addendum to an existing Agreement for the remainder of the initial Term. A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may also request reductions that do not exceed the provision of (c) preceding. If a reduction causes the total number of route mile(s) and/or total transmission or CPE to fall, all remaining route mile(s) and/or terminations will be billed at the rates associated with the lesser mileage and/or equipment.
- (e) In the event that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet service is terminated by the Customer prior to completion of the initial Agreement period, a termination charge will apply. The Company's termination charge will equal an amount representing the present value of the remaining Agreement balance. The amount is calculated by applying a discount rate (that equals the average interest rate for Treasury Bills for the three quarters preceding the termination date) to the remaining contract balance, plus the cost of removal. The termination charge is payable in its entirety immediately upon termination of an Agreement.
- (f) When the Agreement term expires, a Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may select a new Agreement period or continue with month-to-month service at rates offered at that time.
- (g) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Agreement Customer may, at any time during the Agreement period, re-subscribe to a fixed Term of different length. The new Agreement Term begins with the date requested. No credit will be given by the Company toward the new Agreement Term for payments made during the formerly selected Term. No termination charge will be applied if a new Term is requested.

4. NON-RECURRING CHARGES

The prices set forth in Attachment A do not include any applicable Non-recurring charges. The Customer shall pay to the Company any Non-recurring charges assessed by the Company upon completion of Installation and prior to the Start-Up date.

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5. REMEDIES

In the event of any breach of this Agreement by either party which continues for thirty (30) or more days after detailed written notice of such breach has been given to the breaching party, the aggrieved party shall be entitled to pursue any remedies available at law or equity; except that the **COMPANY SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR ANY BREACH OF THIS AGREEMENT AND THE COMPANY'S LIABILITY UNDER SECTION 2 SHALL NOT BE GREATER THAN THAT DESCRIBED THEREIN.**

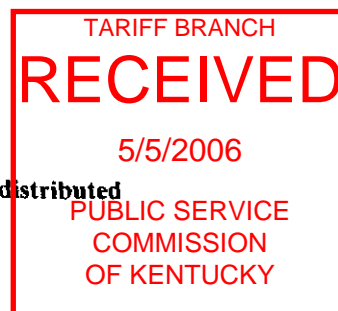
6. INSTALLATION

When Installation is being provided by the Company pursuant to this Agreement, the Customer shall be responsible for having the Installation site ready on time and shall reimburse the Company for any additional expense incurred by the Company as a result of the Customer's failure in this respect. Any Installation provided pursuant to this Agreement shall be performed in accordance with the Company's standard installation procedures. Upon completion of Installation, the Company shall perform its standard test procedures and shall certify to the Customer that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is ready to be placed into service. Failure of the Customer to notify the Company of any deficiencies within five (5) days of receipt of such certification by the Customer shall be deemed to be final acceptance by the Customer.

7. WARRANTIES

The Company warrants that the Installation, Fiber, and Connecting Hardware provided under this Agreement will, under normal use and service, be free from defective equipment and faulty workmanship for the Term of this Agreement. The Company's sole obligation and the Customer's sole remedy under the warranty are the replacement or repair, at the Company's option, of the defective component, or redoing the faulty Installation. Such obligation and remedy are conditioned upon (a) the Connecting Hardware and/or jumpers not having been altered, mishandled, misused (including use in quality or performance), improperly stored, operated or repaired, damaged by fire, explosion, power failure or any act of nature or the Installation redone by any party other than the Company, and (b) notice of the effect having been received by the Company during the Agreement Term. The Company warrants that, provided the equipment supplied under this Agreement are not altered by the Customer, the equipment shall perform during the Agreement Term substantially in accordance with the applicable specifications. In the event that any component fails to so perform, the Customer's sole remedy shall be to have the Company correct such failure.

