

EXHIBIT 3



Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981
Phone: 888-203-8100

Southeastern Ohio Voluntary Education Cooperative
ROBERT L. LINDSEY
221 North Columbus Road
Athens, OH 45701

February 24, 1999

Re: Form 471 Application Number: 31033
Funding Year: 1998
Billed Entity Number: 153653

We have completed our review of your FCC Form 471, Services Ordered and Certification Form, and made decisions with respect to your requests for discounts along with other applications received within the same time period. This letter is to advise you of our decisions.

As you may know, the Federal Communications Commission (FCC) in June 1998 made two changes to the Universal Service Fund for schools and libraries that have direct bearing on your discount request for 1998. First, the 1998 program year has been extended by six months, for a new ending date of June 30, 1999. Second, the FCC established new funding priorities whereby all eligible applicants will receive discounts for eligible telecommunications services and Internet access. Support for internal connections will be allocated in accordance with need so that schools and libraries will receive discounts in order of the discount percentages for which they qualify beginning with applications qualifying for the highest discount percentages. Discounts for internal connections will continue until all funds are exhausted. These changes are reflected in the information in this letter regarding your discount request.

On the following page(s) is a list, by row of Items 15 and 16 of your FCC Form 471. For each item, there is a Funding Request Number (FRN) and several other very important pieces of information relating to the disposition of that request. A complete explanation of each item begins below.

If you have any questions about our decisions on your discounts, you may send them in writing to the Schools and Libraries Division/USAC, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981.

Your next step in the discounting process is to complete and submit the FCC Form 486 enclosed with this letter to notify the SLD that you are currently receiving or have already begun to receive services for which discounts have been approved. This will enable your service providers to invoice SLD for your discounts. Please note that we are notifying each service provider listed on your Form 471 of our decision on your discount request. In addition, you should contact each service provider yourself to make any necessary arrangements regarding start of services, billing of discounts, and any other administrative details relevant to your participation in the Universal Service Fund. For important information about your Form 486, see next page.

FCC Form 471 Applicants who are approved for discount eligibility are reminded that they continue to be subject to audits and other reviews that the SLD may undertake to assure that discounted services are being used in compliance with program rules. If the SLD discovers that discounted services are not being used in compliance with program rules, 471 Applicants will be subject to

Funding Commitment Decision: \$390.09 - 471 approved as submitted

Funding Request Number:00055141 Funding Status: Funded
SPIN: 143001688 Service Provider Name: Ameritech-Ohio (aka Ohio Bell Telephon
Provider Contract Number: T: 82-HWDA-382420 TLHS
Services Ordered: Internet Access
Effective Date of Discount: 04/07/1998 Contract Expiration Date: 07/01/1998
Estimated Total Annual Pre-discount Cost: \$644.82
Discount Percentage Approved by SLD: 64%
Funding Commitment Decision: \$412.68 - 471 approved as submitted

Funding Request Number:00055149 Funding Status: Funded
SPIN: 143004791 Service Provider Name: GTE North Incorporated
Provider Contract Number: T: 87-HWDA-700184 WLBE
Services Ordered: Internet Access
Effective Date of Discount: 04/07/1998 Contract Expiration Date: 07/01/1998
Estimated Total Annual Pre-discount Cost: \$547.80
Discount Percentage Approved by SLD: 64%
Funding Commitment Decision: \$350.59 - 471 approved as submitted

→ Funding Request Number:00055155 Funding Status: Unfunded or Denied
SPIN: 143001688 Service Provider Name: Ameritech-Ohio (aka Ohio Bell Telephon
Provider Contract Number: 96-77-1202
Services Ordered: Internal Connections (Shared)
Effective Date of Discount: 07/01/1998 Contract Expiration Date: 02/16/2006
Estimated Total Annual Pre-discount Cost: \$482,761.00
Discount Percentage Approved by SLD: N/A
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: Funding cap will not provide for
Internal
Connections less than 70% discount to be funded. Please see WWW.SLCFUND.ORG
What's
New Area for further details.

Funding Request Number:00055170 Funding Status: Unfunded or Denied
SPIN: 143004709 Service Provider Name: Digital Data Solutions, Inc.
Provider Contract Number: 617347
Services Ordered: Internal Connections (Shared)
Effective Date of Discount: 07/01/1998 Contract Expiration Date: 07/10/1998
Estimated Total Annual Pre-discount Cost: \$556,649.00
Discount Percentage Approved by SLD: N/A
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: Funding cap will not provide for
Internal
Connections less than 70% discount to be funded. Please see WWW.SLCFUND.ORG
What's
New Area for further details.

221 North Columbus Road, P. O. Box 1250
Athens, Ohio 45701-1250

(740) 594-7663

FAX: (740) 592-6251

*COG-
SEOVEC*

Ronald L. Smith
Chief Executive Officer

Robert L. Lindsey
Director of Computer Services

BobbiJo Weidner
Treasurer

March 2, 1999

Letter of Appeal
Schools and Libraries Division
Box 125, Correspondence Unit
Whippany, NJ 07981

Re: Form 471 Application Number 31033
Funding Year 1998
Billed Entity Number 153653

Gentlemen:

I am making an appeal of the Funding Commitment Decision for Funding Request Number 00055155 on the above referenced application. This item requested funding for additional data circuits to provide Internet access to members of the consortium. The FCD Explanation was "The category of service was changed from Internet Access to Internal Connections in accordance with program rules."

