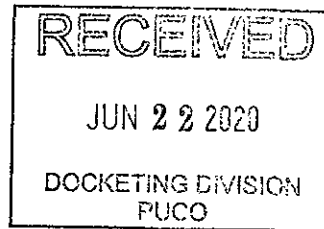


# Confidential Release

Case number: 13-1115-TP-COI

Date of Confidential Document: 10/16/2013

Release Date: 6/18/20



Page Count: 28

Document Description: FCC Form 481 Annual Reporting

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**"Consent to Release to the PUCO DIS Website"**

Name           Jay S. Agranoff          

Reviewing Attorney Examiner's Signature

Date Reviewed   6/22/20  

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician           ADW           Date Processed   6/23/20

# CONFIDENTIAL

*Confidential treatment has been requested for the following document:*

*Case: 13-1115-TP-COI*

*Page Count: 28*

*Date Filed: 10/16/2013*

*Filed by: Norman J. Kennard*

*Behalf of: Pattersonville Telephone Company*

*Summary of document: FCC FORM 481- Carrier Annual Reporting*

RECEIVED-DOCKETING DIV  
2013 OCT 16 PM 12:11  
PUCO



<010> Study Area Code	300651
<015> Study Area Name	Pattersonville Telephone Company - OH
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Matt Muzina
<035> Contact Telephone Number: Number of the person identified in data line <030>	610-928-3913
<039> Contact Email Address: Email of the person identified in data line <030>	mmuzina@icorellc.com



ANNUAL REPORTING REQUIREMENTS		Required	Required
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> ← check box if no outages to report			
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	30065108310 (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	0.0		
<420> Mobile			
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440> Fixed			
<450> Mobile			
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> 30065108510	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> 30065108610	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> [ ]	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)?	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110> [ ]	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**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)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

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

RECEIVED-DOCKETING DIV  
 2013 OCT 16 PM 12:03

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

300651  
Pattersonville Telephone Company - OH  
2014  
Matt Muma  
610-928-3913  
mumam@corallic.com

<010> Study Area Code 300651

<015> Study Area Name Pattersonville Telephone Company - OH

<020> Program Year 2014

<030> Contact Name - Person USAC should contact regarding this data Matt Muma

<035> Contact Telephone Number - Number of person identified in data line <030> 610-928-3913

<039> Contact Email Address - Email Address of person identified in data line <030> mumam@corallic.com

<110> Has your company received its ETC certification from the FCC? ☒ (yes / no) ☐

<111> If your answer to Line <110> is yes, do you have an existing §54.202(a) "S year plan" filed with the FCC? ☐ (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) "S 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 (.pdf)

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.


<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.

<01>	Study Area Code	300651
<01>	Study Area Name	Pattersonville Telephone Company - OH
<02>	Program Year	2014
<02>	Contact Name - Person USAC should contact regarding this data	Nate Numa
<03>	Contact Telephone Number - Number of person identified in data line <03>	610-958-3913
<03>	Contact Email Address - Email Address of person identified in data line <03>	numa@corellc.com

[illegible]

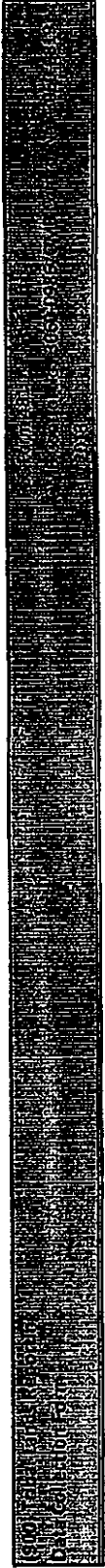
[illegible]

<310>	Study Area Code	300651
<315>	Study Area Name	Pattersonville Telephones Company - OH
<320>	Program Year	2014
<330>	Contact Name - Person USAC should contact regarding this data	Matt Norma
<335>	Contact Telephone Number - Number of person identified in data line <330>	410-918-3913
<399>	Contact Email Address - Email Address of person identified in data line <330>	norma@icorellc.com

[illegible]

