

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		<i>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.</i>			
<b>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.</b>		<b>PERIOD ENDING</b>	<b>BORROWER DESIGNATION</b>		
<b>CERTIFICATION</b> <i>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.</i>					
<b>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.</b>					
<b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII</b> <i>(Check one of the following)</i>					
<input 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.			
<hr/> <b>DATE</b>					
<b>PART A. BALANCE SHEET</b>					
<b>ASSETS</b>	<b>BALANCE PRIOR YEAR</b>	<b>BALANCE END OF PERIOD</b>	<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>BALANCE PRIOR YEAR</b>	<b>BALANCE END OF PERIOD</b>
<b>CURRENT ASSETS</b>		<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents		25. Accounts Payable			
2. Cash-RUS Construction Fund		26. Notes Payable			
3. Affiliates: <ul style="list-style-type: none"> <li>a. Telecom, Accounts Receivable</li> <li>b. Other Accounts Receivable</li> <li>c. Notes Receivable</li> </ul>		27. Advance Billings and Payments <ul style="list-style-type: none"> <li>28. Customer Deposits</li> <li>29. Current Mat. L/T Debt</li> <li>30. Current Mat. L/T Debt-Rur. Dev.</li> <li>31. Current Mat.-Capital Leases</li> <li>32. Income Taxes Accrued</li> <li>33. Other Taxes Accrued</li> <li>34. Other Current Liabilities</li> </ul>			
4. Non-Affiliates: <ul style="list-style-type: none"> <li>a. Telecom, Accounts Receivable</li> <li>b. Other Accounts Receivable</li> <li>c. Notes Receivable</li> </ul>		35. <b>Total Current Liabilities (25 thru 34)</b>			
5. Interest and Dividends Receivable		<b>LONG-TERM DEBT</b>			
6. Material-Regulated		36. Funded Debt-RUS Notes			
7. Material-Nonregulated		37. Funded Debt-RTB Notes			
8. Prepayments		38. Funded Debt-FFB Notes			
9. Other Current Assets		39. Funded Debt-Other			
<b>10. Total Current Assets (1 Thru 9)</b>		40. Funded Debt-Rural Develop. Loan			
<b>NONCURRENT ASSETS</b>		41. Premium (Discount) on L/T Debt			
11. Investment in Affiliated Companies <ul style="list-style-type: none"> <li>a. Rural Development</li> <li>b. Nonrural Development</li> </ul>		42. Reacquired Debt			
12. Other Investments <ul style="list-style-type: none"> <li>a. Rural Development</li> <li>b. Nonrural Development</li> </ul>		43. Obligations Under Capital Lease			
13. Nonregulated Investments		44. Adv. From Affiliated Companies			
14. Other Noncurrent Assets		45. Other Long-Term Debt			
15. Deferred Charges		<b>46. Total Long-Term Debt (36 thru 45)</b>			
16. Jurisdictional Differences		<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
<b>17. Total Noncurrent Assets (11 thru 16)</b>		47. Other Long-Term Liabilities			
<b>PLANT, PROPERTY, AND EQUIPMENT</b>		48. Other Deferred Credits			
18. Telecom, Plant-in-Service		49. Other Jurisdictional Differences			
19. Property Held for Future Use		50. Total Other Liabilities and Deferred Credits (47 thru 49)			
20. Plant Under Construction		<b>EQUITY</b>			
21. Plant Adj., Nonop. Plant & Goodwill		51. Cap. Stock Outstand. & Subscribed			
22. Less Accumulated Depreciation		52. Additional Paid-in-Capital			
<b>23. Net Plant (18 thru 21 less 22)</b>		53. Treasury Stock			
<b>24. TOTAL ASSETS (10+17+23)</b>		54. Membership and Cap. Certificates			
		55. Other Capital			
		56. Patronage Capital Credits			
		57. Retained Earnings or Margins			
		<b>58. Total Equity (51 thru 57)</b>			
		<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>			

USDA-RUS

**OPERATING REPORT FOR  
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INSTRUCTIONS- See RUS Bulletin 1744-2

BORROWER DESIGNATION

PERIOD ENDING

**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		
<b>7. Net Operating Revenues (1 thru 5 less 6)</b>		
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		
<b>14. Total Operating Expenses (8 thru 13)</b>		
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		
<b>20. Total Operating Taxes (17+18+19)</b>		
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		
<b>26. Total Fixed Charges (22+23+24-25)</b>		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
<b>31. Total Net Income or Margins (21+27+28+29+30-26)</b>		
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		
<b>39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]</b>		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
<b>43. Patronage Capital End-of-Year (40+41-42)</b>		
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]		

USDA-RUS

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## PART C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION

 See Part C Continuation Attached- (if box is checked)

EXCHANGE No. Exchanges	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Mobile Wireless							
Route Mileage Outside Exchange Area							
<b>TOTAL</b>							

<p style="text-align: center;"><b>USDA-RUS</b></p> <p style="text-align: center;"><b>OPERATING REPORT FOR</b></p> <p style="text-align: center;"><b>TELECOMMUNICATIONS BORROWERS</b></p>					<b>BORROWER DESIGNATION</b>		
					<b>PERIOD ENDING</b>		
<p><b>INSTRUCTIONS- See RUS Bulletin 1744-2</b></p>							
<p><b>PART C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION</b></p>					<input type="checkbox"/> <b>See Part C Continuation Attached- (if box is checked)</b>		
<b>4. BROADBAND SERVICE</b>							
<b>EXCHANGE</b>	No. Access Lines with BB available (a)	No. of Broadband Subscribers (b)	<b>Details on Least Expensive Broadband Service</b>				
			Number of Subscribers (c)	Advertised Download Rate (Mbps) (d)	Advertised Upload Rate (Mbps) (e)	Price per Month (Standalone/Pckg) (f)	Type of Technology (g)
<b>TOTAL</b>							

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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
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**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 type="checkbox"/>	Cost Basis
		Intrastate: <input type="checkbox"/>	Average Schedule	<input 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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**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	

USDA-RUS <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION
INSTRUCTIONS – See help in the online application.		
<b>PART I – STATEMENT OF CASH FLOWS</b>		
<b>1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>2. Net Income</b>		
<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		
<b>13. Net Cash Provided/(Used) by Operations</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
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)		
<b>23. Net Cash Provided/(Used) by Financing Activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
24. Net Capital Expenditures (Property, Plant & Equipment)		
25. Other Long-Term Investments		
26. Other Noncurrent Assets & Jurisdictional Differences		
27. Other (Explain)		
<b>28. Net Cash Provided/(Used) by Investing Activities</b>		
<b>29. Net Increase/(Decrease) in Cash</b>		
<b>30. Ending Cash</b>		

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