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EUGENE MALISZEWSKYJ
ENGINEERING CONSULTANT

June 29, 2015

ARTHUR BLOOSTON
1914 – 1999

WRITER'S CONTACT INFORMATION

gjd@bloostonlaw.com
202-828-5528

REDACTED – FOR PUBLIC INSPECTION

VIA HAND DELIVERY AND ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

**RE: Form 481 – Carrier Annual Reporting Data Collection Form
WC Docket No. 14-58
Rice Belt Telephone Company, Inc. (SAC 401721)**

Dear Ms. Dortch:

Pursuant to sections 54.313(i) and 54.422(c) of the Commission's Rules and the Commission's *Protective Order*¹ in this proceeding, Rice Belt Telephone Company, Inc. ("the Company") hereby submits two copies of its "FCC Form 481 – Carrier Annual Reporting Data Collection Form," which will be timely filed with the Universal Service Administrative Company and the appropriate state commission on or before July 1, 2014, and which includes a Redacted Confidential Document containing proprietary and confidential financial and 5-year service quality improvement plan progress report information that has been obscured.

¹ *In the Matter of Connect America Fund, et al.*, PROTECTIVE ORDER, WC Docket No. 10-90, et al., DA 15-712, released June 17, 2015.

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The Company seeks confidential treatment under the *Protective Order* for the financial information included in its report pursuant to §54.313(f)(2). Confidential treatment of this information is appropriate on the grounds that it is commercially sensitive information that is not normally released to the public. The Company is also submitting a copy of its FCC Form 481 (including the Redacted Confidential Document) via the Electronic Comment Filing System.

The Company has submitted a separate letter requesting confidential treatment pursuant to Section 0.459 of the Commission's Rules for proprietary and confidential information contained in its progress report regarding its five-year service quality improvement plan and in various broadband price offerings.

Respectfully submitted,
Rice Belt Telephone Company, Inc.

By: 
Gerard J. Duffy

Its Attorney

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June 29, 2015

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REDACTED -- FOR PUBLIC INSPECTION

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A325
Washington, DC 20554

**RE: Rule Section 0.459 Request for Confidential Treatment
Rice Belt Telephone Company, Inc. (SAC 401721)
WC Docket No. 14-58
FCC Form 481 – Carrier Annual Reporting Data Collection Form**

Dear Ms. Dortch:

Rice Belt Telephone Company, Inc. ("the Company"), by its attorney, hereby requests, pursuant to Section 0.459 of the Commission's Rules, that the redacted portions of the Company's "Five Year Service Quality Improvement Plan Progress Report" and certain broadband price offering data be withheld from public inspection.

In accordance with Section 0.459(b) of the Commission's Rules, the Company states:

1. The specific information for which confidentiality is sought is comprised of a report describing the Company's 5-Year Plan, and stating the capital investments and operating expenses that the Company made during first year of its 5-Year Plan, and certain non-regulated broadband price offering data in Form 710..
2. This information regarding the nature and timing of the Company's construction and network improvement plans, its capital expenditures and related operating expenses, and its non-regulated broadband price offerings, is proprietary and confidential commercial and financial information that is routinely withheld from public inspection.

REDACTED – FOR PUBLIC INSPECTION

3. The voice and broadband services for which the 5-year service improvement plans have been prepared, and the various non-price regulated broadband services offered at differing rates, are subject to actual and potential competition from competitive local exchange carriers, cable television system operators, electric power utilities, fixed and mobile wireless service providers, and/or satellite carriers.

4. There are numerous potential competitors and the nature and scheduling of the Company's network upgrades and the size and timing of its related capital and operating expenditures constitute very valuable competitive intelligence that can greatly assist the planning of any entity that may be contemplating entry into one or more portions of the Company's service area.

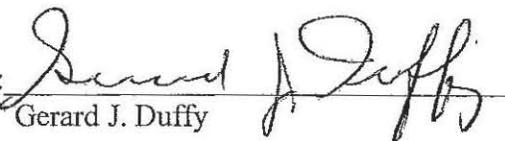
5. The Company limits internal access to its 5-year service improvement plan and progress reports and its broadband pricing plans and strategies to its key employees and consultants who need the information for planning, reporting and management purposes. The plan and progress reports are not posted on any Company website, or included in any Company press releases, reports or other documents that are available to the general public or to unrestricted portions thereof.

6. The Company does not make its 5-year service improvement plan or progress reports available to the public, and has not previously disclosed its plan or reports to third parties.

7. The Company requests that the individual annual charts included in the plan and the annual progress reports not be available for public disclosure until at least the end of the next full calendar year following the calendar year to which they apply. Competitors and potential competitors should not be able to see the Company's network deployment plans and actual expenditures for a particular year prior to the year, during the year, or during the year following the year (particularly because weather and other factors can cause construction delays). After that period, projects are generally completed, and competitors are able to observe directly or read published reports of what the Company actually did to improve its network and services.

