

Network Management Practices Policy Disclosure

Pursuant to the Federal Communications Commission's newly enacted Open Internet Rules found in Part 8 of Title 47 of the Code of Federal Regulations, Peoples Rural Telephone Cooperative, Inc. and its subsidiaries' ("PRTC") policies regarding network management practices, performance characteristics and commercial terms are provided in entirety so that PRTC's current customers, prospective customers, third-party content providers and other interested parties can make informed choices regarding the broadband Internet access services offered by PRTC, and the extent PRTC network management practices may affect those services. PRTC will provide updates if significant changes are made to the Network Management Practices.

Network Management Practices

In the interest of providing the best possible on-line experience for all of our customers, PRTC utilizes reasonable network management practices tailored to achieve legitimate network management purposes. Because bandwidth is a limited resource for broadband Internet Service Providers, it is essential that PRTC reasonably manage its network to promote the use and enjoyment of the Internet by all of our customers. By engaging in reasonable and responsible network management, PRTC strives to prevent its customers from being subjected to the negative effects of spam, viruses, security attacks, network congestion and other risks that threaten to degrade service. The network management practices employed by PRTC are consistent with industry standards.

Congestion Management

It is possible that a relatively small number of customers may place a disproportionate demand on the network bandwidth resources, causing network congestion and an overall degradation in service quality for other end users. For this reason, if PRTC's network nears a state of congestion, PRTC may use congestion management practices to ensure all of PRTC's customers retain access to a "fair share" of bandwidth resources.

The congestion management practices utilized by PRTC are "protocol-agnostic" meaning that the network does not manage congestion based on the on-line activities, protocols or applications a customer uses. Rather, PRTC's congestion management practices are content-neutral and focus only on the heaviest bandwidth users and is only employed when necessary. Management of this type is done in real time, so periods of management tend to be fleeting and sporadic.

PRTC continues to review congestion management tools to assist in congestion management practices. Because Internet and network management tools are

dynamic, PRTC's practices will continue to evolve and keep pace with technology so we can continue delivering excellent and reliable online experiences for our subscribers.

Application-Specific Behavior

PRTC does not make use of any application-specific network management practices. PRTC does not favor, modify, inhibit, rate control or block any specific protocols, protocol ports or fields, or any applications or classes of applications.

Device Attachment Rules

In order for a device to be approved for use on the PRTC's network, the device must conform to publicly available industry standards and be non-harmful to PRTC's network. PRTC reserves the right to disable devices that are not conforming to industry standards, or causing disruptions to other customers.

Security

PRTC offers its customers unrestricted access to all of the lawful content, services, and applications available on the Internet. PRTC uses industry standard tools and generally accepted best practices and policies to protect our customers from spam, phishing and other unwanted or harmful on-line content and activities. In the instances where these tools and policies identify on-line content as harmful or unwanted, the content may be prevented from reaching customers, or customers may be permitted to identify or inspect content to determine if it is harmful or unwanted.

Performance Characteristics

PRTC offers broadband Internet access service via Fiber to the Home ("FTTH") and Digital Subscriber Line ("DSL"). FTTH is an optical networking technology utilized to deliver higher speed and enhanced reliability. DSL is a wire-line transmission technology that transmits data over traditional copper telephone lines.

The stated maximum speed of PRTC's Internet service is the current maximum speed reasonably capable with the technology utilized by PRTC. While the maximum advertised speed is attainable for end users, several factors may affect the actual speed of PRTC's Internet service offerings, including, but not limited to: the distance of the consumer's home or office from PRTC's central office (i.e., the further away the customer is from the central office, the slower the DSL/broadband speed), the end user's computer, modem or router, activity during peak usage periods and other Internet traffic. PRTC makes every effort to ensure that all of our customers receive the best possible Internet connection speeds.

Commercial Terms

Pricing

In order to meet the usage and budgetary needs of all of our customers, PRTC offers a wide selection of broadband Internet access plan options, including promotional offerings, bundled service options and ala carte offerings.

To see PRTC's current promotions and pricing on broadband Internet access service, please visit our Web site www.prtcnet.org or call 606-287-7101 to speak with a Customer Service Representative.

Early Termination Fees

If a customer previously entered into a service agreement with PRTC for broadband Internet access service for a defined service term, and the customer desires to terminate the service agreement prior to the expiration of that term, PRTC may charge a reasonable early termination fee if such fee is clearly indicated in the service agreement.

Usage-Based Fees

PRTC's Internet service is priced on a flat-fee basis (plus taxes and regulatory fees). PRTC does not charge end users a usage-based fee for Internet service. For additional information on PRTC's fee schedule for additional network services, visit the PRTC's Web site at www.prtcnet.org.

Privacy Policy

PRTC affords full access to all lawful content, services and applications available on the Internet and does not routinely monitor, inspect or store the network activity and traffic of its Internet service users. However, PRTC reserves the right to monitor bandwidth, usage, transmissions and content for purposes of protecting the integrity of the network and PRTC's Internet access service through reasonable network management practices.

PRTC may collect equipment information to identify the equipment the customer is using on the network, including, but not limited to equipment type, serial number, settings, configuration and software. PRTC may also collect performance information to examine the operation of the equipment, services and applications the customer may use on the network, URLs, data transmission rates and latencies, location information, security characteristics, and information about the amount of bandwidth and other network resources customer is using in connections with uploading, downloading or streaming data to and from the Internet.

Network traffic, activity, performance information, and equipment information monitored or collected by PRTC is done for the sole purpose of reasonable network management purposes.

PRTC is required to comply with relevant laws, regulations and judicial orders. Information covered under this Privacy Policy, as well as other categories of information, may be disclosed to third parties if PRTC determines, in its sole discretion, that such a disclosure is necessary or required. PRTC may also disclose this information if, in its sole discretion, such a disclosure is necessary or required to protect our interests or the interests of our customers

PRTC's network management practices as discussed herein are intended solely to provide the best on-line experience possible for all of our customers by safeguarding our network and its users from spam, viruses, phishing, and other unwanted or harmful on-line content and activities. PRTC's network management practices are not intended, nor implemented, to block consumers from accessing the content and applications of their choice, deprive consumers of their entitlement to competition, or discriminate against or in favor of certain network traffic. End users with questions, concerns or complaints regarding PRTC's network management practices are encouraged to contact PRTC.

Contact Us

If you have any questions regarding PRTC's Network Management Practices Policy or would like to file a complaint with PRTC regarding its network management practices, please contact PRTC at www.prtcnet.org.

Additional Disclaimers

The Open Internet Rules, as adopted, and PRTC's Network Management Practices Policy are not intended to affect, alter or otherwise supersede the legal status of cooperative efforts by broadband Internet Access Service Providers and other service providers that are designed to curtail infringement in response to information provided by rights holders in a manner that is timely, effective, and accommodates the legitimate interests of PRTC, rights holders, and end users. Furthermore, the Open Internet Rules, as adopted, and PRTC's Network Management Practices Policy do not prohibit PRTC from making reasonable efforts to address the transfer of unlawful content or unlawful transfers of content. For additional information, please review PRTC's Acceptable Internet Use Policy at www.prtcnet.org.