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July 14, 1987

BERNARD A. RYAN, JR.

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JUL 14 1987

SECRETARYS OFFICE
Public Utility Commission

HAND DELIVER

Jerry Rich, Secretary
Pennsylvania Public Utility Commission
North Office Building
Harrisburg, PA 17120

Attn: New Filing Section
Room B-18

**DOCUMENT
FOLDER**

**RE: Joint Application of Commonwealth Telephone
Company and United Telephone Company
of New Jersey, Inc.**

Dear Secretary Rich:

I am delivering for filing today the original plus two copies of the Joint Application of Commonwealth Telephone Company and United Telephone Company of New Jersey, Inc., successor by merger to West Jersey Telephone Company, with respect to the purchase by Commonwealth of the property used to serve United's Pennsylvania Belvidere exchange. A check for \$125.00 for the filing fee for this application is also enclosed.

Would you please acknowledge your receipt of this application by stamping the duplicate copy of this transmittal letter.

Sincerely yours,

Bernard A. Ryan

BARJr/nf

cc: Raymond B. Ostroski, Esquire
Daniel T. Dineen, Esquire
Mr. William Shaner
Mr. Scott Burnside
Mr. Peter Unuscavage

DOCKETED
JUL 16 1987

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JUL 14 1987

SECRETARYS OFFICE
Public Utility Commission

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Joint Application of
COMMONWEALTH TELEPHONE
COMPANY and UNITED TELEPHONE
COMPANY OF NEW JERSEY, INC.,
successor by merger to
West Jersey Telephone
Company, for certificates
of public convenience
authorizing the transfer
by sale of certain telephone
equipment, the initiation
of service in a new territory
by Commonwealth Telephone
Company and the surrender of
service in that territory by
United Telephone Company of
New Jersey, Inc.

Application
Docket No.

A-310800F003

DOCUMENT
FOLDER

To the Pennsylvania Public Utility Commission:

1. The names and addresses of the Applicants are:

Commonwealth Telephone Company
100 Lake Street
Dallas, PA 18612

and

United Telephone Company of New Jersey, Inc.
1170 Harrisburg Pike
Carlisle, PA 17013

2. The names and addresses of Applicants' attorneys
are:

For Commonwealth Telephone Company

Raymond B. Ostroski, Esquire
c/o C-TEC Corporation
46 Public Square
P. O. Box 3000
Wilkes-Barre, PA 18703

DOCKETED
JUL 16 1987

and

Bernard A. Ryan, Jr., Esquire
Dechert Price & Rhoads
800 N. Third Street
Harrisburg, PA 17102

For United Telephone Company of New Jersey, Inc.

Daniel T. Dineen, Esquire
Vice President and General Counsel
United Telephone Company of New Jersey, Inc.
1170 Harrisburg Pike
Carlisle, PA 17013

3. A brief corporate history of Commonwealth Telephone Company is as follows:

Commonwealth Telephone Company (herein sometimes called "Commonwealth") is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania. Letters Patent were issued to it under date of September 27, 1950. For complete data on Commonwealth's incorporation see Application Docket No. 76155, Folder No. 1, made a part hereof be reference thereto.

On October 30, 1953, Tioga County Bell Telephone Company merged into Commonwealth. For a brief corporate history of Tioga County Bell Telephone Company see Application Docket No. 80433.

Commonwealth purchased all of the outstanding securities of Pennsylvania Community Telephone Company on August 18, 1954 and on July 18, 1955 purchased all of the outstanding common stock of Blakeslee and Fernridge Telephone Company. On June 7, 1956, Pennsylvania Community Telephone Company and

Blakeslee and Fernridge Telephone Company merged into Commonwealth. See Application Docket No. 83156. For a brief corporate history of Pennsylvania Community Telephone Company and data on the acquisition of its securities by Commonwealth, see Application Docket Nos. 80209 and 83156 respectively. For data on the acquisition by Commonwealth of the common stock of Blakeslee and Fernridge Telephone Company, see Application Docket No. 82160.

On May 11, 1959, Commonwealth acquired by purchase all of the telephone property and rights of Ferndale Telephone Company. For a brief corporate history of Ferndale Telephone Company and data on its acquisition by Commonwealth, see Application Docket No. 86332.

Commonwealth acquired Leesport Rural Telephone Company, effective as of December 31, 1971, principally through an exchange of 42,660 shares of its common stock for all of the outstanding common and preferred stock of Leesport. For a brief corporate history of Leesport Rural Telephone Company and data on its acquisition by Commonwealth, see Application Docket Nos. 96978 and 96989. Leesport Rural Telephone Company was thereafter merged into Commonwealth pursuant to the Commission's approval of such merger on April 24, 1981. See Application Docket No. 00102711.

Commonwealth acquired Lewisberry Telephone Company, effective as of February 14, 1977, primarily through an exchange of 50,583 shares of its stock for all of the outstanding common and preferred stock of Lewisberry Telephone Company. For a brief corporate history of Lewisberry Telephone Company and data on its acquisition by Commonwealth, see Application Docket No. 99980 (99981). Lewisberry Telephone Company is presently a wholly-owned subsidiary of the Company.

Commonwealth Telephone is vested with lawful authority to render telephone service of all kinds, including both local exchange and long distance service, in portions of the counties of Luzerne, Lackawanna, Wyoming, Bradford, Susquehanna, Sullivan, Columbia, Schuylkill, Tioga, Lycoming, Monroe, Northampton, Dauphin, Lancaster, Chester, Bucks and Carbon in the Commonwealth of Pennsylvania. The total number of access lines of Commonwealth on December 31, 1986 was 153,945.

4. A brief corporate history of United Telephone Company of New Jersey, Inc. (formerly West Jersey Telephone Company) is as follows:

West Jersey Telephone Company ("West Jersey") was incorporated on November 5, 1943 in the State of New Jersey. West Jersey renders telephone and related services to approximately 10,100 customers, most of whom are situated in New Jersey. Approximately 200 of West Jersey's customers are located in Bethel Township, Northampton County, Pennsylvania and are

served pursuant to a Certificate of Public Convenience issued to the Company by the Pennsylvania Public Utility Commission on September 19, 1955. See Application Docket No. 81464.

On April 9, 1976 West Jersey was acquired by United Telecommunications, Inc., the parent company of the United Telephone System Companies. Effective at the close of business on June 30, 1987 West Jersey Telephone Company merged with and into New Jersey Telephone Company, a New Jersey corporation, whose name was changed to United Telephone Company of New Jersey, Inc., effective upon the merger. To avoid confusion since that merger and name change occurred subsequent to the execution of the Agreement that gives rise to this application (see paragraph 10 infra), the transferor of the Belvidere exchange involved in this application will be referred to as "West Jersey" in the body of this application.

5. Commonwealth furnished public service, as of December 31, 1986, to the number of access lines in the classes shown below:

Residential	130,983
Business	<u>22,962</u>
Total	153,945

The residential main stations were divided as follows: 122,378 single and 8,605 two and four party lines. In addition to the main station access lines designated above, there were

1,722 pay station access lines, 19,938 business access lines and 1,302 PBX access lines.

6. West Jersey furnished public service in Pennsylvania and New Jersey, as of December 31, 1986, to the following number of access lines in the customer classes noted:

Residential	8,526
Business	<u>1,637</u>
Total	10,163

7. Attached hereto as Exhibits A and B respectively are the balance sheet of Commonwealth and the balance sheet of West Jersey, both as of March 31, 1987.

8. Attached hereto as Exhibits C and D respectively are an income statement for Commonwealth and an income statement for West Jersey for the twelve months ending March 31, 1987.

9. All annual reports, tariffs, certificates of notification, applications for certificates of valuation, applications for approval of the issuance of securities, and securities certificates, filed with your Honorable Commission by Commonwealth and by West Jersey and by their respective predecessors, constituents and affiliated companies are made part hereof by reference.

10. Subject to the approval of the Commission and pursuant to the terms of the Purchase Agreement Between Commonwealth Telephone Company and West Jersey Telephone Company dated May 8, 1987 (the "Agreement"), a copy of which is attached

as Exhibit E, Commonwealth intends to purchase from West Jersey the assets used to provide telephone service in the portion of West Jersey's Belvidere exchange that is located in Northampton County, Pennsylvania (the "Pennsylvania Belvidere exchange"). The purchase price under the Agreement is \$165,030 plus West Jersey's outstanding accounts receivable from its operations of the Pennsylvania Belvidere exchange prior to the transfer date, as more specifically described in the Agreement. The 197 Pennsylvania customers now served by West Jersey in that exchange will thereafter be served by Commonwealth through its existing Bangor exchange which is directly adjacent to the Pennsylvania Belvidere exchange. A map showing the boundaries of the Pennsylvania Belvidere exchange (shaded in red) is attached as Exhibit F.

11. No additional capital will be required by Commonwealth for the purpose of financing the purchase of these facilities from West Jersey. Only West Jersey is now furnishing telephone service to the public in the area involved in this application and it will cease rendering that service when Commonwealth takes over the facilities being sold pursuant to the Agreement. The tangible and intangible assets and properties that are involved in this transfer are identified in Attachment B to the Agreement (Exhibit E).

12. There will be an expansion in the local calling area to include Commonwealth's Bangor exchange for the customers

in the Pennsylvania Belvidere exchange. No changes are planned in any other service features now enjoyed by the Pennsylvania Belvidere exchange customers after the transfer of that exchange to Commonwealth. Commonwealth will charge the same rates that West Jersey presently charges for local telephone service to the Pennsylvania Belvidere subscribers.

13. Approval of this application is necessary or proper for the following reasons:

West Jersey's Belvidere exchange encompasses territory in both New Jersey and Pennsylvania. The Pennsylvania portion of the Belvidere exchange is the only Pennsylvania operation of West Jersey, and it is separated by the Delaware River from West Jersey's primary telephone operations located in New Jersey. This separation causes administrative and maintenance difficulties for West Jersey in providing service to the customers in the Pennsylvania portion of that exchange. Commonwealth has existing telephone service facilities directly adjacent to the Belvidere exchange from which Commonwealth will be able to provide efficient and effective service to those customers. These Pennsylvania customers will thereafter have their telephone service administered in Pennsylvania.

In addition to the increased local calling area referred to in paragraph 12, the customers in the Pennsylvania Belvidere exchange should also realize substantial savings in their toll charges. After the transfer to Commonwealth, those

customers will be within the Philadelphia LATA and will see lower charges for their intrastate, intraLATA toll calls without seeing any increase in their interstate, interLATA calling charges.

Following the transfer of the Pennsylvania Belvidere exchange, West Jersey and Commonwealth will both be better able to continue providing quality telephone service at reasonable rates to their respective customers as a result of this natural realignment of their respective service territories.

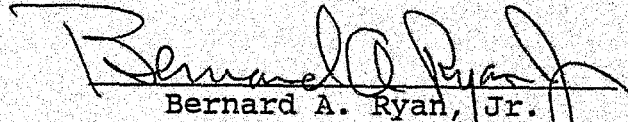
WHEREFORE, Commonwealth Telephone Company and United Telephone Company of New Jersey, Inc., successor by merger to West Jersey Telephone Company, respectfully request the Commission to issue certificates of public convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa. C.S. Section 1102(a), as follows:

- (A) To Commonwealth Telephone Company evidencing its right (i) to acquire by purchase from United Telephone Company of New Jersey, Inc., successor by merger to West Jersey Telephone Company, essentially all of the tangible and intangible property used in providing telephone service in the Pennsylvania Belvidere exchange, and (ii) to begin providing telephone service to the customers in that exchange in place of United Telephone Company of New Jersey, Inc., successor by

merger to West Jersey Telephone Company,
immediately upon completion of the transfer
of those assets;

and

- (B) To United Telephone Company of New Jersey, Inc., successor by merger to West Jersey Telephone Company, evidencing its right (i) to transfer by sale to Commonwealth Telephone Company essentially all of the tangible and intangible property used in providing telephone service to the Pennsylvania Belvidere exchange, and (ii) to discontinue providing telephone service in the Pennsylvania portion of its Belvidere exchange when Commonwealth Telephone Company begins to do so upon completion of the transfer of those assets.



Bernard A. Ryan, Jr.
Attorney for Commonwealth Telephone Company



Daniel T. Dineen
Attorney for United Telephone Company
of New Jersey, Inc., successor
by merger to West Jersey Telephone Company

Dated: July 10, 1987.

COMMONWEALTH OF PENNSYLVANIA

:
:
:
:
:

SS.

COUNTY OF

Luzyne

Malcolm M. Burnside, being duly sworn according to law, deposes and says that he Vice President - Revenues & Sales of Commonwealth Telephone Company and that he is authorized to, and does, make this affidavit on its behalf; that he has read the foregoing application and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

Malcolm M. Burnside

Sworn to and subscribed
before me this 13 day
of July, 1987.

My Commission Expires: 10-19-87

Marie J. [Signature]
Notary Public

My Commission Expires: NOTARY PUBLIC
WILKES-BARRE, LUZERNE COUNTY, PA.
MY COMMISSION EXPIRES OCTOBER

COMMONWEALTH OF PENNSYLVANIA :

COUNTY OF Dauphin :

Daniel T. Dineen , being duly sworn according to law, deposes and says that he is Vice President/General Counsel of United Telephone Company of New Jersey, Inc., successor by merger to West Jersey Telephone Company, and that he is authorized to, and does, make this affidavit on its behalf; that he has read the foregoing application and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

Daniel T. Dineen

Sworn to and subscribed before me this 4th day of July, 1987.

