

Attachments

MIDSTATE COMMUNICATIONS, INC.
(SAC 391670)

**Certification of Compliance with Applicable Service Quality Standards and
Consumer Protection Rules**

Service Quality Standards

The Company:

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no additional charge to end users.
- Provides access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.
- Advertises the availability of its services and the charges using media of general distribution and on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during normal business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
 - Answer all incoming calls promptly.
 - Respond to all inquiries for information promptly and courteously.
 - Investigate thoroughly all customer complaints and handle appropriately according to the Company's guidelines for resolution of customer complaints.
 - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.

Consumer Protection Rules

The Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information.

MIDSTATE TELECOM
(SAC 391670)

Functionality in Emergency Situations

Back-Up Power

With our current infrastructure, there are three locations within our network where backup battery is a concern: central offices, remote cabinets and ONT locations at the customer premise. Each are addressed below:

Central Offices (CO)

Midstate Communications has 10 central offices which serve 100% of our customer base. The switching and transport systems inside these COs are powered by DC power with current draws ranging from approximately 20 amps to 250 amps. The run time of each battery is slightly different based on current draw and geographical location but they range from approximately 12 hours to 40 hours. Each CO is equipped with an on-site generator and an automatic transfer switch; thus, we expect the required run time of these battery systems to be only a few seconds but have designed them to support our network for significantly longer run times in case of a generator failure. We also possess a 60 KW portable generator for deployment ensuring CO operation throughout an on-site generator failure.

Remote Cabinets

Approximately 5% of our current customer base is served by these remote cabinets located in the field within 3 miles of the subscriber premises served. Each DC system inside these cabinets is designed to support 8 hours of run time in case of a power failure. We possess 22 portable generators in all, with several of them being staged in strategic geographical locations for easy deployment in the event of a power failure.

ONT

The ONTs are located at the customer premise in our fiber-to-the-home network configurations. We have approximately 3291 deployed ONTs delivering service to approximately 40% of our subscribers. Any ONTs located within the city limits are equipped with a 7.2 amp-hour battery and provide an expected run time of 8 hours. Knowing the power failure outside the city limits can be longer, we deploy a larger battery providing additional run time. These batteries are 20AH and deliver an expected run time of greater than 16 hours.

Re-routing of Traffic around Damaged Facilities

All core network connections are ring protected and any established traffic is automatically re-routed without impact to these customers. Any call not yet established or in a “setup” state during a reroute situation (fiber cut, central office failure, etc.) would fail and these callers would need to reacquire dial tone and replace the call. The time the routes would be unavailable is less than one second; thus, any subsequent call attempts would be successful.

Our connection to the outside world is via our centralized equal access provider: South Dakota Network (SDN). The Kimball office is positioned in the logical center of our network and houses a node on the above mentioned statewide DWDM MPLS network. This network utilizes alternate fiber routes throughout the state of South Dakota functioning in a mesh environment to deliver our traffic to the SDN location in Sioux Falls, SD. As for our intra-company interexchange facilities, they include three EPS Rings (Calix), one OC-48 ring (Fujitsu) and one MPLS ring (Brocade) functioning in a mesh environment.

Traffic Spikes

Currently, Midstate provides dial tone to approximately 4,200 subscribers. The soft-switch we utilize is manufactured by Meta Switch and can support 250,000 subscribers before any expansion or upgrade is required. Our customer connections to this switch are MGCP and in this configuration the switch can support 1.3 M Busy Hour Call Attempts. As for the trunking, we have toll and 911 routes to SDN and CenturyLink. These routes are actively monitored for overflow and near overflow status. Any near overflow or overflow situations are addressed immediately after receiving any alarm.

**Midstate Communications, Inc.
Description of Tribal Engagement**

Midstate Communications, Inc., Study Area 391670, (Midstate) provides services in areas of the Crow Creek Sioux Tribe. Midstate periodically, and when requested, actively engages in discussions with Tribal leaders that include deployment of services to Tribal anchor institutions, and feasibility and sustainability planning of those services. Midstate reached a resolution with Crow Creek Sioux Tribe to begin planning for a fiber to the home deployment in 2016. Construction was completed in the fall of 2016. Midstate markets its services in a culturally sensitive manner, including advertisements and written notifications via certified mail of required filings of services and rates. Midstate is in compliance with right of way processes, land use permitting, facilities siting, and environmental and cultural preservation review processes. Midstate is in compliance with Crow Creek Sioux Tribe business and licensing requirements



120 EAST FIRST • P.O. BOX 48
KIMBALL, SD 57355-0048
PHONE (605) 778-6221 • FAX (605) 778-8080
www.midstatesd.net

Sent Return Receipt Requested

July 28, 2016

Chairman Brandon Sazue
Office of the Chairman, Crow Creek Sioux Tribe
PO Box 50
Fort Thompson, SD 57339

Dear Chairman Sazue:

The Federal Communications Commission (FCC), as part of its 2012 Order reforming the federal universal service mechanisms related to telecommunications and information services, adopted new "Tribal Engagement" provisions that are intended to improve communications and foster a greater understanding between service providers and Tribal entities of the factors necessary to deploy and sustain telecommunication services on Tribal lands. See FCC Public Notice, Office of Native Affairs and Policy, Wireless Telecommunications Bureau, and Wireline Competition Bureau Issue Further Guidance on Tribal Engagement Obligation Provisions of the Connect America Fund, DA 12-1165, released July 19, 2012.

