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February 3, 2003

James M. McNulty,
Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Change to all Service Lists
TDS Telecom

Dear Mr. McNulty:

Effectively immediately, please remove Mark Jenn's name from all regulatory distribution lists regarding M&M Telephone Company and Sugar Valley Telephone Company. Please direct all Commission correspondence to:

Bruce H. Mottern
Director - Revenue & Earnings
TDS Telecom
P.O. Box 22995
Knoxville, TN 37933-0995

9737 Cogdill Road, Suite 230
Knoxville, TN 37932-3374

Telephone No. 865-671-4753
Fax No. 865-675-3881

BTL

Thank you.

Sincerely,

Bruce H. Mottern
Director, Revenue & Earnings

jm

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Pennsylvania Telephone Association

"The Communications
Leader in Pennsylvania"



ORIGINAL

30 N. Third Street
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David E. Freet
President

Mr. James J. McNulty
Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

A-313100 F5000

December 29, 2006

Re: **TDS Telecom/Sugar Valley
Telephone Company**
Tariff Telephone PA PUC No. 4

Dear Secretary McNulty:

On behalf of the company listed above, the Pennsylvania Telephone Association is filing Tariff Telephone – PA P.U.C. No. 4.

This tariff replaces pages that were previously listed in TDS Telecom/Sugar Valley Telephone Company PA PUC No. 3.

I have enclosed an original and eight copies of the tariff supplement with an effective date of January 2, 2007.

This letter serves as certification that this company will maintain an accurate electronic version of its tariff on the Internet.

If you have any questions concerning this filing, please direct them to Deb Martone at (603) 746-9208.

Sincerely,

David E. Freet

cc: Office of Consumer Advocate
Office of Small Business Advocate
Bureau of Fixed Utility Services
Deb Martone
Lorraine Murphy

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2006 DEC 29 AM 9:25
PA PUC
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32

ORIGINAL

TDS TELECOM/SUGAR VALLEY TELEPHONE COMPANY

COMPETITIVE SERVICES TARIFF

RATES AND RULES

Governing the Furnishing of Telephone Service

IN

Loganton, Pennsylvania and Vicinity

RECEIVED

2006 DEC 29 AM 9:25

PA PUC
SECRETARY'S BUREAU

Issued: December 29, 2006

Effective: January 2, 2007

By

Allan Beilby, General Mgr.



NOTICE

TDS Telecom/Sugar Valley
Telephone Company

Sheet 2

CHANGES MADE BY THIS TARIFF

CHANGE:

This tariff replaces pages that were previously listed in TDS Telecom/Sugar Valley Telephone Company PA PUC No. 3.

TDS Telecom/Sugar Valley
Telephone Company

Original Sheet 3

CHECK SHEET

Sheet 1	Original-
Sheet 2	Original-
Sheet 3	Original-
Sheet 4	Original

EFFECTIVE DATE

01-02-07
01-02-07
01-02-07
01-02-07

SECTION 1

Sheet 1	Original-
Sheet 2	Original-

01-02-07
01-02-07

SECTION 2

Sheet 1	Original-
Sheet 2	Original-
Sheet 3	Original-
Sheet 4	Original-
Sheet 5	Original-
Sheet 6	Original-
Sheet 7	Original-

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SECTION 3

Sheet 1	Original-
Sheet 2	Original-
Sheet 3	Original-
Sheet 4	Original-
Sheet 5	Original-
Sheet 6	Original-
Sheet 7	Original-
Sheet 8	Original-
Sheet 9	Original-

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TDS Telecom/Sugar Valley
Telephone Company

Original Sheet 4

INDEX

	<u>Section</u>
Advanced Calling Service	3
Custom Calling Service.....	2
Directory Assistance Service.....	1

DIRECTORY ASSISTANCE SERVICE

1. General
Directory Assistance Service is furnished upon customer request for assistance in determining telephone numbers.
2. Definitions
 - a. Local Numbers are any NPA/NXXs within the customer's local calling area or home NPA.
 - b. National numbers are any NPA/NXXs within the United States, Canada, Puerto Rico and the U.S. Virgin Islands, but outside the customer's local calling area or home NPA.
 - c. International numbers are numbers from outside the United States, Canada, Puerto Rico, and the U.S. Virgin Islands.
3. Regulations
 - a. Monthly Call Allowance
An allowance of two direct dialed Directory Assistance calls per month without charge is permitted for each: residence exchange service line, residence dormitory line and residence trunk line. Call allowances or calls are not transferable between separate accounts of the same customer.
 - b. Exceptions
Charges for Local and National Directory Assistance Service are not applicable to the following types of calls of Directory Assistance:
 1. Calls placed from residence telephones where a member of the customer's household has been certified by a registered physician or a designated agency as unable to use a directory because of a visual or physical handicap, or for the business telephone of a certified handicapped customer where assistance is otherwise not available.

Calls from patients in hospitals, skilled nursing homes and convalescent homes which have been properly licensed by the Commonwealth of Pennsylvania and which have as their predominant undertaking the surgical, medical and nursing care of the sick and disabled requesting national and international numbers will be charged the applicable rate.

Calls requesting international numbers will be charged the applicable rate.
 - c. Multiple Number Request
A maximum of two requested telephone numbers per call are permitted.

DIRECTORY ASSISTANCE SERVICE (cont'd)

4.	<u>Rates</u>	<u>Per Call</u>
a.	Where the customer direct dials Directory Assistance.....	\$.35
b.	Where the customer places a call to the Directory Assistance attendant via a Telephone Company Operator	\$.35*
c.	Where the customer direct dials Directory Assistance from a Telephone Company Pay Telephone Line.....	\$.25
d.	Where the customer originates a Directory Assistance call from a Telephone Company Pay Telephone Line via a Telephone Company Operator	\$.25
e.	National Direct Dialed.....	\$.65
f.	International Direct Dialed.....	\$1.50

* Plus the applicable operator handled rate.

CUSTOM CALLING SERVICE**A. GENERAL**

1. Custom Calling Services are optional services offered in addition to regular exchange service, to those customers served by central offices so arranged to provide such services. The number of Custom Calling Service features available is subject to the availability of facilities.
2. Custom Calling Services are optional telephone service arrangements which provide one or more of the following features:
 - a. **Call Forwarding**

This service redirects incoming calls to another telephone number. The customer can activate this service by dialing a code and entering the number to which calls should be forwarded. When activated, all calls that are forwarded when the line is idle cause a short ring on the forwarded line as a reminder that the service is active. To deactivate Call Forward, a customer must dial a special access code. All calls forwarded are subject to transmission limitations and all applicable local and long distance charges.

This service is available on a flat monthly rate and a pay-per-use basis. Pay-per-use Call Forwarding will have a per activation rate and a monthly price cap. After the monthly price cap has been reached, each activation thereafter will be at no charge.
 - b. **Call Forwarding – Remote Access** (additive to Call Forwarding)

This service is an additive to the Call Forwarding service and allows the customer to activate and deactivate Call Forwarding from a telephone in another location. All calls forwarded are subject to transmission limitations and all applicable local and long distance charges.
 - c. **Call Waiting/Cancel Call Waiting**

This service alerts a customer who is on the phone that another local or long distance caller wants to get through the line. The customer will receive a tone signal to indicate another incoming call and the caller will receive the usual ringing tone. To place the first call on hold and answer the incoming call, the customer depresses the switchhook once. The customer can then toggle between both calls by depressing the switchhook. If the customer hangs up when a call is still on hold, the customer's line will automatically ring back.

CUSTOM CALLING SERVICE (cont'd)

A. GENERAL (cont'd)

2. Custom Calling Services are optional telephone service arrangements which provide one or more of the following features: (cont'd)

c. **Call Waiting/Cancel Call Waiting (cont'd)**

Cancel Call Waiting allows a Call Waiting customer to deactivate the Call Waiting service by dialing a code. When this service is activated, the customer will not be interrupted by the Call Waiting tone and the incoming caller will receive a busy signal. Call Waiting will remain disabled for the rest of the call, but will be automatically restored upon call termination.

d. **Three-Way Calling**

This service allows a customer to add a third party to an existing telephone call. To add a third party, the customer depresses the switchhook once to place the current party on hold, receives a dial tone, dials the third party's number, and then depresses the switchhook again to establish the three-way connection. All 3-way calls are subject to transmission limitations and all applicable local and long distance charges.

