JAMES M. FISCHER, P.C.

ATTORNEY AT LAW
REGULATORY CONSULTANT

101 WEST McCarty, Suite 215 JEFFERSON CITY, MO 65101 Telephone (573) 636-6758 Fax (573) 636-0383

January 4, 2000

FILED

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 3660
Jefferson City, Missouri 65102

JAN 4 2000

Tm-2006-403
Missouri Public
Service Commission

RE: In the matter of the Joint Application of GTE Midwest Incorporated and Iowa Telecommunications Services, Inc. for authority to transfer and acquire part of GTE Midwest Incorporated's franchise, facilities and system located in the State of Missouri and for issuance of Certificates of Service Authority for Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom to borrow funds in connection therewith to execute a Telephone Loan Contract, Promissory Notes, and a Mortgage, Security Agreement and Financing Statement

Dear Mr. Roberts:

Enclosed for filing in the above-referenced matter are the original and six (6) copies of the Joint Application of GTE Midwest Incorporated and Iowa Telecommunications Services, Inc. with Exhibits 3, 6 and 8 being filed under seal, and eight (8) nonproprietary copies also being filed, as required by the Commission's rules.

Enclosed, also, for filing in the above-referenced matter are the original and fourteen (14) copies of GTE Midwest Incorporated and Iowa Telecommunications Services, Inc.'s Motion for Protective Order.

Copies of the foregoing Joint Application and Motion for Protective Order have been hand-delivered or mailed this date to parties of record.

Thank you for your attention to this matter.

Sincerely,

James M. Fischer

James M. Fischer

By: Judy Reynolds

/jr

Enclosures

cc: Office of the Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

ION JAN 4 2000 Missouri Public Commission

In the matter of the Joint Application of GTE Midwest Incorporated and Iowa Telecommunications Services, Inc. for authority to transfer and acquire part of GTE Midwest Incorporated's franchise, facilities and system located in the State of Missouri and for issuance of Certificates of Service Authority to Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom and for authority for Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom to borrow funds in connection therewith to execute a Telephone Loan Contract, Promissory Notes, and a Mortgage, Security Agreement) and Financing Statement.

Case No. Tm-2000-403

JOINT APPLICATION

COME NOW GTE Midwest Incorporated ("GTE") and Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom ("ITS") (also collectively referred to as "Joint Applicants"), in support of their Joint Application, and pursuant to Sections 392.300, 392.310 and 392.430, RSMo 1994¹; Sections 392.410 and 392.450, RSMo Supp. 1998; and 4 CSR 240-2.060, state to the Missouri Public Service Commission ("Commission") as follows:

1. GTE Midwest Incorporated is a corporation duly organized and existing under the laws of the State of Delaware; its principal office and place of business is located at 1000 GTE Drive, Wentzville, Missouri 63385. GTE currently provides telecommunications service to

¹ All statutory references are to Revised Statutes of Missouri 1994, unless otherwise noted.

customers located in the state of Missouri, totaling approximately 450,632 access lines pursuant to a certificate of public convenience and necessity issued by this Commission. GTE is a "telecommunications company" and a "public utility" as those terms are defined in Section 392.020, RSMo Supp. 1998, and is subject to the jurisdiction, supervision and control of this Commission.

- 2. ITS is an Iowa corporation which has its principal offices at 115 South Second Avenue West, Newton, Iowa 50208. ITS is owned by two shareholders, Iowa Network Services, Inc. ("INS"), an Iowa corporation, and Touch America, Inc. ("Touch America"), a Montana corporation. INS is the majority shareholder and will control and direct the operation and management of ITS. Attached hereto as Exhibit 1, and incorporated herein by reference, is ITS' Certificate to Transact Business As a Foreign Corporation issued by the Missouri Secretary of State, and its registration of its fictitious name with the Missouri Secretary of State.
- 3. INS is an Iowa corporation with its principal offices at 4201 Corporate Drive, Des Moines, Iowa 50266. INS has been certificated to provide intrastate, interexchange service in Missouri in Case No. TA-94-336. It is a "telecommunications company" and a "public utility" as those terms are defined in Section 392.020, RSMo Supp. 1998, and is subject to the jurisdiction, supervision, and control of this Commission. INS is owned by 127 common and preferred shareholders, all of which are independent telephone companies providing local exchange services in Iowa. The shareholders are identified on Exhibit 2, which is attached hereto and incorporated herein by reference. Collectively, the owners of INS serve approximately 230,000 subscribers in Iowa.

4. All communications, correspondence, and pleadings in regard to this Application should be directed to:

James M. Fischer
JAMES M. FISCHER, P.C.
101 West McCarty, Suite 215
Telephone: (573) 636-6758

D.M. Anderson GTE Midwest Incorporated 11 Eleventh Avenue Grinnell, Iowa 50112-0330 Telephone: (515) 269-7807

Alan L. Wells
President and Chief Operating Officer
Iowa Telecommunications Services, Inc.
115 South 2nd Avenue
Newton, IA 50209

- 5. Pursuant to an Asset Purchase Agreement entered into by and between ITS and GTE, dated July 1, 1999, GTE proposes to sell to ITS, all 296 of GTE's local telephone exchanges located in the state of Iowa. Three of these Iowa exchanges include approximately 105 access lines that serve customers physically located in Missouri. Since these access lines are located in Missouri, the Joint Applicants are requesting approval of this transaction by this Commission. A copy of the Asset Purchase Agreement (filed under seal) is attached hereto as Exhibit 3 and incorporated herein by reference. A complete list of the Missouri exchanges involved in the transaction is attached hereto as Exhibit 4 and incorporated herein by reference. A description of franchise, facilities, and system proposed to be transferred and the terms and conditions of the proposed transfer are more particularly set forth in the Asset Purchase Agreement (Ex. 3).
- 6. Upon the closing of the transaction contemplated by the Asset Purchase Agreement, GTE proposes to discontinue the provision of telecommunications services in the enumerated Missouri exchanges and, concurrently therewith, ITS proposes to commence the provision of telecommunications services in those exchanges.

