

June 5, 2013

Via IBFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

Re: Joint Notification Pursuant to Section 63.24(g) for Transfer of International Section 214 Authorizations from Debtor-In-Possession

Dear Ms. Dortch:

Otelco Inc., Debtor-in-Possession (“Otelco DIP”) and its direct and indirect wholly-owned subsidiaries as described in Section III of this letter (together the “Joint Applicants”), pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), and Section 63.24(g) of the rules of the Federal Communications Commission (“Commission” or “FCC”), 47 C.F.R. § 63.24(g), hereby inform the Commission that on May 24, 2013, the Joint Applicants emerged from bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code. As a result, the Joint Applicants’ international Section 214 authorizations are now under the control of each entity without the debtor-in-possession classification.

In support of this Notification, the Joint Applicants provide the following information:

I. BACKGROUND AND DESCRIPTION OF TRANSACTION – ANSWER TO QUESTION 13

On March 24, 2013, the Joint Applicants each filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware. As a

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result, the Joint Applicants' international Section 214 authorizations were transferred to each entity as debtor-in-possession. On April 19, 2013, the Joint Applicants filed a notification of each involuntary *pro forma* assignment of their international Section 214 authorizations to each entity as debtor-in-possession (File Nos.: ITC-ASG-20130419-00115; ITC-ASG-20130419-00116; ITC-ASG-20130419-00117; ITC-ASG-20130419-00118; ITC-ASG-20130419-00119; ITC-ASG-20130419-00121). On May 6, 2013, the U.S. Bankruptcy Court for the District of Delaware held a hearing on the Joint Prepackaged Plan of Reorganization for Otelco Inc. and Its Affiliated Debtors, filed February 1, 2013 (as amended and supplemented, the "Plan"). The Plan was approved as set forth in Appendix A.¹ Upon receipt of the required regulatory approvals, the Joint Applicants emerged from bankruptcy protection per the Plan on May 24, 2013.² As a result, the international Section 214 authorizations held by the Joint Applicants as debtors-in-possession are now under control of each entity without the debtor-in-possession classification.³ As certified in Section III and explained in Section IV below, the emergence from bankruptcy was *pro forma* and, together with all previous *pro forma* transactions, did not result in a change in the actual controlling party.

¹ *Findings of Fact, Conclusions of Law and Order (A) Approving Prepetition Solicitation Procedures, (B) Approving Adequacy of Disclosure Statement, and (C) Confirming Joint Prepackaged Plan of Reorganization for Otelco Inc. and Its Affiliated Debtors*, dated May 6, 2013 [Docket No. 171], attached as Appendix A.

² Otelco indirect subsidiary I-Land Internet Services LLC filed an application with respect to the emergence from bankruptcy with the Wireless Bureau on May 6, 2013 (File No. 0005767321). The application was granted on May 24, 2013. Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of Licensee Applications, *De Facto* Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Report Number 8722 at 15 (May 29, 2013), available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-321226A1.pdf.

³ The emergence from bankruptcy resulted in a *pro forma* transfer of control of the subsidiaries of Otelco DIP from Otelco Inc., Debtor-in-Possession to Otelco Inc. ("Otelco"). This submission also serves as notice to the Commission of that transfer pursuant to 47 C.F.R. § 63.24(g).

II. DESCRIPTION OF THE APPLICANTS

Through its wholly-owned subsidiaries, Otelco Inc. (“Otelco”)⁴ is a full-service telecommunications provider and offers a wide array of communications services including local exchange, long distance, Internet, broadband services, and cable television in areas of Alabama, Maine, Massachusetts, Missouri, New Hampshire, Vermont, and West Virginia. Otelco is the direct parent of ten LECs serving rural areas of Alabama, Maine, Massachusetts, Missouri, Vermont, and West Virginia; and the direct parent of two CLECs operating in Maine, Massachusetts, and New Hampshire. Otelco is the direct parent of two interexchange carrier (“IXC”) affiliates serving customers in a number of its LEC service areas.⁵ A corporate organization chart of Otelco is provided to the Commission for its convenience at Appendix B.

III. INFORMATION REQUIRED BY SECTION 63.24(F) – ANSWER TO QUESTION 10

Pursuant to Section 63.24(f) of the Commission’s Rules, the Joint Applicants submit the following information, as described in Sections 63.18(a)-(d), (h) and 63.24(f)(2)(ii), in support of this Notification:

63.18(a) Name, address, and telephone number of each Applicant:

DIP Entity Name	Entity Name	Address	Telephone Number
Otelco Inc., Debtor-in-Possession (FRN: 0022618441)	Otelco Inc. (FRN: 0010883189)	505 Third Avenue East Oneonta, AL 35121	(205) 589-6301
Otelco	Otelco	505 Third Avenue East	(205) 589-6301

⁴ While in bankruptcy, all of Otelco’s entities, including the parent company Otelco Inc., were designated as debtors-in-possession, as set forth in the charts that follow.

⁵ Otelco owns 100 percent of Otelco Telecommunications LLC and Communications Design Acquisition LLC, both IXC affiliates.

Telecommunications LLC, Debtor-in-Possession (FRN: 0022618557)	Telecommunications LLC (FRN: 0003741980)	Oneonta, AL 35121	
Mid-Maine TelPlus LLC, Debtor-in-Possession (FRN: 0022618961)	Mid-Maine TelPlus LLC (FRN: 0021454806)	56 Campus Drive New Gloucester, ME 04260	(207) 688-8270
CRC Communications LLC, Debtor-in-Possession (FRN: 0022618987)	CRC Communications LLC (FRN: 0003713906)	56 Campus Drive New Gloucester, ME 04260	(207) 688-8270
Communications Design Acquisition LLC, Debtor-in-Possession (FRN: 0022619050)	Communications Design Acquisition LLC (FRN: 0006362495)	56 Campus Drive New Gloucester, ME 04260	(207) 688-8270
Granby Telephone LLC, Debtor-in-Possession (FRN: 0022619118)	Granby Telephone LLC (FRN: 0003731791)	56 Campus Drive New Gloucester, ME 04260	(207) 688-8270
Shoreham Telephone LLC, Debtor-in-Possession (FRN: 0022619407)	Shoreham Telephone LLC (FRN: 0020820189)	56 Campus Drive New Gloucester, ME 04260	(207) 688-8270

63.18(b) Government, State, or Territory under the laws of which each corporate or partnership applicant is organized

DIP Entity Name	Entity Name	State of Organization
Otelco Inc., Debtor-in-Possession (FRN: 0022618441)	Otelco Inc. (FRN: 0010883189)	Delaware
Otelco Telecommunications LLC, Debtor-in-Possession (FRN: 0022618557)	Otelco Telecommunications LLC (FRN: 0003741980)	Delaware
Mid-Maine TelPlus LLC, Debtor-in-Possession (FRN: 0022618961)	Mid-Maine TelPlus LLC (FRN: 0021454806)	Maine
CRC Communications LLC, Debtor-in-Possession (FRN: 0022618987)	CRC Communications LLC (FRN: 0003713906)	Delaware
Communications Design Acquisition LLC, Debtor-in-	Communications Design Acquisition LLC	Delaware

Possession (FRN: 0022619050)	(FRN: 0006362495)	
Granby Telephone LLC, Debtor-in-Possession (FRN: 0022619118)	Granby Telephone LLC (FRN: 0003731791)	Massachusetts
Shoreham Telephone LLC, Debtor-in-Possession (FRN: 0022619407)	Shoreham Telephone LLC (FRN: 0020820189)	Delaware

63.18(c) Name, title, post office address, and telephone number of the officer and any other contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed

Correspondence concerning this Notification should be addressed to:

Michael G. Jones
Special Counsel
Willkie Farr & Gallagher LLP
1875 K Street, NW
Washington, DC 20006
(202) 303-1141

63.18(d) A statement as to whether the applicant has previously received authority under Section 214 of the Act and, if so, a general description of the categories of facilities and services authorized

DIP Entity Name	Entity Name	ITC File Number	General Description of Categories of Facilities and Services Authorized
Otelco Inc., Debtor-in-Possession (FRN: 0022618441)	Otelco Inc. (FRN: 0010883189)		
Otelco Telecommunications LLC, Debtor-in-Possession (FRN: 0022618557)	Otelco Telecommunications LLC (FRN: 0003741980)	ITC-214-19981211-00879	Global or Limited Global Resale Service
Mid-Maine TelPlus LLC, Debtor-in-Possession (FRN: 0022618961)	Mid-Maine TelPlus LLC (FRN: 0021454806)	ITC-214-19961101-00549	Global Resale Service
CRC Communications	CRC Communications	ITC-214-19980608-00391	Global Facilities-Based/Global Resale

