

Received & Inspected

OCT 17 2013

FCC Mail Room

DOCKET FILE COPY ORIGINAL



1001 Twelfth Street • Aurora, Nebraska 68818
voice 402.694.5101 • TTY 800.821.1834
toll free 800.821.1831 • fax 402.694.2848

e-mail: info@hamiltontel.com
web site: www.hamiltontel.com

October 11, 2013

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

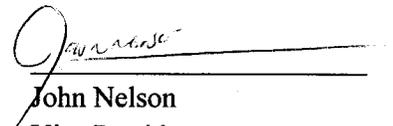
Re: *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208*

Dear Ms. Dortch:

On behalf of Hamilton Telephone Company, please find enclosed one copy of FCC Form 481, containing Confidential Financial Information and two copies of Hamilton Telephone Company's FCC Form 481, containing Confidential Financial Information in redacted form.

Please do not hesitate to contact me at (402) 694-5101 if you have any questions regarding this submission.

Respectfully submitted,



John Nelson
Vice President
Hamilton Telephone Company

No. of Copies rec'd 0+1
List ABCDE



1001 Twelfth Street • Aurora, Nebraska 68818
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toll free 800.821.1831 • fax 402.694.2848

e-mail: info@hamiltonel.com
web site: www.hamiltonel.com

REDACTED – FOR PUBLIC INSPECTION

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

Re: *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208*

Dear Ms. Dortch:

On behalf of Hamilton Telephone Company, please find enclosed two copies of Hamilton Telephone Company's FCC Form 481, along with the redacted versions of the Confidential Financial Information.

One copy of the FCC Form 481, containing Confidential Financial Information is being filed under separate cover.

Please do not hesitate to contact me at (402) 694-5101 if you have any questions regarding this submission.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "John Nelson", is written over a horizontal line.

John Nelson
Vice President
Hamilton Telephone Company

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

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

<010> Study Area Code 371555

<015> Study Area Name HAMILTON TEL CO

<020> Program Year 2014

<030> Contact Name: Person USAC should contact with questions about this data Jerry Petermann

<035> Contact Telephone Number: Number of the person identified in data line <030> (402) 694-5101

<039> Contact Email Address: Email of the person identified in data line <030> jerry.petermann@hamiltontel.com

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ANNUAL REPORTING FOR ALL CARRIERS

54,313 Completion Required	54,422 Completion Required
----------------------------------	----------------------------------

<100> Service Quality Improvement Reporting (complete attached worksheet)

<200> Outage Reporting (voice) (complete attached worksheet)

<210> <-- check box if no outages to report

<300> Unfulfilled Service Requests (voice)

<310> Detail on Attempts (voice) (attach descriptive document)

<320> Unfulfilled Service Requests (broadband)

<330> Detail on Attempts (broadband) (attach descriptive document)

<400> Number of Complaints per 1,000 customers (voice)

<410> Fixed

<420> Mobile

<430> Number of Complaints per 1,000 customers (broadband)

<440> Fixed

<450> Mobile

<500> Service Quality Standards & Consumer Protection Rules Compliance (check to indicate certification)

<510> (attached descriptive document)

<600> Functionality in Emergency Situations (check to indicate certification)

<610> (attached descriptive document)

<700> Company Price Offerings (voice) (complete attached worksheet)

<710> Company Price Offerings (broadband) (complete attached worksheet)

<800> Operating Companies and Affiliates (complete attached worksheet)

<900> Tribal Land Offerings (Y/N)? (if yes, complete attached worksheet)

<1000> Voice Services Rate Comparability (check to indicate certification)

<1010> (attach descriptive document)

<1100> Terrestrial Backhaul (Y/N)? (if not, check to indicate certification)

<1110> (complete attached worksheet)

<1200> Terms and Condition for Lifeline Customers (complete attached worksheet)

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000> (check to indicate certification)

<2005> (complete attached worksheet)

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000> (check to indicate certification)

<3005> (complete attached worksheet)

**(100) Service Quality Improvement Reporting
Data Collection Form**

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

<01> Study Area Code 371555
 <015> Study Area Name HAMILTON TEL CO
 <020> Program Year 2014
 <030> Contact Name - Person USAC should contact regarding this data Jerry Petermann
 <035> Contact Telephone Number - Number of person identified in data line <030> (402) 694-5101
 <039> Contact Email Address - Email Address of person identified in data line <030> jerry.petermann@hamiltontel.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
 year plan" filed with the FCC? (yes / no)
 <111> (yes / no)

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.