The Company notes that it is also redacting and claiming confidential treatment, pursuant to the Bureau's *Protective Order*, DA 15-712, released June 17, 2015, for the financial information submitted in compliance with the requirements of Section 54.313(f)(2) of the Commission's Rules.

Respectfully submitted,
Rice Belt Telephone Company, Inc.

By: 
Gerard J. Duffy

Its Attorney

FCC Form 481 - Carrier Annual Reporting Data Collection Form

FCC Form 481
OMB Control No. 3060-0586/OMB Control No. 3060-0819
July 2015

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2016
<030>	Contact Name: Person USAC should contact with questions about this data	Stephanie Wall
<035>	Contact Telephone Number: Number of the person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	stephanie.wall@smithville.com

ANNUAL REPORTING FOR ALL CARRIERS

54,313 Completion Required	54,422 Completion Required
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		<i>(check box when complete)</i>	
<100>	Service Quality Improvement Reporting <i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200>	Outage Reporting (voice) <i>(complete attached worksheet)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<210>	<input checked="" type="checkbox"/> ← check box if no outages to report	<input type="checkbox"/>	<input type="checkbox"/>
<300>	Unfulfilled Service Requests (voice) <input type="text" value="0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<310>	Detail on Attempts (voice) <input type="text"/> <i>(attach descriptive document)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband) <input type="text" value="0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<330>	Detail on Attempts (broadband) <input type="text"/> <i>(attach descriptive document)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)		
<410>	Fixed <input type="text" value="0.0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<420>	Mobile <input type="text" value="0.0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		
<440>	Fixed <input type="text" value="0.0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<450>	Mobile <input type="text" value="0.0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance <i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<510>	<input type="text" value="401721ar500-510.pdf"/> <i>(attached descriptive document)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<600>	Functionality in Emergency Situations <i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<610>	<input type="text" value="401721ar600-610.pdf"/> <i>(attached descriptive document)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<700>	Company Price Offerings (voice) <i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710>	Company Price Offerings (broadband) <i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800>	Operating Companies and Affiliates <i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/> <i>(if yes, complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000>	Voice Services Rate Comparability Certification <input type="text" value="Yes"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010>	<input type="text" value="401721ar1000-1010.pdf"/> <i>(attach descriptive document)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100>	Certify whether terrestrial backhaul options exist (Yes or No) <input type="radio"/> <input checked="" type="radio"/> <i>(if not, check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1110>	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers <i>(complete attached worksheet)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

<2000>	<i>(check to indicate certification)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	<i>(complete attached worksheet)</i>	<input type="checkbox"/>	<input type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(100) Service Quality Improvement Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<110>	Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	(yes / no) <input checked="" type="radio"/> <input type="radio"/>
<111>	year plan" filed with the FCC?	(yes / no) <input checked="" type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.



Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How much (USF) was used to improve service quality and how support was used to improve service quality
- <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage
- <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

No
Yes

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986 / OMB Control No. 3060-0819
July 2013

<010> Study Area Code	401721
<015> Study Area Name	RICE BELT TEL CO
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035> Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

(1100) No Terrestrial Backhaul Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	6129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No). No

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g). Yes

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP ://ricebelt.net/lifeline-guidelines/

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,
- <1222> Details on the number of minutes provided as part of the plan,
- <1223> Additional charges for toll calls, and rates for each such plan.

(2000) Price Cap Carrier Additional Documentation
Data Collection Form
 Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	
<015>	Study Area Name	401721
<020>	Program Year	RICE BELT TEL CO
<030>	Contact Name - Person USAC should contact regarding this data	2016
<035>	Contact Telephone Number - Number of person identified in data line <030>	Stephanie Wall
<039>	Contact Email Address - Email Address of person identified in data line <030>	812932215 ext. stephanie.wall@smithville.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)i}
- <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)ii}
- <2011b> Attachment {47 CFR § 54.313(b)(1)ii}

Name of Attached Document(s) Listing Required Information

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}
- <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}
- <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}
- <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

- <2016> Certification Support Used to Build Broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

- <2021> Interim Progress Community Anchor Institutions

Name of Attached Document(s) Listing Required Information

[3000] Rate Of Return Carrier Additional Documentation Data Collection Form	FCC Form 481 OMB Control No: 3060-0986/OMB Control No: 3060-0819 July 2013
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<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3010) Progress Report on 5 Year Plan Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) (Yes/No) Yes No

(3014) If yes, does your company file the RUS annual report (Yes/No) Yes No

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited? (Yes/No) Yes No

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,

(3023) Underlying information subjected to a review by an independent certified public accountant

(3024) Underlying information subjected to an officer certification.