LLC, Debtor-in-Possession (FRN: 0022618987)	LLC (FRN: 0003713906)		Service
		ITC-214-20000807-00468	Global or Limited Global Resale Service
Communications Design Acquisition LLC, Debtor-in-Possession (FRN: 0022619050)	Communications Design Acquisition LLC (FRN: 0006362495)	ITC-214-20020213-00076	Global or Limited Global Facilities-Based AND Resale Service
Granby Telephone LLC, Debtor-in-Possession (FRN: 0022619118)	Granby Telephone LLC (FRN: 0003731791)	ITC-214-20020524-00291	Global or Limited Global Facilities-Based AND Resale Service
Shoreham Telephone LLC, Debtor-in-Possession (FRN: 0022619407)	Shoreham Telephone LLC (FRN: 0020820189)	ITC-214-20110201-00041	Global or Limited Global Resale Service

63.18(h) Name, address, citizenship, and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one percent) – ANSWER TO QUESTION 11

All applicants are wholly-owned subsidiaries of Otelco DIP. See Section II for a description of Otelco DIP. Following emergence from bankruptcy no single shareholder holds ten percent or more of the equity or voting stock of Otelco.

63.24(f)(2)(ii) Certification that the transfer of control or assignment was *pro forma* and that, together with all previous *pro forma* transactions, does not result in a change in the actual controlling party.

The Joint Applicants hereby certify that the transfer of control was *pro forma* and that, together with all previous *pro forma* transactions, does not result in a change in the actual controlling party.

IV. INFORMATION ON OTELCO INC. POST-BANKRUPTCY

The Plan enables the Joint Applicants to reduce their debt leverage and better position the Joint Applicants to compete in the telecommunications and information technology industry.

When Otelco and its direct and indirect wholly-owned subsidiaries emerged post-bankruptcy, all of Otelco's existing equity was cancelled. In its place, 92.5 percent of Otelco's post-bankruptcy equity was issued to the holders of Otelco's senior subordinated notes, 85.5 percent of which was issued to Otelco's pre-bankruptcy equity holders who also held senior subordinated notes. No person or entity holds ten percent or more of post-bankruptcy Otelco's equity. As such, no single shareholder, through voting rights or equity, controls Otelco either before or after the bankruptcy and emergence from bankruptcy. Otelco's post-bankruptcy Board of Directors, like the pre-bankruptcy Board, comprises seven members. The Chief Executive Officer ("CEO"), Michael Weaver, remains as CEO and retains his seat on the Board. The Plan proposed by Otelco provided that three of the other six board members would be re-appointed to their positions on the Board, so a total of four of the seven board members remain in place after emergence from bankruptcy.⁶ As provided in the Plan, three new board members were appointed to Otelco's post-bankruptcy Board.

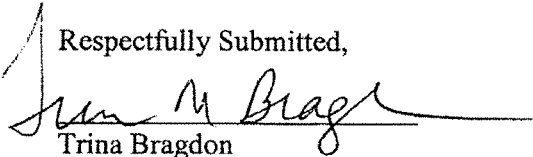
Thus, under the Commission's rules, the corporate reorganization of the Joint Applicants under the Plan and their subsequent emergence from bankruptcy did not involve a change in the Joint Applicants' ultimate ownership or control, and did not involve a substantial change in the ownership or control of Otelco and, therefore, was a *pro forma* transfer of control. That being

⁶ See 47 C.F.R. § 63.03(d); see also 47 C.F.R. § 63.24(d), note 2 ("Corporate reorganization that involves no substantial change in the beneficial ownership of a corporation.").

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the case, this post-bankruptcy filing is made by the Joint Applicants, as required pursuant to 47 C.F.R. §§ 63.24(d) and (f), with the International Bureau.

Respectfully Submitted,



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Dated: June 5, 2013

Appendix A

ORIGINAL

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X
 In re: : Chapter 11
 :
 Otelco Inc., et al.,¹ : Case No. 13-10593 (MFW)
 :
 Debtors. : Jointly Administered
 : **Re: Docket Nos. 11, 14, 15, 114, 115, 160**
 -----X

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER (A) APPROVING PREPETITION SOLICITATION PROCEDURES, (B) APPROVING ADEQUACY OF DISCLOSURE STATEMENT, AND (C) CONFIRMING JOINT PREPACKAGED PLAN OF REORGANIZATION FOR OTELCO INC. AND ITS AFFILIATED DEBTORS

Upon the *Joint Prepackaged Plan of Reorganization for Otelco Inc. and Its Affiliated Debtors*, dated May 6, 2013 (including all exhibits, schedules, appendices, and supplements thereto, and as amended, modified, or supplemented from time to time, the “**Plan**”); the Disclosure Statement for Solicitation of Acceptances of a Prepackaged Plan of Reorganization, dated February 1, 2013 (including any supplements and annexes thereto, the “**Disclosure Statement**”); and upon the motion (the “**Motion**”) of the debtors and debtors in possession in the above-captioned cases (the “**Debtors**”) for entry of (i) an order (the “**Scheduling Order**”) (a) scheduling combined hearing on adequacy of the Disclosure Statement and confirmation of the Plan, (b) establishing procedures for objecting to the Disclosure Statement and Plan, and (c) approving form and manner of notice of combined hearing; and (ii) an order (the “**Confirmation Order**” or this “**Order**”) (a) approving the prepetition

¹ The last four digits of the taxpayer identification numbers of the Debtors follow in parentheses: (i) Otelco Inc. (6395); (ii) Blountsville Telephone LLC (6561); (iii) Brindlee Mountain Telephone LLC (9793); (iv) Communications Design Acquisition LLC (7873); (v) CRC Communications LLC (9369); (vi) Granby Telephone LLC (3490); (vii) Hopper Telecommunications LLC (2708); (viii) I-Land Internet Services LLC (0112); (ix) Mid-Maine Telecom LLC (9925); (x) Mid-Maine Telplus LLC (0180); (xi) Otelco Mid-Missouri LLC (7122); (xii) Otelco Telecommunications LLC (6385); (xiii) Otelco Telephone LLC (6398); (xiv) Pine Tree Telephone LLC (0670); (xv) Saco River Telephone LLC (7377); (xvi) Shoreham Telephone LLC (6940); and (xvii) War Telephone LLC (9858). The Debtors’ executive headquarters’ address is 505 Third Avenue East, Oneonta, AL 35121.

solicitation procedures (the “**Solicitation Procedures**”), (b) approving the adequacy of the Disclosure Statement and (c) confirming the Plan; and upon the entry of the Scheduling Order, dated March 26, 2013, granting, in part, the Motion [Docket No. 43]; and the Court having considered the Debtors’ Memorandum of Law In Support of (I) Confirmation of Joint Plan of Reorganization for Otelco Inc. and Its Affiliated Debtors, (II) Approval of Disclosure Statement with Respect to the Plan and (III) In Response to Objection Thereto (the “**Confirmation Brief**”) [Docket No. 149], the Declaration of Michael D. Weaver, President and Chief Executive Officer of Otelco Inc., In Support of Confirmation of Plan of Reorganization [Docket No. 150] and the Declaration of Avinash D’Souza of Evercore Group L.L.C. In Support of Confirmation of Plan of Reorganization [Docket No. 151]; and upon the (i) testimony, affidavits, declarations and exhibits admitted into evidence at the May 6, 2013 hearing to approve the Solicitation Procedures, approve the adequacy of the Disclosure Statement and confirm the Plan (the “**Combined Hearing**”), (ii) arguments of counsel presented at the Combined Hearing, (iii) the objection and responses filed with respect to the adequacy of the Solicitation Procedures, the approval of the Disclosure Statement and the confirmation of the Plan by certain parties (collectively, the “**Objections**”), and (iv) any pleadings filed in support of confirmation of the Plan; and the Court having taken judicial notice of the docket of these cases maintained by the Clerk of the Court and/or its duly appointed agent; and all pleadings and other documents filed, all orders entered, and evidence and arguments made, proffered or adduced at, and the hearings held before the Court during the pendency of these cases (the “**Reorganization Cases**”); and upon the Court having found that due and proper notice has been given with respect to the Combined Hearing and the deadlines and procedures for filing objections to the Solicitation Procedures, Disclosure Statement and Plan; and upon the appearance of interested parties having been duly noted in the record of the Combined Hearing; and upon the record of the Combined

Hearing and the Reorganization Cases; and after due deliberation thereon, and sufficient cause appearing therefor;

IT IS HEREBY FOUND THAT:²

JURISDICTION AND VENUE

A. The Court has jurisdiction over this matter and these Reorganization Cases pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b), and this Court has exclusive jurisdiction to determine whether the Plan should be confirmed under the applicable provisions of chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**").

