

Attachment B – Proposed Middle Mile Service Offerings

Please complete the table below describing the service offerings that will be available indicating the bandwidth packages, the distance band (length of the network section) or point-to-point (geographical end points) of the specific package, the minimum peak load bandwidth that is available on the route, and the monthly or yearly pricing for the services. The chart may be adapted to adequately describe the service offerings of the project as long as the information described is included. If different packages will be available based on the area that will be receiving the benefits, then separate charts should be developed indicating which are the services for each area.

N/A to BIT's Wireless Broadband Initiative

U.S. Department of Commerce
Broadband Technology Opportunities Program

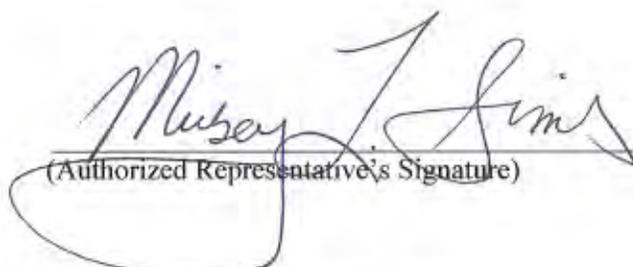
(i) I certify that I am authorized to submit this grant application on behalf of the eligible entity(ies) listed on this application, that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. §1001 and civil violations of the False Claims Act.

(ii) I certify that the entity(ies) I represent have and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

(iii) I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the DOC Pre-Award Notification, published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); DOC American Recovery and Reinvestment Act Award Terms (April 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award."

08/13/2009

(Date)


(Authorized Representative's Signature)

Mickey L. Sims

Name:

General Manager

Title:

Balance Sheet

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Assets

Current Assets

Cash

Cash Balance

Total Cash

Accounts Receivable

Trade Receivables

Customer Accounts Receivable

1181.00.00 - Allowance for Accounts Receivable Accounts Receivable

Broadband: AR Accounts Receivable

Broadband: Bad Debt Reserve Accounts Receivable

Total Trade Receivables

Total Accounts Receivable

Inventories

1220.00.00 - Inventory - Technical Stock Inventory

1220.00.55 - Inventory - Retail Store Inventory

Broadband: Other Inventory Inventory

Total Inventories

Other Current Assets

1310.00.00 - Prepaid Insurance Original Value

1330.00.00 - Other Prepayments, Regulated Original Value

Total Other Current Assets

Total Current Assets

Long Term Investments

1402.30.55 - Investments in Non-Affiliated -VITAL Balance

1402.50.00 - Investments in Non-Affiliated (RTFC) Balance

1402.80.00 - Inv. In Non-Affiliated NRTC Balance

Total Long Term Investments

Property, Plant and Equipment

Land

2111.00.00 - Land Balance

Total Land

Plant and Equipment

2112.00.00 - Motor Vehicles Original Value

2112.10.00 - Other Work Equipment Original Value

2121.00.00 - Buildings Original Value

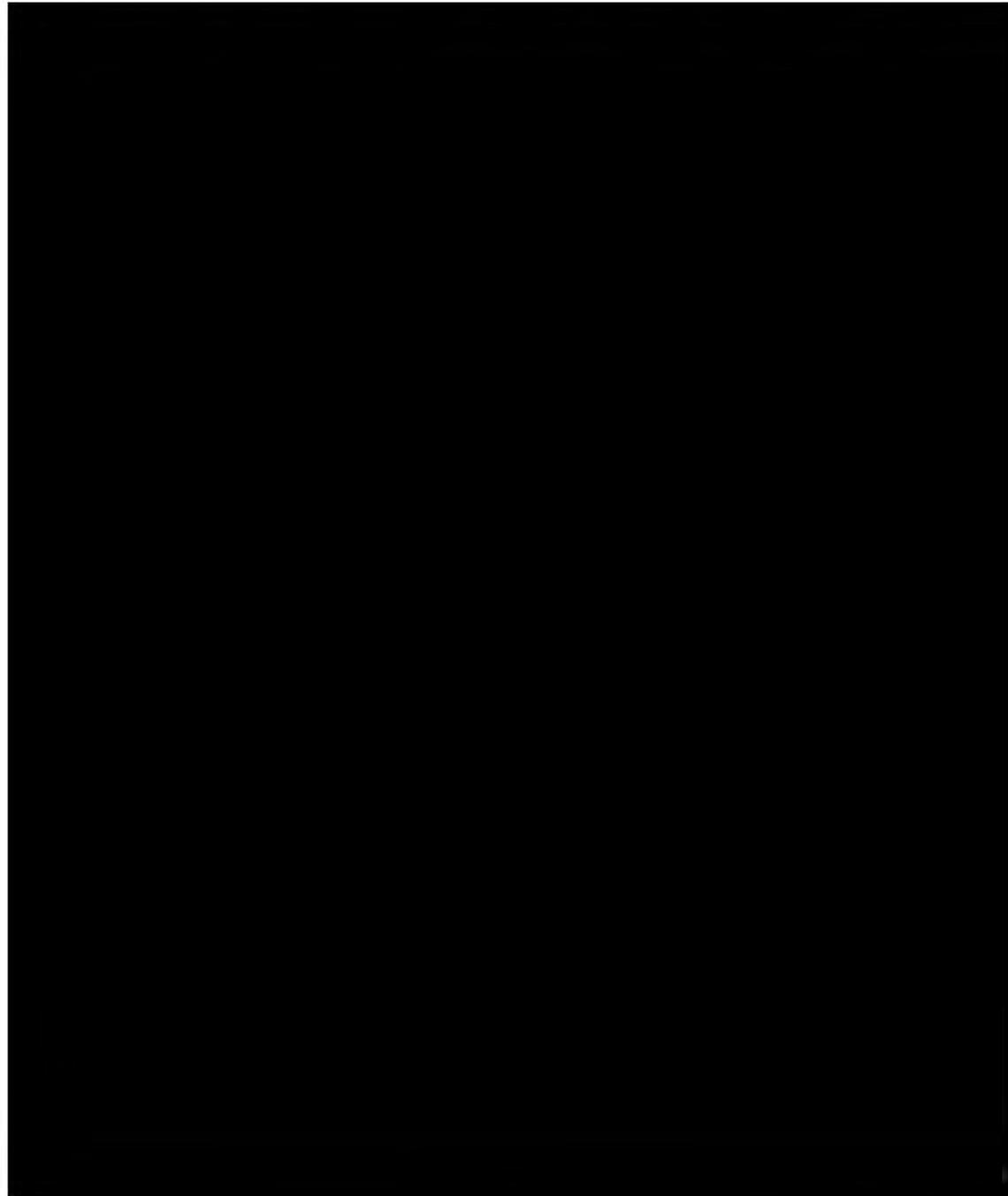
2122.00.00 - Office Furniture & Equipment Original Value

2124.00.00 - General Purpose Computers, Regulated Original Value

2124.10.00 - Billing Software, Regulated Original Value

2212.00.00 - Digital Electronic Switching (COE) Switching RLS Original Value

2212.10.00 - Asset Retirement Obligation - Switching Equip., Regulated Original Value



Balance Sheet

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

2232.00.00 - Circuit Equipment (COE) Non-Switching RLG Original Value
 2411.00.00 - Poles Original Value
 2421.00.00 - Aerial Cable Original Value
 2423.00.00 - Buried Cable Original Value
 2424.00.00 - Fiber Original Value
 2682.00.00 - Leasehold Improvements Original Value
 2683.00.00 - Wireless Spectrum Regulated Original Value
 2690.00.00 - Organization Original Value
 1408.10.00 - Non-Regulated Permanent Investments-Net Equip. Investment Original Value
 1406.20.00 - Non-Regulated WIFI Equipment Original Value
 Customer Care Centers
 Broadband: Tower Infrastructure
 Broadband: CPE Equipment
 Broadband: Core Network Original Value
 3100.10.00 - Depr. Reserve - Motor Vehicles Accumulated Depreciation
 3100.11.00 - Depr. Reserve - Other Work Equipment Accumulated Depreciation
 3100.12.00 - Depr. Reserve - Buildings - Mobile Building Accumulated Depreciation
 3100.16.00 - Depr. Reserve - Software Regulated Accumulated Depreciation
 3100.17.00 - Depr. Reserve - Computers Regulated Accumulated Depreciation
 3100.18.00 - Depr. Reserve - Office Furniture & Equipment Accumulated Depreciation
 3100.19.00 - Depr. Reserve - Digital Electronic Switching (COE) Switching RLS Accumulated Depreciation
 3100.20.00 - Depr. Reserve - Circuit Equipment (COE) Non-Switching RLG Accumulated Depreciation
 3100.21.00 - Depr. Reserve - Poles Accumulated Depreciation
 3100.22.00 - Depr. Reserve - Aerial Cable Accumulated Depreciation
 3100.23.00 - Depr. Reserve - Buried Cable Accumulated Depreciation
 3100.25.00 - Depr. Reserve - Internet Equipment Accumulated Depreciation
 3100.26.00 - Depr. Reserve - WIFI Equipment Accumulated Depreciation
 3100.27.00 - Depr. Reserve - Leasehold Improvements Accumulated Depreciation
 3100.32.00 - Depr. Reserve - Fiber Regulated Accumulated Depreciation
 3100.33.00 - Depr. Reserve - Asset Retirement Obligation Regulated Accumulated Depreciation
 Depr. Reserve - Customer Care Centers
 Broadband: Depreciation Reserve CPE Equipment
 Broadband: Depr. Reserve Tower Infrastructure
 Broadband: Core Network Accumulated Depreciation
 Total Plant and Equipment
 Total Property, Plant and Equipment

