AFFIDAVIT

As an authorized corporate officer of Smithville Telephone Company, Incorporated, I, Darby A. McCarty, under penalty of perjury, hereby affirm familiarity with and understanding of the requirements of the Communications Act of 1934 as amended by the Telecommunications Act of 1996 with respect to the receipt of Universal Service funds and affirm that funds received will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended pursuant to 47 U.S.C. 254(e).

Myust 13, 2008 (Date)

Subscribed and Sworn to before me this 13th day of August, A.D. 2008

NOTARY PUBLIC Rosetta Kay Olse

My Commission Expires. September 28, 2011

AUG 1 5 2008

INDIANA UTILITY REGULATORY COMMISSION

2008 Revised High Cost Universal Service Funding Certification For All Eligible Telecommunications Companies IURC Cause No. 42067

Each ETC is required to complete this form in order to receive certification by the Indiana Utility Regulatory Commission that the carrier is eligible to receive federal high-cost loop support. If you need to attach additional sheets, please do so. If you have any questions, please call Jennifer Richardson at 317-232-2785. This information is due back to the Commission no later than August 18, 2008.

Carrier Name:

Smithville Telephone Company

Study Area code

320818

IURC Cause No.:

42067-HLS-1

Carrier Address:

1600 W. Temperance St

P.O. Box 728

Ellettsville, IN 47429

Contact Name:

Ed Pence

Position:

General Manager

Phone:

(812) 935-2388

FAX: (812) 876-9839

1. With regard to your Study Area(s) please provide the following information, using the most current year-end financial statements (preferably audited):

High Cost Loop Support:

\$ 2,695,089

Local Switching Support:

\$ 529,058

Interstate Common Line Support:

\$ 2,293,327

AUG 1 5 2008

FILED

INDIANA UTILITY
REGULATORY COMMISSION

Total Federal Support:

\$ 5,517,474

Total Number of Lifeline Customers²

314

Number of customers that receive LinkUp

discounts³

64

2. Explain how your company plans to use federal universal service funds it will receive in the coming calendar year. Indicate below how those funds will be applied to provision, maintain and upgrade eligible facilities and services.

Provision:

\$ 1,243,478

Maintenance:

\$ 414,493

Upgrade:

\$ 3,859,503

3. Please attach your company's three (3) year plan to improve service over your network using universal service support on a wire center basis. This plan should include an update from the 2006 certification in addition to maps or other materials detailing the progress made towards meeting its plan targets, an explanation of how much support will be received and how the support will be used to improve signal quality, capacity or coverage. Attach additional sheets if necessary.

There are now four main initiatives that are part of our 3-year plan. The first is a 5-year provisional plan that builds fiber to all copper fed carrier units that are 300 line capable, all are in rural areas. See attached "Future Fiber Planning Areas'. The initiative to do proactive maintenance on our copper facilities has been completed. The third initiative is upgrading 17 carrier units in very rural areas to new digital service. See the attached list. The fourth initiative is to replace our copper service drops with Fiber to the Home. The Fiber to the Home build-outs will be scheduled over a 5-7 year period. See attached project schedule.

4. Please provide information regarding outages that have lasted 90 minutes or more for any facilities that your company owns, operates, leases or otherwise utilizes that would have affected at least ten percent of the end users served in a designated area. This would also include any 911 facilities. Also include in this

² To calculate this number, use the most updated figure as of the date of this survey.

³ To calculate this number, use the most updated figure as of the date of this survey.

report the time/date of outage, the number of customers affected by the outage, the services affected, the geographic areas affected by the outage and steps taken to prevent similar outages in the future.

See attached emails since August 1st, 2007 through today.

5.	Please provide the number of complaints per 1,000 handsets or lines.
	3.6 complaints per 1,000 lines
6.	Does your company offer a local usage plan? If so, and if you are a CETC, is this plan comparable to that offered by the incumbent LEC in your designated area?
	Smithville Telephone offers unlimited flat rate local calling in all of its service areas
_	
7.	Does your company acknowledge that the FCC may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area?
	Yes.