My Commission Expires: 10/20/87

[Signature]
Notary Public

My Commission Expires: 10/20/87

Balance Sheet of
Commonwealth Telephone Company
(March 31, 1987)

EXHIBIT A

COMMONWEALTH TELEPHONE COMPANY
BALANCE SHEET
ASSETS

ACCT.	DESCRIPTION	03/31/87	03/31/86
TELEPHONE PLANT LESS RESERVE:			
100.1	Telephone Plant in Service	242560879	230030074
100.2	Telephone Plant under Construction	6961237	4838961
100.3	Property Held for Future Telephone Use	41475	41475
100.4	Telephone Plant Acquisition Adjustment	0	0
	Total Telephone Plant	249563591	234910510
171	Depreciation Reserve	106830901	98291479
	Total Telephone Plant less Reserve	142732690	136619031
INVESTMENTS AND FUNDS:			
101.1	Investments in Affiliated Companies	4759756	4341722
101.2	Advances to Affiliated Companies	0	0
102	Other Investments	3356740	3357448
103	Miscellaneous Physical Property	1226450	933947
104	Sinking Funds	0	0
	Total Investments and Funds	9342946	8633117
CURRENT ASSETS:			
113	Cash	697250	2466649
114	Special Cash Deposits	40039919	35741973
115	Working Funds	24972	38150
116	Temporary Cash Investments	0	0
117.1	Notes Receivable from Affiliated Cos.	0	0
117.2	Other Notes Receivable	0	0
118.a	Due from Customers and Agents	6377781	6605912
118.b	Reserve for Uncollectible Accounts	0	0
120.1	Accts. Receivable from Affiliated Cos.	857875	2451222
120.2	Other Accounts Receivable	8682356	10238467
121.2	Interest and Dividends Receivable	370837	300674
122	Material and Supplies	3625127	3641950
124	Terminal Equipment Inventory	625928	1012967
	Total Current Assets	61302045	62497964
PREPAID ACCOUNTS AND DEFERRED CHARGES:			
130	Prepaid Taxes	0	0
131	Prepaid Insurance	161057	175942
132	Prepaid Directory Expense	653354	679503
133	Other Prepayments	124139	137843
135.1	Discount on Outstanding Long-Term Debt	210200	218566
139	Extraordinary Maintenance & Retirements	338474	411005
139	Other Deferred Charges	351443	191552
	Total Prepaid Accts. & Deferred Chgs.	1838667	1814411
TOTAL ASSETS		215216348	209564523

COMMONWEALTH TELEPHONE COMPANY
BALANCE SHEET
CAPITALIZATION AND LIABILITIES

ACCT.	DESCRIPTION	03/31/87	03/31/86
STOCKHOLDERS' EQUITY:			
150.1	Common Stock	8450862	8450862
150.2	Preferred Stock	423800	1975000
152	Premium on Capital Stock	9270845	9270845
179	Capital Surplus	2042779	2035929
134.22	Capital Stock Expense	-241719	-241719
181	Unappropriated Retained Earnings	64333609	53239301
	Total Stockholders' Equity	84280176	74730218
LONG-TERM DEBT:			
154	Funded Debt	0	0
157	Other Long-Term Debt	79411274	80399809
	Total Long-Term Debt	79411274	80399809
CURRENT AND ACCRUED LIABILITIES:			
158.2	Other Notes Payable	0	0
159.2	Accts. Payable to Affiliated Companies	2093580	2857033
159.2	Other Accounts Payable	11066920	15713256
160	Customers' Deposits	172883	214908
164	Advance Billing and Payments	1435166	1466521
165	Other Current Liabilities	0	0
166	Taxes Accrued	3838457	2822506
167.2	Accrued Interest - Funded Debt	367397	371119
167.3	Accrued Interest - All Other	0	0
167.5	Other Accrued Liabilities	347983	336837
	Total Current and Accrued Liabilities	19321506	23782180
DEFERRED CREDITS:			
168	Premium on Long-Term Debt	0	0
174	Other Deferred Credits	8823332	9844091
176	Accumulated Deferred Income Taxes	23368068	20808225
	Total Deferred Credits	32203392	30652316
	TOTAL CAPITALIZATION AND LIABILITIES	215216348	209564523

Balance Sheet of
West Jersey Telephone Company
(now United Telephone Company
of New Jersey, Inc.)
(March 31, 1987)

EXHIBIT B

WEST JERSEY TELEPHONE CO.
BALANCE SHEET
March 31, 1987 and 1986

<u>ASSETS</u>	<u>1987</u>	<u>1986</u>
TELEPHONE PLANT:		
Telephone plant in service	\$ 21,273,104	\$ 20,993,219
Telephone plant under construction	216,079	1,252,871
Total telephone plant	<u>21,489,183</u>	<u>22,246,090</u>
Less: Depreciation reserve	7,874,960	8,291,957
Net telephone plant	<u>13,614,223</u>	<u>13,954,133</u>
INVESTMENTS:		
Other investments and funds	597,064	489,581
Miscellaneous physical property, net of depreciation reserve	7,790	9,032
Total investments	<u>604,854</u>	<u>498,613</u>
CURRENT ASSETS:		
Cash and deposits	7,431,584	6,553,879
Accounts receivable	1,310,935	1,426,634
Materials and supplies	62,254	97,400
Prepayments	13,463	9,252
Total current assets	<u>8,818,236</u>	<u>8,087,165</u>
DEFERRED CHARGES:		
Unamortized debt expenses	248	577
Other deferred charges	16,188	12,628
Total deferred charges	<u>16,436</u>	<u>13,205</u>
TOTAL ASSETS	<u>\$ 23,053,749</u>	<u>\$ 22,553,116</u>

WEST JERSEY TELEPHONE CO.
BALANCE SHEET
March 31, 1987 and 1986

<u>CAPITALIZATION AND LIABILITIES</u>	<u>1987</u>	<u>1986</u>
STOCKHOLDERS' EQUITY:		
Common stock	\$ 4,095	\$ 4,095
Preferred stock	1,568,000	1,568,000
Retained earnings	5,268,740	4,590,921
Total stockholders' equity	<u>6,840,835</u>	<u>6,163,016</u>
LONG-TERM DEBT	<u>11,910,249</u>	<u>12,252,827</u>
CURRENT LIABILITIES:		
Current maturities of long-term debt	303,384	271,564
Accounts payable	691,402	752,613
Advance billings	66,979	67,557
Accrued liabilities	490,301	490,508
Other current liabilities	362,641	312,808
Total current liabilities	<u>1,914,707</u>	<u>1,895,050</u>
NON-CURRENT LIABILITIES:	<u>13,220</u>	<u>24,834</u>
DEFERRED CREDITS:		
Deferred income taxes:		
Operating	1,351,535	1,091,701
Deferred investment tax credit:		
Operating	923,328	980,756
Other deferred credits	99,875	144,932
Total deferred credits	<u>2,374,738</u>	<u>2,217,389</u>
TOTAL CAPITALIZATION AND LIABILITIES	<u>\$ 23,053,749</u>	<u>\$ 22,553,116</u>

Income Statement of
Commonwealth Telephone Company
(12 months ending March 31, 1987)

EXHIBIT C

COMMONWEALTH TELEPHONE COMPANY
INCOME STATEMENT

ACCT.	DESCRIPTION	12 Months Ended 03/31/87	12 Months Ended 03/31/86
OPERATING REVENUES:			
500	Local Service Revenues	19236651	19358658
510	Toll Service Revenues	64554178	53681551
520	Miscellaneous Revenues	4472716	3880283
530	Uncollectible Operating Revenues	-260379	32689
	Total Operating Revenues	88003326	76953181
OPERATING EXPENSES AND TAXES:			
600	Maintenance Expenses	12062857	12864893
620	Traffic Expenses	7253979	2701443
640	Commercial Expenses	4256816	4351107
660	General Office Salaries and Expenses	12814066	11295519
667	Other Operating Expenses	602927	1877021
	Total Above Expenses	36990645	33089983
608.1	Depreciation Expense	17594690	15559409
609	Extraordinary Retirement	72530	46267
	Total Operating Expenses	54657865	48695659
304	Investment Tax Credit, Net	-1003404	371937
307.10	State Income Tax	1383652	1617164
307.11	Gross Receipts Tax	5751142	2141635
307.12	Capital Stock Tax	778374	800567
	Other State Taxes	508965	563898
306	Federal Income Tax	6167990	5207750
	Other Federal Taxes	1069525	1110846
308	Deferred Federal Income Tax	2211923	599564
	Deferred State Income Tax	573150	136785
309	Income Credit from Deferred Income Taxes	-204118	-192974
	Total Operating Expense and Taxes	71895064	61052831
	Net Operating Income	16108302	15900350
OTHER INCOME:			
313.1	Interest during Construction	0	0
	Other Income, Net	2394288	1950473
	Total Other Income	2394288	1950473
	Income Available for Fixed Charges	18502590	17850823
FIXED CHARGES:			
335	Interest on Funded Debt	5459654	5730939
336	Other Interest Deductions	183371	559665
338	Amortization of Discount on Funded Debt	8360	8366
340	Other Fixed Charges	0	0
	Total Fixed Charges	5851385	6298970
	NET INCOME	12651205	11551853

Income Statement of
West Jersey Telephone Company
(now United Telephone Company of New Jersey, Inc.)
(12 months ending March 31, 1987)

EXHIBIT D

WEST JERSEY TELEPHONE CO.
 INCOME STATEMENT
 Twelve Months Ended March 31, 1987

0

1987

OPERATING REVENUES:	
Local service	\$ 1,087,482
Toll service	3,613,208
Access charge revenue	2,322,932
Miscellaneous	379,737
Less uncollectible revenue	<u>43,616</u>
Total operating revenues	<u>7,359,743</u>
 OPERATING EXPENSES:	
Maintenance	1,301,445
Depreciation and amortization	1,893,867
Traffic	273,284
Commercial	266,062
General office	916,809
Other operating	<u>401,906</u>
Total operating expenses	<u>5,053,373</u>
Net operating revenues	<u>2,306,370</u>
 OPERATING TAXES:	
State income - current	174
Federal income - current	113,404
Federal income - deferred	163,251
Investment tax credit - net	(53,397)
Gross receipts tax	181,033
Capital stock tax	160
Property tax	256,696
Other operating taxes	<u>108,533</u>
Total operating taxes	<u>769,854</u>
NET OPERATING INCOME	<u>1,536,516</u>
 NON-OPERATING INCOME	 <u>276,111</u>
 FIXED CHARGES	 817,130
Interest on funded debt	16,295
Other interest deductions	<u>833,425</u>
Total fixed charges	<u>833,425</u>
 NET INCOME	 <u>\$ 979,202</u>

Purchase Agreement
Between
Commonwealth Telephone Company
And
West Jersey Telephone Company
(now United Telephone Company
of New Jersey, Inc.)
(dated May 8, 1987)

EXHIBIT E

PURCHASE AGREEMENT
BETWEEN
COMMONWEALTH TELEPHONE COMPANY
AND
WEST JERSEY TELEPHONE CO.

THIS AGREEMENT made and entered into as of May 8, 1987, by and between Commonwealth Telephone Company, a Pennsylvania corporation with offices at 100 Lake Street, Dallas, Pennsylvania 18617 ("CTCO"), and West Jersey Telephone Co., a New Jersey corporation ("WJT"), with offices at 160 Center Street, Clinton, New Jersey 08809.

WITNESSETH:

WHEREAS, WJT owns assets used to provide telephone service in WJT's service territory in Pennsylvania as shown in the Exchange Map ("Pa. Belvidere Exchange") and is authorized to provide such service to the Pa. Belvidere Exchange as is indicated by the Certificate of Public Convenience, both of which are attached hereto as Attachment A and incorporated herein by reference; and

WHEREAS, WJT desires to sell to CTCO and CTCO desires to purchase from WJT the assets used to provide telephone service in the Pa. Belvidere Exchange.

ARTICLE I
PURCHASE OF PROPERTIES

1. The Purchase. Subject to the terms and conditions set forth in this Agreement, WJT agrees to convey, assign, transfer and deliver to CTCO all of the tangible and intangible assets and properties, real, personal and mixed, used by WJT to provide telephone service in the Pa. Belvidere Exchange, including but not limited to all leases, licenses, permits and rights of way all as more particularly described in Sections A, B and C in Attachment B which is attached hereto and incorporated herein by reference ("Pa. Belvidere Assets" or "Assets"), but excluding from such transfer all patents, patent rights, trademarks, service marks and trade names and applications for and licenses with respect thereto, and the assets and other items specified in Attachment C which is attached hereto and incorporated herein by reference. CTCO will also purchase from WJT the outstanding accounts receivable derived from the operation of the Pa. Belvidere Exchange as more particularly identified in Section D of Attachment B ("Accounts Receivable").

2. Closing. Unless this Agreement is first terminated as provided in Article VII hereof, and subject to the satisfaction of or waiver of the obligations of the parties hereto and all conditions precedent, the closing of the transaction ("Closing") shall take place at the offices of CTCO at 100 Lake Street, Dallas, Pennsylvania 18612, beginning at 10 a.m. local time

on September 30, 1987, or at such other time and place as the parties may mutually agree upon in writing ("Closing Date").