Other Assets

1439.00.00 - Deferred Charges - Wireless Auction Original Value

Total Other Assets

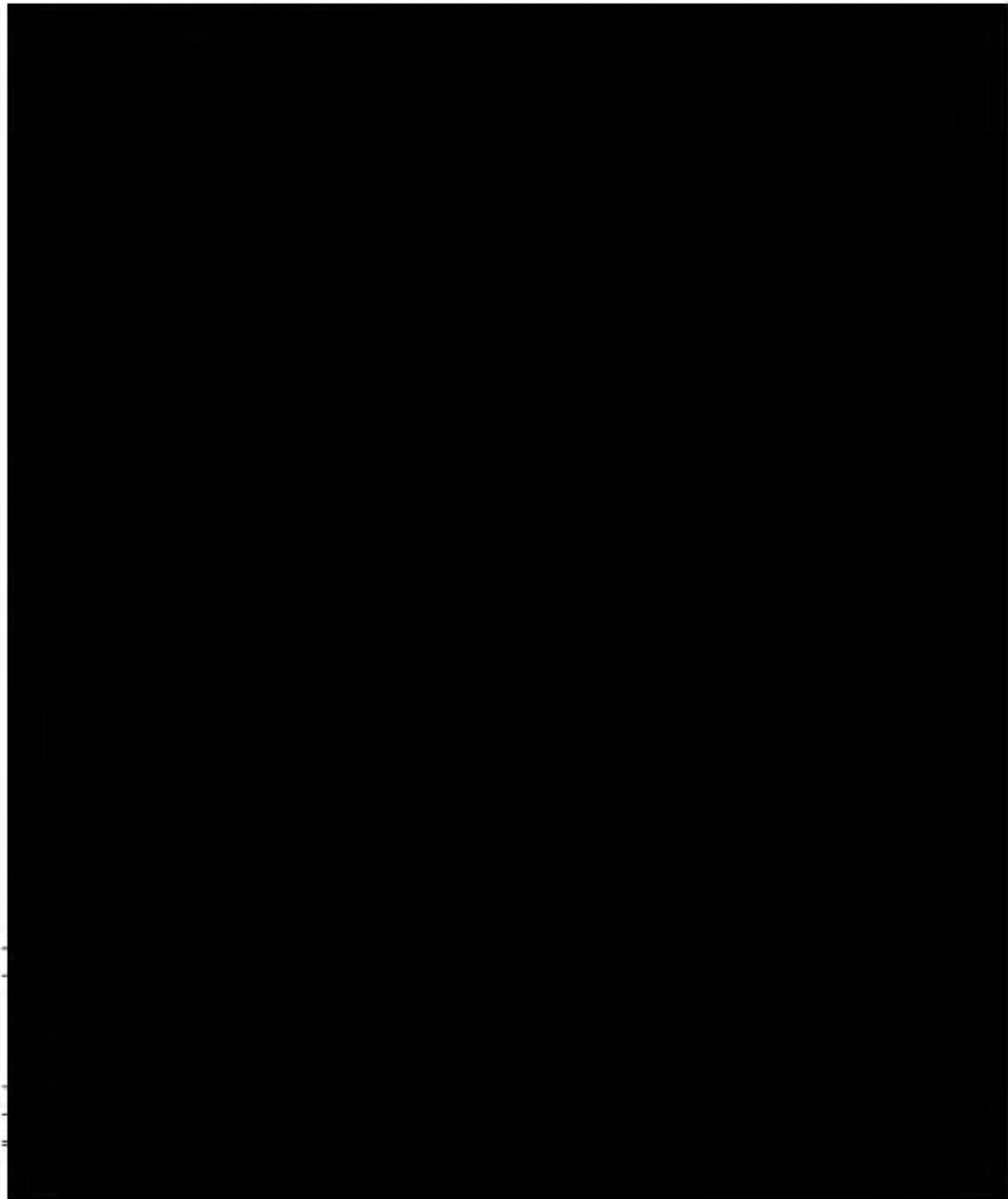
Total Assets

Liabilities and Equity

Liabilities

Current Liabilities

Current Portion of Long Term Liabilities



Balance Sheet

2007 Audited Historical Data 2008 Audited Historical Data Year 1 Year 2 Year 3 Year 4 Year 5

Projected RUS Loan Current Portion
 Projected RUS/FFB Current Portion
 Projected FCB Land Loan Current Portion
 Projected DSL Loan Current Portion
 Broadband: Stimulus Loan Current Portion
 Broadband: RTFC Stimulus Loan Current Portion
 Total Current Portion of Long Term Liabilities

Accounts Payable

Trade Payables

4016.00.00 - Accounts Payable/Buggs Island Telephone Accounts Payable
 4040.00.00 - Customer Deposits Accounts Payable
 4124.00.00 - Other Accrued Liabilities-Customer Dep. Int. Accounts Payable
 4121.00.00 - Other Accrued Liabilities-Vacation Accounts Payable
 4121.10.00 - Other Accrued Liabilities - Sickleave, Regulated Accounts Payable
 Total Trade Payables

Other Operating Payables

Income Tax Taxes Payable
 Total Other Operating Payables
 Total Accounts Payable

Accrued Liabilities

4360.00.00 - Other Deferred Credits (Unclaimed Property) Accrual
 Projected RUS Loan Interest Accrual
 Projected RUS/FFB Interest Accrual
 Projected FCB Land Loan Interest Accrual
 Projected DSL Loan Interest Accrual
 Broadband: Stimulus Loan Interest Accrual
 Broadband: RTFC Stimulus Loan Interest Accrual
 Salary Accrual Accrual
 Total Accrued Liabilities
 Total Current Liabilities

Long Term Debt

4310.00.00 - Other Long-Term Liabilities-FAS 106 Long Term Debt
 4370.00.00 - Asset Retirement Obligation, Regulated Long Term Debt
 RUS Loan Long Term Portion
 RUS/FFB Long Term Portion
 FCB Land Loan Long Term Portion
 DSL Loan Long Term Portion
 Broadband: Stimulus Loan Long Term Portion
 Broadband: RTFC Stimulus Loan Long Term Portion
 Total Long Term Debt

Total Liabilities

Balance Sheet

2007 Audited
Historical Data

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Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Stockholders Equity

Common Stock

4540.10.00 - Accumulated Other Comprehensive Income-OPEB Regulated Equity
4545.00.00 - BIT LLC - Retained Earnings Equity
4552.00.00 - Patronage Capital Assignable Equity
4553.00.00 - Patronage Capital Assigned Equity
Stimulus Grant Equity
Total Common Stock



Retained Earnings

Beginning Retained Earnings
Net Income
Total Retained Earnings
Total Stockholders Equity



Total Liabilities and Equity

BIT Communications

Balance Sheet

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Assets

Current Assets

Cash

Cash Balance

Total Cash

Accounts Receivable

Trade Receivables

Customer Accounts Receivable

1181.00.00 - Allowance for Accounts Receivable Accounts Receivable

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Total Trade Receivables

Total Accounts Receivable

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Broadband: Other Inventory Inventory

Total Inventories

Other Current Assets

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Total Other Current Assets

Total Current Assets

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Total Long Term Investments

Property, Plant and Equipment

Land

2111.00.00 - Land Balance

Total Land

Plant and Equipment

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2212.00.00 - Digital Electronic Switching (COE) Switching RLS Original Value

BIT Communications

Balance Sheet

2007 Audited
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Year 1

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Year 4

Year 5

2212.10.00 - Asset Retirement Obligation - Switching Equip..Regulated Original Value
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 Broadband: Tower Infrastructure
 Broadband: CPE Equipment
 Broadband: Core Network Original Value
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 3100.23.00 - Depre. Reserve - Buried Cable Accumulated Depreciation
 3100.25.00 - Depre. Reserve - Internet Equipment Accumulated Depreciation
 3100.26.00 - Depre. Reserve - WiFi Equipment Accumulated Depreciation
 3100.27.00 - Depre. Reserve - Leasehold Improvements Accumulated Depreciation
 3100.32.00 - Depre. Reserve - Fiber.Regulated Accumulated Depreciation
 3100.33.00 - Depre. Reserve - Asset Retirement Obligation Regulated Accumulated Depreciation
 Depre. Reserve - Customer Care Centers
 Broadband: Depreciation Reserve CPE Equipment
 Broadband: Depre. Reserve Tower Infrastructure
 Broadband: Core Network Accumulated Depreciation
 Total Plant and Equipment
 Total Property, Plant and Equipment

Other Assets

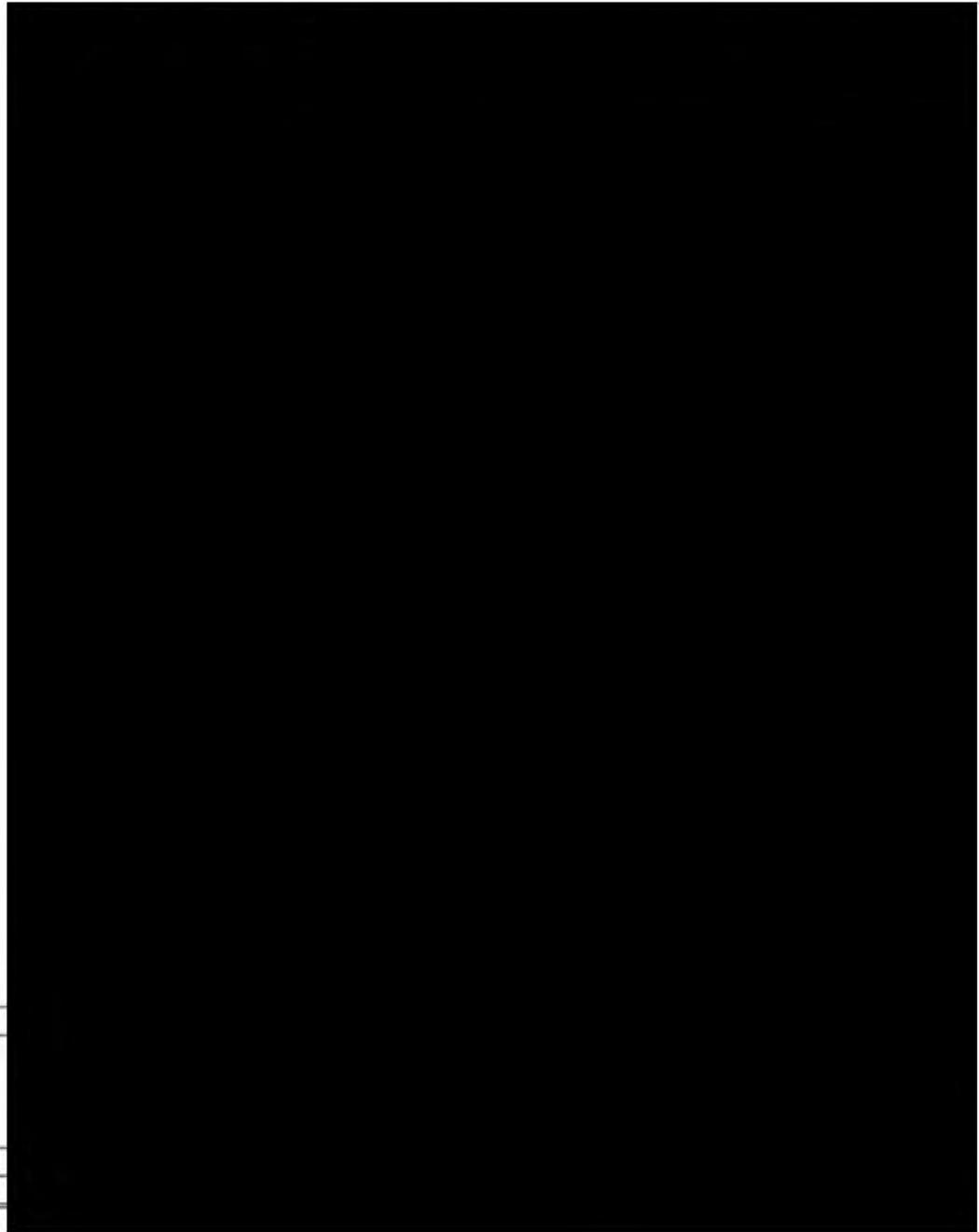
1439.00.00 - Deferred Charges - Wireless Auction Original Value