On the 471 Application, this item is the next-to-last item listed in the Block #5, Section #15, Attachment (Contract #96-77-1202). In Section #17 (Appendix), I included an explanation of this item:

"This contract will provide 109 high-bandwidth (1.544mb) data lines for Internet access at school buildings associated with this consortium. Service provider will engineer and install physical communications lines, including necessary phone company equipment, to provide an industry-standard connection point (SmartJack) for user equipment (DSU/CSU unit). Service provider will also perform end-to-end testing of completed circuits prior to releasing the circuit for use and perform as-needed testing and repair at no additional charge during the term of the contract. Data lines have been ordered for installation 7/1/1998."

The Appendix clearly identifies this item as phone circuits between buildings within the consortium, which consists of multiple school districts. The FCC's regulation 47 C.F.R. §54.506, pertaining to E-Rate funding of Internal Connections, makes it clear that internal connections must be within one or more instructional buildings of a single school campus:

"Internal connections. - A service is eligible for support as a component of an institution's internal connections if such service is necessary to transport information within one or more instructional buildings of a single school campus ... Internal connections do not include connections that extend beyond a single school campus or single library branch."

I anticipate a review of this item will effect a reversal of the reclassification from internal connections to Internet access and result in a "funded" determination. Should you have questions or require additional information, feel free to contact me at the above address during normal business hours.

Respectfully,

Robert L. Lindsey
Director, Computer Services

*Council of Governments - Southeastern Ohio Voluntary Education Cooperative
In Partnership with Education in
Athens, Gallia, Hocking, Jackson, Maigs, Monroe, Morgan, Perry, Vinton and Washington Counties*



Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981
Phone: 888-203-8100



ROBERT L. LINDSEY
COG- SEOVEC
PO BOX 1250
AZTHENS, OH 45710

RE: APPLICATION 31033

The Schools and Libraries Division of the Universal Service Administrative Company (formally the Schools and Libraries Corporation) has received your correspondence regarding the 1998-99 funding decision on your application.

When the Schools and Libraries Division (SLD) receives your correspondence, it is reviewed and the specific concern, inquiry or dispute is identified. In either case -- an appeal or an inquiry -- the program integrity assurance records for the application and all supporting documentation submitted by the applicant are consulted. Throughout this process the SLD will seek to determine whether the program rules were administered appropriately in processing your application. In the case of an appeal, once this process is completed, the SLD will respond in writing and state whether your appeal is approved, denied or approved in part. Responses to inquiries may also be in the form of a telephone call, e-mail or written letter.

Whether your letter is an inquiry or an appeal, it is our goal to conclude this process and respond to you within 45 days. Funds have been set aside to implement funding decisions for those appeals which are approved by the SLD and which may be ultimately approved by the Federal Communications Commission.

The volume of letters we are receiving is higher than expected, which may cause our response time to be longer than initially anticipated. Our goal is to provide a timely, accurate and complete response to each applicant. We regret any inconvenience that you may experience with respect to this process and wish to thank you in advance for your patience.

Schools and Libraries Division
Universal Service Administrative Company



Box 125 - Correspondence Unit
 100 South Jefferson Road
 Whippany, NJ 07981



Administrator's Decision on Appeal

April 19, 1999

Robert L. Lindsey
 COG-SEOVEC
 221 North Columbus Road
 P.O.Box 1250
 Athens, OH 45701

Re: Billed Entity Number: 153653
 Application Number: 31033
 Funding Request Number(s): 55155 & 55170
 Your Correspondence Dated: March 3, 1999

After thorough review and investigation of your appeal, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has resolved your appeal which seeks approval of additional discounts for the first program year. This letter addresses our decision concerning each Funding Request Number that was included in your letter of appeal for the above referenced Application Number. If your letter of appeal addressed more than one Application Number, a separate letter will be issued to inform you of our decision on the appeal of each Application Number included in your appeal.

Funding Request Number: 55155
 Decision on Appeal: Approved in full

The following explanation is provided to inform you of the reason for our decision on appeal of this Funding Request Number.

Approval Reason(s):

Your appeal is meritorious because of the following reason(s):

- Your appeal has brought forward persuasive information that this Funding Request is for Internet access and the funding, as such, should be approved.

Funding Request Number: 55170
Decision on Appeal: Denied in full.

The following explanation is provided to inform you of the reason for our decision on the denial of the appeal of this Funding Request Number.

Denial Reason(s):

- Services the applicant listed as Internet access included equipment (routers, multiplexors and maintenance on all units). These are clearly listed on the Eligible Services List as internal connections. Equipment of this type is considered internal connections whether it is shared or site specific. These funding requests were categorized as internal connections services so as to avoid the possibility of treating priority two services (internal connections) as priority one services (telecommunications, dedicated and Internet access services). Since internal connections are funded only at the 70% level or above, these services could not be supported for this funding period.

If you feel further examination of your application is in order, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12th Street SW, Room TW-A325, Washington, DC 20554. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted to the SLD Web Site at <www.slcfund.org>. You must file your appeal with the FCC no later than 30 days from the date of the issuance of this letter, in order for your appeal to be timely filed.