This service is available on a flat monthly rate and a pay-per-use basis. Pay-per-use 3-Way Calling will have a per activation rate and a monthly price cap. After the monthly price cap has been reached, each activation thereafter will be at no charge.

e. **Speed Calling**

Provides for the calling of a regular telephone number by dialing an abbreviated code. Two arrangements are available, either an 8-number capacity or a 30-number capacity, but not both on the same line.

f. **Hotline**

This service allows a call to be automatically placed to a pre-assigned number determined by the customer as soon as the customer's phone goes off-hook. The Company will program the pre-assigned number for the customer.

CUSTOM CALLING SERVICE (cont'd)

A. GENERAL (cont'd)

2. Custom Calling Services are optional telephone service arrangements which provide one or more of the following features: (cont'd)

g. **Warm Line Service**

An automatic line feature which allows the subscriber a specific amount of time to dial a number before it automatically dials a predesignated number. This allows the residential subscriber to use the telephone normally, but to go to a designated number simply by staying off-hook. This service is not intended to be a replacement or substitute for Emergency Dialing Services such as 911.

h. **Do Not Disturb**

This feature allows a customer to divert incoming calls to a special tone indicating that the phone is in the DO NOT DISTURB mode. When the feature is activated, incoming calls receive a busy tone.

i. **Call Reminder**

This service allows a customer to program a time at which a reminder call is desired. At the programmed time, the customer will receive a call placed by the Central Office Equipment. When the call is answered, the customer will hear a tone or a Company recorded announcement.

j. **Personal Ringing**

This service allows the customer to have up to four distinct telephone numbers on a single line. The second, third and fourth number will each have a distinctive ringing pattern so the customer can identify which number has been called. If a customer also subscribes to Call Waiting, each phone number will have a distinctive Call Waiting tone. If a customer also subscribes to Call Forward, the main directory number or all four telephone numbers can be forwarded.

k. **Toll Restriction with Authorization Code**

Permits originated calls to be completed within the local exchange area only, and restricts originating direct dialed calls from completing outside the exchange without the use of an authorization code which is assigned by the company and changeable by the company.

CUSTOM CALLING SERVICE (cont'd)

A. GENERAL (cont'd)

2. Custom Calling Services are optional telephone service arrangements which provide one or more of the following features: (cont'd)

l. **Call Forward Busy (Programmed By Telco)**

This service automatically redirects incoming calls to a predesignated telephone number or voice mail service when the customer's line is busy. The customer activates the service by contacting the telephone company and designating the number to which all calls will be forwarded when the line is busy. The telephone company then establishes the fixed forward-to telephone number within the switch. To cancel the service or change the forward-to telephone number, the customer must contact the telephone company. All calls forwarded with this service are subject to transmission limitations and all applicable local and long distance charges.

m. **Call Forward No Answer (Programmed by Telco)**

This service automatically redirects incoming calls to another telephone number or voice mail service when the customer's telephone is not answered in a pre-determined number of rings. The number of rings is determined and set by the Company unless otherwise specified by the customer. The customer activates the service by contacting the telephone company and designating the number to which all calls will be forwarded when the telephone is not answered within an established period of time. The telephone company then establishes the fixed forward-to telephone number within the switch. To cancel the service or change the forward-to telephone number, the customer must contact the telephone company. All calls forwarded with this service are subject to transmission limitations and all applicable local and long distance charges.

n. **Call Hold**

This service allows a customer to place a current caller on hold, which frees the line so the customer can initiate another call. To activate Call Hold, the customer depresses the switchhook to receive a dial tone and then dials a specific code. Only one call per access line can be placed on hold at a time. The held call cannot be added to another call, however, the customer can toggle between each call.

o. **Call Transfer**

This service allows the customer to hold and transfer incoming, out-going and intragroup calls. If the customer has established a three way call, this service will allow the customer to hang up while the other two parties remain connected. Any applicable long distance charges will apply for the duration of the call, even if the customer drops off the call.

CUSTOM CALLING SERVICE (cont'd)**A. GENERAL (cont'd)**

2. Custom Calling Services are optional telephone service arrangements which provide one or more of the following features: (cont'd)

p. **Long Distance Call Waiting** (additive to Call Waiting)

This service is additive to Call Waiting and uses a special tone signal to indicate to the customer that the incoming call is long distance. The tone is different than the Call Waiting tone signal received for a local call. The long distance caller will receive the usual ringing tone.

q. **Home Intercom-Basic**

This service allows customers to redial their own directory number in order to talk to another party at a different extension. To activate this service, customers redial their own directory number and then hang-up. After a short interval, the phone will ring back. Once both parties pick-up the phone, they will be able to have a two-way conversation. This service is also known as Revertive Ringing.

B. RATES

The following monthly rates apply to Custom Calling Service Features. These rates are in addition to the rates and charges applicable to basic service, and all additional or associated equipment and facilities.

	MONTHLY RATES	
	<u>Residence</u>	<u>Business</u>
1. Individual Features:		
a. Call Forwarding-per line	\$1.75	\$1.75
b. Call Forward Remote Access*	2.00	2.00
c. Call Waiting/Cancel Call Waiting	1.75	1.75
d. Three-way Calling-per line	1.75	1.75
e. Speed Calling-per line-8 codes	1.25	1.25
Speed Calling-per line-30 codes	2.25	2.25
f. Hotline	2.00	2.00
g. Warm Line Service	2.00	2.00
h. Do Not Disturb	2.00	2.00
i. Call Reminder	2.00	2.00
j. Personal Ringing	4.00	4.00
k. Toll Restriction w/Auth. Code	4.00	4.00
l. Call Forward Busy	1.75	1.75
m. Call Forward No Answer	1.75	1.75
n. Call Hold	2.00	2.00
o. Call Transfer	2.00	2.00
p. Long Distance Call Waiting*	1.50	1.50
q. Home Intercom – Basic	1.50	1.50

*These Premium Features are not offered in Discount Packages.

CUSTOM CALLING SERVICE (cont'd)**B. RATES (cont'd)**

2. Pay-Per-Use Features:

- a. Three-Way Calling: .75 per activation with a \$3.75 Cap
- b. Call Forwarding: .75 per activation with a \$3.75 Cap

3. Discounts:

A discount will apply to additional Custom Calling Features subscribed to based on the following:

	Residence & Business Credit Per Month
Any 2 features	\$.25
Any 3 features	\$.75
Any 4 features	\$1.50
Any 5 features	\$3.75
Any 6 features	\$4.50
Any 7 features	\$5.25
Any 8 features	\$6.00
Any 9 features	\$6.75
Any 10 features	\$7.50

C. CONDITIONS

1. Custom Calling Services are furnished only in connection with individual line service. Pay telephone lines equipped with a coin collector are excluded from this offering.
2. The charges specified above will apply on a per line basis when Custom Calling Services are provided in conjunction with Key or Multiline Systems. All Features, except Call Waiting and Three-Way Calling are available to Key and Multiline Systems.
3. Except as specifically provided herein, Custom Calling Services are subject to the regulations, rates and charges applicable to other types of customer service.
4. Access line services equipped for Call Forwarding are assessed regular long distance message charges for each call transferred on a long distance basis.