Total Other Assets

TotalAssets

Liabilities and Equity

Liabilities



Balance Sheet

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Current Liabilities

Current Portion of Long Term Liabilities

- Projected RUS Loan Current Portion
- Projected RUS/FFB Current Portion
- Projected FCB Land Loan Current Portion
- Projected DSL Loan Current Portion
- Broadband: RTFC Stimulus Loan Current Portion

Total Current Portion of Long Term Liabilities

Accounts Payable

Trade Payables

- 4016.00.00 - Accounts Payable/Buggs Island Telephone Accounts Payable
- 4040.00.00 - Customer Deposits Accounts Payable
- 4124.00.00 - Other Accrued Liabilities-Customer Dep. Int. Accounts Payable
- 4121.00.00 - Other Accrued Liabilities-Vacation Accounts Payable
- 4121.10.00 - Other Accrued Liabilities - Sickleave.Regulated Accounts Payable
- Total Trade Payables

Other Operating Payables

- Income Tax Taxes Payable
- Total Other Operating Payables
- Total Accounts Payable

Accrued Liabilities

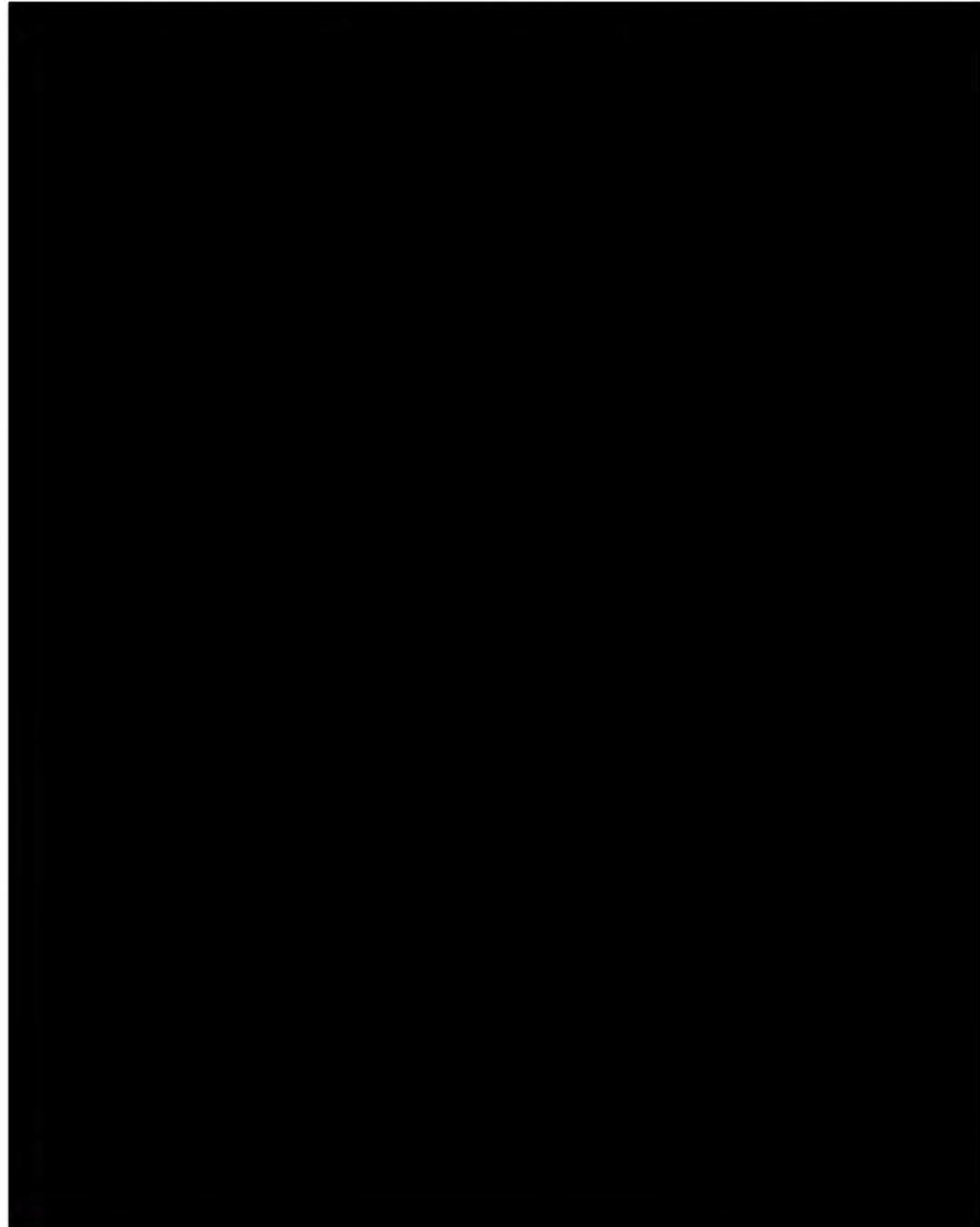
- 4360.00.00 - Other Deferred Credits (Unclaimed Property) Accrual
- Projected RUS Loan Interest Accrual
- Projected RUS/FFB Interest Accrual
- Projected FCB Land Loan Interest Accrual
- Projected DSL Loan Interest Accrual
- Broadband: RTFC Stimulus Loan Interest Accrual
- Salary Accrual Accrual
- Total Accrued Liabilities

Total Current Liabilities

Long Term Debt

- 4310.00.00 - Other Long-Term Liabilities-FAS 106 Long Term Debt
- 4370.00.00 - Asset Retirement Obligation.Regulated Long Term Debt
- RUS Loan Long Term Portion
- RUS/FFB Long Term Portion
- FCB Land Loan Long Term Portion
- DSL Loan Long Term Portion
- Broadband: RTFC Stimulus Loan Long Term Portion
- Total Long Term Debt

Total Liabilities



Balance Sheet

2007 Audited
Historical Data

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Historical Data

Year 1

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Stockholders Equity

Common Stock

4540.10.00 - Accumulated Other Comprehensive Income-OPEB Regulated Equity
4545.00.00 - BIT LLC - Retained Earnings Equity
4552.00.00 - Patronage Capital Assignable Equity
4553.00.00 - Patronage Capital Assigned Equity
Stimulus Grant Equity
Total Common Stock

Retained Earnings

Beginning Retained Earnings
Net Income
Total Retained Earnings

Total Stockholders Equity

Total Liabilities and Equity



Mickey L. Sims

PROFESSIONAL EXPERIENCE

General Manager	Buggs Island Telephone Cooperative Bracey, Virginia March, 2004-Present
Assistant Manager	Hamilton County Telephone Co-op Dahlgren, Illinois January, 2004-March, 2004
President and Owner	M. L. Sims, Inc. Telecommunications Consultants/Project Manager Lubbock, Texas 2001-2004
President	CapStar Communications, Inc. Midland, Texas 2000-2001
Vice President	Valor Telecommunications, LLC Irving, Texas January, 2000-June, 2000
General Manager & CEO	Poka Lambro Telephone Cooperative, Inc. And Subsidiaries Tahoka, Texas 1989-1999
Assistant General Manager	Poka Lambro Rural Telephone Cooperative, Inc. 1983-1989
Assistant Vice President	The (Original) Lubbock National Bank Lubbock, Texas 1977-1983

EDUCATION

Texas Tech University, Lubbock, Texas, 1976
Pampa High School, Pampa, Texas, 1971

LEADERSHIP

Director/ Former President Director	Virginia Telecommunications Industry Association September 2004-Present Carolina-Virginias Telephone Membership Association March, 2004-Present
President	Rural Telephone Finance Cooperative Herndon, Virginia 1998-2000 Director 1994-2000
Vice President/ Co-Founder President President	CoServ Communications, L.L.C. CLEC based in Corinth, Texas, 1997-2000 Rural Cellular Association, 1992-1994 National Telephone Cooperative Association, 1990-1992; Director, 1988-1997
Chairman	MainStreet Communications, LLC, 1994-1999

Michael Z. Elliott

zelliott@bit.coop

Experience	Buggs Island Telephone Cooperative Chief Technology Officer Network Operations Supervisor Network Administrator	Bracey, VA	July 2005 - Present October 2007 – Present January 2006 – October 2007 July 2005 – January 2006
	Southside Virginia Community College Instructor	Alberta, VA	June 2001 – Present
	Hose Company #4 Lieutenant	Harrisonburg, VA	August 2002 – April 2005
	Rockingham Group Insurance Company Professional Associate	Harrisonburg, VA	May 2004 – May 2005
	James Madison University Webmaster Peer Instructor Technical Advisor	Harrisonburg, VA	August 2002 – May 2004 Student Organization Services Academic Success Program Academic Advising & Career Development
	Micro Solutions Inc. Computer/Network Technician	South Hill, VA	August 2000 – March 2003
Buggs Island Telephone Cooperative Internet Technical Support & Customer Service Representative	Bracey, VA	June 1999 – August 2000	
Education	Florida Institute of Technology ▪ MS Information Technology ▪ 3.7 GPA	Melbourne, VA	2006-2008
	James Madison University ▪ BBA Computer Information Systems ▪ 3.0 GPA	Harrisonburg, VA	2001 - 2004
	Southside Virginia Community College ▪ Associate Degree in Information Systems Technology ▪ Graduated Cum Laude, 3.5 GPA	Alberta, VA	1999 – 2001
Certifications	Network +		
Programming Languages	Java, Visual Basic.net, Html, Visual Basic		
Teaching Experience	Introduction to Networking, Project Management, Network Security, Personal Computer Hardware Troubleshooting, Basic Routing & Switching, Wireless Network Administration		

Sarah Elizabeth Thrift



Work Experience

April 2006 – Present

BUGGS ISLAND TELEPHONE COOPERATIVE, Bracey, VA

Chief Financial Officer

February 2004–April 2006

CREEDLE, JONES & ALGA, P.C., South Hill, VA

Accountant

June 2003-February 2004

Summer, 2002

KPMG, Richmond, VA

Staff Accountant

Summers, 2000, 2001

CREEDLE, JONES & ALGA, P.C., South Hill, VA

Internship

Education

James Madison University, Harrisonburg, VA

Bachelor of Business Administration, May 2003

Major: Accounting

Extensive credits in the Finance and Computer Science Departments

Computer Experience

Microsoft Word
Microsoft Publisher
Quicken
Innovative Systems

Microsoft PowerPoint
Creative Solutions Accounting
QuickBooks

Microsoft Excel
Microsoft Office
Peachtree

BIT's management team has worked together for the last three years in their current positions deploying BIT's broadband network.