- 7. The proposed transaction has been authorized by the Board of Directors of GTE as evidenced by a certified copy of the Resolution to that effect. The Resolution is attached hereto as Exhibit 5 and incorporated herein by reference.
- 8. A pro forma balance sheet and income statement showing the effect of the proposed acquisition upon ITS is attached hereto as Exhibit 6 (filed under seal) and incorporated herein by reference.
- 9. The proposed transaction is not detrimental to the public interest in that ITS possesses the managerial, engineering, and financial expertise necessary to continue to provide the quality of service which GTE currently provides to its customers in the enumerated exchanges. ITS is focused on providing service in rural exchanges. ITS has a vast amount of telecommunications expertise in rural markets which will support leading-edge technology. ITS proposes no immediate change in the operation of GTE's properties as a result of the proposed transaction. Moreover, ITS proposes no immediate changes in the rates, terms, and conditions of the telecommunications service which GTE currently provides to customers in the exchanges. ITS also contemplates deploying new services that may not be available to some customers, such as internet services, after assuming ownership.
- 10. The proposed transfer should have no impact whatsoever on the tax revenues of the political subdivisions in which any of the structures, facilities, or equipment of GTE is located inasmuch as the location and the character of these structures, facilities, or equipment will not change as the result of the proposed transaction nor will the tax status of the entity owning the same.
- 11. If this transaction is approved, ITS proposes to begin provision of telecommunications services in the subject exchanges immediately upon closing. Accordingly, ITS seeks a Certificate of Service Authority to provide local exchange telecommunications service,

including basic local telecommunications service, and interexchange telecommunications services within the Missouri exchanges listed on Exhibit 4, which exchanges are currently served by GTE.

- 12. Exhibit 7, attached hereto and incorporated herein by reference, includes exchange boundary maps for the subject exchanges. These exchange boundary maps are on file with, and have been approved by, the Commission. ITS seeks to provide service to the same areas and within the same boundaries shown on these maps. These maps provide the most accurate depiction of the service area in question.
- ITS seeks to continue telecommunications services to these areas currently served by GTE under the same rates, terms and conditions as are currently in force for these exchanges. After this transaction is approved, ITS will adopt GTE's tariff for the three exchanges involved in this Application or file a new ITS tariff substantially similar to the existing GTE tariff. Accordingly, ITS requests a waiver of 4 CSR 240-2.060(4)(H) which requires that a proposed tariff with a forty-five (45) day effective date be filed with this Application.
- 14. ITS will obtain the appropriate approvals to provide service in the subject exchanges because all necessary approvals of governmental bodies will be transferred from GTE as provided by the terms of the Asset Purchase Agreement (Ex. 3).
- 15. The granting of the Application for a certificate is required by the public convenience and necessity in order for the customers of the subject exchanges to continue receiving the telecommunications services that they are currently receiving from GTE. Joint Applicants have previously set out in Paragraph 9 of this Application, facts showing that the proposed transfer is not detrimental to the public interest, and these same facts also show that the granting of the Application is required by the public convenience and necessity.

- 16. ITS has shown in Paragraph 9 of this Application that it possesses the necessary technical, financial, and managerial resources and abilities to provide telecommunications services, including basic local telecommunications services, and interexchange telecommunications service. GTE no longer desires to provide the aforementioned services and is willing to relinquish its obligation to provide service at such time as ITS is authorized to begin providing service in the subject exchanges. For this reason, the public convenience and necessity requires that a certificate be granted to ITS.
- 17. ITS proposes to borrow certain sums from Rural Telephone Finance Cooperative ("RTFC") of Herdon, Virginia, a wholly owned subsidiary of National Rural Utilities Cooperative Finance Corporation ("CFC") and Fleet Securities, Inc. ("Fleet"), or another broker. RTFC will provide senior secured loans and a revolving line of credit facility, and Fleet, or another broker, will arrange for placement of subordinated debt in order to partially finance the acquisition of the local exchange telephone properties and other assets from GTE, as set out in the Asset Purchase Agreement (Ex. 3).
- 18. ITS proposes to enter into loan agreements with RTFC and Fleet, or another broker, which reflect the terms and conditions set out in the Summary Term Sheet which is attached hereto as Exhibit 8 (filed under seal) and incorporated herein by reference. A copy of the loan agreements will be filed with the Commission as a late-filed exhibits as soon as they have been prepared. In addition, ITS will execute and deliver Promissory Notes to RTFC and Fleet, or another broker.
- 19. As security for the loan, ITS proposes to execute and deliver a Mortgage, Security Agreement, and Financing Statement on substantially all assets of Applicant (ITS). A copy of the Mortgage, Security Agreement, and Financing Statement will be filed with the Commission when it is available.

- 20. An original, certified copy of the Resolution of ITS, in the form to be prescribed by its lenders, which will approve the making of the loan, the execution of the Promissory notes and the giving of security therefore, will be filed with the Commission as a late-filed Exhibit as soon as it has been adopted.
- 21. The pro forma balance sheet and income statement of Applicant ITS (Ex. 6) shows the effect of the proposed financing upon bonded and other indebtedness.
- 22. Since ITS is a newly formed corporation, it does not have a capitalization expenditure schedule for the prior five (5) years, and it therefore requests that 4 CSR 240-2.060(8)(H) be waived.
- 23. No portion of the proceeds of the loan will be used for the purpose of guaranteeing, taking over, refunding, discharging, or retiring existing indebtedness; therefore, the entire amount will be subject to the fee schedule as set forth in Section 386.300.

WHEREFORE, Joint Applicants respectfully request the Commission to issue its order:

(1) approving the transfer and acquisition of that part of GTE's franchise, facilities, and system used in providing service to the public in the Missouri exchanges listed on Exhibit 4, in accordance with the Asset Purchase Agreement (Ex. 3); (2) authorizing GTE to discontinue providing telecommunications services in the enumerated exchanges as of the date of transfer; (3) granting a Certificate of Service Authority to ITS to provide local telecommunications service, including basic local telecommunications service, and interexchange telecommunications service to the exchanges; (4) authorizing ITS to commence providing telecommunications services in the enumerated exchanges effective on the date of closing of the sale; (5) authorizing Joint Applicants to do and perform, or cause to be done and performed, such other acts and things, as well as to make, execute and deliver any and all documents as may be necessary, advisable and proper to the end that the intent and purposes of this transaction may be fully effectuated; (6) authorizing ITS to borrow from

Rural Telephone Finance Corporation and Fleet Securities, Inc., or another broker, an amount specified in the loan documents, substantially in accordance with the terms and conditions set out in the Summary Term Sheet (Ex. 8); (7) execute and deliver Promissory Notes evidencing the loans; (8) execute and deliver a Mortgage, Security Agreement and Financing Statement for the purpose of placing a lien on its assets and securing the loan; and (9) granting such other relief as is reasonable in the circumstances.