CUSTOM CALLING SERVICE (cont'd)**C. CONDITIONS (cont'd)**

5. Remote Call Forwarding (RCF) service provides automatic forwarding of all incoming calls to a seven-digit RCF number to a terminating number in the same or a different exchange. The terminating number may not be to a semi-public telephone service.
6. The Telephone Company does not provide identification of the originating telephone number of the calling party to the RCF customer.
7. RCF service is furnished upon the condition that the customer subscribes to adequate RCF and terminating facilities to permit the use of the service without impairment, disruption, or deterioration of the quality of other telephone services. If in the opinion of the telephone company additional RCF service or terminating facilities are needed, the customer must subscribe to the additional services or facilities. If the customer refuses to subscribe to adequate RCF services or terminating facilities, the RCF service is subject to termination.
8. Custom Calling Features are not available on any key, or Private Automatic Branch Exchange System.
9. Upon the effective date of this Tariff, and for the following 90 day period, all customers will be provided, at no charge, the following Custom Calling Features: Call Forwarding, Call Waiting, Cancel Call-Waiting, and Three-Way Calling. Any other Custom Calling Features will be provided at the basic monthly rate, per Section B.1 preceding. For the same 90 day period, no service connection ⁽¹⁾ charges will apply for the addition or deletion of other Custom Calling Features.

After the initial 90 day period, those customers not having notified the Company that they wish to keep the services at the tariffed rates, will be disconnected at no charge.

(1) Service Connection Charge waived is the Central Office Work Charge.

ADVANCED CALLING SERVICE**A. GENERAL**

Advanced Calling Services (ACS) are optional services, offered in addition to regular exchange service, which allow customers to efficiently manage the call flow generated over their Exchange Access Line(s). Customers will be able to screen, redirect, or return selected calls. These services offer subscribers convenience, time savings, and a greater degree of control over the use of their telephones. Advanced Calling Services are available to residence and business customers where facilities are available. Individual feature availability may differ by exchange.

B. SERVICE DESCRIPTION**1. CALL REJECTION**

This service enables a subscriber to reject up to a maximum of six (6) preselected incoming telephone numbers from which he/she does not wish to receive calls. To select a telephone number, the subscriber dials a unique code and then constructs or modifies a telephone number screening list. To add an unknown telephone number to the list, a subscriber can activate a code immediately after receiving an unwanted incoming call. The Company's equipment will screen incoming calls against the subscriber's list and reject those on the list. Callers whose numbers are rejected are directed to a Company recorded announcement. If facilities are unavailable to provide incoming call screening via the subscriber's list, *standard call completion will occur.*

2. CALL RETURN

This service enables the subscriber to automatically redial the telephone number of the most recent incoming call. The Company's equipment will make repeated attempts to establish the call for approximately a thirty (30) minute period, beginning with the subscriber's activation of Call Return if the most recent incoming call is busy. The service cannot be activated for calls originating from a line that is forwarded or from a line not associated with a telephone number, e.g., multiline hunting groups. Call Return is available on a flat rate basis.

3. PREFERRED CALL FORWARDING

This service enables the subscriber to forward up to a maximum of six (6) preselected incoming telephone numbers to another telephone number. To forward a telephone number, the subscriber dials an activation code and then constructs or modifies a telephone number screening list. The Company's equipment will screen incoming calls against the subscriber's list and forward only those telephone numbers on the list. Calls forwarded by this service are subject to all applicable local and long distance charges. These calls are also subject to transmission limitations.

ADVANCED CALLING SERVICE (cont'd)**B. SERVICE DESCRIPTION (cont'd)****4. PRIORITY RINGING**

This service allows the subscriber to provide up to a maximum of six (6) preselected incoming telephone numbers with a distinctive alerting signal or ring (or a distinctive Call Waiting tone if the subscriber has subscribed to Call Waiting), when the subscriber receives calls from them. To program a telephone number, the subscriber dials a unique code and then constructs or modifies a telephone number screening list. The Company's equipment will screen incoming calls against the subscriber's list and provide the Priority Ringing service for the preselected telephone numbers on the subscriber's list.

5. REPEAT DIALING

This service enables the subscriber to automatically redial the last outgoing telephone number dialed from that line. When the recalled telephone number is busy, the Company's equipment will make repeated attempts to establish the call for approximately a thirty (30) minute period, beginning with the subscriber's activation. Repeat Dialing is available on a flat rate basis.

6. SPECIAL CALL ACCEPTANCE

This service enables a subscriber to allow up to a maximum of six (6) preselected incoming telephone numbers to be accepted. To select a telephone number to be accepted, the subscriber dials a unique code and then constructs or modifies a telephone number screening list. The Company's equipment will screen incoming calls against the subscriber's list and allow only those calls to be completed. Calls from all other numbers will be routed to a Company recorded announcement.

7. CALLER ID

Caller ID - Basic (Number only) is the available service.

a) CALLER ID - Basic

This service utilizes specific network capabilities to transmit and display the number associated with an incoming call to the called party's access line. The number of the incoming call is transmitted during the silent interval between the first and second ring of the called party's line. Caller ID subscribers must provide and connect their own compatible premises equipment in order to process and display the number transmission. The Company will forward all telephone numbers where technically feasible.

ADVANCED CALLING SERVICE (cont'd)**B. SERVICE DESCRIPTION (cont'd)****7. CALLER ID (cont'd)**

If a calling party has activated blocking, the number will not be transmitted to the display equipment of a Caller ID subscriber. Instead, the Caller ID subscriber will receive a privacy indicator. This privacy indicator notifies the Caller ID subscriber that the calling party chose to block number delivery.

b) Caller ID - Deluxe

This service utilizes specific network capabilities, where technically feasible, to transmit the name and number associated with an incoming call to the called party's access line. The name and number of the incoming call is transmitted during the silent interval between the first and second ring of the called party's line. Caller ID - Deluxe subscribers must provide and connect their own compatible premises equipment in order to process the name and number transmission. The Company will forward all telephone numbers and names where technically feasible.

If a calling party has activated blocking, the name and number will not be transmitted to the display equipment of a Caller ID - Deluxe subscriber. Instead, the Caller ID - Deluxe subscriber will receive a privacy indicator. This privacy indicator notifies the Caller ID - Deluxe subscriber that the calling party chose to block name and number delivery.

8. CALLER ID BLOCKING

Caller ID Blocking allows the caller to prevent the delivery of his/her calling data to a Caller ID subscriber on a per call basis (Caller ID Blocking - Per Call) or per line basis (Caller ID Blocking - Per Line).

a) Caller ID Blocking - Per Call

This service will block the delivery of the caller's data to a Caller ID subscriber for one call only and may be activated from all single party access lines by dialing *67 (1167 from a rotary phone) prior to placing the call. PER THE FCC CALLER ID ORDER, EFFECTIVE 12/1/95, CALLER ID BLOCKING - PER CALL IS PROVIDED TO ALL CUSTOMERS AT NO CHARGE.

As of 1/1/97, per FCC Docket 91-281, Per Call Blocking will be provided on calls originating from pay telephone lines used by the general public and party lines.

ADVANCED CALLING SERVICE (cont'd)**B. SERVICE DESCRIPTION (cont'd)****8. CALLER ID BLOCKING (cont'd)****b) Caller ID Blocking - Per Line**

This service will automatically block the delivery of the caller's data to a Caller ID subscriber on all calls and will be made available or offered, at no charge for victims of domestic violence, domestic violence programs, social welfare agencies, health and counseling centers, public service hotlines, law enforcement agencies and staff thereof. In addition, all customers can request per line blocking at no charge. Per line blocking can be deactivated by dialing *67 (1167 from a rotary phone) prior to placing the call.

9. CALL TRACE

This service enables the customer to initiate a trace of the last incoming call completed by dialing an activation code *immediately after terminating the call*. A Call Trace is considered successful when the Company's equipment is able to record the incoming call detail (not the conversation). Incoming call detail includes: the calling number, the time the trace was activated, and in some locations the time the traced call was received.

The results of the trace are never provided to the customer directly. Call Trace information will only be given to appropriate law enforcement agencies. For further action to be taken, the customer is required to contact the Telephone Company Business Office during normal business hours, which will refer the customer to appropriate law enforcement agencies, or contact the law enforcement agency directly. Call Trace detail will be retained by the Company and made available to local law enforcement for ten business days after the trace has been initiated. Call Trace may not capture incoming telephone numbers marked "private" or "out of area". Only calls from locations with compatible signaling services are traceable using Call Trace.