Mickey L. Sims has a distinguished track record with 30 years in the wireless industry. The projects he has been involved with are outlined below:

1. General Manager of Buggs Island Telephone Cooperative
 - a) Operated a single cell WiFi system in South Hill, Virginia
 - b) Purchased 700 Megahertz spectrum through the auction process in three Cellular Market Areas (CMA's) in the FCC Auction 73 held in 2008
1. Manager of Poka Lambro Telephone Cooperative, Inc.
 - a) Built, installed, maintained and operated both Amarillo, Texas and Lubbock, Texas Astronet cellular telephone networks and switches in partnership with Southwestern Bell Mobile Systems.
 - b) Negotiated settlements in the rural cellular lottery and partnership agreements to become Operating General Partner in four different cellular licensed areas with 12,500 subscribers. Built, maintained and operated the wireless service in rural West Texas markets. Marketed the service under the brand name "Digital Cellular" and became operational in 1989—one of the earliest rural cellular operations with innovative interconnection providing toll-free two-way calling to mobile phones.
 - c) Purchased Personal Communications Services spectrum in the Federal Communications Commission's spectrum auctions and built a regional PCS network—later sold to AT&T.
 - d) Negotiated partnership and partnership agreement with Southwestern Bell Mobile Systems (now AT&T) for a group of rural telephone companies (and affiliates) to own 29% of the West Texas region (Amarillo, Lubbock, Abilene, Midland, & Odessa). Sims was Assistant General Manager of Poka Lambro Rural Telephone Cooperative, Inc. Elected as President of the group—later named Alamo Cellular, Inc. Managed the re-capitalization of Alamo Cellular, Inc.
2. Operating General Manager for Five Star Wireless in Kerrville, Texas
 - a) Turned around a deteriorating small, rural market and prepared for sale.
 - b) Negotiated management agreement, switch leased space and facilities agreements, and an interconnection agreement to lower the costs and improve the efficiencies; negotiated new technology deployment.

Zeb Elliott has been in the Information and Telecommunication industry for 11 years. His track record is listed below:

1. Project manager for the deployment of BIT's DSL network upgrades over the last three years. Ensured that all budgets were met and projects met strict quality criteria. This project is similar in scope and cost per site to the proposed wireless network. Elliott has experience directly related to managing the complex budget and timeline that will need to be implemented for the projects success.
 - a) Negotiated contracts and purchase agreements with multiple vendors and ensured timely delivery of all products and services in accordance with project plan.
 - b) Inspected work completed on system construction and ensured quality standards were met and further assured all projects stayed within acceptable time frame for completion.
 - c) Approved all invoices associated with various work orders and compared actual vs. projected results for DSL project costs.
 - d) Coordinated all system turn-up and testing and did final sign off after system was fully commissioned.
2. Deployed network infrastructure for new billing and customer care systems and upgraded core network for increased data traffic.
3. Installed, configured, and currently maintain new business networks for multiple medium and large enterprises.
4. Assisted with Deployment of Community Memorial Health-center's Health Information System
 - a) Assisted with network configuration and setup, cable installation, and ensured wireless access was working throughout the hospital.
 - b) Installed all computer systems and configured for use with the new health information system.

Sarah Thrift has 10 years in public accounting and 3 years as BIT's Accountant and Chief Financial Officer. She is vital to the support and regulatory operations of the company and ensures compliance with all Federal, State, and Local laws. She manages BIT's human resource department and coordinates all of the financial and administrative operations of the company.

Cash Flow Statement

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Cash Flows from Operating Activities

Net Income

Depreciation

- 6561.10.00 - Depreciation Expense - Motor Vehicles Depreciation
- 6561.12.00 - Depreciation Expense - Buildings - Mobile Building Depreciation
- 6561.16.00 - Depreciation Expense - Software Regulated Depreciation
- 6561.17.00 - Depreciation Expense - Computers Regulated Depreciation
- 6561.18.00 - Depreciation Expense - Office Furniture & Equipment Depreciation
- 6561.19.00 - Depreciation Expense - Digital Electronic Switching (COE) Switching RLS Depreciation
- 6561.20.00 - Depreciation Expense - Circuit Equipment (COE) Non-Switching RLG Depreciation
- 6561.21.00 - Depreciation Expense - Poles Depreciation
- 6561.22.00 - Depreciation Expense - Aerial Cable Depreciation
- 6561.23.00 - Depreciation Expense - Buried Cable Depreciation
- 6561.25.00 - Depreciation Expense - Leasehold Improvements Depreciation
- 6561.32.00 - Depreciation Expense - Fiber Regulated Depreciation
- 7999.35.55 - Depreciation Expense - WIFI Depreciation
- 6560.00.00 - Accretion Expense - Asset Retirement Obligation Regulated Depreciation
- Broadband: Core Network Depreciation
- Broadband: Tower Infrastructure Depreciation
- Customer Care Centers - Depreciation
- CPE Depreciation
- Total Depreciation

Trade Receivables

- 1180.00.00 - Accounts Receivable Accounts Receivable
- 1181.00.00 - Allowance for Accounts Receivable Accounts Receivable
- Broadband: Bad Debt Reserve Accounts Receivable
- Total Trade Receivables

Inventories

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- Total Inventories

Other Current Assets

- 1310.00.00 - Prepaid Insurance Original Value
- 1310.10.00 - Prepaid Employee Benefits Original Value
- 1310.30.00 - Prepaid Hth Ins - Employer Portion Regulated Original Value
- 1330.00.00 - Other Prepayments Regulated Original Value
- Total Other Current Assets

Trade Payables

- 4016.00.00 - Accounts Payable/Buggs Island Telephone Accounts Payable
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Cash Flow Statement

2007 Audited Historical Data 2008 Audited Historical Data Year 1 Year 2 Year 3 Year 4 Year 5

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Accrued Liabilities

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 Salary Accrual Accrual

Total Accrued Liabilities

Total Cash Flows from Operating Activities

Cash Flows from Investing Activities

Land

2111.00.00 - Land

Total Land

Plant and Equipment

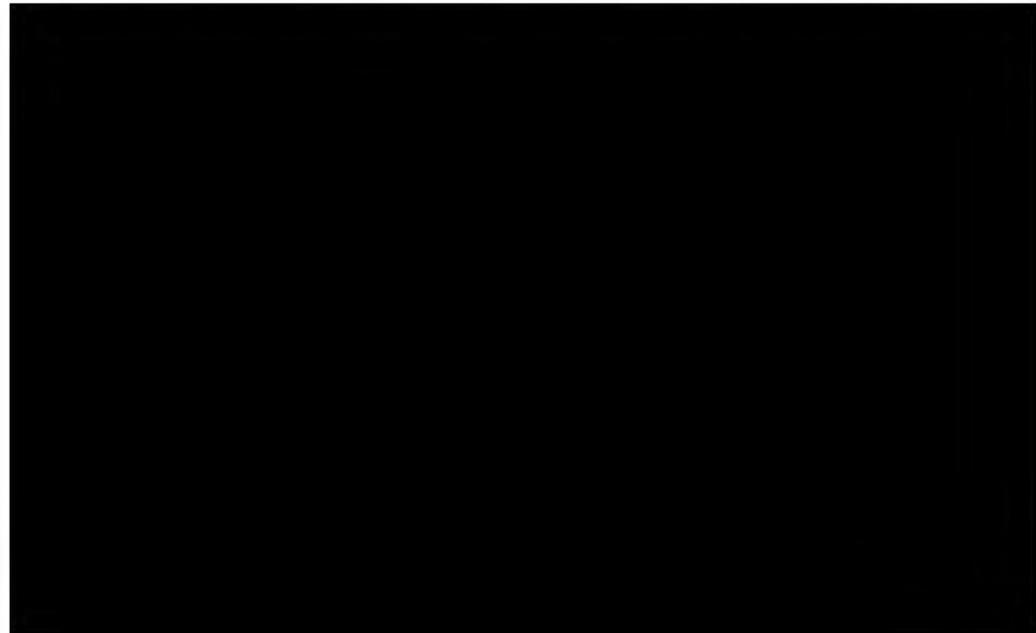
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 Broadband: Tower Infrastructure
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Total Plant and Equipment

Other Assets

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Total Other Assets



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Investments

1402.70.00 - Inv. In Non-Affiliated Meck./Bruns. Airport

Total Investments

Disaggregated Adjustments

3100.33.00 - Depre. Reserve - Asset Retirement Obligation.Regulated Accumulated Depreciation Adjustment

6560.00.00 - Accretion Expense - Asset Retirement Obligation.Regulated Depreciation Adjustment