Once this appeal decision letter is issued to you, we can and will process invoices that may be submitted for Funding Request Numbers approved for discounts in the Funding Commitment Decisions Letter that was originally issued to you.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

Special – Funding Year 1998 Appeal Funding Commitment Decisions Letter

13-Jul-99

ROBERT L. LINDSEY
Southeastern Ohio Voluntary Education Cooperative
221 North Columbus Road
Athens OH 45701

Re: **Billed Entity Number** 153653
 Application Number 31033

As you know from our previous letter reporting our Administrator's Decision on Appeal, we have granted or partially granted an appeal which results in additional funding committed to you for the 1998-99 program year. This letter is the official Funding Commitment Decisions Letter providing you with the precise dollar value and other details of that additional funding commitment.

As you will see, the attached list of funding synopses contains the same kinds of information included in your original Funding Commitment Decisions Letter. Depending on the nature of your appeal, the synopses attached to this letter may have been updated to reflect the new total amount of discount for existing Funding Request Numbers and replace those in your original Funding Commitment Decisions Letter. Applicants should use these updated synopses for existing Funding Request Numbers (FRNs) that were modified during the appeal process and/or the synopses for new FRNs established as a result of their appeal when completing their Form 486 and the Billed Entity Applicant Reimbursement Form.

This same information is being sent to the service providers whose Service Provider Identification Numbers (SPINs) were featured in your FRNs. We urge you to contact these service providers to make any necessary arrangements regarding delivery of service and provision of your discounts. In addition, applicants should:

- File Form 486 immediately for any service that is already being delivered, and within five (5) business days of the start of new service;
- Submit a Billed Entity Applicant Reimbursement (BEAR) Form, unless you and your service provider have already worked out a mutually agreeable alternative;
- Take advantage of the special Year 1 grace period, if the service for which you are now receiving a funding commitment is a one-time, non-recurring service (such as installation of an internal connections project), to use this commitment through September 30, 1999. Please make certain that your Form 486 includes the correct grace period contract termination date when you file it for this service.

Applicants are reminded that if a Funding Request Number has a contract termination date of before December 31, 1998, and it is for a recurring telecommunications or Internet access service, you may be entitled to six additional months of funding (in addition to what is shown in this funding commitment letter). We will be in contact with you under separate cover regarding this extension.

If you have any questions about this special Funding Commitment Decision Letter, please call 888-203-8100, and ask for the Technical Client Service Bureau.

If you disagree with the appeal decision and/or the resulting funding commitments, you may choose to appeal to the Federal Communications Commission. If you feel further examination of your application is in order, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12TH Street, SW, Room TW-A325, Washington, DC 20554. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted on the SLD Web Site at <www.sl.universalservice.org>. You must file your appeal with the FCC no later than 30 days from the date of the issuance of this letter, in order for your appeal to be filed in a timely fashion.

We thank you for bringing your appeal to our attention. As always, we appreciate your patience and support as we work together to make this start-up year a success for schools and libraries across the country.

Schools and Libraries Division
Universal Service Administrative Company

Funding Request Number:	55155	Funding Status	COMMITTED - FULL
SPIN	143001688	Service Provider Name	Ameritech-Ohio (aka Ohio Bell Telephone Co.)
Services Ordered	INTERNET ACCESS		
Contract Expiration Date	2/16/06		
Fund Commitment Decision	\$497,319.04	APPROVED	

EXHIBIT 4

Robert,

I am in the process of reviewing your appeal for the funding request numbers 381313 and 381223 on Application 471 #172713 and I need some additional information from you.

Basically I need you to answer the following questions which pertain to your Internet Access requests.

- 1) Is the equipment included in both FRN'S owned by the vendor or by the school? If the vendor owns the equipment is there any provision for the future transfer of ownership to the school?
- 2) Is the equipment used solely for the purpose of providing Internet access?
- 3) If the equipment were disconnected from the Network would the individual LAN'S continue to function without any interruption?

Please respond to this email as soon as possible as this will help me to determine an answer to your letter of appeal regarding these funding requests. Please feel free to call me if you have any further questions in this matter.

Sincerely,

Christopher Florio
Program Compliance
Schools and Libraries Division
Voice: 973.884.8161
Fax: 973.581.6759
Email: CFLORIO@NECA.ORG

(Email received 1/2/2001)

Return-path: <CC_RLINDSEY@seovec.org>

Received: from CONVERSION-DAEMON by seovec.org (PMDF V5.2-32 #44084)
id <01JYHK18L1TC8X0J72@seovec.org> for CC_RLINDSEY@seovec.org
(ORCPT rfc822;CC_RLINDSEY@seovec.org); Wed, 3 Jan 2001 22:51:15 EDT

Received: from seovec.org by seovec.org (PMDF V5.2-32 #44084)

id <01JYHISEYFOG8X1GC9@seovec.org> for CC_RLINDSEY@seovec.org
(ORCPT rfc822;CC_RLINDSEY@seovec.org); Wed, 03 Jan 2001 22:51:14 -0400 (EDT)
Date: Wed, 03 Jan 2001 22:18:21 -0400 (EDT)

From: "Rob Lindsey, Director, SEOVEC Computer Center" <CC_RLINDSEY@seovec.org>

Subject: Re: Application 471 #172713 appeal.