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

401721ar3005.pdf

Name of Attached Document Listing Required Information

(3026) Attach the worksheet listing required information

(3000) Rate Of Return Carrier Additional Documentation (Continued) Data Collection Form	FCC Form 481 OMB Control No: 3060-0586/OMB Control No: 3060-0819 July 2013
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<010> Study Area Code	401721
<015> Study Area Name	RICE BELT TEL CO
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035> Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	stephanik.wall@smithville.com

Financial Data Summary

(3027) Revenue

[Redacted]

(3028) Operating Expenses

[Redacted]

(3029) Net Income

[Redacted]

(3030) Telephone Plant In Service(TPIS)

[Redacted]

(3031) Total Assets

[Redacted]

(3032) Total Debt

[Redacted]

(3033) Total Equity

[Redacted]

(3034) Dividends

[Redacted]

REDACTED – FOR PUBLIC INSPECTION

Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	401721
<015> Study Area Name	Rice Belt Telephone Company Inc.
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035> Contact Telephone Number - Number of person identified in data line <030>	812-935-2215
<039> Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	Rice Belt Telephone Company Inc.
Signature of Authorized Officer:	 Date 6-24-15
Printed name of Authorized Officer:	Darby A. McCarty
Title or position of Authorized Officer:	President
Telephone number of Authorized Officer:	812-876-2211
Study Area Code of Reporting Carrier:	401721 Filing Due Date for this form: 07/01/2015
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent or Employee of Agent:	
Signature of Authorized Agent or Employee of Agent:	Date:
Printed name of Authorized Agent or Employee of Agent:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

REDACTED -- FOR PUBLIC INSPECTION

Rice Belt Telephone Company Inc.
Five Year Service Quality Improvement Plan Progress Report
For the 2015 Reporting Year
Per 47 CFR § 54.313(a)(1)

I. DISCUSSION

Rice Belt Telephone Company Inc. (Company), an ETC designated by the Arkansas Public Service Commission/FCC, hereby submits this five year service quality improvement plan progress report (*Progress Report*) as required by 47 CFR § 54.313(a)(1). The Company is an incumbent carrier with service area(s) in the state(s) of Arkansas, with [REDACTED] customers in 3 exchanges as of 12/31/2014. Rice Belt Telephone Company Inc. is a rate-of-return (RoR) regulated carrier.

The *Progress Report* reflected herein represents the Company's ongoing efforts to expand high quality, reasonably-priced broadband services throughout its service area. The Company generated and filed in 2014 a five-year plan in compliance with the Commission's rules, although the out years in the plan (years 3-5) are highly speculative in nature and thus will likely change, sometimes substantially, in future progress updates filed with the Commission. Reasons for the speculative nature of years 3-5 of the Plan include (1) the unknown nature of universal service support in those years, in light of the Commission's USF/ICC Transformation Order, (2) the difficulty in forecasting customer counts, demand, and other factors directly affecting network demand, and (3) the rapid pace of technological innovations in the communications industry makes it difficult to plan more than one or two years in advance with any degree of accuracy.

The *Progress Report* presented herein by necessity includes expenditures not directly tied to "improvements or upgrades" of the Company's network, such as amounts for the maintenance and upkeep of existing telecommunications plant. In order for the Commission to accurately consider the capital and operating expenditures as related to and supported by the federal universal service programs, these types of costs are critical for such an understanding.

II. Five Year Plan Update

The Company has updated the five year service quality improvement plan it filed in 2014 as described below. The main reason for any updates to its five year service quality improvement plan relates to the Company's revisions to capital and operating expense budgets due to a number of factors, including, but not limited to, market changes, regulatory requirements and uncertainty, and technological advancements.

Description	2015 (Jul-Dec)	2016	2017	2018	2019
CapEx	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
OpEx	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Telephone Company Inc.
Five Year Service Quality Improvement Plan Progress Report
For the 2015 Reporting Year
Per 47 CFR § 54.313(a)(1)

III. Progress Report

A. Maps

Section 54.313(a)(1) requires that all recipients of high cost support are to provide maps depicting the progress made during the current reporting period. The Company is not providing a map showing progress in regards to its five year service quality plan through June 30, 2015, and is provided at the wire center or census block level, as applicable. Ground breaking will be done in the 2nd half of 2015.

B. Universal Service Support Received

Section 54.313(a)(1) requires that all recipients of high-cost support provide an explanation of how much universal service support was received during the reporting period. For this year's Progress Report, the amount of universal service support received will be for the 6 months ended June 30, 2015. The Company received the following universal service support amounts during the period January 1, 2015 through June 30, 2015:

Description	Amount Rec'd
	Jan - Jun 2015
High Cost Loop Support	[REDACTED]
Safety Valve Support	[REDACTED]
Safety Net Additive Support	[REDACTED]
Interstate Common Line Support	[REDACTED]
CAP-ICC Support	[REDACTED]
Total	[REDACTED]

Of the total amount of support received shown above, the Company estimates that approximately [REDACTED] was used for capital expenditures and [REDACTED] was used for operating expenditures.

