

STATEMENT OF COMPLIANCE WITH THE FCC'S CUSTOMER PROPRIETARY NETWORK INFORMATION (CPNI) RULES

Panhandle Telecommunication Systems, Inc.'s operating procedures ensure that Panhandle Telecommunication Systems, Inc. is in compliance with the FCC's CPNI Rules because disclosure of, or permitting access to, our customers' CPNI is not allowed without obtaining the requisite customer approval, except as required by law, or the exceptions set forth in 47 U.S.C. §222, and Subpart U of Title 47 of the Code of Federal Regulations; 47 C.F.R. §64.2001 through §64.2009.

Panhandle Telecommunication Systems, Inc. has internal procedures in place to educate our employees about CPNI and the disclosure of CPNI. Our employees are instructed that CPNI is information that relates to the quantity, technical configuration, type, destination, location and amount of use of the telecommunications services subscribed to by any customer of Panhandle Telecommunication Systems, Inc. that is made available to us by the customer solely by virtue of our relationship with our customers; and information contained in the bills pertaining to telephone exchange service or toll service of other carriers that we bill for received by our customers; except that such term does not include subscriber list information. Our employees that have access to this information are aware of the FCC's rules and are prohibited from disclosing or permitting access to CPNI without the appropriate customer consent or as allowed by law and the FCC rules. Any employee that discloses CPNI is subject to disciplinary action, and possible termination.

Other than the exceptions for use of CPNI being customer approval, as required by law, and the exceptions set forth in 47 U.S.C. §222, and Subpart U of Title 47 of the Code of Federal Regulations; 47 C.F.R. §64.2001 through §64.2009, CPNI is not used by Panhandle Telecommunication Systems, Inc. without customer notification and approval as set forth below.

Opt-In Notice - This method is required for disclosure of CPNI to unrelated third-parties or to affiliated carriers that do not provide communications-related services. This requires the carrier obtain the customer's express, affirmative consent allowing the use and release of CPNI. This does not apply to subscriber listing information given to other carriers for telephone directories pursuant to FCC Rules.

Opt-Out Notice- This method is required for disclosure of CPNI to affiliated entities providing communications-related services, as well as third party agents and joint venture partners providing communications related services. Under this method, the customer is deemed to have consented to the use, disclosure or access to the customer's CPNI if the customer has failed to object thereto within a minimum of 30 days from receiving notice.

If our customers' CPNI is used for sales and marketing campaigns, the appropriate safeguards are taken as set forth in 47 C.F.R. §64.2009.