FILING OF PLAN

C. On March 24, 2013, the Debtors filed the Plan and Disclosure Statement, attaching thereto forms of the New Senior Secured Credit Facility Agreement, New Stockholders Agreement, Certificate of Incorporation of Otelco Inc., Bylaws of Otelco Inc. and the New Registration Rights Agreement.³ On April 19, 2013, the Debtors filed the list of officers and directors of Reorganized Otelco.⁴

² The findings set forth herein and in the record of the Combined Hearing constitute this Court's findings of fact pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such.

³ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan.

⁴ To the extent that draft documents have been filed with the Court in connection with the Plan, the draft documents will be finalized pursuant to the Plan for execution and delivery.

**ADEQUACY OF DISCLOSURE
STATEMENT AND SOLICITATION PROCEDURES**

D. The Disclosure Statement contains “adequate information” within the meaning of section 1125 of the Bankruptcy Code.

E. The forms of the ballots and master ballots annexed to the Motion as Exhibits B-1, B-2, B-3, B-4, B-5 and B-6 are sufficiently consistent with Official Form No. 14, adequately addressed the particular needs of these prepackaged chapter 11 cases and were appropriate for the classes of claims and interests that were entitled to vote to accept or reject the Plan.

F. The forms of the ballots and master ballots required the furnishing of sufficient information to assure that duplicate ballots were not submitted and tabulated.

G. The Debtors were not required to solicit the votes from holders of Claims in Class 3 (Other Secured Claims), Class 4 (Other Priority Claims) and Class 7 (General Unsecured Claims) because the Plan provides that such classes are unimpaired and, therefore, are conclusively presumed to have accepted the Plan.

H. The Debtors were not required to solicit the votes from holders of Claims in Class 6 (510(b) Subordinated Notes Claims) and holders of Interests in Class 8 (Existing Equity Interests) because the Plan provides that such classes are impaired and shall not receive or retain any property under the Plan and, therefore, are deemed to have rejected the Plan.

I. The voting deadline was reasonable and provided an adequate period of time under the circumstances for creditors to make an informed decision to accept or reject the Plan.

J. The procedures for the solicitation and tabulation of votes to accept or reject the Plan (as more fully set forth in the Motion) provided for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code.

K. The contents of the solicitation package (the “**Solicitation Package**”), containing the Disclosure Statement, the Plan (attached as an exhibit to the Disclosure Statement), and the ballot(s) transmitted to each holder of Class 1 Senior Secured Term Loan Claims, Class 2 Senior Secured Revolving Loan Claims and Class 5 Subordinated Notes Claims entitled to vote on the Plan and the notice of the Combined Hearing, complied with Rules 2002 and 3017 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rules 2002-1 and 3017-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”) and constituted sufficient notice to all interested parties.

**STANDARDS FOR CONFIRMATION UNDER
SECTION 1129 OF THE BANKRUPTCY CODE**

L. Section 1129(a)(1). The Plan complies with each applicable provision of the Bankruptcy Code. In particular, the Plan complies with the requirements of sections 1122 and 1123 of the Bankruptcy Code. Among other things:

1. In accordance with section 1122(a) of the Bankruptcy Code, Article III of the Plan classifies each Claim against and Interest in the Debtors into a Class containing only substantially similar Claims or Interests;
2. In accordance with section 1123(a)(1) of the Bankruptcy Code, Article III of the Plan properly classifies all Claims and Interests that require classification;
3. In accordance with section 1123(a)(2) of the Bankruptcy Code, Article IV of the Plan properly specifies each Class of Claims or Interests that is not impaired under the Plan;

4. In accordance with section 1123(a)(3) of the Bankruptcy Code, Article V of the Plan properly specifies the treatment of each Class of Claims or Interests that is impaired under the Plan;
5. In accordance with section 1123(a)(4) of the Bankruptcy Code, the Plan provides the same treatment for each Claim or Interest of a particular Class unless the holder of such a Claim or Interest agrees to less favorable treatment;
6. In accordance with section 1123(a)(5) of the Bankruptcy Code, the Plan provides adequate means for its implementation, including, without limitation, the provisions regarding the Restructuring Transaction and the post-Effective Date corporate management, governance and actions set forth in Article VII of the Plan;
7. In accordance with section 1123(a)(6) of the Bankruptcy Code, Section 7.2 of the Plan provides that the certificate of incorporation or operating agreement, as applicable, of each Reorganized Debtor shall be amended to contain a provision prohibiting the issuance of non-voting equity securities.
8. In accordance with section 1123(a)(7) of the Bankruptcy Code, the provisions of the Plan and the Reorganized Debtors' amended certificates of incorporation, bylaws or operating agreements, as applicable, regarding the manner of selection of officers and directors of the Reorganized Debtors, including, without limitation, the provisions of Section 7.6 of the Plan, are consistent with the interests of creditors and equity security holders and with public policy;
9. In accordance with section 1123(b)(1) of the Bankruptcy Code, Article IV and Article V of the Plan impair or leave unimpaired, as the case may be, each Class of Claims and Interests;
10. In accordance with section 1123(b)(2) of the Bankruptcy Code, Article IX of the Plan provides for the assumption, assumption and assignment, or rejection of the Debtors' executory contracts and unexpired leases that have not been previously assumed, assumed and assigned or rejected pursuant to section 365 of the Bankruptcy Code and orders of the Court;

11. In accordance with section 1123(b)(3) of the Bankruptcy Code, Section 8.2 of the Plan provides that, except as provided in the Plan or in any contract, instrument, release or other agreement entered into in connection with the Plan or by order of the Bankruptcy Court, the Reorganized Debtors will retain and may enforce any claims, rights and causes of action that the Debtors or the Estates may hold against any entity, to the extent not expressly released under the Plan or by any Final Order of the Court;
12. In accordance with section 1123(b)(3) of the Bankruptcy Code, Section 2.2 of the Plan provides that the treatment of Claims against and Interests in the Debtors under the Plan represents, among other things, the settlement and compromise of certain disputes;
13. In accordance with section 1123(b)(5) of the Bankruptcy Code, Articles IV and V of the Plan modify or leave unaffected, as the case may be, the rights of holders of Claims in each Class of Claims;
14. In accordance with section 1123(b)(6) of the Bankruptcy Code, Articles I, VI, VIII, X, and XI of the Plan include additional appropriate provisions that are not inconsistent with applicable provisions of the Bankruptcy Code; and
15. In accordance with section 1123(d) of the Bankruptcy Code, Section 9.2 of the Plan provides for the satisfaction of Cure Amounts associated with each executory contract and unexpired lease to be assumed pursuant to the Plan in accordance with section 365(b)(1) of the Bankruptcy Code. Cure Amounts will be determined in accordance with the underlying agreements and applicable law.

M. Section 1129(a)(2). The Debtors have complied with all applicable provisions of the Bankruptcy Code with respect to the Plan and the solicitation of acceptances or rejections thereof. In particular, the Plan complies with the requirements of sections 1125 and 1126 of the Bankruptcy Code as follows:

1. All persons entitled to receive notice of the Disclosure Statement, the Plan and the Combined Hearing have received proper, timely and adequate notice in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules (collectively, the "**Applicable Rules**"), and have had an opportunity to appear and be heard with respect thereto.

2. The Debtors solicited votes with respect to the Plan in good faith and in a manner consistent with the Bankruptcy Code and the Applicable Rules. Accordingly, the Exculpated Parties are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and by the exculpation provisions set forth in Section 8.4(e) of the Plan.
3. Claims in Classes 3, 4 and 7 under the Plan are unimpaired, and such Classes are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.
4. The Plan was voted on by all Classes of impaired Claims and Interests that were entitled to vote pursuant to the Bankruptcy Code and the Bankruptcy Rules (i.e., Classes 1, 2 and 5).
5. The Debtors have made a final determination of the validity of, and tabulation with respect to, all acceptances and rejections of the Plan by holders of Claims entitled to vote on the Plan, including the amount and number of accepting and rejecting Claims in Classes 1, 2 and 5 under the Plan.
6. Class 1 has accepted the Plan by at least two-thirds in amount and a majority in number of the Claims in such Class 1 actually voting.
7. Class 2 has accepted the Plan by at least two-thirds in amount and a majority in number of the Claims in such Class 2 actually voting.
8. Class 5 has accepted the Plan by at least two-thirds in amount and a majority in number of the Claims in such Class 5 actually voting.

