

Attachments

Venture Communications Cooperative
(SAC 391680)

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

This document details the processes and procedures that Venture Communications Cooperative (the “Company”) follows to ensure compliance with service quality standards and consumer protection rules as laid out in FCC Form 481 Instructions.

The Company provides voice grade access to the public switched telephone network (PSTN) at a flat rate, enabling access to emergency services provided by local government or other public safety organizations such as 911.

For service quality standards that are affected by plant issues, the Company engineers and installs its plant and other facilities in such a way as to ensure safe, adequate and continuous service at all times.

In addition, employees are periodically trained on service quality standards and consumer protection issues. In particular, if any set of issues appear to be prevalent, employees are given briefings on how to handle such issues beyond the normal guidelines in place for resolution of customer complaints.

The Company also periodically reviews its operating procedures to be sure that those operating procedures are in compliance with service quality standards and that the operating procedures are not in violation of consumer protection rules. Internally a compliance officer ensures annual employee training and dictates the disciplinary process for improper use of consumer information. If concerns arise beyond the compliance officer, legal counsel is sought to assist with a resolution.

If complaints are filed with the Company related to service quality standards or consumer protection rules, the complaint is immediately investigated, the matter tracked and any corrective action noted. This process ensures that problems are addressed and corrections made. It should be noted that the Company has received no customer complaints in the past five years regarding service quality standards or consumer protection rules as they relate to the service offered by the Company.

The Company advertises the availability of its services and the charges using media of general distribution and on its website.

Venture Communications Cooperative
(SAC 391680)

Statement Demonstrating Functionality in Emergency Situations

At line 600 of FCC Form 481, Venture Communications Cooperative (the “Company”) certified that it is able to function in emergency situations as set forth in 47 C.F.R. §54.202(a)(1)(ii). This means that the Company has a reasonable amount of back-up power to ensure functionality without an external source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. This statement will detail how the Company is prepared to ensure continued service in an emergency situation.

Back-Up Power

The Company has a back-up generator available with a minimum of a four hour power supply for its central office. In addition, it has portable generators available for remote sites.

Rerouting of Traffic Around Damaged Facilities

The Company has route redundancy for long distance service, E-911 trunking and SS7 signaling trunking.

In the case of isolated groups of customers that may suffer damage due to a cable cut, the Company maintains sufficient staff and other resources to be able to put customers back in service in a very short amount of time. The Company’s emergency service equipment is located within its exchange and requires very little time to dispatch.

Traffic Spikes

The Company’s outside plant is designed, engineered and built with sufficient capacity to handle traffic spikes resulting from emergency situations and has been able to do so in the past. The Company is in an area where severe weather strikes periodically and has been able to handle communication needs at those times and has the experience from those situations to be able to handle such emergency situations in the future.

Venture Telecommunications Cooperative

(SAC 391680)

Description of Tribal Engagement

The Company provides services in two tribal areas, Sisseton Wahpeton Oyate (“SWO”) Tribe and Crow Creek Sioux Tribe. With regard to the Crow Creek Sioux Tribe, Company 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. The Company reaches out to the Crow Creek Sioux Tribe on at least an annual basis to invite further discussion. The Company markets its services in a culturally sensitive manner, including advertisements and written notifications via certified mail of required filings of services and rates. The Company is in compliance with right of way processes, land use permitting, facilities siting and environmental and cultural preservation review processes. The Crow Creek Sioux Tribe has no business and licensing requirements.

With regard to the SWO Tribe, Company completed an extensive fiber-to-the-home project in tribal areas in 2014. Accordingly, as part of that project, Company engaged in numerous discussions (including written correspondence, email messages, telephone calls, and face-to-face meetings) with appropriate Tribal government leaders and entities throughout the course of the project. Company engaged in extensive discussions with tribal leaders with regards to needs assessment and deployment planning, with a focus on provisioning of services to Tribal anchor institutions so as to meet tribal deadlines. Company has continued its communications and discussions with Tribal leaders as to feasibility and sustainability planning. The Company reaches out to SWO Tribe on at least an annual basis to invite further discussions. The Company markets its services in a culturally sensitive manner, including advertisements and written notifications via certified mail of required filings of services and rates. The Company is in compliance with right of way processes, land use permitting, facilities siting and environmental and cultural preservation review processes. Company is in compliance with SWO business and licensing requirements.

Venture Communications Cooperative (SAC 391680)

Venture Communications Cooperative (“Venture”) 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

Venture's Voice Lifeline service includes unlimited local minutes-of-use within the toll-free calling area. Venture'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 Venture. 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.

**Venture Communications Cooperative
(SAC 391680)**

Certification of Public Interest Obligations

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

- Venture Communications Cooperative 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.

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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 Venture Communications Cooperative | |
| 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 SD0522 |
| 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) | | |
| <input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects. | | |
| <input type="checkbox"/> 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 | | |
| _____ randy houdek | _____ 4/4/2017 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 = ██████████ % of Total Assets

| | |
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| USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS | BORROWER DESIGNATION SD0522 |
| | 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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**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

SD0522

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) |
| Blunt | | | | | | | |
| Bowdle | | | | | | | |
| Britton | | | | | | | |
| Cresbard | | | | | | | |
| East Onida | | | | | | | |
| Faulkton | | | | | | | |
| Gettysburg | | | | | | | |
| Harrold | | | | | | | |
| East Onida | | | | | | | |
| Faulkton | | | | | | | |
| Gettysburg | | | | | | | |
| Harrold | | | | | | | |
| Highmore | | | | | | | |
| Hitchcock | | | | | | | |
| Hoven | | | | | | | |
| Langford | | | | | | | |
| Lebanon | | | | | | | |
| North Britton | | | | | | | |
| Onaka | | | | | | | |
| Onida | | | | | | | |
| Orient | | | | | | | |
| Pierpont | | | | | | | |
| Ree Heights | | | | | | | |
| Roscoe | | | | | | | |
| Rosholt | | | | | | | |
| Roslyn | | | | | | | |
| Selby | | | | | | | |
| Seneca | | | | | | | |
| Sisseton | | | | | | | |
| Tolstoy | | | | | | | |
| Tulare | | | | | | | |
| Wessington | | | | | | | |
| Wessington Springs | | | | | | | |
| West Onida | | | | | | | |
| MobileWireless | | | | | | | |
| Route Mileage Outside Exchange Area | | | | | | | |
| Total | | | | | | | |
| No. Exchanges | | | | | | | |

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**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

SD0522

PERIOD ENDED

December, 2016

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

| | | | |
|-------|--|--|--|
| Total | | | |
|-------|--|--|--|

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

SD0522

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. _____ 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 | █ | █ | █ | █ | █ |

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| USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS | BORROWER DESIGNATION SD0522 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 SD0522 |
| 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

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| USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS | BORROWER DESIGNATION SD0522 |
| INSTRUCTIONS - See RUS Bulletin 1744-2 | PERIOD ENDED December, 2016 |
| NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS | |
| | |

REDACTED - FOR PUBLIC INSPECTION

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| USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS | BORROWER DESIGNATION SD0522 |
| INSTRUCTIONS - See RUS Bulletin 1744-2 | PERIOD ENDED December, 2016 |
| CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS | |
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