

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Investigation Into)	
The Earnings of Cass County Telephone)	Case No. IR-2006-0374
Company,)	

FIRST AMENDED STIPULATION AND AGREEMENT

COME NOW the Staff of the Missouri Public Service Commission ("Staff"), Cass County Telephone Company, Limited Partnership ("CassTel"), Local Exchange Company, LLC, ("LEC"),¹ FairPoint Communications, Inc. ("FairPoint"), FairPoint Communications Missouri, Inc. ("FairPoint Missouri"), the Office of the Public Counsel ("OPC") and Southwestern Bell Telephone, LP, d/b/a AT&T Missouri ("AT&T Missouri") (sometimes hereinafter collectively referred as the "Signatory Parties" or individually as a "Party").

WHEREAS, Staff, CassTel, LEC, FairPoint, FairPoint Missouri and the OPC caused to be filed with the Missouri Public Service Commission ("Commission") on or about March 30, 2006 a Stipulation and Agreement ("Agreement") to resolve an investigation by Staff into the earnings of CassTel; and

WHEREAS, the Agreement provides, among other things, for a credit and cash distribution to qualifying customers of CassTel in the State of Missouri; and

¹ Although LEC is a party to this First Amended Stipulation and Agreement, LEC does not alter or waive its contention that it is not subject to the Commission's regulatory supervision and does not, by virtue of signing this Agreement, consent to or concede the jurisdiction of the Commission over LEC's business or its members.

WHEREAS, the Commission by order dated April 3, 2006, directed that notice of the Agreement be made available to the news media and certain members of the Missouri General Assembly and established an intervention deadline of April 24, 2006; and

WHEREAS, AT&T Missouri filed a timely Application to Intervene; and

WHEREAS, the Parties met to discuss AT&T Missouri's intervention and the issues raised therein on the afternoon of May 2, 2006;

NOW, THEREFORE, the Signatory Parties have amended the Agreement as follows:

Section I of the Agreement is amended by adding at the end thereof a new subsection as follows:

E. Cash Distribution Qualifying Access

Customer: A customer (other than LEC Long Distance, Inc. dba CassTel LD) that has paid the tariffed rate for and received exchange switched access telecommunications services (originating or terminating) from CassTel ("Access Service") for the period January 1, 2005, through April 30, 2006.

Section II.B. of the Agreement is amended by adding at the end thereof a new paragraph as follows:

CassTel agrees to pay Cash Distribution Qualifying Access Customers in the aggregate amount of \$500,000 within 10 days after the Closing

Date pursuant to the following process: On the Closing Date, FairPoint Missouri will withhold \$500,000 of CassTel/LEC's proceeds from the sale in trust for the benefit of the Cash Distribution Qualifying Access Customers for the purpose of making the cash distributions, and will make the cash distributions. The cash distribution to each Cash Distribution Qualifying Access Customer shall be \$500,000 times that Customer's percentage of the total dollar amount of intrastate tariffed switched access revenues paid to CassTel during the period January 1, 2005, through April 30, 2006 from all Cash Distribution Qualifying Access Customers. Expressed by a mathematical formula, each Cash Distribution Qualifying Access Customer's cash distribution = $\$500,000 \times (\text{the dollar amount of intrastate tariffed switched access revenues paid by each Cash Distribution Qualifying Access Customer for the period January 1, 2005 through April 30, 2006} \div \text{the total dollar amount of intrastate tariffed switched access revenues paid to CassTel for the period January 1, 2005 through April 30, 2006 from all Cash Distribution Qualifying Access Customers})$. A

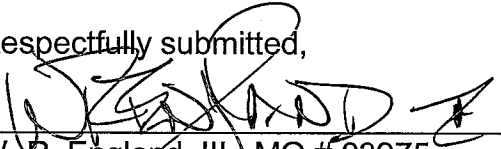
spreadsheet illustrating the payments received by
CassTel from Cash Distribution Qualifying Access
Customers during the relevant period is attached
hereto as Appendix B (HC).

Section III.A., of the Agreement is modified by deleting from the fourth line
thereof, the reference to "\$3.6 million" and substituting in lieu thereof, "\$4.1
million". Accordingly, a revised Appendix A is attached hereto.

Other than amended as specifically set forth above, the Agreement in all
other respects is hereby restated, ratified and confirmed.

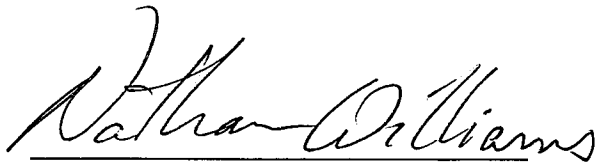
WHEREFORE, the undersigned Signatory Parties have executed this First
Amended Stipulation and Agreement.

Respectfully submitted,



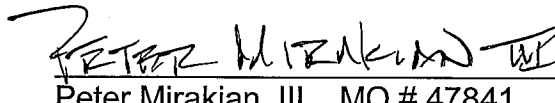
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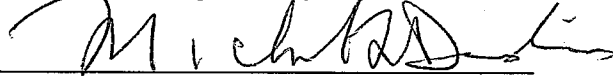
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail, electronic mail or hand delivery, on the 22nd day of May, 2006, to the following:

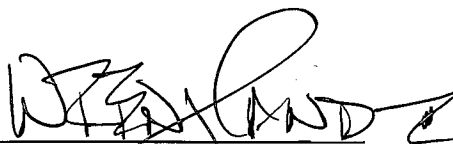
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