Respectfully submitted,

James M. Fischer, Esq.

MBN 27543

AMES M. FISCHER, P.C.

101 West McCarty Street, Suite 215

Jefferson City, Missouri 65101

Telephone:

(573) 636-6758

Facsimile:

(573) 636-0383

Attorney for
Iowa Telecommunications Services, Inc.
d/b/a Iowa Telecom
and GTE Midwest Incorporated

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered or mailed, First Class, postage prepaid, this 4th day of January 2000, to:

Office of the Public Counsel P.O. Box 360 Jefferson City MO 65102

ames M. Fischer

VERIFICATION

STATE OF IOWA)
	D . V) ss
COUNTY OF _	1011)

I, Alan L. Wells, being of lawful age, being first duly sworn upon my oath, state that I am the President of Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom; that I am authorized to execute this Joint Application on behalf of Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom; and that the facts set forth in the foregoing Joint Application are true to the best of my knowledge, information, and belief.

Alan L. Wells, President
Iowa Telecommunications Services, Inc.

Subscribed and sworn to before me this $29\frac{12}{2}$ day of December, 1999.

Notary Public Vice

My Commission Expires: 3.20.0

NANCY BRUCE
MY COMMISSION EXPIRES
3.20-01

VERIFICATION

STATE OF MISSOURI)
) ss
COUNTY OF ST. CHARLES)

I, Robert Bradley, being of lawful age, being first duly sworn upon my oath, state that I am the President of GTE Midwest Incorporated; that I am authorized to execute this Joint Application on behalf of GTE Midwest Incorporated; and that the facts set forth in the foregoing Joint Application are true to the best of my knowledge, information, and belief.

Robert Bradley, President GTE Midwest Incorporated

Subscribed and sworn to before me this 15th day of December, 1999.

Notary Public

My Commission Expires:

tober 2, 2001

"NOTARY SEAL"
Kathleen M. Feldewerth, Notary Public
St. Charles County, State of Missouri
My Commission Expires 10/2/2001

RCV BY: INS



Rebecca McDowell Cook Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS,
IOWA TELECOMMUNICATIONS SERVICES, INC.

USING IN MISSOURI THE NAME IOWA TELECOMMUNICATIONS SERVICES, INC.

HAS COMPLIED WITH THE GENERAL AND BUSINESS CORPORATION LAW WHICH GOVERNS FOREIGN CORPORATIONS; BY FILING IN THE OFFICE OF THE SECRETARY OF STATE OF MISSOURI AUTHENTICATED EVIDENCE OF ITS INCORPORATION AND GOOD STANDING UNDER THE LAWS OF THE STATE OF IOWA.

NOW, THEREFORE, I, REBECCA MCDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI, DO HEREBY CERTIFY THAT SAID CORPORATION IS FROM THIS DATE DULY AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE, AND IS ENTITLED TO ALL RIGHTS AND PRIVILEGES GRANTED TO FOREIGN CORPORATIONS UNDER THE GENERAL AND BUSINESS CORPORATION LAW OF MISSOURI.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 10TH DAY OF DECEMBER, 1999.

Secretary of State

\$155.00





Corp. #56 (12-94)

State of Missouri

366070

Rebecca McDowell Cook, Secretary of State

Corporation Division

Registration of Fictitious Name (Submit in duplicate with a filing fee of \$7)

This information is for the use of the	e public and gives no protection	to the name. There is no provision in this
Chapter to keep another company or corp	poration from adopting and using	the same name. (RSMo 417)

Telecom

101 West MCCARTY Street -- Suite 215

Jefferson City, MO 65101

We, the undersigned, are doing business under the following name, and at the following address:

Name to be registered:

Missouri Business Address: (P.O. Boxes not accepted)

City, State and Zip Code:

IUWA

Name of Owners, Individual or Corporate Towa Telecommunications Services Inc.	Street and Number 4301 Corporate	City Wort Das Meines, IA	State and Zip Code 50266 - 5906	If listed, Percentage of ownership must equal 100%
				·
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	<u></u>	·		
			 ;	
(Must be typed or printed)				
Return to: Secretary of State Corporation Division P.O. Box 778 Jefferson City, Mo. 65102		JANLO 3 2000		

The undersignach did say tha	gned, being all the parties owning inter it the statements and matters set forth her	rest in the above company, being duly sworn, upon their oaths ein are true.
Individual Owners	(<u>x</u>	<u>x</u>
Sign Here	<u>x</u>	<u>X</u>
1	X	<u>x</u>
		caused this application to be executed in its name by its President
	or Vice-President and its Secretary or day of December	Assistant Secretary, this 99
	day of December	
II	•	Iowa Telecommunications Services, Inc.
Corporation is		By (Eyact Corporate Title)
Owner,		lis President or Vict-President By Slee L Hello
Corporate Officers		Lie Secretary or Assistant Secretary
Execute Here	•	
***************************************	None	
	(Corporate Scal) If no scal, state "none".	
	·	
Jona	•	
ate of Missouri	} ss	
owner of Pol	<u>k</u> 5	
	Cu Bruce	2014
I, Isarie	, A Notary Publ	personally appeared before me Lon Hopkey and Robert Halford Vice President
ay of <u>Dece</u>	19 99 as the	, personally appeared before me Lon Topicly and Nover 9 mayor. Vice President
nd being first	duly sworn by me, acknowledged that	ad Secve tary he signed as his own free act and deed the foregoing
ocument in th	ne capacity therein set forth and declared t	hat the statements therein contained are true.
IN WITNES	SS WHEREOF, I have hereunto set my h	and and scal the day and year before written.
	(Northern Sente	Alaman Bhin
- CARI	MY COMMISSION EXPIRES 3.20-200/	Notary Public
نسا	J. 20-201	MARCH 21 ADD.
		My commission expires Warch 20, 2001