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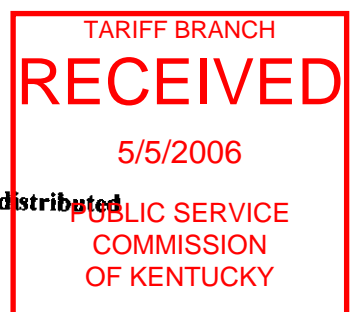


8. **EXCLUSION OF WARRANTIES AND LIMITATION OF REMEDIES AND LIABILITY - THE WARRANTY AND REMEDY SET FORTH ABOVE CONSTITUTE THE ONLY WARRANTY OF THE COMPANY AND THE CUSTOMER'S ONLY REMEDY IN THE EVENT SUCH WARRANTY IS BREACHED. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES PERTAINING TO SAID EQUIPMENT AND/OR INSTALLATION, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR AGAINST INFRINGEMENT. THE COMPANY SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER.**

9. **FORCE MAJEURE**

The Company shall not be liable for any loss or damage resulting from any cause beyond its reasonable control, such as, but not limited to, compliance with any law, order, regulation, requirement or any governmental authority, fire, explosion, epidemic, act or nature, unavailability of supplies or energy, power failure, breakdown of machinery, acts of third parties, acts of civil or military authority, war, revolution, civil disturbance or labor disputes such as strikes, slowdowns, picketing or boycotts. Upon the occurrence of any such event and to the extent such occurrence interferes with the Company's performance of this Agreement, the Company shall be excused from performance during the period of such interference, but no such delay shall be grounds for termination by the Customer of this Agreement or shall in the imposition of any increased obligation on the part of the Company.

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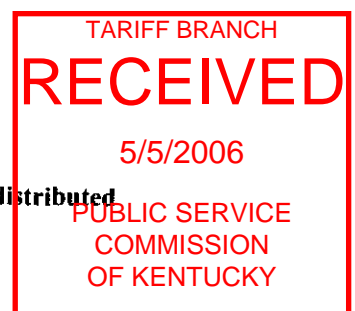
10. HAZARDOUS MATERIALS AND SUBSTANCES

The Customer shall identify and shall notify the Company in writing of the existence of any Hazardous Materials which the Company may encounter during the performance of services hereunder by the Company consisting of removal or any existing equipment and/or during the Installation of any new equipment provided pursuant to this Agreement. The Customer shall also identify and inform the Company in writing of the existence of any Hazardous Materials contained within any Customer buildings in which the Company will be performing work pursuant to this Agreement. For purposes of this Section, "Hazardous Materials" shall mean any pollutants, dangerous substances, toxic substances and/or hazardous substances (including, without limitation, asbestos) as defined in, or pursuant to, the OSHA Hazard Communications Standard (29 CFR Part 1910, Subpart Z), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.) the Comprehensive Environmental Responses Compensation and Liability Act (42 U.S.C. Section 9601, et seq.) or any other federal, state, or local environmental law, ordinance, rule or regulation. If the Customer fails to notify the Company of the existence of such Hazardous Materials and the Company, during the performance of services hereunder, discovers that Hazardous Materials are present, the Company may, at the Company's election, and without penalty, discontinue the performance of such services until the Hazardous Materials have been removed or abated by the Customer, at the Customer's sole expense. The Customer shall defend, indemnify and hold harmless the Company for any loss or damages resulting from a breach of this Section 10.

11. GENERAL

The Customer shall not assign this Agreement or any rights hereunder, nor shall the Customer sublease or resale use of the fiber and/or its bandwidth to any third party. This Agreement constitutes the final, complete and exclusive Agreement between the parties hereto and may be modified only in a writing signed by an authorized representative of each party. Unless an affirmation, representation, or warranty concerning the Services made by an agent, employee, or representative of the Company is specifically included within this Agreement, it shall not be enforceable by the Customer. The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of Kentucky, except for its rules with respect to the conflict of laws. The Company reserves the right to subcontract any portion of its obligations under this Agreement.