<810>	Study Area Code			
<815>	Study Area Name	Pattersonville Telephone Company - OK		
<820>	Program Year	2014		
<830>	Contact Name - Person USAC should contact regarding this data	Matt Numa		
<835>	Contact Telephone Number - Number of person identified in data line <830>	610-928-1913		
<839>	Contact Email Address - Email address of person identified in data line <830>	mnuma@corellc.com		
<81D>	Reporting Carrier	Pattersonville Telephone Company		
<81I>	Holding Company			
<81Z>	Operating Company			
<81J>	Affiliates		SAC	Doing Business As Company or Brand Designation
<81K>				
<81L>				
<81M>				
<81N>				
<81O>				
<81P>				
<81Q>				
<81R>				
<81S>				
<81T>				
<81U>				
<81V>				
<81W>				
<81X>				
<81Y>				
<81Z>				





<010>	Study Area Code	300651
<015>	Study Area Name	Pattersonville Telephone Company - OH
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Matt Kuma
<035>	Contact Telephone Number - Number of person identified in data line <030>	610-328-3913
<039>	Contact Email Address - Email Address of person identified in data line <030>	mmumma@icorellc.com

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

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

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

Select (Yes, No, NA)	
	<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.



<010>	Study Area Code	300651
<015>	Study Area Name	Pattersonville Telephone Company - OR
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Matt Hanna
<035>	Contact Telephone Number - Number of person identified in data line <030>	610-928-1913
<039>	Contact Email Address - Email Address of person identified in data line <030>	mnhanna@corville.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 Lifeline and Conditions of Voice Telephony Lifeline Plans	
<010>	Study Area Code
<015>	Study Area Name
<020>	Program Year
<030>	Contact Name - Person USAC should contact regarding this data
<035>	Contact Telephone Number - Number of person identified in data line <030>
<039>	Contact Email Address - Email Address of person identified in data line <030>

### <1210> Terms & Conditions of Voice Telephony Lifeline Plans

<1220> Link to Public Website

HTTP

Name of attached document (.pdf)

"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. ☐



<01>	Study Area Code	300651
<02>	Study Area Name	Pattersonville Telephone Company - OR
<03>	Program Year	2014
<04>	Contact Name - Person USAC should contact regarding this data	Matt Muma
<05>	Contact Telephone Number - Number of person identified in data line <03>	610-928-3913
<06>	Contact Email Address - Email Address of person identified in data line <03>	muma@coreville.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)(1), (c), (d), (e) the information reported on this form and in the documents attached below is accurate.

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

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

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

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

Incremental Connect America Phase I reporting

<2010> 2nd Year Certification (47 CFR § 54.313(b)(1))

<2011> 3rd Year Certification (47 CFR § 54.313(b)(2))

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

<2012> 2013 Frozen Support Certification

<2013> 2014 Frozen Support Certification

<2014> 2015 Frozen Support Certification

<2015> 2016 and future Frozen Support Certification

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 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.

Name of Attached Document Listing Required Information

<2021> Interim Progress Community Anchor Institutions

30651  
 Study Area Code  
 Study Area Name  
 Program Year  
 Contact Name - Person USAC should contact regarding this data  
 Contact Telephone Number - Number of person identified in data line 3030  
 Contact Email Address - Email Address of person identified in data line 3030

30651 Pattersonville Telephons Company - DE  
 2024  
 Matt Muma  
 610-328-1913  
 matt.muma@pattersonville.com

Progress Report on 5 Year Plan  
 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.

Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))  
 Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(1)(ii))  
 If yes, does your company file the RUS annual report  
 Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)  
 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  
 If the response is no on line 3014, is your company audited?  
 If the response is yes on line 3016, 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  
 Management letter issued by the independent certified public accountant that performed the company's financial audit.  
 If the response is no on line 3016, 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.  
 PDF of Balance Sheet, Income Statement and Statement of Cash Flows  
 Attach the worksheet listing required information

Name of Attached Document Listing Required Information  
 Name of Attached Document Listing Required Information  
 Name of Attached Document Listing Required Information

30651OR3026

<010>	Study Area Code	300651
<015>	Study Area Name	Pattersonville Telephone Company - OH
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Matt Rhuma
<035>	Contact Telephone Number - Number of person identified in data line <030>	610-928-3913
<038>	Contact Email Address - Email Address of person identified in data line <030>	matt@micorellie.com

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

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
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: Pattersonville Telephone Company - OH	
Signature of Authorized Officer: CERTIFIED ONLINE	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier: 300651	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.	