State of Missouri

Rebecca McDowell Cook, Secretary of State P.O. Box 778, Jefferson City, Mo. 65102

Corporation Division

Application for Foreign Corporation For a Certificate of Authority

	(Submit in duplicate with filing fee of \$155.00)
(1)	The corporation's name is <u>Lowa Telecommunications</u> Services, <u>Inc.</u> and it is organized and existing under the laws of <u>Lowa</u> .
(2) (3)	The name it will use in Missouri is <u>Towa</u> <u>Telecommunications</u> <u>Services</u> , <u>Inc.</u> . The date of its incorporation was <u>May 14</u> , 1999, and the period of its duration is <u>Per petual</u> .
(4)	The address of its principal place of business 115 South Second Ave. West, Newton, IA 50208 Address City/State/Zip
(5)	The name and address of its registered agent and office in the State of Missouri is James M. Fischer, P.C., 101 West McCarty, Suite 215, Jefferson City, Mo (E101) Name Address
(6)	The specific purpose(s) of its business in Missouri are:
	The specific purpose of its business in Missouri is to engage generally in the business of providing telecommunications services
(7)	The name of its officers and directors and their business addresses are as follows:
	(Officers) Name Address City/State/Zip
	President Alan L. Wells, 115 South Second Ave. W., Newton, IA 50208
	Vice President
	Secretary Robert S. Haiford, 105 5th Ave. N., Clear Lake, IA 50428
	Treasurer
	(Board of Directors)
	Director Edward J. Buchanan, 105 West Street, Truro, Jowa 50257
	Director Robert S. Halford 105 5th Auc. N., Clear Lake, IA 50428
	Director Michael IT Meldahl, 40 E. Broadway, Butte, MT. 59701
	Director William P. Bagley, 4201 Corporate Drive, W. Des Moines, IA
(8)	The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless you indicate a future date, as follows:
	(Date may not be more than 90 days after the filing date in this office)
	In affirmation thereof, the facts stated above are true.
	President and Chief Operating Officer 12/9/199
	(Authorized signature of officer or chairman of the board) (Title) (Date of Signature)

Note: You must have a current certificate of good standing or certificate of existence with this application. This may be obtained from the Secretary of State or other authority that issues corporate charters.



No. 00083707 Date: 12/09/1999

490 DP-0002 TECHNARY OF STATE

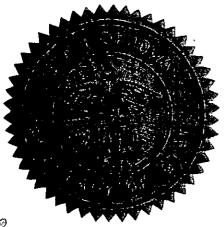
IOWA TELECOMMUNICATIONS
ATTN TODD SCHULZ
321 E WALNUT ST STE 140
DES MOINES, IA 50309

CERTIFICATE OF EXISTENCE

Name: IOWA TELECOMMUNICATIONS SERVICES, INC.

Begin date: 19990514 Expiration: PERPETUAL

I, CHESTER J. CULVER, secretary of state of the state of Iowa, custodian of the records of incorporations, certify that the corporation is in existence and was duly incorporated under the laws of Iowa on the date printed above, that all fees required by the Iowa Business Corporation Act have been paid by the corporation, that the most recent biennial corporate report has been filed by the secretary of state, and that articles of dissolution have not been filed.



CHESTER J. CULVER

SECRETARY OF STATE

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LIST OF INS COMMON AND PREFERRED SHAREHOLDERS

Ace Telephone Association Amana Society Service Co. Andrew Telephone Company, Inc. Arcadia Telephone Cooperative Atkins Telephone Co., Inc. Ayrshire Farmers Mutual Tel. Co. Baldwin-Nashville Telephone Co., Inc. "Bernard Telephone Co., Inc. Brooklyn Mutual Telephone Co. Butler-Bremer Mutual Telephone Company Cascade Telephone Company Casey Mutual Telephone Co. Center Junction Telephone Co. Central Scott Telephone Co. Citizens Mutual Telephone Co. Clarence Telephone Co., Inc. Clear Lake Independent Telephone Company C-M-L Telephone Cooperative Assn. of Meriden, Iowa Coon Creek Telephone Co. Coon Valley Coop. Tel. Assn., Inc. Cooperative Tel Company Cooperative Tel Exchange Corn Belt Telephone Co. Cumberland Telephone Co. Danville Mutual Telephone Co.

Defiance Telephone Company Dumont Telephone Company East Buchanan Telephone Cooperative Ellsworth Cooperative Telephone Association Farmer's & Businessmen's Telephone Company Farmers Cooperative Telephone Co. Farmers Mutual Cooperative Telephone Co. (Harlan) Farmers Mutual Cooperative Telephone Co. (Moulton) Farmers Mutual Telephone Co. (Nora Springs)
Farmers Mutual Telephone Co. (Shellsburg) Farmers Mutual Telephone Co. (Stanton) Farmers Telephone Company (Batavia) Farmers Telephone Company (Essex) Farmers Telephone Company (Nora Springs) Fenton Coop. Telephoné Co. Goldfield Telephone Company Grand Mound Cooperative Telephone Association

Grand River Mutual Telephone Corp. Griswold Cooperative Telephone Co. Hawkeye Telephone Company Heart of Iowa Telephone Coop. Hills Telephone Company Hospers Telephone Exchange, Inc. Hubbard Coop Telephone Association Huxley Cooperative Telephone Co. Iamo Telephone Company Interstate 35 Telephone Company Jefferson Telephone Company Jordan-Soldier Valley Coop Telephone Company Kalona Coop. Telephone Company Keystone Farmers Coop. Telephone Company La Porte City Telephone Company Lehigh Valley Coop. Telephone Assn. Lone Rock Coop. Telephone Assn. Lost Nation-Elwood Telephone Co. Lynnville Community Telephone Company, Inc. Manilla Telephone Company Marne & Elk Horn Telephone Co. Martelle Coop. Telephone Assn. Massena Telephone Company Mechanicsville Telephone Company Mediapolis Telephone Company Miles Coop. Telephone Assn. Minburn Telephone Company Minerva Valley Telephone Co., Inc. Modern Cooperative Telephone Co. Montezuma Mutual Telephone Co. Mutual Telephone Company Mutual Telephone Company of Morning Sun North English Cooperative Telephone Company Northeast Iowa Telephone Co. Northern Iowa Telephone Co. Northwest Telephone Coop. Assn. Norway Rural Telephone Co. Ogden Telephone Company Olin Telephone Company, Inc. Onslow Cooperative Telephone Assn. Oran Mucual Telephone Company Palmer Mutual Telephone Company Palo Cooperative Telephone Assn. Panora Coop. Telephone Assn., Inc. Peoples Telephone Company Postville Telephone Company Prairie Telephone Co., Inc. Prairieburg Telephoné Co., Inc. Preston Telephone Company Radcliffe Telephone Co., Inc.