Pursuant to the FCC's rules related to Tribal Engagement Midstate Communications would, as soon as possible, like to begin discussions with the Crow Creek Sioux Tribe in a manner consistent with the FCC rules. Accordingly, we would request a meeting with the Tribe and it is our hope that this meeting could be held sometime prior to the end of October, 2013. The purpose of this meeting will, generally, be to exchange information related to the deployment and provisioning of communications services on Tribal lands.

While Midstate Communications leaves to your discretion attendees from the tribe at this requested meeting, it is important that at least some of the tribal representative attendees at the meeting are "decision-makers," as this can change the perspectives of the discussions. Midstate Communications asks that the Crow Creek Sioux Tribe provide a name and contact information for a Tribal representative who can assist in scheduling and arranging a meeting with the appropriate Tribal government staff and leaders to discuss deployment and sustainability of telecommunications services on Tribal lands. This information may be provided to the undersigned by calling (605) 778-6221, or through an e-mail directed to mark@midstaff.net.

Thank you for your cooperation in this matter. We look forward to discussing these important matters with you.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark Benton', with a long horizontal flourish extending to the right.

Mark Benton, GM

Midstate Communications, Inc.

Midstate Communications, Inc.

Lifeline Terms and Conditions

Midstate Communications, Inc. (“Midstate”) offers Lifeline program-supported service to qualified low-income residential consumers for one telephone line or qualifying broadband internet access service (BIAS) per eligible household. The Lifeline program provides discounts to eligible low-income consumers to help them establish and maintain telephone or qualifying BIAS service. Eligible consumers can receive \$9.25 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in Lifeline. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll blocking is available to eligible consumers at no cost. Also, by choosing this option, consumers are usually not charged a deposit.

Lifeline Program Eligibility Information

Program Based Eligibility

Consumers are eligible for Lifeline if they, one of their dependents or their household participate in one of the following qualifying assistance programs:

- Federal Public Housing Assistance (Section 8)
- Supplemental Nutrition Assistance Program (SNAP)
- Medicaid
- Supplemental Security Income (SSI)
- Veteran’s Pension and Survivor Benefit

Lifeline applicants must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year’s statement of benefits from a qualifying state, federal or Tribal program; notice letter of participation in a qualifying state, federal or Tribal program; program participation documents; or another official document evidencing the consumer’s participation in a qualifying state, federal or Tribal program.

Income Based Eligibility

In addition, consumers are eligible for Lifeline if their household income is at or below 135% of the federal poverty guidelines.

2017 Federal Poverty Guidelines – 135%

Household Size	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$16,281	\$20,331	\$18,711
2	\$21,924	\$27,392	\$25,205
3	\$27,567	\$34,452	\$31,698
4	\$33,210	\$41,513	\$38,192
5	\$38,853	\$48,573	\$44,685
6	\$44,496	\$55,634	\$51,179
7	\$40,139	\$62,694	\$57,672
8	\$55,782	\$69,755	\$64,166
For each additional person, add	\$5,643	\$7,061	\$6,494

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

Tribal Eligibility

A subscriber who lives on Tribal lands and is an eligible resident of Tribal lands is eligible for Tribal Lifeline service or Tribal Link Up if the subscriber, one or more of the subscriber's dependents, or the subscriber's household participates in any of the above-listed qualifying assistance programs or one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs General Assistance; Tribally Administered Temporary Assistance for Needy Families; Head Start (if income eligibility criteria are met); or the Food Distribution Program on Indian Reservations (FDPIR). Tribal subscribers may also qualify if the household income is at or below 135% of the Federal Poverty Guidelines.

Lifeline Program Service

Midstate's Voice Lifeline service includes unlimited local minutes-of-use within the toll-free calling area. Midstate's Voice Lifeline Plan does not include any free minutes-of-use for toll. Toll is billed at the standard toll rate depending on which interexchange carrier the consumer subscribes to for toll service. As part of the Lifeline service, Toll blocking is available to eligible consumers at no cost.

BIAS minimum speed and usage allowance standards are required for the service to qualify.

Lifeline recipients may transfer the Lifeline benefit to a new company once every sixty days for telephone service and once every 12 months for BIAS.

Rates

Subscribers may receive the Lifeline credit on any type or grade of local service, including bundled services that are normally offered by Midstate. Advertised rates do not include any applicable taxes or surcharges.