C. How Universal Service Support Was Used

Section 54.313(a)(1) also requires all recipients of high-cost support to provide an explanation of how the universal service support received was used to improve service quality, coverage, or capacity. The universal service support received by the Company is either based on (1) actual overall revenue requirements, as determined by associated FCC rules, or (2) the replacement of certain interstate and intrastate access revenues. This support is added to the Company's general funds and the expenditure of such support is not separately tracked, nor is it practical to do so.

Overall, any support expended pursuant to the investment and operating expense budgets presented in the Company's five year service quality improvement plan will be used to increase coverage and capacity, via additional investment in voice and broadband-capable infrastructure, and improve service quality, via expenditures for continued operations and maintenance. By the very nature of the FCC rules that give rise to the universal service support received, the Company clearly expends such funding to support regulated operations and thus serves to improve broadband and voice coverage, capacity and service quality. Therefore, due to the reimbursement nature of the HCLS and ICLS

mechanisms, all support received was already expended to increase coverage, capacity and service quality improvement through qualifying capital investments and the qualifying operating expenses that support them.

D. Network Improvement Targets

Section 54.313(a)(1) requires all recipients of high cost support to provide an explanation of any network improvement targets that have not been fulfilled in the prior calendar year. Since the Company filed its initial five year service quality improvement plan in 2014, there is no prior calendar year upon which to report at this time.

IV. Considerations

The investment and service quality improvement plan and progress report discussed above were generated, in part, to meet or exceed the broadband public interest obligations adopted by the Commission:

- *Speed* - at least 10 mbps upstream and 1 mbps downstream in regards to requests for service beginning in 2015. This reflects the Commission's recent decision to increase the standard broadband speed from 4 mbps /1 mbps.
- *Latency* - 100mS or less, sufficient for real-time applications
- *Capacity* – The Company currently provides unlimited monthly usage allowance to its broadband service customers.
- As an RoR-regulated carrier, the Company is required pursuant to 47 CFR § 54.313(f)(1)(i) to provide broadband service at 10 meg/1 meg upon reasonable request and within a reasonable timeframe. As a result, the Plan and Progress Report reflected herein takes into account this requirement by meeting all such requests for broadband service within the overall service guidelines adopted by the Arkansas Public Service Commission.
- The Company will provide high speed internet and telephone service to all areas within its franchised area.

Annual Reporting for High-Cost & Low-Income Recipients
46 C.F.R. §54.313 (a)(5) and 47 C.F.R § 54.422 (b)(3)
Rice Belt Telephone Company Inc.

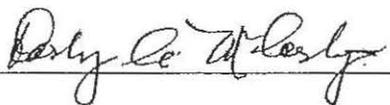
§54.131(a)(5) & 54.422 (b)(3)-COMPLIANCE WITH SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES

Service Quality Standards and Consumer Protection Rules Annual Certification

<u>Darby A. McCarty</u>	<u>President</u>	<u>Rice Belt Telephone Company, Inc.</u>
Printed Name of Officer	Title of Officer	Company Name

I am authorized to provide this certification on behalf of the Company. I hereby certify that the Company is in compliance with applicable service quality standards and consumer protection rules.

Executed on 6/24/2015
Date

Signature 

Printed/Typed Name Darby A. McCarty



FCC Form 481

Line 510 – Description of Compliance with Service Quality Standards and Consumer Protection

Rice Belt Telephone Company Inc. maintains compliance with service quality standards through the use of a variety of tools, including:

1. daily, weekly, and monthly detailed service quality reports;
2. ongoing employee service quality training;
3. regular follow-up inspections of service installation and repairs;
4. proactive maintenance programs;
5. installation of the latest technologies, such as fiber and IP-based equipment;
6. extensive network monitoring equipment; and,
7. 24/7/365 service repair availability

Rice Belt Telephone Company Inc. maintains compliance with consumer protection rules through the use of a variety of tools, including:

1. ongoing employee training on consumer protection rules;
2. working with industry experts to identify and incorporate consumer protection best practices into our processes;
3. automated systems using the latest security measures to protect sensitive data;
4. monitoring of customer service calls with customers; and,
5. regular updates to senior management on consumer protection activities

Annual Reporting for High-Cost & Low-Income Recipients
47 C.F.R. §54.313(a)(6), 47 C.F.R. § 54.422 (b)(3), & 47 C.F.R. § 54.202 (a)(2)
Rice Belt Telephone Company Inc.

§54.313(a)(6), § 54.422 (b)(3), § 54.202 (a)(2)-ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Ability to Function in Emergency Situations Annual Certification

<u>Darby A. McCarty</u>	<u>President</u>	<u>Rice Belt Telephone Company Inc.</u>
Printed Name of Officer	Title of Officer	Company Name

I am authorized to provide this certification on behalf of the Company. I hereby certify that the Company is capable of functioning in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.