10. ANONYMOUS CALL REJECTION

This service enables a subscriber to reject incoming calls from which a privacy indicator is received. The service is activated by dialing a unique code. When the service is active, the Telephone Company ("Company") will not complete calls to its customer when the calling party has activated Caller ID blocking services. Such calls will be routed to a Company recorded announcement. Anonymous Call Rejection is included with the Caller ID at no charge.

ADVANCED CALLING SERVICE (cont'd)

C. SPECIAL CONDITIONS AND LIMITATIONS

1. Special Conditions for Caller ID:

- a. An originating caller's data may not be displayed to the called party under the following conditions:

1) The caller's data will not be displayed if the called party is off-hook. The called party must be on-hook to receive the caller's data. If the customer subscribes to both Call Waiting and Caller ID, and is on an existing call, the second incoming call information will not be displayed. Instead, the called party will receive the usual Call Waiting tone.

2) The caller's data will not be displayed if the called party answers the incoming call during the first ring interval.

3) Caller ID services cannot be provided with any distinctive ringing lines having a maximum silent interval duration that is not long enough to allow transmission of the data message.

4) Identification of names, specific stations or extensions served by a PBX or Key System is not possible. The main directory number or name and number (if available) of the PBX or Key System will be displayed.

5) Caller ID services cannot be provided if the calling party is from a multi-party line. The called party will receive an "Unavailable" display.

6) The caller's data will be unavailable if it is from another office that is not linked by appropriate facilities with the called party's office.

7) The calling party has activated blocking.

8) Caller ID services do not display a directory number or name and number (if available) for operator assisted calls, calls marked private by the originator or calls originating from pay telephone lines and party line stations.

ADVANCED CALLING SERVICE (cont'd)

C. SPECIAL CONDITIONS AND LIMITATIONS (cont'd)

1. Special Conditions for Caller ID: (cont'd)

- b. The following special conditions apply to Caller ID services based on the FCC Caller ID Order effective 12/1/95:

1) If a customer dials a "1-800" or other Automatic Number Identification (ANI) Service number, the telephone number that they are calling from will be revealed to the called party through ANI technology. Even if the customer has per line blocking or has activated per call blocking, the 800 number party has the right to obtain this information through ANI.

2) ANI information may not be reused or resold for other purposes without a caller's consent, even where the called party has paid for the call.

3) Caller ID services are available on all long distance calls where technically feasible.

4) All calling data will be displayed to E911 through ANI technology, even if the customer has per line blocking or has activated per call blocking.

5) All calling data will be passed, even for customers who do not subscribe to Caller ID.

6) Per Call Blocking will be available to all customers. (The FCC Order overrules all state PUC/PSC decisions on Per Call blocking.)

2. Limitations of Advanced Calling Services:

The management of these services is possible only:

- a. Where the calling party's data can be forwarded from the central office originating the call to the terminating central office serving the called party;
- b. When both the originating customer and the call terminating customer are served from the same central office;

ADVANCED CALLING SERVICE (cont'd)

C. SPECIAL CONDITIONS AND LIMITATIONS (cont'd)

2. Limitations of Advanced Calling Services: (cont'd)

- c. When both the call originating customer and the call terminating customer are served from different central offices equipped for ACS and are linked by appropriate facilities;

The Company shall not be liable for any loss or damages arising out of error, interruptions, defects, failures, or malfunctions of ACS Services or equipment. Such damages of services after the Company has been notified, and has had reasonable time for repair, shall in no event exceed an amount equivalent to the rates charged for the service affected from the time the customer gives notice until service is restored.

It shall be the responsibility of the Customer to provide customer premise equipment (CPE) compatible with ACS.

Some services are available on a usage sensitive basis with a per activation rate and a specified number of chargeable activations. Each activation thereafter will be at no charge.

D. RATES, DISCOUNTS, NON-RECURRING CHARGES AND PROMOTIONAL PERIODS**

1. RATES

- a) The monthly rates, credits and any non-recurring charges are in addition to basic local exchange service or any other services subscribed to by the customer.
- b) Activation and Deactivation codes listed below apply to touchtone telephones. (Rotary phones use the codes prefaced by a 11. For example, Call Return would be 1169).
- c) The below rates apply to both residential and business customers.

Call Trace and Caller ID Blocking ** are not offered as part of the above discount package.

ADVANCED CALLING SERVICE (cont'd)**D. RATES, DISCOUNTS**, NON-RECURRING CHARGES AND PROMOTIONAL PERIODS (cont'd)****1. RATES (cont'd)**

<u>One Service Per Line</u>	<u>Rate Per Month</u>	<u>Activation Code</u>	<u>Deactivation Code</u>
1) Call Rejection	3.00	*60	N/A
2) Call Return	4.00	*69	*89
3) Perferred Call Forwarding	3.00	*63	N/A
4) Priority Ringing	3.00	*61	N/A
5) Repeat Dialing	4.00	*66	*86
6) Special Call Acceptance	3.00	*64	N/A
7) Caller ID/Anonymous Call Rejection			
a. Basic	6.50	N/A	N/A
b. Deluxe	8.50	N/A	N/A
8) Caller ID Blocking			
a. Per Call	No Charge		*67
b. Per Line	No Charge		*67
9) Call Trace	1.00	*57	N/A
10) Anonymous Call Rejection	3.00	*77	*87

2. MULTIPLE SERVICES DISCOUNT PLAN, Per Line

A discount will apply to additional Advanced Calling Services subscribed to based on the following:

<u>Per Service Credit (2)</u>	<u>Credit Per. Month</u>
a) Two Services	1.00
b) Three Services	2.00
c) Four Services	3.00
d) Five Services	4.00
e) Six Services	5.00
f) Seven Services	6.00

3. NON-RECURRING CHARGES

A non-recurring charge of \$5.00 applies to the connection of Advanced Calling Services. If more than one service is subscribed to at a time, only one charge is applied. The non-recurring charge may, during certain promotional periods, be waived for customers subscribing to one or more of the Advanced Calling Services.

Call Trace and Caller ID Blocking ** are not offered as part of the above discount package.

ADVANCED CALLING SERVICE (cont'd)

D. RATES, DISCOUNTS**, NON-RECURRING CHARGES AND PROMOTIONAL PERIODS (cont'd)

4. PRIVACY PACK

The Privacy Pack combines five (5) Advanced Calling Services into one package. The Package includes the following Services: Caller ID-Deluxe, Call Rejection, Anonymous Call Rejection, Preferred Call Forwarding, and Priority Ringing.

Rate Per Month

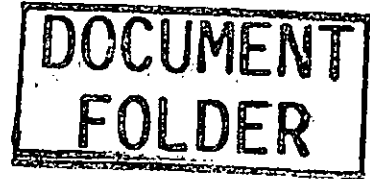
\$9.95

Call Trace and Caller ID Blocking ** are not offered as part of the above discount package.

03 FEB 10 11:12:49

DATE: February 7, 2003

DEPARTMENT OF
FIXED UTILITY SERVICES



SUBJECT: TDS Telecom Master Affiliate Transaction Agreement

TO: Bob Rosenthal, Director
Bureau of Fixed Utility Services

A-313100F5000

FROM: Doreen Trout
Administrative Assistant
Secretary's Bureau

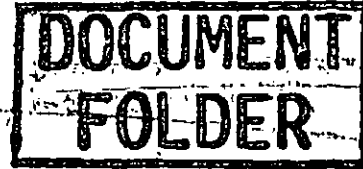
KJR

Please advise if the attached is a Chapter 2101 Affiliated Interest Agreement requiring approval, and if so, does it require more than one "G" docket number?

Doreen This filing does not require approval or docketing. Copies should be placed in the following company folders.

- A-310975 TDS LONG DISTANCE
- A-313100F5000 TDS/SUGAR VALLEY
- A-311950F5000 TDS/Mahoney & Mahoney

Thanks,
Bob R.