<010> Study Area Code	300651
<015> Study Area Name	Pattersonville Telephone Company - OH
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Kate Runza
<035> Contact Telephone Number - Number of person identified in data line <030>	610-928-3913
<039> Contact Email Address - Email Address of person identified in data line <030>	runza@icorellc.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: Pattersonville Telephone Company - OH	
Signature of Authorized Officer: CERTIFIED ONLINE	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: 300651	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.	

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: Pattersonville Telephone Company - OH	
Name of Authorized Agent or Employee of Agent: ICORE	
Signature of Authorized Agent or Employee of Agent: CERTIFIED ONLINE	Date: _____
Printed name of Authorized Agent or Employee of Agent: Christopher Ulmer	
Title or position of Authorized Agent or Employee of Agent: Manager	
Telephone number of Authorized Agent or Employee of Agent: 610-928-3903	
Study Area Code of Reporting Carrier: 300651	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.	

## Attachments



**LINE 310**

Company	Pattersonville Telephone Company
Study Area Code	300651
Supplemental Data For:	Line 310 – Unfulfilled Voice Telephony Service Requests Resolution

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Because there were no unfulfilled initial requests for service in the prior calendar year, this line is not applicable. No action plan was needed since all requests for service were fulfilled.

LINE 510

Company	Pattersonville Telephone Company
Study Area Code	300651
Supplemental Data For:	Line 510 – Service Quality Standards and Consumer Protection Rules Compliance

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#### **RATES AND RATE STABILITY**

New customers are provided rate information at the time they order service. The rate information is prepared based on tariffs which are on file with the state public utility commission and available for inspection at our office. In addition rates are available on the company website. Notices of rate changes proposed by the Company are communicated to the customers through a bill notice or other comparable means. The Company complies with all state and federal rules applicable to rate changes.

#### **PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING**

In advertising of prices for service plans the Company will disclose material charges and conditions related to the advertised prices and services. This notice will provide the potential customer with , including if applicable and to the extent the advertising medium reasonably allows: (1) whether nonrecurring installation charges would apply; (2) the monthly fee associated with the service; (3) whether any additional taxes, fees or surcharges apply; (3) the terms and conditions related to receiving a product or service for "free;" and (4) whether prices or benefits apply only for a limited time or promotional period and, if so, whether any different fees or charges will apply for the remainder of the contract term.

#### **TRUTH-IN-BILLING**

The Company has long maintained compliance with the FCC's Truth-in-Billing rules as set forth in 47 CFR 64.2401. In part, this requires the Company's telephone bill must: (1) be accompanied by a brief, clear, non-misleading plain language description of the service or services rendered; (2) identify the service provider associated with each charge; (3) clearly and conspicuously identify any change in

Company	Pattersonville Telephone Company
Study Area Code	300651
Supplemental Data For:	Line 510 – Service Quality Standards and Consumer Protection Rules Compliance

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service provider; (4) contain full and non-misleading descriptions of charges; (5) identify those charges for which failure to pay will not result in disconnection of the customer's basic local service; and (6) provide a toll free number for customers to call in order to lodge a complaint or obtain information.

Customers' bills will distinguish (1) monthly charges for service and features, and other charges collected and retained by the carrier, from (2) taxes, fees and other charges collected by the carrier and remitted to federal state or local governments. The Company will not label cost recovery fees or charges as taxes.

#### **PROVIDE READY ACCESS TO CUSTOMER SERVICE**

Customers and potential customers may access customer service by visiting the Company's office or by using a toll-free telephone number during normal business hours. Customer service contact information is available at our business office with regular hours posted on the storefront. In addition, this information is available online and on the monthly invoice rendered by the company.

#### **ABIDE BY POLICIES FOR PROTECTION OF CUSTOMER PRIVACY**

The Company complies with all state and federal rules regarding the privacy of customer information. Certification of this compliance is provided annually to the FCC.

#### **RESPONSE TO CONSUMER INQUIRIES AND COMPLAINTS RECEIVED FROM GOVERNMENT AGENCIES**

The Company will respond in writing to state or federal administrative agencies within 30 days of receiving written consumer complaints from any such agency. Should the agency require a shorter interval for response, the Company will use its best efforts to expedite the review of the complaint to provide a response which meets the agency-provided target date.