Executed on 6/24/2015
Date

Signature Darby A. McCarty

Printed/Typed Name Darby A. McCarty



Rice Belt Telephone Company's Ability to Function in Emergency Situations

Rice Belt Telephone Company ("Company") hereby certifies that it is able to function in emergency situations as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.202(a)(2). The Company's network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can change call routing translations as needed to reroute traffic around damaged facilities. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require.

Each central office building is supplied with standby generators and battery reserve that enable it to keep running until power is restored so long as fuel is available, or until system changes are made to reroute traffic. The Company has battery backup at all office locations and in its electronic equipment sites and has a maintenance program in place.

Critical core production data (billing, customer, and plant) is stored within a hosted application so it is available from any location. All other network data is backed up to tape on a nightly, weekly and monthly basis. Backup tapes are rotated offsite to a fireproof file cabinet. In addition, there is a one-way replication from the production network to the Company's disaster recovery network daily.

Rate Floor Data

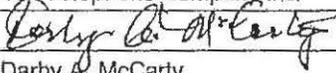
TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING RATE FLOOR DATA ON THE CARRIER'S BEHALF:

<p>Certification of Officer to Authorize an Agent to File Rate Floor Data on Behalf of Reporting Carrier</p> <p>I certify that <u>National Exchange Carrier Association (NECA)</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the actual rate floor data provided to the authorized agent; and, to the best of my knowledge, the actual rate floor data provided to the authorized agent is accurate.</p> <p>I certify that I am authorized to submit the information reported on this form on behalf of the reporting carrier; that I have provided the information reported herein based on data provided by the reporting carrier; and to the best of my knowledge the information reported herein is accurate.</p>			
Name of Authorized Agent <u>National Exchange Carrier Association (NECA)</u>			
Name of Reporting Carrier <u>Rice Belt Telephone Company Inc.</u>			
Signature of authorized officer <u><i>Darby A. McCarty</i></u>			Date <u>06/11/2015</u>
Printed name of authorized officer <u>Darby A. McCarty</u>			
Title or position of authorized officer <u>President</u>			
Telephone number of authorized officer: <u>(812) 876-2211</u> ext.			
Study Area Code of Reporting Carrier	<u>401721</u>	Filing Due Date for this form (mm/dd/yyyy)	<u>07/01/2015</u>

Rate Floor Template

Certification of Officer as to the Accuracy of the Data Reported for the Rate Floor Data

I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the actual rate floor data reported ; and, to the best of my knowledge, the information reported on this form is accurate.

Name of Reporting Carrier				Rice Bell Telephone Company Inc.			
Signature of authorized officer							
Date						06/11/2015	
Printed name of authorized officer				Darby A. McCarty			
Title or position of authorized officer				President			
Telephone number of authorized officer:						(812) 876-2211, ext.	
Study Area Code of Reporting Carrier		401721		Filing Due Date for this form (mm/dd/yyyy)		07/01/2015	

REDACTED – FOR PUBLIC INSPECTION



Local Rate Floor Data Collection

Logged in User: Stephanie Wall

Study Area: RICE BELT TEL CO (ID: 401721)

[Study Area List](#)

Study Area - Exchange Level Data for Local Rate Floor

[Data Entry](#) [History](#)

[Instructions](#)
[Agent Certification](#)
[Data Certification \(No Rates Less Than \\$21.22\)](#)
[Data Certification \(With Rates Less Than \\$21.22\)](#)
[Print Submitted Data in PDF format](#)
[Print Submitted Data in Excel format](#)

Data Collection Period: ▾

Name:
[First Middle Last]

Phone:
[999-999-9999]

Email:

Enter all exchange/rate zone level rates and their corresponding lines below, where the sum of columns C-F is less than \$21.22.
 This data will be used to calculate the impact of the local rate floor on your company's High Cost Support.

(A) Exchange Name/Zone Name	(B) Class Of Service	(C) Residential Local Service Charge	(D) State Subscriber Line Charge	(E) State Universal Service Fee	(F) Mandatory Extended Area Service Charge	(G) Rate Total Subject to Floor (Sum of C-F)	(H) Resident Lines
Weiner	Residential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Waldenburg	Residential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Fisher	Residential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

[To enter additional rows of data, click on the + button.]

If the data form is left blank, select one of the boxes below:

Check here if your company receives or is projected to receive High Cost Loop Support or High Cost Model Support in 2015, but has no monthly residential rates (plus charges listed above) less than \$21.22 (*certification required*)

Check here if your company is not projected to receive High Cost Loop Support or High Cost Model Support in 2015

Check here if you plan to submit local rate floor data directly to USAC

[Study Area List](#) [Submit Response](#) [Exit](#)

Rice Belt Holdings, Inc.