Government and Regulatory Affairs

RECEIVED
PUBLIC UTILITY SERVICES

January 8, 2003

Mr. James J. McNulty
Secretary
Pennsylvania Public Utility Commission
400 North Street - Filing Room
P.O. Box 3265
Harrisburg, PA 17120

A-313100F5000

SECRETARIAT BUREAU
2003 JAN 13 AM 09:56

RECEIVED

RE: TDS TELECOM Master Affiliate Transaction Agreement

Dear Secretary McNulty:

Enclosed for filing with the Commission is an executed copy of a Master Affiliate Transaction Agreement (MATA) among TDS Telecommunications Corporation, Telephone and Data Systems, Inc. and all affiliated entities receiving or providing affiliated services.

The MATA covers all TDS companies and all affiliated services and replaces the multiple current contracts between individual or groups of affiliated companies. The objective is to provide administrative ease and simplicity for the affiliated companies, RUS and regulatory commissions.

This replacement agreement changes only the form of the current agreements; the substance of those agreements, including the manner in which the various TDS entities operate, the manner in which the goods and services are provided, and the manner in which costs are charged to affiliates does not change from current practice. The addition of new or elimination of existing TDS affiliated entities is covered without the need to revise the MATA for the other parties. In the future, a new affiliated entity will only need to seek necessary RUS approvals to become a party to this MATA (see Attachment C to MATA).

Following is a list of all of TDS TELECOM's affiliated RUS borrowers in Pennsylvania, including borrower numbers, that are affected by the MATA:

- PA 559 - Mahanoy & Mahantango Telephone Company
- PA 545 - Sugar Valley Telephone Company

TDS Telecom/Mahanoy and Mahantango Telephone Company and TDS Telecom/Sugar Valley Telephone Company's Streamlined Regulation Plan, as approved by the Commission,¹ provides as follows:

The Companies will continue filing affiliated interest and affiliated transaction agreements, unless such agreements involve services found to be competitive in accordance with the Plan. However, such filings shall constitute notice to the Commission only and

¹ TDS Telecom/Mahanoy and Mahantango Telephone Company and TDS Telecom/Sugar Valley Telephone Company. Docket Nos. P-00961115 and P-00961116, Order Entered January 29, 1998.

RE: TDS TELECOM Master Affiliate Transaction Agreement
January 8, 2003
Page 2

review of the associated costs and benefits shall be deemed unnecessary.²

In accordance with these requirements, and without anticipating a staff review or secretarial letter of acknowledgement, this affiliated interest agreement is filed.

If you have any questions or are in need of further information, please contact me at 865-671-4750 or Bryan Woltman at 608-664-4172.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Handley" followed by a stylized monogram or initials.

Jeff Handley
Manager – External Relations

Enclosures

cc: Bryan Woltman

² Streamlined Regulation Plan of TDS Telecom/Mahanoy and Mahantango Telephone Company and TDS Telecom/Sugar Valley Telephone Company, (Dated January 31, 1997, Revised per settlement dated November 25, 1997) at 26 (Part IV A.6).

RECEIVED

MASTER AFFILIATE TRANSACTION AGREEMENT

03 FEB 10 PM 12:50

BY AND AMONG

2003 JAN 13 AM 8:56
SECRETARY'S BUREAU

RECEIVED

BUREAU OF
FIXED UTILITY SERVICES

TDS TELECOMMUNICATIONS CORPORATION

AND

TELEPHONE AND DATA SYSTEMS, INC.

June 1, 2002

This Master Affiliate Transaction Agreement (the "Agreement") is made and entered into as of the date stated above by and among TDS Telecommunications Corporation, a Delaware Corporation ("TDS Telecom") for itself and on behalf of each of its wholly and majority owned subsidiaries, and Telephone and Data Systems, Inc., a Delaware Corporation ("TDS") for itself and on behalf of each of its affiliates other than TDS Telecom and TDS Telecom's wholly and majority owned subsidiaries, for the provision of Transactions (as defined in Section 1.5 below), and providing reasonable compensation therefore, with and between various regulated and non-regulated subsidiaries and affiliates of TDS and TDS Telecom, including various local exchange telephone companies that are wholly and majority owned subsidiaries of TDS Telecom (the "TDS Telcos").

The following attachments are included herein by reference as integral parts of this Agreement:

- Attachment A – Cost Drivers for TDS
- Attachment B – Cost Drivers for TDS Telecom
- Attachment C – Consent and Acknowledgment

NOW, THEREFORE, for the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Mutual Understandings and Definitions:

- 1.1. TDS is a holding company with multiple subsidiaries and affiliates, including but not limited to TDS Telecom and the TDS Telcos.
- 1.2. TDS Telecom is a wholly owned subsidiary of TDS, created for the purposes of (a) serving as an entity to directly hold the stock of the various TDS Telcos; (b) segregating such TDS Telcos from the other direct and indirect subsidiaries of TDS, and (c) employing through its wholly and majority owned subsidiaries those employees whose primary work function is related to landline telephone activities.
- 1.3. Any person who performs services or sells or transfers assets under this Agreement, whether TDS, TDS Telecom, or a subsidiary or affiliate of either (including but not limited to the TDS Telcos), shall be referred to as a "Transaction Provider" and collectively as "Transaction Providers."
- 1.4. Any person who receives services or assets under this Agreement, whether TDS, TDS Telecom, or a subsidiary or affiliate of either (including but not limited to the TDS Telcos), shall be referred to as a "User" and collectively as "Users."

- 1.5. The term "Transactions" used in this Agreement shall refer to the items described in Section 3.1; provided, however, that at least one of the parties to the Transaction is, directly or indirectly, a TDS Telco.
- 1.6. The purpose of this Master Affiliate Transaction Agreement is to define the terms under which (a) TDS and its subsidiaries and affiliates shall enter into various Transactions with Users, (b) TDS Telecom and its subsidiaries and affiliates shall enter into various Transactions with Users, including but not limited to network operations, acquisition of assets, regulatory affairs, customer services, sales and marketing, and financial accounting, and (c) various TDS Telcos shall enter into various Transactions with Users, including but not limited to a TDS Telco serving customers located in a particular state providing services or selling or transferring assets to another User also serving customers located in that same state.
- 1.7. Some of the TDS Telcos are public utilities providing telecommunications services in states that have (a) statutes and regulations applicable to the affairs of telecommunications companies, including statutes and regulations applicable to services provided and assets sold or transferred by or to an affiliate of a telecommunications company, and (b) regulatory agencies overseeing certain of the activities of telecommunications companies. By entering into this Agreement, the parties recognize and agree that all Transactions to be provided under this Agreement by any Transaction Provider, or to any User, that is subject to such statutes, regulations, and/or oversight shall be consistent with and satisfy the requirements of all such statutes and regulations and the orders of such regulatory agencies.
- 1.8. Some of the TDS Telcos are subject to loans and mortgages containing terms applicable to the Transactions to be provided under this Agreement. The parties recognize and agree that all Transactions to be provided under this Agreement to any User subject to such terms shall be consistent with and satisfy the requirements of all such terms.

2. General Scope of Agreement:

- 2.1. During the term of this Agreement, Transaction Providers shall perform Transactions for the Users, as necessary and requested by the Users, employing for this purpose officers, other employees, employees of affiliated companies and external resources whose salaries and costs shall be paid by Transaction Providers, and who shall be available to the Users and others, as required, to perform services and sell and transfer assets, including, but not necessarily limited to, the Transactions listed under Section 3.1.
- 2.2. The Transaction Providers and the Users agree that nothing included in this Agreement shall be construed to release the officers and directors of the Users from the performance of their respective duties or limit the exercise of their powers as prescribed by law or otherwise.