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12. CUSTOMER PROVIDED EQUIPMENT AND WIRING

The Company shall not install, maintain nor service any Customer provided equipment nor Customer provided wiring. The Customer shall identify and shall notify the Company in writing of the existence of any Customer provided equipment and Customer provided wiring. The Customer shall provide written assurances to the Company that all Customer provided equipment meet the requirements as set forth in Part 68 of the FCC Rules. The Company reserves the right to suspend service to any Gigabit Ethernet Customer using Customer provided equipment or Customer provided wiring. Within 10 working days of written notification to the Customer that said equipment or wiring is adversely affecting the Company's equipment, service will be suspended providing the cause has not been corrected. The Company reserves the right to immediately suspend service to any Gigabit Ethernet facility that severely effect the Company's equipment without any prior notification, but must report such suspensions to the Customer within 24 hours.

13. TERMINATION OF SERVICE

Mountain Rural Telephone Cooperative Corporation, Inc. reserves the right to immediately terminate service to any Customer found to be reselling, subleasing or otherwise providing services to any third party. Mountain Rural Telephone Cooperative Corporation, Inc. also reserves the right to inspect the fiber termination panels without any notification to the Customer provided that the request for inspection is preformed during a reasonable time of day; during the Customers normal hours of operation. The Customer shall make available its technology coordinator to answer any questions concerning misuse of the fiber facilities.

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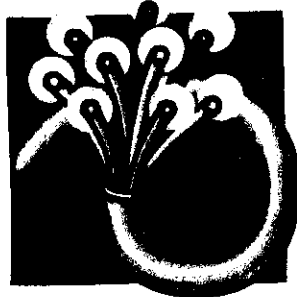
MAY 5 2006

FIELD OFFICE
COMMUNITY

Mountain Rural Telephone Cooperative Corporation, Inc.

Gigabit Ethernet Agreement *Jan 06*

Wolfe County Board of Education



Contract No. FOC112804

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5/5/2006
PUBLIC SERVICE
COMMISSION
OF KENTUCKY

Mountain Rural Telephone Cooperative Corporation, Inc. Service Agreement

This Agreement is made this 8th day of February, 2006 by and between Wolfe County Board of Education, herein referred to as the Customer, and Mountain Rural Telephone Cooperative Corporation, Inc. with offices located at 405 Main Street, West Liberty, Kentucky 41472 herein referred to as the Company.

WHEREAS, this Agreement is made pursuant to and hereby incorporates the terms and conditions listed in Attachment B, except to the extent modified or below. Any such modification or supplements are for the purpose of this Agreement only and shall not affect any other agreement unless specifically provided therein; and

WHEREAS, this Agreement establishes certain conditions under which the Customer commits to pay established pricing for "Gigabit Ethernet Services," "Recurring and Non-Recurring Charges," "Installation," and "Engineering," as defined herein, during the Term of this Agreement and receive additional benefits as specified herein.

NOW, THEREFORE, Mountain Rural Telephone Cooperative Corporation, Inc. and the Customer agree as follows:

1. **TERM OF AGREEMENT**

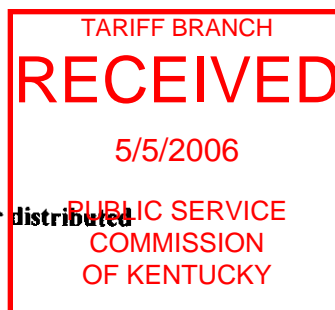
The pricing and any special incentive discounts or offers described in this Agreement are contingent upon execution of this Agreement prior to February 10th 2006. The term of this Agreement shall commence on July 1st 2006 ("Effective Date"), and shall, except as otherwise provided herein, continue in effect thereafter through June 30th 2011 ("Term").

2. **DEFINITIONS**

Initially capitalized terms used in this agreement shall have the meanings specified in this Section 2, "Definitions" or in Attachment B, "Terms and Conditions."