				Functional	Installation	Date of Last Major		
	Site Name	Switch Model	Manufacturer	Description	Date	Update/Addition	Line Capacity	Lines Served
%	Fairgrounds	S-24DU	Seiscor	DLC	1994	1994	48	44
%	Jordan Branch	S-24DU	Seiscor	DLC	1991	1991	24	20
*	Hefner	S-24DU	Seiscor	DLC	1994	1994	96	62
*	Westcrest	S-24DU	Seiscor	DLC	1996	1996	48	46
	Ames Chapel	S-24DU	Seiscor	DLC	1988	1988	24	18
	McDonald	S-24DU	Seiscor	DLC	1991	1991	48	19
	Roland	S-24DU	Seiscor	DLC	1991	1991	48	22
	Orangeville	S-24DU	Seiscor	DLC	1991	1991	48	30
*	Texas Eastern	UMC1000	AFC	GR303_IDT	1995	2005	120	103
	Beech Creek	S-24DU	Seiscor	DLC	1994	1994	96	70
%	Rodeo Drive	S-24DU	Seiscor	DLC	1984	1984	48	27
%	Sharke	S-24DU	Seiscor	DLC	1994	1994	24	10
*	Blue Sky N	S-24DU	Seiscor	DLC	1993	1993	48	38
	Blue Sky S	UMC1000	AFC	GR303_DLC	2000	2003	120	73
	Dekoker	S-24DU	Seiscor	DLC	1991	1991	48	39
	Carlisle	S-24DU	Seiscor	DLC	1994	1994	48	33
	Peabody	S-24DU	Seiscor	DLC	1994	1994	24	12
	Timber Trace	C-7	Calix	Ultra-Broadband	2008	2008		
	Panther Ridge	C-7	Calix		2008	N/A	240	240
	%Replaced in 2007							
	*Replaced in 2008					1.000		
	Stuartsville and Deckard Ridge Fiber: other pending copper replacement							

Areas who	ere copper te	d units or more lines	capacity are	located:			
AREA			LINES	CAPACITY	MILES TO FIBER	FIBER FEED	LINES/FIBER MILE
French L	ick South		487	832	17.6		28
	Patoka		125	340		To French Lick	1
#	Cane Creek (partial duct)		81	210		To Patoka Lead	2
#	Texas Eastern (all duct)		119	120		To Cane Creek	3
	Wildwood		162	162	3.5	To Patoka Lead	4
Ellettsvill	le West		266	512	635		4:
#	Sherfield (c	able)	188	320		To Freeman	5-
#	Franklin (ca		78	192		To Sherfield	26
Ellettsvill	e South		413	816	12		34
#		e (partial duct)	291	608		To Newark	73
	Tulip		122	208	8	To Newark	15
Lyons We	est		684	828	14.5		47
	Crossconne	ect			5	To Lyons	
*	Bucktown		170	228	5	To Crossconnect	34
*	Hymera		514	600	4.5	To Dugger	114
Single Locations		615	1384	1805		33	
#	Paynetown	(cable)	158	304	4	To Lake Monroe	40
	Patterson		150	240	3.5	To McVille (4.75 to Whitehall)	43
	Liberty Holl	ow	136	240		To Stinesville	30
	Indian Hills		92	360		To Gosport	23
	Wayne		79	240	2.5	To Gosport	32
%	CliftyHills						
	ed in 2006						
%Complet	ted in 2007						
* Complete	ed in 2008 to	date					

Exchange	Switch	# Customers	<u>Funding</u>	Transport?	Planned Completion	# Customers
Stanford	Airport	569	RUS		2009	569
Stanford	Airport	246	non-RUS		2009	246
French Lick to Griffin		120	RUS	transport		
Griffin to Carlisle		80	RUS	transport		
Ellettsville	Carmola				2009	653
Ellettsville	Union Valley				2009	653
Ellettsville	McNeeley				2009	419
Smithville	Clear Creek				2010	760
Smithville	Walnut				2010	479
Smithville	Moffett				2010	779
Smithville	Smithville 1				2010	759
Smithville	Smithville 2				2010	759
Smithville	Pointe 1				2010	506
Smithville	Pointe 2				2010	506
Smithville	Bolin				2010	419
Stanford	Fullerton				2010	560
	French Lick 1					
	French Lick 2					
	French Lick 3					
French Lick	Prospect					
	Gosport	13				
	Gosport 2	104	non-RUS			
	Griffin	58				
	Hymera	38				
	Lake Monroe	22				
	Lake Monroe 2	42	non-RUS			
	Lizton	65				
	Lyons	42				
	Lyons 2	164	non-RUS			
	Sharpsville	52				
	Sharpsville 2	52				
	Sharpsville 3	52				