Readlyn Telephone Company
Ringsted Telephone Company
River Valley Telephone Co-op
Rockwell Coop. Telephone Assn.
Ruthven Telephone Exchange Co.
Sac County Mutual Telephone Company
Schaller Telephone Company

Sharon Telephone Company Shell Rock Telephone Company South Slope Cooperative Telephone Company, Inc. Southwest Telephone Exchange, Inc. Springville Coop. Telephone Association, Inc. Stratford Mutual Telephone Co. Sully Telephone Association Swisher Telephone Company Templeton Telephone Company Terrill Telephone Company The Burt Telephone Company Titonka Telephone Company United Farmers Telephone Co. Van Buren Telephone Co., Inc. Van Horne Cooperative Telephone Co. Ventura Telephone Company, Inc. Walnut Telephone Company Webb-Dickens Telephone Corp. Wellman Coop. Telephone Assn. West Iowa Telephone Company West Liberty Telephone Company Western Iowa Telephone Assn. Westside Independent Telephone Co. Wilton Telephone Company Winnebago Cooperative Telephone Association Woolstock Mutual Telephone Association Wyoming Mutual Telephone Company Minburn Telecommunications, Inc.

GTE SALE OF IOWA EXCHANGES TO ITS

ACCESS LINES IN MISSOURI SERVED BY C.O. SWITCHES IN IOWA

Missouri <u>Property</u>	Access <u>Lines</u>	<u>NPA</u>	NNX
Athens	66	660	877
Braddyville	31	660	581
South Seymour	_8	660	399
TOTAL	105		

GTE Board of Directors Resolution

GTE CORPORATION

RESOLVED: That the proper officers of the Corporation, GTE Service Corporation, and any direct or indirect subsidiaries of the Corporation are authorized to sell and/or exchange for telecommunication properties the switched access lines identified in Exhibit A (the "Specified Lines") and any additional switched access lines as such officers deem advisable; provided, however, that (i) the aggregate number of switched access lines sold, net of any switched access lines acquired in any exchange, shall not exceed one million six hundred thousand (1,600,000) plus the number of switched access lines in the exchanges identified in Exhibit A which represents normal growth in such exchanges since December 31, 1997 (the "Expansion Lines"), and (ii) not more than three hundred thousand (300,000) of the switched access lines that are sold or exchanged shall be access lines that are not Specified Lines or Expansion Lines.

RESOLVED: That the proper officers of the Corporation, GTE Service Corporation, and any direct or indirect subsidiaries of the Corporation are authorized to effect the sale and/or exchange of access lines as described in the preceding resolution without any further-approval of this Board, provided, however, that any single transaction shall not exceed two hundred fifty million dollars (\$250 million) of net book value.

RESOLVED: That the proper officers of the Corporation, GTE Service Corporation and any direct or indirect subsidiaries of the Corporation are authorized to enter into agreements, make regulatory filings and take any and all other actions that said officers, acting individually, deem necessary or advisable to carry out the intent of the foregoing resolutions, and that the authority of the officer to take such action shall be conclusively evidenced by his or her taking such action.

SECRETARY'S CERTIFICATE OF RESOLUTION

I, the undersigned Marianne Drost, Secretary of GTE Corporation, a corporation organized under the laws of the State of New York (the "Corporation"), HEREBY DO CERTIFY that the foregoing is a full, true and correct copy of a resolution of the Board of Directors of the Corporation, duly and regularly adopted by the Board of Directors in conformance with applicable law and the bylaws of said Corporation on the 3rd day of September, 1998.

I further certify that said resolution has not been amended or revoked and is still in full force and effect, that it was unanimously adopted by a quorum, and that the same appears of record in the minute book of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my name as Secretary and affixed the seal of said Corporation, this 13th day of August, 1999.

Marianne Drost Secretary

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REPOSITIO	NING RESOLUTION	EXHIB	
State	Market Cluster =	Number of Exchanges.	Total.Lines
ALABAMA	ALBERTA AL	3	2,226
ALABAMA	ANDALUSIA AL	4	17,045
ALABAMA	ASHLAND AL	10	15,581
ALABAMA	BAYOU LA BATRE AL	5	11,832
ALABAMA	BRUNDIDGE AL	4	4,629
ALABAMA	COFFEEVILLE AL	1	694
ALABAMA	DOTHAN AL	18	104,002
ALABAMA	FALKVILLE AL	3	2,841
ALABAMA	GREENVILLE AL	9	16,163
ALABAMA	HALEYVILLE AL	8_	24,493
ALABAMA	JEMISON AL	3	5,504
ALABAMA	REFORM AL	6	8,838
ALABAMA	SCOTTSBORO AL	3	13,551
ALABAMA	TALLASSEE AL	2	6,195
ALABAMA	TRUSSVILLE AL	4	20,582
ALABAMA	VALLEY HEAD AL	2	1,705
ALABAMA	VERNON AL	5	12,069
ALABAMA Total		90	267,950
ALASKA	ALASKA AK	12	12,601
ALASKA Total		12	12,601
ARIZONA	EHRENBERG AZ	2	801
ARIZONA	PARKER AZ	4	7,392
ARIZONA Total		6	8,193
ARKANSAS	ALMA AR	3	6,684
ARKANSAS	BALD KNOB AR	11	14,463
ARKANSAS	DUMAS AR	4	7,974
ARKANSAS	GREENWOOD AR	7	15,453
ARKANSAS	JACKSONVILLE AR	5	35,943
ARKANSAS	MARVEL AR	1	1,453
ARKANSAS	OZARK AR	5	12,500
ARKANSAS	PIGGOTT AR	7	5,838
ARKANSAS	POCAHONTAS AR	10	13,966
ARKANSAS	PRESCOTT AR	3	4,208
ARKANSAS	RUSSELLVILLE AR	13	43,869
ARKANSAS	SILOAM SPRINGS AR	9	18,010
ARKANSAS	STUTTGART AR	14	19,828
ARKANSAS	TEXARKANA AR	1	2,557
ARKANSAS	TRUMANN AR	7	10,598
ARKANSAS	WALDO AR	2	1,930
ARKANSAS Total		102	215,274
CALIFORNIA	BLYTHE CA	2	9,528
CALIFORNIA	CRESCENT CITY CA	5	13,542
CALIFORNIA	GARBERVILLE CA	6	4,698
CALIFORNIA	LAYTONVILLE CA	2	2,607
CALIFORNIA	ORICK CA	. 1	368