Please check these boxes below to confirm that the attached PDF, 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.

<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

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

Name of Attached Document (.pdf)

**[1100] No Terrestrial Backhaul Reporting
Data Collection Form**

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

<010> Study Area Code 371555

<015> Study Area Name HAMILTON TEL CO

<020> Program Year 2014

<030> Contact Name - Person USAC should contact regarding this data Jerry Petermann

<035> Contact Telephone Number - Number of person identified in data line <030> (402) 694-5101

<039> Contact Email Address - Email Address of person identified in data line <030> jerry.petermann@hamiltontel.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

<1130> Please check this box 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)

**(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 2015

<010> Study Area Code 371555
 <015> Study Area Name HAMILTON TEL CO
 <020> Program Year 2014
 <030> Contact Name - Person USAC should contact regarding this data Jerry Petermann
 <035> Contact Telephone Number - Number of person identified in data line <030> (402) 694-5101
 <039> Contact Email Address - Email Address of person identified in data line <030> jerry.petermann@hamiltontel.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans 371555ne1210
 Name of attached document (.pdf)
 <1220> Link to Public Website HTTP

"Please check these boxes below to confirm that the attached PDF, 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)

ECG Form 481
 OMB Control No. 3060-0386 (OMB Control No. 3060-0319)
 July 2015

<010> Study Area Code 371555
 <015> Study Area Name HAMILTON TEL CO
 <020> Program Year 2014
 <030> Contact Name - Person USAC should contact regarding this data Jerry Petermann
 <035> Contact Telephone Number - Number of person identified in data line <030> (402) 694-5101
 <039> Contact Email Address - Email Address of person identified in data line <030> jerry.petermann@hamiltontel.com

CHECK the boxes below 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	<input type="checkbox"/>
<2010> 2nd Year Certification (47 CFR § 54.313(b)(1))	<input type="checkbox"/>
<2011> 3rd Year Certification (47 CFR § 54.313(b)(2))	<input type="checkbox"/>
Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))	<input type="checkbox"/>
<2012> 2013 Frozen Support Certification	<input type="checkbox"/>
<2013> 2014 Frozen Support Certification	<input type="checkbox"/>
<2014> 2015 Frozen Support Certification	<input type="checkbox"/>
<2015> 2016 and future Frozen Support Certification	<input type="checkbox"/>
Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))	<input type="checkbox"/>
<2016> Certification Support Used to Build Broadband	<input type="checkbox"/>
Connect America Phase II Reporting (47 CFR § 54.313(e))	<input type="checkbox"/>
<2017> 3rd year Broadband Service Certification	<input type="checkbox"/>
<2018> 5th year Broadband Service Certification	<input type="checkbox"/>
<2019> Interim Progress Certification	<input type="checkbox"/>
<2020> Please check the box to confirm that the attached PDF, 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.	<input type="checkbox"/>
<2021> Interim Progress Community Anchor Institutions	<input type="checkbox"/>

Name of Attached Document Listing Required Information

371555
 HAMILTON TEL CO
 2014
 JERRY Petermann
 (402) 694-5101
 jerry.petermann@hamiltontel.com

FCC Form 481
 Dual Control No. 3164-0926 (Dual Control No. 3067-0613)
 JULY 2013

<010> Study Area Code 371555
 <015> Study Area Name HAMILTON TEL CO
 <020> Program Year 2014
 <030> Contact Name - Person USAC should contact regarding this data Jerry Petermann
 <035> Contact Telephone Number - Number of person identified in data line <030> (402) 694-5101
 <039> Contact Email Address - Email Address of person identified in data line <030> jerry.petermann@hamiltontel.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(e)) 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.

