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KNOXVILLE
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September 18, 2009

VIA E-MAIL AND HAND DELIVERY

Chairman Sara Kyle
c/o Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

filed electronically in docket office on 09/18/09

Re: Joint Application Of Ardmore Telephone Company, Inc., Ardmore Communications LLC and Synergy Technology Partners, Inc. Regarding Transfer of Control, Docket No. 09-00103

Dear Chairman Kyle:

Enclosed please find an original and five (5) copies of Applicants' Response to the Tennessee Regulatory Authority's Data Request No. 2. Applicants have also transmitted this submission electronically to the Authority. Please stamp a copy of this Response as "filed" and return it to me by way of our courier.

Should you have any questions concerning any of the enclosed, please do not hesitate to contact me.

With kindest regards, I remain

Very truly yours,

R. Dale Grimes / emg
R. Dale Grimes

Enclosures

cc: Hon. Mary Freeman (*w/o enclosure*)
Hon. Eddie Roberson, Ph.D. (*w/o enclosure*)
Hon. Kenneth C. Hill (*w/o enclosure*)
Andy McQueen, Esq.
Mr. Trevor Bonnstetter
Mr. Levoy Knowles
Mr. Clyde Warren Nunn

Chairman Sara Kyle
September 17, 2009
Page 2

Melvin Malone, Esq.
Clint Cromwell, Esq.
Mr. Terry Wales

**Docket 09-00103 Joint Application of Ardmore Telephone Company, Inc.,
Ardmore Communications, LLC and Synergy Technology Partners, Inc.
Regarding Transfers of Control**

**Tennessee Regulatory Authority Data Request No. 2 to Applicants,
dated September 11, 2009**

Q1. Provide a description of the merger of Ardmore Telephone Company, Inc. ("Ardmore") and Ardmore Communications, LLC ("Ardmore Communications"). As applicable, provide information sufficient for the TRA to evaluate the merger of Ardmore and Ardmore Communications pursuant to T.C.A. § 65-4-112 or T.C.A. § 65-4-113.

A: Ardmore Communications is a limited liability company organized and existing under the laws of the State of Tennessee. It is in the business of providing long-distance service. As an affiliate of Ardmore, Ardmore Communications utilizes Ardmore's billing and customer service functions, is managed by the same personnel as Ardmore, occupies the same office space as Ardmore, and customers contact the same business and customer service lines to communicate with either company. (Applicants refer the TRA to the Management and Administrative Services Agreement entered into by Ardmore and Ardmore Communications, whereby Ardmore Communications agreed to pay Ardmore a set amount per month in exchange for Ardmore providing the following services: accounting, data processing, marketing, management, administrative support, office space, utilities, telephone, use of office furniture and fixtures, use of Ardmore vehicle for marketing purposes, and incidental services. This Agreement is attached hereto as Exhibit 1. Ardmore and Ardmore Communications still operate according to its terms.)

Accordingly, Ardmore customers effectively receive the services associated with their long-distance provider (Ardmore Communications) from Ardmore already.

Immediately prior to, but in conjunction with the sale of the Ardmore stock to Synergy Technology Partner, Inc., Ardmore Communications will merge with and into Ardmore, with Ardmore being the surviving company and Ardmore Communications ceasing to exist. As a result of the merger, Ardmore will acquire the international Section 214 authority currently held by Ardmore Communications.

The merger of Ardmore Communications with Ardmore will serve the public interest without posing any countervailing harms. As Ardmore Communications' affiliate, and a reliable and customer-focused telecommunications provider in its own right, Ardmore has the suitability, the financial responsibility, and capability to perform efficiently the services currently provided by Ardmore Communications. Ardmore Communications' customers are already customers of Ardmore, which has over 50 years of experience servicing customers in that area, and all customers will continue to have the option to select any long-distance provider they choose post-merger. Further, customers will experience no disruption in service because Ardmore Communications already utilizes, *inter alia*, Ardmore's billing services, and shares management personnel, office space, business phone lines, and customer service functions with Ardmore. Accordingly, customers will continue to receive the same dependable and high-quality service from Ardmore that it currently receives from Ardmore Communications at the same rates and on the same terms and conditions as immediately prior to the merger.

For further information, see Applicants' Response to TRA Data Request No. 1, Question 1 (including Applicants' Supplemental Response, and Second Supplemental Response).

**Docket 09-00103 Joint Application of Ardmore Telephone Company, Inc.,
Ardmore Communications, LLC and Synergy Technology Partners, Inc.
Regarding Transfers of Control**

**Tennessee Regulatory Authority Data Request No. 2 to Applicants,
dated September 11, 2009**

Q2. Have the Applicants filed a Domestic Section 214 Application with the FCC specifically addressing the merger of Ardmore and Ardmore Communications? If so, what is the status of the application? In any filing with the FCC, have the Applicants asserted that the merger of Ardmore and Ardmore Communication is *pro forma* under the FCC rules?

A: Yes, on August 12, 2009, Applicants filed an application requesting FCC consent for the assignment and transfer of control of Domestic Section 214 authority (“Domestic 214 Application”) (attached hereto as Exhibit 2), which specifically addresses the merger of Ardmore and Ardmore Communications. Specifically, pursuant to the direction of the staff of the FCC Wireline Competition Bureau (WCB), Applicants filed a consolidated application “request[ing] authority for the merger of Ardmore and its sister company Ardmore Communications and the subsequent transfer of control of Ardmore and its blanket domestic Section 214 authorization from the current shareholders of Ardmore to Synergy.” Domestic 214 Application, at 1 (Ex. 2). On August 14, 2009, the FCC released a public notice accepting Applicants’ Domestic 214 Application for filing and setting a deadline of August 28, 2009 for the filing of comments in WC Docket 09-148 (attached hereto as Exhibit 3). No comments were filed in that docket. On September 14, 2009, the FCC released a public notice granting Applicants’ Domestic 214 Application (attached hereto as Exhibit 4).

In no application have Applicants unequivocally asserted that the merger of Ardmore and Ardmore Communications is *pro forma* under the FCC rules. Instead, in the Domestic 214 Application, the Applicants asserted that the merger is “arguably” *pro forma* under FCC rules, and in the nature of a *pro forma* assignment, but out of an abundance of caution specifically sought consent for the merger and provided the FCC with the necessary information to review the proposed merger. Shares of Ardmore and Ardmore Communications are held commonly between the same families, but not the same individuals. Accordingly, although the proposed merger bears many attributes of a *pro forma* assignment under FCC rules (*e.g.*, the two companies share management personnel), without at least 50% common ownership by the same individuals, the parties did not seek to proceed with the merger as a *pro forma* transaction under the FCC rules.

As previously reported, Applicants also specifically filed an application seeking FCC consent for the assignment of international Section 214 authority from Ardmore Communications to Ardmore, and an application seeking FCC for the subsequent transfer of control of the authorization to Synergy. The international 214 applications are subject to streamlined processing and automatically will be granted on September 25, 2009, unless formally opposed or the FCC subsequently deems the applications ineligible for streamlined treatment by that date. *See Applicants’ Second Supplemental Response to TRA Data Request No. 1, Question 1 in Docket No. 09-00103 (filed Sept. 14, 2009).*

**Docket 09-00103 Joint Application of Ardmore Telephone Company, Inc.,
Ardmore Communications, LLC and Synergy Technology Partners, Inc.
Regarding Transfers of Control**

**Tennessee Regulatory Authority Data Request No. 2 to Applicants,
dated September 11, 2009**

Q3. To the extent that that the merger of Ardmore and Ardmore Communications results in the customers of Ardmore Communications being served by Ardmore, provide a copy of the customer notification letter and other information necessary to comply with TRA Rule 1220-4-2-.56(2)(d).

A: Pursuant to FCC rules (Section 64.1120(e)), on August 21, 2009, Ardmore and Ardmore Communications issued the customer notification letter attached hereto as Exhibit 5. Pursuant to the Authority's power in TRA Rule 1220-4-2-.56(2)(d)(2), Applicants submit that the Authority should deem this customer notification letter as sufficient notice to satisfy TRA Rule 1220-4-2-.56(2)(d)'s requirements such that Ardmore and Ardmore Communications will not be required to undertake the expense of issuing a second letter with the same content. Good cause exists for such determination because: 1) this letter satisfies TRA Rule 1220-4-2-.56(2)(d)(2) in that it describes the customer transfer and explains that unless the customer selects another telecommunications service provider, the customers' long distance service will be transferred to Ardmore by a specific date that is no less than 30 days from receipt of the letter; 2) this letter satisfies TRA Rule 1220-4-2-.56(2)(d)(3) because the letter specifically informs customers in bolded text that, "[t]here will be no customer charges associated with the merger and no change in current rates, terms or conditions of your service;" and 3) this letter satisfies TRA Rule 1220-4-2-

.56(2)(d)(4), because Ardmore specifically obligates itself, “[s]hould there be any changes to the rates, terms, and conditions in the future, Ardmore Telephone will notify you by mail or in your bill in accordance with applicable law,” which means that Ardmore agrees to provide all affected customers with a thirty (30) day written notice of any rate increase that may affect their service up to ninety (90) days from the date of the transfer of customers.

**Docket 09-00103 Joint Application of Ardmore Telephone Company, Inc.,
Ardmore Communications, LLC and Synergy Technology Partners, Inc.
Regarding Transfers of Control**

**Tennessee Regulatory Authority Data Request No. 2 to Applicants,
dated September 11, 2009**

Q4. Provide information, such as a cost allocation manual, sufficient to demonstrate that Ardmore has procedures in place to separate the revenues, expenses and investments of Ardmore Communications for the purpose of setting rates under rate-of-return regulation for Ardmore. Also, please describe the procedures in place for complying with the FCC's separation requirements, i.e., Part 32 and 69 accounting rules.

A: On March 21, 2000, Ardmore Communications, LLC filed an application for a Certificate of Convenience and Necessity to provide resell services in Tennessee. The TRA opened Docket No. 00-00254 to address this application and on May 30, 2000, the TRA issued a Data Request seeking a cost allocation study detailing the methods and procedures for determining and allocating any and all past, present and future costs to and from Ardmore Communications and Ardmore. Included in its July 20, 2000 response (attached hereto as Exhibit 6), Ardmore provided the TRA with its Management and Administrative Services Agreement whereby Ardmore agreed to furnish the following services to Ardmore Communications for a flat fee: accounting, data processing, marketing, management, administrative support, office space, utilities, telephone, use of office furniture and fixtures, use of Ardmore vehicle for marketing purposes, and incidental services. (The Management and Administrative Services Agreement is attached hereto as Exhibit 1. *See also* information provided in response to Data Request No. 2, Question 1

regarding this Agreement.) On August 4, 2000, the TRA specifically requested a breakdown and working papers on the \$1500 monthly charge paid by Ardmore Communications to Ardmore pursuant to this Agreement, and whether the rate on the Billing and Collection Services Agreement was included in the flat fee (a copy of the Billing and Collection Services Agreement appears within Ardmore Communication's July 20, 2000 data response attached hereto as Exhibit 6). Over a series of filings, Ardmore Communications clarified that the rate for Billing and Collection services was in addition to the \$1500 monthly charge for Management and Administrative Services and provided a breakdown and working papers reflecting the calculations for the \$1500/month fee. (*See* Exhibits 7 and 8). In September 2001, the TRA then inquired whether Ardmore would be willing to impute earnings with revenue generated by affiliated, non-regulated entities, and Ardmore responded on October 1, 2001 that "Ardmore Telephone Company, Inc. is willing to impute the earnings of Ardmore Communications, LLC" (*see* Ex. 9). Shortly thereafter, the Authority issued an order granting Ardmore Communications' Certificate of Convenience and Necessity (attached hereto as Exhibit 10).

Since the Authority's order in that docket, Ardmore and Ardmore Communications have continued to operate under the terms of the Management and Administrative Services Agreement, and with Ardmore Communications' earnings imputed to Ardmore. As required by the Authority, Ardmore submits Quarterly Reports that provide a rate base calculation that includes the imputed earnings figure. (Ardmore's last four Quarterly Form 3.01 Reports are attached hereto as Exhibit 11). Accordingly, in the event of a rate

case subsequent to the merger, it will be apparent how much should be deducted from Ardmore's rate base in order to separate out the revenue, expenses, and investments related to the long-distance service.

Furthermore, Ardmore will continue to submit Form 3.01 Reports to the Authority post-merger and post-Transaction. Because Ardmore will continue to maintain separate accounts for the long-distance service post-merger, these reports will continue to provide the information necessary to determine the independent rate bases.

West Kentucky and Ben Lomand plan to form Telecom Management Services, Inc. ("Telecom Management") for the purpose of providing management services to Ardmore post-Transaction pursuant to a Management Services Agreement (a draft of which can be provided upon request to the TRA). The Management Services Agreement, developed in compliance with the FCC's affiliate transaction rules, will provide Ardmore access to the efficiencies and combined resources of West Kentucky and Ben Lomand through Telecom Management, including the following services: accounting and finance, customer service, data processing and general purpose computers, management, administrative support, human resources, legal, regulatory, marketing, network planning, vehicles, training office space and other office equipment and supplies. Ardmore will properly account for all regulated and non-regulated activities including long-distance service revenues, costs and investments, and it will continue to maintain its books and records in compliance with Part 32 of the Uniform System of Accounts. Ardmore will continue to prepare its separated toll cost studies in compliance with FCC rules and

regulations under Parts 36 and 69 and file these studies with the appropriate regulatory authorities on a timely basis. All required and appropriate study adjustments will be made to account for regulated and non-regulated activities.

Exhibit 1

MANAGEMENT & ADMINISTRATIVE
SERVICES AGREEMENT

THIS AGREEMENT made and entered into this 1st day of July, 2000, by and between ARDMORE TELEPHONE COMPANY, INC., a Tennessee corporation, with its main office located at 30190 Ardmore Avenue, Ardmore, Alabama, 35739, hereinafter called "ATC, Inc.," and ARDMORE COMMUNICATIONS, LLC., a Tennessee corporation, with its principal place of business at 30190 Ardmore Avenue, Ardmore, Alabama 35739, hereinafter called "AC"

WITNESSETH:

Ardmore Communications, LLC, through its Board of Directors, desires to obtain the services of Ardmore Telephone Company, Inc.'s employees and to use the office space, premises, facilities, equipment, and supplies of Ardmore Telephone Company, Inc. for the compensation and other benefits as are hereinafter set forth.

Ardmore Telephone Company, Inc., through its Board of Directors, is willing to provide such services to Ardmore Communications on such terms as hereinafter set forth.

In consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. ATC, Inc. shall furnish AC all necessary labor, office space, premises, facilities, equipment, and supplies (hereinafter collectively called "Services") as may be required by AC to operate its business. The services to be furnished hereunder by ATC, Inc. and its employees shall include, but not be limited to, the following.

- a. Accounting services
- b. Data processing services
- c. Marketing services
- d. Management services
- e. Administrative support services
- f. Office space
- g. Utilities
- h. Telephone
- i. Use of Office furniture & fixtures
- j. Use of ATC, Inc. vehicle to be used for marketing purposes
- k. Such other supplies, services, or functions which may be a direct or indirect or incidental portion of the specific heading above set out.

2. For all services rendered or furnished hereunder, AC shall pay ATC, Inc. a flat monthly fee in the amount of One Thousand Five Hundred and No/100 Dollars (\$1,500.00) per month.

3. This agreement shall become effective on the 1st day of July, 2000 and shall from such effective date continue in force until the 30th day of June, 2002, unless sooner terminated by either party giving 30 days notice in writing of its desire to terminate the agreement.

4. Upon termination of this agreement, AC shall return ATC, Inc. all office space, premises, facilities, equipment, and supplies of ATC, Inc. and shall within fifteen (15) days of the effective termination date pay the sum due, if any for such services as provided in this agreement.