N. Section 1129(a)(3). The Plan has been proposed in good faith and not by any means forbidden by law. In so finding, the Court has considered the totality of the circumstances in these Reorganization Cases. The Plan is the result of extensive, good faith, arm's-length negotiations among the Debtors and certain of their principal constituencies (including the Senior Secured Credit Facility Lenders, the Senior Secured Credit Facility Agent and each of their representatives), reflects input from principal constituencies having an interest in these cases, and achieves the goal of consensual reorganization embodied by the Bankruptcy Code.

O. Section 1129(a)(4). No payment for services or costs and expenses in or

in connection with these cases, or in connection with the Plan and incident to these cases, has been or will be made by the Debtors, other than payments that have been (or subsequently are) authorized by order of the Court, including, but not limited to, the Final Order (A) Authorizing the Debtors' Use of Cash Collateral Pursuant to Section 363 of the Bankruptcy Code, and (B) Granting Adequate Protection Pursuant to Sections 105, 361, 363 and 507 of the Bankruptcy Code, entered on April 18, 2013 (the "**Final Cash Collateral Order**") [Docket No. 109].

Pursuant to Section 2.5 of the Plan, professionals holding Fee Claims are required to file their final fee applications with the Court no later than forty-five (45) days after the Effective Date (or, if such date is not a Business Day, by the next Business Day thereafter). Pursuant to Section 4.3 of the Plan, and except as otherwise provided herein, all payments to be made to Professional Persons or other entities asserting Fee Claims for services rendered before the Effective Date will be subject to review and approval by this Court.

P. Section 1129(a)(5). The identities and affiliations of the directors and officers of each of the Reorganized Debtors, and the identity and the nature of compensation of insiders that will be employed or retained by the Reorganized Debtors, have been disclosed in the Plan Supplement filed with the Court on April 19, 2013. The appointments to, or continuance in, such offices by the proposed directors and officers is consistent with the interests of holders of Claims and Interests and with public policy.

Q. Section 1129(a)(6). The Plan does not provide for any changes in rates that require regulatory approval of any governmental agency.

R. Section 1129(a)(7). Each holder of an impaired Claim or Interest in each impaired Class of Claims or Interests that has not accepted the Plan will, on account of such Claim or Interest, receive or retain property under the Plan having a value, as of the Effective

Date, that is not less than the amount that such holder would have received or retained if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on the Effective Date.

S. Section 1129(a)(8). The Plan has not been accepted by all impaired Classes of Claims and Interests because, pursuant to section 1126(g) of the Bankruptcy Code, the holders of Claims in Class 6 and holders of Interests in Class 8 are deemed to have rejected the Plan. Nevertheless, the Plan is confirmable under section 1129(b) of the Bankruptcy Code with respect to such non-accepting Classes of Claims and Interests.

T. Section 1129(a)(9). Except to the extent that the holder of a particular Claim has agreed to different treatment, the Plan provides treatment for Administrative Claims, Priority Tax Claims, Fee Claims and Other Priority Claims that is consistent with the requirements of section 1129(a)(9) of the Bankruptcy Code.

U. Section 1129(a)(10). The Plan has been accepted by Classes 1, 4 and 5, determined without including any acceptance of the Plan by any insider in such Classes.

V. Section 1129(a)(11). The Debtors' projections of the capitalization and financial information of the Reorganized Debtors as of the Effective Date are reasonable and made in good faith, and confirmation of the Plan is not likely to be followed by the liquidation or the need for the further financial reorganization of the Debtors.

W. Section 1129(a)(12). The Plan provides that all fees payable pursuant to section 1930 of title 28 of the United States Code due and payable through the Effective Date shall be paid by the Debtors on the Effective Date or as soon as practicable thereafter, and amounts due thereafter shall be paid by each of the applicable Reorganized Debtors in the ordinary course until the earlier of the entry of a final decree closing the applicable Reorganization Case or a Bankruptcy Court order converting or dismissing the applicable Reorganization Case.

X. Section 1129(a)(13). Pursuant to Section 11.5 of the Plan, on and after the Effective Date, in accordance with section 1129(a)(13) of the Bankruptcy Code, each Reorganized Debtor shall continue to pay all retiree benefits (within the meaning of section 1114 of the Bankruptcy Code), if any, at the level established in accordance with section 1114 of the Bankruptcy Code, at any time prior to the Confirmation Date, for the duration of the period for which the Debtor had obligated itself to provide such benefits.

Y. Section 1129(b). The Plan does not “discriminate unfairly” and is “fair and equitable” with respect to Classes 6 and 8, which Classes are impaired and deemed to reject the Plan. The Plan does not discriminate unfairly with respect to such Classes because no similarly situated holders of Claims or Interests are receiving a recovery under the Plan. The Plan is “fair and equitable” with respect to such Classes because (i) no holders of Claims or Interests junior to the Claims and Interests in such Classes will receive or retain property under the Plan on account of such Claims or Interests, and (ii) no senior Class will receive a recovery in excess of 100%.

Z. Section 1129(c). The Plan is the only plan that has been filed in these cases that has been found to satisfy the requirements of subsections (a) and (b) of section 1129 of the Bankruptcy Code. Accordingly, the requirements of section 1129(c) of the Bankruptcy Code have been satisfied.

AA. Section 1129(d). No party in interest, including, but not limited to, any Governmental Unit (as defined in section 101(27) of the Bankruptcy Code), has requested that the Court deny confirmation of the Plan on grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933, and the principal purpose of the Plan is not such avoidance. Accordingly, the Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code.

**DISCHARGE, INDEMNIFICATION,
INJUNCTIONS, RELEASES AND EXCULPATION**

BB. The indemnification, injunction, discharge, release and exculpation provisions set forth in the Plan constitute good-faith compromises and settlements of the matters covered thereby. Such compromises and settlements are made in exchange for consideration and: (i) are in the best interests of the Debtors, their Estates and holders of Claims and Interests; (ii) are fair, equitable and reasonable; and (iii) are integral elements of the restructuring and resolution of the Reorganization Cases in accordance with the Plan. The failure to effect the indemnification, injunction, discharge, exculpation and release provisions described in the Plan would seriously impair the Debtors' ability to confirm the Plan. Each of the discharge, release, indemnification, injunction and exculpation provisions set forth in the Plan:

- (i) is within the jurisdiction of the Court under 28 U.S.C. §§ 1334(a), (b) and (d);
- (ii) is an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code;
- (iii) is an integral element of the settlements and transactions incorporated into the Plan;
- (iv) confers material benefit on, and is in the best interests of, the Debtors, their estates and the holders of Claims and Interests;
- (v) is important to the overall objectives of the Plan to finally resolve all Claims among or against the parties in interest in the Reorganization Cases with respect to the Debtors, their organization, capitalization, operation and reorganization; and
- (vi) is consistent with sections 105, 1123 and 1129 of the Bankruptcy Code and applicable law.

CONDITIONS PRECEDENT

CC. Each of the conditions precedent to the entry of this Order has been satisfied in accordance with Section 10.1 of the Plan or properly waived in accordance with Section 10.3 of the Plan.

DD. The Plan, and all transactions contemplated thereby, complies with all applicable law.

Accordingly, it is hereby

ORDERED, ADJUDGED AND DECREED, that:

1. Pursuant to Bankruptcy Rule 3017(b), the Disclosure Statement is APPROVED as containing adequate information within the meaning of section 1125(a) of the Bankruptcy Code.
2. The Solicitation Procedures, including the procedures for transmittal of the Solicitation Packages, the form of ballots and master ballots, the voting deadline, the voting record date, the procedures for vote tabulation, and the solicitation materials are approved under sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, the Scheduling Order, the local rules of this Court, all other applicable provisions of the Bankruptcy Code, and all other rules, laws, regulations applicable to such solicitation. The solicitation of Classes 1, 2 and 5 complied with the provisions of section 1125(g) of the Bankruptcy Code.
3. The Plan and each of its provisions (whether or not specifically described herein) are CONFIRMED, pursuant to section 1129 of the Bankruptcy Code.
4. Any Objections or responses to confirmation of the Plan and the reservation of rights contained therein that (a) have not been withdrawn, waived or settled prior to the entry of this Order, or (b) are not cured by the relief granted herein, are hereby OVERRULED in their entirety and on their merits, and all withdrawn objections or responses are hereby deemed withdrawn with prejudice.