Recertification of Lifeline Eligibility

Lifeline recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for the Lifeline program will result in termination of the Lifeline recipient's monthly Lifeline discount and de-enrollment from the Lifeline Program.

Additional Lifeline Program Information

The Lifeline program is limited to one benefit per household, consisting of either wireline or BIAS. A household is defined, for purposes of the Lifeline program, as an individual or group of individuals who live together at the same address and share income and expenses. Lifeline is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

Midstate Communications, Inc.

Certification of Public Interest Obligations

To be in compliance with the Certification of Public Interest Obligations:

- Midstate Communications certifies that it has taken reasonable steps to provide upon a reasonable request broadband service at actual speeds of 10 Mbps downstream/1 Mbps upstream with latency suitable for real-time applications, including Voice over Internet Protocol.
- The Company provides usage capacity that is reasonably comparable to comparable offerings in urban areas.
- The Company certifies that requests for such service are met within a reasonable amount of time.

REDACTED - FOR PUBLIC INSPECTION

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According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential. BORROWER NAME Midstate Communications, Inc.
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INSTRUCTIONS-Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2016	BORROWER DESIGNATION SD0524
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CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII
 (Check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

 Mark Benton

3/28/2017
 DATE

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = [REDACTED] % of Total Assets

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION SD0524
	PERIOD ENDING December, 2016

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

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USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

SD0524

PERIOD ENDED

December, 2016

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Delmont	█	█	█	█	█	█	█
Fort Thompson	█	█	█	█	█	█	█
Gann Valley	█	█	█	█	█	█	█
Kimball	█	█	█	█	█	█	█
New Holland	█	█	█	█	█	█	█
Platte	█	█	█	█	█	█	█
Pukwana	█	█	█	█	█	█	█
Stickney	█	█	█	█	█	█	█
White Lake	█	█	█	█	█	█	█
Academy	█	█	█	█	█	█	█
Chamberlain	█	█	█	█	█	█	█
MobileWireless						█	
Route Mileage Outside Exchange Area							█
Total			█	█	█	█	█
No. Exchanges	█						

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

SD0524

PERIOD ENDING
December, 2016

INSTRUCTIONS- See RUS Bulletin 1744-2

PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
█	█	█	█	█

PART E. TOLL DATA

1. Study Area ID Code(s) a. 391670 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one)			
	Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	
	Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	█
2. Other Long-Term Loan Funds Expended	█
3. Funds Expended Under RUS Interim Approval	█
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	█
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	█

PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development				█	█
2. Investment in Affiliated Companies - Nonrural Development		█			

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION SD0524 PERIOD ENDING December, 2016
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PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one) YES NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	██████
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	██████
4. Land and support assets - Garage and other work equipment	██████
5. Land and support assets - Buildings	██████
6. Land and support assets - Furniture and Office equipment	██████
7. Land and support assets - General purpose computers	██████
8. Central Office Switching - Digital	██████
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	██████
13. Information origination/termination - Station apparatus	██████
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	██████
19. Cable and wire facilities - Aerial cable - Metal	██████
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	██████
22. Cable and wire facilities - Underground cable - Fiber	██████
23. Cable and wire facilities - Buried cable - Metal	██████
24. Cable and wire facilities - Buried cable - Fiber	██████
25. Cable and wire facilities - Conduit systems	██████
26. Cable and wire facilities - Other	

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USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION SD0524
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December , 2016
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		██████████
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		██████████
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		██████████
4. Add: Amortization		██████████
5. Other (Explain) ████████████████████████████████████████		██████████
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		██████████
7. Decrease/(Increase) in Materials and Inventory		██████████
8. Decrease/(Increase) in Prepayments and Deferred Charges		██████████
9. Decrease/(Increase) in Other Current Assets		██████████
10. Increase/(Decrease) in Accounts Payable		██████████
11. Increase/(Decrease) in Advance Billings & Payments		██████████
12. Increase/(Decrease) in Other Current Liabilities		██████████
13. Net Cash Provided/(Used) by Operations		██████████
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		██████████
15. Increase/(Decrease) in Notes Payable		██████████
16. Increase/(Decrease) in Customer Deposits		██████████
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		██████████
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		██████████
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		██████████
20. Less: Payment of Dividends		██████████
21. Less: Patronage Capital Credits Retired		██████████
22. Other (Explain) ████████████████████████████████████████		██████████
23. Net Cash Provided/(Used) by Financing Activities		██████████
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		██████████
25. Other Long-Term Investments		██████████
26. Other Noncurrent Assets & Jurisdictional Differences		██████████
27. Other (Explain) ████████████████████████████████████████		██████████
28. Net Cash Provided/(Used) by Investing Activities		██████████
29. Net Increase/(Decrease) in Cash		██████████
30. Ending Cash		██████████

REDACTED - FOR PUBLIC INSPECTION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION SD0524
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2016
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

REDACTED - FOR PUBLIC INSPECTION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION SD0524
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2016
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	