5. Neither party shall have the right to assign this agreement without the consent in writing of the other party.

6. It is expressly understood and agreed between the parties that all of ATC, Inc. employees performing and/or furnishing the labor described herein as well as the office space, facilities, premises, equipment, and supplies are and shall remain under the exclusive control and ownership of ATC, Inc. AC shall not be entitled to demand services if the effective operation of ATC, Inc. would be thereby jeopardized. The paramount concern of this agreement is the continued successful operation of ATC, Inc., and it is intended that AC shall be free to individually employ such employees and purchases office space, facilities, premises, equipment, and supplies it may deem necessary.

7. ATC, Inc. shall furnish, pay, supervise, and control such labor as is necessary to perform the services defined. ATC, Inc. shall further maintain its own payroll accounts, records, and necessary reports as employer of its own employees including responsibility for worker's compensation, Social Security benefits, taxes, insurance, pensions and all other benefits for its employees including but not limited to medical benefits, vacations, sick leave, holidays, job training, uniforms, telephone allowance, and retirement.

8. AC shall be solely responsible as the employer of its current or future individual employees and shall further maintain its own payroll accounts, records, and necessary reports as employer, including responsibility for worker's compensation, Social Security benefits, taxes, insurance, pensions, and all other benefits for its employees including, but not limited to medical benefits, vacations, sick leave, holidays, job training, uniforms, telephone allowance, and retirement.

9. AC shall comply with all applicable laws now or hereafter in force.

10. Without limiting the generality of the foregoing, AC shall in addition maintain proper records and books of accounts in which full and true entries will be made in accord with good accounting practices and in accord with the applicable systems of accounts and shall render to the Board of Directors of ATC, Inc. from time to time such report as shall be called for by the Board of Directors of ATC, Inc.

11. This agreement may be executed in as many counterparts as the parties hereinto deem necessary, and each counterpart shall be as binding as an original. It is further understood and agreed by and between the parties that this contract may be amended from time to time in writing by the parties by

attaching to this contract an executed addendum thereto setting out the changes, amendments, or modifications that the parties desire to make to this contract.

IN WITNESS WHEREOF, the parties have hereunto caused this agreement to be signed in duplicate by their respective and corporate names by their duly authorized officers and their corporate seals to be hereunto affixed and attested by their secretaries all on the day and year first above written.

ARDMORE TELEPHONE COMPANY, INC.

BY: David R. Nunn

David R. Nunn, President

ATTEST:

Judy Newman

ARDMORE COMMUNICATIONS, LLC

BY: Terry M. Wales

Terry M. Wales, Chief Manager

ATTEST:

Carlyne M. Thomas

Exhibit 2

FCC/US BANK AUG 12 2009

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDINGFEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159Approved by OMB
3060-0589
Page No. 1 of 2

(1) LOCKBOX # 979091			
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Bennet & Bennet, PLLC		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$1,015.00	
(4) STREET ADDRESS LINE NO. 1 4350 East West Highway, Suite 201			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY Bethesda		(7) STATE MD	(8) ZIP CODE 20814
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-371-1500		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0005 8902 64			
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Ardmore Telephone Company, Inc.			
(14) STREET ADDRESS LINE NO. 1 P.O. Box 549			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Ardmore		(17) STATE TN	(18) ZIP CODE 38449
(19) DAYTIME TELEPHONE NUMBER (include area code) 931-364-4355		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0001 7728 88			
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$1,015.00	(27A) TOTAL FEE \$1,015.00		
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE		
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Colleen von Hollen</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Colleen von Hollen</u>		DATE <u>8-11-09</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____ ACCOUNT NUMBER _____ EXPIRATION DATE _____ I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described. SIGNATURE _____ DATE _____			



BENNET & BENNET, PLLC

350 W. 1st St.
Baltimore, MD 21201
Tel: 410-237-1500

CITIBANK, N.A. BR 7912

WASH DC 20001

15701-2810

DATE CHECK AMOUNT

08/11/09 8457 \$10,150.00

PAY

TO THE
ORDER
OF

ONE THOUSAND FIFTEEN & 00/100 DOLLARS

(OVER \$3,000.00)

Federal Communications Commission

2049

AUTHORIZED SIGNATURE

008457 254070116 6678 0101

BENNET & BENNET, PLLC

8457

Vendor: Federal Communications Commission

<u>Date</u>	<u>Description</u>	<u>Invoice #</u>	<u>Amount</u>	<u>Disc</u>	<u>Net Amt.</u>
08/11/09	Domestic Blanket Section 214 Assignment and Transfer Fee	ARDMORE	1,015.00		1,015.00
<u>Check Date</u>	<u>Check #</u>	<u>Gross Amt</u>	<u>Disc Amt</u>	<u>Net Amt</u>	
08/11/09	8457	1,015.00	0.00	1,015.00	



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†Admitted in DC & VA Only

‡Admitted in DC & WA Only

§Admitted in DC & ME Only

August 11, 2009

Via Overnight Courier

Federal Communications Commission
Wireline Competition Bureau
c/o U.S. Bank – Government Lockbox #979091
SL-MO-C2-GL
1005 Convention Plaza
St. Louis, MO 63101
Attn: FCC Government Lockbox

Re: Application of Ardmore Telephone Company, Inc., Ardmore Communications, LLC and Synergy Technology Partners, Inc. for Consent to Assignment and Transfer of Control of Domestic Blanket Section 214 Authorizations

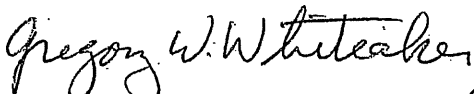
Dear Madam or Sir:

On behalf of Ardmore Telephone Company, Inc., Ardmore Communications, LLC and Synergy Technology Partners, Inc., enclosed are an original and five (5) copies of their Application for Consent to Assignment and Transfer of Control of Domestic Blanket Section 214 Authorizations. Included in this package are a completed Form 159 and a check in the amount of \$1,015.00 to cover the filing fee associated with this application.

Also enclosed is an additional copy of the application along with a return Federal Express envelope and shipping label for billing the shipment to our account. Please date-stamp and return the copy via overnight delivery.

Should you have any questions or require additional information with respect to this matter, please contact the undersigned counsel.

Respectfully submitted,


Gregory W. Whiteaker

Enclosures

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Ardmore Telephone Company Inc., and)	
Ardmore Communications LLC)	
Transferors,)	WC Docket No. 09-_____
)	
and)	
)	
Synergy Technology Partners, Inc.,)	
Transferee,)	
)	
Application for Transfer of Control and)	
Assignment of Assets Pursuant to Section 214 of)	
the Communications Act of 1934, as Amended.)	
)	

**APPLICATION FOR CONSENT TO ASSIGNMENT AND TRANSFER OF CONTROL
OF DOMESTIC BLANKET SECTION 214 AUTHORIZATIONS**

The shareholders of Ardmore Telephone Company, Inc. ("Ardmore"), Ardmore Communications LLC ("Ardmore Communications"), and Synergy Technology Partners, Inc. ("Synergy" or "Transferee"), through their counsel, and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the "Act"), and Sections 63.03 and 63.04 of the rules and regulations of the Federal Communications Commission ("FCC" or the "Commission"), 47 C.F.R. §§ 63.03, 63.04, hereby request authority for the merger of Ardmore and its sister company Ardmore Communications and the subsequent transfer of control of Ardmore and its blanket domestic Section 214 authorization from the current shareholders of Ardmore to Synergy. As described in this application, Synergy has agreed to purchase all of the outstanding stock of Ardmore in a cash-for-stock transaction, and Ardmore will become a direct,

wholly-owned subsidiary of Synergy.¹ Prior to, but in connection with Synergy's purchase of Ardmore's stock, Ardmore's sister company, Ardmore Communications, will merge with Ardmore. Accordingly, upon consummation of the proposed two-step transaction, Synergy will acquire control of Ardmore and the authorizations and assets previously held by Ardmore Communications.

I. BACKGROUND

Ardmore is a rural incumbent local exchange carrier ("ILEC") that provides local exchange telephone service, exchange access, and Internet service in five (5) exchanges in two (2) counties in south central Tennessee and two (2) counties in north central Alabama within a twenty-five (25) mile radius of Huntsville, Alabama. Ardmore offers bundled local and, through its sister company, Ardmore Communications, long distance services. Ardmore Communications provides long distance services as well as global international resale services pursuant to International Section 214 Authorization File Number ITC-214-20000214-00058, throughout Ardmore's service area.

Synergy is a newly-formed Tennessee corporation owned equally by West Kentucky Rural Telephone Cooperative Corporation, Inc. ("West Kentucky") and Ben Lomand Rural Telephone Cooperative, Inc. ("Ben Lomand").

West Kentucky is an independent local exchange carrier ("LEC") that provides local exchange telephone service and exchange access service in twenty-three (23) exchanges in eight (8) counties in northwest Tennessee and west Kentucky. West Kentucky, through its

¹ See Stock Purchase Agreement by and among West Kentucky Rural Telephone Cooperative Corporation, Inc., Ben Lomand Rural Telephone Cooperative, Inc., Synergy Technology Partners, Inc., and Ardmore Telephone Company, Inc., *et al.* (June 19, 2009) ("Stock Purchase Agreement").

subsidiaries, also provides interexchange service, high-speed Internet service and advanced video services in its local telephone service area.

Ben Lomand is an independent LEC that provides local exchange telephone service and exchange access service in seventeen (17) exchanges in ten (10) counties in central Tennessee, as well as competitive local exchange service, video, high-speed Internet access and long distance service, either directly or through various subsidiaries, in central Tennessee.

Although both steps of the proposed transaction do not qualify for presumptive streamlining pursuant to Section 63.03 of the Commission's Rules, the transaction is both small and uncomplicated, and the parties seek to consummate the transaction prior to October 31, 2009. Ardmore's local telephone exchanges in Tennessee and Alabama do not overlap with and are not adjacent to any ILEC or competitive local exchange carrier ("CLEC") exchanges owned and/or operated by West Kentucky or Ben Lomand. Moreover, the merger of Ardmore and Ardmore Communications, arguably is *pro forma* pursuant to Rule Sections 63.03(d) and 63.24(d), and unquestionably is in the nature of a *pro forma* assignment. Out of an abundance of caution, however, the Applicant's seek FCC consent to the merger and transfer of control of Ardmore Communications.

II. INFORMATION REQUIRED BY SECTION 63.04

Pursuant to the requirements of Section 63.04(a) of the Commission's rules, the Applicants submit the following information:

(1) Name, Address and Telephone Number of each Applicant.

Transferors: Shareholders of Ardmore Telephone Company, Inc.
c/o Ardmore Telephone Company, Inc.
P.O. Box 549
Ardmore, Tennessee 38449

Telephone: (256) 423-2131
Facsimile: (256) 423-2308

Ardmore Communications LLC
P.O. Box 549
Ardmore, Tennessee 38449

Telephone: (256) 423-2131
Facsimile: (256) 423-2308

Transferee: Synergy Technology Partners, Inc.
237 North 8th Street
P.O. Box 649
Mayfield, KY 42066

Telephone: (270) 856-1000
Facsimile: (270) 856-3651

(2) State of Organization and FRN

- (a) Ardmore is a corporation organized under the laws of the State of Tennessee. FRN: 0001772888.
- (b) Ardmore Communications is a limited liability company organized under the laws of the state of Tennessee. FRN: 0006059299.
- (c) Synergy is a corporation organized under the laws of the State of Tennessee. FRN: 0018995621.
- (d) West Kentucky is a corporation organized under the laws of the State of Kentucky. FRN: 0001792621.
- (e) Ben Lomand is a corporation organized under the laws of the State of Tennessee. FRN: 0005420468.

(3) Contact Information

All correspondence, notices and inquiries regarding this transaction should be addressed to:

Transferors: Terry Wales
General Manager
Ardmore Telephone Company, Inc.
P.O. Box 549
Ardmore, Tennessee 38449

Telephone: (256) 423-2131
Facsimile: (256) 423-2308

With a copy to:

Gregory W. Whiteaker
Bennet & Bennet, PLLC
4350 East West Highway
Suite 201
Bethesda, MD 20814

Telephone: (202) 371-1500
Facsimile: (202) 371-1558

Counsel for Ardmore Telephone Company, Inc.

Terry Wales
Chief Manager
Ardmore Communications LLC
P.O. Box 549
Ardmore, Tennessee 38449

Telephone: (256) 423-2131
Facsimile: (256) 423-2308

With a copy to:

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4350 East West Highway
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Bethesda, MD 20814

Telephone: (202) 371-1500
Facsimile: (202) 371-1558

Counsel for Ardmore Communications LLC

Transferee: Trevor R. Bonnstetter
President
Synergy Technology Partners, Inc.
237 North 8th Street
P.O. Box 649
Mayfield, KY 42066

Telephone: (270) 856-1000
Facsimile: (270) 856-3651

With a copy to:

Gregory W. Whiteaker
Bennet & Bennet, PLLC

4350 East West Highway
Suite 201
Bethesda, MD 20814

Telephone: (202) 371-1500
Facsimile: (202) 371-1558

Counsel for Synergy Technology Partners, Inc.

(4) Ten percent (10%) Equity Holders

Transferors:

Ardmore is a privately-held corporation owned by three families. The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent (10%) of the equity of Ardmore (and the equity held to the nearest 1%) prior to the proposed transaction are:

Name & Address	Percent Equity/Vote	Citizenship	Principal Business
King W. Rogers III 6000 Poplar Avenue Suite 100 Memphis, TN 38119	12	U.S.	Attorney
Robert M. Rogers 530 Oak Court Street Suite 165 Memphis, TN 38117	15	U.S.	Investments
John A. Brayton P.O. Box 667 308 W Court Street Dyersburg, TN 38024	16	U.S.	Investments
Katherine M. Brayton P.O. Box 667 308 W Court Street Dyersburg, TN 38024	16	U.S.	Farming
Clyde Warren Nunn P.O. Box 8 101 Main Street Halls, TN 38040	30	U.S.	Banking

Ardmore Communications is a limited liability company owned and controlled by the same three families that own Ardmore. The members of Ardmore Communications are either the same individuals as the shareholders of Ardmore, the children of such shareholders, or trusts established for the benefit of the children of such shareholders. The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent (10%) of the equity of Ardmore Communications (and the equity held to the nearest 1%) prior to the proposed transaction are:

Name & Address	Percent Equity/Vote	Citizenship	Principal Business
The Katherine Moss Rogers Irrevocable Trust Dated December 30, 1994, Judy P. Rogers, Trustee	8	U.S.	Homemaker
The King W. Rogers, IV Irrevocable Trust dated December 30, 1994, Judy P. Rogers, Trustee	8	U.S.	Homemaker
The Robert M. Rogers and Carolyn T. Rogers Trust under Trust Agreement dated December 31, 1994, Boyd L. Rhodes, Jr., Trustee	17	U.S.	Attorney
John A. Brayton P.O. Box 667 308 W Court Street Dyersburg, TN 38024	17	U.S.	Investments
Katherine M. Brayton P.O. Box 667 308 W Court Street Dyersburg, TN 38024	17	U.S.	Farming
Chris Nunn P.O. Box 8 101 Main Street Halls, TN 38040	17	U.S.	Banking
Nick Nunn P.O. Box 8 101 Main Street Halls, TN 38040	17	U.S.	Banking

Transferee:

Synergy is a corporation owned by:

Name and Address	Percent Equity/Vote	Citizenship	Principal Business
West Kentucky Rural Telephone Cooperative Corporation, Inc. 237 North 8th Street P.O. Box 649 Mayfield, KY 42066	50	KY Corp.	Telecommunications
Ben Lomand Rural Telephone Cooperative, Inc. 311 N. Chancery Street PO Box 670 McMinnville, TN 37111	50	TN Corp.	Telecommunications

West Kentucky is a Kentucky telephone cooperative owned by its member-subscribers. No member-subscriber owns a 10% or greater interest.