3. Transactions and Compensation:

3.1. Transactions Furnished by Transaction Providers: Transaction Providers agree to provide services and sell and transfer assets to Users (collectively the "Transactions") as follows:

3.1.1. Technical Assistance and Network Operations: Transaction Providers agree to provide Users with technical assistance and network resources in the areas of network and engineering practices, traffic studies, development of network standards and performances, and to recommend methods, systems and procedures to implement and improve network operations; provide switching and transport services and network connectivity; provide whatever other services that may be required to supply quality voice and data transmissions; assist in the construction, re-construction, repair and maintenance of all facilities, be available at all times to respond to calls of emergency; aid in the development and administration of safety and training programs, and in the establishment and standardizing of accounting methods and procedures; supervise and assist in the preparation of the annual construction budget; assist in the preparation of drawings and detailed specifications covering equipment, materials, and construction which Users propose to install; assist in preparing inquiries to responsible bidders, analyzing bids received, and preparing estimates of the costs of such installation and construction; assist in the preparation of contracts for the purchase of equipment and materials and contracts for construction; contract supervision and administration; and general administration.

3.1.2. Sale, Transfer, Purchase, and Leasing: Transaction Providers agree to negotiate purchases and leases for Users, to sell or transfer assets to Users, to lease equipment to Users, and to monitor all purchases, sales, transfers, and leases of assets (including equipment and materials) and services. Transaction Providers shall try to consolidate purchases and leases of the Users where such joint or bulk orders may result in more favorable prices or terms or may achieve greater efficiency through close coordination with suppliers. This may be in the form of a formal agreement or contract or it may be specifically negotiated prices made available to all Users. The main emphasis for all purchases, sales, transfers, and leases is to obtain a quality asset, product or service at the lowest cost. The Transaction Providers further agree to serve as a resource in locating vendors and solving vendor related problems and to review and recommend new products to Users for improving customer service.

3.1.3. Accounting and Financial Reporting: Transaction Providers agree to provide Users with accounting and financial reporting assistance for general accounting services, preparation of corporate tax returns and internal audits; preparation of operating statements, financial statements, and balance sheets; treasury functions such as cash management including but not limited to depositing funds, disbursing funds, reconciling cash and bank accounts, financial reporting, budgeting and financial planning; and perform special

studies and financial analysis as needed.

- 3.1.4. Information Systems and Billing: Transaction Providers agree to provide Users with assistance in systems development, maintenance and support for applications such as the CABS, toll message, and end user billing systems, as well as other office automation systems and applications. Transactions provided may include bill production and mailing services, quality control, problem resolution, enhancement implementation, management reporting, recording service, edit and assembly, message rating service, message billing processing service, data retention and others.
- 3.1.5. State and Federal Regulatory Affairs; Tariff Services: Transaction Providers agree to provide assistance in all aspects of federal and state regulatory affairs such as: developing, coordinating, monitoring and implementing overall company regulatory policies; developing and maintaining commission relations; monitoring regulatory and legislative issues and dockets to determine impacts on the operations of the Users; participating in regulatory proceedings; preparing and filing rate change requests; developing and implementing company policy on state and federal regulatory and legislative service issues; providing NECA reporting and tariff filings; preparing and reviewing cost separations studies; providing pricing services; developing tariff structures and tariff administration; and performing special studies and financial analyses as needed.
- 3.1.6. Securities and Finances: Transaction Providers agree to provide assistance to the Users in financial matters, including but not limited to the issue and sale of Users' stocks, bonds, notes, and other securities, and in cash management, including but not limited to the furnishing of advice from time to time as to securities, market conditions and the form and timing of financing; direct and supervise the preparation, printing and clearance with all interested parties of mortgage indentures, registration statements and prospectuses, bonds and stock certificates and any other necessary documents or instruments required in the issue and sale of securities and notes; advise and assist with regard to the registration and qualifications of securities under federal and state laws and the listing of securities on national stock exchanges; advise and assist in the servicing of outstanding securities and notes; and advise and administer the management of accumulated cash (including but not limited to centrally managed investment programs that include short-term investment funds or investment portfolios). Transaction Providers shall also assist the Users with financing requirements, including, but not limited to, long-term and short-term debt from the Rural Utilities Service ("RUS") and its successors and other sources.
- 3.1.7. Customer Services and Sales: Transaction Providers shall provide assistance in the areas of strategic planning, marketing research, product development, customer education and services, sales promotion, and direct selling of products and services, and promoting rural economic

development, and shall keep Users advised of internal and external developments within these fields. Transaction Providers shall also monitor and provide standardized business office procedures, customer support including but not limited to extended customer service hours, service quality statistics and reports, and individual case basis customer solutions.

- 3.1.8. Human Resources: Transaction Providers agree to provide Users with human resource services, such as job evaluation, recruiting and employment, training and development, safety programs, regulatory reporting and compliance, performance appraisal, and management-employee relations.
- 3.1.9. Employee Pensions and Benefits: Transaction Providers agree to review and recommend to Users appropriate employee pension and benefit plans, and to assist in the drafting or revising of such plans, or the administration and management of such plans, as required. Transaction Providers further agree to consolidate such plans with similar plans required by other Users, where such consolidation may result in savings and satisfies the requirements of the Users and legal/state/federal requirements.
- 3.1.10. Insurance: The Transaction Providers agree to review and recommend appropriate insurance coverage for the properties, personnel, and operations of the Users. Transaction Providers further agree to consolidate insurance coverages required by the Users with similar insurance coverages required by other Users where consolidation of such coverages may result in savings of premiums, or manage and administer self-insurance funds if appropriate, while satisfying the requirements of any mortgage executed by the Users.
- 3.1.11. Corporate Services: Transaction Providers shall provide Users with executive, legal, investor relations, connecting company liaison, archives, records and files, and other services.
- 3.1.12. Taxes: Users shall be responsible for all taxes attributable or allocable to the individual User's business operations when User's business operations are included in any consolidated tax filings or payments.
- 3.1.13. Other: Transaction Providers shall provide Users with other miscellaneous assistance that may be requested or necessary or useful, including but not limited to new or different services not currently provided and new and different assets not currently sold or transferred, whether provided by Transaction Providers' personnel or outside consultants, not specifically provided for herein.

3.2. Compensation: Charges under this Agreement shall be as follows:

- 3.2.1. All Transactions provided by Transaction Providers for the account of or benefit of the Users shall be charged directly to the Users or other entities in accordance with Part 32.27 of the FCC Rules.
- 3.2.2. Expense vouchers shall describe the expenditures in reasonable detail.
- 3.2.3. Invoices or documentary evidence shall describe the particular Transaction

or Transactions in reasonable detail.

3.2.4. Employees of Transaction Providers shall maintain records to permit a fair allocation of their work performed consistent with this Agreement.

3.2.5. Assignment and Allocation of charges:

- a. Charges shall be directly assigned wherever possible.
- b. All charges that cannot be directly assigned shall be allocated based on applicable cost drivers.
 - i. Such charges shall be allocated among all Users, including Users that are not TDS Telcos, to ensure that each User bears its full and fair share of the charge involved.
 - ii. The factors identified on Attachment A include some, but not all, of the cost drivers for the costs incurred by TDS that are to be allocated between broad categories of Users, including US Cellular (and its wholly and majority owned subsidiaries) and TDS Telecom (and its wholly and majority owned subsidiaries).
 - iii. Costs that are to be allocated to Users who are wholly or majority owned subsidiaries of TDS Telecom shall be allocated using appropriate cost drivers, including but not limited to those cost drivers identified on Attachment B, based on the type of Transaction and group of Users involved for each such cost. These costs include, but are not limited to, (1) costs incurred by TDS and each of its affiliates (other than TDS Telecom and TDS Telecom's wholly and majority owned subsidiaries) that are allocated to TDS Telecom and its wholly and majority owned subsidiaries in accordance with the preceding paragraph, and (2) costs incurred by TDS Telecom and its wholly and majority owned subsidiaries.
 - iv. The allocation methodology for any cost or Transaction not covered by the above shall use a cost driver that fairly allocates costs based upon the cost causative nature of the Transaction involved.