PEDOSITIO	MING DESCLUTION	EXHIBI	TA
REPOSITIONING RESOLUTION		EATIDI	I A
State	Market Cluster	Exchanges	Total Lines.
CALIFORNIA	PARKER DAM CA	4	3,156
CALIFORNIA	WEAVERVILLE CA	5	8,238
CALIFORNIA Total		25	42,137
ILLINOIS	ALEDO IL	16	10,167
ILLINOIS	ALTAMONT IL	8	7,549
ILLINOIS	BUNKER HILL IL	1	1,344
ILLINOIS	CARLINVILLE IL	9	12,815
ILLINOIS	CARTHAGE IL	11	8,056
ILLINOIS	CORDOVA IL	6,	6,596
ILLINOIS	CUBA IL	1 5	794
ILLINOIS	EAST DUBUQUE IL	1	2,407
ILLINOIS	FREEPORT IL	22	38,930
ILLINOIS	JACKSONVILLE IL	23	30,944
ILLINOIS	JERSEYVILLE IL	11	10,632
ILLINOIS	KILBOURNE IL	2	687
ILLINOIS	MACOMB IL	13	26,076
ILLINOIS	MASON CITY IL	3	3,226
ILLINOIS	NEW BADEN IL	10 .	7,048
ILLINOIS	PITTSFIELD IL	10	10,518
ILLINOIS	POLO IL	6	6,421
ILLINOIS	PROPHETSTOWN IL	7	9,680
ILLINOIS	SHUMWAY IL	3	4,651
ILLINOIS	VIRDEN IL	7	8,584
ILLINOIS	WALTONVILLE IL	13	8,596
ILLINOIS Total		183	215,721
IOWA	CENTERVILLE IA	11	11,162
IOWA	CLARINDA IA	4	4,378
IOWA	COON RAPIDS IA	, 8	4,178
IOWA	CRESCO IA	12	9,240
IOWA	CRESTON IA	15	10,305
IOWA	DE WITT IA	15	16,286
IOWA	DYERSVILLE IA	9	6,971
IOWA	ELDORA IA	10	8,345
IOWA	EMMETSBURG IA	6	4,689
IOWA	FAIRFIELD IA	19	18,082
IOWA	FOREST CITY IA	11	2,399
IOWA	GRUNDY CENTER IA	5	6,791
IOWA	GUTHRIE CENTER IA	13	8,891
IOWA	HARLAN IA	20	16,357
IOWA	HARTLEY IA	10	5,267
IOWA	KLEMME IA	. 2	882
IOWA	KNOXVILLE IA	6	8,493
IOWA	MADRID IA	3	3,253

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REPOSITIO	EXHIB	IT A	
		Number of	
State State	Market Cluster		Total Lines
IOWA	MANCHESTER IA	18	14,329
IOWA	MARENGO IA	2	3,796
IOWA	MOUNT PLEASANT IA	27	21,871
IOWA	NEW HAMPTON IA	7	7,601
IOWA	NEWTON IA	14	31,716
IOWA	OSCEOLA IA	13	11,593
10WA	ROCKWELL CITY IA	10	7,966
IOWA	SCHLESWIG IA	2	922
IOWA	STATE CENTER IA	12	11,206
IOWA	SWEA CITY IA	2	833
IOWA	TABOR IA	66	2,507
IOWA	UTE IA	2	647
IOWA	WASHINGTON IA	12	15,488
IOWA Total		296	276,444
MINNESOTA	BELGRADE MN	2	977
MINNESOTA	BIGELOW MN	1	177
MINNESOTA	CHERRY GROVE MN	3	2,308
MINNESOTA	CLARKFIELD MN	3	1,282
MINNESOTA	CLEARWATER MN	2	3,394
MINNESOTA	ELY MN	7	10,792
MINNESOTA	ERICKSBURG MN	7	7,818
MINNESOTA	FINLAYSON MN	3	1,702
MINNESOTA	FLOODWOOD MN	7	3,426
MINNESOTA	GREANEY MN	2	336
MINNESOTA	HECTOR MN	8	5,257
MINNESOTA	HERMAN MN	2	2,019
MINNESOTA	ISABELLA MN	11	85
MINNESOTA	JASPER MN	2	1,015
MINNESOTA	LYLE MN	14	11,629
MINNESOTA	MCGREGOR MN	6	4,019
MINNESOTA	MILACA MN	7	8,721
MINNESOTA	MOUND	12	34,162
MINNESOTA	MOUNTAIN LAKE MN	5	2,847
MINNESOTA	OSLO MN	77	4,948
MINNESOTA	STURGEON LAKE MN	3	1,762
MINNESOTA	TWO HARBORS MN	2	4,467
MINNESOTA	TYLER MN	6	2,824
MINNESOTA	WEST CONCORD MN	. 4	7,492
MINNESOTA Total		116	123,459
MISSOURI	BRUNSWICK MO	3	1,360
MISSOURI	CAMERON MO	14	16,512
MISSOURI	CHAMOIS MO	3	1,692
MISSOURI	CONCORDIA MO	1	2,093