Ben Lomand is a Tennessee telephone cooperative owned by its member-subscribers. No member-subscriber owns a 10% or greater interest.

(5) Certification Pursuant to Rule Sections 1.2001-1.2003

Applicants have attached certifications, pursuant to 47 C.F.R. §§ 1.2001-1.2003, that to the best of their knowledge, information, and belief, no party to this application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

(6) Description of the Transaction

The proposed transaction entails the transfer of control of Ardmore from its current shareholders to Synergy. The transaction will be accomplished by Synergy's cash purchase of 100% of the issued and outstanding shares of Ardmore's common stock. Prior to the consummation of the transaction, Ardmore will have redeemed any and all issued and outstanding shares of preferred stock of Ardmore so that, as of the closing date of the proposed transaction, the issued and outstanding shares of common stock will constitute the only issued

and outstanding capital stock of Ardmore. Also, prior to, but in conjunction with, the sale of the common stock, Ardmore Communications will merge with and into Ardmore with Ardmore being the surviving company and Ardmore Communications ceasing to exist. Accordingly, as of the consummation of the proposed two-step transaction, Synergy will own 100% of Ardmore and will acquire control of Ardmore's domestic and international Section 214 authorizations.

Ardmore will continue to exist and will continue to provide service to its existing customers. Ardmore will continue to provide services upon the same rates, terms and conditions as immediately prior to the transaction. Any future changes in the rates terms and conditions will be pursuant to applicable law. The interstate and international long distances service previously provided by Ardmore Communications, but offered, billed, and serviced through Ardmore, will continue to be provided by Ardmore. Ardmore will continue to provide these services upon the same rates, terms and conditions as immediately prior to the transaction, and any changes thereto will be pursuant to applicable law. Accordingly, the proposed two-step transaction, and Synergy's acquisition of Ardmore's stock will be transparent to Ardmore's customers.

(7) Description of the Geographic Areas and Domestic Telecommunications Services Provided

(a) Description of Ardmore and Ardmore Communications

Ardmore is an independent, privately-held telecommunications company headquartered in Ardmore Tennessee. Ardmore provides local exchange telephone service and exchange access service as an ILEC in Giles and Lincoln counties in Tennessee and Limestone and Madison counties in Alabama. Ardmore serves approximately 8,420 access lines in five (5) exchanges in Tennessee and Alabama: Ardmore, AL/TN; Elkmont, AL; New Market, AL; Minor Hill, TN and McBurg, TN. Of Ardmore's local access lines, approximately 2,577 provide service to subscribers in Tennessee, with the remainder providing service to subscribers in

Alabama. All of Ardmore's central offices are digital, and are connected with approximately 150 miles of fiber optic cable. Ardmore provides Internet services throughout its service territory under the brand Ardmore.net.

Ardmore offers long distance service through its sister company, Ardmore Communications. Ardmore Communications is a non-facilities based reseller of long distance and international services. Ardmore Communications provides long distance telephone services to residential and business customers throughout Ardmore's service area in Giles and Lincoln counties in Tennessee and Limestone and Madison counties in Alabama. Ardmore Communications serves approximately 4,730 customers. Ardmore holds certificates of public convenience and necessity from the Tennessee Regulatory Authority and the Alabama Public Service Commission.

(b) Description of Synergy

Synergy is a Tennessee corporation formed for the purpose of the proposed transaction. Synergy is owned equally by West Kentucky and Ben Lomand. Synergy will be headquartered in Mayfield, Kentucky.

(c) Description of West Kentucky

West Kentucky is a Kentucky corporation formed in 1951 and headquartered in Mayfield, Kentucky. West Kentucky is a telephone cooperative, owned by its member-subscribers. West Kentucky provides local exchange telephone service, exchange access service as an ILEC to approximately 16,000 access lines in twenty-three (23) exchanges located in eight (8) counties in northwest Tennessee and west Kentucky. West Kentucky serves portions of six (6) counties in Kentucky: Calloway, Carlisle, Graves, Hickman, Marshall and McCracken, and portions of five (5) counties in Tennessee: Dyer, Gibson, Henry, Obion and Weakley. West Kentucky through its subsidiary, West Kentucky Networks, Inc., also provides interexchange

service in West Kentucky's local telephone service area and is the presubscribed long distance provider on approximately 13,000 of West Kentucky's lines. West Kentucky also provides high-speed Internet access and advanced entertainment services in small-to-mid-size cities and towns through its broadband and fiber transport networks throughout its service area.

(d) Description of Ben Lomand

Ben Lomand is a Tennessee corporation formed in 1952 and headquartered in McMinnville, Tennessee. Ben Lomand is a telephone cooperative, owned by its member-subscribers. Ben Lomand provides local exchange telephone service, exchange access service as an ILEC in seventeen (17) exchanges located in central Tennessee. Ben Lomand provides service in Warren, White, Grundy counties, in major portions of Van Buren County, as well as limited portions of Coffee, DeKalb, Bedford, Rutherford, Cannon, and Marion counties in Tennessee. As of June 2009, Ben Lomand provided service to approximately 32,000 ILEC access lines.

Ben Lomand, through its wholly-owned subsidiaries, Ben Lomand Communications, LLC ("BLC") and Volunteer First Services, LLC ("VFS") also provides competitive local exchange service as a CLEC to approximately 8,000 access lines in the cities of Sparta, McMinnville and Crossville, Tennessee.

BLC provides long distance services to approximately 30,000 customers in the areas served by Ben Lomand, BLC and VFS as well as to a limited extent in areas served by BellSouth and Frontier Communications Corp. ("Frontier"). Ben Lomand, through BLC, also provides high-speed and dial-up Internet access to approximately 17,000 Internet customers, of which approximately 13,000 are broadband connections. Ben Lomand, through its subsidiary, Volunteer Wireless, LLC, also provides video and high-definition television to approximately

11,000 video customers. Ben Lomand does not hold any FCC licenses to provide mobile telephony but resells the wireless services of another regional carrier.

(8) Streamlined Treatment, No Local Exchange Overlap

The Applicants do not request streamlined treatment of the Application, but request expeditious consideration of the Application since the parties seek to consummate the transaction prior to October 31, 2009. As explained below, the transfer of control of Ardmore to Synergy would qualify for streamlined processing, however, the merger of Ardmore Communications and Ardmore does not fall squarely in one of the presumptive streamlining categories of Rule Section 63.03.

The transfer of control of Ardmore would be presumptively subject to streamlined processing and does not raise competitive concerns. First, Ardmore, Synergy and their affiliates, including Ardmore Communications, West Kentucky, and Ben Lomand, both before and after the proposed transaction have a market share in the interstate, interexchange market of less than 10 percent. Second, Synergy will be taking control of the existing telephone exchange and exchange access services provided by Ardmore, and Ardmore and its owners have no affiliated telecommunications carriers that provide competitive telephone exchange services or exchange access services within the service areas of West Kentucky or Ben Lomand, and neither West Kentucky nor Ben Lomand nor their affiliates provide competitive telephone exchange services or exchange access services within the south central Tennessee or north central Alabama service areas of Ardmore. Where a proposed transaction meets these qualifications, an application for approval of a domestic transfer of control of Section 214 authority is presumptively subject to streamlined treatment when “[t]he applicants are incumbent independent local exchange carriers (as defined in § 64.1902 of this chapter) that have, in combination, fewer than two (2) percent of the nation’s subscriber lines installed in the aggregate nationwide, and no overlapping or

adjacent service areas.” 47 C.F.R. § 63.03(b)(2)(iii). For purposes of this section, the term “applicants” includes affiliates, which in the case of Synergy include West Kentucky and Ben Lomand. *See* 47 C.F.R. § 63.03(b)(3).

Ardmore, West Kentucky and Ben Lomand are ILECs under 47 C.F.R. § 64.1902. Together, the Applicants (and all their affiliates) serve fewer than 69,000 subscriber lines. Thus, in total, the Applicants serve fewer than two percent (2%), or 3,093,097, of the nation’s 154,654,847 subscriber lines installed in the aggregate nationwide. *See Local Telephone Competition: Status as of June 30, 2008*, Industry Analysis and Technology Division Wireline Competition Bureau, July 2009, Table 1.

Further, the Applicants are ILECs which have no overlapping or adjacent service areas. The map attached as Exhibit I to this application depicts the exchanges in Tennessee in which Ardmore, West Kentucky and Ben Lomand provide incumbent local exchange and exchange access service.² As represented therein, there are no overlapping or adjacent service areas.³

The merger of Ardmore Communications and Ardmore, arguably is *pro forma* and does not require prior FCC consent pursuant to Rule 63.03(d). Specifically, both companies are owned and controlled by members of the same three families. The companies are operated jointly, and Ardmore offers bundled long distance service provided by Ardmore Communications. Terry Wales, the General Manager of Ardmore, also is the Chief Manager and sole employee of Ardmore Communications. Accordingly, the merger arguably is *pro forma* and

² As disclosed above, Ben Lomand, through BLC and VFS also provides service as a CLEC in McMinnville, Sparta, and Crossville, Tennessee in areas in which Frontier is the ILEC. These service areas are depicted in blue with the number “12” in Warren and White Counties and in central Cumberland County, and do not overlap with, and are not adjacent to, Ardmore’s service area.

³ Only a map of Tennessee is attached because, as noted above, neither West Kentucky nor Ben Lomand provide service in Alabama, and Ardmore does not provide service in Kentucky. Moreover, neither West Kentucky’s nor Ben Lomand’s service area in Tennessee is adjacent to Ardmore’s service area in Alabama.

certainly is in the nature of a *pro forma* assignment. Out of an abundance of caution, however, the Applicant's seek FCC consent for the merger.

(9) Other Related Applications before the Commission

Concurrently herewith, the Applicants are filing an application seeking FCC approval of the transfer of control of Industrial/Business Pool, Conventional license - WNCW518 and Paging and Radiotelephone license - KPB295 held by Ardmore. Concurrently herewith, the Applicants also are filing an application for FCC approval of the assignment and transfer of control pursuant to Section 214 of the Act of the international Section 214 authorization held by Ardmore Communications, File Number ITC-214-20000214-00058. The Applicants anticipate that this international application will be subject to streamlined processing pursuant to Rule Section 63.12. A request for approval by the Tennessee Regulatory Authority was filed July 14, 2009. The Applicants also anticipate filing applicable notifications with the Alabama Public Service Commission and Kentucky Public Service Commission in the near future.

(10) Statement of Imminent Business Failure

No party to this application is requesting special consideration because of imminent business failure.

(11) Separately-Filed Waiver Requests

None.

(12) Public Interest Statement

The proposed transaction will serve the public interest, convenience and necessity, by providing significant benefits to the customers of Ardmore and Ardmore Communications without any countervailing harms. As discussed in Section 8 above, Ardmore, West Kentucky and Ben Lomand do not provide any local exchange or exchange access service in any overlapping or adjacent area, and the proposed transaction will not eliminate any competition in

the relevant markets. Post transaction, Ardmore will continue to provide high-quality services to its customers. The acquisition of Ardmore by Synergy will, however, bring together the experience and resources of two companies with a long history of providing service to customers in predominantly rural areas and smaller markets: West Kentucky and Ben Lomand. The transaction will allow Ardmore to achieve greater efficiencies and economies of scale and scope than if it were to continue to operate alone. This will enhance its ability to adapt and to provide its customers with a full portfolio of advanced communications services.

Ardmore's customers also will benefit from operational efficiencies. The local operations of Ardmore will continue to be managed by employees with extensive knowledge of the local telephone operations and the needs of the communities served. Back office systems and corporate functions, such as accounting, finance and legal, however, will become relatively less costly because of the economies of scale and the benefits of billing and services associated with the advanced back office and customer service systems to be deployed by West Kentucky and Ben Lomand through Synergy.

The proposed merger will serve the public interest by allowing the Ardmore family of companies to consolidate and to achieve the efficiencies of economy and scope discussed above. The proposed merger will not adversely affect competition. The Applicants, both before and after the proposed transaction, have a market share in the interstate, interexchange market of less than 10 percent. Moreover, the proposed merger will not result in any change in the long distance services offered by Ardmore.

Consistent with precedent, the proposed transaction will serve the public interest, convenience, and necessity by strengthening Ardmore and by directly benefiting all affected consumers. Accordingly, the Commission should approve the proposed transaction expeditiously.

III. CONCLUSION

For the foregoing reasons, Applicants respectfully request that the Commission process this Application pursuant to the Commission's streamlined procedures and promptly grant this Application.

Respectfully Submitted,

**ARDMORE TELEPHONE
COMPANY, INC. AND THE
SHAREHOLDERS OF ARDMORE
TELEPHONE COMPANY, INC.**



Gregory W. Whiteaker
Bennet & Bennet, PLLC
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(202) 371-1500

*Counsel for Ardmore Telephone
Company, Inc. and the Shareholders of
Ardmore Telephone Company, Inc.*


**SYNERGY TECHNOLOGY
PARTNERS, INC.**



Gregory W. Whiteaker
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4350 East West Highway
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(202) 371-1500

*Counsel for Synergy Technology Partners,
Inc.*

ARDMORE COMMUNICATIONS LLC



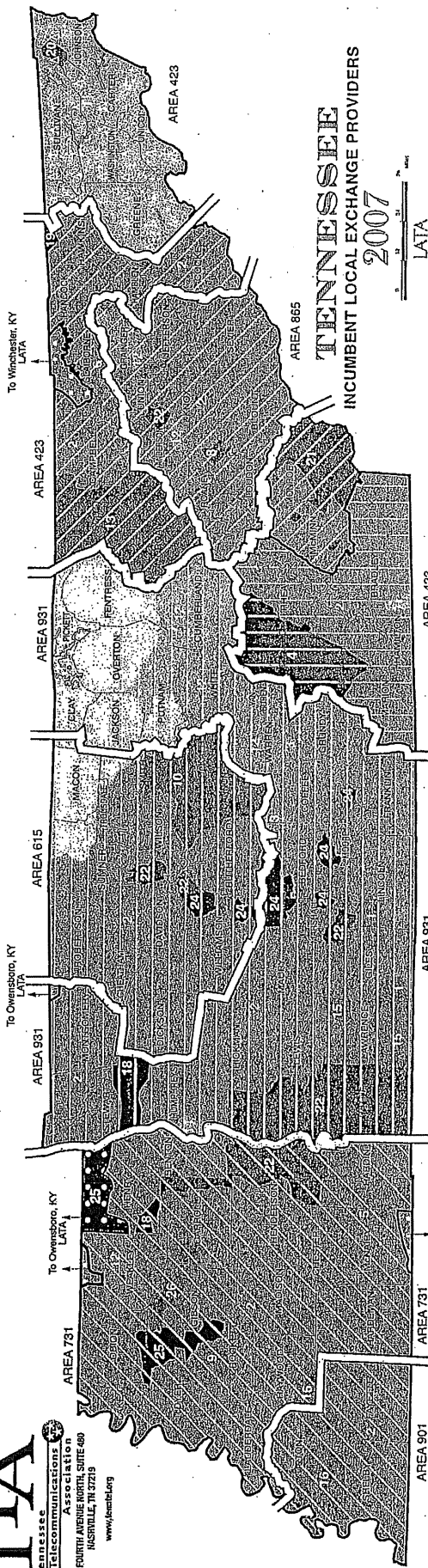
Gregory W. Whiteaker
Bennet & Bennet, PLLC
4350 East West Highway
Suite 201
Bethesda, MD 20814
(202) 371-1500

August 11, 2009

Exhibit I: Service Area Map



**Tennessee
Telecommunications
Association**
150 FOURTH AVENUE, SUITE 400
NASHVILLE, TN 37203
www.tiaonline.org



TENNESSEE INCUMBENT LOCAL EXCHANGE PROVIDERS 2007

LATA



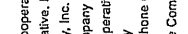
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AT&T Southeast
Ben Lomand Rural Telephone Cooperative, Inc.
Bledsoe Telephone Cooperative Corporation
Century Telephone of Adamsville, Inc.
Century Telephone of Claiborne, Inc.
Concord Telephone Exchange, Inc. (TDS Telecom)
Crockett Telephone Company, Inc. (TEC)



DTC Communications
Embarq
Frontier
Highland Telephone Cooperative, Inc.
Humphreys County Telephone Company (TDS Telecom)
Loretto Telephone Company, Inc.
Millington Telephone Company, Inc.
North Central Telephone Cooperative Corporation
People's Telephone Company, Inc. (TEC)

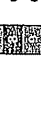
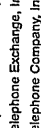
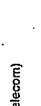
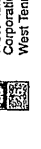
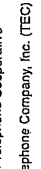
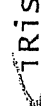
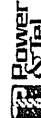


Scott County Telephone Cooperative, Inc.
Skyline Telephone Cooperative, Inc.
Tellico Telephone Company, Inc. (TDS Telecom)
Tennessee Telephone Company (TDS Telecom)
Twin Lakes Telephone Cooperative Corporation
United Telephone Company Corporation, Inc.
West Kentucky Rural Telephone Cooperative Corporation, Inc.
West Tennessee Telephone Company, Inc. (TEC)

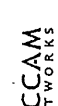
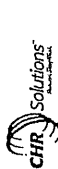


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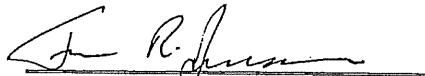
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DECLARATION OF TREVOR R. BONNSTETTER

I, Trevor R. Bonnstetter, President of Synergy Technology Partners, Inc. ("Synergy"), declare under penalty of perjury that I have read the foregoing "Application for Consent to Assignment and Transfer of Control of Domestic Blanket Section 214 Authorizations" and the information contained therein regarding Synergy is true and accurate to the best of my knowledge information and belief. I further declare under penalty of perjury that Synergy, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and/or non-voting) of Synergy, as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Executed on: 08/06/09



Trevor R. Bonnstetter

President.