A. Conveyance Instruments. At the Closing WJT shall at its own cost and expense deliver to CTCO all bills of sale, assignments and other documents necessary to convey, assign and transfer the Pa. Belvidere Assets to CTCO ("Transfer Documents"). The Transfer Documents shall be in form and substance sufficient to vest in CTCO good and valid title to all the Pa. Belvidere Assets, free and clear of all liens and encumbrances, except liens and encumbrances that are not material in the aggregate and do not materially interfere with the conduct of a telephone business in the Pa. Belvidere Exchange.

B. Payments and Assumption of Certain Obligations.

(i) At the Closing CTCO shall assume the contracts and obligations of WJT set forth in Attachment D which is attached hereto and incorporated herein by reference and procure the release and discharge of WJT therefrom, or indemnify and hold harmless WJT from and against all such obligations to be assumed.

(ii) At the Closing CTCO shall pay to WJT One Hundred Sixty-Five Thousand Thirty Dollars (\$165,030) for the Pa. Belvidere Assets. Such payments shall be made by wire transfer in current day Federal funds to WJT's account at Hamilton Bank, Lancaster, Pennsylvania, Account No. 61-122257.

(iii) Prior to the Closing, WJT shall prepare and deliver to CTCO schedules setting forth the amount of the outstanding Accounts Receivable derived from the operations of the Pa. Belvidere Exchange as of the most recent practical date within thirty (30) business days before the Closing Date ("Record Date"). At the Closing, CTCO shall pay to WJT an amount equal to ninety-seven percent (97%) of the Pa. Belvidere Exchange Accounts Receivable as of the Record Date. Such payments shall be made by wire transfer to WJT's account as set forth in B(ii) above.

(iv) Within thirty (30) days after the Closing Date, WJT shall prepare and deliver to CTCO an initial true-up of the Accounts Receivable and within ninety (90) days after the Closing Date WJT shall prepare and deliver to CTCO a final true-up of the Accounts Receivable. The true-ups will consist of revised schedules setting forth the outstanding Accounts Receivable derived from the operations of the Pa. Belvidere Exchange from the Record Date through the Closing Date. The parties shall negotiate in good faith and determine the change, if any, in the amount of outstanding receivables. In the event the parties agree that there has been such a change, the cash payment made by CTCO for such Accounts Receivable shall be adjusted to reflect such change and the appropriate party shall promptly pay to the other by wire transfer in current day Federal funds the amount required to adjust the payments made for such Accounts Receivable as if the revised schedule had been utilized in determining the payments made at the Closing. Any dispute relating to the computations set forth in the revised schedules which remains unresolved more than thirty (30) days after the first written

notice given by any party to the other of the existence of any such dispute may be submitted by either party to the accounting firm of Coopers and Lybrand, 301 Market Street, Harrisburg, Pennsylvania, for determination by such firm, and the determination of such firm shall be binding on the parties hereto. CTCO and WJT shall each pay one-half of such accounting firm's fees and expenses in connection with any such determination.

C. Additional Documents. At the Closing the parties shall also deliver such opinions, certificates, documents and instruments referred to in Article VI.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF WJT

WJT as to itself and the Pa. Belvidere Exchange makes the following representations and warranties:

1. Incorporation; Qualification. WJT is a corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey and has full power and authority, corporate and otherwise, to own its properties and to carry on its business as it is now being conducted.

2. Corporate Power. WJT has full power, corporate and otherwise, to execute and deliver this Agreement and to consummate the transactions contemplated hereby and has taken or will take all action required by law, its certificate of incorporation, its bylaws or otherwise to authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

3. Validity. This Agreement constitutes a legal, valid and binding obligation of WJT enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally.

4. No Violation of Law, Etc. The execution, delivery and performance by WJT of this Agreement, and the consummation of the transactions contemplated hereby, do not conflict with, violate or constitute a breach of or a default under, or result in the creation or imposition of any lien, charge, claim, mortgage, security interest or encumbrance upon any of the Assets, under any provision of (a) the Certificate of Incorporation or Bylaws of WJT (b) any applicable law, regulation, order, writ, award, decree or injunction of any court, arbitrator, commission, board or other administrative agency, or (c) any loan agreement, credit agreement, mortgage, indenture, promissory note, lien, lease or other agreement or instrument to which WJT is a party or by which any of the Assets may be bound, except such loan agreements, credit agreements, mortgages, indentures, promissory notes, liens or leases for which WJT will obtain a release.

5. Authorization, etc. All authorizations, consents, certificates of public convenience and necessity, approvals, licenses, franchises, permits, exemptions or other actions by or notices to or filings with any court or administrative or governmental body which are necessary or appropriate to enable WJT to carry on the business in which it is presently engaged in the

Pa. Belvidere Exchange have been obtained, taken or made, and are in full force and effect, and there has been no default in any material respect by WJT or any other party under any of the terms of such authorization, consents, certificates, approvals, licenses, franchises, permits, exemptions, actions, notices or filings.

6. Title. WJT has, and at the Closing Date will have, good and valid title to all Assets held by it, in each case free and clear of all liens and encumbrances except liens and encumbrances that are not material in the aggregate and do not materially interfere with the conduct of a telephone business and except to the extent that certain of the Assets, since the date of this Agreement, may have been disposed of in the ordinary course of business and except for those liens and encumbrances for which WJT will have obtained a release prior to closing as specified in Attachment E which is attached hereto and incorporated herein by reference.

7. Properties and Assets. The Pa. Belvidere Assets include all plant, materials, fixtures, equipment, machinery and supplies necessary to conduct the business presently being conducted by WJT in the Pa. Belvidere Exchange, as set forth in Sections A, B and C of Attachment B. All of such Assets are in substantially good operating condition and repair, normal wear and tear excepted.

8. Net Book Value Statement. CTCO will be provided a Net Book Value statement of the Pa. Belvidere Assets dated as of the Closing Date which will be prepared in accordance with regulatory accounting principles and delivered to CTCO within thirty (30) days after the Closing Date.

9. No Adverse Change, Etc. Except as disclosed in Attachment F, which is attached hereto and incorporated herein by reference, since December 31, 1986, there has not been: (i) any change in the business, results of operations or financial condition or the manner of conducting the business of the Pa. Belvidere Exchange other than changes in the ordinary course of business, none of which has had a material adverse effect on such exchange's business, operations or financial condition; (ii) any damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting the Assets or the business or operations of WJT in the Pa. Belvidere Exchange; (iii) any amendment or termination by WJT of any material contract, agreement or license in the Pa. Belvidere Exchange other than in the ordinary course of business.

10. No Material Claims. Except as disclosed in Attachment G, which is attached hereto and incorporated herein by reference, there are no material claims, actions, suits or proceedings pending or, to the knowledge of WJT, threatened against the Pa. Belvidere Assets or which in WJT's opinion would prevent or hinder the consummation of the transactions contemplated hereby, and WJT is not a party to or subject to any judgment or decree entered in any judicial, governmental, regulatory or administrative proceeding affecting the Pa. Belvidere Assets or the business of WJT in the Pa. Belvidere Exchange other than administrative orders, if any, entered in the ordinary course of business which are neither individually nor in the aggregate unduly burdensome to the properties in the Pa. Belvidere Exchange.

11. Tax Returns and Payments. All tax returns and reports of WJT

required by law to be filed with respect to the business presently being conducted by WJT in the Pa. Belvidere Exchange have been duly filed, and all taxes, assessments and other governmental charges now due (other than any still payable without penalty) upon the Pa. Belvidere Assets have been paid.

12. Material Statements. This Agreement and the documents furnished hereunder by WJT do not contain any untrue statement of a material fact or omit to state a material fact necessary to be stated in order to make the statements contained herein and therein not misleading; and there is no fact which materially adversely affects or in the future (so far as WJT now foresees) that will materially adversely affect the Pa. Belvidere Assets which has not been set forth in this Agreement and the other documents furnished hereunder.

13. Agreements. Except as disclosed in any of the Attachments to this Agreement, WJT has no other agreements, contracts, commitments or arrangements for which CTCO will be responsible or obligated to assume as a part of this transaction.

14. Representations and Warranties True and Complete. The representations and warranties made herein by WJT shall in the aggregate have been true and complete in all material respects when made and as of the Closing, with the same effect as if made at the time of Closing. For the purposes of this Section, such representations and warranties shall be considered to be true and complete in the aggregate in all material respects if there have been no misrepresentations or breaches of warranties that would result in claims (i) for indemnity hereunder in excess of \$5,000.00, or (ii) seeking to prevent the consummation of the transactions contemplated herein.

ARTICLE III
REPRESENTATIONS AND
WARRANTIES OF CTCO

CTCO makes the following representations and warranties:

1. Incorporation; Qualification. CTCO is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and has full power and authority, corporate and otherwise, to own its properties and to carry on its business as it is now being conducted.

2. Corporate Power. CTCO has full power, corporate and otherwise, to execute and deliver this Agreement and to consummate the transactions contemplated hereby and has taken or will take all action required by law, its certificate of incorporation, its bylaws or otherwise to authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder.

3. Validity. This Agreement constitutes a legal, valid and binding obligation of CTCO, enforceable in accordance with its terms, except as the

enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally.

4. No Violation of Law, Etc. The execution, delivery and performance by CTCO of this Agreement, and the consummation of the transactions contemplated hereby, do not conflict with, violate or constitute a breach of or a default under, any provision of (a) the Certificate of Incorporation or Bylaws of CTCO, (b) any applicable law, regulation, order, writ, award, decree or injunction of any court, arbitrator, commission, board or other administrative agency, or (c) any loan agreement, credit agreement, mortgage, indenture, promissory note, lien, lease or other agreement or instrument to which CTCO is a party or by which any of CTCO's properties may be bound.

ARTICLE IV REGULATORY APPROVALS

1. Consents and Approvals. Each of the parties hereto agrees that it will use its best efforts to obtain all consents and approvals required, and to take all other action reasonably required, to carry out the transactions contemplated by this Agreement. Without limiting the foregoing, CTCO and WJT as soon as practicable shall cause to be filed with the necessary regulatory agencies applications and all necessary supporting data requesting the consent to and approval of such agencies regarding the consummation of the transactions contemplated by this Agreement.

2. Structure. Each of the parties agrees that it will exercise its best efforts to structure and consummate the transactions in such a way as to minimize the impact on the rate bases, revenue requirements and the rates pertaining to the territories involved.

ARTICLE V COVENANTS

1. Investigations. WJT agrees that prior to the Closing Date CTCO and its representatives may make such investigations of the Pa. Belvidere Assets and the operations of WJT in the Pa. Belvidere Exchange, as CTCO may deem necessary or advisable, but such investigations shall not affect any of the representations and warranties hereunder. WJT will permit CTCO and its representatives to have full access to the premises of the Pa. Belvidere Exchange and to all books and records pertaining to the Pa. Belvidere Assets, and will furnish to CTCO and its representatives such financial and operating data and other information with respect to the business and properties of the Pa. Belvidere Exchange as CTCO or its representatives shall from time to time reasonably request. Any and all information obtained under this Agreement shall be confidential and shall not be communicated to any other person or entity except in connection with the transactions contemplated by this Agreement. The confidentiality obligations of CTCO hereunder shall cease to the extent such information enters the public domain in any manner other than by CTCO's breach of its obligation set forth in the preceding sentence. Any copies, reproductions or facsimiles of such information made by CTCO under this Agreement shall at

the request of WJT be returned immediately if for any reason the transactions provided for in this Agreement are not consummated on the Closing Date.

2. Trademarks. By reason of the transactions contemplated hereby CTCO will not acquire any right to the use of any trademark or service mark which is used by WJT, or the words "United" or "United Telephone." Notwithstanding the foregoing, CTCO may continue to utilize in the ordinary course of business for a period of 90 days after the Closing Date any properties that are a part of the Assets and that contain such words, marks or letters. Additionally, CTCO will not be obligated to recall equipment from customers or subscribers in order to remove any such words, marks or letters.

3. Conduct of Business. (a) WJT covenants and agrees that during the period from the date hereof to the Closing Date it will not, without the prior written consent of CTCO:

(i) Make any sale, assignment, transfer or other conveyance of any of the Pa. Belvidere Assets or any part thereof except in the usual and ordinary course of business, it being understood that any one transaction with respect to any of the Pa. Belvidere Assets having a net book value below \$10,000 shall be deemed as being in the ordinary course of business and any one transaction with respect to any of the Pa. Belvidere Assets having a net book value of \$10,000 or more shall be deemed not in the usual and ordinary course of business; and

(ii) Enter into any agreement, franchise, license, lease, or other arrangement with respect to operations in the Pa. Belvidere Exchange or amend any existing agreements, franchises, licenses, or leases with respect to such operations, except in connection with transactions entered into in the usual and ordinary course of business; and

(iii) Otherwise conduct or manage its business or affairs in the Pa. Belvidere Exchange outside the usual and ordinary course of routine operation; and

(iv) Engage in new construction or maintenance of plant except in the ordinary course of business, it being understood that any one transaction which has an expense in excess of \$5,000 shall be deemed not in the usual and ordinary course of business. Any new construction or addition to plant in excess of \$5,000 will be completed pursuant to a separate agreement entered into by WJT and CTCO.