- a. "CI" shall mean the process established by Mountain Rural Telephone Cooperative Corporation, Inc. to complete accurately all of the Company's forms and to provide all information necessary for the Company to begin to engineer, and/or to provide the components of, Initial Systems and/or Extensions.
- b. "Fiber Cable" shall mean the outside plant cable connecting any two points.
- c. "Dark Fiber" shall mean any single fiber within a fiber cable.

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- d. "Engineering" shall mean the Company's engineering services which include, but are not limited to, the planning, application, configuration, and technical advice which may be associated with "Gigabit Ethernet Service" ordered to the Customer.
- e. "Extension" shall mean the Hardware which the Company engineers and installs pursuant to this Agreement and which is associated with any addition to an Initial System.
- f. "Splicing" shall mean the process of connecting the ends of any two fibers together.
- g. "Patch Panel" shall mean the device where fiber cables will be terminated.
- h. "Hardware" shall mean the hardware components, including any Vendor Items, associated with the Company's Gigabit Ethernet Service.
- i. "Initial System" shall mean any Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service arrangement which the Company initially engineers and installs pursuant to this Agreement.
- j. "Installation" shall mean the installation of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service and/or Hardware.
- k. "Office(s)" shall mean the office(s) containing the Routing Equipment where the fiber optic cable terminates.
- l. "Remote Location(s)" shall mean Location(s) not connected to the main fiber route.
- m. "Start-Up Day" shall mean the day Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is released to the Customer for first time.
- n. "Turnover" shall mean the date the Company gives notification to the Customer that the applicable fiber has been tested and hardware specifications have been met.
- o. "Vendor Items" shall mean those Hardware components which the Company designates as having been supplied to the Company by any third party, including, but not limited to, other divisions and/or parents, subsidiaries, of affiliates of the Company.
- p. "Maintenance Period" shall mean the Maintenance Period set forth in Section 7 of Attachment B.

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TARIFF BRANCH
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5/5/2006
PUBLIC SERVICE
COMMISSION
OF KENTUCKY

- q. "Customer Premise Equipment" shall mean the equipment supplied by the Company and located at the Customer locations. This equipment may consist of, but not be limited to Ethernet Switches, Fiber Termination Panels, cables and power supplies.
- r. "Transport Equipment" shall mean the equipment required to transport the data from the Customer location to the Companies Router located in the Companies nearest Central Office Serving Wire Center. This equipment may consist of, but not be limited to SX Lasers, LX Lasers, CWDM Lasers and Fiber.
- s. "Routing Equipment" shall mean the equipment housed at the Companies Central Office Serving Wire Center used to terminate and route data traffic from one Customer location to another.
- t. "SX Laser" shall mean a 1-port 1000Base-Standard Reach Gigabit Interface Converter equipped with an SC Connector.
- u. "LX Laser" shall mean a 1-port 1000Base-Long Reach Gigabit Interface Converter equipped with an SC Connector.
- v. "CWDM" shall mean a 1-port 1000Base WDM Long Haul (40KM) Gigabit Interface Converter with Avalanche Photo Diode Receiver operating at either 1490 or 1530 nm Wavelength.

3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service**

a. **Membership**

As of the Effective Date, the Customer must have established membership with Mountain Rural Telephone Cooperative Corporation, Inc. pursuant to Article 1 of Mountain Rural Telephone Cooperative Corporation, Inc. By-Laws. All membership fees shall be paid in full and any other applicable fees which may apply. Under the Agreement, the Customer may upgrade its service upon a mutually agreeable schedule during the Term, refer to Attachment B. To request an upgrade from the Company, the Customer shall submit a written request to the Company's main office.

b. **Installation**

Unless otherwise identified in Attachment A, the Installation associated with the applicable Hardware required for Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company.