Independent Accountants' Review Report and
Consolidated Financial Statements

December 31, 2014 and 2013



Rice Belt Holdings, Inc.
December 31, 2014 and 2013

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Consolidating Schedule – Statement of Cash Flows Information 14

Independent Accountants' Review Report

Board of Directors
Rice Belt Holdings, Inc.
Ellettsville, Indiana

We have reviewed the accompanying consolidated balance sheets of Rice Belt Holdings, Inc., a wholly-owned subsidiary of Smithville Holding Company, Inc., as of December 31, 2014 and 2013, and the related consolidated statements of income, stockholder's equity and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied to the reviews of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

BKD, LLP

Bloomington, Indiana
April 28, 2015

Rice Belt Holdings, Inc.
Consolidated Statements of Income
Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating Revenues		
Network access service	\$ [REDACTED]	\$ [REDACTED]
Local network service	[REDACTED]	[REDACTED]
Internet service	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Operating Expenses	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Operating Income	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Other Non-Regulated Income	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Net Income	\$ [REDACTED]	\$ [REDACTED]

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.
Consolidated Statements of Stockholder's Equity
Years Ended December 31, 2014 and 2013

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
Balance, January 1, 2013	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Net income	-	-	[REDACTED]	[REDACTED]
Balance, December 31, 2013	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Net income	-	-	[REDACTED]	[REDACTED]
Balance, December 31, 2014	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.

**Consolidated Statements of Cash Flows
Years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Operating Activities		
Net income	\$ [REDACTED]	\$ [REDACTED]
Items not requiring cash		
Depreciation	[REDACTED]	[REDACTED]
Provision for doubtful accounts	[REDACTED]	[REDACTED]
Changes in		
Accounts receivable	[REDACTED]	[REDACTED]
Inventory	[REDACTED]	[REDACTED]
Prepaid and other assets	[REDACTED]	[REDACTED]
Accounts payable	[REDACTED]	[REDACTED]
Accrued expenses and other liabilities	[REDACTED]	[REDACTED]
Net cash provided by operating activities	[REDACTED]	[REDACTED]
Investing Activities		
Additions to property and equipment	[REDACTED]	[REDACTED]
Proceeds from sale of property and equipment	[REDACTED]	[REDACTED]
Advances (repayment) of related party balances	[REDACTED]	[REDACTED]
Net cash used in investing activities	[REDACTED]	[REDACTED]
Increase in Cash	[REDACTED]	[REDACTED]
Cash, Beginning of Year	[REDACTED]	[REDACTED]
Cash, End of Year	\$ [REDACTED]	\$ [REDACTED]

Rice Belt Holdings, Inc.
Notes to Consolidated Financial Statements
December 31, 2014 and 2013

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Rice Belt Holdings, Inc. (the Company), a wholly-owned subsidiary of Smithville Holding Company, Inc., is a privately owned holding company that is headquartered in Ellettsville, Indiana. The Company's service area is primarily in southeastern Arkansas. The Company also manages its investments in the following wholly-owned subsidiaries:

Rice Belt Telephone, Inc. (Telephone) is a regulated telephone exchange carrier which earns revenues predominately from local phone, access, intraLATA toll, directory, DSL and other telephone related services.

Rice Belt Communications, Inc. (Communications) is a non-regulated company that provides internet services.

Rice Belt Properties, Inc. (Properties) is a non-regulated company that holds and manages real estate.

Rice Belt Cellular, Inc. (Cellular) is an inactive non-regulated company.

Rice Belt Security, LLC (Security), was formed during 2014. This entity is non-regulated and will provide alarm monitoring and other security services to residential and commercial customers. This entity had no activity for 2014.

Significant Accounting Policies

Telephone follows the Uniform System of Accounts prescribed by the Federal Communications Commission (FCC) and the Arkansas Public Service Commission (APSC), which conform in all material respects to accounting principles generally accepted in the United States of America. The non-regulated companies' significant accounting policies conform, in all material respects, to accounting principles generally accepted in the United States of America.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Telephone, Communications, Properties, Cellular, and Security.

All significant intercompany accounts and transactions have been eliminated in consolidation.

Rice Belt Holdings, Inc.
Notes to Consolidated Financial Statements
December 31, 2014 and 2013

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

At December 31, 2014, the Company's cash accounts exceeded federally insured limits by approximately [REDACTED]

Accounts Receivable

Accounts receivable are stated at the amount billed to customers. The Company provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. If a customer account exceeds 30 days outstanding, a notice of past due status is delivered to the customer. If amount is not paid within eight days of the notice, service is terminated and the customer can only be reactivated if they pay the outstanding balance plus a service fee. Accounts receivable are ordinarily due upon receipt of an invoice. Accounts that are unpaid after the due date incur a late fee. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

Inventory Pricing

Inventories consist of telecommunications related equipment. Inventories are stated at the lower of cost or market using the weighted-average cost method.