(b) WJT further covenants and agrees that during the period from the date hereof to the Closing Date it will:

(i) Maintain, preserve and keep the Pa. Belvidere Assets in good repair, working order and condition and promptly make all needful and proper repairs, renewals, replacements, additions, betterments and improvements so that at all times the efficiency thereof shall be fully

preserved and maintained provided, however, that this covenant is subject to Article X herein; and

(ii) Properly pay and discharge all valid and due taxes, assessments and governmental charges upon or against the Pa. Belvidere Assets unless and to the extent that such taxes are being diligently contested in good faith and appropriate reserves therefor have been established, and properly pay and discharge all lawful claims, whether for labor, material, supplies, services or anything else which might or could, if unpaid, become a lien or charge upon the Pa. Belvidere Assets unless and to the extent that the same are being diligently contested in good faith and by appropriate proceedings and appropriate reserves therefor have been established; and

(iii) Comply with all valid and applicable statutes, rules and regulations, the violation of which would materially and adversely affect the Pa. Belvidere Assets.

4. Further Assurances. WJT agrees that it shall, at any time and from time to time after the Closing Date, upon request of CTCO, do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required by CTCO in connection with the transfer of the Pa. Belvidere Assets.

5. Toll Settlements. WJT agrees that it will continue to perform the necessary toll separations cost studies for the Pa. Belvidere Exchange up to the Closing Date and that any toll settlements "true ups" which apply to the period prior to Closing shall be the sole responsibility of WJT.

6. Accounts Receivable. CTCO agrees that, on and after the Closing Date, it will perform billing and collection services in connection with the purchased Accounts Receivable. WJT agrees to promptly transfer or deliver to CTCO any cash received directly or indirectly by it in respect of any of the purchased Accounts Receivable.

7. Transitional Matters. CTCO will contract under separate agreement with WJT to construct the necessary plant to include the Pa. Belvidere Exchange in the CTCO network by the end of August 1987. WJT agrees to assist and cooperate with CTCO in the cutover of the Pa. Belvidere Exchange to the CTCO network.

ARTICLE VI CONDITIONS PRECEDENT TO CLOSING

1. Conditions Precedent to the Obligations of WJT. The obligation of WJT to transfer the Pa. Belvidere Assets to CTCO hereunder and consummate the transactions contemplated by this Agreement are subject to, and shall be conditioned upon, the fulfillment (or written waiver by WJT) at or prior to the Closing of each of the following conditions:

(a) Proceedings and Documents. All corporate and other proceedings on the part of CTCO in connection with the transactions contemplated hereby and by the Transfer Documents and all documents and

instruments incidental to such transactions shall be satisfactory in form and substance to WJT. WJT shall have received all such counterpart originals or certified or other copies of such documents and instruments as it may reasonably request.

(b) No Change in Applicable Law. There shall have been no change in the provisions of any applicable law or regulations thereunder or interpretations thereof by appropriate courts or regulatory authorities since the date of this Agreement which would, in the opinion of WJT, make it illegal for WJT to consummate the transactions contemplated by this Agreement.

(c) Board of Directors Approval. The Boards of Directors of CTCO and WJT shall have approved the transactions contemplated by this Agreement.

(d) Consents and Approvals. All consents, approvals, authorizations, permits, certificates and orders with respect to the transactions contemplated by this Agreement required from any person, entity or any court, governmental agency, authority or instrumentality, Federal, state or local, having or asserting jurisdiction over WJT or CTCO or any of the Pa. Belvidere Assets, shall have been obtained and be valid and in full force and effect, and no conditions, requirements or qualifications shall have been imposed by any regulatory authority on the transactions or the existing business of WJT in Pennsylvania or New Jersey which, in the reasonable opinion of WJT, are unduly onerous or burdensome to WJT.

(e) No Litigation. No action, suit, investigation or other proceeding shall be pending before any court or governmental agency which, in the opinion of WJT, attempts to restrain or prohibit the consummation of the transactions contemplated by this Agreement.

(f) Representations. The representations and warranties of CTCO contained in this Agreement shall be true in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date; and WJT shall have received on the Closing Date a certificate of CTCO to such effect dated the Closing Date and executed by its President or a Vice President.

(g) Undertakings. Each of the acts and undertakings of CTCO to be performed on or before the Closing Date pursuant to the terms hereof shall have been duly performed.

(h) Mortgage. Upon the execution of this Agreement, WJT will apply for a release of mortgage for the Pa. Belvidere Assets from its mortgage holder. The performance of WJT hereunder is contingent upon WJT receiving such release from mortgage on or before the Closing Date. WJT agrees to make every reasonable effort to obtain the release as hereinabove stated.

(i) Legal Opinion. WJT shall have received a favorable opinion of the General Counsel of CTCO, addressed to WJT, dated the Closing Date

and in form and substance satisfactory to WJT to the effect that:

(i) CTCO is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and has corporate power and authority to execute, deliver and perform this Agreement.

(ii) The execution and delivery of this Agreement did not, and the consummation of the transactions contemplated by this Agreement will not, conflict with or result in a breach of the terms, conditions or provisions of (a) the Certificate of Incorporation or Bylaws of CTCO, (b) any law, regulation, order, writ, award, decree or injunction of any court, arbitrator, commission, board or other administrative agency known by such General Counsel (after making due investigation with respect thereto) to be applicable to CTCO or (c) any loan agreement, credit agreement, mortgage, indenture, promissory note, lien, lease or other similar agreement or instrument known to such General Counsel (after making due investigation with respect thereto) to which CTCO is a party or by which any of its properties may be bound;

(iii) This Agreement has been duly authorized, executed and delivered by CTCO and constitutes a valid and binding agreement of CTCO enforceable in accordance with its terms except as enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally;

(iv) To the knowledge of such General Counsel (after making due investigation with respect thereto), no authorizations, consents, certificates of public convenience and necessity, approvals, licenses, franchises, permits, exemptions or other actions by, or notices to or filings with, any Federal or state governmental or regulatory body are, on the Closing Date, legally required to enable CTCO to perform its obligations under this Agreement, except such authorizations, consents, certificates of public convenience and necessity, approvals, licenses, franchises, permits, exemptions, actions, notices and filings which have theretofore been received, obtained or made;

(v) Covering such other matters incident to the transactions contemplated hereby as WJT may reasonably request.

2. Conditions Precedent to the Obligations of CTCO. The obligation of CTCO to consummate the transactions contemplated by this Agreement are subject to, and shall be conditioned upon, the fulfillment (or written waiver by CTCO) at or prior to the Closing of each of the following conditions:

(a) Proceedings and Documents. All corporate and other proceedings on the part of WJT in connection with the transactions contemplated hereby and by the Transfer Documents and all documents and instruments incidental to such transactions shall be satisfactory in form and substance to CTCO. CTCO shall have received all such counter-

part originals or certified or other copies of such documents and instruments as CTCO may reasonably request.

(b) No Change in Applicable Law. There shall have been no change in the provisions of any applicable law or regulations thereunder or interpretations thereof by appropriate courts or regulatory authorities since the date of this Agreement which would, in the opinion of CTCO, make it illegal for CTCO to consummate the transactions contemplated by this Agreement.

(c) Board of Directors' Approval. The Boards of Directors of CTCO and WJT shall have approved the transactions contemplated by this Agreement.

(d) Consents and Approvals. All consents, approvals, authorizations, permits, certificates and orders with respect to the transactions contemplated by this Agreement required from any person, entity or any court, governmental agency, authority or instrumentality, Federal, state or local, having or asserting jurisdiction over WJT or CTCO or any part of the Assets, shall have been obtained and be valid and in full force and effect, and no conditions, requirements or qualifications shall have been imposed by any regulatory authority on the transactions or the existing or proposed business of CTCO in Pennsylvania which, in the reasonable opinion of CTCO, are unduly onerous or burdensome to CTCO.

(e) No Litigation. No action, suit, investigation or other proceeding shall be pending before any court or governmental agency which, in the opinion of CTCO, attempts to restrain or prohibit the consummation of the transactions contemplated by this Agreement.

(f) Representations. The representations and warranties of WJT contained in this Agreement shall be true in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date; and CTCO shall have received on the Closing Date a certificate of WJT to such effect dated the Closing Date and executed on behalf of WJT by its President or a Vice President.

(g) No Adverse Change. Nothing shall have occurred subsequent to December 31, 1986, that, either in any case or in the aggregate, materially adversely affects or may reasonably be expected to materially adversely affect the operations, business, properties, or condition (financial or otherwise) of the Pa. Belvidere Exchange, and CTCO shall have received a certificate of WJT to such effect dated the Closing Date and executed on behalf of WJT by its President or a Vice President.

(h) Undertakings. Each of the acts and undertakings of WJT to be performed on or before the Closing Date pursuant to the terms hereof shall have been duly performed.

(i) Documents. WJT shall have furnished CTCO with:

(i) All books, files and records of WJT relating to its operations in the Pa. Belvidere Exchange except those which are proprietary material of WJT or an affiliated corporation (delivery shall be deemed to have been made by having such books, files and records on the premises of CTCO on the Closing Date or within a reasonable time thereafter);

(ii) such duly executed assignments and other instruments of transfer and conveyance of the Pa. Belvidere Assets in such form as CTCO shall reasonably request; and

(iii) the written consent of any necessary party to the assignment of any franchise, lease, permit or agreement to which WJT is a party relating to its operations in the Pa. Belvidere Exchange.

(j) Legal Opinion. CTCO shall have received a favorable opinion of the General Counsel of WJT, addressed to CTCO, dated the Closing Date and in form and substance satisfactory to CTCO to the effect that:

(i) WJT is a corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey, and has corporate power and authority to execute, deliver and perform this Agreement;

(ii) The execution and delivery of this Agreement did not, and the consummation of the transactions contemplated by this Agreement will not, conflict with or result in a breach of the terms, conditions or provisions of, or result in the creation or imposition of any lien, charge, claim, mortgage, security interest or encumbrance upon any of the Pa. Belvidere Assets under any provision of (a) the Certificates of Incorporation or Bylaws of WJT, (b) any law, regulation, order, writ, award, decree or injunction of any court, arbitrator, commission, board or other administrative agency known by such General Counsel (after making due investigation with respect thereto) to be applicable to WJT or (c) any loan agreement, credit agreement, mortgage, indenture, promissory note, lien, lease or other similar agreement or instrument known to such General Counsel (after making due investigation with respect thereto) to which WJT is a party or by which any of the Pa. Belvidere Assets may be bound, except such loan agreements, credit agreements, mortgages, indentures, promissory notes, liens or leases for which WJT has obtained a release for the Pa. Belvidere Assets;

(iii) This Agreement has been duly authorized, executed and delivered by WJT and constitutes a valid and binding agreement enforceable in accordance with its terms except as enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally;

(iv) To the knowledge of such General Counsel (after making due investigation with respect thereto), no authorizations, consents, certificates of public convenience and necessity,

approvals, licenses, franchises, permits, exemptions or other actions by, or notices to or filings with, any Federal or state governmental or regulatory body are, on the Closing Date, legally required to enable WJT to perform its obligations under this Agreement, except such authorizations, consents, certificates of public convenience and necessity, approvals, licenses, franchises, permits, exemptions, actions, notices and filings which have theretofore been received, obtained or made; and

(v) Covering such other matters incident to the transactions contemplated hereby as CTCO may reasonably request.

ARTICLE VII TERMINATION

This Agreement and the transactions contemplated hereby may be terminated for the following reasons at any time prior to the Closing, and any such termination shall be without liability of any party to any other party:

(a) by mutual consent of WJT and CTCO;

(b) by WJT or CTCO if the transactions shall not for any reason have been consummated on or prior to September 30, 1987, or such later date as may be mutually agreed upon pursuant to Article I, Section 2 of this Agreement;

(c) by WJT if any of the conditions provided in Section 1 of Article VI of this Agreement have not been met and have not been waived by WJT; or

(d) by CTCO if any of the conditions provided in Section 2 of Article VI of this Agreement have not been met and have not been waived by CTCO.

ARTICLE VIII BROKERS - FINDERS

No Brokers. The parties hereby represent and warrant that no broker or finder has been employed by any of them in connection with this Agreement and the consummation of the transactions contemplated hereby.

ARTICLE IX SURVIVAL OF REPRESENTATIONS AND WARRANTIES

The parties agree that the representations and warranties, covenants and agreements contained in this Agreement survive the Closing and shall be in full force and effect for a period of one year after the Closing Date, provided that (i) the fraudulent concealment of the breach by either party of a representation or warranty contained herein shall toll such period until such breach has or in the exercise of reasonable care should have been discovered and (ii) all such representations and warranties as related to

tax liabilities of WJT shall survive the closing hereunder for a period of two years.

ARTICLE X
DESTRUCTION OF PA. BELVIDERE ASSETS

The risk of loss for damage to the Pa. Belvidere Assets by any casualty, other than that due to CTCO's actions or omissions to act, is assumed by WJT until the Closing Date. In case the Pa. Belvidere Assets shall suffer damage beyond ordinary wear and tear, which damage is not the fault of CTCO, and such damage substantially and adversely affects the ability of CTCO to use the Assets in a manner contemplated by CTCO, WJT shall have the option to 1) to repair or rebuild the Pa. Belvidere Assets to the condition immediately prior to such damage or destruction, provided, however, that WJT shall not be responsible for repairing or rebuilding improvements made by CTCO to the Pa. Belvidere Assets; or 2) abate the price payable hereunder proportionately according to the extent of the injury or damage sustained by the Pa. Belvidere Assets. WJT will exercise its option within 30 days of the sustainment of said damage.