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3. **Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service (continued)**

c. **Hardware**

Hardware for the initial Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall be provided by the Company at the pricing set forth in the presentation package and shall remain fixed during the Term. Additional Hardware required during the Term shall be subject to price adjustments as the market allows.

d. **Support**

During the Term, the Company shall provide Technical Assistance and Maintenance Repair in accordance with the Company's standard procedures at no additional charge. The Customer may call the following number for repair service: 606-743-4040.

g. **Maintenance**

The Maintenance Period of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service shall extend through the Term of this Agreement. Terms and conditions with respect to upgrades during the Term are set forth in Attachment B.

4. **SATISFACTION ASSURANCE**

To assure customer satisfaction of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service(s) a one hundred twenty (120) day evaluation period shall be provided during the Term. Within one hundred twenty (120) days after Turnover, the Customer may notify the Company in writing that the system fails to meet the objectives for which it was designed and engineered and that the Customer elects to replace such fiber(s) with an alternative, generally available transmission method for an equal or greater fee. The Company shall provide the Customer with written confirmation of such replacement and shall invoice the Customer for any additional fees. Notwithstanding the Customer's election to replace any such system(s), any amounts paid by the Customer for Hardware, Engineering, and/or Installation shall not be refunded, and the Customer shall be responsible for all amounts associated with any additional Hardware, Engineering, and/or Installation required for such replacement.

5. **PRICING**

The price of Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet is fixed during the Term, except in those cases where additions or deletions affect the 80% rule (See Attachment B 3 (c) Terms). Charges and Fees related to "Changes", "Additions", and "Deletions" shall apply at the Company's hourly rate. Additional charges such as Extensions, Special Protection, etc. shall apply as defined in the Company's Standard Rates.

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6. **PAYMENT TERMS**

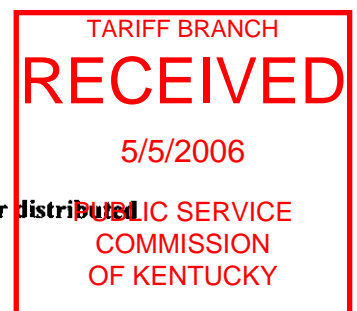
The Customer shall make monthly payments due the tenth (10th) of each month during the Term.

7. **GENERAL**

Attachment A and Attachment B, referred to herein and attached hereto are integral parts of this Agreement and are incorporated herein by this reference.

This Agreement shall constitute the entire agreement between the parties with respect to the subject matter contained herein, supersede all previous agreements pertaining to the subject matter contained herein, and may be modified only by an amendment executed in writing by both parties. All prior agreements, representation, statements, negotiations, understandings, and undertakings are superseded hereby.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives.

**MOUNTAIN RURAL TELEPHONE
COOPERATIVE CORPORATION, INC.**

**WOLFE COUNTY
BOARD OF EDUCATION**

By: WA Gillum

(signature)

Name: Allen Gillum

(print)

Title: General Manager

Date: 2-15-06

By: Evelyn Patton

(signature)

Name: Evelyn Patton

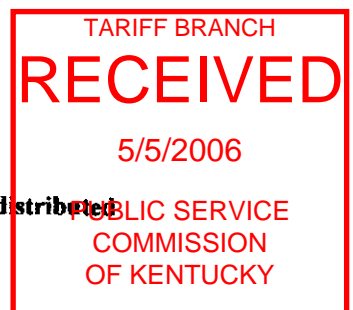
(print)

Title: Chairperson, Wolfe County
Board of Education

Date: 2-8-06

(Corporate Seal)

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ATTACHMENT A

10:22 AM 2/1/2006

Offer Date February 8, 2006
 Wolfe County Board of Education, Gigabit Ethernet Agreement