Total Disaggregated Adjustments

Total Cash Flows from Investing Activities

Cash Flows from Financing Activities

Debt and Other Liabilities

4310.00.00 - Other Long-Term Liabilities-FAS 106 Balance

4370.00.00 - Asset Retirement Obligation.Regulated Balance

Projected RUS Loan Balance

Projected RUS/FFB Balance

Projected FCB Land Loan Balance

Projected DSL Loan Balance

Broadband: RTFC Stimulus Loan Balance

Total Debt and Other Liabilities

Reduction of Debt and Other Liabilities

4210.10.00 - Funded Debt Rural Dev.(Meck/Bruns. Airport) Balance

4310.00.00 - Other Long-Term Liabilities-FAS 106 Balance

Projected RUS Loan Balance

Projected RUS/FFB Balance

Projected FCB Land Loan Balance

Projected DSL Loan Balance

Broadband: RTFC Stimulus Loan Balance

Total Reduction of Debt and Other Liabilities

Common Stock

4540.10.00 - Accumulated Other Comprehensive Income-CPEB.Regulated Equity

4553.00.00 - Patronage Capital Assigned Equity

Stimulus Grant Equity

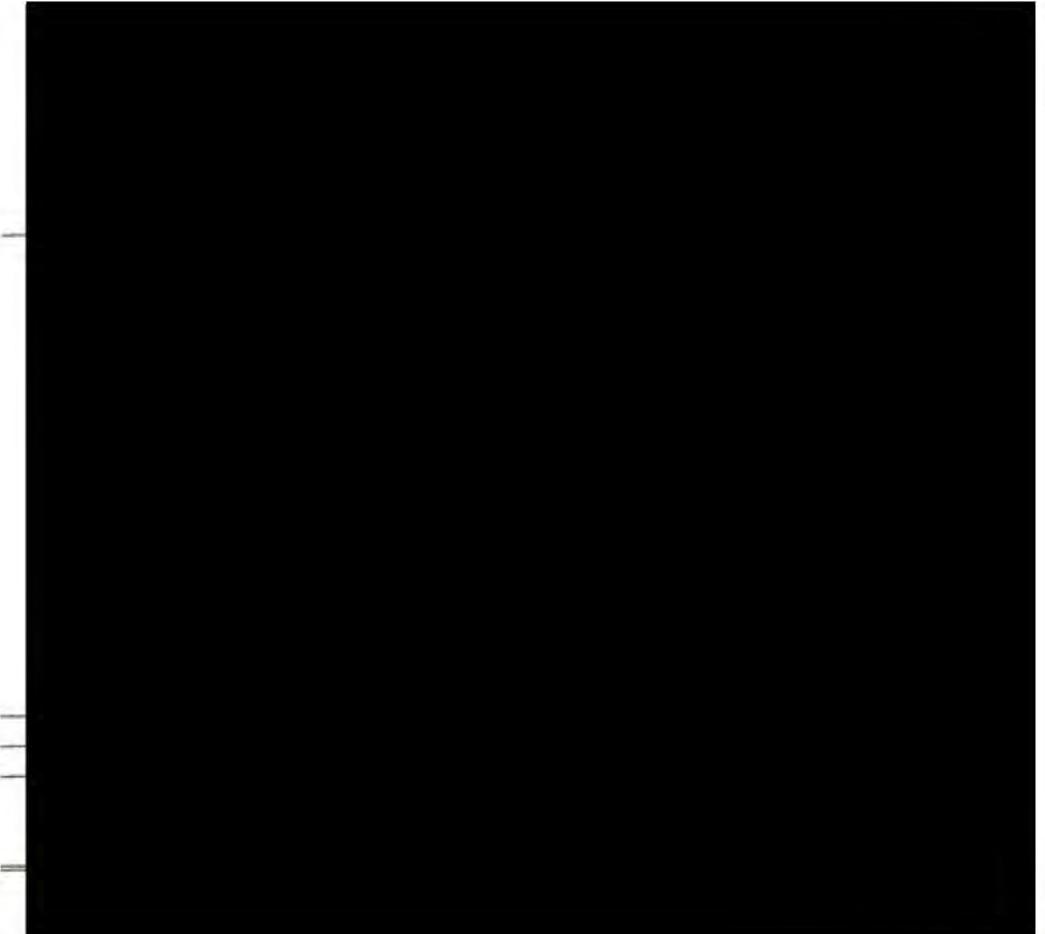
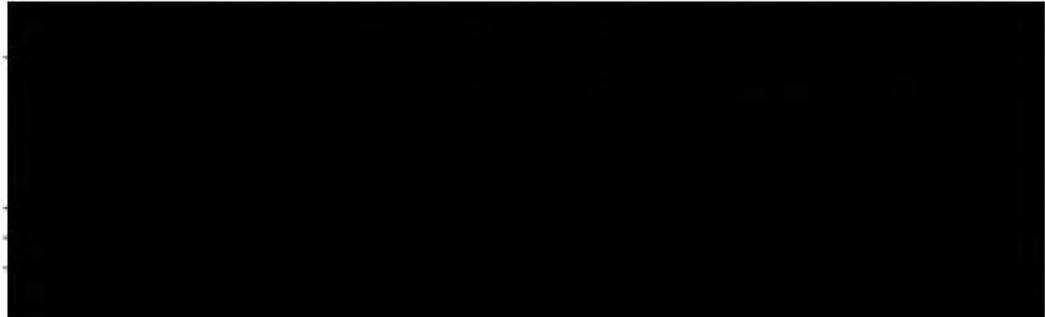
Total Common Stock

Total Cash Flows from Financing Activities

Net Increase (Decrease) in Cash

Cash at Beginning of Period

Cash at End of Period



Cash Flow Statement

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Cash Flows from Operating Activities

Net Income

Depreciation

- 6561.10.00 - Depreciation Expense - Motor Vehicles Depreciation
- 6561.12.00 - Depreciation Expense - Buildings - Mobile Building Depreciation
- 6561.16.00 - Depreciation Expense - Software.Regulated Depreciation
- 6561.17.00 - Depreciation Expense - Computers.Regulated Depreciation
- 6561.18.00 - Depreciation Expense - Office Furniture & Equipment Depreciation
- 6561.19.00 - Depreciation Expense - Digital Electronic Switching (COE) Switching RLS Depreciation
- 6561.20.00 - Depreciation Expense - Circuit Equipment (COE) Non-Switching RLG Depreciation
- 6561.21.00 - Depreciation Expense - Poles Depreciation
- 6561.22.00 - Depreciation Expense - Aerial Cable Depreciation
- 6561.23.00 - Depreciation Expense - Burried Cable Depreciation
- 6561.25.00 - Depreciation Expense - Leasehold Improvements Depreciation
- 6561.32.00 - Depreciation Expense - Fiber.Regulated Depreciation
- 7999.35.55 - Depreciation Expense - WIFI Depreciation
- 6560.00.00 - Accretion Expense - Asset Retirement Obligation.Regulated Depreciation
- Broadband: Core Network Depreciation
- Broadband: Tower Infrastructure Depreciation
- Customer Care Centers - Depreciation
- CPE Depreciation
- Total Depreciation

Trade Receivables

- 1180.00.00 - Accounts Receivable Accounts Receivable
- 1181.00.00 - Allowance for Accounts Receivable Accounts Receivable
- Broadband: Bad Debt Reserve Accounts Receivable
- Total Trade Receivables

Inventories

- 1220.00.00 - Inventory - Technical Stock Inventory
- 1220.00.55 - Inventory - Retail Store Inventory
- Broadband: Other Inventory Inventory
- Total Inventories

Other Current Assets

- 1310.00.00 - Prepaid Insurance Original Value
- 1310.10.00 - Prepaid Employee Benefits Original Value
- 1310.30.00 - Prepaid Hth Ins - Employer Portion.Regulated Original Value
- 1330.00.00 - Other Prepayments.Regulated Original Value
- Total Other Current Assets

Trade Payables

- 4016.00.00 - Accounts Payable/Buggs Island Telephone Accounts Payable
- 4040.00.00 - Customer Deposits Accounts Payable



Cash Flow Statement

2007 Audited Historical Data 2008 Audited Historical Data Year 1 Year 2 Year 3 Year 4 Year 5

4124.00.00 - Other Accrued Liabilities-Customer Dep. Int. Accounts Payable
 4121.00.00 - Other Accrued Liabilities-Vacation Accounts Payable
 4121.10.00 - Other Accrued Liabilities - Sickleave Regulated Accounts Payable
 Total Trade Payables

Other Operating Payables

Income Tax Taxes Payable

Total Other Operating Payables

Accrued Liabilities

4360.00.00 - Other Deferred Credits (Unclaimed Property) Accrual
 Projected RUS Loan Interest Accrual
 Projected RUS/FFB Interest Accrual
 Projected FCB Land Loan Interest Accrual
 Projected DSL Loan Interest Accrual
 Broadband: Stimulus Loan Interest Accrual
 Broadband: RTFC Stimulus Loan Interest Accrual
 Salary Accrual Accrual
 Total Accrued Liabilities

Total Cash Flows from Operating Activities

Cash Flows from Investing Activities

Land

2111.00.00 - Land
 Total Land

Plant and Equipment

2003.00.00 - Telephone Plant Under Construction
 2112.00.00 - Motor Vehicles
 2122.00.00 - Office Furniture & Equipment
 2124.00.00 - General Purpose Computers.Regulated
 2124.10.00 - Billing Software.Regulated
 2212.00.00 - Digital Electronic Switching (COE) Switching RLS
 2232.00.00 - Circuit Equipment (COE) Non-Switching RLG
 2423.00.00 - Buried Cable
 2424.00.00 - Fiber
 2683.00.00 - Wireless Spectrum.Regulated
 Broadband: Tower Infrastructure
 Customer Care Centers
 Broadband: Core Network
 Broadband: CPE Equipment
 Total Plant and Equipment

Other Assets

1439.00.00 - Deferred Charges - Wireless Auction



Cash Flow Statement

2007 Audited
Historical Data

2008 Audited
Historical Data

Year 1

Year 2

Year 3

Year 4

Year 5

Total Other Assets

Investments

1402.70.00 - Inv. In Non-Affiliated Meck/Bruns. Airport

Total Investments

Disaggregated Adjustments

3100.33.00 - Depre. Reserve - Asset Retirement Obligation Regulated Accumulated Depreciation Adjustment

8560.00.00 - Accretion Expense - Asset Retirement Obligation Regulated Depreciation Adjustment