ARTICLE XI
INDEMNIFICATION

Mutual Indemnification.

(a) WJT agrees to indemnify and hold harmless CTCO from and against any and all losses, liabilities, claims, damages, costs and expenses, known or unknown (including without limitation reasonable attorneys' fees and any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) of any kind and nature which arise out of or arise in connection with (i) the incorrectness or breach of any representation or warranty made by WJT in this Agreement or in the Attachments attached hereto or in any instrument delivered hereunder or (ii) the nonperformance or nonfulfillment by WJT of any of its covenants to be performed either before or after the Closing Date.

(b) CTCO agrees to indemnify and hold harmless WJT from and against any and all losses, liabilities, claims, damages, costs and expenses, known or unknown (including without limitation reasonable attorneys' fees and any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) of any kind and nature which arise out of or arise in connection with (i) the incorrectness or breach of any representation or warranty made by CTCO in this Agreement or in the Attachments attached hereto or in any instrument delivered hereunder or (ii) the nonperformance or nonfulfillment by CTCO of any of its covenants to be performed either before or after the Closing Date.

ARTICLE XI
MISCELLANEOUS

1. Governing Law. This Agreement shall be construed and enforced in

accordance with the laws of the Commonwealth of Pennsylvania.

2. Headings. The Article headings in this Agreement are for convenience and reference purposes only and should not affect in any way the meaning and interpretation of this Agreement.

3. Notices. All notices or other communications given hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand or sent by certified or registered mail to the respective parties' addresses set forth in the first paragraph of this Agreement, or to such other addresses as the parties may designate from time to time by written notice to the other parties.

4. Entire Agreement. This Agreement represents the entire understanding of the parties hereto relative to the subject matter hereof, supersedes all other and prior agreements between the parties, and the terms and provisions of this Agreement may not be modified or amended, except in writing.

5. Successors. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns. It is understood by the parties hereto that the United Telephone System New Jersey companies will be merged on or before July 1, 1987 into New Jersey Telephone Company. New Jersey Telephone Company will, on the effective date, change its name to United Telephone Company of New Jersey, Inc. This merger will have no effect on this transaction.

6. Counterparts. This Agreement may be executed simultaneously in two or more counterparts or any number of duplicate originals, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COMMONWEALTH TELEPHONE COMPANY

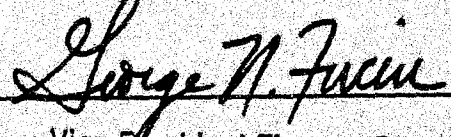
By:



Title: Executive Vice President

WEST JERSEY TELEPHONE CO.

By:



Title: Vice President Finance & Administration

OVERSIZE

DOCUMENTS

PA. BELVIDERE EXCHANGEA. RIGHT OF WAY AGREEMENTS, LICENSES AND PERMITS

1. Right of Way Agreement between West Jersey Telephone Co. and Edwin and M. Elizabeth Bachman dated June 30, 1975 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 243, Page 295.
2. Right of Way Agreement between The Bell Telephone Company of Pennsylvania and Elizabeth B. Burd and Laura B. Stier dated March 7, 1933 (not recorded) and assigned to West Jersey Telephone Co. by Agreement dated January 8, 1974.
3. Right of Way Agreement between West Jersey Telephone Co. and Edward G. Caporellie dated March 8, 1975 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 241, Page 302.
4. Right of Way Agreement between West Jersey Telephone Co. and Frank and Irene Butz dated September 21, 1972 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 209, Page 380.
5. Right of Way Agreement between West Jersey Telephone Co. and Ben Johnson Associates, Inc. dated September 8, 1971 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 200, Page 501.
6. Right of Way Agreement between West Jersey Telephone Co. and William Crane and wife dated September 4, 1958--not recorded.
7. Right of Way Agreement between West Jersey Telephone Co. and William Crane, Jr., Walter Crane, Elmer Crane, Chester A. Crane, Beulah Crane, Stella Crane and Dorothy Crane dated August 30, 1966 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 162, Page 189.
8. Right of Way Agreement between West Jersey Telephone Co. and Cleveland and Iola Cornine dated April 17, 1959 and not recorded.
9. Right of Way Agreement between The Bell Telephone Company of Pennsylvania and Harry and Ada Fangboner dated June 20, 1934 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 90, Page 322, assigned to West Jersey Telephone Co. on January 8, 1974.
10. Right of Way Agreement between West Jersey Telephone Co. and James and Cynthia Grifo dated August 16, 1983 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 293, Page 296.
11. Right of Way Agreement between West Jersey Telephone Co. and John and Stella Gulick dated December 17, 1973 and recorded in the Office of the

- Recorder of Deeds, Northampton County, in Miscellaneous Volume 222, Page 218.
12. Right of Way Agreement between The Bell Telephone Company of Pennsylvania and Clarence R. Houseberg dated July 11, 1938 (not recorded) and assigned to West Jersey Telephone Co. on January 8, 1974.
 13. Right of Way Agreement between West Jersey Telephone Co. and Walter and Dorothy Kellow dated March 26, 1961, not recorded.
 14. Right of Way Agreement between West Jersey Telephone Co. and Edna Charlotte Ruhf dated January 21, 1961, not recorded.
 15. Right of Way Agreement between West Jersey Telephone Co. and Dudley and M. Alice Schwab and Robert and Catherine Harlan dated February 1, 1961, not recorded.
 16. Right of Way Agreement between West Jersey Telephone Co. and Nona Stoddard dated February 14, 1961, not recorded.
 17. Right of Way Agreement between West Jersey Telephone Co. and George and Kathryn Lowry dated March 10, 1961, not recorded.
 18. Right of Way Agreement between West Jersey Telephone Co. and Interstate Energy Company dated October 31, 1973 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 219, Page 427.
 19. Right of Way Agreement between West Jersey Telephone Co. and Robert and Delores Moffett dated March 20, 1980 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 274, Page 605
 20. Right of Way Agreement between West Jersey Telephone Co. and Harry T. Spittle, Jr., Executor, dated May 8, 1970 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 190, Page 188.
 21. Right of Way Agreement between West Jersey Telephone Co. and Richard and Charlotte Pysher dated June 29, 1965, not recorded.
 22. Right of Way Agreement between West Jersey Telephone Co. and Raymond and Agnes Pettit dated April 21, 1959, not recorded.
 23. Right of Way Agreement between West Jersey Telephone Co. and Allen Pysher, Jr. dated July 12, 1978 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 265, Page 828.
 24. Right of Way Agreement between West Jersey Telephone Co. and Riverton Hotel, Inc. dated June 11, 1968 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 175, Page 457.

25. Right of Way Agreement between West Jersey Telephone Co. and Clayton M. Stine dated July 14, 1978 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 265, Page 830.
26. Right of Way Agreement between West Jersey Telephone Co. and Clarence and Dorothy Smith dated July 14, 1978 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 265, Page 832.
27. Right of Way Agreement between West Jersey Telephone Co. and Clarence and Dorothy Smith dated February 11, 1974 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 229, Page 63.
28. Right of Way Agreement between West Jersey Telephone Co. and John and Eva Terleski dated May 11, 1966 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 160, Page 166.
29. Right of Way Agreement between West Jersey Telephone Co. and John and Eva Terleski dated October 13, 1971 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 201, Page 379.
30. Right of Way Agreement between West Jersey Telephone Co. and Lottie Yetter dated September 4, 1974 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 234, Page 584.
31. Right of Way Agreement between West Jersey Telephone Co. and Henry and Mildred Zimmerman dated September 11, 1972 and recorded in the Office of the Recorder of Deeds, Northampton County, in Miscellaneous Volume 209, Page 194.
32. License Agreement between West Jersey Telephone Co. and Pennsylvania Power and Light Company dated September 20, 1971.

B. Station Apparatus and House Cable

<u>Description</u>	<u>Total Units (approximate)</u>
1. Telephone Sets-nonregulated lease	113
2. Ancillary Equipment-nonregulated lease (Bells, Buzzers, Keys, etc.)	8
3. Subscriber Line Condition Equipment (In-place)	6
4. Public Telephone Booths	1

5. Station Connection Single Line	113
6. Station Connection-Booth	1
7. House Cable (buildings)	2

C. Outside Plant--Consisting of service drops, poles, aerial cable, buried cable, wires, aerial load coil and other appurtenances presently owned by West Jersey Telephone Co. within the boundaries of the Pa. Belvidere Exchange on the following designated lines:

- G000
- G001
- G004
- G005
- G007
- G008
- G010
- G011
- G013
- G015
- G020
- G021
- G024-G027
- G029
- G033
- G034

D. Accounts Receivable

1. Telephone Subscriber Billing Receivables which include but are not limited to:
 - Local Telephone Service and Ancillary Services
 - End User Customer Line Charges
 - Interexchange Services
 - Late Payment Charges
 - NSF Check Charges
 - Directory Advertising/Assistance (includes Directory Advertising Charges through January 31, 1988)
 - Equipment Rental/Maintenance Contract Charges
 - Taxes and Surcharges
2. WATS Telephone Service Billing Receivables which include but are not limited to:
 - Access Line Charge and Associated Usage
 - Directory Assistance
 - Taxes and Surcharges

3. Miscellaneous Receivables which include but are not limited to:

Property Damage Billings
Attachment Rentals
Maintenance Contracts
Installation and Repair Billings
Joint Trenching Billings
Equipment Sales
White Page Directory Listings
Work Order Billings

ASSETS EXCLUDED FROM SALE

Pa. Belvidere Exchange

G-Line Pole 51

Equipment mounted on pole consisting of:

- 1 Equipment Cabinet - Medium
- 1 Repeater Shelf
- 2 Repeater Cards

G-Line Pole 68

Equipment mounted on pole consisting of:

- 1 Cabinet Assembly
 - 2 Shelves
 - 16 Channel Cards
 - 2 Power Supplies
2. All patents, patent rights, trademarks, service marks and trade names and applications for and licenses with respect thereto.
 3. Any assets disposed of in the ordinary course of business between the date of the Agreement and the closing.
 4. Public coin telephone sets and coin station connection.

PA. BELVIDERE SALE

<u>Type of Contract</u>	<u>Party of Interest</u>	<u>Date Contract Initiated</u>	<u>Date Contract Terminated</u>	<u>Assignment</u>
Joint Use of Wood Poles	Metropolitan Edison Company	Sept. 4, 1981 (covers all of Pa. territory)	60 Day Notice	XVII(b)
Attachment Permit - Joint Use of Wood Poles	P.P. & L. Co.	Contract terminated. New contract to be negotiated by Commonwealth		

The Pa. Belvidere Assets are currently subject to a mortgage held by the following:

United States Department of Agriculture
Rural Electrification Administration
14th and Independence Avenues, S.W.
Washington, DC 20250

At the time of the merger of the United Telephone System New Jersey companies, the Pa. Belvidere Assets will no longer be subject to the REA mortgage but will become subject to a lien of indenture held by the following:

Provident National Bank
17th and Chestnut Streets
P. O. Box 7648
Philadelphia, PA 19101

The merger is anticipated to occur on or around July 1, 1987.

Since December 31, 1986 there has not been:

- (1) Any change in the business, results of operations or financial condition or the manner of conducting the business of the Pa. Belvidere Exchange other than changes in the ordinary course of business, none of which has had a material adverse effect on such Exchange's business, operations or financial conditions;
- (2) Any damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting the assets or the business or operations of WJT in the Pa. Belvidere Exchange;
- (3) Any amendment or termination by WJT of any material contract, agreement or license in the Pa. Belvidere Exchange other than in the ordinary course of business.
- (4) It is anticipated that the Tax Reform Act of 1986 may have an effect upon WJT's current rates in the Pa. Belvidere Exchange.