3.2.6. Transaction Providers and Users agree that on at least a quarterly basis the Transaction Providers shall review and update the data as necessary for the cost drivers shown on Attachments A and B. Such updates shall be effective for the subsequent period. In addition, TDS and TDS Telecom shall periodically review and update the cost drivers used to allocate charges that cannot be directly assigned, including but not limited to those summarized on Attachments A and B, to address new Transactions added that require a *different basis of allocation* or to reflect a change in the generally accepted manner in which the charges for any Transaction should be allocated so as to provide cost allocations that are fair and reasonable.

3.2.7. All costs charged to Users by Transaction Providers shall be recorded by Users in the appropriate account prescribed by the Uniform System of Accounts, if applicable, based upon the functions as reported by Transaction Providers.

3.2.8. The costs of each Transaction performed under this Agreement include without limitation, to the extent of actual costs incurred therefor:

- a. Salaries, wages, fees and other compensation of personnel or outside consultants performing the Transaction, including all travel and other expenses of such personnel and such consultants.
- b. Cost of each asset purchased for the transaction or otherwise sold or transferred as a part of the transaction. Such cost shall be determined by one of the following, as appropriate under Part 32.27 of the FCC rules: acquisition cost, fair market value, prevailing price, or net book value.
- c. Costs of house services (telephone, rent, heat, light, electric service, etc.).
- d. Depreciation, amortization and/or rental on all office equipment and other assets used in the performance of Transactions.
- e. All reasonable maintenance charges on office furniture, fixtures, business machines, postage meters and other specialized equipment used in the performance of Transactions.
- f. All postage charges and all costs of forms, envelopes, stationery or other office supplies used in performing the Transactions.
- g. Insurance, including but not limited to public liability and property damage, costs of meeting workers' compensation requirements, and other risk management costs.
- h. A reasonable return on invested capital required to provide the Transactions.
- i. All payroll taxes levied by federal, state, local or other taxing authorities applicable to said Transactions and equipment.
- j. Other necessary and prudent costs not specifically provided for herein.

3.3. Supplemental Agreements: In connection with the provision of any Transaction contemplated by this Agreement, any two (2) or more of TDS, TDS Telecom, any Transaction Provider, or any User may enter into one or more additional or supplemental agreements (a "Supplemental Agreement"), consistent with this Agreement, that address specific contractual issues important to the parties involved, including, for example, specific duties to be performed and applicable definitions; provided, however, that all pricing and cost allocations shall be exclusively pursuant to this Agreement (except as otherwise approved by appropriate governmental agencies) and any provision (not approved by appropriate

governmental agencies) in any such Supplemental Agreement inconsistent with the terms of this Agreement shall be null and void. Any existing agreement between any User and any Transaction Provider that is not terminated by the parties in accordance with Paragraph 6.4, below, shall be a Supplemental Agreement.

4. Method of Charging and Payment: Transaction Providers and Users agree that Transaction Providers shall render the charges for the Transactions described herein in a manner which reasonably details the nature and cost of each of the Transactions performed by Transaction Providers for the Users. Charges shall be due and shall be paid electronically on the 10th calendar day of the month following performance of the service or completion of the transaction.
5. Binding, Effectiveness and Term:
 - 5.1. This Agreement shall become binding:
 - 5.1.1. Upon TDS and its subsidiaries and affiliates (excluding TDS Telecom and its subsidiaries and further excluding any Transaction Provider or User requiring either Agency approval or Mortgagee consent) only on the approval thereof in writing by TDS.
 - 5.1.2. Upon TDS Telecom and its subsidiaries (excluding any Transaction Provider or User requiring either Agency approval or Mortgagee consent) only on the approval thereof in writing by TDS Telecom.
 - 5.1.3. If this Agreement requires the approval of any agency of any state (an "Agency") or the consent of any lender holding a mortgage, including the Administrator of the Rural Utilities Service or its successors ("Administrator") on the property of any Transaction Provider or User (a "Mortgagee") before it can become effective with respect to any individual Transaction Provider/User (an "Approval Company"), then for each such Approval Company this Agreement shall become binding only when both of the following have occurred:
 - a. The Approval Company has received all necessary Agency approvals and Mortgagee consents including the Administrator; and
 - b. Such "Consent and Acknowledgment" attached to this Agreement as Attachment C has been executed by such Approval Company.
 - 5.2. TDS and TDS Telecom each agree that the other is authorized to execute and deliver the "Consent and Acknowledgment" on behalf of the other party, such that each such "Consent and Acknowledgment" shall be binding and effective with respect to both TDS and TDS Telecom, and the affiliates and subsidiaries of each, when it has been signed by either one of TDS or TDS Telecom.
 - 5.3. This Agreement shall become effective:
 - 5.3.1. With respect to TDS, TDS Telecom, and each subsidiary and affiliate of either (excluding, however, any Approval Company), when it has been executed by both TDS and TDS Telecom.

- 5.3.2. With respect to each Approval Company, when such Approval Company has (a) received all necessary Agency approvals, and (b) executed the "Consent and Acknowledgment."
- 5.3.3. With respect to each Approval Company requiring Mortgagee consent, when such Approval Company has (a) received all necessary Mortgagee consents including the Administrator, and (b) executed the "Consent and Acknowledgment."
- 5.4. Once effective, this Agreement shall continue in force with respect to each person covered by this Agreement until terminated by such person by sixty (60) days notice in writing to the other signatories to this Agreement. Any termination of this Agreement with respect to any party (a) shall not affect the rights or obligations of any party for the period prior to such termination, and (b) shall not affect the rights or obligations of the other parties under this Agreement and this Agreement shall remain in full force and effect with respect to the remaining parties hereto.
- 5.5. The parties hereto agree to terminate this Agreement with respect to any party subject to the jurisdiction of any governmental authority including the Administrator, when requested to do so by such governmental authority or Administrator.

6. Miscellaneous Provisions:

- 6.1. Records and Reports: Upon a User terminating this Agreement, each Transaction Provider shall turn over to the User any and all records and reports relating to User within thirty (30) days of a written request from such User. Said obligation shall not extend beyond the Transaction Provider's normal record retention period for applicable records and reports.
- 6.2. Access to Records: Each User shall at all times during reasonable business hours have access to and the right to inspect and make copies of any and all books, records and accounts, invoices, contracts, canceled checks, payrolls, and other documents and papers of every kind pertaining in any way to a User which may be under the control of Transaction Providers.
- 6.3. Reports Required by Governmental Agencies: Transaction Providers and Users agree that if required by a state agency or the administrator of any federal agency, including but not limited to the RUS Administrator ("Administrator") (and the administrator of any successor agency), reports of all Transactions provided by Transaction Providers for the account of or benefit of the Users shall be supplied to such agency or administrator.
- 6.4. Entire Agreement: This Agreement constitutes the entire agreement between the parties hereto for the matters covered herein. Except as otherwise provided herein, any existing agreement between any User and any Transaction Provider for the performance of any Transaction (an "Existing Transaction Agreement") is by mutual consent deemed null and void and of no further force or effect. Notwithstanding the foregoing, the parties to any Existing Transaction Agreement may elect to continue such Existing Transaction Agreement, in which event all

pricing and cost allocations shall be exclusively pursuant to this Agreement (except as otherwise approved by appropriate governmental agencies) and any provision (not approved by appropriate governmental agencies) in such Existing Transaction Agreement that is inconsistent with this Agreement is by mutual consent deemed null and void and of no further force or effect. In such event, the surviving provisions of any Existing Transaction Agreement shall be a Supplemental Agreement. Notwithstanding the preceding sentences, with respect to any Approval Company, this Agreement shall be effective as soon as all necessary approvals and consents are obtained and such Approval Company has executed the "Consent and Acknowledgment" and until then all Existing Transaction Agreements of such Approval Company shall remain in effect and shall not be modified in any manner by this Agreement.