Total Disaggregated Adjustments

Total Cash Flows from Investing Activities

Cash Flows from Financing Activities

Debt and Other Liabilities

4310.00.00 - Other Long-Term Liabilities-FAS 106 Balance

4370.00.00 - Asset Retirement Obligation Regulated Balance

Projected RUS Loan Balance

Projected RUS/FFB Balance

Projected FCB Land Loan Balance

Projected DSL Loan Balance

Broadband: Stimulus Loan Balance

Broadband: RTFC Stimulus Loan Balance

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Projected RUS Loan Balance

Projected RUS/FFB Balance

Projected FCB Land Loan Balance

Projected DSL Loan Balance

Broadband: Stimulus Loan Balance

Broadband: RTFC Stimulus Loan Balance

Total Reduction of Debt and Other Liabilities

Common Stock

4540.10.00 - Accumulated Other Comprehensive Income-OPEB Regulated Equity

4553.00.00 - Patronage Capital Assigned Equity

Stimulus Grant Equity

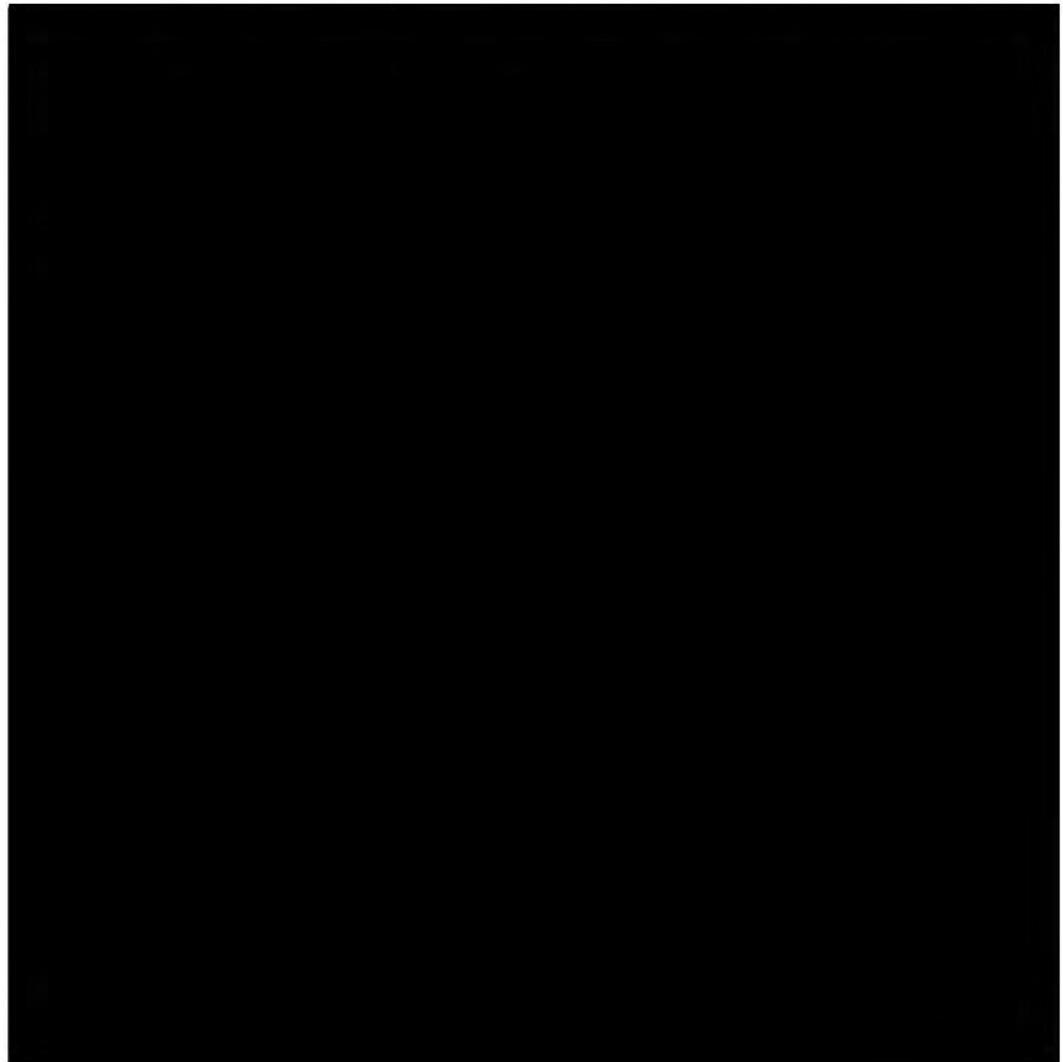
Total Common Stock

Total Cash Flows from Financing Activities

Net Increase (Decrease) in Cash

Cash at Beginning of Period

Cash at End of Period





RURAL TELEPHONE FINANCE COOPERATIVE
2201 Cooperative Way • Herndon, Virginia 20171-3025
703-709-6700

August 19, 2009

Mr. Mickey Sims
General Manager
Buggs Island Telephone Cooperative
Post Office Box 129
100 Nellie Jones Road
Bracey, VA 23919

Dear Mr. Sims:

Re: Southside Virginia Wireless Broadband Network Project

Rural Telephone Finance Cooperative ("RTFC") herewith wishes to express its interest in providing financing to Buggs Island Telephone Cooperative (BIT) for a portion of the capital required to fund the above referenced project.

RTFC is a private cooperative association organized to arrange and secure financing for its members and their affiliates.

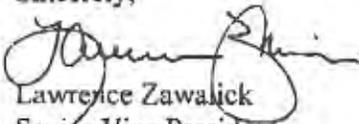
It is our understanding that BIT may wish to obtain debt financing in an amount up to \$6,000,000 which, when combined with funding available through federal programs, will provide the capital necessary to execute the proposed business plan.

This letter is not a loan approval or an offer to make a loan, but is merely intended as a basis for continuing discussions between the parties. Issuance of a loan approval is conditioned upon completion of due diligence and obtaining certain internal approvals. If a loan approval is issued, closing will be conditioned upon full due diligence and credit analysis, internal RTFC approval, execution of usual and customary loan documents containing terms, conditions, covenants, representations, conveyances of collateral and legal opinions acceptable to RTFC and its attorneys. Nothing set forth herein, nor does any statement or representation made by any employee or RTFC obligate RTFC to approve, commit to, or close any loan or extension of credit. Neither your organization nor any third party should rely on this letter as evidence that a loan approval will be forthcoming.

We look forward to working with you on this project.

If you have any questions, please feel free to call me at (800) 346-7095 or (703) 709-6740.

Sincerely,


Lawrence Zawajick
Senior Vice President



You'll like the view from
South Hill

Town of South Hill

Office of the Mayor
South Hill, Virginia 23970-2619

Earl O. Horne
Mayor

August 10, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Admin.
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The Town of South Hill hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our town and its citizens. Thank you for your consideration.

Sincerely,

Mayor Earl O. Horne
Mecklenburg County



TOWN OF CLARKSVILLE

"Virginia's Only Lakeside Town"

July 13, 2009

Ms. Joyce I. French
Executive Director
Southside Planning District Commission
P. O. Box 150
South Hill, VA 23970

Dear Ms. French:

I am excited to learn of the regional effort to provide high-speed broadband throughout the district. The Lakeside Commerce Park is targeted for technology companies but has been unsuccessful in attracting businesses due to the difficulty in obtaining broadband connectivity. The efforts of the Southside Planning District Commission and Buggs Island Telephone Cooperative will greatly facilitate the build-out of this park as well as serve the many businesses located in Clarksville.

A project such as this is just the "stimulus" our region needs. Thank you so much for your help.

Sincerely,

Melinda Moran
Town Manager

Town of Victoria



POST OFFICE BOX V
VICTORIA, VIRGINIA 23974
(434) 696-2343

August 11, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The Town of Victoria in Lunenburg County, Virginia hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,

Carol R. Watson
Mayor, Victoria, Virginia



TOWN OF KENBRIDGE

Richard W. Harris,
MAYOR

COUNCIL

Emory M. Hodges
R. Michael McGrath
Thomas A. Palmore
James J. Roberts
Karen B. Scales
Daniel G. Thompson

KENBRIDGE COMMUNITY CENTER

511 East Fifth Avenue
Second Floor
P. O. Box 478
Kenbridge, Virginia 23944
(434) 676-2452
Fax (434) 676-8068
Email: dneblett@kenbridgeva.net

Calvin S. Spencer, Jr.
TOWN ATTORNEY
Charles D. Neblett, Jr.
TOWN MANAGER
Jean Y. Mosher
ADMINISTRATIVE ASSISTANT
TOWN CLERK
Donna N. Breedlove
TREASURER
Diana Hallock
DEPUTY TREASURER

August 11, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

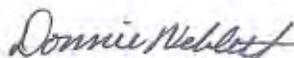
Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The Town of Kenbridge, Virginia hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,


Donnie Neblett
Town Manager



July 17, 2009

Ms. Joyce I. French
Executive Director
Southside Planning District Commission
P. O. Box 150
South Hill, VA 23970

Dear Ms. French:

The Town of Lawrenceville has just learned of the cooperative effort of the Southside Planning District Commission and Buggs Island Telephone to provide broadband connectivity to the southside region. We applaud your efforts and strongly encourage the Economic Development Administration to provide funding for this important initiative.

Businesses and industry in this region desperately need broadband service to be able to compete in today's markets. This project will allow the counties and towns in the Planning District to grow thus creating new jobs and investment. Best wishes for a successful project.

Sincerely,

C. J. Dean
Town Manager

Headquarters Office
P.O. Box 2451
11633 Hwy 92 West
Chase City, VA 23924
Phone: 434-372-6100
Fax: 434-372-6101

www.meckelec.org



Your Touchstone Energy® Partner 

Chase City District
434-372-6200

Emporia District
434-634-6168

Gretna District
434-656-1288

August 17, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

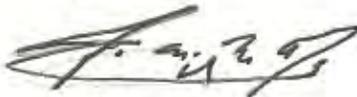
Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Buggs Island Telephone Cooperative letter of support

Dear Sirs:

Mecklenburg Electric Cooperative sends this letter of support on behalf of Buggs Island Telephone Cooperative and asks that it be included in their application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. These dollars would be utilized for the construction of a desperately needed rural broadband network in the Southside region of the Commonwealth of Virginia. Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will greatly benefit the area's citizens and businesses. We strongly support Buggs Island Telephone Cooperative's application for federal stimulus money to assist in building a viable, sustainable rural broadband network that bring much needed internet access to the communities we serve.

Respectfully,



John C. Lee, Jr.
President and CEO

Serving parts of Brunswick, Charlotte, Greensville, Halifax, Lunenburg, Mecklenburg, Pittsylvania, Southampton, and Sussex counties.



July 13, 2009

Ms. Joyce I. French
Executive Director
Southside Planning District Commission
P. O. Box 150
South Hill, VA 23970

Dear Ms. French:

I am delighted to learn of the efforts of the Southside Planning District Commission and Buggs Island Telephone to provide broadband coverage to all businesses and industries in the District. Lack of this service has long been a hindrance to industrial recruitment and business expansion in our area.

The Office of Economic Development for Mecklenburg County strongly supports this initiative and we encourage the Economic Development Administration to provide funding for this worthy project.

Sincerely,

A handwritten signature in black ink that reads "Angela D. Kellett". The signature is fluid and cursive.

Angela D. Kellett
Director of Economic Development

HALIFAX COUNTY VIRGINIA *Imagine your tomorrow...*

July 17, 2009

Ms. Joyce I. French
Executive Director
Southside Planning District Commission
P. O. Box 150
South Hill, VA 23970

Dear Ms. French:

I am delighted to learn of the efforts of the Southside Planning District Commission and Buggs Island Telephone to provide broadband coverage to all businesses and industries in the District. Lack of this service has long been a hindrance to industrial recruitment and business expansion in our area.

The Halifax County Industrial Development Authority strongly supports this initiative and we encourage the Economic Development Administration to provide funding for this worthy project.

Sincerely,



Mike Sexton
Executive Director of Halifax County IDA



Southside Virginia Community College

Christanna Campus • 109 Campus Drive, Alberta, VA 23821

434-949-1000 • Fax: 434-949-7863 • V/TDD: 434-949-1092

August 10, 2009

Administrator
Rural Utilities Service
U. S. Department of Agriculture
Washington, DC 20250-1500

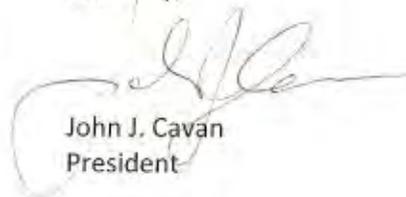
Assistant Secretary
National Telecommunications and Information Administration
U. S. Department of Commerce
Washington, DC 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

Southside Virginia Community College hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens.