PA. BELVIDERE EXCHANGE

The following administrative matters and lawsuits relate to the Pa. Belvidere Exchange unless indicated:

A. Lawsuits

None

B. Formal Commission Complaints

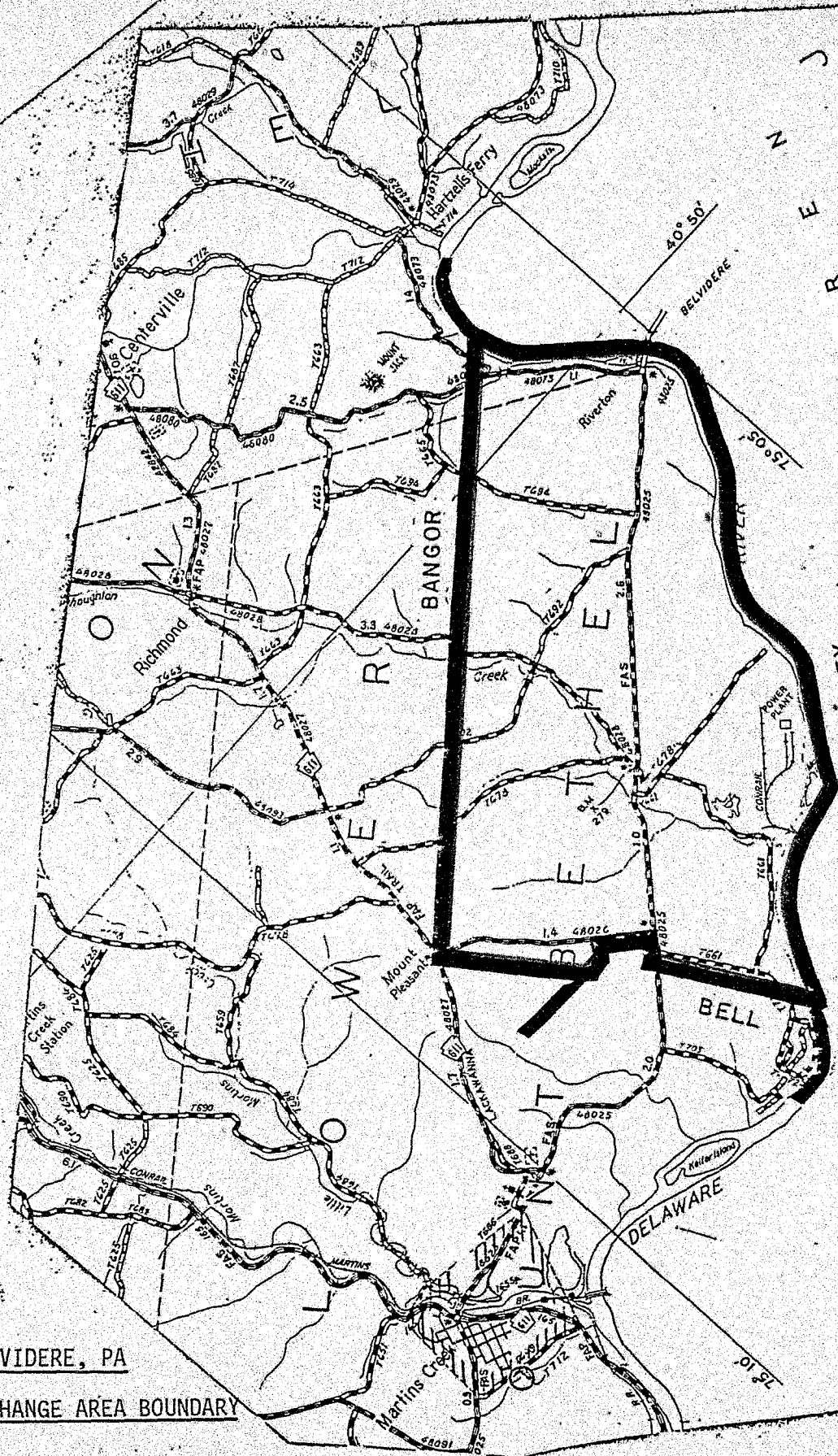
None

C. Regulatory Matters

1. As a result of the tax savings associated with the Tax Reform Act of 1986, WJT has filed with the New Jersey Board of Public Utilities a proposed tariff design to reduce various rates to recognize said savings. WJT's Belvidere customers will be affected by such rate reductions if approved by the Commission.
2. WJT will file a Petition requesting permission from the New Jersey Board of Public Utilities to merge with United's New Jersey companies, to be effective July 1, 1987. The merger will affect the Pa. Belvidere Exchange.
3. In anticipation of the merger, WJT will file a petition with the Board of Public Utilities for approval of a Consolidated Tariff. This Consolidated Tariff will replace the individual tariffs for United's New Jersey companies.
4. As a result of Pa. PUC Order I-840386, there will be a removal of the installation and maintenance of inside wire from the West Jersey - Pa. Tariff.
5. West Jersey - Pa. will also be removing company provided equipment from the tariff pursuant to proceedings before the Pennsylvania Commission.

Map Of
Pennsylvania Belvidere Exchange

EXHIBIT F



BELVIDERE, PA

EXCHANGE AREA BOUNDARY

W. JERSEY
W A R R E N
40° 50'
150° 5'



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120

July 16, 1987

IN REPLY PLEASE
REFER TO OUR FILE

A-310800F003

Bernard A. Ryan, Jr., Esquire
Dechert Price & Rhoads
800 North Third Street
Harrisburg, Pennsylvania 17102

DOCUMENT
FOLDER

Application of The Commonwealth Telephone Company and The United Telephone Company of New Jersey, Inc., for approval of (1) the transfer, by sale, of certain telephone equipment of the latter to the former, (2) the right of The Commonwealth Telephone Co. to begin to offer or furnish telephone service to the public in the Belvidere Exchange located in Northampton County and (3) the abandonment by The United Telephone Co. of New Jersey, Inc. of all telephone service to the public in the Belvidere Exchange.

Dear Sir:

Receipt is acknowledged of your letter dated July 14, 1987, together with the application of The Commonwealth Telephone Company and The United Telephone Company of New Jersey, Inc., which has been docketed as set forth above.

It will be necessary for you to serve copies of the application upon the Commissioners of Northampton County and their Planning Commissions, if any, and file proof of service with the Commission.

You are directed upon receipt of this letter to publish the enclosed notice once during each of the weeks of July 27 and August 3, 1987, in a newspaper having a general circulation in the areas involved and file proof of publication with the Commission on or before August 14, 1987.

The matter will receive the attention of the Commission and you will be advised of any further necessary procedure.

Very truly yours,

DOCKETED

JUL 17 1987

for Jerry Rich
Secretary

JEP:rmb

amb

PENNSYLVANIA PUBLIC UTILITY COMMISSION

NOTICE TO BE PUBLISHED

Notice is hereby given that application has been made to the Pennsylvania Public Utility Commission, under the provisions of the Public Utility Code, by The Commonwealth Telephone Company and The United Telephone Company of New Jersey, Inc., for approval of (1) the transfer, by sale, of certain telephone equipment of the latter to the former, (2) the right of The Commonwealth Telephone Company to begin to offer or furnish telephone service to the public in the Belvidere Exchange located in Northampton County and (3) the abandonment by The United Telephone Company of New Jersey, Inc. of all telephone service to the public in the Belvidere Exchange. A-310800F003

Notice is hereby also given that this application may be considered by the Commission without a hearing. Protests or petitions to intervene may, however, be filed with the Public Utility Commission, Harrisburg, on or before August 14, 1987, pursuant to Title 52 of the Pennsylvania Code.

COMMONWEALTH TELEPHONE COMPANY AND
THE UNITED TELEPHONE CO. OF NEW JERSEY, INC.

Counsel for Applicants

For Commonwealth Telephone Co.

Raymond B. Ostroski, Esquire
c/o C-TEC Corporation
46 Public Square
P.O. Box 3000
Wilkes-Barre, PA 18703

and

Bernard A. Ryan, Jr., Esquire
Dechert Price & Rhoads
800 N. Third Street
Harrisburg, PA 17102

For United Telephone Co. of New Jersey, Inc.

Daniel T. Dineen, Esquire
Vice President and General Counsel
United Telephone Co. of New Jersey, Inc.
1170 Harrisburg Pike
Carlisle, PA 17013



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120

July 17, 1987

IN REPLY PLEASE
REFER TO OUR FILE

A-310800F002

A-310800F003

Bernard A. Ryan, Jr., Esquire
Dechert, Price & Rhoads
800 North Third Street
Harrisburg, PA 17102

Application of Commonwealth Telephone Company and United
Telephone Company of Pennsylvania

Application of Commonwealth Telephone Company and United
Telephone Company of New Jersey, Inc.

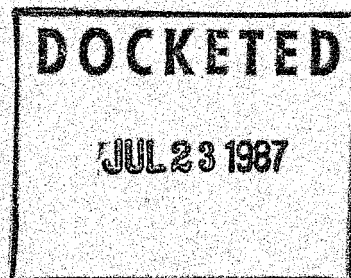
Dear Mr. Ryan:

It will be necessary for you to notify the customers in the above
entitled applications and file proof of notification with the Commission.

Very truly yours,

for Jerry Rich
Secretary

JEP:bjc





RECEIPT

The addressee named hereunder has paid Pennsylvania Public Utility Commission for the following bill, subject to final collection of check or money order tendered for such payment.

Bernard A. Ryan, Jr.
Dechert, Price & Rhoads
800 North Third St.
Harrisburg, PA 17102

Date July 17, 1987

CR 125531 A

DOCUMENT
FOLDER

DOCKETED
JUL 22 1987

In re application of Commonwealth Telephone Co. and
A-310800F002.....\$125.00

Revenue account 001780-017601-120 (ck)
ck 057880 \$125.00
Checks _____ Currency _____
Utility account 50:26

C. Joseph Meisinger
For Department of Revenue

ORIGINAL

RECEIVED

JUL 20 1987

**SECRETARYS OFFICE
Public Utility Commission**

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Commonwealth Telephone Company and The United Telephone Company of New Jersey, Inc., for approval of (1) the transfer, by sale, of certain telephone equipment of the latter to the former, (2) the right of The Commonwealth Telephone Co. to begin to offer or furnish telephone service to the public in the Belvidere Exchange located in Northampton County and (3) the abandonment by The United Telephone Co. of New Jersey, Inc. of all telephone service to the public in the Belvidere Exchange

**DOCUMENT
FOLDER**

PUC Docket No. A-310800F003

**DOCKETED
JUL 21 1987**

PROOF OF SERVICE

I certify that on July 20, 1987 I served copies of the above recaptioned joint application on the authorities of Northampton County and their Planning Commission by first class mail, postage prepaid, addressed to the public officials whose names and titles are shown on the attached copy of my transmittal letter.

Dated: July 20, 1987.

Bernard A. Ryan, Jr.
Bernard A. Ryan, Jr.
Attorney for Commonwealth Telephone Company

LAW OFFICES OF

DECHERT PRICE & RHOADS

800 NORTH THIRD STREET
HARRISBURG, PENNSYLVANIA 17102

TELEX 84 5324 • BARDEP

(717) 233-7947

477 MADISON AVENUE
NEW YORK, NY 10022
(212) 308-4400

1730 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, DC 20006
(202) 783-0200

3400 CENTRE SQUARE WEST
1500 MARKET STREET
PHILADELPHIA, PA 19102
(215) 972-3400

250 AVENUE LOUISE
1050 BRUSSELS, BELGIUM
(021) 847 85 85

52 BEDFORD SQUARE
LONDON WC1B 3EX, ENGLAND
01. 631. 3383

July 20, 1987

BERNARD A. RYAN, JR.

Mr. Richard T. Grucela
President
Northampton County Council
Office of County Council
Northampton County Governmental
Center
7th and Washington Streets
Easton, PA 18402

Mr. Michael N. Kaiser
Executive Director
Joint Planning Commission
ABE Airport
Government Building
Lehigh Valley, PA 18103

RE: Transfer of Belvidere Telephone Service
Exchange to Commonwealth Telephone Company

Dear Messrs. Grucela and Kaiser:

I represent Commonwealth Telephone Company. In accordance with the instructions I received from the Secretary of the Pennsylvania Public Utility Commission, I am enclosing a copy of the Joint Application that was filed with the Commission last week concerning the proposed purchase by Commonwealth Telephone Company of the equipment used to provide telephone service to the customers in the Belvidere exchange of United Telephone Company of New Jersey (formerly West Jersey Telephone Company).

Upon receipt of the approval of the Public Utility Commission for that purchase, Commonwealth Telephone Company will replace United Telephone Company of New Jersey as the provider of telephone service to the people who reside in that exchange. As noted in paragraph 12 of the Joint Application, there will be no change in the rates those customers now pay for their local telephone service, but their local calling area will be increased to include Commonwealth's Bangor exchange. In addition, those customers should realize significant savings in their toll charges; after the transfer they will be within the Philadelphia LATA which will mean lower charges for their intrastate, intraLATA toll calls.

July 20, 1987
Page two

If either of you, or other members of the governmental agencies you serve, have any questions about this Joint Application, please let me know and I will be happy to provide whatever additional information you need.

Sincerely yours,

BARJr/nf

LAW OFFICES OF

DECHERT PRICE & RHOADS

800 NORTH THIRD STREET

HARRISBURG, PENNSYLVANIA 17102

TELEX 84 5324 • BARDEP

(717) 233-7947

3400 CENTRE SQUARE WEST
1500 MARKET STREET
PHILADELPHIA, PA 19102
(215) 972-3400

250 AVENUE LOUISE
1050 BRUSSELS, BELGIUM
1021 647 85 85

52 BEDFORD SQUARE
LONDON WC1B 3EX, ENGLAND
01. 631. 3383

477 MADISON AVENUE
NEW YORK, NY 10022
(212) 308-4400

1730 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, DC 20008
(202) 783-0200

August 7, 1987

BERNARD A. RYAN, JR.

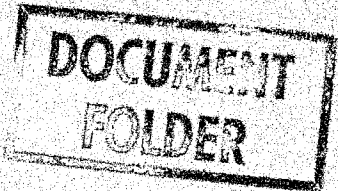
RECEIVED

AUG 7 1987

SECRETARYS OFFICE
Public Utility Commission

HAND DELIVER

Mr. Peter Unuscavage
Bureau of Safety and Compliance
Pennsylvania Public
Utility Commission
North Office Building
Harrisburg, PA 17120



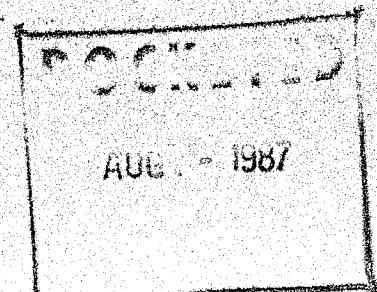
RE: Application of Commonwealth Telephone Company
and United Telephone Co. of Pennsylvania etc.
(Uhlertown Exchange - A 310800F002)
Application of Commonwealth Telephone Company
and United Telephone Co. of New Jersey, Inc. etc
(Belvidere Exchange - A 310800F003)

Dear Mr. Unuscavage:

I am writing to provide you with certain additional information you have requested in connection with your review of these two applications:

1. Schedules showing the original cost, accumulated reserve for depreciation and the net book value of the Uhlertown and Belvidere facilities that are to be transferred to my client, Commonwealth Telephone Company, are attached as Exhibits A and B respectively.