In-reply-to: "Your message dated Wed, 03 Jan 2001 16:36:06 -0500"

<sa535520.084@neca.org>

To: Christopher Florio <CFLORIO@neca.org>

Cc: CC_RLINDSEY@seovec.org

Message-id: <01JYHK188C3E8X1GC9@seovec.org>

MIME-version: 1.0

Content-type: text/plain; charset=US-ASCII

Original-recipient: rfc822;CC_RLINDSEY@seovec.org

*(response to 1/2/2001 and
1/3/2001 emails)*

Christopher,

> I had called earlier today to request some additional support needed which
> will be helpful to me in reviewing your appeal. I learned you were out of
> the office yesterday and so I decided to email you instead.
> The additional support needed from you is copies of both contracts, one
> from Ameritech-Ohio(FRN-381223) which is a ten year term.
> And the contract from Digital Data Solutions Inc.(FRN-381313) which is a
> maintenance and support agreement for a one year period. You may fax these
> to me at my number below. If you have any questions please feel free to call
> me.

Sorry not to have been able to respond today. Had a touch of the flu on New Year's and Tuesday was a "recovery" day. I got your email from yesterday and have those responses now; I'll work on getting these two items as soon as possible. The contract from DDS will be easy enough to obtain since it is between DDS and our organization directly. The Ameritech contract is a master contract with the State of Ohio -- we are organized under a State statute, so we qualify under that contract -- and I'll have to request a copy through the Ohio Department of Administrative Services.

As for yesterday's email questions:

1) Is the equipment included in both FRN'S owned by the vendor or by the school? If the vendor owns the equipment is there any provision for the future transfer of ownership to the school?

The equipment is owned by us, the consortium, not the schools. There is no provision for the transfer of ownership of the equipment to the schools.

2) Is the equipment used solely for the purpose of providing Internet access?

Yes.

3) If the equipment were disconnected from the Network would the individual LAN'S continue to function without any interruption?

Yes.

I will advise you concerning the contracts as soon as I have additional information on them. I appreciate the contact via email (it lets me do work from anywhere, anytime).

Rob Lindsey
Director, SEOVEC

Content-type: text/plain; charset=ISO-8859-1

Congratulations on the approval of your Year 3 (July 1, 2000 - June 30, 2001) E-Rate funding application. We are very happy you have chosen Ameritech as your service provider.

In order to mail you an E-Rate reimbursement check, place a credit on the balance due on your monthly telephone invoice, or discount an invoice we mail you for an Internal Connection, we must associate your E-Rate Funding Request Number(s) (FRNs) with your mailing address and your Ameritech account number(s).

Because the SLD does not tell us your mailing address or account number(s), we have no way of associating them with your FRN(s) unless you provide them to us, so it is critical that you complete the following steps:

1. Please open and print the Ameritech E-Rate Letter and Checklist attached to this email as a Word document.
2. Please read the letter and checklist and return them to us via mail or fax.
3. If you cannot open the attached Word document, you may download it from our website at www.ameritech.com/erate, or you may call us at the number listed below and we will fax it to you.
4. If you have already completed a Year 3 Checklist and returned it to us, please disregard this email.
5. If you have any questions, please don't hesitate to contact us.

Thank you again for choosing Ameritech.

The Ameritech E-Rate team

Ameritech E-Rate Center
444 Michigan Ave. 2nd Floor
Detroit, MI 48226

Phone 877-444-6944

Fax 888-308-7186

<<Ameritech E-Rate Letter and Checklist.doc>>

(Email received 2/12/2001)

COG- SEOVEC

Council of Governments –
Southeastern Ohio Voluntary Education Cooperative
221 North Columbus Road, P. O. Box 1250
Athens, OH 45701

Ronald L. Smith
Chief Executive Officer
cc_rsmith@seovec.org

Robert L. Lindsey
Director of Computer Services
cc_rlindsey@seovec.org

January 24, 2001

Christopher Florio
Program Compliance
Schools and Libraries Division

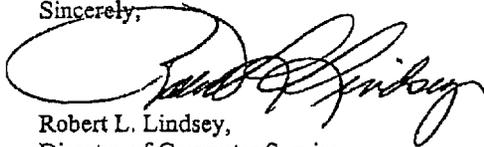
Mr. Florio:

I apologize for the time it has taken to gather the information you requested. However, I believe I now have the documents needed to complete the review of our appeal. I must note the following with regard to the documentation attached:

- Attachment #1 is the original quotation received from Digital Data Solutions in response to our 470 posting. This quotation references the posting to provide maintenance for the equipment used in our non-public network, the subject of the appeal.
- Attachment #2 is the confirmation letter sent to DDS confirming our acceptance of the quotation. This letter references both the non-public and public quotations submitted by DDS.
- Attachment #3 is the cover sheet from the maintenance agreement for the equipment. This agreement covers quotations for both our non-public and our public network, therefore the amount of the contract is in excess of the quotation for just the non-public network.
- Attachment #4 (2 pages) is the "Terms and Conditions" clauses from the agreement.
- Attachment #5 (2 pages) is the portion of the maintenance agreement detailing the non-public network equipment which is a part of the agreement. The first page of the listing includes items which are a part of the public network and should not be considered with regard to our appeal.