Synergy Technology Partners, Inc.

DECLARATION OF TERRY WALES

I, Terry Wales, General Manager and officer of Ardmore Telephone Company, Inc. ("Ardmore Telephone") and Chief Manager of Ardmore Communications, LLC, ("Ardmore Communications" and collectively with Ardmore Telephone "Ardmore"), declare under penalty of perjury that that I have read the foregoing "Application for Consent to Assignment and Transfer of Control of Domestic Blanket Section 214 Authorizations" and the information contained therein regarding Ardmore is true and accurate to the best of my knowledge information and belief. I further declare under penalty of perjury that Ardmore, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares or membership interests (voting and/or non-voting) of Ardmore as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Executed on: 8-10-09

Terry M. Wales
Terry Wales
General Manager
Ardmore Telephone Company, Inc.
Chief Manager
Ardmore Communications, LLC

Exhibit 3



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

DA 09-1817
Released: August 14, 2009

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL AND TRANSFER OF ASSETS OF ARDMORE TELEPHONE COMPANY, INC. AND ARDMORE COMMUNICATIONS LLC

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 09-148

Comments Due: August 28, 2009
Reply Comments Due: September 4, 2009

On August 12, 2009, the shareholders of Ardmore Telephone Company, Inc. (Ardmore), Ardmore Communications LLC (Ardmore Communications), and Synergy Technology Partners, Inc. (Synergy) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ seeking approval to transfer control of Ardmore from the current shareholders to Synergy. As part of this transaction, Ardmore Communications will merge with and into Ardmore with Ardmore being the surviving company.

The Applicants do not request streamlined treatment for this application pursuant to section 63.03 of the Commission's rules.² Ardmore, a Tennessee corporation, is a rural incumbent local exchange carrier (LEC) serving five exchanges in Giles and Lincoln counties in south central Tennessee and in Limestone and Madison counties in north central Alabama. The exchanges are: Ardmore, Alabama/Tennessee; Elmont, Alabama; New Market, Alabama; Minor Hill, Tennessee; and McBurg, Tennessee. Ardmore offers long distance service in its LEC territory through its sister company, Ardmore Communications, a Tennessee limited liability company that resells long distance service.³

¹ 47 C.F.R. § 63.03; see 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic section 214 application on August 14, 2009.

² 47 C.F.R. § 63.03.

³ Applicants state that the following U.S. citizens own at least 10 percent of the equity of Ardmore: King W. Rogers III (12 percent), Robert M. Rogers (15 percent), John A. Brayton (16 percent), Katherine M. Brayton (16 percent), and Clyde Warren Nunn (30 percent). They further state that the following U.S. citizens and U.S. entities own at least 10 percent of the equity of Ardmore Communications: Katherine Moss Rogers Irrevocable Trust (8 percent), King W. Rogers, IV Irrevocable Trust (8 percent), Robert M. Rogers and Carolyn T. Rogers Trust (17 percent), John A. Brayton (17 percent), Katherine M. Brayton (17 percent), Chris Nunn (17 percent), and Nick Nunn (17 percent).

Synergy, a newly-formed Tennessee corporation that does not, itself, provide telecommunications service, is owned 50 percent by West Kentucky Rural Telephone Cooperative Corporation, Inc. (West Kentucky), a Kentucky corporation, and Ben Lomand Rural Telephone Cooperative, Inc. (Ben Lomand), a Tennessee corporation. Applicants state that no member-subscriber owns a 10 percent or greater interest in either cooperative. West Kentucky is an incumbent LEC serving 23 exchanges in eight counties in northwest Tennessee and west Kentucky. It also offers long distance service in its LEC territory through its subsidiary. Ben Lomand is an incumbent LEC serving 17 exchanges in 10 counties in central Tennessee. It also provides, through its subsidiaries, competitive LEC service in Sparta, McMinnville, and Crossville in central Tennessee, as well as long distance service in these areas, the LEC territory of Ben Lomand, and, to a limited extent, in areas served by BellSouth and Frontier Communications Corp. in Tennessee.⁴ Applicants state that they are incumbent independent local exchange carriers that have, in combination, fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide and no overlapping or adjacent service areas. Because this transaction is more complex than usual, in order to analyze whether the proposed transaction would serve the public interest, this application will not be streamlined.⁵

Pursuant to the terms of the proposed transaction, Applicants state that Synergy will purchase 100 percent of the issued and outstanding shares of Ardmore's common stock. Prior to, but in conjunction with, the sale of the common stock, Ardmore Communications will merge with and into Ardmore with Ardmore being the surviving company, and Ardmore Communications will cease to exist. As of the consummation of the proposed transaction, Synergy will own 100 percent of Ardmore.

Applicants state that a grant of this application will serve the public interest, convenience, and necessity because Synergy's owners have long running experience in serving rural areas, and the combination of the companies will enhance their ability to provide advanced services to Ardmore's customers. In addition, Applicants state that the proposed transaction will not harm competition and that it will be transparent to customers who will continue to receive service upon the same rates, terms, and conditions as immediately prior to the transaction.

GENERAL INFORMATION

The transfer of control and assets identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before August 28, 2009** and reply comments **on or before September 4, 2009**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's e-Rulemaking Portal, or (3) by filing paper copies. See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal e-Rulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or

⁴ Ben Lomand resells mobile wireless service in its incumbent and competitive LEC service areas. Applicants state that it does not offer wireless service in any area that overlaps or is adjacent to the areas in which Ardmore and Ardmore Communications provide service.

⁵ 47 C.F.R. § 63.03(b), (c)(1)(v).

rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

In addition, one copy of each pleading must be sent to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- 2) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 3) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 4) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.

Exhibit 4



PUBLIC NOTICE

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
TTY 202 / 418-2555
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 09-2046
Released: September 14, 2009

NOTICE OF NON-STREAMLINED DOMESTIC 214 APPLICATION GRANTED

WC Docket No. 09-148

Pursuant to section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and sections 0.91, 0.291, and 63.03 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 63.03, the Wireline Competition Bureau (Bureau) approves the application of the shareholders of Ardmore Telephone Company, Inc. (Ardmore), Ardmore Communications LLC (Ardmore Communications), and Synergy Technology Partners, Inc. (Synergy) to transfer control of Ardmore from the current shareholders to Synergy. As part of this transaction, Ardmore Communications will merge with and into Ardmore with Ardmore being the surviving company.¹ No commenters opposed grant of the application.

The Bureau finds, upon consideration of the record, that the proposed transfer will serve the public interest, convenience, and necessity, and therefore grants the requested authorization.² Pursuant to section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, the consent granted herein is effective upon the release of the Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Tracey Wilson-Parker at 202 / 418-1394, or Jodie May at 202 / 418-0913, Competition Policy Division, Wireline Competition Bureau.

¹ *Domestic Section 214 Application Filed for the Transfer of Control and Transfer of Assets of Ardmore Telephone Company, Inc. and Ardmore Communications LLC*, WC Docket No. 09-148, Public Notice, DA 09-1817 (rel. Aug. 14, 2009).

² See *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, WC Docket No. 06-74, Memorandum Opinion and Order, 22 FCC Rcd 5662, 5715-22, paras. 97-111 (2007) (finding a transfer of control involving AT&T as a long distance provider operating in the in-region territory of an incumbent LEC to be in the public interest where the merger would not have an anti-competitive effect).

Exhibit 5



IMPORTANT CHANGES INVOLVING YOUR TELEPHONE SERVICE PROVIDER

August 21, 2009

Dear Valued Customer,

We value your business and would like to update you on some important changes underway. Your current long distance provider, Ardmore Communications, LLC (Ardmore Communications), will be merging with Ardmore Telephone Company, Inc. (Ardmore Telephone). We have requested regulatory approval for the merger. Subject to obtaining the necessary approval, we anticipate that the merger will take place September 30, 2009. If the required approval is not obtained in September, however, then we anticipate that the merger will take place October 31, 2009.

No action is necessary on your part. There will be no customer charges associated with the merger and no change in the current rates, terms or conditions of your service. You will continue to receive and be billed for the services you have always enjoyed – only now instead of receiving local telephone service from Ardmore Telephone and long distance service from Ardmore Communications, you will receive both directly from Ardmore Telephone. A summary of the current rates, terms, and conditions is attached to this notice. Should there be any changes to the rates, terms, and conditions in the future, Ardmore Telephone will notify you by mail or in your bill in accordance with applicable law.

You always have the right to choose another provider for local and/or long distance service, either before or after the merger. You are a valued customer, however, and we sincerely hope you will remain with Ardmore Telephone.

Under Federal Communications Commission rules, any restrictions or "freezes" you may have placed on your account to block changes to your preferred long distance service provider will be automatically removed as part of the merger process (unless you select a different long distance service provider prior to September 30th). If you wish to reinstate such restrictions, please contact us after September 30th.

Both before and after the merger, Ardmore Telephone will handle and be responsible for all customer service inquiries, complaints, billing inquiries, and questions regarding this notice. You may contact us by dialing **611 from your home telephone number or 1-800-830-9946 toll free**. Ardmore Telephone is committed to providing you with excellent service.

Sincerely,

**Ardmore Telephone Company, Inc.
Ardmore Communications, LLC**



Ardmore Communications Long Distance Service

CANADA AND MEXICO ARE NOT INCLUDED IN THESE PLANS

Residential Unlimited Plan-\$39.95 monthly-1Plus-Direct Dial in USA.

(Voice calls only).

All data calls will be billed at \$.09 per minute. Available to residential customers only.

600 (minutes) Nationwide Plan-\$19.95 monthly-1Plus-Direct Dial calling in USA.

(Voice calls only).

All additional calls will be billed at \$.09 per minute.

All data calls will be billed at \$.09 per minute. Available to Residential or Business.

1200 (minutes) Nationwide Plan-\$34.95 monthly-1Plus-Direct Dial in USA.

(Voice calls only).

All additional calls will be billed at \$.09 per minute.

All data calls will be billed at \$.09 per minute. Available to Residential or Business.

\$.09 (per minute) Plan-No monthly fee-Direct dial to anytime anywhere in USA. Available to Residential or Business customers.

Calling card rates have a surcharge of \$.65 per call, plus \$.25 cents per minute.

Calls made from payphones will also include a \$.30 payphone surcharge.

Exhibit 6



July 20, 2000

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Dear Mr. Waddell:

Attached is an original and ten (10) copies of the Data Request regarding the Ardmore Communications, LLC application for a Certificate of Convenience and Necessity to provide resell services in Tennessee.

If you have any questions, please let me know and anything that can be done to expedite approval of our application would be greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Terry M. Wales".

Terry M. Wales
Manager

Attachment:



**Ardmore Telephone Company
Cost Allocation
For
Ardmore Communications, LLC**

FROM:
Account

6610 Marketing Expense
6711 Executive Expense
6721 Accounting Expense

TO:
Account

7990 Non-Regulated Expense
7990 Non-Regulated Expense
7990 Non-Regulated Expense

Note:

Allocations will be made for management, accounting and marketing services performed by Ardmore Telephone Company based on a time-study as soon as Ardmore Communications begins offering service. All past expenses have been charged to Account # 7990 "Non-Regulated expense and will be reimbursed by Ardmore Communications. Ardmore Communications will have a separate set of books and checking account. Checks will be issued monthly from Ardmore Communications to Ardmore Telephone Company for future services as specified in the attached Management and Administrative Services Agreement and Billing and Collection Agreement. Any costs from other vendors will be billed directly to and paid by Ardmore Communications.

MANAGEMENT & ADMINISTRATIVE SERVICES AGREEMENT

THIS AGREEMENT made and entered into this 1st day of July, 2000, by and between ARDMORE TELEPHONE COMPANY, INC., a Tennessee corporation, with its main office located at 30190 Ardmore Avenue, Ardmore, Alabama, 35739, hereinafter called "ATC, Inc.," and ARDMORE COMMUNICATIONS, LLC., a Tennessee corporation, with its principal place of business at 30190 Ardmore Avenue, Ardmore, Alabama 35739, hereinafter called "AC"

WITNESSETH:

Ardmore Communications, LLC, through its Board of Directors, desires to obtain the services of Ardmore Telephone Company, Inc.'s employees and to use the office space, premises, facilities, equipment, and supplies of Ardmore Telephone Company, Inc. for the compensation and other benefits as are hereinafter set forth.

Ardmore Telephone Company, Inc., through its Board of Directors, is willing to provide such services to Ardmore Communications on such terms as hereinafter set forth.

In consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. ATC, Inc. shall furnish AC all necessary labor, office space, premises, facilities, equipment, and supplies (hereinafter collectively called "Services") as may be required by AC to operate its business. The services to be furnished hereunder by ATC, Inc. and its employees shall include, but not be limited to, the following.

- a. Accounting services
- b. Data processing services
- c. Marketing services
- d. Management services
- e. Administrative support services
- f. Office space
- g. Utilities
- h. Telephone
- i. Use of Office furniture & fixtures
- j. Use of ATC, Inc. vehicle to be used for marketing purposes
- k. Such other supplies, services, or functions which may be a direct or indirect or incidental portion of the specific heading above set out.

2. For all services rendered or furnished hereunder, AC shall pay ATC, Inc. a flat monthly fee in the amount of One Thousand Five Hundred and No/100 Dollars (\$1,500.00) per month.

3. This agreement shall become effective on the 1st day of July, 2000 and shall from such effective date continue in force until the 30th day of June, 2002, unless sooner terminated by either party giving 30 days notice in writing of its desire to terminate the agreement.

4. Upon termination of this agreement, AC shall return ATC, Inc. all office space, premises, facilities, equipment, and supplies of ATC, Inc. and shall within fifteen (15) days of the effective termination date pay the sum due, if any for such services as provided in this agreement.