Sincerely,



John J. Cavan
President

nt



CMH Home Health & Community Hospice

Post Office Box 90 · South Hill, Virginia 23970 · Email: hospice@cmh-sh.org
Phone: (434) 447-3151 Ext. 3450 · Fax: (434) 447-2565

August 13, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

CMH Home Health and Community Hospice hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintain a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,


Suzanne Springer, Director

TOM PERRIELLO
5TH DISTRICT, VIRGINIA

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE

COMMITTEE ON VETERANS' AFFAIRS

Congress of the United States
House of Representatives
Washington, DC 20515-4605

1520 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4711
(202) 225-5681 FAX

DISTRICT OFFICE:
913 2ND STREET SE, SUITE 112
CHARLOTTEVILLE, VA 22902
(434) 293-9831
(434) 293-9632 FAX

308 CRAGHEAD STREET, SUITE 102
DANVILLE, VA 24541
(434) 791-2596
(434) 791-2598 FAX

August 7, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary for Communications and Information
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

Gentlemen:

I am writing in strong support of the proposal submitted by the Buggs Island Telephone Cooperative to the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. I support the Cooperative's efforts to build a rural broadband network in the Commonwealth of Virginia.

As Representative of Virginia's 5th congressional district, I have been working hard to facilitate the deployment of broadband service to my constituents in unserved and underserved areas. One of my major interests in supporting H. R. 1, The American Recovery and Reinvestment Act was its investment in last mile broadband deployment. My office has organized district-wide roundtables to encourage and facilitate sustainable solutions to broadband deployment in the region. The Buggs Island Telephone Cooperative is committed to building, operating, and maintaining a rural broadband service that will benefit constituents and businesses in the region.

Thank you for your careful consideration of this proposal. If my office can provide any additional information, please do not hesitate to contact me.

Respectfully,



Tom Perriello
Member of Congress

TP: bj



County of Brunswick

POST OFFICE BOX 399
LAWRENCEVILLE, VA 23868
PHONE - (434) 848-3107
FAX - (434) 848-0424

July 13, 2009

Ms. Joyce I. French
Executive Director
Southside Planning District Commission
P. O. Box 150
South Hill, VA 23970

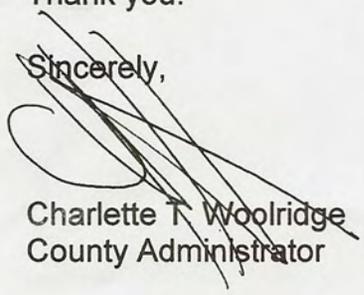
Dear Joyce:

I am very pleased to learn of the initiative to deploy universal broadband throughout the Southside Planning District. For small rural communities to compete in today's markets, access to technology is a must. This project will allow the businesses and industries in Brunswick to grow and expand by providing the network to increase their market.

I understand that this project is being developed in conjunction with Buggs Island Telephone Cooperative, a non-profit organization. I offer my best wishes for a successful venture and if I may be of assistance, do not hesitate to contact me.

Thank you.

Sincerely,


Charlette T. Woolridge
County Administrator



REBECCA S. CARTER
County Administrator

E. M. WRIGHT, JR.
County Attorney

Buckingham County
Board of Supervisors
Office of the County Administrator
13360 W. James Anderson Highway
Post Office Box 252
Buckingham, Virginia 23921-0252
Telephone 434-969-4242
Fax 434-969-1638

I. MONROE SNODDY
CHAIRMAN
District 1 Supervisor

JOE N. CHAMBERS, JR.
VICE CHAIRMAN
District 6 Supervisor

F. D. "DANNY" LESUEUR
District 2 Supervisor

E. A. "BILL" TALBERT
District 3

JOHN D. KITCHEN, JR.
District 4 Supervisor

DR. BRIAN D. BATES
District 5 Supervisor

DANNY R. ALLEN
District 7 Supervisor

August 17, 2009

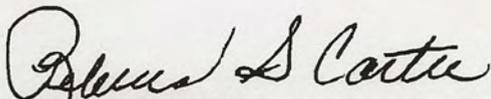
Dear RUS or NTIA Application Evaluator:

I am writing today to express support for the application of Buggs Island Telephone Coop. to provide dynamic rural broadband network that will provide high quality, affordable high-speed wireless internet service throughout underserved portions of Buckingham County.

I am familiar with their plan to build, operate and maintain a 700 megahertz rural broadband wireless network to the area where the Cooperative has acquired Federal Communications Commission Licenses.

While Buckingham County reserves the right to endorse other potential service providers, we fully endorse and support Buggs Island Telephone Coop. as an applicant for stimulus funds to provide much needed high speed Internet Service in our County.

Sincerely,


Rebecca S. Carter
County Administrator

The Geographic Heart of Virginia

BOARD OF SUPERVISORS

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SALLY W. GILFILLAN
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LACY B. WARD



COUNTY ADMINISTRATOR
W.W. BARTLETT

POST OFFICE BOX 382
FARMVILLE, VA 23901

(434) 392-8837 VOICE
(434) 392-6683 FAX

WBARTLETT@CO.PRINCE-EDWARD.VA.US

COUNTY OF PRINCE EDWARD, VIRGINIA

August 18, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

This County of Prince Edward, Virginia hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses.

With the lowest per capita income of any County in Virginia and one of the lowest in the nation, we do not have the financial ability to provide this infrastructure without your help. Our population densities have presented a barrier of entry which can only be overcome through programs such as yours. Without broadband access for our rural population our school children and workforce face a distinct disadvantage as compared to those with such access. In addition, we have been unable to effectively compete with other communities due to this lack of high-speed telecommunications infrastructure. This uncompetitive position makes it extremely difficult to attract higher paying jobs to raise our per capita income.

We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens.

Thank you for your consideration of this proposal.

Sincerely,


W.W. Bartlett
County Administrator

PRINCE EDWARD COUNTY BOARD OF SUPERVISORS

MISSION STATEMENT

TO REPRESENT ALL CITIZENS, PROVIDE LEADERSHIP, CREATE VISION AND SET POLICY TO ACCOMPLISH EFFECTIVE CHANGE, PLANNED GROWTH AND PROVIDE ESSENTIAL SERVICES WHILE MAINTAINING AND ENHANCING THE QUALITY OF LIFE IN PRINCE EDWARD COUNTY.



MARY E. JONES
COUNTY ADMINISTRATOR

SUSSEX COUNTY BOARD OF SUPERVISORS

POST OFFICE BOX 1397
20135 PRINCETON ROAD
SUSSEX, VIRGINIA 23884-0397
PHONE (434) 246-1000 - FAX (434) 246-6013
sussexcounty.govoffice.com

BOARD OF SUPERVISORS
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RUFUS E. TYLER, SR., VICE CHAIRMAN
T. WAYNE BIRDSONG
CHARLIE E. CAPIE, JR.
WAYNE M. HARRELL
HARRIS L. PARKER

August 13, 2009

Mr. Mike Gregory
Wireless Market Manager
Buggs Island Telephone Cooperative
Bracey, VA 23919

Dear Mr. Gregory:

Please allow this correspondence to serve as Sussex County's non-binding and non-exclusive letter of support for your application to the Rural Utilities Service and National Telecommunications and Information Administration for primary funding for a rural broadband network that will provide enhanced and affordable high speed internet access to residents and businesses in our region.

We realize that a broadband network will help to improve technology and communications for rural localities, thus providing better services to our citizens and communities. We wish you much success in obtaining the much needed funding for the Buggs Island Telephone Cooperative.

If we can offer further assistance, please let us know. I am

Yours truly,

George E. Morrison, III
Deputy County Administrator

Copy to: Ms. Mary E. Jones, County Administrator
File

"Good things are happening in Sussex County - Join Team Sussex."



County of Charlotte Board of Supervisors

Post Office Box 608
250 LeGrande Avenue, Suite A
Charlotte Court House, VA 23923-0608

Phone 434-542-5117
Fax 434-542-5248

Russell B. Clark
County Administrator
www.co.charlotte.va.us

August 10, 2009

Administrator Rural Utilities Service
U. S. Department of Agriculture
Washington, D. C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U. S. Department of Commerce
Washington, D. C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The Charlotte County Board of Supervisors hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating and maintain a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens.

Sincerely,

Russell B. Clark
County Administrator
Charlotte County

COUNTY of
CUMBERLAND
VIRGINIA

FOUNDED • 1749

August 10, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The Cumberland County Board of Supervisors hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit Cumberland citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,

Van H. Petty
Van H. Petty
Vice-Chairman

Board of Supervisors

William F. "Bill" Osl, Jr.
District 1

Timothy "Tim" Kennell
District 2

Van H. Petty
District 3

Elbert R. Womack
District 4

Robert J. Oertel
District 5



August 12, 2009

Mickey L. Sims
General Manager
Buggs Island Telephone Cooperative
P.O. Box 129
Bracey, Virginia 23919

Re: Broadband Grant Application

Dear Mr. Sims,

I write this letter in support of Buggs Island Telephone Cooperative's effort to receive funding to expand broadband services to unserved and underserved areas of Greensville County. Providing access to industries, businesses and residents in our community would alter the economics of the locality. Broadband would allow industries and businesses to compete on a global level and allow start-up businesses to work from home.

Greensville County is a fiscally distressed are of southern Virginia. Though we are located at the intersection of Interstate 95 and Highway 58, the community has not been able to effectively compete with many other communities in the southeastern part of the United States due to the lack of high-speed internet access. We appreciate and support the inclusion of our locality in your grant application. Competitively priced, reliable high-speed telecommunications infrastructure is required to retain existing regional employers and attract new employers to the locale.

Sincerely,

A handwritten signature in black ink, appearing to read "K. David Whittington", is written over a horizontal line.

K. David Whittington, County Administrator



HALIFAX COUNTY BOARD OF SUPERVISORS

134 South Main Street
P. O. Box 699
Halifax, VA 24558-0699
(434) 476-3300
Fax: (434) 476-3384
www.halifaxcountyva.gov

August 13, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C., 20250-1500

and

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C., 20230

RE: Support for the Buggs Island Telephone Cooperative Broadband Initiative and Application

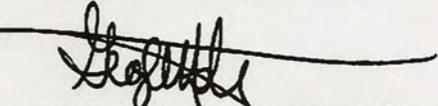
Dear Sirs:

This letter is written to express our support of the Buggs Island Telephone Cooperative efforts to obtain capital to build a rural broadband network serving the Commonwealth of Virginia and its rural areas. The successful application for Broadband Network Initiatives Program and the Broadband Technology Opportunities Program will provide rural Virginia with broadband access. Without this help, it could be decades before our rural areas could be served.