Please feel free to contact me if you have further questions or require additional clarification of any items. I appreciate your patience and consideration in this matter.

Sincerely,



Robert L. Lindsey,
Director of Computer Services

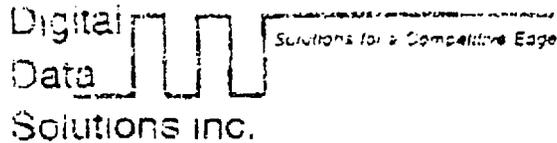
Enc.

DIGITAL DATA SOLUTIONS
14 93 FAX 734 327 2312

DIGITAL DATA SOL --- DDS COLUMBUS

0002 000

Attachment #1



Maintenance Pricing for SEOVEC's Shared Network

Digital Data Solutions, Inc. has prepared a Maintenance proposal for your review.

Digital Data Solutions, Inc. (DDS) will provide SEOVEC unlimited access to our helpdesk M-F 6am 7pm. DDS will act as a liaison for Cisco related problems and problem escalation. We will coordinate efforts with circuit vendors, Ameritech and GTE for problem resolution and escalation should they occur. DDS shall provide an on-site technician, with a four hour response for SEOVEC's shared network components consisting of: (2) each Cisco 2522 Routers, (2) each Cisco 2520 Routers both items containing Enterprise "IOS" and (8) Cisco 1005 LAN-Extender Routers.

Total charge one year	\$2,500
Three Year paid in advance	\$7,000

Should you have any questions please feel free to contact me at 800 543.4780

Sincerely,

Michael DiCarlo
Manager Technical Services
Digital Data Solutions, Inc.

4750 Venture Drive - Suite 300 Ann Arbor, MI 48108
SALES (734) 327-2300
SERVICE (734) 327-5000
FAX (734) 327-2312

COG- SEOVEC

Council of Governments –
Southeastern Ohio Voluntary Education Cooperative
221 North Columbus Road, P. O. Box 1250
Athens, OH 45701

Ronald L. Smith
Chief Executive Officer

Robert L. Lindsey
Director of Computer Services

Attachment #2

January 18, 2000

Mr. Andrew Rose
Digital Data Solutions
611-L Park Meadow Road,
Westerville, OH 43081

Andy:

This letter confirms the intent of the Southeastern Ohio Voluntary Education Cooperative to accept your quotations of January 13 regarding maintenance of our Cisco equipment. These quotes were accepted against two Requests for Proposal posted in conjunction with our application for Universal Service Program discounts (E-rate), numbers 329830000278582 and 304930000278895. The quotes were for \$44,000.00 and \$2,500.00 (respectively) and cover the period from July 1, 2000, through June 30, 2001.

Although we anticipate receiving approval for discounts to be applied to these agreements, we intend to execute the agreements even if our request for discount is denied. Under the E-rate program guidelines, we should receive notification of approval or denial of the application by May of this year. In any event, we expect to begin coverage of the equipment under these maintenance agreements on July 1, 2000.

Please feel free to contact me if you have questions regarding these agreements.

Sincerely,



Robert L. Lindsey
Director



Manufacturer's Representative
Stocking Distributor

Attachment #3

Contract No. 4004
SMN 912-0
TNN OH-2
MGR 970

*** RENEWAL ***

SERVICE AGREEMENT

Full Service Attachment A <input checked="" type="checkbox"/>	24-Hour Emergency Replacement Attachment B <input type="checkbox"/>	Other Attachment C <input type="checkbox"/>
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CUSTOMER

Name SEOVEC
 Address 221 N. Columbus Road
P.O. Box 1250
Athens, OH 45701
 Contact Bobbie Weidner
 Telephone 740-594-7663
 Purchase Order No. 100013

SERVICE SUPPORT CENTER

Name Digital Data Solutions
 Address 611 Park Meadows Road
Suite L
Westerville, OH 43081
 Contact Stefan Yackowsky
 Telephone 800-543-4780
 Contract Period 8-24-00 to 8-23-01

QTY	PRODUCT	MODEL NO.	SERIAL NO.	EQUIPMENT LOCATION
	**** SEE ATTACHED LIST FOR EQUIPMENT AND LOCATIONS ****			
	Please bill quarterly at \$11,000.00 per quarter			

EIS

TOTAL CHARGE \$44,000.00/Yearly

CUSTOMER
 Signature Bobbie Weidner
 Name Bobbie Weidner, Treasurer
 Title Treasurer
 Date September 26, 2000

SUPPORT CENTER
 Signature Michael DiCarlo
 Name Michael DiCarlo
 Title Manager Technical Services
 Date September 14, 2000

Attachment #4-1

TERMS AND CONDITIONS

TERM OF AGREEMENT: This agreement shall be effective on the date of its acceptance by Digital Data Solutions Inc. (DDS) and shall continue for a period of one (1) year. This agreement shall be automatically renewed on an annual basis unless cancelled by either party without incurring liability provided written notice of termination is given to the other party at least ninety days prior to the date of renewal. DDS reserves the right to increase the monthly or annual maintenance charges after the first year of this agreement to reflect rates then in effect.