A. Approval of Releases

5. The releases set forth in Sections 8.4(b) and (c) of the Plan are approved pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, are so ordered and shall be immediately effective on the Effective Date of the Plan without further order or action on the part of the Court, any of the parties to such releases or any other party.

6. All Persons releasing claims pursuant to Section 8.4(b) or (c) of the Plan are permanently enjoined from and after the Confirmation Date from taking any actions referred to in clauses (i) through (vi) of Section 8.4(d) of the Plan against any party with respect to any claim released pursuant to Sections 8.4(b) or (c) of the Plan.

7. With respect to a Released Party that is a non-Debtor, nothing in this Order or the Plan shall effect a release of any claim by the United States government or any of its agencies whatsoever, including without limitation, any claim arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States against such Released Party, nor shall anything in this Order or the Plan enjoin the United States from bringing any claim, suit, action or other proceeding against such Released Party for any liability whatever, including without limitation, any claim, suit or action arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States, nor shall anything in this Order or the Plan exculpate any non-Debtor party from any liability to the United States Government or any of its agencies, including any liabilities arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States against such Released Party.

8. With respect to a Released Party that is a non-Debtor, nothing in this Order or the Plan shall effect a release of any claim by any state or local authority (except to the extent permissible under applicable law) whatsoever, including without limitation, any claim

arising under the environmental laws or any criminal laws of any state or local authority against any Released Party that is a non-Debtor, nor shall anything in this Order or the Plan enjoin any state or local authority from bringing any claim, suit, action or other proceeding against any Released Party that is a non-Debtor for any liability whatever, including without limitation, any claim, suit or action arising under the environmental laws or any criminal laws of any state or local authority, nor shall anything in this Order or the Plan exculpate any party from any liability to any state or local authority whatsoever, including any liabilities arising under the environmental laws or any criminal laws of any state or local authority against any Released Party that is a non-Debtor. As to any state or local authority, nothing in the Plan or this Order shall discharge, release, or otherwise preclude any valid right of setoff or recoupment.

9. As to the United States, its agencies, departments or agents, nothing in the Plan or this Order shall discharge, release, or otherwise preclude: (i) any liability of the Debtors or Reorganized Debtors arising on or after the Effective Date; or (ii) any valid right of setoff or recoupment. Furthermore, nothing in the Plan or this Order: (w) discharges, releases, or precludes any environmental liability that is not a claim (as that term is defined in the Bankruptcy Code), or any environmental claim (as the term "claim" is defined in the Bankruptcy Code) of a governmental unit that arises on or after the Effective Date; (x) releases the Debtors or the Reorganized Debtors from any non-dischargeable liability under environmental law as the owner or operator of property that such persons own or operate after the Effective Date; (y) releases or precludes any environmental liability to a governmental unit on the part of any Persons other than the Debtors and Reorganized Debtors; or (z) enjoins a governmental unit from asserting or enforcing outside this Court any liability described in this paragraph.

10. Nothing in the Plan or this Order shall (i) effect a release, discharge or otherwise preclude any claim whatsoever against any Debtor or Reorganized Debtor by or on behalf of USAC, including, without limitation, any claims (w) arising under 47 C.F.R. Part 54, (x) relating to audits that may be performed by USAC to examine any Debtors' or Reorganized Debtors' compliance with universal service support program eligibility requirements, to confirm the accuracy of any Debtors' or Reorganized Debtors' data submissions and to review any Debtors' or Reorganized Debtors' overall compliance with program rules promulgated by the FCC, (y) for setoff or recoupment, and/or (z) resulting from or relating to orders issued by the FCC (collectively, "**USAC Claims**"), (ii) enjoin USAC from bringing any suit, action, claim or other proceeding against any Debtor and/or Reorganized Debtor for any liability whatsoever, including, without limitation, any liability arising from the USAC Claims, (iii) exculpate any Debtor or Reorganized Debtor from any liability to USAC whatsoever, including, without limitation, any liability arising from any USAC Claim.

B. Approval of Injunction

11. The injunctions set forth in Sections 8.4(d) and (f) of the Plan are approved; provided, however, that nothing contained herein shall preclude any Person from exercising its rights, or obtaining benefits, directly and expressly provided to such entity pursuant to and consistent with the terms of the Plan, the Plan Supplement and the contracts, instruments, releases, agreements and documents delivered in connection with the Plan.

C. Approval of Exculpation

12. The exculpation set forth in Section 8.4(e) of the Plan is approved. The commencement or prosecution by any person or entity, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights,

Causes of Action or liabilities released pursuant to Section 8.4(e) of the Plan is hereby permanently enjoined.

D. Approval of Settlements

13. The settlement and compromise of certain disputes embodied in the treatment of Claims against and Interests in the Debtors under Section 2.2 of the Plan is fair and equitable and in the best interests of the Debtors and creditors in accordance with Bankruptcy Rule 9019.

E. Approval of Certain Corporate Actions

14. The Debtors are authorized to take, subject to the consent of the Senior Secured Credit Facility Agent and the Required Lenders, on or prior to the Effective Date, such actions necessary or desirable to modify the corporate structure of the Debtors, including, without limitation, the adoption of any new or amended and restated operating agreements, certificates of incorporation and by-laws of each Reorganized Debtor, and the issuance of New Common Stock and any instruments required to be issued under the Plan, to undertake, consummate and execute and deliver any documents relating to the Restructuring Transaction.

F. Order Binding on All Parties

15. In accordance with section 1141(a) of the Bankruptcy Code and Section 11.7 of the Plan, and notwithstanding any otherwise applicable law, upon the occurrence of the Effective Date, the terms of the Plan and this Order shall be binding upon, and inure to the benefit of, the Debtors, all holders of Claims and Interests, and their respective successors and assigns.

G. Vesting and Transfer of Assets

16. On the Effective Date, except as otherwise provided in the Plan, (including Sections 5.1 and 8.2 thereof), or this Order, all property of the Estates of the Debtors,

including all claims, rights and causes of action, and any property acquired by the Debtors under or in connection with the Plan, shall vest in each respective Reorganized Debtor free and clear of all Claims, liens, charges, other encumbrances and Interests (except for the liens and security interests that secure the New Senior Secured Credit Facility Agreement and the New Senior Secured Credit Facility).

H. Approval of Discharge of Claims and Termination of Interests

17. The discharge provisions as set forth in Section 8.1 of the Plan are approved, are so ordered and shall be immediately effective on the Effective Date without further order or action on the part of the Court or any other party.

18. Except as otherwise provided in the Plan or this Order, in accordance with section 1141(d)(1) of the Bankruptcy Code, entry of this Order acts as a discharge, effective as of the Effective Date, of all debts of, Claims against, liens on, and Interests in the Debtors, their assets or properties (other than Reinstated Claims), which debts, Claims, liens, and Interests arose at any time before the entry of this Order. The discharge of the Debtors shall be effective as to each Claim, regardless of whether a proof of claim therefor was filed, whether the Claim is or becomes an Allowed Claim or whether the holder thereof voted to accept the Plan. On the Effective Date, as to every discharged Claim and Interest, any holder of such Claim or Interest shall be precluded from asserting against the Debtors, the Reorganized Debtors or the assets or properties of any of them, any other or further Claim or Interest based upon any document, instrument, act, omission, transaction or other activity of any kind or nature that occurred before the Confirmation Date.

I. Survival of Corporate Indemnities

19. Subject to Section 8.3 of the Plan, all claims for indemnification described in Section 8.3 of the Plan shall (a) survive confirmation of the Plan and the Effective Date unaffected, and (b) become obligations of the Reorganized Debtors.

J. Exemption From Securities Laws

20. The issuance of New Common Stock pursuant to the Plan (including the stock options issued under the Management Equity Plan) shall be exempt from any securities laws registration requirements to the fullest extent permitted by section 1145 of the Bankruptcy Code.

K. Exemption From Certain Transfer Taxes

21. To the fullest extent permitted by applicable law, all sale transactions consummated by the Debtors and approved by the Bankruptcy Court on and after the Confirmation Date through and including the Effective Date, including any transfers effectuated under the Plan, the sale by the Debtors of any owned property pursuant to section 363(b) or 1123(b)(4) of the Bankruptcy Code, any assumption, assignment, and/or sale by the Debtors of their interests in unexpired leases of non-residential real property or executory contracts pursuant to section 365(a) of the Bankruptcy Code, and the creation, modification, consolidation or recording of any mortgage or security interest pursuant to the terms of the Plan, the New Senior Secured Credit Facility Agreement or ancillary documents, shall constitute a “transfer under a plan” within the purview of section 1146 of the Bankruptcy Code, and shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax. This Order is and shall be binding upon and shall govern the acts of all entities, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental

departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required, by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any document or instrument.