5. Neither party shall have the right to assign this agreement without the consent in writing of the other party.

6. It is expressly understood and agreed between the parties that all of ATC, Inc. employees performing and/or furnishing the labor described herein as well as the office space, facilities, premises, equipment, and supplies are and shall remain under the exclusive control and ownership of ATC, Inc. AC shall not be entitled to demand services if the effective operation of ATC, Inc. would be thereby jeopardized. The paramount concern of this agreement is the continued successful operation of ATC, Inc., and it is intended that AC shall be free to individually employ such employees and purchases office space, facilities, premises, equipment, and supplies it may deem necessary.

7. ATC, Inc. shall furnish, pay, supervise, and control such labor as is necessary to perform the services defined. ATC, Inc. shall further maintain its own payroll accounts, records, and necessary reports as employer of its own employees including responsibility for worker's compensation, Social Security benefits, taxes, insurance, pensions and all other benefits for its employees including but not limited to medical benefits, vacations, sick leave, holidays, job training, uniforms, telephone allowance, and retirement.

8. AC shall be solely responsible as the employer of its current or future individual employees and shall further maintain its own payroll accounts, records, and necessary reports as employer, including responsibility for worker's compensation, Social Security benefits, taxes, insurance, pensions, and all other benefits for its employees including, but not limited to medical benefits, vacations, sick leave, holidays, job training, uniforms, telephone allowance, and retirement.

9. AC shall comply with all applicable laws now or hereafter in force.

10. Without limiting the generality of the foregoing, AC shall in addition maintain proper records and books of accounts in which full and true entries will be made in accord with good accounting practices and in accord with the applicable systems of accounts and shall render to the Board of Directors of ATC, Inc. from time to time such report as shall be called for by the Board of Directors of ATC, Inc.

11. This agreement may be executed in as many counterparts as the parties hereinto deem necessary, and each counterpart shall be as binding as an original. It is further understood and agreed by and between the parties that this contract may be amended from time to time in writing by the parties by

attaching to this contract an executed addendum thereto setting out the changes, amendments, or modifications that the parties desire to make to this contract.

IN WITNESS WHEREOF, the parties have hereunto caused this agreement to be signed in duplicate by their respective and corporate names by their duly authorized officers and their corporate seals to be hereunto affixed and attested by their secretaries all on the day and year first above written.

ARDMORE TELEPHONE COMPANY, INC.

BY: David R. Nunn

David R. Nunn, President

ATTEST:

Judy Newman

ARDMORE COMMUNICATIONS, LLC

BY: Terry M. Wales

Terry M. Wales, Chief Manager

ATTEST:

Candice Matheson

AGREEMENT FOR THE PROVISION
OF BILLING AND COLLECTION SERVICES

THIS AGREEMENT is made by and between Ardmore Telephone Company, Inc., a local exchange carrier (hereinafter referred to as "ATC"), and Ardmore Communications, LLC., a long distance reseller (hereinafter called "AC"), effective as of the 1st day of July, 2000

WHEREAS, ATC is willing to perform billing and collection services for AC pursuant to this Agreement, and AC desires to obtain said services from ATC;

NOW, THEREFORE, in consideration of the mutual promises and the terms and conditions contained herein, ATC and AC, hereby covenant and mutually agree as follows:

I. SCOPE

This agreement specifies the rights and obligations of each party hereto with respect to the provision, by ATC, of customer billing and collection for interexchange services provided by AC primarily to ATC patrons and customers of AC.

II. PRODUCT DESCRIPTION AND COMPENSATION

ATC shall perform the following billing and collection services at the rates listed below:

Function:

- Recording
- Rating
- Bill Processing
- Inquiry
- Data Transmission
- Bill Rendering
- Record Keeping

The rate will be equal to seven and one-half per cent (7 ½%) of the Purchase of Accounts Receivable by Ardmore Telephone Company, Inc.

These functions will be performed in accordance with generally accepted telephone company standards.

Total AC charges will be presented and included in the invoice total along with all other charges being billed by ATC. Taxes (defined in Section V hereof) will be calculated by ATC as specified herein.

ATC understands that AC's requirements in connection with these services may change over time and agrees to cooperate with AC to develop modified or additional services on a mutually agreeable basis.

In the event of loss, damage, or destruction of data by ATC, estimated volumes will be developed as follows:

Estimating Volumes – From message and minutes volume reports for the entity experiencing the loss, ATC shall secure message/minutes counts for the four (4) corresponding days of the weeks preceding that in which the loss occurred and compute an average of these volumes. Messages and associated minutes shall be separated among Interstate, Intrastate and International. For LDS messages, ATC shall apply the appropriate Average Revenue Per Message ("ARPM") to the estimated message volume to arrive at the estimated lost revenue. For WATS messages, the appropriate revenue should be calculated on an individual case basis.

- A. If the day of loss is not a holiday but one (or more) of the preceding corresponding days is a holiday, use additional preceding weeks in order to procure volumes for four (4) nonholidays in the previous weeks that correspond to the day of the week that is the day of the loss.
- B. If the loss occurs on a weekday that is a holiday (except Christmas), ATC shall use volumes from the four (4) preceding Sundays.
- C. If the loss occurs on Mother's Day or Christmas, ATC shall use volumes from that day in the preceding year (if available).

ATC shall determine AC's actual realized bad debt uncollectibles on final accounts for each period. This amount shall be added to ATC for outstanding amounts. Payments or previously reported uncollectibles will be deducted from these amounts.

Customer adjustments are lawfully billed amounts that ATC removes from AC customer balances in accordance with generally accepted telephone inquiry guidelines. These amounts will be recouped back to AC.

III. TERM OF AGREEMENT

The term of this Agreement shall commence with the effective date of this Agreement and shall continue for a period of two (2) years. The Agreement may be terminated at any time prior to the termination date by an agreement in writing signed by both parties.

IV. METHOD OF OPERATION

The procedures for ordering and receiving the services provided hereunder and the performance obligations of the parties will be developed on a mutually agreeable

basis prior to provision of services and shall be part of the generally accepted telephone company standards. These standards may include the following:

- A. Procedures for Inquiry and End-User Contact
- B. Procedures for End-User Billing Adjustments
- C. Transmission or Tape Delivery Procedures
- D. Invoice Formats
- E. Settlements and Payment Procedures
- F. Provisions or Uncollectibles
- G. Audit and Examination Procedures
- H. Ordering Procedures
- I. Provision of Management Reports
- J. Tax Reporting Procedures

The standards are subject to change only upon the mutual agreement of the ATC and the AC.

V. TAXES

The parties' responsibilities for the computation, billing and collection of applicable federal, state or local sales, use, excise or other taxes or tax-like charges imposed on or with respect to AC's services to ATC's customers collectively the "Tax (es)" shall be governed by Attachment I hereof which may be changed by AC from time to time by reasonable prior notice of such change to ATC.

VI. PERFORMANCE STANDARDS

ATC will maintain a performance level with respect to the billing and collection of AC charges which is consistent with ATC's service measurement criteria applied to bill and collect its own charges.

VII. DENIAL OF SERVICE AUTHORIZATION

AC hereby authorized ATC to disconnect service of ATC's customers for nonpayment in accordance with ATC's established procedures and as may be permitted by law.

VIII. GENERAL TERMS AND CONDITIONS

- A. DATA RETENTION. All data associated with the performance of services hereunder shall be maintained by ATC for the longer of the following periods: the retention time required by law for maintaining Tax information, the time required by law or regulation to substantiate or reconstruct ATC's customers' invoices, or the retention time currently used by ATC for its own billing information in compliance with legal or regulatory rulings.
- B. SEVERABILITY. In the event that any part of the provisions contained herein shall, for any reasons, be held to be unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if the unenforceable provision had not been contained herein.
- C. RELATION OF PARTIES. The parties declare and agree that each party hereto is engaged in a separate and distinct business which is independent from that of the other party and that each party shall perform its obligations hereunder as an independent contractor and not as the agent, employee, or servant of the other party.
- D. ENTIRE AGREEMENT. This Agreement constitutes the entire Agreement between the parties, supersedes all prior oral and written agreements, representations, undertakings or proposals with respect to the subject matter thereof. Moreover, this Agreement may be amended only by written agreement signed by authorized representatives of both parties.
- E. GOVERNING LAW. This Agreement shall be deemed to be a contract made under the laws of the State of Tennessee.
- F. FORCE MAJEURE. Neither party shall be held liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, including but not limited to acts of God, acts of civil or military authority, government regulations, insurrections, fires, explosions, earthquakes, floods, strikes, power blackouts, unusually severe weather conditions, inability to procure products or services of other persons or transportation facilities.
- G. LIMITATION OF LIABILITY. Neither AC or ATC shall be liable to the other for any special, incidental or consequential damages of any nature or for any reason, even if advised of the possibility of such damages.

In any event, the extent of ATC's liability shall be limited to amounts due ATC from AC for the month preceding the month in which the cause of action arose.

In any event, the extent of ATC's liability for damages shall be limited to the granting of a corresponding credit adjustment to AC's amount due.

- H. INDEMNIFICATION. To the extent not prohibited by law, and except as otherwise provided herein, each party shall indemnify and hold harmless the other party from and against any loss, costs, claims, injury, or liability brought by a person not a party hereto or an affiliate under this Agreement which relates to or arises out of the negligent or intentional acts or omissions of the indemnifying party or its employees, agents, or independent contractors in connection with the actions taken under this Agreement.
- I. WAIVERS. No waiver of any provisions of this Agreement and no consent to any default under this Agreement shall be effective unless the same shall be in writing and signed by or on behalf of the party against whom such waiver or consent is claimed. No course of dealing or failure of any party to strictly enforce any term, right or condition of this Agreement shall be construed as a waiver of such term, right, or condition.
- J. HEADINGS. The headings and numbering of sections and paragraphs in this Agreement are for convenience only and shall not be construed to define or limit any of the terms herein or affect meaning or interpretation of this Agreement.
- K. This agreement may be executed concurrently in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed by a party hereto signing the signature page hereto (the "Signature Page") or several counterparts thereof, either simultaneously or at different times. If the Signature Page is executed in counterparts, such counterparts together with the other pages hereof shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed for them and on their behalf through their authorized representatives, as of the 1st day of July, 2000.

ARDMORE COMMUNICATIONS

BY: David R. Room

TITLE: President

DATE: 7-1-2000

ARDMORE TELEPHONE COMPANY, INC.

BY: Fry M. Gah

TITLE: General Manager

DATE: 7-1-2000

ATTACHMENT I
TO
AGREEMENT FOR THE PROVISION
OF BILLING AND COLLECTION SERVICES

Until changed pursuant to Section V of the AGREEMENT FOR THE PROVISION OF BILLING AND COLLECTION SERVICES (the "Agreement"), the following shall be the parties' agreement concerning Taxes:

ATC shall compute, bill, and collect applicable Taxes.

ATC shall file Tax returns with the appropriate taxing authority and hold AC harmless from any liability resulting from and Tax audits, proceedings, protests, or legal challenges, except in such cases where ATC has acted fully in accordance with authorized instructions and/or certifications from AC, and provided further, that ATC shall hold AC harmless if ATC, in following such authorized instructions and/or certifications from AC has caused such liability by its own negligence or willful misconduct.

ATC shall be entitled to retain or receive from AC any statutory fee or share of Taxes to which the person collecting such Taxes is entitled under applicable law.

AC shall give ATC reasonable notice of any Tax billing change AC desires ATC to make and ATC shall make every reasonable effort to implement such changes in a timely manner.

AC shall hold ATC harmless from any liability arising out of ATC's implementation of Tax billing changes while such changes are implemented, except liability which arises from the negligence or willful misconduct of ATC.

AC agrees to indemnify and hold ATC harmless from and against any liability or loss resulting from any Tax, penalties, interest, additions to Tax, or other charges payable by ATC as a result of (i) willful or negligent delay or failure of AC to pay and Tax or file any return or other information as required by law or the Agreement; (ii) ATC complying with any determination or direction by or advice of ATC or correctly using information provided by ATC in performing any Tax-related service hereunder; or, (iii) ATC failing to take any action with respect to any Tax in the absence of any direction by ATC in the Agreement or otherwise, unless such in action constitutes willful misconduct or negligence on the part of ATC such indemnity shall be provided to ATC on an after Tax basis.

Such indemnity is conditioned upon ATC providing AC with timely notification of any proposed assessment of any additional Taxes. penalty, or interest upon ATC to enable AC the opportunity to seek appropriate relief as the applicability of any such additional Taxes, penalty, or interest.

ATC agrees to indemnify and hold AC harmless from any liability or loss resulting from Tax penalties, interest, or other charges payable to AC as a result of (i) the willful or negligent failure of ATC to provide AC accurate and complete information with which to file Tax returns; or (ii) the willful or negligent failure of ATC to accurately calculate and bill appropriate Taxes.

ATC shall, when required by law, or if by mutual agreement of the parties, cooperate or participate with AC in any proceeding, protest, legal challenge, or Tax audit with respect to Taxes remitted or allegedly failed to be remitted by AC. ATC agrees to provide AC such information as may be required by AC to prepare and file Tax returns pursuant to this Attachment.

The parties have indicated their agreement to this Attachment I by signing it below.

ARDMORE COMMUNICATIONS

BY: David P. Thurn

TITLE: President

DATE: 7-1-2000

ARDMORE TELEPHONE COMPANY, INC.

BY: Jay M. Wah

TITLE: General Manager

DATE: 7-1-2000

Exhibit 7



August 8, 2000

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Application for Resell Authority
Ardmore Communications, LLC

Dear Mr. Waddell:

This is in response to your letter of August 4, 2000 requesting clarification on two matters.

- 1) The flat monthly fee of One Thousand Five Hundred Dollars (\$1,500.00) is based on the local lease rate of \$500.00 per month for our office space with utilities furnished and \$1,000.00 to cover management, accounting, marketing etc. This rate may have to be adjusted after we begin operation and make a more detailed time study.
- 2) The 7½% rate for the Billing and Collection is in addition to the \$1,500.00 per month for the Management and Administrative Services.

If the above responses meet with your approval, please proceed to process our application.

Sincerely,

Terry M. Wales
General Manager

TMW/cm



Exhibit 8



October 25, 2000

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Docket #00-00254
Application for Resell Authority
Ardmore Communications, LLC

Dear Mr. Waddell:

Attached is a response to Sharla Dillion's letter of October 17, 2000 requesting further details of the \$1,500.00 per month charge for Management and Administrative Services.

If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry M. Wales". The signature is fluid and cursive, with a long horizontal stroke at the end.

Terry M. Wales
General Manager

TMW/cm



Ardmore Communications, LLC
Docket #00-00254
Details of \$1,500.00 per month
Charge for Management and Administrative Services

Office Space	\$500.00	(present rate for office space in Ardmore that includes utilities.)
Accounting	\$200.00	(8 hours @ \$25.89 per hour) ¹
Marketing	\$200.00	(8 hours @ \$24.72 per hour) ¹
Management & Administrative	\$300.00	(8 hours @ \$37.50 per hour) ¹
Data Processing	\$200.00	(7 hours @ \$27.87 per hour) ¹
Other Misc.	\$100.00	(allowance for incidental expenses.)
TOTAL	<u>\$1,500.00</u>	

- ¹ These are current labor rates that are paid to Ardmore Telephone Company employees. These include a 42% overhead rate for Social Security, medical benefits, retirement, vacations and sick leave. The number of hours represent the estimated time it will take Ardmore Telephone Company employees to perform the services required by Ardmore Communications.

Exhibit 9

BASS, BERRY & SIMS PLC

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

R. DALE GRIMES
TEL: (615) 742-6244
FAX: (615) 742-2744
dgrimes@bassberry.com

AMSOUTH CENTER
315 DEADERICK STREET, SUITE 2700
NASHVILLE, TN 37238-3001
(615) 742-6200

www.bassberry.com

REGULATORY AUTH.