Progress Report on 5 Year Plan

- (3010) Milestone Certification (47 CFR § 54.313(f)(1)(i))
 Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313(f)(1)(i), 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. Name of Attached Document Listing Required Information
- (3011) Community Anchor Institutions (47 CFR § 54.313(f)(1)(iii))
 Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) If yes, does your company file the RUS annual report contains the required information pursuant to § 54.313(f)(2) compliance requires:
 Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) (Yes/No)
 (Yes/No)
- (3016) PDF of Balance Sheet, Income Statement and Statement of Cash Flows
 If the response is yes on line 3014, attach your company's RUS annual report and all required documentation (Yes/No)
 (Yes/No)
- (3017) If the response is no on line 3014, is your company audited?
 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:
 Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications PDF of Balance Sheet, Income Statement and Statement of Cash Flows
- (3021) Management letter 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:
 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,
 Underlying information subjected to a review by an independent certified public accountant
 Underlying information subjected to an officer certification.
- (3025) PDF of Balance Sheet, Income Statement and Statement of Cash Flows
 Attach the worksheet listing required information
- (3026) Name of Attached Document Listing Required Information 371555ne3026

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	371555
<015>	Study Area Name	HAMILTON TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Petermann
<035>	Contact Telephone Number - Number of person identified in data line <030>	(402) 694-5101
<039>	Contact Email Address - Email Address of person identified in data line <030>	jerry.petermann@hamiltontel.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:	HAMILTON TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date 10/10/2013
Printed name of Authorized Officer:	John Nelson
Title or position of Authorized Officer:	Vice President
Telephone number of Authorized Officer:	4026945101
Study Area Code of Reporting Carrier:	371555 Filing Due Date for this form: 10/15/2013
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	371555
<015>	Study Area Name	HAMILTON TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Petermann
<035>	Contact Telephone Number - Number of person identified in data line <030>	(402) 694-5101
<039>	Contact Email Address - Email Address of person identified in data line <030>	jerry.petermann@hamiltontel.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

HAMILTON TELEPHONE COMPANY
Aurora, Nebraska

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

Service Quality Standards

Hamilton Telephone Company

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no additional charge to end users.
- Provides access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.
- Advertises the availability of its services and the charges using media of general distribution and on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during normal business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
 - Answer all incoming calls promptly.
 - Respond to all inquiries for information promptly and courteously.
 - Investigate thoroughly all customer complaints and handle appropriately according to the Company's guidelines for resolution of customer complaints.
 - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.

Consumer Protection Rules

The Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information.

**Hamilton Telephone Company
Aurora, Nebraska
Functionality in Emergency Situations**

Note:

Hamilton Telephone Company has a "Business Continuity Plan" in place for multiple emergency situations.

Backup Power Failure

- **Our current switch, Lucent 5ESS has multiple power supplies. We also have multiple fiber transmitters and cabinets with redundant power supplies.**
- **We have backup batteries that will provide power in case of any electrical failures. The backup batteries are located in our Main Switch Room in Aurora, Nebraska and remote location in Doniphan, Nebraska.**
- **We have two fixed Generators for backup in Aurora and Doniphan powered by natural gas. We also have mobile standby Generators available that runs on gasoline.**
- **All Batteries and Generators are tested on a monthly basis to ensure continued operation without external power source.**

Rerouting of Traffic around damaged Facilities

- **We have redundancy ring facilities between all of our exchanges. These rings are set up to switch over without a loss of traffic or down time.**

Traffic Spikes

- **We have switching capacity for simultaneous calls. There are 350 trunks that go out to the tandem and to other carriers.**
- **We have a significant amount of unused switching capacity that will support sporadic traffic spikes. We have more than twice the needed switching capacity in our Switch.**
- **Our Lucent 5ESS switch has a 24/7 tech support contract with Alcatel Lucent for any type of trouble or emergency situation.**

Hamilton Telephone Company

Nebraska Telephone Assistance Program Terms and Conditions

Nebraska Telephone Assistance Program

The Nebraska Telephone Assistance Program (NTAP) is available for qualifying customers of Hamilton Telephone Company. NTAP assistance reduces the cost of basic, monthly local telephone service. Eligible consumers can receive up to \$12.75 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in NTAP. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll blocking is available to eligible consumers at no cost. Also, by choosing this option, consumers are usually not charged a deposit.