07/17/2008 04:42 PM

To Bart Bretsch/Smithville@Smithville

cc

bcc

Subject Fw: outage on 5/9/08

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:46 PM ----



Cassie Axsom/Smithville

05/13/2008 07:51 AM

To Ja-Deen Johnson, Pam Taber

CC

Subject outage on 5/9/08

Good Morning Ladies,

Sorry for the delay in this report. We had an outage in our Smithville exchange (812-824) on Friday 5/9 the first report came in at 7:24 am and it was fixed at 1:40 pm. Apparently in the middle of the night we had 175ft of 300 pair drop stolen. This happened near the intersection of old and new State Rd 37. We received about 20 calls relating to this outage.

Thank you and have a wonderful day!

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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Cassie Axsom/Smithville 07/17/2008 04:42 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: outage on 1/28/08

Cassie Axsom Customer Service Manager Smithville Telephone Company, Inc. 812-935-5200 - Direct Line 812-876-0692 - Fax caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:46 PM ----



Cassie Axsom/Smithville

02/01/2008 08:27 AM

To Ja-Deen Johnson

cc ptaber@urc.state.in.us

Subject outage on 1/28/08

We had a cable cut on 1/28 in our Lyons exchange (812-659). It was a 150 pair drop with 65 actually being damaged. The affected approximately 30 subscribers. The cable was cut at 4pm and was fixed 8pm.

The cable was damaged by Boyd and Son Inc (contractor) making a road bore. The cable had been located. The contractor helped with the repair.

Thank you,

Cassie Axsom Customer Service Manager Smithville Telephone Company, Inc. 812-935-5200 - Direct Line 812-876-0692 - Fax caxsom@smithville.net

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07/17/2008 04:41 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: outage on 1/1/08

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:46 PM ----



Cassie Axsom/Smithville

01/02/2008 08:27 AM

To Ja-Deen Johnson, Pam Taber

CC

Subject outage on 1/1/08

Good Morning,

There was a major outage in our French Lick exchange (812-936) yesterday. We received the alarm call at 10am. There was a major house fire downtown, just behind our CO, which melted a 200 & 600 pair cable that was within 10 feet. This affected approximately 400 customers and also some special circuits. The outage lasted approximately 8 to 10 hours.

Thank you,

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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07/17/2008 04:41 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: follow up on troubled service in French Lick on 10/23/07

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:45 PM ----



Cassie Axsom/Smithville

10/24/2007 02:07 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject follow up on troubled service in French Lick on 10/23/07

Good Afternoon!

It was reported to me today that they had the service down solid for about 2 hours last night replacing the bad shelf. Prior to that the service was intermitent. It is working fine now.

Thank you,



Cassie Axsom/Smithville 07/17/2008 04:41 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: trouble and planned outage

Cassie Axsom Customer Service Manager Smithville Telephone Company, Inc. 812-935-5200 - Direct Line 812-876-0692 - Fax caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:45 PM ----



Cassie Axsom/Smithville

10/23/2007 04:14 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject trouble and planned outage

We are experiencing trouble with a shelf in our French Lick exchange (812-936) at the Patoka remote. The shelf is going up and down. We plan on taking it down this evening around 10pm to replace the shelf. They are not sure how long it will take. This is affecting approximately 100 customers. I will follow up tomorrow with how long it took.

Thanks and have a great evening.



Cassie Axsom/Smithville 07/17/2008 04:41 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: outage on 10/11/07

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:45 PM -----



Cassie Axsom/Smithville

10/12/2007 09:21 AM

To Ja-Deen Johnson, Pam Taber

CC

Subject outage on 10/11/07

Good Morning Ladies!

There was a 50 pair cable cut yesterday afternoon at approx. 4:30pm in your Standford exchange (812-825). This happened at Hwy 48 and Spriggs Ave. It was fixed at approx. 11pm.