6.5. Amendments:

- 6.5.1. The parties hereto agree that they shall not enter into any amendment of this Agreement or of any provision thereof unless such amendment is in writing and executed by both TDS and TDS Telecom. The term "amendment" includes rescission, waiver, etc.
- 6.5.2. Upon execution by TDS and TDS Telecom, such amendment shall be effective with respect to TDS, TDS Telecom, and every subsidiary or affiliate of either that is not an Approval Company.
- 6.5.3. With respect to each Approval Company (the "Amending Approval Company"), such amendment shall be effective:
 - (a) For Transactions provided by or to TDS, TDS Telecom, and each subsidiary or affiliate of either that is not also an Approval Company, as soon as such Amending Approval Company obtains all necessary approvals and consents including the Administrator, and executes either the amendment or a new "Consent and Acknowledgment," and
 - (b) For Transactions provided by or to a TDS or TDS Telecom subsidiary or affiliate that is also an Approval Company (the "Other Approval Company"), as soon as both the Amending Approval Company and the Other Approval Company obtain all necessary approvals and consents including the Administrator, and both such Companies execute either the amendment or a new "Consent and Acknowledgment."

- 6.6. Additional Parties: Each additional company, including a Transaction Provider or User, who becomes an affiliate or subsidiary of TDS or TDS Telecom shall automatically become subject to this Agreement without any further action or consent when it becomes an affiliate or subsidiary of TDS or TDS Telecom; provided, however, that if such additional company is an Approval Company, then such Approval Company shall become subject to this Agreement when it has (a) received all necessary Agency approvals and Mortgagee consents, and (b) executed the "Consent and Acknowledgment" attached as Attachment C (and TDS or TDS


Telecom has executed such "Consent and Acknowledgment"). Once subject to this Agreement, the terms, obligations and conditions of the Agreement, including all amendments adopted as of that date, shall apply to such additional company as though it was an original party to the Agreement.

- 6.7. Governing Law: This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Delaware, except (a) for those provisions of any Supplemental Agreement which the parties agree shall be subject to the laws of another jurisdiction, or (b) where the laws or regulations of any state or the ruling or order of any Agency require that the rights of any Transaction Provider or User to this Agreement be governed, construed, and enforced in accordance with the laws of a particular state, in which case the laws of that state shall apply to the rights of such Transaction Provider/User in this Agreement and in each Supplemental Agreement.
- 6.8. Binding Agreement: This Agreement shall be binding upon the successors and assigns of each of the parties hereto.
- 6.9. Headings: Any headings or captions in this Agreement are for reference purposes only, and shall not expand, limit, change, or effect the meaning of any provision of this Agreement.
- 6.10. No Partnership or Joint Venture: Nothing in this Agreement is intended to, or shall be deemed to, constitute a partnership or joint venture between the parties.
- 6.11. Severability: If any provision of this Agreement shall be held to be invalid under any applicable laws, such invalidity shall not effect any other provision of this Agreement that can be given effect without the invalid provision, and to this end, the provisions hereof are severable.
- 6.12. Confidentiality: This Agreement shall be treated as confidential by the parties and information contained in this Agreement shall be disclosed only to agents, consultants or attorneys of the parties who have a legitimate business need to know of this Agreement and to mortgagees or governmental bodies who have legal authority over any of the parties.
- 6.13. Third Party: The parties mutually agree that no entity is intended to be a third party beneficiary under the terms and conditions of this Agreement. No cause of action, whether in contract, tort or otherwise, may be commenced in a court of competent jurisdiction based in whole or in part upon a breach of the terms and conditions of this Agreement except by one of the parties hereto.
- 6.14. Counterparts: This Agreement may be executed in counterparts, with such counterparts having the same legal effect as if executed in whole.
- 6.15. Assignment: The parties hereto recognize that one or more of the Users has obtained or may obtain loans (individually, "Loan", and collectively, "Loans") from the United States through the Rural Electrification Act of 1936, as amended, or another lending organization. A User may make an assignment of this Agreement, without the consent of the other parties hereto, to the United States of America or another lending organization for collateral purposes only to secure a Loan. Any other assignment of this Agreement by a User shall not be effective unless either


TDS or TDS Telecom consents in writing to such assignment, and if applicable, consent in writing to such assignment is received from the Administrator. TDS and TDS Telecom may, without obtaining the consent of any other party hereto, assign its obligations under this Agreement to any third party subject to receiving consent in writing to such assignment from the Administrator, if applicable.

Dated as of the date first stated above.

TELEPHONE AND DATA
SYSTEMS, INC., FOR ITSELF AND ITS
AFFILIATES OTHER THAN TDS
TELECOMMUNICATIONS CORPORATION
AND TDS TELECOMMUNICATIONS
CORPORATION'S WHOLLY AND
MAJORITY OWNED SUBSIDIARIES

By: 
(name) Michael Jack
(title) Vice President and Controller

TDS TELECOMMUNICATIONS
CORPORATION, FOR ITSELF AND ITS
WHOLLY AND MAJORITY OWNED
SUBSIDIARIES

By: 
(name) David A. Wittwer
(title) Executive VP – Staff Operations and CFO

Attachments: A – Cost Drivers for TDS
B – Cost Drivers for TDS Telecom
C – Consent and Acknowledgment

Signature page to Master Affiliate Transaction Agreement By and Among TDS
Telecommunications Corporation and Telephone and Data Systems, Inc.

Attachment A

to

Master Affiliate Transaction Agreement
By and Among
TDS Telecommunications Corporation
and
Telephone and Data Systems, Inc.

Dated June 1, 2002

COST DRIVERS APPLICABLE TO TDS

Nature of Transaction	Allocation Basis (if not directly assigned)
Financial Services/Accounting	1/2 Total Operating Expenses, 1/2 Total Assets
Treasury Services/Risk Management	Total Assets
Human Resources	Employees
Engineering Services	Plant Additions
Corporate Administration	1/3 Total Operating Expenses, 1/3 Total Assets, 1/3 Employees

If a revision, this revised Attachment A is effective _____ (Original) _____.

Attachment B

to

Master Affiliate Transaction Agreement
By and Among

TDS Telecommunications Corporation

and

Telephone and Data Systems, Inc.

Dated June 1, 2002

COST DRIVERS APPLICABLE TO TDS TELECOM

Nature of Transaction	Allocation Basis (if not directly assigned)
Accounting and Financial Reporting	Access Lines
Information Systems and Billing	CABS, MARS or RPAC volumes, wages or access lines
Human Resources	Wages, employees or access lines
Customer Service and Sales	Net customers, wages or access lines
State and Federal Regulatory Affairs	Wages or access lines
Network Operations	Employees or access lines
Corporate Services	Access lines

If a revision, this revised Attachment B is effective _____ (Original) _____.

Attachment C

CONSENT AND ACKNOWLEDGMENT

to

Master Affiliate Transaction Agreement
By and Among
TDS Telecommunications Corporation
and
Telephone and Data Systems, Inc.

The parties below hereby execute this Consent and Acknowledgment as of the date stated below in accordance with the terms of the Master Affiliate Transaction Agreement (the "Agreement") by and among TDS Telecom and TDS dated June 1, 2002, as that Agreement may have been amended prior to the date hereof. All terms not defined herein shall have the definition given to them in the Agreement.

The purpose of this Consent and Acknowledgment is to make the undersigned Transaction Provider/User a party to the Agreement and all amendments in accordance with paragraphs 5, 6.5, and 6.6 of the Agreement. By signing this Consent and Acknowledgment, the undersigned Transaction Provider/User agrees to be bound by all of the terms and conditions of such Agreement as if it had been a party from the beginning.

This Consent and Acknowledgment and the Agreement and all amendments shall become effective with respect to the undersigned Transaction Provider/User only when the Transaction Provider/User has received all necessary Agency approvals and Mortgagee consents including the Administrator.

Dated: _____, 20__.

TELEPHONE AND DATA SYSTEMS, INC.

and

TDS TELECOMMUNICATIONS
CORPORATION

By: TDS/TDS TELECOM (circle which)

(name of Transaction Provider /User)

By: _____

By: _____

(name) _____

(name) _____

(title) _____

(title) _____