COVERAGE PROVIDED: DDS reserves the right to verify that remedial maintenance is required prior to exchanging or repairing equipment. If equipment is exchanged, all equipment accepted by DDS in exchange for equipment provided by DDS becomes the property of DDS. Equipment provided by DDS need not be new but will be in good working order. At its sole discretion, DDS reserves the right to return original equipment to customer after repair and customer agrees to return exchange equipment to DDS.

The customer represents and warrants that the equipment provided to DDS in exchange for DDS equipment is owned by the customer and is free from any outstanding liens, security interests or other encumbrances. The customer agrees to hold DDS harmless from any claim asserted against DDS or against the equipment accepted by DDS when that claim is based upon a violation of this warranty. DDS may use independent contractors for exchange services.

DDS will not accept any return of defective equipment unless a Return Authorization (R.A. #) number has been issued.

DDS will arrange to have exchange equipment delivered to the customer's location. The customer will 1) disconnect the failing equipment, 2) connect the exchange equipment, and 3) verify its operation. The customer will follow DDS instructions regarding the return of the failing equipment; such return will be at customer's expense and must be returned within three (3) working days of the receipt of the replacement.

CUSTOMER RESPONSIBILITY: Customer agrees to provide a suitable environment for the equipment covered by this agreement as specified in equipment manuals and by DDS, and to provide DDS full, free and safe access to the equipment to provide maintenance service if applicable. Customer is responsible to implement appropriate safeguards for Customer's data.

The customer shall, in all cases and at no charge to DDS, perform such non-skilled check and tests as required by written instructions provided in equipment manuals and by telephone from DDS' office.

MAINTENANCE: In consideration for the payment by the customer of the charges set forth on the face hereof, DDS agrees during the term to provide maintenance on the equipment covered hereby, which will be based upon the specific needs of the individual equipment as determined by DDS. Requests for service maintenance should be initiated by the customer during DDS' normal service hours which are from 8:00 a.m. to 5:00 p.m. Monday through Friday, E.S.T., local legal holidays excepted.

CHARGES FOR NON-RELATED COVERAGE: Applicable hourly service rates, mileage and minimum charges, parts and material prices and travel expense unless such services are provided under separate written agreement signed by the customer and DDS. The following services are not considered maintenance service:

- 1) Repair of equipment damage, replacement of maintenance parts or increase in service time caused by
 - a) failure to continually provide a suitable environment prescribed by equipment manuals including adequate space, electrical power, air conditioning and humidity control;
 - b) neglect or misuse, including use of equipment for purposes other than for which designed;
 - c) accident, disaster, including but not limited to water, wind or lightning, transportation, vandalism or burglary of equipment designed to contain funds;
 - d) alterations, including any deviation from manufacturer's machine design;
 - e) attachments, including any interconnection to other equipment in a manner not specified in the manuals provided with the equipment.

2) Rearrangement or relocation of materials.

3) Repair of equipment required by other than DDS authorized personnel.

4) If the customer requests a repair of equipment not covered by this agreement, the customer agrees to pay a minimum applicable hourly service charge.

CHARGES ADDITIONAL: Equipment charges during the term of this agreement will be computed to take into account the cost of equipment at rates then in effect.

MONTHLY CHARGES: During the term of this agreement, equipment covered hereby, shall be charged on the face hereof. Charges for the equipment, ready for use, previously installed equipment of acceptance of this agreement, service performed under this agreement. The first month's charges will be reflected in the amount prorated to coincide with the amount already covered by this agreement for overdue invoices.

EXEMPTIONS: Services provided include 1) furnishing supplies, 2) furnishing material therefor, 3) installation, maintenance or repair of devices not furnished by DDS. DDS is not responsible for damage to equipment rendered because of accident.

SYSTEM RESPONSIBILITY: DDS is not responsible for the use or application of the equipment for the functional adequacy applied in the installation and engineering work.

LIMITATION OF LIABILITY: DDS is not responsible for lost savings or other consequences of the possibility of such damage by any other party. DDS is not responsible for damage contained in, dispensed by or of equipment or any associated equipment or service, down to customer user for such damage.

TAXES: In addition to the charges, the customer agrees to pay any and all applicable taxes.

ENTIRE AGREEMENT: a) Either party, in the event of any breach or default by the other party, shall terminate immediately this agreement and shall make payments due hereunder. b) This agreement between the parties shall be binding on the parties, their permitted successors and assigns, and the party shall be liable for any failure or default resulting from fire, explosion, flood, war, strikes, orders or regulations, hostilities, contingencies, difficulty in obtaining materials, or other circumstances beyond the control of the parties, governed by the laws of the State of New Jersey.

Attachment #4-2

TERMS AND CONDITIONS

shall be effective on the date of (CDS) and shall continue for all be automatically renewed on party without incurring liability given to the other party at least DDS reserves the right to increase rates after the first year of this

the right to verify that remedial given or repairing equipment. If requested by DDS in exchange for in property of DDS. Equipment be in good working order. All is to return original equipment to s to return exchange equipment

that the equipment provided to wned by the customer and is free ests or other encumbrances. The from any claim asserted against by DDS when that claim is based ay use independent contractors

ive equipment unless a Return issued

ment delivered to the customer s need the failing equipment, 2) s) verify its operation. The garding the return of the failing romer's expense and must be t the receipt of the replacement.

ver agrees to provide a suitable by this agreement as specified in provide DDS full, free and safe inenance service if applicable, nt appropriate safeguards for

to charge to DDS, perform such y written instructions provided in om DDS' office

a payment by the customer of the agrees during the term to provide hereby, which will be based upon pment as determined by DDS uld be initiated by the customer h are from 8:00 a.m. to 5:00 p.m. gal holidays excepted

RAGE: Applicable hourly service arts and material prices and travel rovided under separate written DDS. The following services are

icement of maintenance parts or

uitable environment prescribed by equate space, electrical power, air ol.

of equipment for purposes other

ut not limited to water, wind or sion or burglary of equipment

ion from manufacturer's machine

connection to other equipment in uals provided with the equipment.