01 OCT 5 AM 10 31

OFFICE OF THE
EXECUTIVE SECRETARY

OTHER OFFICES:

NASHVILLE MUSIC ROW
KNOXVILLE
MEMPHIS

October 5, 2001

VIA HAND DELIVERY

Mr. K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37201

**Re: *Application of Ardmore Communications, LLC for Certificate to Provide
Resell Services, Docket No. 00-00254.***

Dear Mr. Waddell:

Enclosed please find the original and thirteen (13) copies of the Response to the Data Request issued to Ardmore Telephone, Inc. on September 21, 2001. Also enclosed is an additional copy of the Response, which I would appreciate your stamping as "filed," and returning to me by way of our courier.

Should you have any questions with respect to this filing, please do not hesitate to contact me.

Very truly yours,



R. Dale Grimes

RDG/gci
Enclosures
cc: Mr. Terry Wales

Ardmore Communications, LLC
Tennessee Regulatory Authority
Docket No. 00-00254
September 21, 2001
Request No. 1

Request No. 1: Will Ardmore Telephone Company, Inc. be willing to impute earnings with revenue generated by affiliated non-regulated entities?

Response No. 1: Ardmore Telephone Company, Inc., is willing to impute the earnings of Ardmore Communications, LLC. This only applies to the earnings of the Tennessee operations of Ardmore Communications, LLC. Also, it does not apply to any affiliated non-regulated entity other than Ardmore Communications, LLC. If at some time in the future the expenses of Ardmore Communications, LLC, can be separated, Ardmore Telephone Company, Inc., reserves the right to terminate the imputing of these revenues, at its option, subject to the satisfaction of the requirements of the Tennessee Regulatory Authority applicable at that time.

Exhibit 10

Company ID: 128626

Ardmore Communications, LLC.
30190 Ardmore Avenue
Ardmore, TN 38449

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, TN December 4, 2001

IN RE: CASE NUMBER: 00-00254

Application for Authority to Provide Operator Services and/or Resell
Telecommunications Services in Tennessee Pursuant to Rule 1220-4-2-.57.

---ORDER---

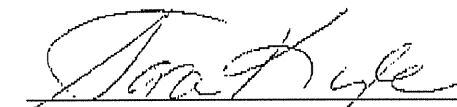
This matter came before the Tennessee Regulatory Authority upon the application of the above-mentioned company for certification as a reseller or telecommunication operator service provider in Tennessee. The TRA considered this application at a Conference held on December 4, 2001 and concluded that the applicant has met all the requirements for certification and should be authorized to provide operator services and/or resell telecommunications services on an intrastate basis.


IT IS THEREFORE ORDERED:

1. That the above-mentioned company is issued a Certificate of Convenience and Necessity as an operator service provider and/or reseller of telecommunications services for state-wide service in Tennessee as specified in its application on file with the Authority.
2. That said company shall comply with all applicable state laws and TRA rules and regulations.
3. That this order shall be retained as proof of certification with this Authority, and may be used to obtain appropriately tariffed service and billing arrangements from Authority authorized telecommunications service providers.

ATTEST:


Executive Secretary


Chairman


Director

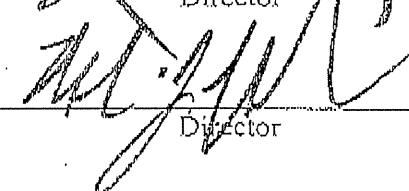

Director

Exhibit 11

**March
2008
Quarterly Report**

COMPANY
QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES

	Item (a)	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
		This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
1	Operating Revenues						
2	Local Revenues (5000 to 5069)	653,886	706,981	653,886	706,981	2,710,428	2,906,030
3	Access Revenues (5080 to 5084)	840,993	936,910	840,993	936,910	4,154,861	3,637,448
4	Long Distance Revenues (5100 to 5169)	8,929	8,174	8,929	8,174	35,716	32,696
5	Miscellaneous Revenues (5200 to 5270)	32,924	37,278	32,924	37,278	151,549	154,021
6	Uncollectible Revenues (5300 to 5302)	8,325	8,325	8,325	8,325	48,086	102,410
7	Total Operating Revenues (L1 to L4 Less L5)	1,528,407	1,681,018	1,528,407	1,681,018	7,004,468	6,627,785
8	Operating Expenses						
9	Plant Specific Expenses (6110 to 6441)	392,801	360,309	392,801	360,309	1,549,960	1,493,381
10	Plant NonSpecific Expenses (6510 to 6540)	104,350	89,763	104,350	89,763	405,311	405,786
11	Depreciation & Amortization (6560 to 6665)	523,107	512,924	523,107	512,924	2,075,524	1,963,969
12	Customer Operations Expense (6610 to 6623)	90,721	95,140	90,721	95,140	383,987	391,437
13	Corporate Operations Expense (6710 to 6790)	286,360	232,281	286,360	232,281	1,165,616	1,128,271
14	Other Operation Taxes (7230 & 7240)	79,897	78,917	79,897	78,917	328,911	313,349
15	Federal Income Tax (7210, 7220, and 7250)	133,589	107,297	133,589	107,297	415,039	267,727
16	Total Operating Expense (L7 to L13)	1,610,825	1,476,631	1,610,825	1,476,631	6,324,348	5,963,920
17	Net Operating Income (L6 minus L14)	-82,418	204,387	-82,418	204,387	680,120	663,865
18	Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	-437	74,261	-437	74,261	159,606	442,076
19	Interest Expense (7510 to 7540)	108,015	123,051	108,015	123,051	465,093	514,775
20	Extraordinary Items (7610 to 7640)						
21	Net Income	-190,870	155,597	-190,870	155,597	374,633	591,166

Selected Balance Sheet Items	Balance End of Quarter			Average 12 M-T-D		
	This Year (h)	Last Year (i)	Last Year (k)	This Year (j)	Last Year (l)	Last Year (m)
20 Plant in Service (2110 to 2690)	39,380,132	38,852,956	38,439,286	39,170,761	38,439,286	
21 Property Held For Future Use (2002)						
22 Plant Under Construction (2003 to 2004)	14,005	22,633	14,002	26,349	14,002	
23 Plant Acquisition Adjustment (2005)						
24 Materials & Supplies (1220)	273,007	283,029	382,342	337,359	382,342	
25 Depreciation Reserve (3100 to 3600 less 3300)	27,778,196	25,781,411	25,046,441	20,761,027	25,046,441	
26 Unamortized Investment Tax Credit (4320)						
27 Accumulated Deferred Income Taxes (4340)	2,355,195	2,417,838	2,482,381	2,386,517	2,482,381	
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450	19,450	
29 Common Stock (4510)	145,000	145,000	145,000	145,000	145,000	
30 Additional Paid in Capital (4520)						
31 Retained Earnings (4550)	5,995,206	8,961,608	6,854,015	7,489,984	6,854,015	
32 Long Term Debt (4210 to 4270)	8,689,087	9,844,773	10,094,064	9,071,356	10,094,064	

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	7,052	1,054	8,106
34 2 Party			
35 4 Party			
36 Multi Party		314	314
37 Other			
38 Total	7,052	1,368	8,420

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceeding year of \$1,500,000 or less as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the quarter covered by the report. Show adjusted to the nearest dollar unless directed otherwise.
2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date:

(Signed)

Georgie Bailey

Title: **Commercial Manager**

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report Georgie Bailey

Phone Number of Contact (256) 423-2131

COMPANY

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	39,337,043	39,170,761
2	Plant Under Construction	7,003	26,349
3	Property Held For Future Use		
4	Materials & Supplies	314,554	337,359
	Other Additions (Itemize):		
5	Working Capital	291,411	292,073
6			
7			
8	Total Additions	39,950,011	39,826,542
	Deductions:		
9	Accumulated Depreciation	15,016,657	20,761,027
10	Accumulated Deferred Income Taxes	2,355,195	2,386,517
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	75,735	82,373
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	17,447,587	23,229,917
17	Rate Base	22,502,424	16,596,625
18	Net Operating Income (NOI)	-329,672	680,120
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,726
20			
21			
22			
23			
24	Adjusted Net Operating Income	-309,946	699,846
25	Rate of Return (L24/I17)	-1.38%	4.22%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.

SUPPLEMENTAL FINANCIAL DATA TO PSC 3.02
NET ACCESS REVENUES BY CATEGORY
FOR THE QUARTER ENDED March 31, 2009

Line #		QUARTER ENDED 3/31/2009	12 MONTHS ENDED 3/31/2009
1	Switched:		
	A. Line Termination		
	B. Local Switching 1		
	C. Local Switching 2	8,196	31,092
	D. Intercept	302	1,146
	E. Directory Assistance		
	F. Transport		
	1. Access Connection		
	2. Local Transport	5,416	21,287
	G. Miscellaneous		
	H. Subtotal	13,914	53,525
2	Feature Group A	0	0
3	Feature Group B	0	0
4	Carrier Common Line	23,154	87,220
5	Billing and Collection:		
	A. Record	0	0
	B. Billing Services	48	168
	C. Miscellaneous	0	0
	D. Subtotal	48	168
6	Special Access	3,254	12,696
7	Miscellaneous (Itemize)		
	A.		
	B. 800 Query Basic	40	213
	C. 800 Query Vert	2	124
	D. Subtotal	42	337
8	Total Intrastate Access Revenues (Total Lines 1 through 7)	40,413	153,947
9	Total Interstate Access Revenues	76,813	345,532
10	Total Access Charge Revenues	117,225	499,479

TENNESSEE ONLY
**QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES**

Item (a)	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
	This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
Operating Revenues						
1 Local Revenues (5000 to 5069)	137,844	141,619	137,844	141,619	565,474	567,442
2 Access Revenues (5080 to 5084)	291,259	306,241	291,259	306,241	1,472,157	1,206,508
3 Long Distance Revenues (5100 to 5169)	4,465	4,087	4,465	4,087	17,860	16,348
4 Miscellaneous Revenues (5200 to 5270)	11,676	14,976	11,676	14,976	65,045	62,981
5 Uncollectible Revenues (5300 to 5302)	6,000	6,000	6,000	6,000	28,288	44,042
6 Total Operating Revenues (L1 to L4 Less L5)	439,244	460,923	439,244	460,923	2,092,248	1,809,237
Operating Expenses						
7 Plant Specific Expenses (6110 to 6441)	98,701	107,152	98,701	107,152	432,490	458,481
8 Plant Non-Specific Expenses (6510 to 6540)	25,892	21,425	25,892	21,425	103,565	92,567
9 Depreciation & Amortization (6560 to 6565)	86,677	86,061	86,677	86,061	345,791	340,065
10 Customer Operations Expense (6610 to 6623)	23,616	25,411	23,616	25,411	100,701	107,472
11 Corporate Operations Expense (6710 to 6790)	81,991	67,170	81,991	67,170	355,053	325,217
12 Other Operation Taxes (7230 & 7240)	28,719	27,314	28,719	27,314	101,037	123,294
13 Federal Income Tax (7210, 7220, and 7250)	38,741	31,116	38,741	31,116	135,035	116,093
14 Total Operating Expense (L7 to L13)	384,337	365,649	384,337	365,649	1,573,672	1,563,189
15 Net Operating Income (L6 minus L14)	54,907	95,274	54,907	95,274	518,576	246,048
16 Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	-127	21,536	-127	21,536	39,018	184,537
17 Interest Expense (7510 to 7540)	31,325	35,685	31,325	35,685	134,816	149,194
18 Extraordinary Items (7610 to 7640)						
19 Net Income	23,455	81,125	23,455	81,125	422,778	281,391

Selected Balance Sheet Items	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
20 Plant in Service (2110 to 2690)	9,356,424	9,302,591	9,353,774	9,236,228
21 Property Held For Future Use (2002)				
22 Plant Under Construction (2003 to 2004)	0	0	0	0
23 Plant Acquisition Adjustment (2005)				
24 Materials & Supplies (1220)	106,937	104,351	121,894	139,647
25 Depreciation Reserve (3100 to 3600 less 3300) ...	4,811,466	4,465,746	4,768,128	4,337,829
26 Unamortized Investment Tax Credit (4320)				
27 Accumulated Deferred Income Taxes (4340) ...	922,530	894,600	913,816	907,837
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450
29 Common Stock (4510)	145,000	145,000	145,000	145,000
30 Additional Paid in Capital (4520)				
31 Retained Earnings (4550)	5,995,206	8,961,608	7,489,984	6,854,015
32 Long Term Debt (4210 to 4270)	8,689,087	9,844,773	9,071,356	10,094,064

TENNESSEE
ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	2,157	355	2,512
34 2 Party			
35 4 Party			
36 Multi Party			
37 Other		70	70
38 Total	2,157	425	2,582

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceeding year of \$1,500,000 or less as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the quarter covered by the report. Show adjusted to the nearest dollar unless directed otherwise.
2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date:

(Signed) Georgie Bailey

Title: Commercial Manager

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report Georgie Bailey

Phone Number of Contact (256) 423-2131

TENNESSEE

For Quarter Ended March 31, 2009

PAGE 3

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	9,353,774	9,336,223
2	Plant Under Construction	0	0
3	Property Held For Future Use		
4	Materials & Supplies	121,894	128,975
	Other Additions (Itemize):		
5	Working Capital	76,733	82,651
6			
7			
8	Total Additions	9,552,401	9,547,849
	Deductions:		
9	Accumulated Depreciation	4,768,128	4,681,639
10	Accumulated Deferred Income Taxes	913,816	913,698
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	21,560	24,139
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	5,703,504	5,619,476
17	Rate Base	3,848,897	3,928,373
18	Net Operating Income (NOI)	219,628	518,576
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,726
20	Net Income for Ardmore Communications	17,830	22,005
21			
22			
23			
24	Adjusted Net Operating Income	257,184	560,307
25	Rate of Return (L24/I17)	6.68%	14.26%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.