<u>Item</u>	<u>Base Price Per Item</u>	<u>Quantity</u>	<u>Total Price Per Item</u>	<u>Accepted</u>
Customer Premise Equipment				
	\$26.54	3	\$159.24	<input checked="" type="checkbox"/>
Transport Equipment				
SX Lasers	\$3.72	4	\$14.88	<input checked="" type="checkbox"/>
LX Lasers	\$10.73	2	\$21.46	<input checked="" type="checkbox"/>
CWDM Lasers	\$32.30	4	\$129.20	<input checked="" type="checkbox"/>
Fiber-Campton CO to Superintendents Office	\$17.98	0.3	\$10.79	<input checked="" type="checkbox"/>
Fiber-Campton CO to Red River Elementary	\$17.98	12.4	\$445.90	<input checked="" type="checkbox"/>
Fiber-Campton CO to Rogers Elementary	\$17.98	6.5	\$233.74	<input checked="" type="checkbox"/>
Routing Equipment				
	\$983.61	1	\$983.61	<input checked="" type="checkbox"/>
TOTAL MONTHLY PRICING			\$1,998.82	<input checked="" type="checkbox"/>

Initial & Date Ed. 2-8-06



ATTACHMENT B

TERMS AND CONDITIONS

1. **ACCEPTANCE - NOTWITHSTANDING ANY TERMS, INCLUDING ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS CONTAINED IN ANY ORDER ISSUED BY THE CUSTOMER, CUSTOMER ACCEPTING SERVICES DESCRIBED HEREIN AND/OR BY ISSUING ANY ORDER AGREES TO THE TERMS AND CONDITIONS SET FORTH BELOW AND ANY DIFFERENT, INCONSISTENT OR ADDITIONAL TERMS SET FORTH BY THE CUSTOMER IN ANY ORDER OR OTHER WRITTEN ACCEPTANCE OF THIS AGREEMENT, OR OTHERWISE, ARE HEREBY DEEMED TO BE SEASONABLY OBJECTED TO BY THE COMPANY.**

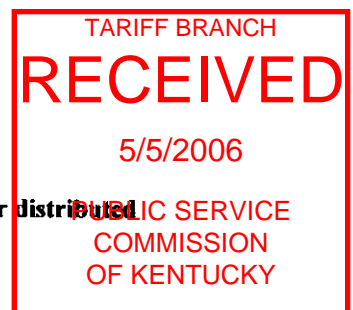
2. **LIABILITY OF THE COMPANY**
Mountain Rural Telephone Cooperative Corporation, Inc. makes no guarantee and assumes no liability for claims or suits resulting from the non-performance of the Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service except as can be demonstrated to be due to gross negligence or willful misconduct by the Company.

3. **TERMS**
 - (a) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is provided for a minimum of sixty (60) months, beginning on the service installation date.

 - (b) Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is offered via this Agreement, commencing on the date that service is established, for fixed terms of sixty months (five years). For the Agreement period, Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet rates offered by the Company will not change.

 - (c) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer is required to retain, as a minimum, an amount equal to 80% of the equipment originally engineered for the term of the Agreement.

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3. TERMS (cont.)

- (d) Subsequent Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet additions may be rated under a new Agreement or an Addendum to an existing Agreement for the remainder of the initial Term. A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may also request reductions that do not exceed the provision of (c) preceding. If a reduction causes the total number of route mile(s) and/or total transmission or CPE to fall, all remaining route mile(s) and/or terminations will be billed at the rates associated with the lesser mileage and/or equipment.
- (e) In the event that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet service is terminated by the Customer prior to completion of the initial Agreement period, a termination charge will apply. The Company's termination charge will equal an amount representing the present value of the remaining Agreement balance. The amount is calculated by applying a discount rate (that equals the average interest rate for Treasury Bills for the three quarters preceding the termination date) to the remaining contract balance, plus the cost of removal. The termination charge is payable in its entirety immediately upon termination of an Agreement.
- (f) When the Agreement term expires, a Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Customer may select a new Agreement period or continue with month-to-month service at rates offered at that time.
- (g) A Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Agreement Customer may, at any time during the Agreement period, re-subscribe to a fixed Term of different length. The new Agreement Term begins with the date requested. No credit will be given by the Company toward the new Agreement Term for payments made during the formerly selected Term. No termination charge will be applied if a new Term is requested.