Company	Pattersonville Telephone Company
Study Area Code	300651
Supplemental Data For:	Line 510 – Service Quality Standards and Consumer Protection Rules Compliance

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#### **TERMINATION OF SERVICE**

The Company follows the state public utility commission's rules for termination of service.

Service cannot be terminated without advance notice to the customer. If service is being terminated for non-payment, the customer will have the option to establish a payment plan. So long as the customer adheres to the payment plan, service will not be disconnected.

Customers may terminate service at any time and for any reason. The Company does not assess any termination penalty and the customer is simply required to pay for the services which were used while the service was provided.

LINE 610

Company	Pattersonville Telephone Company
Study Area Code	300651
Supplemental Data For:	Line 610 – Description of Functionality in Emergency Situations

---

As an initial point, the Company had no service outages during 2012 which met the FCC's threshold for reporting into the Network Outage Reporting System ("NORS").

The Company engages in preventative maintenance programs which help ensure network reliability in all conditions. This includes regular checks on generators, battery back-up, HVAC infrastructure at central office switches, and tree trimming/removal when trees have the potential to take down telephone lines during events of high wind or heavy snow. Access to critical infrastructure (like central office switches) is limited to essential personnel. Spare equipment is maintained in inventory.

Like most local exchange carriers, the Company's network consists of electronic switching equipment and a network of fiber optics and copper facilities. From a switching standpoint, the Company has one primary switch and smaller switches which are fed by the primary switch. These smaller switches are often referred to as intraexchange remote switches or concentrators. The largest threat to switches is the loss of power. To address this, the Company ensures adequate battery back-up is maintained. For emergency situations which extend beyond the useful life of the battery back-up, the Company uses generators to power the switches. These generators are portable which ensures they can be relocated to any switching center based on the specific needs of each switch. In addition, the Company's office will serve as a Command and Control center. This center is included as a primary location to which continuous power is required.

In cases of emergency, the Company's management has contact information for all employees. Depending upon the scope of the emergency, the Company may call-in as many employees as necessary to provide continual telecommunications service. The Company has access to local and regional construction companies which can be called in to supplement the work force if necessary. When poles are down from emergencies, the Company works with other utilities attached to the same poles to expedite the repair or replacement of the infrastructure.

In summation, the Company takes preventative measures to plan for emergency situations and also takes steps to mitigate the risk or duration of such events.



LINE 3026



Solutions for Your Financial Future

551 Lake Cascades Parkway  
P.O. Box 1106  
Findlay, Ohio 45839-1106  
Phone: (419) 423-4481  
Fax: (419) 423-4865

[www.prygroup.com](http://www.prygroup.com)

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors  
Pattersonville Telephone Company  
Carrollton, Ohio

We have reviewed the accompanying balance sheets of Pattersonville Telephone Company (a corporation) as of December 31, 2012 and 2011, and the related statements of income and retained earnings 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 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Pry Professional Group*

Pry Professional Group  
Findlay, Ohio  
October 11, 2013

**PATTERSONVILLE TELEPHONE COMPANY**  
**BALANCE SHEETS**  
**DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 108,834	\$ 99,851
Accounts Receivable - Customers	63,890	62,119
Accounts Receivable - NECA	18,214	15,234
Accounts Receivable - Other	7,813	3,025
Less: Allowance for Doubtful Accounts	<u>(46,778)</u>	<u>(46,778)</u>
Total Current Assets	151,973	133,451
<b>Investment in Property, Plant and Equipment</b>		
Land	26,000	26,000
Plant and Equipment	<u>1,090,596</u>	<u>1,045,606</u>
Total Investment in Property, Plant and Equipment	1,116,596	1,071,606
Less: Accumulated Depreciation	<u>(858,791)</u>	<u>(849,405)</u>
Net Investment in Property and Equipment	257,805	222,201
<b>Other Assets</b>		
Notes Receivable - Shareholder	<u>150,000</u>	<u>155,500</u>
Total Other Assets	<u>150,000</u>	<u>155,500</u>
<b>Total Assets</b>	<u><u>\$ 559,778</u></u>	<u><u>\$ 511,152</u></u>

See Accompanying Notes and Independent Accountant's Review Report.