2) Rearrangement or relocation of equipment and provision of necessary materials.

3) Repair of equipment required due to maintenance or repair attempted by other than DDS authorized representatives

4) If the customer requests on-site service to deal with a problem caused by equipment not covered by this agreement, or by equipment failures not covered by this agreement, the customer will be charged and agrees to pay a minimum of two (2) hours portal-to-portal at the then applicable hourly service rates, plus mileage and travel.

CHANGES ADDITIONAL EQUIPMENT: The customer may at any time during the term of this agreement add additional equipment. A new price will be computed to take into account the increased cost of servicing that equipment at rates then in effect.

MONTHLY CHARGES: During the term of this agreement, on each item of equipment covered hereby, the customer shall pay the charges specified on the face hereof. Charges will commence on the date of installation of the equipment, ready for use, as certified by DDS, except that in the case of previously installed equipment such charges will commence from the date of acceptance of this agreement by DDS. All charges for maintenance service performed under this contract are payable annually in advance. The first month's charges will be prorated to the end of the month and will be reflected in the amount of the first billing. The first billing will be prorated to coincide with the annual renewal date, if any, of the equipment already covered by this agreement, plus 12 months. Service will be denied for overdue invoices

EXEMPTIONS: Services provided by DDS under this agreement do not include 1) furnishing supplies, painting or refinishing the equipment or furnishing material therefor, 2) electrical work external to the equipment or installation, maintenance or removal of alterations, attachments or other devices not furnished by DDS and 3) such service which is impractical for DDS to render because of alterations in, or attachments to, the equipment.

SYSTEM RESPONSIBILITY: DDS has no system responsibility as to the use or application of the equipment. The customer assumes full responsibility for the functional adequacy of the equipment configuration as applied in the installation and for all systems analysis and system engineering work

LIMITATION OF LIABILITY: DDS will in no event be liable for lost profits, lost savings or other consequential damages even if DDS has been advised of the possibility of such damages, or for any claim against the customer by any other party. DDS is relieved of responsibility for all loss of funds contained in, dispensed by or associated with any equipment, loss of use of equipment or any associated equipment, cost of substituted facilities, equipment or service, downtime costs or claims of the customer or customer user for such damages.

TAXES: In addition to the charges due under this agreement, the customer agrees to pay any and all applicable taxes

ENTIRE AGREEMENT: a) Either party may terminate this agreement for any breach or default by the other party. DDS shall have the right to terminate immediately this agreement in the event the customer fails to make payments due hereunder. b) This agreement constitutes the entire agreement between the parties and shall not be amended except by written consent by both the customer and DDS. c) The customer will not assign or transfer its interests under this agreement without the prior written consent of DDS, and the terms and conditions hereof shall bind any permitted successors and assigns of the customer. d) DDS shall not be liable for any failure or delay in furnishing maintenance hereunder resulting from fire, explosion, flood, storm, act of God, governmental acts, orders or regulations, hostilities, strike, labor difficulties, transportation contingencies, difficulty in obtaining parts, supplies, delay of carriers or other circumstances beyond its control. e) This agreement shall be governed by the laws of the State of Ohio.

21:38AD

Attachment #5-1

TO:12024192786

30035:DI W662:20 ETL 1002-C2-NAP

P:8

Qty	Manufacturer	Model Number	Serial Number	Location	Site Contact	Phone Number
1	Cisco	3810	FAA0324B00F	Washington CO ESC Fairview 115 Victory Place Marietta, OH 45750	Richard Guimong	740-373-6669
1	Cisco	3810	381037760	Wellston High School 600 S. Pennsylvania Avenue Wellston, OH 45692	Richard Jaycox	740-384-2152
1	Cisco	3810	381037758	Wellston Junior High School 118 S. New York Avenue Wellston, OH 45692	Richard Jaycox	740-384-2152
1	Cisco	3810	381037785	Bundy Elementary School 525 W. 7 th Street Wellston, OH 45692	Richard Jaycox	740-384-2152
1	Cisco	3810	381037723	Coalton Elementary School Main Street Coalton, OH 45621	Richard Jaycox	740-384-2152
1	Cisco	3810	FAA0324B06V	Wolf Creek High School Main & High Street Waterford, OH 45786	Carol Chase	740-984-2373
1	Cisco	3810	FAA0324B05W	Wolf Creek Elementary School Main & High Street Waterford, OH 45786	Carol Chase	740-984-2373
1	Cisco	Catalyst 5500	69068142 - <i>covered</i>	SEOVEC	Amy Davis	740-594-7663
1	Cisco	Catalyst 4000	HAD03090964 - <i>covered</i>	221 N. Columbus Road		
1	Cisco	Catalyst 1900	WSC1900PS6002446	Athens, OH 45701		
1	Cisco	PIX	06008605			
1	Cisco	3810 - CPU Room	381037775			
5	Cisco	3810 - Spares	381039360 381037746 381037768 FAA0324B08B FAA0324B05Q			
1	Cisco	3810	FAA0324B06K	St. Peter & Paul (Wellston) 229 S. New York Avenue Wellston, OH 45692	Sister Joellen Kohlmann	740-384-6354
1	Cisco	3810	FAA0324B00D	St. Rose (New Lexington) 119 W. Water Street New Lexington, OH 43764	Chuck Robinson	740-342-3043