4. NON-RECURRING CHARGES

The prices set forth in Attachment A do not include any applicable Non-recurring charges. The Customer shall pay to the Company any Non-recurring charges assessed by the Company upon completion of Installation and prior to the Start-Up date.

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5. **REMEDIES**

In the event of any breach of this Agreement by either party which continues for thirty (30) or more days after detailed written notice of such breach has been given to the breaching party, the aggrieved party shall be entitled to pursue any remedies available at law or equity; except that the **COMPANY SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR ANY BREACH OF THIS AGREEMENT AND THE COMPANY'S LIABILITY UNDER SECTION 2 SHALL NOT BE GREATER THAN THAT DESCRIBED THEREIN.**

6. **INSTALLATION**

When Installation is being provided by the Company pursuant to this Agreement, the Customer shall be responsible for having the Installation site ready on time and shall reimburse the Company for any additional expense incurred by the Company as a result of the Customer's failure in this respect. Any Installation provided pursuant to this Agreement shall be performed in accordance with the Company's standard installation procedures. Upon completion of Installation, the Company shall perform its standard test procedures and shall certify to the Customer that Mountain Rural Telephone Cooperative Corporation, Inc. Gigabit Ethernet Service is ready to be placed into service. Failure of the Customer to notify the Company of any deficiencies within five (5) days of receipt of such certification by the Customer shall be deemed to be final acceptance by the Customer.

7. **WARRANTIES**

The Company warrants that the Installation, Fiber, and Connecting Hardware provided under this Agreement will, under normal use and service, be free from defective equipment and faulty workmanship for the Term of this Agreement. The Company's sole obligation and the Customer's sole remedy under the warranty are the replacement or repair, at the Company's option, of the defective component, or redoing the faulty Installation. Such obligation and remedy are conditioned upon (a) the Connecting Hardware and/or jumpers not having been altered, mishandled, misused (including use in quality or performance), improperly stored, operated or repaired, damaged by fire, explosion, power failure or any act of nature or the Installation redone by any party other than the Company, and (b) notice of the effect having been received by the Company during the Agreement Term. The Company warrants that, provided the equipment supplied under this Agreement are not altered by the Customer, the equipment shall perform during the Agreement Term substantially in accordance with the applicable specifications. In the event that any component fails to so perform, the Customer's sole remedy shall be to have the Company correct such failure.

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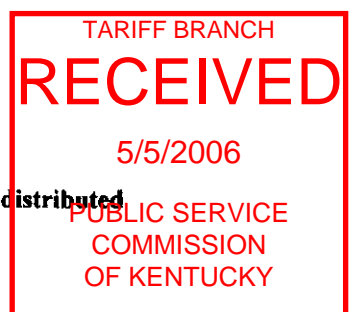


8. **EXCLUSION OF WARRANTIES AND LIMITATION OF REMEDIES AND LIABILITY - THE WARRANTY AND REMEDY SET FORTH ABOVE CONSTITUTE THE ONLY WARRANTY OF THE COMPANY AND THE CUSTOMER'S ONLY REMEDY IN THE EVENT SUCH WARRANTY IS BREACHED. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES PERTAINING TO SAID EQUIPMENT AND/OR INSTALLATION, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR AGAINST INFRINGEMENT. THE COMPANY SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER.**

9. **FORCE MAJEURE**

The Company shall not be liable for any loss or damage resulting from any cause beyond its reasonable control, such as, but not limited to, compliance with any law, order, regulation, requirement or any governmental authority, fire, explosion, epidemic, act of nature, unavailability of supplies or energy, power failure, breakdown of machinery, acts of third parties, acts of civil or military authority, war, revolution, civil disturbance or labor disputes such as strikes, slowdowns, picketing or boycotts. Upon the occurrence of any such event and to the extent such occurrence interferes with the Company's performance of this Agreement, the Company shall be excused from performance during the period of such interference, but no such delay shall be grounds for termination by the Customer of this Agreement or shall in the imposition of any increased obligation on the part of the Company.

"PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons."



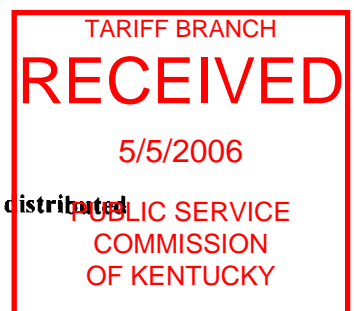
10. HAZARDOUS MATERIALS AND SUBSTANCES

The Customer shall identify and shall notify the Company in writing of the existence of any Hazardous Materials which the Company may encounter during the performance of services hereunder by the Company consisting of removal or any existing equipment and/or during the Installation of any new equipment provided pursuant to this Agreement. The Customer shall also identify and inform the Company in writing of the existence of any Hazardous Materials contained within any Customer buildings in which the Company will be performing work pursuant to this Agreement. For purposes of this Section, "Hazardous Materials" shall mean any pollutants, dangerous substances, toxic substances and/or hazardous substances (including, without limitation, asbestos) as defined in, or pursuant to, the OSHA Hazard Communications Standard (29 CFR Part 1910, Subpart Z), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.) the Comprehensive Environmental Responses Compensation and Liability Act (42 U.S.C. Section 9601, et seq.) or any other federal, state, or local environmental law, ordinance, rule or regulation. If the Customer fails to notify the Company of the existence of such Hazardous Materials and the Company, during the performance of services hereunder, discovers that Hazardous Materials are present, the Company may, at the Company's election, and without penalty, discontinue the performance of such services until the Hazardous Materials have been removed or abated by the Customer, at the Customer's sole expense. The Customer shall defend, indemnify and hold harmless the Company for any loss or damages resulting from a breach of this Section 10.

11. GENERAL

The Customer shall not assign this Agreement or any rights hereunder, nor shall the Customer sublease or resale use of the fiber and/or its bandwidth to any third party. This Agreement constitutes the final, complete and exclusive Agreement between the parties hereto and may be modified only in a writing signed by an authorized representative of each party. Unless an affirmation, representation, or warranty concerning the Services made by an agent, employee, or representative of the Company is specifically included within this Agreement, it shall not be enforceable by the Customer. The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of Kentucky, except for its rules with respect to the conflict of laws. The Company reserves the right to subcontract any portion of its obligations under this Agreement.

"PROPRIETARY AND CONFIDENTIAL: This information should not be disclosed or distributed to unauthorized persons."



12. CUSTOMER PROVIDED EQUIPMENT AND WIRING

The Company shall not install, maintain nor service any Customer provided equipment nor Customer provided wiring. The Customer shall identify and shall notify the Company in writing of the existence of any Customer provided equipment and Customer provided wiring. The Customer shall provide written assurances to the Company that all Customer provided equipment meet the requirements as set forth in Part 68 of the FCC Rules. The Company reserves the right to suspend service to any Gigabit Ethernet Customer using Customer provided equipment or Customer provided wiring. Within 10 working days of written notification to the Customer that said equipment or wiring is adversely effecting the Company's equipment, service will be suspended providing the cause has not been corrected. The Company reserves the right to immediately suspend service to any Gigabit Ethernet facility that severely effect the Company's equipment without any prior notification, but must report such suspensions to the Customer within 24 hours.

13. TERMINATION OF SERVICE

Mountain Rural Telephone Cooperative Corporation, Inc. reserves the right to immediately terminate service to any Customer found to be reselling, subleasing or otherwise providing services to any third party. Mountain Rural Telephone Cooperative Corporation, Inc. also reserves the right to inspect the fiber termination panels without any notification to the Customer provided that the request for inspection is preformed during a reasonable time of day; during the Customers normal hours of operation. The Customer shall make available its technology coordinator to answer any questions concerning misuse of the fiber facilities.