NTAP is administered by the Nebraska Public Service Commission.

NTAP Eligibility Information

Program Based Eligibility

To qualify for NTAP, subscribers must either have an income that is at or below 135% of the Federal Poverty Guidelines, or the subscriber, one or more of the subscriber's dependents, or the subscriber's household must receive benefits from one of the following assistance programs:

- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance (Section 8)
- Medicaid
- Children's Health Insurance Program/Kids Connection (SAM, MAC or EMAC)
- Supplemental Nutrition Assistance Program (SNAP); (formerly the Food Stamps Program)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- National School Lunch Program Free Lunch program
- State assistance programs (if applicable)

To receive an NTAP application, contact your local *Health and Human Services* agency caseworker or the *Nebraska Public Service Commission*, 1200 N Street, Suite 300, PO Box 94927, Lincoln, NE 68508-4927, Phone: 402-471-3101, Toll Free: 1-800-526-0017 or <https://ntap.gisworkshop.com/>

NTAP applicants must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying state, federal or Tribal program; notice letter of participation in a qualifying state, federal or Tribal program; program participation documents; or another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.

Income Based Eligibility

In addition, consumers are eligible for NTAP if their household income is at or below 135% of the federal poverty guidelines.

2013 Federal Poverty Guidelines – 135%

Household Size	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$15,512	\$19,373	\$17,861
2	\$20,939	\$26,163	\$24,098
3	\$26,366	\$32,954	\$30,335
4	\$31,793	\$39,744	\$36,572
5	\$37,220	\$46,535	\$42,809
6	\$42,647	\$53,325	\$49,046
7	\$48,074	\$60,116	\$55,283
8	\$53,501	\$66,906	\$61,520
For each additional person, add	\$5,427	\$6,791	\$6,237

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

Tribal Eligibility

A subscriber who lives on Tribal lands and is an eligible resident of Tribal lands is eligible for Tribal Lifeline service or Tribal Link Up if the subscriber, one or more of the subscriber's dependents, or the subscriber's household participates in any of the above-listed qualifying assistance programs or one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs General Assistance; Tribally Administered Temporary Assistance for Needy Families; Head Start (if income eligibility criteria are met); or the Food Distribution Program on Indian Reservations (FDPIR). Tribal subscribers may also qualify if the household income is at or below 135% of the Federal Poverty Guidelines.

Tribal subscribers should contact Hamilton Telephone Company for additional information on Tribal Lifeline and Tribal Link Up.

Numbers of Minutes-of-Use Provided as Part of NTAP Program Service

Hamilton Telephone Company's Voice NTAP service includes unlimited local minutes-of-use within the toll-free calling area. Hamilton Telephone Company's Voice NTAP Plan does not include any free minutes-of-use for toll. Toll is billed at the standard toll rate depending on which interexchange carrier the consumer subscribes to for toll service. As part of the NTAP service, Toll blocking is available to eligible consumers at no cost.

Rates

Subscribers may receive the NTAP credit on any type or grade of local service, including bundled services that are normally offered by Hamilton Telephone Company. Advertised rates do not include any applicable taxes or surcharges.

Recertification of NTAP Eligibility

NTAP recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for NTAP will result in termination of the NTAP recipient's monthly NTAP discount and de-enrollment from NTAP.

Additional NTAP Program Information

NTAP is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined as an individual or group of individuals who live together at the same address and share income and expenses. NTAP is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

Independent Auditor's Report

The Board of Directors
The Hamilton Telephone Company:

We have audited the accompanying balance sheets of The Hamilton Telephone Company as of June 30, 2012 and 2011, and the related statements of earnings, stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of The Hamilton Telephone Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Hamilton Telephone Company as of June 30, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Dohman, Akerlund + Eddy, LLC