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REPOSITIO	NING RESOLUTION	EXHIB	TA
State State	Market Cluster	Number of a Exchanges	Total Lines
MISSOURI	ELDORADO SPRINGS MO		12,710
MISSOURI	HERMANN MO	1	2,608
MISSOURI	LICKING MO	4	3,433
MISSOURI	MACON MO	5	8,562
MISSOURI	MEMPHIS MO	5	3,711
MISSOURI	MOUNTAIN GROVE MO	8	11,960
MISSOURI	PALMYRA MO	15	13,370
MISSOURI	POTOSI MO	12	14,000
MISSOURI	ROCKVILLE MO	1	378
MISSOURI	SAVANNAH MO	10	5,999
MISSOURI	ST. JAMES MO	8	13,591
MISSOURI	VAN BUREN MO	6	5,396
MISSOURI Total		109	117,375
NEBRASKA	COLUMBUS NE	8	19,486
NEBRASKA	KEARNEY NE	7	23,617
NEBRASKA	NELIGH NE	7	6,405
NEBRASKA	-ORD NE	2	2,513
NEBRASKA	PALMER NE	1	488
NEBRASKA	STAMFORD NE	12	5,219
NEBRASKA Total		37	57,728
NEW MEXICO	CARLSBAD NM NM	3	17,893
NEW MEXICO	CHAMA NM	4	2,648
NEW MEXICO	CUBA NM	6	3,187
NEW MEXICO	ESPANOLA NM	9	15,805
NEW MEXICO	HOBBS NM	5	27,687
NEW MEXICO	RUIDOSO NM	6	13,961
NEW MEXICO	CONSEQUENCES NM	3	6,032
NEW MEXICO Total		36	87,213
OKLAHOMA	BROKEN ARROW OK	12	73,815
OKLAHOMA	CHECOTAH OK	11	3,335
OKLAHOMA	COLCORD OK	11	675
OKLAHOMA	HOMINY OK	5	4,335
OKLAHOMA	KAW CITY OK	11	388
OKLAHOMA	PURCELL OK	5	11,580
OKLAHOMA	STROUD OK	11	2,180
OKLAHOMA	TECUMSEH OK	6	8,888
OKLAHOMA Total		32	105,196
TEXAS	ANDREWS TX	2	6,532
TEXAS	AVALON TX	4	2,007
TEXAS	BOGATA TX	2	2,400
TEXAS	CLARKSVILLE TX	33	4,223
TEXAS	CLYDE TX	4	4,278
TEXAS	COLMESNEIL TX	1	1,166

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REPOSITIO	NING RESOLUTION		ITA
State	Market Clusters	Number of Exchanges	Total Lines
TEXAS	CROCKETT TX	8	18,445
TEXAS	CROSBYTON TX	6	5,882
TEXAS	CROSS PLAINS TX	3	2,456
TEXAS	CUSHING TX	2	1,216
TEXAS	DANGERFIELD TX	8	12,571
TEXAS	DEL RIO TX	2	20,400
TEXAS	DENVER CITY TX	2	4,007
TEXAS	DETROIT TX	3	1,205
TEXAS	DILLEY TX	1	1,204
TEXAS	DIMMIT TX	6	6,290
TEXAS	DUMAS TX	8	14,885
TEXAS	FABENS TX	2	3,414
TEXAS	FAIRFIELD TX	11	14,109
TEXAS	FALFURRIAS TX	2	4,564
TEXAS	FERRIS TX	4	5,429
TEXAS	FOLLETT TX	2	793
TEXAS	FRANKLIN TX	1	2,415
TEXAS	GARY TX	1	594
TEXAS	GLEN ROSE TX	3	4,091
TEXAS	HASKELL TX	5	3,946
TEXAS	HEMPHILL TX	5	6,799
TEXAS	HUBBARD TX	6	3,132
TEXAS	HUNTINGTON TX	3	4,741
TEXAS	JOAQUIN TX	2	2,193
TEXAS	KAMAY TX	2	1,528
TEXAS	KARNACK TX	2	1,420
TEXAS	LAMESA TX	1	5,599
TEXAS	LEVELLAND TX	16	25,738
TEXAS	LORAINE TX	2	938
TEXAS	MAUD TX	3	3,198
TEXAS	MEMPHIS TX	7	5,785
TEXAS	MERKEL TX	11	1,886
TEXAS	MORTON TX	2	1,361
TEXAS	NEWTON TX	3	3,689
TEXAS	NORMANGEE TX	5	4,037
TEXAS	PANHANDLE TX	9	7,668
TEXAS	PECOS TX	8	6,048
TEXAS	PERRYTON TX	4	7,949
TEXAS	POST TX	1 1	1,961 905
TEXAS	RIESEL TX	1	1,395
TEXAS	ROANE TX	5	3,734
TEXAS	ROSEBUD TX SEYMOUR TX	<u> </u>	5,810
TEXAS	SETIVIOUR IX	0	3,810

REPOSITIONING RESOLUTION EXHIBIT A				
State	Market:Cluster	Number of s Exchanges	Total Lines	
TEXAS	TEXARKANA TX	5	60,275	
TEXAS	TULIA TX	1	2,431	
TEXAS	VAN HORN TX	3	1,946	
TEXAS	VEGA TX	3	1,110	
TEXAS	VENUS TX	3	2,450	
TEXAS	WHITNEY TX	1	4,600	
TEXAS Total		209	328,848	
WISCONSIN	BOYCEVILLE WI	6	6,004	
WISCONSIN	DODGEVILLE WI	13	16,601	
WISCONSIN	GILLETT WI	2	3,415	
WISCONSIN	HAYWARD WI	4	10,108	
WISCONSIN	LAKEWOOD WI	3	6,109	
WISCONSIN	ORFORDVILLE WI	3	5,952	
WISCONSIN	PARK FALLS WI	5	6,999	
WISCONSIN	PEPIN WI	4	2,901	
WISCONSIN	PRAIRIE DU CHIEN WI	4	6,477	
WISCONSIN	PRESCOTT WI	1	2,386	
WISCONSIN	RICE LAKE WI	3	13,197	
WISCONSIN	ST CROIX FALLS WI	3	4,568	
WISCONSIN Total		51	84,717	
Grand Total		1304	1,942,856	