2. The prices to be paid by Commonwealth Telephone Company for the facilities it is acquiring in these transactions exceed their depreciated costs on the books of the present owners. Those prices are, however, fair and reasonable ones for the facilities that will be transferred to my client and were set through arms length negotiations between my client and the sellers, neither of which is an affiliate of Commonwealth Telephone Company.



Mr. Peter Unuscavage
August 7, 1987
Page two

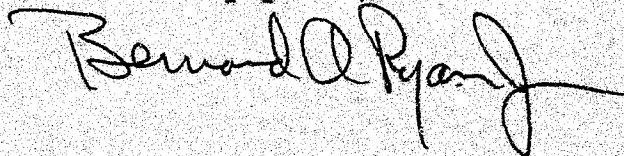
3. These transactions will be recorded on the books of Commonwealth Telephone Company and the two United companies in accordance with the Uniform System of Accounts. After the transfers have been made, the companies will provide you with the journal entries that will be made on their respective books to reflect these transactions.

4. An update should be made to the information set forth on Attachment G to the Uhlerstown application (A-310800F002). The complaint proceeding against United Telephone Company of Pennsylvania (docketed at C-861108) that is described in paragraph B of that Attachment is no longer active. The complainant withdrew that complaint because his objection was satisfied. By letter dated July 2, 1987, the parties were advised by Jerry Rich, Secretary of the Commission, that he had marked that case closed.

5. I am enclosing as Exhibit C schedules showing the expected savings in toll charges for the Uhlerstown and Belvidere customers as a result of the anticipated change from the New Jersey to the Philadelphia LATA for those customers. Since there are approximately 1000 customers in the two exchanges, the average savings in toll charges will be approximately \$65.00 each year per customer. In addition, there will be savings for these customers as a result of the expansion of their local service areas following their transfer to Commonwealth Telephone Company. We expect Belvidere customers to realize additional savings of \$5,101.06 on their calls to Bangor and the Uhlerstown customers to save an additional \$21,389.52 on their calls to Ferndale.

I believe I have now provided you with all of the additional information you requested for these two applications. I will be away from my office on vacation for the next two weeks, returning on Monday, August 24. If you need anything more to proceed with your review while I am away, I suggest you call Bill Shaner directly (1-675-5312).

Sincerely yours,



BARJr/nf

cc: Pamela Sarvey, Esquire
Office of the Consumer Advocate

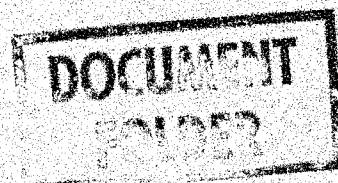
Uhlertown, PA UHTW 215-294

Station Apparatus Investment as of 06/30/87

Acct.	Description	Original Cost	Accum Reserve	Net Book
904.1	Tel-Set - Non-Reg Lease	\$ 4,273.44	\$ 3,982.85	\$ 290.59
904.9	Non Set - Non-Reg Lease	262.08	239.25	22.83
904.2	Key Non-Reg Lease	2,013.59	1,833.78	179.81
231.9	Sub Line Cond (In Place)	1,516.30	596.06	920.24
235.1	Pub Tel Coin	4,236.70	3,934.63	302.07
235.3	Pub Tel Booth	1,422.01	1,320.62	101.39
232.1	Sta Conn-Single Line	24,897.90	15,929.68	8,968.22
232.3	Sta Conn-Key	4,452.13	2,470.49	1,981.64
		<u>\$ 43,074.15</u>	<u>\$ 30,307.36</u>	<u>\$ 12,766.79</u>

Outside Plant Investment as of 06/30/87

241.1	Pole Lines	\$ 84,031.38	\$ 28,110.89	\$ 55,920.49
242.1	Aerial Cable	485,319.50	124,869.81	360,449.69
242.3	Buried Cable	51,322.45	10,060.80	41,261.65
243	Aerial Wire	25,892.30	20,005.12	5,887.18
		<u>\$646,565.63</u>	<u>\$183,046.62</u>	<u>\$463,519.01</u>



Belvidere, PA BLVP 215-498

Station Apparatus Investment as of 06/30/87 (West Jersey)

<u>Acct.</u>	<u>Description</u>	<u>Original Cost</u>	<u>Accum Reserve</u>	<u>Net Book</u>
904.1	Tel Set - Non-Reg Lease	\$ 774.16	\$ 724.15	\$ 50.01
904.9	Non Set - Non-Reg Lease	24.82	22.06	2.76
231.9	Sub Line Cond (In Place)	493.30	324.74	168.56
235.1	Pub Tel - Coin	1,477.02	1,228.28	248.74
235.3	Pub Tel - Booth	545.72	453.83	91.89
232.1	Sta Conn - Single Line	4,296.32	3,846.50	449.82
		<u>\$ 7,611.34</u>	<u>\$ 6,599.56</u>	<u>\$ 1,011.78</u>

Outside Plant Investment as of 06/30/87

241.1	Pole Lines	\$ 46,795.80	\$ 17,021.54	\$ 29,774.26
242.1	Aerial Cable	131,204.66	51,712.12	79,492.54
243	Aerial Wire	11,877.20	9,259.18	2,618.02
		<u>\$189,877.66</u>	<u>\$ 77,992.84</u>	<u>\$111,884.82</u>

Belvidere and Uhlerstown Exchanges

Change From North Jersey LATA to Philadelphia LATA

Customer Toll Savings Due to This Change

Data as of 5-16-87

	<u>Intrastate IntraLATA Savings</u>	<u>Interstate InterLATA Savings</u>
Belvidere, PA	\$ 7,944.00	\$ 4,205.16
Uhlerstown, PA	<u>38,335.08</u>	<u>15,003.12</u>
Total Savings	\$46,279.08	\$19,208.28
Grand Total	\$65,487.36	

7/22/87:LB

Exhibit C

Belvidere, PA Exchange

Change From North Jersey LATA to Philadelphia LATA

Customer Toll Savings Due to This Change on Selected New Intrastate IntralATA Nearby Points

Data as of 5-16-87 Billing

	Allentown PA	Bethlehem PA	Catasauqua PA	Easton PA	Nazareth PA	Pen Argyl PA
Total Customers	192	192	192	192	192	192
Total Customers Who Made Calls	65	64	16	137	65	65
Total Calls	238	228	43	1,604	225	192
Present Toll Rate	\$.37	\$.33	\$.37	\$.32	\$.32	\$.32
Total Toll Revenue	\$220.20	\$181.97	\$28.36	\$1,074.72	\$188.51	\$132.05
Proposed Toll Rate	\$.27	\$.23	\$.27	\$.20	\$.20	\$.16
% Toll Rate Decrease	27.0	30.3	27.0	37.5	37.5	50
Toll Savings	\$ 59.45	\$ 55.14	\$ 7.66	\$ 403.02	\$ 70.69	\$ 66.03
Average Savings Per Customer	\$.91	\$.86	\$.48	\$ 2.94	\$ 1.09	\$ 1.38
Annualized Savings	\$713.40	\$661.68	\$91.92	\$4,836.36	\$848.28	\$792.00
Average Annualized Savings Per Customer	\$ 10.98	\$ 10.34	\$ 5.75	\$ 35.30	\$ 13.05	\$ 16.51

Notes: 1. The Belvidere to Bangor toll route is not included due to the projected EAS after acquisition. Annual toll savings on this route for the 125 customers who called Bangor amounts to \$5,101.06 or \$40.81 per average customer.

2. On May 31, 1987, intrastate-InterLATA toll rates were increased in the first three rate steps; rate steps 1 & 2 from \$.32 to \$.34; rate step 3 from \$.33 to \$.37. Because of this, savings to the Belvidere customers will be greater in the future.

Belvidere, PA Exchange

Change From North Jersey LATA to Philadelphia LATA

Customer Toll Savings Due to This Change on Selected New Interstate InterLATA Nearby Points

Data as of 5-16-87 Billing

	Blairstown NJ	Columbia NJ	Great Meadows NJ	Hackettstown NJ	Phillipsburg NJ	Washington NJ
Total Customers	192	192	192	192	192	192
Total Customers Who Made Calls	22	16	15	34	98	78
Total Calls	98	34	26	207	533	449
Present Toll Rate	\$.43	\$.36	\$.36	\$.43	\$.43	\$.36
Total Toll Revenue	\$ 83.27	\$ 25.50	\$ 16.15	\$ 171.03	\$ 392.48	\$ 300.78
Proposed Toll Rate	\$.28	\$.23	\$.23	\$.28	\$.28	\$.23
% Toll Rate Decrease	34.9	36.1	36.1	34.9	34.9	36.1
Toll Savings	\$ 29.06	\$ 10.29	\$ 5.83	\$ 59.69	\$ 136.98	\$ 108.58
Average Savings Per Customer	\$ 1.32	\$.64	\$.39	\$ 1.76	\$ 1.40	\$ 1.39
Annualized Savings	\$348.72	\$123.48	\$69.96	\$716.28	\$1,643.76	\$1,302.96
Average Annualized Savings Per Customer	\$ 15.85	\$ 7.72	\$ 4.66	\$ 21.07	\$ 16.77	\$ 16.70

7/22/87:LB

Uhlertown, PA Exchange

Change From North Jersey LATA to Philadelphia LATA

Customer Toll Savings Due to This Change on Selected New Intrastate IntralATA Nearby Points

Data as of 5-16-87 Billing

	Uhlertown, PA To:	Bedminster PA	Carversville PA	Doylertown PA	Easton PA	Plumsteadville PA	Quakertown PA	Riegelsville PA	Springtown PA
Total Customers	752	752	752	752	752	752	752	752	752
Total Customers Who Made Calls	88	271	505	191	365	242	127	127	97
Total Calls	269	1,437	4,783	679	2,189	970	640	640	1,010
Present Toll Rate	\$.32	\$.32	\$.32	\$.32	\$.32	\$.32	\$.32	\$.32	\$.32
Total Toll Revenue	\$ 189.44	\$ 971.22	\$ 3,009.07	\$ 555.77	\$ 1,262.11	\$ 684.90	\$ 438.07	\$ 875.40	\$ 875.40
Proposed Toll Rate	\$.16	\$.16	\$.20	\$.20	\$.20	\$.20	\$.20	\$.16	\$.20
% Toll Rate Decrease	50	50	37.5	37.5	37.5	37.5	37.5	50	37.5
Toll Savings	\$ 94.72	\$ 485.61	\$ 1,128.40	\$ 208.41	\$ 473.29	\$ 256.84	\$ 219.04	\$ 328.48	\$ 328.48
Average Savings Per Customer	\$ 1.08	\$ 1.79	\$ 2.22	\$ 1.09	\$ 1.30	\$ 1.06	\$ 1.72	\$ 1.57	\$ 1.57
Annualized Savings	\$1,136.64	\$5,827.32	\$13,540.80	\$2,500.92	\$5,679.48	\$3,082.08	\$2,628.48	\$3,939.36	\$3,939.36
Average Annualized Savings Per Customer	\$ 12.92	\$ 21.50	\$ 26.81	\$ 13.09	\$ 15.56	\$ 12.74	\$ 20.70	\$ 20.00	\$ 20.00

Notes: 1. The Uhlertown to Ferndale toll route is not included due to the projected EAS after acquisition. Annual toll savings on this route for the 499 customers who called Uhlertown amounts to \$21,389.52 or \$42.86 per average customer.

2. On May 31, 1987, Intrastate-InterLATA toll rates were increased in the first three rate steps; rate steps 1 & 2 from \$.32 to \$.34; rate step 3 from \$.33 to \$.37. Because of this, savings to the Uhlertown customers will be greater in the future.