**June
2008
Quarterly Report**

QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES

COMPANY

Item (a)	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
	This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
Operating Revenues						
1 Local Revenues (5000 to 5069)	620,327	699,492	1,274,213	1,406,473	2,631,263	2,861,308
2 Access Revenues (5080 to 5084)	710,913	1,179,087	1,551,905	2,115,997	3,686,687	3,982,861
3 Long Distance Revenues (5100 to 5169)	12,704	8,929	21,633	17,103	39,491	33,451
4 Miscellaneous Revenues (5200 to 5270)	31,513	49,945	64,437	87,224	133,117	166,201
5 Uncollectible Revenues (5300 to 5302)	8,325	8,325	16,650	16,650	48,086	102,410
6 Total Operating Revenues (L1 to L4 Less L5)	1,367,132	1,929,128	2,895,538	3,610,147	6,442,472	6,941,411
Operating Expenses						
7 Plant Specific Expenses (5110 to 6441)	364,447	378,076	757,249	738,384	1,536,331	1,492,150
8 Plant Non-Specific Expenses (6510 to 6540)	102,235	97,927	206,585	186,474	409,619	399,434
9 Depreciation & Amortization (6560 to 6565)	523,726	514,707	1,046,833	1,027,632	2,084,543	1,979,251
10 Customer Operations Expense (6610 to 6623)	82,486	96,711	173,207	193,067	369,762	398,405
11 Corporate Operations Expense (6710 to 6790)	269,574	266,135	555,933	498,416	1,169,055	1,127,513
12 Other Operation Taxes (7230 & 7240)	52,910	106,860	132,807	185,777	274,961	311,569
13 Federal Income Tax (7210, 7220, and 7250)	11,196	103,350	144,785	210,647	322,885	271,077
14 Total Operating Expense (L7 to L13)	1,406,574	1,563,766	3,017,399	3,040,397	6,167,156	5,979,399
15 Net Operating Income (L6 minus L14)	-39,442	365,362	-121,861	569,750	275,316	962,012
16 Nonoperating Inc. (7310 to 7370) (7410 to 7450)	-838	-907	-1,275	73,354	159,675	313,097
17 Interest Expense (7510 to 7540)	110,095	120,674	218,110	243,726	454,514	505,399
18 Extraordinary Items (7610 to 7640)						
19 Net Income	-150,375	243,781	-341,247	399,378	-19,523	769,710

Selected Balance Sheet Items	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
20 Plant in Service (2110 to 2690)	39,357,227	38,887,548	39,288,181	38,650,228
21 Property Held For Future Use (2002)				
22 Plant Under Construction (2003 to 2004)	27,087	37,876	23,652	20,276
23 Plant Acquisition Adjustment (2005)				
24 Materials & Supplies (1220)	295,486	389,709	313,803	365,302
25 Depreciation Reserve (3100 to 3600 less 3300)	28,246,418	26,258,327	21,258,050	25,531,638
26 Unamortized Investment Tax Credit (4320)				
27 Accumulated Deferred Income Taxes (4340)	2,355,195	2,417,838	2,370,856	2,450,110
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450
29 Common Stock (4510)	145,000	145,000	145,000	145,000
30 Additional Paid in Capital (4520)				
31 Retained Earnings (4550)	5,525,084	8,840,381	6,661,159	8,860,465
32 Long Term Debt (4210 to 4270)	8,504,695	9,523,786	8,816,584	9,889,792

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	6,932	1,060	7,992
34 2 Party			
35 4 Party			
36 Multi Party			
37 Other		317	317
38 Total	6,932	1,377	8,309

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceeding year of \$1,500,000 or less as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the quarter covered by the report. Show adjusted to the nearest dollar unless directed otherwise.
2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date: 8/3/09

(Signed) Georgie Bailey

Title: Commercial Manager

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report Georgie Bailey

Phone Number of Contact (256) 423-2131

COMPANY

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	39,368,680	39,288,181
2	Plant Under Construction	20,546	23,652
3	Property Held For Future Use		
4	Materials & Supplies	284,247	313,803
	Other Additions (Itemize):		
5	Working Capital	272,914	290,397
6			
7			
8	Total Additions	39,946,387	39,916,033
	Deductions:		
9	Accumulated Depreciation	15,512,307	21,258,050
10	Accumulated Deferred Income Taxes	2,355,195	2,370,856
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	72,335	77,360
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	17,939,837	23,706,266
17	Rate Base	22,006,550	16,209,767
18	Net Operating Income (NOI)	-157,768	275,316
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,726
20			
21			
22			
23			
24	Adjusted Net Operating Income	-138,042	295,042
25	Rate of Return (L24/L17)	-0.63%	1.82%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.

SUPPLEMENTAL FINANCIAL DATA TO PSC 3.02
NET ACCESS REVENUES BY CATEGORY
FOR THE QUARTER ENDED June 30, 2009

Line #		QUARTER ENDED 6/30/2009	12 MONTHS ENDED 6/30/2009
1	Switched:		
	A. Line Termination		
	B. Local Switching 1		
	C. Local Switching 2	7,719	31,241
	D. Intercept	284	1,151
	E. Directory Assistance		
	F. Transport		
	1. Access Connection		
	2. Local Transport	4,652	20,729
	G. Miscellaneous		
	H. Subtotal	12,656	53,121
2	Feature Group A		
3	Feature Group B		
4	Carrier Common Line	21,820	87,850
5	Billing and Collection:		
	A. Record		
	B. Billing Services	36	160
	C. Miscellaneous		
	D. Subtotal	36	160
6	Special Access	4,691	14,240
7	Miscellaneous (Itemize)		
	A.		
	B. 800 Query Basic	41	163
	C. 800 Query Vert	1	99
	D. Subtotal	43	262
8	Total Intrastate Access Revenues (Total Lines 1 through 7)	39,246	155,633
9	Total Interstate Access Revenues	82,916	342,588
10	Total Access Charge Revenues	122,162	498,221

TENNESSEE ONLY

**QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES**

Item (a)	Amount For This Quarter			Year-to-Date		12 Months-To-Date	
	This Year (b)	Last Year (c)		This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
Operating Revenues							
1 Local Revenues (5000 to 5069)	134,497	142,753		272,340	284,371	557,218	570,428
2 Access Revenues (5080 to 5084)	294,165	420,641		585,424	726,882	1,345,681	1,369,749
3 Long Distance Revenues (5100 to 5169)	6,352	4,465		10,816	8,552	19,747	16,726
4 Miscellaneous Revenues (5200 to 5270)	10,850	27,934		22,527	42,910	47,961	74,827
5 Uncollectible Revenues (5300 to 5302)	6,000	6,000		12,000	12,000	28,288	44,042
6 Total Operating Revenues (L1 to L4 Less L5)	439,863	599,793		879,107	1,050,715	1,942,319	1,987,688
Operating Expenses							
7 Plant Specific Expenses (6110 to 6441)	104,575	117,103		203,276	224,255	419,962	455,943
8 Plant NonSpecific Expenses (6510 to 6540)	24,170	26,599		50,062	48,024	101,136	93,157
9 Depreciation & Amortization (6560 to 6565)	86,523	86,271		173,200	172,331	346,043	342,001
10 Customer Operations Expense (6610 to 6823)...	21,275	24,689		44,891	50,100	97,287	104,430
11 Corporate Operations Expense (6710 to 6790)...	77,792	76,517		159,783	143,686	336,328	325,029
12 Other Operation Taxes (7230 & 7240)	25,815	44,749		54,534	72,063	82,103	122,234
13 Federal Income Tax (7210, 7220, and 7250)	3,247	29,971		41,988	61,088	108,311	117,064
14 Total Operating Expense (L7 to L13)	343,398	405,899		727,734	771,547	1,491,170	1,559,858
15 Net Operating Income (L6 minus L14)	96,465	183,894		151,373	279,168	451,149	427,830
16 Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	-243	-263		-370	21,273	39,038	98,122
17 Interest Expense (7510 to 7540)	31,017	34,958		62,342	70,643	130,875	146,462
18 Extraordinary Items (7610 to 7640)							
19 Net Income	65,206	148,673		88,661	229,798	359,312	379,490

Selected Balance Sheet Items	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
20 Plant in Service (2110 to 2690)	9,338,450	9,311,336	9,343,002	9,272,692
21 Property Held For Future Use (2002)	0	0	0	0
22 Plant Under Construction (2003 to 2004)				
23 Plant Acquisition Adjustment (2005)				
24 Materials & Supplies (1220)	118,638	146,842	121,924	135,035
25 Depreciation Reserve (3100 to 3600 less 3300)...	4,877,185	4,552,017	4,762,931	4,423,217
26 Unamortized Investment Tax Credit (4320)				
27 Accumulated Deferred Income Taxes (4340) ...	945,611	911,041	922,340	905,738
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450
29 Common Stock (4510)	145,000	145,000	145,000	145,000
30 Additional Paid in Capital (4520)				
31 Retained Earnings (4550)	5,525,084	8,840,381	6,661,159	8,860,465
32 Long Term Debt (4210 to 4270)	8,504,695	9,523,786	8,816,584	9,889,792

TENNESSEE
ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	2,135	354	2,489
34 2 Party			
35 4 Party			
36 Multi Party		70	70
37 Other			
38 Total	2,135	424	2,559

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceeding year of \$1,500,000 or less as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the quarter covered by the report. Show adjusted to the nearest dollar unless directed otherwise.
2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date: 8/7/09

(Signed) Georgie Bailey

Title: Commercial Manager

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report Georgie Bailey

Phone Number of Contact (256) 423-2131

TENNESSEE

For Quarter Ended June 30, 2009

PAGE 3

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	9,347,437	9,343,002
2	Plant Under Construction	0	0
3	Property Held For Future Use		
4	Materials & Supplies	112,788	121,924
	Other Additions (Itemize):		
5	Working Capital	75,938	79,559
6			
7			
8	Total Additions	9,536,163	9,544,485
	Deductions:		
9	Accumulated Depreciation	4,844,326	4,762,931
10	Accumulated Deferred Income Taxes	934,071	922,340
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	22,985	23,210
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	5,801,382	5,708,481
17	Rate Base	3,734,781	3,836,004
18	Net Operating Income (NOI)		
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,726
20	Net Income for Ardmore Communications	19,730	20,886
21			
22			
23			
24	Adjusted Net Operating Income	39,456	40,612
25	Rate of Return (L24/I17)	1.06%	1.06%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.

**September
2008
Quarterly Report**

COMPANY

 QUARTERLY REPORT OF REVENUES, EXPENSES
 AND INVESTMENTS - TELEPHONE COMPANIES

	Item (a)	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
		This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	LAST YEAR (g)
	Operating Revenues						
1	Local Revenues (5000 to 5069)	695,592	730,845	2,102,065	2,243,703	2,826,055	3,014,944
2	Access Revenues (5080 to 5084)	1,122,918	1,031,319	3,238,915	2,785,585	4,074,460	3,804,214
3	Long Distance Revenues (5100 to 5169)	8,929	8,174	26,033	23,766	34,206	32,463
4	Miscellaneous Revenues (5200 to 5270)	33,037	43,548	120,261	122,829	155,690	162,490
5	Uncollectible Revenues (5300 to 5302)	8,325	8,325	24,975	22,525	102,410	64,183
6	Total Operating Revenues (L1 to L4 Less L5)	1,852,151	1,805,561	5,462,299	5,153,358	6,988,001	6,949,928
	Operating Expenses						
7	Plant Specific Expenses (6110 to 6441)	379,475	357,014	1,117,860	1,098,755	1,514,611	1,493,892
8	Plant NonSpecific Expenses (6510 to 6540)	94,025	85,959	280,499	275,087	407,500	389,955
9	Depreciation & Amortization (6560 to 6565)	517,245	500,401	1,544,877	1,496,162	1,996,095	2,067,476
10	Customer Operations Expense (6610 to 6623)....	99,961	102,631	293,028	302,195	395,735	405,529
11	Corporate Operations Expense (6710 to 6790)...	299,256	283,646	797,672	800,862	1,163,123	1,178,337
12	Other Operation Taxes (7230 & 7240)	32,982	79,418	218,758	288,812	265,133	359,001
13	Federal Income Tax (7210, 7220, and 7250)	98,550	68,023	309,197	268,022	301,604	338,109
14	Total Operating Expense (L7 to L13)	1,521,494	1,457,092	4,561,891	4,529,895	6,043,801	6,232,299
15	Net Operating Income (L6 minus L14)	330,657	348,469	900,408	623,463	944,200	717,629
16	Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	33,949	43,197	107,303	192,081	303,849	318,640
17	Interest Expense (7510 to 7540)	118,125	129,549	361,851	390,578	493,975	533,826
18	Extraordinary Items (7610 to 7640)						
19	Net Income	246,481	262,117	645,860	424,966	754,074	502,443

Selected Balance Sheet Items	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
20 Plant in Service (2110 to 2690)	39,121,411	38,152,285	38,892,509	37,953,078
21 Property Held For Future Use (2002)				
22 Plant Under Construction (2003 to 2004)	53,514	20,596	28,506	8,530
23 Plant Acquisition Adjustment (2005)				
24 Materials & Supplies (1220)	330,619	508,637	320,797	418,657
25 Depreciation Reserve (3100 to 3600 less 3300)...	26,752,467	24,817,825	26,015,299	24,084,150
26 Unamortized Investment Tax Credit (4320)				
27 Accumulated Deferred Income Taxes (4340) ...	2,417,838	2,546,924	2,417,838	2,546,924
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450
29 Common Stock (4510)	145,000	145,000	145,000	145,000
30 Additional Paid in Capital (4520)				
31 Retained Earnings (4550)	8,916,773	8,874,140	8,871,123	6,985,728
32 Long Term Debt (4210 to 4270).....	9,200,151	10,177,556	9,645,441	10,437,363

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	7,478	1,098	8,576
34 2 Party			
35 4 Party			
36 Multi Party			
37 Other		315	315
38 Total	7,478	1,413	8,891

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceeding year of \$1,500,000 or less as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the quarter covered by the report. Show adjusted to the nearest dollar unless directed otherwise.
2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date:

(Signed)

Title: **Commercial Manager**

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report **Georgie Bailey**

Phone Number of Contact **(256) 423-2131**

COMPANY

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	39,004,480	38,892,509
2	Plant Under Construction	45,695	28,506
3	Property Held For Future Use		
4	Materials & Supplies	360,164	320,797
	Other Additions (Itemize):		
5	Working Capital	290,906	290,081
6			
7			
8	Total Additions	39,701,245	39,531,893
	Deductions:		
9	Accumulated Depreciation	26,505,397	26,015,299
10	Accumulated Deferred Income Taxes	2,417,838	2,417,838
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	89,010	92,973
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	29,012,245	28,526,110
17	Rate Base	10,689,000	11,005,783
18	Net Operating Income (NOI)	1,322,628	944,200
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,630
20			
21			
22			
23			
24	Adjusted Net Operating Income	1,342,354	963,830
25	Rate of Return (L24/I17)	12.56%	8.76%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.

**SUPPLEMENTAL FINANCIAL DATA TO PSC 3.02
NET ACCESS REVENUES BY CATEGORY
FOR THE QUARTER ENDED September 30, 2008**

Line #		QUARTER ENDED 9/30/2008	12 MONTHS ENDED 9/30/2008
	Switched:		
1	A. Line Termination		
	B. Local Switching 1		
	C. Local Switching 2	7,894	30,521
	D. Intercept	291	1,125
	E. Directory Assistance		
	F. Transport		
	1. Access Connection		
	2. Local Transport	5,468	20,767
	G. Miscellaneous		
	H. Subtotal	13,653	52,413
2	Feature Group A		
3	Feature Group B		
4	Carrier Common Line	22,073	85,490
5	Billing and Collection:		
	A. Record	0	0
	B. Billing Services	29	192
	C. Miscellaneous	0	0
	D. Subtotal	29	192
6	Special Access	3,147	12,566
7	Miscellaneous (Itemize)		
	A.		
	B. 800 Query Basic	43	391
	C. 800 Query Vert	4	115
	D. Subtotal	47	506
8	Total Intrastate Access Revenues (Total Lines 1 through 7)	38,949	151,167
9	Total Interstate Access Revenues	90,314	332,605
10	Total Access Charge Revenues	129,263	483,772

**QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES**

TENNESSEE ONLY

	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
	This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
Item (a)						
Operating Revenues						
1 Local Revenues (5000 to 5069)	145,134	140,381	429,506	421,119	575,181	561,796
2 Access Revenues (5080 to 5084)	404,870	358,906	1,131,752	897,878	1,415,713	1,180,469
3 Long Distance Revenues (5100 to 5169)	4,465	4,087	13,016	11,883	17,104	16,232
4 Miscellaneous Revenues (5200 to 5270)	12,735	17,576	55,644	51,285	69,986	69,410
5 Uncollectible Revenues (5300 to 5302)	6,000	6,000	18,000	15,550	44,042	28,607
6 Total Operating Revenues (L1 to L4 Less L5)	561,204	514,950	1,611,918	1,366,615	2,033,942	1,799,300
Operating Expenses						
7 Plant Specific Expenses (6110 to 6441)	113,977	114,485	338,232	346,013	455,435	484,116
8 Plant NonSpecific Expenses (6510 to 6540)	23,520	23,578	71,544	76,500	93,099	89,443
9 Depreciation & Amortization (6560 to 6565)	86,337	84,617	258,669	252,703	343,721	335,466
10 Customer Operations Expense (6610 to 6623)	25,543	27,065	75,643	78,652	102,908	110,720
11 Corporate Operations Expense (6710 to 6790)	86,187	76,031	229,873	230,417	335,185	326,906
12 Other Operation Taxes (7230 & 7240)	5,745	26,617	77,808	104,811	101,362	98,890
13 Federal Income Tax (7210, 7220, and 7250)	28,579	19,727	89,667	77,726	125,916	135,727
14 Total Operating Expense (L7 to L13)	369,888	372,120	1,141,436	1,166,822	1,557,626	1,581,268
15 Net Operating Income (L6 minus L14)	191,316	142,830	470,482	199,793	476,316	218,032
16 Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	9,845	12,527	31,118	104,715	95,440	215,101
17 Interest Expense (7510 to 7540)	34,249	37,582	104,892	113,254	143,129	154,656
18 Extraordinary Items (7610 to 7640)						
19 Net Income	166,912	117,775	396,708	191,254	428,627	278,477

