PUBLIC NOTICE

To All Customers of Lipan Telephone Company, Inc.

Lipan Telephone Co., Inc. (Lipan) is committed to bringing its customers quality telecommunications services at affordable rates throughout its service territory. On December 10, 1997 the Public Utility Commission of Texas designated Lipan Telephone Company the "Eligible Telecommunications Carrier" for its service areas for universal service purposes. The goal of universal service is to provide all citizens access to essential telecommunications service.

Lipan provides the supported services - voice telephony and broadband service - throughout its designated service area. Voice telephony service includes voice grade access to the public switched network, unlimited local calling within the customer’s local calling area at no charge, access to emergency services, and toll blocking at no charge for qualifying low-income customers. USF supported services also include broadband internet access service which includes the capability to send data to and receive data from the Internet but excludes dial-up service. The rate for voice telephony service is $20.00* per month for Single Party Residence Access line and $20.50* for a Single Party Business Access line. Broadband internet access service is provided at rates which start at $40.95 per month for residential customers and $40.95 per month for business customers. Lipan would be pleased to provide you with specific rates for voice and broadband for your area upon request.

To make sure that our customers continuously receive quality service, any service problems can be reported to Lipan Telephone Company twenty-four hours a day, seven days a week.

Basic services are offered at the rates, terms and conditions specified in the Company’s tariff on file with the Public Utility Commission of Texas. If you have questions regarding the Company’s services or rates, please call (254) 646-2211.

(*does not include taxes, surcharges, or other fees that may be applicable, such as a subscriber line charge.)

DISCOUNT AVAILABLE FOR LOW INCOME CUSTOMERS

Lipan Telephone Company, Inc. offers reduced rates to eligible low-income residential consumers under a government assistance program called Lifeline. Lifeline provides monthly discounts to an eligible customer’s voice telephony service (home or wireless service) or broadband service (home or wireless), but not both. Customers who are eligible for Lifeline voice service are also eligible for toll blocking at no charge.

To be eligible for Lifeline a customer’s annual household income must be at or below 150% of the federal poverty guidelines to receive the state benefit or 135% of the federal poverty guidelines to receive a federal benefit. A customer must receive benefits from or have a child in the household who receives benefits from at least one of the following programs to receive the Federal Lifeline Benefit: Medicaid; Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamps); Supplemental Security Income (SSI); Federal Public Housing Assistance (FPHA); Veterans or Survivors Pension Benefits or may qualify for the state Lifeline discount when receiving benefits from or having a child in the household who receives benefits from either Low Income Home Energy Assistance Program (LIHEAP); Temporary Assistance for Needy Families; National School Lunch Program’s free lunch program; or health benefits coverage under the state Children’s Health Insurance Program (CHIP).

Lifeline service is limited to one discount per household. A household is everyone who lives in
the home (including children and people who are not related to the customer) and shares income and household expenses (bills, food, etc.). A customer with Lifeline service may not transfer the Lifeline benefit to any other person. Lifeline is a nontransferable benefit.

Additional information may be obtained by contacting the Company’s business office at (254) 646-2211 or by contacting the Low-Income Discount Administrator (LIDA) at 1-866-454-8387 (1-866-4-LITE-UP).