Thanks and have a wonderful day!



Cassie Axsom/Smithville 07/17/2008 04:41 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: outage on 10/10/07

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:45 PM ----



Cassie Axsom/Smithville

10/11/2007 05:02 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject outage on 10/10/07

There was a cable cut in our Sharpsville exchange (765-963) yesterday (10/10) at about 1pm. It was a 200 pair cable. It was restored last night at approximately 8pm.

Thanks,



07/17/2008 04:40 PM

To Bart Bretsch/Smithville@Smithville

CC

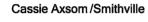
bcc

Subject Fw: outage on 10/8/07

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:45 PM ----



10/09/2007 08:56 AM

To Ja-Deen Johnson, Pam Taber

CC

Subject outage on 10/8/07

There was a cable cut yesterday (8/8) in our 812-876 exchange in Greene County, it affected pairs 1 - 299. The county is the one that cut the cable. This happened in Solsberry about 2 miles from the bridge going toward Hendricksville. The cut happened at about 11:45am and was repaired at 4:20pm.

Thanks and have a wonderful day!



Cassie Axsom/Smithville 07/17/2008 04:40 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: follow up on mowed peds in Lizton

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:44 PM ----



Cassie Axsom/Smithville

08/28/2007 02:29 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject follow up on mowed peds in Lizton

Service has been restored in our Lizton exchange as of 2:30pm.

Thank you,



Cassie Axsom/Smithville 07/17/2008 04:40 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: cut cable on 8/20/07

Cassie Axsom Customer Service Manager Smithville Telephone Company, Inc. 812-935-5200 - Direct Line 812-876-0692 - Fax caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:44 PM ----



Cassie Axsom/Smithville

08/28/2007 12:43 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject cut cable on 8/20/07

On 8/20 our Peabody carrier had a cable cut by Hawthorne Mines in our Lyons exchange. It affected 10 customers. They were putting in a new road bed and did not get locates. Cut and knicked about 2K - 3K feet of cable. It happened at approximately 2:30pm and was fixed at 8:00pm.

Sorry for the delay in reporting.

Thank you,



Cassie Axsom/Smithville 07/17/2008 04:40 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: cable cut and mowed peds 8/28/07

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:44 PM ----



Cassie Axsom/Smithville

08/28/2007 12:38 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject cable cut and mowed peds 8/28/07

We had a cable cut in the French Lick exchange this morning @ 9am and it was repaired @ 11:30am. No other information given other than we had 4 calls.

There have also been 2 peds mowed over in our Lizton exchange @ approximately 10:00am. We have a crew working on this now.

Thank you,



07/17/2008 04:40 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: follow up on Lyons cable cut on 8/15/07

Cassie Axsom
Customer Service Manager
Smithville Telephone Company, Inc.
812-935-5200 - Direct Line
812-876-0692 - Fax
caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:44 PM ----



Cassie Axsom/Smithville

08/17/2007 04:20 PM

To Ja-Deen Johnson, Pam Taber

CC

Subject follow up on Lyons cable cut on 8/15/07

The cable cut that I reported yesterday morning for our Lyons exchange (incident happened on 8/15) was fixed at 10:45am on 8/16/07.

Thanks and have a wonderful weekend!



07/17/2008 04:39 PM

To Bart Bretsch/Smithville@Smithville

CC

bcc

Subject Fw: outage beginning 8/15/07

Cassie Axsom Customer Service Manager Smithville Telephone Company, Inc. 812-935-5200 - Direct Line 812-876-0692 - Fax caxsom@smithville.net

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---- Forwarded by Cassie Axsom/Smithville on 07/17/2008 04:43 PM ----



Cassie Axsom/Smithville

08/16/2007 07:54 AM

To Ja-Deen Johnson, Pam Taber

CC

Subject outage beginning 8/15/07

Good Morning Ladies,

We had a 25 pair cable cut last night in our Lyons exchange at about 7:20pm. This cable held several T1's so it has affected a little over 200 subscribers. They are working on it now, I'll let you know when it is repaired. We aren't sure who cut it yet, but they know it was someone digging around a culvert and we do know no locates were requested.

Thank you and have a wonderful day.