**PATTERSONVILLE TELEPHONE COMPANY**  
**BALANCE SHEETS**  
**DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 23,821	\$ 15,530
Accounts Payable - Taxes	2,168	1,164
Accrued Federal Income Tax	11,944	11,944
Accrued Wages	2,763	
Current Portion of Long-Term Debt	<u>12,487</u>	
Total Current Liabilities	53,183	28,638
<b>Long-Term Liabilities</b>		
Notes Payable - Related Party	30,075	
Deferred Income Taxes	<u>16,285</u>	<u>14,966</u>
Total Long Term Liabilities	46,360	14,966
Less: Current Portion of Long-Term Debt	<u>(12,487)</u>	
Net Long-Term Liabilities	<u>33,873</u>	<u>14,966</u>
Total Liabilities	87,056	43,604
<b>Stockholder's Equity</b>		
Common Stock	400	400
Additional Paid in Capital	14,600	14,600
Retained Earnings	<u>457,722</u>	<u>452,548</u>
Total Stockholder's Equity	<u>472,722</u>	<u>467,548</u>
<b>Total Liabilities and Stockholder's Equity</b>	<u><u>\$ 559,778</u></u>	<u><u>\$ 511,152</u></u>

See Accompanying Notes and Independent Accountant's Review Report.

**PATTERSONVILLE TELEPHONE COMPANY**  
**STATEMENTS OF INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUES</b>		
Local Service	\$ 61,791	\$ 83,304
Network Access	290,651	344,189
Internet Revenues	62,226	34,013
Uncollectible Revenues		<u>(101,842)</u>
Total Operating Revenues	414,668	359,664
<b>OPERATING EXPENSES</b>		
Plant Specific Operations	195,066	150,132
Plant Nonspecific Operations	17,804	15,425
Depreciation	73,548	92,925
Customer Operations	39,284	95,417
Corporate Operations	<u>75,927</u>	<u>101,036</u>
Total Operating Expenses	<u>401,629</u>	<u>454,935</u>
Operating Income (Loss) Before Taxes	13,039	(95,271)
<b>OPERATING TAXES</b>		
Federal Income Tax Expense (Benefit)		(7,591)
Provision for Deferred Income Tax	1,320	1,738
Other Operating Taxes	<u>3,849</u>	<u>4,126</u>
Total Operating Taxes	<u>5,169</u>	<u>(1,727)</u>
Net Operating Income (Loss)	7,870	(93,544)
<b>NONOPERATING INCOME (EXPENSES)</b>		
Other Nonoperating Income (Expense)	(1,655)	876
Interest Income	9	
Interest Expense	<u>(1,050)</u>	
Total Nonoperating Income (Expenses)	<u>(2,696)</u>	<u>876</u>
Net Income (Loss)	<u>\$ 5,174</u>	<u>\$ (92,668)</u>

See Accompanying Notes and Independent Accountant's Review Report.

**PATTERSONVILLE TELEPHONE COMPANY**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income (Loss)	\$ 5,174	\$ (92,668)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided By (Used in) Operating Activities:		
Depreciation	73,548	92,925
Deferred Federal Income Taxes	1,320	1,738
(Increase) Decrease in Operating Assets:		
Accounts Receivable- Customers	(1,771)	(1,552)
Accounts Receivable - NECA	(2,980)	(1,455)
Accounts Receivable - Other	(4,788)	(375)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	8,291	6,176
Accounts Payable - Taxes	1,004	1,164
Accrued Federal Income Taxes		(7,591)
Accrued Wages	<u>2,763</u>	
Net Cash Provided By (Used In) Operating Activities	82,561	(1,638)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Plant and Equipment	<u>(65,653)</u>	<u>(85,101)</u>
Net Cash Used In Investing Activities	(65,653)	(85,101)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment on Long-Term Debt	<u>(7,925)</u>	<u>82,265</u>
Net Cash Provided By (Used In) Financing Activities	<u>(7,925)</u>	<u>82,265</u>
Net Increase (Decrease) in Cash and Cash Equivalents	8,983	(4,474)
Cash and Cash Equivalents at Beginning of Year	<u>99,851</u>	<u>104,325</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 108,834</u></u>	<u><u>\$ 99,851</u></u>

See Accompanying Notes and Independent Accountant's Review Report.