



Dustin Johnson, Chair
Gary Hanson, Vice Chair
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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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1-800-332-1782

July 13, 2007

TO ALL CLAIMANTS OF ALLOWED CLAIMS AGAINST S&S BONDS:

Enclosed with this letter are a check for your share of the S&S bond proceeds as determined by the Commission at the May 8, 2007 hearing and an Option to Purchase Stock in Aberdeen Finance Corporation ("AFC"). **If you believe that the amount shown on the check or the payee's name is incorrect, please contact the Commission immediately at 1-800-332-1782.**

You are receiving this stock option because the Commission decided to accept the offer of AFC to purchase the 35 shares of AFC stock held by the Commission ("Shares") for \$100 per share and pre-pay a \$2,500 installment payment obligation owed by AFC to the Commission. The Commission received the Shares and the installment credit under AFC's bankruptcy plan. Although the Commission believes that accepting the cash offered at this time was the right thing to do to bring this matter to a conclusion and get the money out to Claimants, the question of whether the \$100 per share received by the Commission reflected a fair value for the Shares is not black and white. The Commission therefore believed that Claimants should have their own right to evaluate AFC and its stock and to buy back a share for the same \$100 per share price if they believe it is a prudent investment. **Please note that if you do elect to exercise the option, you must send a check to AFC for \$100 to cover the purchase price of one share of AFC stock.** Also please note that the options to purchase stock are on a first come, first served basis until options for 35 shares have been exercised. Also note that to be valid, option exercises must be mailed or delivered to AFC no later than August 17, 2007.

The Commission wants to emphasize that YOU ARE NOT REQUIRED TO EXERCISE THE OPTION AND PURCHASE A SHARE OF AFC STOCK. It is strictly a voluntary option available to you on a first come, first served basis.

The Commission also wants to strongly emphasize that **NEITHER THE COMMISSION NOR AFC MAKES ANY RECOMMENDATION WHATSOEVER REGARDING THE ADVISABILITY OF PURCHASING THE AFC STOCK. NEITHER AFC NOR THE COMMISSION MAKES ANY REPRESENTATION, WARRANTY OR GUARANTEE WHATSOEVER CONCERNING AFC'S VALUE, THE VALUE OF THE STOCK, AFC'S FUTURE PROSPECTS OR THE ACCURACY OR COMPLETENESS OF FINANCIAL STATEMENTS AND OTHER INFORMATION ABOUT AFC AND THE AFC STOCK,** whether contained in the evidence introduced at the May 8 hearing or otherwise. The Commission would note that none of this information is based upon audited financial

information. The information concerning AFC and its stock that was received into evidence by the Commission at the May 8 hearing can be found in the hearing transcript on the Commission's web site at www.puc.sd.gov under Commission Actions, Commission Dockets, 2005 Telecommunications Dockets, TC05-047, Transcript of May 8, 2007 Hearing, pp. 49-54, 61-63, 65-108 and Exhibits 393, 401, 402, and 404. If you do not have access to the internet and would like this information, please contact the Commission, and we will mail a copy to you. You may obtain more current financial and other information about AFC by contacting Kathleen Getty, AFC's Secretary and Treasurer at Aberdeen Finance Corporation, 18 3rd Ave. S.E., P.O. Box 59, Aberdeen, SD 57402-0059; ph. (800) 287-8051 or (605) 225-8050; fax (605) 229-4982.

IT IS ALSO IMPORTANT FOR YOU TO REALIZE THAT THE AFC STOCK HAS NOT BEEN REGISTERED FOR PUBLIC SALE. THERE IS NO MARKET FOR THE STOCK AND THERE IS NO GUARANTEE THAT YOU WILL EVER HAVE THE OPPORTUNITY TO SELL THE STOCK. IF YOU ELECT TO EXERCISE THE OPTION AND PURCHASE A SHARE OF AFC STOCK, YOU DO SO AT YOUR OWN RISK.

Thank you for your patience throughout this lengthy process. Unless you believe your check is incorrect, we believe that this concludes the S&S matter as it related to the claims against bond proceeds, and this should be the last communication you receive from the Commission about the bond proceeds. Remaining open are the complaints that you may have filed with the Commission against S&S, which will require further action by the Commission. If you have questions or concerns, you may contact the Commission at: ph. (800) 332-1782 or (605) 773-3201; fax (866) 757-6031; email puc@state.sd.us; or mail to South Dakota Public Utilities Commission, 500 E. Capitol Ave., Pierre, SD 57501.

Sincerely,


John J. Smith,
Legal Counsel


Keith Senger
Utility Analyst