L. Executory Contracts and Unexpired Leases

22. Subject to Section 9.1(b) of the Plan, this Order shall constitute an order of the Bankruptcy Court approving the assumption of executory contracts pursuant to sections 365 and 1123 of the Bankruptcy Code, and such assumption shall be deemed effective as of the Effective Date.

23. Subject to the occurrence of the Effective Date, the Debtors are authorized to assume and assign executory contracts or unexpired leases in accordance with Article IX of the Plan and orders of this Court. Each executory contract and unexpired lease assumed pursuant to Section 9.1 of the Plan shall revest in and be fully enforceable by the applicable Reorganized Debtor in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption or applicable federal law. Any order entered after the Confirmation Date by the Bankruptcy Court, after notice and a hearing, authorizing the rejection of an executory contract or unexpired lease shall cause such rejection to be a prepetition breach under sections 365(g) and 502(g) of the Bankruptcy Code, as if such relief was granted and such order was entered prior to the Confirmation Date.

24. Except as specifically set forth in the Plan, as of and subject to the occurrence of the Effective Date and to the payment either in the ordinary course or on such other terms as agreed to by the Debtors or Reorganized Debtors and the non-Debtor party to any executory contract or unexpired lease of the applicable amount required to cure any monetary defaults arising under such executory contract or unexpired lease to be assumed

pursuant to the Plan, all executory contracts and unexpired leases to which any Debtor is a party shall constitute Reinstated Claims assumed by the Debtors and assigned to the Reorganized Debtors pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code.

M. Fee Claims

25. Except as otherwise provided in Section 2.5 of the Plan, all proofs or applications for payment of Fee Claims must be filed with the Bankruptcy Court by the date that is forty-five (45) days after the Effective Date (or, if such date is not a Business Day, by the next Business Day thereafter). Any Person that fails to file such a proof of Claim or application on or before such date shall be forever barred from asserting such Claim against the Debtors, the Reorganized Debtors or their property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset or recover such Claim.

26. Pursuant to Section 2.5 of the Plan, objections to Fee Claims must be filed with the Bankruptcy Court and served on the Reorganized Debtors and the affected Professional Person no later than sixty-five (65) days after the Effective Date.

N. Distribution Record Date

27. The record date for determining the holders of Claims or Interests entitled to receive Distributions under the Plan, including the Subordinated Notes Equity Distribution, shall be the close of business on the Effective Date (the “**Distribution Record Date**”). Except as otherwise provided by a Final Order of this Court, the transferees of Claims or Interests that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Distribution Record Date will be treated as the holders of those Claims or Interests for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer may not have

expired as of the Distribution Record Date. The Reorganized Debtors shall have no obligation to recognize any transfer of any Claim or Interest occurring after the Distribution Record Date.

O. Plan Implementation

28. This Order establishes conclusive corporate or other authority, and evidence of such corporate or other authority, required for each of the Debtors and the Reorganized Debtors to undertake any and all acts and actions required to implement or contemplated by the Plan, including without limitation, the specific acts or actions or documents or instruments identified in Section 7.2 of the Plan, and no board, member or shareholder vote shall be required with respect thereto.

29. In accordance with section 1142 of the Bankruptcy Code, section 303 of the Delaware General Corporation Law and any comparable provisions of the business corporation or similar law of any other state (collectively, the “**Reorganization Effectuation Statutes**”), but subject to the fulfillment or waiver of all conditions precedent listed in Section 10.2 of the Plan, without further action by the Court or the stockholders, managers or directors of any Debtor or Reorganized Debtor, the Debtors, the Reorganized Debtors, and the chief executive officer, the chief financial officer, any vice president and the secretary (each, a “**Designated Officer**”) of the appropriate Debtor or Reorganized Debtor, are authorized to:

(a) take any and all actions necessary or appropriate to implement, effectuate and consummate the Plan, this Order or the transactions contemplated thereby or hereby, including, without limitation, those transactions identified in Article VII of the Plan and the payment of any taxes owing in respect of distributions under the Plan; and (b) execute and deliver, adopt or amend, as the case may be, any contracts, instruments, releases, agreements and documents necessary to implement, effectuate and consummate the Plan, including the Plan Documents.

30. Without in any way limiting the general nature of the foregoing, each Designated Officer of the Debtors and the Reorganized Debtors, as applicable, is authorized to negotiate, execute and deliver such agreements, documents and instruments (including, without limitation, loan and security agreements, mortgages, UCC-1 financing statements and other items) as may be necessary or advisable in connection with the closing of the New Senior Secured Credit Facility Agreement.

31. On the Effective Date, without any further action by the Court or the directors, officers or stockholders of any Reorganized Debtor, each Reorganized Debtor shall be, and hereby is, authorized to enter into the New Senior Secured Credit Facility Agreement and to perform its obligations thereunder and the terms of such agreement is hereby approved. In addition, on the Effective Date, without any further action by the Court or the directors, officers or stockholders of any Reorganized Debtor, each Reorganized Debtor that becomes a party thereto, as guarantor, shall be, and hereby is, authorized to enter into the guarantee and security agreements with respect to the New Senior Secured Credit Facility Agreement (the **“Guarantee and Collateral Agreements”**).

32. The guaranties, mortgages, pledges, liens and other security interests granted pursuant to the New Senior Secured Credit Facility Agreement, the Guarantee and Collateral Agreements and all other related credit agreements are granted in good faith as an inducement to provide credit thereunder and shall be, and hereby are, deemed not to constitute a fraudulent conveyance or fraudulent transfer, shall not otherwise be subject to avoidance, and the priorities of such liens and security interests shall be as set forth in the definitive documentation executed in connection with the New Senior Secured Credit Facility Agreement, the Guarantee and Collateral Agreements and all other related loan documents. The liens and security interests that secure the Senior Secured Credit Facility shall be perfected and shall

continue to secure the New Senior Secured Credit Facility, subject only to such liens and security interests as may be permitted under the New Senior Secured Credit Facility Agreement. Notwithstanding anything to the contrary in this Order or the Plan, the Court's retention of jurisdiction shall not govern the enforcement or interpretation of the loan documentation executed in connection with the New Senior Secured Credit Facility Agreement, the Guarantee and Collateral Agreements and all other related credit agreements or any rights or remedies related thereto.

33. To the extent that, under applicable non-bankruptcy law, any of the actions necessary or appropriate to implement, effectuate and consummate the Plan, this Order or the transactions contemplated hereby or thereby would otherwise require the consent or approval of the stockholders or directors of any of the Debtors or Reorganized Debtors, this Order shall, pursuant to section 1142 of the Bankruptcy Code and the Reorganization Effectuation Statutes, constitute such consent or approval, and such actions are deemed to have been taken by unanimous action of the directors and stockholders of the appropriate Debtors or Reorganized Debtors.

34. Each and every federal, state, and local government agency is hereby directed and authorized to accept any and all documents and instruments necessary, useful, or appropriate (including Uniform Commercial Code financing statements, mortgages, deeds of trusts, indemnity deeds of trusts and any other security documents) to effectuate, implement, and consummate the transactions contemplated by the Plan and this Order, without payment of any stamp, real estate transfer, mortgage recording, or other similar tax imposed by state or local law.

35. The consummation of the Plan, including the assumption of any executory contract or unexpired lease by the Reorganized Debtors, shall not constitute a change in

ownership or change in control under any employee benefit plan or program, financial instrument, loan or financing agreement, executory contract or unexpired lease or contract, lease or agreement in existence on the Effective Date to which any Debtor is a party.

36. Following the entry of this Order and through the Effective Date, without any further action by the Court or the directors, officers or stockholders of any Debtor, each Debtor shall be, and hereby is, authorized to amend the Plan Documents with the consent of the Senior Secured Credit Facility Agent and the Required Lenders.