Uhlerstown, PA Exchange

Change From North Jersey LATA to Philadelphia LATA

Customer Toll Savings Due to This Change on Selected New Interstate InterLATA Nearby Points

Data as of 5-16-87 Billing

Uhlerstown, PA To:	Bloomsbury NJ		Clinton NJ		Flemington NJ		Hampton NJ		High Bridge NJ		Milford NJ		Phillipsburg NJ	
		752		752		752		752		752		752		752
Total Customers		752		752		752		752		752		752		752
Total Customers Who Made Calls	31		156		335		25		28		297		98	
Total Calls	91		622		1,779		36		80		1,490		309	
Present Toll Rate	\$.36		\$.43		\$.43		\$.43		\$.43		\$.36		\$.43	
Total Toll Revenue	\$ 79.72		\$ 579.99		\$ 1,407.35		\$ 57.30		\$ 166.26		\$ 998.47		\$ 256.02	
Proposed Toll Rate	\$.23		\$.28		\$.28		\$.28		\$.28		\$.23		\$.28	
% Toll Rate Decrease	36.1		34.9		34.9		34.9		34.9		36.1		34.9	
Toll Savings	\$ 28.85		\$ 202.42		\$ 491.17		\$ 20.00		\$ 58.02		\$ 360.45		\$ 89.35	
Average Savings Per Customer	\$.93		\$ 1.30		\$ 1.47		\$.80		\$ 2.07		\$ 1.21		\$.91	
Annualized Savings	\$346.20		\$2,429.04		\$5,894.04		\$240.00		\$696.24		\$4,325.40		\$1,072.20	
Average Annualized Savings Per Customer	\$ 11.17		\$ 15.57		\$ 17.59		\$ 9.60		\$ 24.86		\$ 14.56		\$ 10.94	

7/22/87:LB



COMMONWEALTH TELEPHONE COMPANY

100 LAKE STREET • DALLAS, PENNSYLVANIA 18612 • AREA CODE 717 875-1121

August 13, 1987

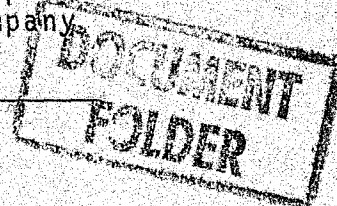
RECEIVED

AUG 14 1987

Jerry Rich, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17120

SECRETARYS OFFICE
Public Utility Commission

RE: Application of Commonwealth Telephone
Company and United Telephone Company
of New Jersey, Inc., etc.
(Docket No. A-310800F003)



Dear Secretary Rich:

In accordance with the instructions we received from the Commission, I am enclosing the following items for filing with your office in connection with the above application which involves the purchase by Commonwealth Telephone Company of the facilities and equipment used in providing telephone service for the Pennsylvania portion of the Belvidere exchange of United Telephone Company of New Jersey, Inc.

1. Copies of the Proofs of Publication that we have received from a newspaper of general circulation in the area involved, showing that the notice you required was published in that area during each of the weeks of July 27 and August 3, 1987.

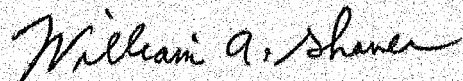
2. My affidavit stating that a letter had been sent to all customers in the affected exchange to advise them of the proposed transfer to Commonwealth Telephone Company. A copy of that notice letter is attached to my affidavit.

Would you please acknowledge your receipt of these items by stamping the extra copy of this transmittal

Jerry Rich, Secretary
August 13, 1987
Page 2

letter which should then be returned to me in the stamped,
addressed envelope that I have enclosed for that purpose.

Sincerely yours,



William A. Shaner
Regulatory Relations Manager

WAS:sj

cc: Daniel T. Dineen, Esquire
Bernard A. Ryan, Jr., Esquire
Mr. Peter Unuscavage

DOCUMENT FOLDER

DOCKETED
No. AUG 18 1987

Term, 19

Proof of Publication of Notice in The Express

Under Act No. 587, Approved May 16, 1929

State of Pennsylvania, ss:
County of Northampton

William H. Fifield, Advertising Manager of The Express, doing business in the County and State aforesaid, being duly sworn, deposes and says that The EXPRESS is a daily newspaper published at 30 No. 4th Street, City of Easton, County and State aforesaid, which was established in the year 1855, since which date said daily newspaper has been regularly issued in said County, and that a copy of the printed notice or publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said daily newspaper on the following dates, viz:

July 27th; and the 3rd day of August, A.D. 1987.

Affiant further deposes that he is duly authorized by The EXPRESS, a daily newspaper to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice or publication and that all allegations in the foregoing statement as to time, place and character of publication are true.

William H. Fifield
Advertising Manager, The Express

Sworn to and subscribed before me this 6th day of August, 1987

W.C. Stackhouse

W.C. Stackhouse, Notary Public

My Commission Expires March 6, 1991

Statement of Advertising Costs

C-TEC Corporation	
c/o Carol Wall	
46 Public Square	
Wilkes-Barre, PA 18703-3000	
To The Express, Dr.		
For Publishing the notice or advertisement attached hereto on the above stated dates -	\$.115..92
Service charge	\$ 7.00
Total	\$ 122.92

Publisher's Receipt for Advertising Costs

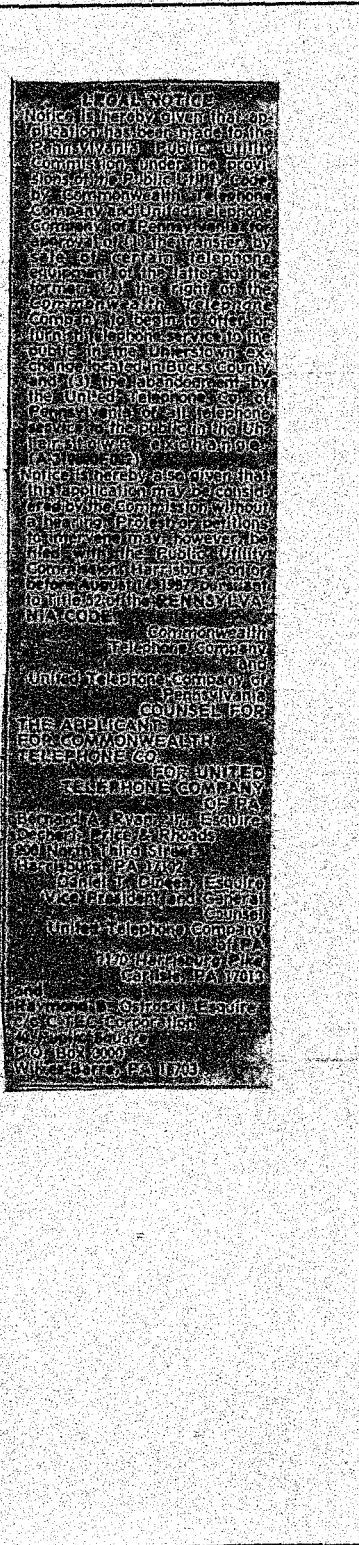
The EXPRESS, a daily newspaper, hereby acknowledges receipt of the aforesaid advertising and publication costs, and certifies that the same have been fully paid.

The EXPRESS, a Daily Newspaper

30 No. 4th St., Easton, Pa.

Established 1855

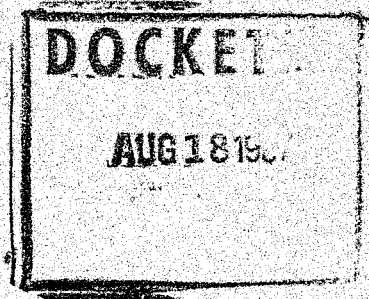
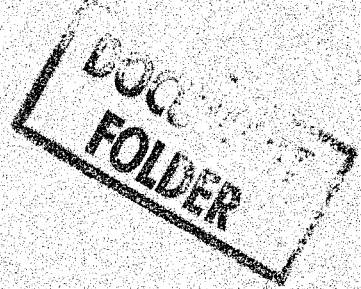
Dial 258-7171



BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Commonwealth Telephone Company and The United Telephone Company of New Jersey, Inc. for approval of (1) the transfer, by sale, of certain telephone equipment of the latter to the former, (2) the right of Commonwealth Telephone Co. to begin to offer or furnish telephone service to the public in the Belvidere Exchange located in Northampton County and (3) the abandonment by The United Telephone Co. of New Jersey, Inc. of all telephone service to the public in the Belvidere Exchange.

Docket No. A-310800F003



AFFIDAVIT OF SERVICE

I, William A. Shaner, Regulatory Relations Manager for Commonwealth Telephone Company, being duly sworn according to law, state that a letter notifying the customers of the Pennsylvania Belvidere exchange of United Telephone Company of New Jersey, Inc. that their telephone service would be transferred to Commonwealth Telephone Company, was sent to all customers affected by the change on August 6, 1987. A copy of that notice letter is attached to this Affidavit.

William A. Shaner
William A. Shaner

Sworn to and subscribed before me this day of August, 1987.

Katherine Munchy
Notary Public

My Commission Expires: 3/23/91

NOTARY PUBLIC
CHICKSHIRE LAKE, LUZERNE CO., PA.

COMMISSION EXPIRES

23, 1991



COMMONWEALTH TELEPHONE COMPANY

100 LAKE STREET • DALLAS, PENNSYLVANIA 18612 • AREA CODE 717 678-4121

August 6, 1987

Dear Telephone Subscriber:

Commonwealth Telephone Company and United Telephone Company of New Jersey, Inc. have jointly asked the Pennsylvania Public Utility Commission for permission to transfer your telephone service from United to Commonwealth, effective September 26, 1987.

Copies of the formal applications are available for viewing at Commonwealth Telephone Company, 100 Lake Street, Dallas, PA 18612; United Telephone Company of Pennsylvania, 1170 Harrisburg Pike, Carlisle, PA 17013, or the Pennsylvania Public Utility Commission, North Office Building, North Street, Harrisburg, PA 17120.

No change in present local service rates are planned at the time of this transfer and you will be enjoying the added benefit of having the Bangor exchange added to your local calling area, thereby eliminating the present toll charges for calls to the 588 exchange. We have also requested a transfer of your exchange from the New Jersey LATA to the Philadelphia LATA. What this means to you is that the calls made from your exchange to other exchanges in the 215 area code will be considerably less expensive. In addition, the calls made to the 201 area code in New Jersey will also realize a reduction over present rates, although not as substantial as those made into the 215 area.

You may rest assured that Commonwealth Telephone Company is dedicated to providing its customers the most efficient and reliable service possible, and looks forward to serving you.

If you have any questions, please feel free to contact our Service Center by dialing toll-free 1-800-441-6459 from anywhere in the State of Pennsylvania.

Sincerely yours,

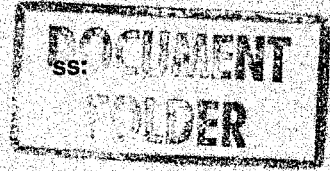
Rita M. Brody
Manager-Customer Service

RMB:sj

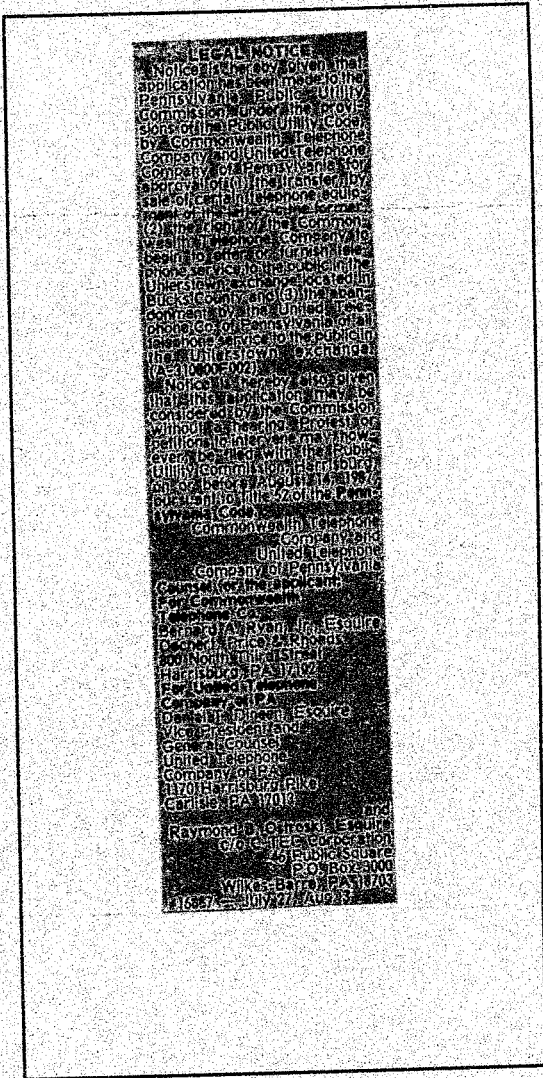
Proof of Publication Notice in The Morning Call

Under Act No. 587, Approved May 16, 1929, and its amendments

STATE OF PENNSYLVANIA
COUNTY OF LEHIGH



COPY OF NOTICE OR ADVERTISEMENT



Jonathan E. Best, Controller of THE MORNING CALL, INC., of the County and State aforesaid, being duly sworn, deposes and says that THE MORNING CALL is a newspaper of general circulation as defined by the aforesaid Act, whose place of business is 101 North Sixth Street, City of Allentown, County and State aforesaid, and that the said newspaper was established in 1888 since which date THE MORNING CALL has been regularly issued in said County, and that the printed notice or advertisement attached hereto is exactly the same as was printed and published in regular editions and issues of the said THE MORNING CALL on the following dates, viz.:

July 27th --
and the 3rd day of August A.D. 1987

Affiant further deposes that he is the designated agent duly authorized by THE MORNING CALL, INC., a corporation, publisher of said THE MORNING CALL, a newspaper of general circulation, to verify the foregoing statement under oath, and that affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.

Jonathan E. Best
Controller
Designated Agent, THE MORNING CALL, INC.

SWORN to and subscribed before me this 5th day of August 1987

Marie Busolits
Notary Public

My Commission Expires: MARIE BUSOLITS, NOTARY PUBLIC
ALLENTOWN, LEHIGH COUNTY
MY COMMISSION EXPIRES MAY 13, 1989
Member, Pennsylvania Association of Notaries

PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE MORNING CALL, INC., publisher of THE MORNING CALL, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid notice and publication costs and certifies that the same have been duly paid.

THE MORNING CALL, INC. a Corporation,
Publishers of THE MORNING CALL
A Newspaper of General Circulation

By.....

A-75A