Non-Active
Equipment
Starts Here

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DDS COLUMBUS

01/23/2001 14:33 6148981071

Qty	Manufacturer	Model Number	Serial Number	Location	Site Contact	Phone Number
1	Cisco	3810	FAA03220047	St. Sylvester (Woodsfield) 119 Wayne Street Woodsfield, OH 43793	Jamie Conlin	740-472-0321
1	Cisco	3810	GAA03220441	St. Mary's (Marietta) School 320 Marion Street Marietta, OH 45750	Rita Angel	740-374-8181
1	Cisco	3810	381006987	Holy Trinity (Northern) School 225 S. Columbus Street Somerset, OH 43783	Cathy Fields	740-743-1324
1	Cisco	3810	FAA03220336	St. John's (Logan) School 321 N. Market Street Logan, OH 43138	Joan Miller	740-385-2767
1	Cisco	3810	FAA0415BOE2	St. John's (Marietta) School RFD 2, Churchtown Marietta, OH 45750	Jane Wilson	740-896-2697

Attachment #5-2

EXHIBIT 5

Received 2/20/2001

Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2000-2001

February 14, 2001

Robert Lindsey
Southeastern Ohio Voluntary Education Cooperative
221 North Columbus Road
Athens, OH 45701

Re: Billed Entity Number: 153653
471 Application Number: 172713
Funding Request Number(s): 381223, 381313
Your Correspondence Dated: May 10, 2000

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year Three Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 30-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 381223

Decision on Appeal: **Denied in full**

Explanation:

- You have stated on appeal that this funding request is for continuation of Internet access circuits installed during Funding Year Two and the upgrades to those circuits.
- During the review process for this appeal you have provided additional support documentation which clearly states that the equipment included in this funding request is not owned by the vendor. You have also stated that the one time cost of \$4287.00 is applied on a yearly basis as per contract and is for needed upgrades to this equipment, so that the consortium may keep up to date with ever changing technology.

Funding Request Number: 381313

Decision on Appeal: **Denied in full**

Explanation:

- You have stated on appeal that this funding request is for maintenance and support of equipment used for Internet access.
- During the review process for this appeal you have provided additional support documentation which clearly states that the equipment included in this funding request is not owned by the vendor. You have also stated that the one-time cost of \$2500.00 is for one year of maintenance and on-site support, for this equipment at both the host and remote sites.
- The services you listed as Internet access on your Form 471 are actually internal connections services. FCC rules require that where demand for funding exceeds available support, first priority be given to requests for telecommunications services and Internet access. *See* 47 C.F.R. §54.507(g)(1)(i). FCC rules further require that requests for internal connections be given second priority, and be funded only if funds remain after support has been provided for telecommunications and Internet access through all discount levels in a funding year. *See* 47 C.F.R. § 54.507(g)(1)(ii). Where demand for discounts for internal connections exceeds available support, FCC rules require funding be awarded first to applicants eligible for a ninety percent discount level, and then at each descending single discount percentage until funds are depleted. *See* 47 C.F.R. § 54.507(g)(1)(iii). Program procedures further require that funding requests for telecommunications/Internet access services that include internal connections services be re-categorized as internal connections services to prevent priority two services (internal connections) being treated as priority one services (telecommunications and Internet access services) for funding decisions.
- Since your Form 471 included internal connections services: **Upgrade costs to equipment which is not owned by the vendor, SmartJack, maintenance and support of this equipment**, within your Block 5 request for priority one services, your Form 471 request has been re-categorized as a request for internal connections services. For Funding Year Three, there are not sufficient funds to provide internal connections discounts to applicants at your discount rate. Consequently, SLD denies your appeal because there is insufficient funding for Funding Year Three to provide discounts for internal connections requests to applicant that are below the 82% discount level.

If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12th Street, SW, Room TW-A325, Washington, DC 20554. Please reference CC Docket Nos. 96-45 and 97-21 on the first page of your appeal. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted on the website at <www.universalservice.org>.

You must file your appeal with the FCC no later than 30 days from the date on this letter for your appeal to be filed in a timely fashion.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

CERTIFICATE OF SERVICE

I, Myra Powe, an employee of Holland & Knight LLP, hereby certify that on March 16, 2001, I caused copies of the foregoing Request for Review to be delivered via first-class mail, postage prepaid to the following:

Universal Service Administrative Company
Schools and Libraries Division
Box 125 – Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

Re: Southeastern Ohio Voluntary Education Cooperative
Billed Entity No. 153653
Form 471 Application No. 172713
FRN Nos. 381223, 381313
Funding Year 3, 7/1/2000-6/30/2001



Myra Powe