P. Cancellation of Stock / Instruments

37. The Existing Equity Interests, the Existing Income Deposit Securities, the Subordinated Notes (each including any related credit agreement, indenture, security and guaranty agreements, interest rate agreements and commodity hedging agreements) and any other note, bond, indenture or other instrument or document evidencing or creating any indebtedness or obligation of the Debtors, other than an Intercompany Interest or the Senior Secured Credit Facility, and any rights of any holder in respect thereof, shall be deemed automatically cancelled and discharged on the Effective Date without further action by the Debtors, the Senior Secured Credit Facility Agent, the Senior Secured Credit Facility Lenders, the holders of the Subordinated Notes or the Subordinated Notes Trustee, provided, however, the Subordinated Notes and Subordinated Notes Indenture shall continue in effect solely for purposes of (i) allowing the holders of Allowed Subordinated Notes Claims to receive the Subordinated Notes Equity Distribution, (ii) allowing the Subordinated Notes Trustee to make the Distributions to be made on account of the Subordinated Notes, and (iii) permitting the Subordinated Notes Trustee to (x) receive payment of the Subordinated Notes Trustee Fee, and (y) assert its Subordinated Notes Trustee Charging Lien for payment of any unpaid portion of the Subordinated Notes Trustee Fee; provided further that the Senior Secured Credit Facility

Agreement shall continue in effect for purposes of allowing the Senior Secured Credit Facility Agent to make Distributions to be made on account of the Senior Secured Term Loan Claims and Senior Secured Revolving Loan Claims, shall be amended and restated pursuant to the New Senior Secured Credit Facility and the liens and security interests securing the Senior Secured Credit Facility shall continue to secure the New Senior Secured Credit Facility subject only to liens permitted under the Senior Secured Credit Facility.

Q. Stay of Confirmation Order Waived

38. Notwithstanding the provisions of Federal Rule of Civil Procedure 62, as applicable pursuant to Bankruptcy Rule 7062, and Bankruptcy Rule 3020(e), the Debtors are authorized to consummate the Plan immediately upon entry of this Order. The period in which an appeal with respect to this Order must be filed shall commence immediately upon the entry of this Order.

R. Binding Effect of Prior Orders

39. Pursuant to section 1141 of the Bankruptcy Code, effective as of and subject to the occurrence of the Effective Date, and subject to the terms of the Plan and this Order, all prior orders entered in the Reorganization Cases, all documents and agreements executed by the Debtors as authorized and directed thereunder, and all motions or requests for relief by the Debtors pending before the Court as of the Effective Date shall be binding upon and shall inure to the benefit of the Debtors, the Reorganized Debtors and their respective successors and assigns.

S. Notice of Confirmation of the Plan

40. Pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c)(2), the Debtors or the Reorganized Debtors are directed to serve a notice of the entry of this Order, substantially in the form of Appendix II attached hereto and incorporated herein by reference (the "**Notice of**

Confirmation”), on all parties that received notice of the Combined Hearing, no later than five (5) Business Days after the Effective Date; provided, however, that the Debtors or the Reorganized Debtors shall be obligated to serve the Notice of Confirmation only on the record holders of Claims or Interests as of the Confirmation Date. The Debtors are directed to publish the Notice of Confirmation once in *The New York Times* (National Edition) no later than twenty (20) Business Days after the Effective Date. As soon as reasonably practicable after the entry of this Order, the Debtors shall also make copies of this Order and the Notice of Confirmation available on their reorganization website at <http://www.kccllc.net/Otelco>.

T. Miscellaneous Provisions

41. After the entry of this Order, subject to Section 11.6(b) of the Plan, the Debtors may modify the Plan to remedy any defect or omission or to reconcile any inconsistencies in the Plan or in the Confirmation Order, as may be necessary to carry out the purposes and effects of the Plan; provided that any such modification is consistent with the terms of the Plan Support Agreement; provided further that the Debtors obtain approval of the Bankruptcy Court for such modification, after notice and a hearing. Any waiver under Section 10.3 of the Plan or corrections due to scrivener’s errors shall not be considered to be a modification of the Plan.

42. After the Confirmation Date and before substantial consummation of the Plan, the Debtors may, subject to Section 11.6(c) of the Plan, modify the Plan in a way that materially and adversely affects the interests, rights, treatment, or Distributions of a Class of Claims or Interests; provided that any such modification is consistent with the terms of the Plan Support Agreement; provided further that (i) the Plan, as modified, meets applicable Bankruptcy Code requirements; (ii) the Debtors obtain Court approval for such modification, after notice and a hearing; (iii) such modification is accepted by the holders of at least two-

thirds in amount, and more than one-half in number, of Allowed Claims or Interests voting in each Class affected by such modification; and (iv) the Debtors comply with section 1125 of the Bankruptcy Code with respect to the Plan as modified.

43. On the Effective Date, the engagement of each Professional Person retained by the Debtors shall be terminated without further order of the Bankruptcy Court or act of the parties; provided, however, (a) such Professional Persons shall be entitled to prosecute their respective Fee Claims and represent their respective constituents with respect to applications for payment of such Fee Claims, and (b) nothing herein shall prevent the Reorganized Debtors from retaining any such Professional Person on or after the Effective Date, which retention shall not require Bankruptcy Court approval.

44. The periods specified in paragraph 15 of the Final Cash Collateral Order for the commencement of any challenge to (a) the validity, extent, priority, or perfection of the mortgage, security interests, and liens of the Senior Secured Credit Facility Agent with respect to the Prepetition Collateral (as defined in the Final Cash Collateral Order), or (b) the validity, allowability, priority, fully-secured status or amount of the Prepetition Obligations (as defined in the Final Cash Collateral Order) evidenced by the Senior Secured Credit Facility Agreement and all related loan and security documents are hereby terminated by this Order and no challenges may be brought subsequent to the date of entry of this Order.

45. Failure specifically to include or reference particular sections or provisions of the Plan or any related agreement in this Order shall not diminish or impair the effectiveness of such sections or provisions, it being the intent of the Court that the Plan be confirmed and such related agreements be approved in their entirety.

46. Any document related to the Plan that refers to a plan of reorganization of the Debtors other than the Plan confirmed by this Order shall be, and hereby is, deemed to be

modified such that the reference to a plan of reorganization of the Debtors in such document shall mean the Plan confirmed by this Order, as appropriate.

47. In the event of a conflict between the terms and conditions of the Plan and the Disclosure Statement or any other agreement entered into between the Debtors and any other party, the terms and conditions of the Plan shall govern and control. In the event of a conflict between the terms and conditions of the Plan and this Confirmation Order, the terms and provisions contained in this Confirmation Order shall govern and control.

48. If each of the conditions to confirmation and consummation of the Plan and the occurrence of the Effective Date has not been satisfied or duly waived on or before the first Business Day that is more than sixty (60) days after the date of this Order, or by such later date as is proposed by the Debtors, as provided in Section 10.4 of the Plan, this Order may be vacated by this Court, after notice and a hearing, upon motion by any party in interest made before the time that each of the conditions specified in Section 10.2 of the Plan has been satisfied or duly waived; provided, however, that notwithstanding the filing of such a motion, the Confirmation Order shall not be vacated if each of the conditions to consummation is either satisfied or duly waived before the Bankruptcy Court enters an order granting the relief requested in such motion. If the Confirmation Order is vacated pursuant to Section 10.4 of the Plan, the Plan shall be null and void in all respects, and nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims against or Interests in the Debtors or by the Debtors; or (b) prejudice in any manner the rights of the Debtors, including (without limitation) the right to seek a further extension of the exclusive periods to file and solicit votes with respect to a plan under section 1121(d) of the Bankruptcy Code.

49. As of the Effective Date, the Reorganized Debtors may operate each of their respective businesses and use, acquire, and settle and compromise claims or interests

without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and this Order.

50. Except as otherwise provided in the Plan, or in any contract, instrument, release or other agreement entered into in connection with the Plan or by order of the Bankruptcy Court, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce any claims, rights and causes of action that the Debtors or the Estates may hold.

51. Notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order (i) will prejudice any of the rights, claims or defenses of the Debtors or the Debtors' insurers ("**Insurers**") and sureties ("**Sureties**") under any insurance policies under which the Debtors seek coverage (the "**Policies**"), any surety bonds issued by Sureties at the request of the Debtors (the "**Bonds**") and any agreements related to the Policies and/or Bonds, including but not limited to agreements of indemnity and letters of credit (together, with the Policies and Bonds, the "**Insurance Agreements**"); (ii) will modify any of the terms, conditions, limitations and/or exclusions contained in the Insurance Agreements which shall remain in full force and effect; (iii) shall be deemed to create any insurance coverage that does not otherwise exist, if at all, under the terms of the Insurance Agreements, or create any right of action against the Insurers and/or Sureties that does not otherwise exist under applicable non-bankruptcy law; (iv) shall be deemed to prejudice any of the Debtors', the Insurers' and/or Sureties' rights and/or defenses in any pending or subsequent litigation in which the Insurers, Sureties or Debtors may seek any declaration regarding the nature and/or extent of any insurance coverage under the Insurance Agreements; (v) shall be deemed to alter the continuing duties and obligations of any insured, principal and/or indemnitor under the Insurance Agreements (including the issuer of any letter of credit); or (vi) shall be construed as

an acknowledgement that the Insurance Agreements cover or otherwise apply to any claims or that any claims are eligible for payment under any of the Insurance Agreements.

