

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-906
of Arlington Telephone Company,)
Blair, Nebraska, Eastern Nebraska)
Telephone Company, Blair, Nebraska,)
and Hugh W. Hunt, Richard Alan) GRANTED
Hunt, Karen B. Hunt, Bryce W. Hunt,)
David L. Hunt, Daniel E. Hunt, and)
Nathan A. Hunt, Stockholders, for)
approval of the redemption of)
common stock.) Entered: December 3, 1991

By application filed October 15, 1991, Arlington Telephone Company, Blair, Nebraska, Eastern Nebraska Telephone Company, Blair, Nebraska, and Hugh W. Hunt, Richard Alan Hunt, Karen B. Hunt, Bryce W. Hunt, David L. Hunt, Daniel E. Hunt, Nathan A. Hunt, being all of the stockholders of the companies, seek approval for the redemption of common stock of Hugh W. Hunt and Richard Alan Hunt.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. No protest to the application was filed. The application was processed by modified procedure pursuant to Title 291, Chapter 1, Rule 018.03.

OPINION AND FINDINGS

BY THE COMMISSION:

Upon consideration of the application and being fully informed in the premises, the Commission is of the opinion and finds:

1. Applicant, Arlington Telephone Company, is a corporation organized and existing under the laws of the State of Nebraska with its principal place of business at Blair, Nebraska. It is engaged in the telephone business as a common carrier under the jurisdiction of this Commission and furnishes telephone service in Washington County, Nebraska through an exchange located at Arlington, Nebraska.

2. Eastern Nebraska Telephone Company is a corporation organized and existing under the laws of the State of Nebraska with its principal office located in Blair, Nebraska. It is engaged in the telephone business as a common carrier under the jurisdiction of this Commission and furnishes telephone service in Cedar, Madison, Pierce, Thurston and Wayne Counties in Nebraska through exchanges located at Belden, Carroll, Macy, Meadow Grove, Osmond, Rosalie, Walthill and Winnebago.

3. Hugh W. Hunt and Richard Alan Hunt presently each own 44.40% of the issued and outstanding shares of Arlington Telephone Company. Arlington Telephone Company has proposed a redemption of a portion of the shares held by Hugh W. Hunt and Richard Alan Hunt

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by purchasing 1,911 shares of said stock from each of them for the sum of \$422.80 per share.

4. Hugh W. Hunt and Richard Alan Hunt each own 30.70% of the issued and outstanding shares of Eastern Nebraska Telephone Company. Eastern Nebraska Telephone Company has proposed a partial redemption of the current shares of outstanding common stock owned by Hugh W. Hunt and Richard Alan Hunt by purchasing 39 shares of said stock from each of them for the sum of \$8,996.64 per share.

5. The stock thus acquired by Arlington Telephone Company and Eastern Nebraska Telephone Company from Hugh W. Hunt and Richard Alan Hunt shall become treasury stock of each of the companies. Following the proposed redemption of common stock, controlling interest in each of the companies would remain in Hugh W. Hunt and Richard Alan Hunt. Both of the companies propose to redeem said shares of common stock in cash from funds on hand and neither of the companies will be required to borrow funds to accomplish said redemption.

6. All of the stockholders of both companies have approved said redemption. In addition, the U.S. Department of Agriculture, acting through the Rural Electrification Administration, the principal mortgage holder of both of said companies, has approved said proposed redemption.

7. The purchase of a portion of the stock of Hugh W. Hunt and Richard Alan Hunt by each of the companies is at a price per share which is less than the current book value thereof and the redemption is proposed to avoid the possible forced sale of controlling interest in each of the companies in the event of the death of either or both of the majority stockholders.

8. Upon consideration of the application and attending circumstances and being fully advised the Commission is of the opinion and finds that the application is fair and reasonable, is in the public interest and should be granted.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-906 be and is hereby granted and Arlington Telephone Company and Eastern Nebraska Telephone Company are each hereby authorized to redeem a portion of the shares owned by Hugh W. Hunt and Richard Alan Hunt as set forth in the Opinion and Findings herein.

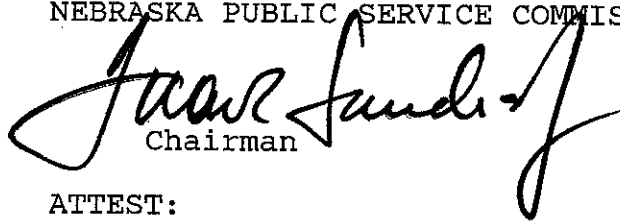
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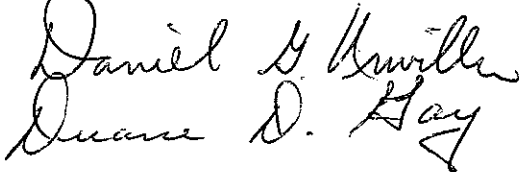

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MADE AND ENTERED at Lincoln, Nebraska this 3rd day of December, 1991.

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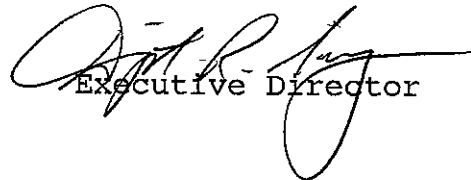

Chairman

COMMISSIONERS CONCURRING:

//s//Frank E. Landis, Jr.
//s//James F. Munnelly
//s//Eric Rasmussen

ATTEST:


Executive Director