	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
Selected Balance Sheet Items				
20 Plant in Service (2110 to 2690)	9,326,008	9,196,313	9,305,115	9,136,307
21 Property Held For Future Use (2002)				
22 Plant Under Construction (2003 to 2004)	0	0	0	0
23 Plant Acquisition Adjustment (2005)				
24 Materials & Supplies (1220)	125,272	186,975	119,609	150,504
25 Depreciation Reserve (3100 to 3600 less 3300)	4,638,283	4,295,025	4,509,031	4,168,514
26 Unamortized Investment Tax Credit (4320)				
27 Accumulated Deferred Income Taxes (4340) ...	916,119	936,249	900,705	912,563
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450
29 Common Stock (4510)	145,000	145,000	145,000	145,000
30 Additional Paid in Capital (4520)				
31 Retained Earnings (4550)	8,916,773	8,874,140	8,871,123	6,985,728
32 Long Term Debt (4210 to 4270)	9,200,151	10,177,556	9,645,441	10,437,363

TENNESSEE
ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	2,253	377	2,630
34 2 Party			
35 4 Party			
36 Multi Party			
37 Other		70	70
38 Total	2,253	447	2,700

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceeding year of \$1,500,000 or less as provided in the Commission's rules. Prepare on a typewriter and file within 60 days
after the end of the quarter covered by the report. Show adjusted to the nearest dollar unless directed otherwise.
2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date:

(Signed)

Title: Commercial Manager

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report **Georgie Bailey**

Phone Number of Contact **(256) 423-2131**

TENNESSEE

PAGE 3

For Quarter Ended Septebmer 30, 2008

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	9,318,672	9,305,115
2	Plant Under Construction	0	0
3	Property Held For Future Use		
4	Materials & Supplies	136,057	119,609
	Other Additions (Itemize):		
5	Working Capital	83,076	82,219
6			
7			
8	Total Additions	9,537,805	9,506,943
	Deductions:		
9	Accumulated Depreciation	4,595,150	4,509,031
10	Accumulated Deferred Income Taxes	913,580	900,705
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	26,718	26,764
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	5,535,448	5,436,500
17	Rate Base	4,002,357	4,070,443
18	Net Operating Income (NOI)	765,264	476,316
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,630
20	Net Income for Ardmore Communications	26,181	25,339
21			
22			
23			
24	Adjusted Net Operating Income	811,171	521,285
25	Rate of Return (L24/I17)	20.27%	12.81%

All amounts should be calculated in a manner consisten with the last Rate Order issued by the Commission for this company.

SUPPLEMENTAL FINANCIAL DATA TO PSC 3.02
NET ACCESS REVENUES BY CATEGORY
FOR THE QUARTER ENDED September 30, 2007

TN PAGE 4

Line #		QUARTER ENDED 9/30/2007	12 MONTHS ENDED 9/30/2007
	Switched:		
1	A. Line Termination		
	B. Local Switching 1		
	C. Local Switching 2		
	D. Intercept		
	E. Directory Assistance		
	F. Transport		
	1. Access Connection		
	2. Local Transport		
	G. Miscellaneous		
	H. Subtotal	0	0
2	Feature Group A	0	0
3	Feature Group B	0	0
4	Carrier Common Line		
5	Billing and Collection:		
	A. Record		
	B. Billing Services		
	C. Miscellaneous		
	D. Subtotal	0	0
6	Special Access		
7	Miscellaneous (Itemize)		
	A.		
	B.		
	C. 800 Query Basic		
	D. 800 Query Vert		
	E. Subtotal	0	0
8	Total Intrastate Access Revenues (Total Lines 1 through 7)	0	0
9	Total Interstate Access Revenues		
10	Total Access Charge Revenues	0	0

**December
2008
Quarterly Report**

COMPANY
QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES

	Item (a)	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
		This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
1	Operating Revenues						
2	Local Revenues (5000 to 5069)	661,458	723,990	2,763,523	2,967,694	2,763,523	2,967,694
3	Access Revenues (5080 to 5084)	1,011,863	835,545	4,250,779	3,621,129	4,250,779	3,621,129
4	Long Distance Revenues (5100 to 5169)	8,929	8,174	34,962	31,941	34,962	31,941
5	Miscellaneous Revenues (5200 to 5270)	35,643	35,430	155,904	158,259	155,904	158,259
6	Uncollectible Revenues (5300 to 5302)	23,111	77,435	48,086	99,960	48,086	99,960
7	Total Operating Revenues (L1 to L4 Less L5)	1,694,782	1,525,704	7,157,082	6,679,063	7,157,082	6,679,063
8	Operating Expenses						
9	Plant Specific Expenses (6110 to 6441)	399,608	396,751	1,517,468	1,495,506	1,517,468	1,495,506
10	Plant Non-Specific Expenses (6540 to 6540)	109,009	126,785	389,509	400,872	389,509	400,872
11	Depreciation & Amortization (6660 to 6665)	520,465	451,219	2,065,342	1,947,381	2,065,342	1,947,381
12	Customer Operations Expense (6610 to 6623)	96,594	103,923	389,622	406,118	389,622	406,118
13	Corporate Operations Expense (6710 to 6790)	313,866	365,451	1,111,537	1,166,312	1,111,537	1,166,312
14	Other Operation Taxes (7230 & 7240)	109,172	46,374	327,931	335,186	327,931	335,186
15	Federal Income Tax (7210, 7220, and 7250)	79,550	-7,593	388,747	260,430	388,747	260,430
16	Total Operating Expense (L7 to L13)	1,628,263	1,481,910	6,190,156	6,011,805	6,190,156	6,011,805
17	Net Operating Income (L6 minus L14)	66,519	43,794	966,926	667,258	966,926	667,258
18	Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	127,001	198,546	234,304	388,627	234,304	388,627
19	Interest Expense (7510 to 7540)	118,279	132,125	480,130	522,703	480,130	522,703
20	Extraordinary Items (7610 to 7640)						
21	Net Income	75,241	108,215	721,100	533,182	721,100	533,182

Selected Balance Sheet Items	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
20 Plant in Service (2110 to 2690)	39,293,953	38,708,121	39,038,967	38,208,285
21 Property Held For Future Use (2002)	0	0	28,506	8,530
22 Plant Under Construction (2003 to 2004)				
23 Plant Acquisition Adjustment (2005)	356,101	279,831	339,865	417,632
24 Materials & Supplies (1220)	27,255,117	25,268,990	26,511,831	24,563,728
25 Depreciation Reserve (3100 to 3600 less 3300)	2,355,195	2,417,838	2,402,117	2,514,653
26 Unamortized Investment Tax Credit (4320)	19,450	19,450	19,450	19,450
27 Preferred Stock (4510)	145,000	145,000	145,000	145,000
28 Common Stock (4510)				
29 Additional Paid in Capital (4520)	6,207,574	8,765,730	8,231,584	6,910,623
30 Retained Earnings (4550)	8,872,401	10,013,052	9,360,278	10,263,171
32 Long Term Debt (4210 to 4270)				

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	7,290	1,083	8,373
34 2 Party			
35 4 Party			
36 Multi Party			
37 Other		314	314
38 Total	7,290	1,397	8,687

INSTRUCTIONS

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2. If any amount for the current quarter differs materially from that for the previous quarter a year ago and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date: _____

(Signed)

Title: Commercial Manager

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report Georgie Bailey

Phone Number of Contact (256) 423-2131

COMPANY		
Line #		
	Average Quarterly Balance	Average for 12 MTD
Additions:		
1	Plant in Service	39,207,682
2	Plant Under Construction	26,757
3	Property Held For Future Use	
4	Materials & Supplies	343,360
	Other Additions (Itemize):	339,865
5	Working Capital	
6		306,359
7		284,011
8	Total Additions	
	39,884,158	39,691,349
Deductions:		
9	Accumulated Depreciation	27,003,792
10	Accumulated Deferred Income Taxes	2,386,517
		26,511,831
11	Unamortized Investment Credit -- Pre 1971	2,402,177
12	Customer Deposits	
	Other Deductions (Itemize):	82,385
13		88,198
14		
15		
16	Total Deductions	
	29,472,694	29,002,206
17	Rate Base	
	10,411,464	10,689,143
18	Net Operating Income (NOI)	
	Adjustment to NOI (Itemize):	266,076
19	Directors Salaries	19,726
20		
21		
22		
23		
24	Adjusted Net Operating Income	
	285,802	986,652
25	Rate of Return (L24/L17)	
	2.75%	9.23%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.

SUPPLEMENTAL FINANCIAL DATA TO PSC 3.02
NET ACCESS REVENUES BY CATEGORY
FOR THE QUARTER ENDED December 31, 2008

Line #		QUARTER ENDED 12/31/2008	12 MONTHS ENDED 12/31/2008
1	Switched:		
	A. Line Termination		
	B. Local Switching 1		
	C. Local Switching 2	7,433	30,510
	D. Intercept	274	1,124
	E. Directory Assistance		
	F. Transport		
	1. Access Connection		
	2. Local Transport		
	G. Miscellaneous	5,193	21,057
	H. Subtotal	12,900	52,691
2	Feature Group A		
3	Feature Group B		
4	Carrier Common Line	20,802	85,402
5	Billing and Collection:		
	A. Record		
	B. Billing Services	46	178
	C. Miscellaneous		
	D. Subtotal	46	178
6	Special Access	3,147	12,815
7	Miscellaneous (Itemize)		
	A.		
	B. 800 Query Basic	39	297
	C. 800 Query Vert	91	164
	D. Subtotal	130	461
8	Total Intrastate Access Revenues (Total Lines 1 through 7)	37,026	151,547
9	Total Interstate Access Revenues	92,546	352,525
10	Total Access Charge Revenues	129,572	504,072

TENNESSEE ONLY

**QUARTERLY REPORT OF REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES**

	Item (a)	Amount For This Quarter		Year-to-Date		12 Months-To-Date	
		This Year (b)	Last Year (c)	This Year (d)	Last Year (e)	This Year (f)	Last Year (g)
1	Local Revenues (5000 to 5069)	139,743	145,675	569,249	566,794	569,249	566,794
2	Access Revenues (5080 to 5084)	355,387	283,961	1,487,139	1,181,839	1,487,139	1,181,839
3	Long Distance Revenues (5100 to 5169)	4,465	4,087	17,481	15,970	17,481	15,970
4	Miscellaneous Revenues (5200 to 5270)	12,700	14,341	68,345	65,626	68,345	65,626
5	Uncollectible Revenues (5300 to 5302)	10,288	26,042	28,288	41,592	28,288	41,592
6	Total Operating Revenues (L1 to L4 Less L5)	502,007	422,022	2,113,926	1,788,637	2,113,926	1,788,637
7	Operating Expenses						
8	Plant Specific Expenses (6110 to 6441)	102,709	117,203	440,940	463,216	440,940	463,216
9	Plant NonSpecific Expenses (6510 to 6540)	27,554	21,555	99,098	98,056	99,098	98,056
10	Depreciation & Amortization (6560 to 6565)	86,506	85,052	345,175	337,756	345,175	337,756
11	Customer Operations Expense (6610 to 6623)	26,853	27,265	102,496	105,916	102,496	105,916
12	Corporate Operations Expense (6710 to 6790)	90,358	105,311	320,231	335,727	320,231	335,727
13	Other Operation Taxes (7230 & 7240)	21,824	23,554	99,632	128,364	99,632	128,364
14	Federal Income Tax (7210, 7220, and 7250)	37,744	36,250	127,412	113,977	127,412	113,977
15	Total Operating Expense (L7 to L13)	393,548	416,190	1,534,984	1,583,012	1,534,984	1,583,012
16	Net Operating Income (L6 minus L14)	108,459	5,832	578,942	205,625	578,942	205,625
17	Nonoperating Inc. (7310 to 7370)-(7410 to 7450)	29,563	64,322	60,680	169,037	60,680	169,037
18	Interest Expense (7510 to 7540)	34,284	36,237	139,176	151,491	139,176	151,491
19	Extraordinary Items (7610 to 7640)						
	Net Income	103,738	31,917	500,446	223,171	500,446	223,171

Selected Balance Sheet Items	Balance End of Quarter		Average 12 M-T-D	
	This Year (h)	Last Year (i)	This Year (j)	Last Year (k)
20 Plant in Service (2110 to 2690)	9,351,124	9,280,526	9,322,765	9,189,423
21 Property Held For Future Use (2002)	0	0	0	0
22 Plant Under Construction (2003 to 2004)				
23 Plant Acquisition Adjustment (2005)				
24 Materials & Supplies (1220)	136,850	101,970	128,329	151,132
25 Depreciation Reserve (3100 to 3600 less 3300)	4,724,789	4,380,078	4,595,209	4,252,925
26 Unamortized Investment Tax Credit (4320)				
27 Accumulated Deferred Income Taxes (4340)	905,101	881,060	906,715	909,781
28 Preferred Stock (4510)	19,450	19,450	19,450	19,450
29 Common Stock (4510)	145,000	145,000	145,000	145,000
30 Additional Paid in Capital (4520)				
31 Retained Earnings (4550)	6,207,574	8,765,730	8,152,554	6,910,623
32 Long Term Debt (4210 to 4270)	8,872,401	10,013,052	9,360,278	10,263,171

TENNESSEE
ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Type of Service (a)	Residence (b)	Business (c)	Total (d)
33 1 Party	2,218	376	2,594
34 2 Party			
35 4 Party			
36 Multi Party			
37 Other		70	70
38 Total	2,218	446	2,664

INSTRUCTIONS

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3. Average for the 12 Months-To-Date shall be computed on an average quarterly balance basis.

REMARKS

I certify that to the best of my knowledge and belief this is a true and correct report:

Date: _____

(Signed)

Title: Commercial Manager

address: PO Box 549 Ardmore, TN. 38449

Name of Contact Concerning this report Georgie Bailey

Phone Number of Contact (256) 423-2131

TENNESSEE

For Quarter Ended December 31, 2008

PAGE 3

Line #		Average Quarterly Balance	Average for 12 MTD
	Additions:		
1	Plant in Service	9,338,566	9,322,765
2	Plant Under Construction	0	0
3	Property Held For Future Use		
4	Materials & Supplies	131,061	128,329
	Other Additions (Itemize):		
5	Working Capital	82,491	80,230
6			
7			
8	Total Additions	9,552,118	9,531,324
	Deductions:		
9	Accumulated Depreciation	4,681,536	4,595,209
10	Accumulated Deferred Income Taxes	910,610	906,715
11	Unamortized Investment Credit -- Pre 1971		
12	Customer Deposits	23,435	25,689
	Other Deductions (Itemize):		
13			
14			
15			
16	Total Deductions	5,615,581	5,527,613
17	Rate Base	3,936,537	4,003,711
18	Net Operating Income (NOI)	433,836	578,942
	Adjustment to NOI (Itemize):		
19	Directors Salaries	19,726	19,726
20			
21	Net Income from Ardmore Communications	22,042	23,545
22			
23			
24	Adjusted Net Operating Income	475,604	622,213
25	Rate of Return (L24/I17)	12.08%	15.54%

All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this company.