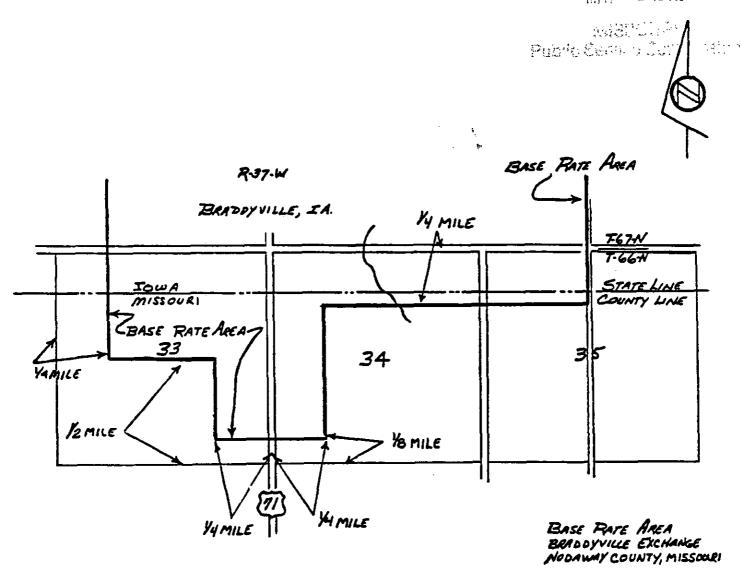
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LOCAL EXCHANGE SERVICE TARIFF

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BASE RATE AREA MAP - BRADDYVILLE, IOWA (MISSOURI PORTION) ± 1892



Base Rate Area Boundary			
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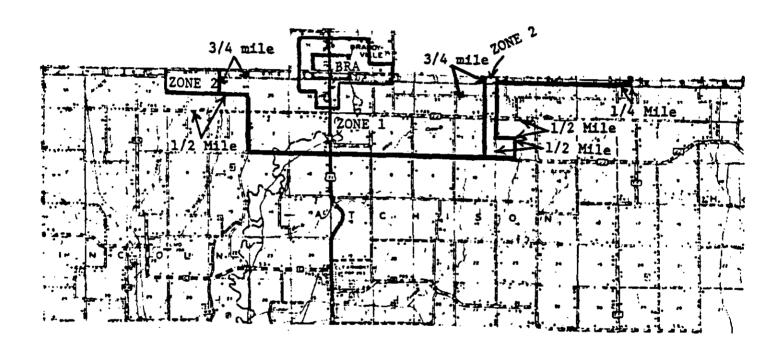
Issued: May 1, 1992

Effective: June 1, 1992

LOCAL EXCHANGE SERVICE TARIFF

EXCHANGE SERVICE AREA MAP - BRADDYVILLE, IOWA (MISSOURI PORTION)

MAY 1 1992 MASSON & Public Survey , Communication



EXCHANGE AREA BOUNDARY

Issued: May 1, 1992

Effective: June 1, 1992

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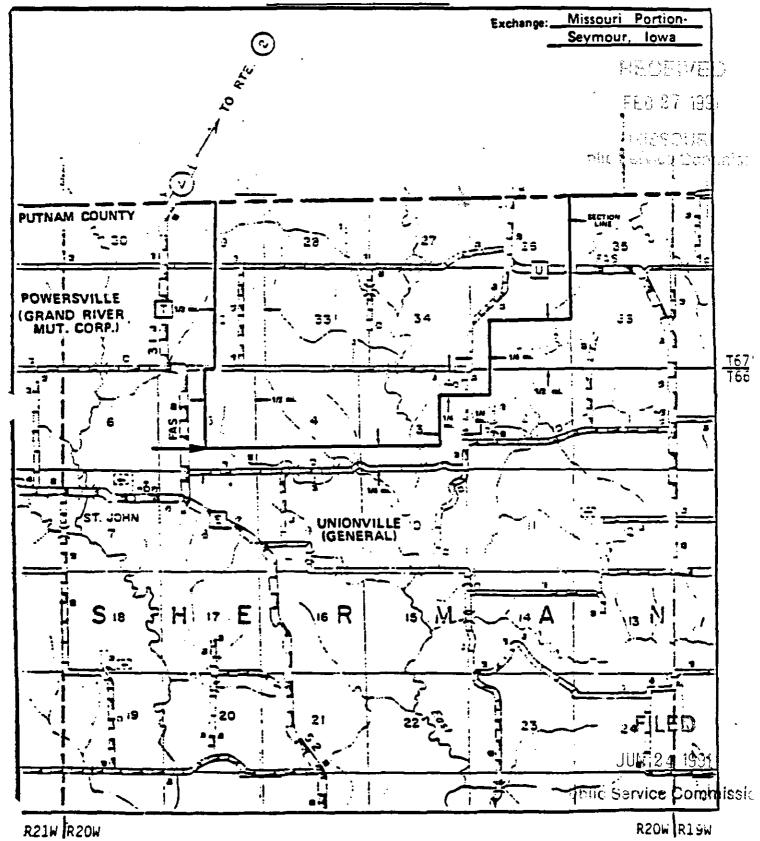
CONTEL OF IOWA, INC.
(MO.) - TELEPHONE TARIFF

EXCHANGE AREA MAP

PSC MO. NO. PART 3

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ORIGINAL SHEET 28



Issued: FEB 2 7 1991

Effective:

By: James Horton, President Newton, Iowa

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CONTEL OF IOWA, INC. (MO) d/b/s/ GTE IOWA (MO)

PSC MO NO. 3
Part 4
First Revised Sheet No. 27
Cancelling Original Sheet No. 27

FARMINGTON
Exchange Area Boundary
(Misseuri Pertien)

MEVENCE RECEIVED MAY 15 1992 MAY 1.5 1992 Mid8QUR: MISSOURI Public Service Commuser Public Service Commission COUNTY COUNTY KEOSAUQUA VAN BUREN 23 T-67-N 28 NE MO RURAL 33 34 -BÓď ĽŹMI REVERE CTC Creek T-66-N

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EXCHANGE AREA -E-E-

122161 MAY 15,1992

By: D. M. Anderson Director-External Affairs SCALE
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Effectives JULY 15, 1992