Aurora, Nebraska
October 23, 2012

REDACTED - FOR PUBLIC INSPECTION

THE HAMILTON TELEPHONE COMPANY

Balance Sheets

June 30, 2012 and 2011

<u>Assets</u>	<u>2012</u>	<u>2011</u>
Current assets:		
Cash and cash equivalents	\$ XX,XXX,XXX	X,XXX,XXX
Certificates of deposit	X,XXX,XXX	X,XXX,XXX
Available-for-sale securities	X,XXX,XXX	X,XXX,XXX
Due from subscribers and agents less allowance for doubtful receivables of \$XX,XXX in 2012 and \$XX,XXX in 2011	XXX,XXX	XXX,XXX
Inventories, at cost	XXX,XXX	XXX,XXX
Prepaid expenses	XX,XXX	XX,XXX
Due from parent for income taxes	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Total current assets	<u>XX,XXX,XXX</u>	<u>XX,XXX,XXX</u>
Other assets:		
Miscellaneous physical property	X,XXX,XXX	X,XXX,XXX
Less accumulated depreciation	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Net miscellaneous property	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Other investments	XX,XXX	XX,XXX
Life insurance policy assets	XXX,XXX	XXX,XXX
Due from affiliated companies	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Total other assets	<u>XX,XXX,XXX</u>	<u>XX,XXX,XXX</u>
Property and equipment, at cost	XX,XXX,XXX	XX,XXX,XXX
Less accumulated depreciation	<u>XX,XXX,XXX</u>	<u>XX,XXX,XXX</u>
Net property and equipment	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
	<u>\$ XX,XXX,XXX</u>	<u>XX,XXX,XXX</u>

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THE HAMILTON TELEPHONE COMPANY

Balance Sheets

June 30, 2012 and 2011

<u>Liabilities and Stockholders' Equity</u>	<u>2012</u>	<u>2011</u>
Current liabilities:		
Accounts payable	\$ XXX,XXX	XXX,XXX
Accrued expenses and taxes	XX,XXX	XX,XXX
Due to affiliated companies	XXX,XXX	XXX,XXX
Deferred income taxes	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Total current liabilities	<u>XXX,XXX</u>	<u>X,XXX,XXX</u>
Deferred income taxes	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Total liabilities and deferred income taxes	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Stockholders' equity:		
6% cumulative preferred stock of \$100 par value per share. Authorized xxx.x shares: none issued	-	-
Common stock of \$15 par value per share. Authorized x,xxx.x shares; issued x,xxx shares in both 2012 and 2011	XX,XXX	XX,XXX
Accumulated other comprehensive income	XXX,XXX	XXX,XXX
Retained earnings	<u>XX,XXX,XXX</u>	<u>XX,XXX,XXX</u>
Total stockholders' equity	<u>XX,XXX,XXX</u>	<u>XX,XXX,XXX</u>
	\$ <u><u>XX,XXX,XXX</u></u>	<u><u>XX,XXX,XXX</u></u>

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THE HAMILTON TELEPHONE COMPANY

Statement of Earnings

Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenues:		
Local service	\$ X,XXX,XXX	X,XXX,XXX
Toll service and access charges	X,XXX,XXX	X,XXX,XXX
Billing and collection revenue	XX,XXX	XX,XXX
Directory revenues, net	XXX,XXX	XXX,XXX
Other operating revenue	<u>XX,XXX</u>	<u>XX,XXX</u>
	X,XXX,XXX	X,XXX,XXX
Less provision for (recoveries of) doubtful accounts	<u>(X,XXX)</u>	<u>X,XXX</u>
Total operating revenues	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Operating expenses:		
Plant specific operations	X,XXX,XXX	X,XXX,XXX
Plant nonspecific operations	X,XXX,XXX	X,XXX,XXX
Customer operations	XXX,XXX	XXX,XXX
Corporate operations	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Total operating expenses	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Operating income	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Operating taxes:		
Income taxes, current	(XXX,XXX)	XXX,XXX
Income taxes, deferred	XXX,XXX	XX,XXX
Other	<u>XX,XXX</u>	<u>XX,XXX</u>
Total operating taxes	<u>XX,XXX</u>	<u>XXX,XXX</u>
Net operating income, carried forward	\$ <u>XX,XXX</u>	<u>XXX,XXX</u>

(Continued)

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THE HAMILTON TELEPHONE COMPANY

Statement of Earnings

(Continued)

Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Net operating income, brought forward	\$ <u>XX,XXX</u>	<u>XXX,XXX</u>
Other income (deductions):		
Interest income	XXX,XXX	XXX,XXX
Dividend income	XXX,XXX	XXX,XXX
Rental income (expense), net of related expenses including depreciation of \$xx,xxx in 2012 and \$xxx,xxx in 2011	(XX,XXX)	X,XXX
Charitable contributions	(XX,XXX)	(XX,XXX)
Loss on disposition of assets	-	(XXX)
Other, net	XXX,XXX	XXX,XXX
Nonoperating income taxes	<u>(XXX,XXX)</u>	<u>(XXX,XXX)</u>
Total other income, net	<u>XXX,XXX</u>	<u>XXX,XXX</u>
	XXX,XXX	XXX,XXX
Interest expense	<u>-</u>	<u>X</u>
Net earnings	\$ <u><u>XXX,XXX</u></u>	<u><u>XXX,XXX</u></u>
Earnings per common share	\$ <u><u>XXX</u></u>	<u><u>XXX</u></u>

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THE HAMILTON TELEPHONE COMPANY

Statements of Cash Flows

Years Ended June 30, 2012 and 2011

<u>Increases in Cash and Cash Equivalents</u>	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Cash received from subscribers and agents	\$ X,XXX,XXX	X,XXX,XXX
Cash paid to suppliers and employees	(X,XXX,XXX)	(X,XXX,XXX)
Investment income received	XXX,XXX	XXX,XXX
Cash contributions	(XX,XXX)	(XX,XXX)
Interest paid	-	(X)
Income taxes paid	<u>(XXX,XXX)</u>	<u>(XXX,XXX)</u>
Net cash provided by operating activities	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Cash flows from investing activities:		
Net advances repaid by parent and other affiliated companies	XXX,XXX	X,XXX,XXX
Net redemption of (investment in) certificates of deposit	(XX,XXX)	X,XXX,XXX
Expenditures for property and equipment	<u>(X,XXX,XXX)</u>	<u>(XXX,XXX)</u>
Net cash provided (used) by investing activities	<u>(XXX,XXX)</u>	<u>X,XXX,XXX</u>
Cash flows from financing activities:		
Dividends paid	(XXX,XXX)	(X,XXX,XXX)
Common stock repurchased	<u>-</u>	<u>(XX,XXX)</u>
Net cash used by financing activities	<u>(XXX,XXX)</u>	<u>(X,XXX,XXX)</u>
Net increase in cash and cash equivalents	XXX,XXX	X,XXX,XXX
Cash and cash equivalents at beginning of year	<u>X,XXX,XXX</u>	<u>X,XXX,XXX</u>
Cash and cash equivalents at end of year	<u>\$ XX,XXX,XXX</u>	<u>X,XXX,XXX</u>

(Continued)

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THE HAMILTON TELEPHONE COMPANY

Statements of Cash Flows
(Continued)
Years Ended June 30, 2012 and 2011

<u>Reconciliation of Net Earnings to Net Cash Provided by Operating Activities</u>	<u>2012</u>	<u>2011</u>
Net earnings	\$ <u>XXX,XXX</u>	<u>XXX,XXX</u>
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Provision for (recoveries of) doubtful accounts	(X,XXX)	X,XXX
Depreciation and amortization expense	XXX,XXX	XXX,XXX
Loss on disposition of assets	-	XXX
Provision for deferred income taxes	XXX,XXX	XX,XXX
Net partnership loss (income)	XX	(XXX)
Decrease (increase) in:		
Due from subscribers and agents	XX,XXX	(XX,XXX)
Accrued interest receivable	X,XXX	XX,XXX
Prepaid expenses	X,XXX	(X,XXX)
Inventories	XX,XXX	XXX,XXX
Cash surrender value of life insurance	(X,XXX)	(XX,XXX)
Due from parent for income taxes	(XXX,XXX)	(XX,XXX)
Increase (decrease) in:		
Accounts payable	X,XXX	X,XXX
Accrued taxes and expenses	(X,XXX)	(X,XXX)
Due to affiliated companies	<u>XX,XXX</u>	<u>(X,XXX)</u>
Total adjustments	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Net cash provided by operating activities	\$ <u><u>X,XXX,XXX</u></u>	<u><u>X,XXX,XXX</u></u>