This cooperative is dedicated to providing necessary service to our rural communities. Today Broadband access is essential for commerce, education and public safety. This service is essential for the long term security of our rural communities. The Buggs Island Telephone Cooperative will build, operate and maintain this service for our citizens. Our County supports this application for the Buggs Island Telephone Cooperative for stimulus funds.

Let me thank you in advance for your support and approval.

Sincerely
COUNTY OF HALIFAX


George W. Nester, CM, AICP
County Administrator

Cc. Board of Supervisors



COUNTY of ISLE OF WIGHT

THE COURTHOUSE

August 19, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

Dear Sirs:

On behalf of the Isle of Wight County Board of Supervisors, I am forwarding this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses.

We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens.

Thank you for your favorable consideration of this matter.

Sincerely,

James B. Brown, Jr.
Chairman, Board of Supervisors

BOARD OF SUPERVISORS

- Alvester L. Edmonds**
CHAIRMAN
Election District 6
- Jane G. Atkinson**
VICE-CHAIRMAN
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Election District 5
- Charles R. Slayton**
Election District 4
- David Wingold**
Election District 2
- Frank W. Bacon**
Election District 3
- George E. Ingram**
Election District 7



Catherine M. Giorgetti
County Administrator

Telephone: (434) 696-2142
Facsimile: (434) 696-1798

11413 Courthouse Road
Lunenburg, Virginia 23952

August 11, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The County of Lunenburg, Virginia hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintaining a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,

Catherine M. Giorgetti
County Administrator



H. Wayne Carter III
County Administrator
Emergency Services Director

Mecklenburg County Board of Supervisors

Post Office Box 307 • Boydton, Virginia 23917

BOARD OF SUPERVISORS

Glenn Barbour
Chairman

Gregg Gordon
Vice-Chairman

W. E. Blalock

W. P. Hudgins, Sr.

J. A. Hudson, Sr.

Jim Jennings

L. Orell Lenhart

Glanzy M. Spain, Jr.

Dan Tanner

August 10, 2009

Administrator

Rural Utilities Service

U.S. Department of Agriculture

Washington, D.C. 20250-1500

Assistant Secretary

National Telecommunications and Information Administration

U.S. Department of Commerce

Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The Mecklenburg County Board of Supervisors hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintain a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,

H. Wayne Carter III

County Administrator

OFFICE OF
THE BOARD OF SUPERVISORS
NOTTOWAY COUNTY

SUPERVISORS

CLARENCE A. SIMPSON, CHAIRMAN
DISTRICT 5
STEVE W. BOWEN, VICE CHAIRMAN
DISTRICT 1
GARY L. SIMMONS
DISTRICT 2
JACK J. GREEN
DISTRICT 3
SHERMAN C. VAUGHN
DISTRICT 4



P. O. BOX 92
344 W. COURTHOUSE RD.
NOTTOWAY, VIRGINIA 23955
TELEPHONE (434) 645-8696
FAX No. (434) 645-8667
E-MAIL: nottoway@nottoway.org

ADMINISTRATOR
RONALD E. ROARK

ASSISTANT ADMINISTRATOR
JOHN N. PROSISE

BUILDING INSPECTOR
A. Q. ELLINGTON, III

COUNTY PLANNER
STEVE D. FERGUSON

August 19, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D. C. 20230

Re: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

The County of Nottoway hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintain a rural broadband service that will benefit our citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network and to bring broadband to our citizens. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Ronald E. Roark".

Ronald E. Roark
County Administrator

SOUTHAMPTON COUNTY

26022 Administration Ctr. Dr.
P.O. Box 400
Courtland, Virginia 23837



757-653-3015
Fax: 757-653-0227

August 10, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sir or Madam:

On behalf of Southampton County, I am delighted to provide this letter of support for the Buggs Island Telephone Cooperative as it seeks capital to construct a rural broadband network in the Commonwealth of Virginia. It is my understanding that the Cooperative is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program.

The Buggs Island Telephone Cooperative has committed to constructing, operating, and maintaining a rural broadband service that will benefit our local citizens and businesses. We strongly support the application of the Buggs Island Telephone Cooperative and hope that you will provide them access to federal stimulus money to assist in building a viable, sustainable rural broadband network.

With kind regards, I remain

Sincerely,

Michael W. Johnson
County Administrator



Surry County
County Administrator's Office
P. O. Box 65
45 School Street
Surry, Virginia 23883

"The Countrie it selfe, I must
confesse is a very pleasant
land,
rich in commodities;
and fertile in soyle. . ."
- Samuel Argall, ca. 1609

TYRONE W. FRANKLIN
County Administrator
Telephone (757) 294-5271
Fax: (757) 294-5204
Email: twfranklin@co.surry.state.va.us

August 19, 2009

Administrator
Rural Utilities Services
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

Re: Letter of Support for the Buggs Island Telephone Cooperative

Dear Sirs:

Surry County hereby sends this letter of support for the Buggs Island Telephone Cooperative as the Cooperative seeks capital to build a rural broadband network in the Commonwealth of Virginia and is submitting an application for the Broadband Initiatives Program and/or the Broadband Technology Opportunities Program. The Buggs Island Telephone Cooperative has committed to building, operating, and maintain a rural broadband service that may have the potential to benefit the citizens and businesses of our community. We support the application of the Buggs Island Telephone Cooperative to be granted federal stimulus money to assist in building a viable, sustainable rural broadband network.

Thank you.

Sincerely,

Tyrone W. Franklin
County Administrator

"Surry is Something Special"

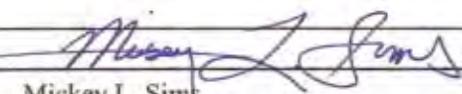
DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: <input checked="" type="checkbox"/> a. bid/offer/application b. initial award c. post-award	3. Report Type: <input checked="" type="checkbox"/> a. initial filing b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Buggs Island Telephone Cooperative P.O. Box 129 100 Nellie Jones Road Bracey, VA 23919 Congressional District, if known:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: United States Department of Commerce National Telecommunications & Information Administration	7. Federal Program Name/Description: Broadband Technology Opportunities Program (BTOP) / Grant program to deploy broadband services to unserved and underserved areas. CFDA Number, if applicable: <u>11.557</u>	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i> N/A	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i> N/A	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature:  Print Name: <u>Mickey L. Sims</u> Title: <u>General Manager</u> Telephone No.: <u>(434) 636-2274</u> Date: <u>8/13/2009</u>	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.



BUTTS & BUTTS
Attorneys at Law

C. GLASGOW BUTTS
JAMES A. BUTTS, III
CHARLES G. BUTTS, JR.

P.O. BOX 446
402 E. ATLANTIC STREET
SOUTH HILL, VIRGINIA 23970

TELEPHONE (434) 447-7155
FAX (434) 447-5963
buttslaw@valegal.net

August 4, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, D.C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

RE: Buggs Island Telephone Cooperative

Dear Sir:

We are general counsel for Buggs Island Telephone Cooperative, (the "Applicant.") In such capacity, we acted as counsel to the Applicant in connection with its ability to apply to the Broadband Initiatives Program and/or Broadband Technology Opportunities Program and in the review of the grant agreement as referenced in the Notice of Funds Availability.

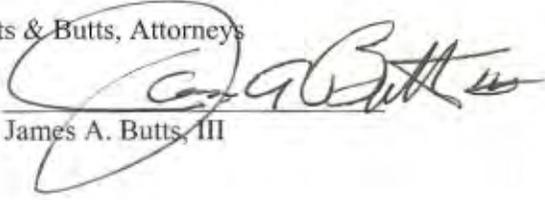
We are of the opinion that:

- (a) the Applicant is a duly organized and existing as a Cooperative under the laws of the Commonwealth of Virginia duly licensed and qualified and in good standing as a foreign corporation in the State of North Carolina.
- (b) the Applicant has corporate power: (1) to execute and deliver the grant agreement; and (2) to perform all acts required to be done by it under said agreement.
- (c) no legal proceedings have been instituted or are pending against the Applicant, the outcome of which would adversely affect the Applicant's ability to perform the duties under the loan agreement, or adversely affect the security to be pledged under the loan agreement, and there are no judgments against the Applicant and no liens against any of the personal property of the Applicant, which would adversely affect the security to be pledged under the loan agreement, except such liens as are currently held by Rural Utilities Services (RUS).

Very truly yours,

Butts & Butts, Attorneys

By:


James A. Butts, III

Cc: Mr. Mickey L. Sims
Buggs Island Telephone Cooperative
P.O. Box 129
Bracey, VA 23919

CERTIFICATION REGARDING LOBBYING LOWER TIER COVERED TRANSACTIONS

Applicants should review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, "New Restrictions on Lobbying."

LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

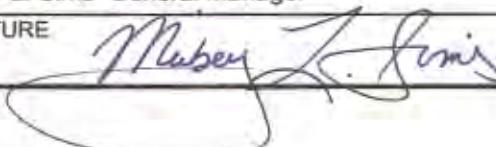
Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

In any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

NAME OF APPLICANT Buggs Island Telephone Cooperative	AWARD NUMBER AND/OR PROJECT NAME BIT Wireless Broadband Initiative
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE Mickey L. Sims General Manager	
SIGNATURE 	DATE 08/13/2009

CERTIFICATION REGARDING LOBBYING

Applicants should also review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, "New Restrictions on Lobbying." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Commerce determines to award the covered transaction, grant, or cooperative agreement.

LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

In any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

NAME OF APPLICANT

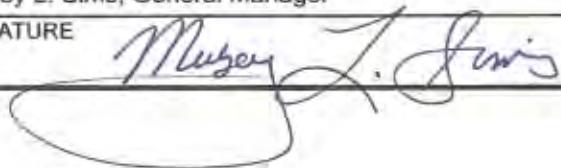
AWARD NUMBER AND/OR PROJECT NAME

Buggs Island Telephone Cooperative

PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Mickey L. Sims, General Manager

SIGNATURE



DATE

08/13/2009

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Approval No. 4040-0009
Expiration Date 07/30/2010

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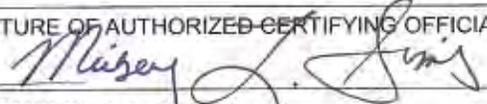
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-1 33, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

*SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	*TITLE General Manager
*APPLICANT ORGANIZATION Buggs Island Telephone Cooperative	*DATE SUBMITTED 08-13-2009