Property and Equipment

Telecommunication plant in service is stated at original cost and includes materials, labor, transportation and certain indirect items such as engineering, supervision and employee benefits. Additions, replacements and renewals determined to be units of property are generally charged to telecommunication plant accounts.

For the Company's regulated and non-regulated operations, composite group depreciation methodology is followed; accordingly, depreciation is provided using a composite straight-line method based on the estimated lives of the various classes of depreciable property. Composite depreciation rates, as applied to the average cost of depreciable property, were approximately [REDACTED]% and [REDACTED]% in 2014 and 2013, respectively. Retirements of regulated telecommunication plant are generally charged in total to the accumulated depreciation account, together with the cost of removal less salvage. A gain or loss is recognized at the time of retirement or disposal of non-regulated property and equipment.

Rice Belt Holdings, Inc.
Notes to Consolidated Financial Statements
December 31, 2014 and 2013

The Company charges maintenance and repairs, including the cost of renewals of minor items of property, to the plant-specific operations expense accounts.

Long-lived Asset Impairment

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended December 31, 2014 and 2013.

Income Taxes

The stockholder of the corporation has elected to have the Company's income taxed as an "S" Corporation under provisions of the Internal Revenue Code and a similar section of the state income tax laws. Therefore, taxable income or loss is reported to the individual stockholder for inclusion in its respective tax returns and no provision for federal and state income taxes is included in these statements.

With a few exceptions, the Company is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years before 2011.

Revenue Recognition

Revenues are recognized in the period in which they are earned. Revenue sources for the Companies are comprised of network access service, local and long-distance phone services and internet service.

Telephone's network access and long distance service revenues are derived from charges for access to the Company's local exchange network. The interstate portion of access revenues is based on a cost separation procedure settlement formula administered by the National Exchange Carrier Association (NECA) which is regulated by the FCC. The intrastate portion of access revenues is billed on an individual company tariff access charge structure based on expense and plant investment of the Company as approved by the state regulatory authority. The tariffs developed from these formulas are used to charge the connecting carrier and recognize revenues in the period the traffic is transported based on the minutes of traffic carried. Long distance revenues are recognized at the time a call is placed based on the minutes of traffic processed at contracted rates.

Reported network access revenues are estimates subject to settlement adjustments in the near term resulting from changes in expense and plant investment levels and rate of return experience.

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.

Notes to Consolidated Financial Statements

December 31, 2014 and 2013

Taxes Collected From Customers and Remitted to Governmental Authorities

Taxes collected from customers and remitted to governmental authorities are presented in the accompanying consolidated statements of income on a net basis.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Accountants' Review Report, which is the date the financial statements were available to be issued.

Note 2: Accounts Receivable

	<u>2014</u>	<u>2013</u>
Telecommunication receivables	\$ [REDACTED]	\$ [REDACTED]
NECA, USF and other receivables	[REDACTED]	[REDACTED]
Provision for doubtful accounts	[REDACTED]	[REDACTED]
	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

Note 3: Property and Equipment

	<u>2014</u>	<u>2013</u>
Telecommunication plant in service	\$ [REDACTED]	\$ [REDACTED]
Telecommunication plant under construction	[REDACTED]	[REDACTED]
Non-regulated property and equipment	[REDACTED]	[REDACTED]
	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>
Less accumulated depreciation	[REDACTED]	[REDACTED]
	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.

Notes to Consolidated Financial Statements

December 31, 2014 and 2013

Note 4: Multiemployer Pension Plan

The Company contributes to a multiemployer defined benefit pension plan under the terms of an agreement that covers its employees, all of which are non-union. The risks of participating in a multiemployer plan are different from single-employer plans in the following aspects:

1. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Company chooses to stop participating in a multi-employer plan, the Company may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Company's participation in this plan for the years ended December 31, 2014 and 2013, is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number. The plan does not have a certified zone status as currently defined by the Pension Protection Act of 2006 (PPA) because the Program is considered a multiple employer plan pursuant to the Internal Revenue Code and ERISA. Additionally, the plan is considered a multiemployer plan for financial reporting purposes. The "FIP/RP Status Pending/Implemented" column indicates if a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status	FIP/RP Status Pending/ Implemented	Contributions of the Company		Surcharge Imposed
				2014	2013	
National Telecommunications Cooperative Association	52-0741336-333	N/A	N/A	\$ [REDACTED]	\$ [REDACTED]	No

The Company was not listed in its plan's Form 5500 as providing more than 5 percent of the total contributions for the 2013 plan year. At the date the financial statements were issued, Form 5500 was not available for the plan year ending in 2014.

Note 5: Related Party Transactions

The Company has accounts payable due to a company or companies related through common ownership. The outstanding balance is unsecured and has been classified as a long-term liability. However, the outstanding balance may be repaid at management's discretion based upon available cash, capital needs and other operating considerations.

Rice Belt Holdings, Inc.
Notes to Consolidated Financial Statements
December 31, 2014 and 2013

Note 6: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

General Litigation

The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position, results of operations and cash flows of the Company.