52. No provision in the Plan or this Order relieves the reorganized Debtor from its obligations to comply with the Communications Act of 1934, as amended, and the rules, regulations and orders promulgated thereunder by the Federal Communications Commission ("**FCC**"). No transfer of control to the Reorganized Debtors of any federal license or authorization issued by the FCC shall take place prior to the issuance of FCC regulatory approval for such transfer of control pursuant to applicable FCC regulations. The FCC's rights and powers to take any action pursuant to its regulatory authority over the transfer of control to the Reorganized Debtors, including, but not limited to, imposing any regulatory conditions on such transfer, are fully preserved, and nothing herein shall proscribe or constrain the FCC's exercise of such power or authority.

53. Notwithstanding any provision to the contrary in the Plan, this Order, and any implementing Plan documents (collectively, "**Documents**"), nothing shall: (i) affect the ability of the Internal Revenue Service ("**IRS**") to pursue any non-debtors to the extent allowed by non-bankruptcy law for any liabilities that may be related to any federal tax liabilities owed by the Debtors or the Debtors' Estates; (ii) affect the rights of the IRS to assert setoff and recoupment and such rights are expressly preserved; (iii) discharge any claim of the IRS described in 11 U.S.C. Section 1141(d)(6); or (iv) pursuant to Article I, Section 1.4 of the Plan, reduce through setoff any IRS claim unless the Debtors and the IRS agree to such setoff or unless ordered by a court of competent jurisdiction. The Bankruptcy Court may retain jurisdiction, but not exclusive jurisdiction, over IRS claims and issues arising therefrom to the extent allowed by non-bankruptcy law. The Debtors and the Reorganized Debtors agree that the IRS will not be bound by the characterizations in Section 7.16 of the Plan, for tax purposes,

of any transaction as set forth in the Documents and they further agree to comply with the provisions of the Internal Revenue Code. Moreover, nothing in the Documents shall: (i) effect a release, discharge or otherwise preclude any claim whatsoever against any Debtors or Reorganized Debtors by or on behalf of the IRS arising out of any unfiled pre-petition tax return or any pending audit or audit which may be performed with respect to any pre-petition tax return; and (ii) nothing shall enjoin the IRS from amending any claim against any Debtors or Reorganized Debtors with respect to any tax liability arising as a result of the filing of an unfiled return or a pending audit or audit which may be performed with respect to any pre-petition or administrative tax return. Further, any liability arising as a result of an unfiled return or final resolution of a pending audit or audit which may be performed with respect to any pre-petition tax return shall be paid in accordance with 11 U.S.C. Sections 1129(a)(9)(A) and (C).

54. Nothing in the Plan, Disclosure Statement, or this Order shall affect (i) reorganized Blountsville Telephone LLC's status as a Participating System under the terms of the adoption agreement in the Retirement & Security Program For Employees of the National Telecommunications Cooperative Association And Its Member Systems (the "**Pension Plan**"); (ii) any requirement that reorganized Blountsville Telephone LLC satisfy the minimum funding standards pursuant to 26 U.S.C. § 413(c)(4) and 29 U.S.C. § 1060; (iii) reorganized Blountsville Telephone LLC's liability for the payment of Pension Benefit Guaranty Corporation ("**PBGC**") premiums in accordance with Title IV of ERISA; or (iv) any requirement that reorganized Blountsville Telephone LLC administer the Pension Plan in accordance with the provisions of ERISA and the Internal Revenue Code. Notwithstanding any provision of the Plan or the Confirmation Order to the contrary, nothing in the Plan or the Confirmation Order shall affect any requirement that the Pension Plan be continued and administered in accordance with ERISA and the Internal Revenue Code.

55. The Plan shall not release, discharge, or exculpate the Debtors, the Reorganized Debtors and applicable non-debtors from any debt owed to the Pension Plan or the PBGC, or from any liability arising under ERISA or the Internal Revenue Code, if any. In addition, notwithstanding Article VI, Section 6.9 of the Disclosure Statement and Article VIII, Section 8.4 of the Plan, the Plan shall not enjoin or prevent the Pension Plan or the PBGC from collecting any such liability from the Debtors, the Reorganized Debtors or non-debtor parties, if otherwise allowed under the provisions of applicable law.

56. The businesses and assets of the Debtors shall remain subject to the jurisdiction of this Court until the Effective Date. Notwithstanding the entry of this Order, from and after the Effective Date, the Court shall retain such jurisdiction as is legally permissible, including jurisdiction over those matters and issues described in Section 11.1 of the Plan.

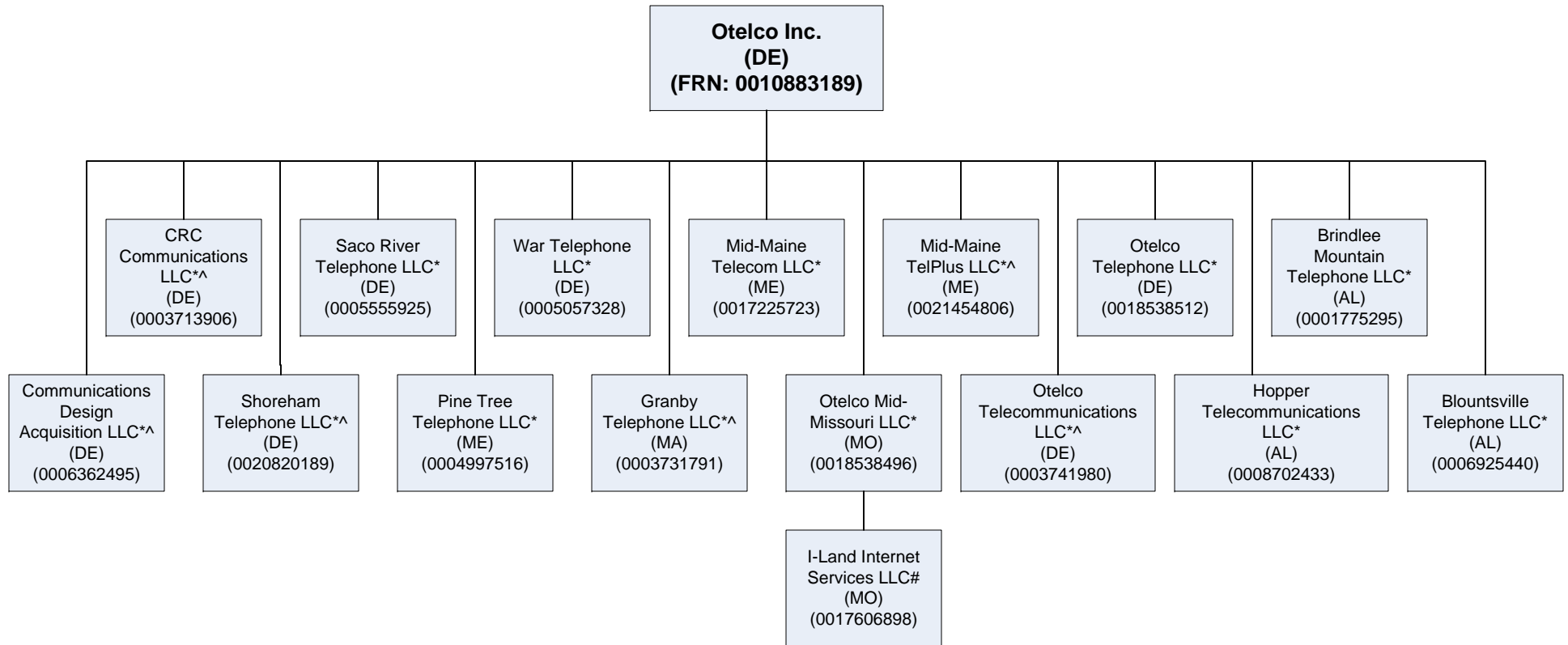
Dated: May 6, 2013
Wilmington, Delaware



HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

Appendix B

Otelco Inc. FCC Section 214 Authorization and Licensee Organization Chart



Legend

(DE) – State of Organization
 FRN – FCC Registration Number
 * - Domestic 214 Authorization
 ^ - International 214 Authorization
 # - Wireless Licensee