Asset Retirement Obligations

Asset retirement obligations are recorded when the Company has a legal obligation to remediate the property and the amount can be reasonably estimated. No such liabilities were accrued at December 31, 2014 and 2013. Based on existing conditions, the Company believes that such costs, if any, would not have a material adverse effect on its financial position or the annual results of its operations.

Supplementary Information

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.
Consolidating Schedule – Balance Sheet Information
December 31, 2014

	Rice Belt Holdings, Inc.	Rice Belt Telephone, Inc.	Rice Belt Communications, Inc.	Rice Belt Properties, Inc.	Eliminating Entries	Rice Belt Holdings, Inc. Consolidated
Assets						
Current Assets						
Cash	\$ -	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ -	\$ [REDACTED]
Accounts receivable	-	[REDACTED]	-	-	-	[REDACTED]
Accounts receivable - related party	-	[REDACTED]	-	-	[REDACTED]	[REDACTED]
Inventory	-	[REDACTED]	-	-	-	[REDACTED]
Prepaid and other assets	-	[REDACTED]	-	-	-	[REDACTED]
Total current assets	-	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Property and Equipment, net	-	[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
Investment in Subsidiaries	[REDACTED]	-	-	-	[REDACTED]	-
	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Liabilities and Stockholder's Equity						
Current Liabilities						
Accounts payable	\$ -	\$ [REDACTED]	\$ -	\$ -	\$ -	\$ [REDACTED]
Accrued expenses and other liabilities	-	[REDACTED]	-	-	-	[REDACTED]
Total current liabilities	-	[REDACTED]	-	-	-	[REDACTED]
Accounts Payable - Related Party	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Stockholder's Equity (Deficit)						
Common stock	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Additional paid-in capital	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Retained earnings (accumulated deficit)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total stockholder's equity (deficit)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.
Consolidating Schedule – Statement of Income and Equity Information
Year Ended December 31, 2014

	Rice Belt Holdings, Inc.	Rice Belt Telephone, Inc.	Rice Belt Communications, Inc.	Rice Belt Properties, Inc.	Eliminating Entries	Rice Belt Holdings, Inc. Consolidated
Operating Revenues						
Network access service	\$ -	\$ [REDACTED]	\$ -	\$ -	\$ -	\$ [REDACTED]
Local network service	-	[REDACTED]	-	-	-	[REDACTED]
Internet service	-	[REDACTED]	[REDACTED]	-	[REDACTED]	[REDACTED]
	-	[REDACTED]	[REDACTED]	-	[REDACTED]	[REDACTED]
Operating Expenses	-	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating Income (Loss)	-	[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
Other Income (Expense)						
Income from subsidiaries	[REDACTED]	-	-	-	[REDACTED]	-
Other non-regulated	[REDACTED]	[REDACTED]	-	-	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	-	-	[REDACTED]	[REDACTED]
Net Income (Loss)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Equity (Deficit), Beginning of Year	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Equity (Deficit), End of Year	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

REDACTED – FOR PUBLIC INSPECTION

Rice Belt Holdings, Inc.
Consolidating Schedule – Statement of Cash Flows Information
Year Ended December 31, 2014

	Rice Belt Holdings, Inc.	Rice Belt Telephone, Inc.	Rice Belt Communications, Inc.	Rice Belt Properties, Inc.	Eliminating Entries	Rice Belt Holdings, Inc. Consolidated
Operating Activities						
Net income (loss)	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Items not requiring (providing) cash						
Depreciation	-	[REDACTED]	[REDACTED]	-	-	[REDACTED]
Provision for doubtful accounts	-	[REDACTED]	-	-	-	[REDACTED]
Income from subsidiaries	[REDACTED]	-	-	-	[REDACTED]	-
Changes in						
Accounts receivable	-	[REDACTED]	-	-	[REDACTED]	[REDACTED]
Inventory	-	[REDACTED]	-	-	-	[REDACTED]
Prepaid and other assets	-	[REDACTED]	-	-	-	[REDACTED]
Accounts payable	-	[REDACTED]	-	-	[REDACTED]	[REDACTED]
Accrued expenses and other liabilities	-	[REDACTED]	-	-	-	[REDACTED]
Net cash provided by (used in) operating activities	-	[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
Investing Activities						
Additions to property and equipment	-	[REDACTED]	-	-	-	[REDACTED]
Proceeds from sale of property and equipment	-	[REDACTED]	-	-	-	[REDACTED]
Advances (repayment) of related party balances	-	[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
Net cash provided by (used in) investing activities	-	[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
Increase in Cash	-	[REDACTED]	-	[REDACTED]	-	[REDACTED]
Cash, Beginning of Year	-	[REDACTED]	[REDACTED]	-	-	[REDACTED]
Cash, End of Year	\$ -	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ -	\$ [REDACTED]