

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

Certification Requirements BTOP

**U.S. Department of Commerce
Broadband Technology Opportunities Program**

(i) I certify that I am authorized to submit this grant application on behalf of the eligible entity(ies) listed on this application, that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. § 1001 and civil violations of the False Claims Act.

(ii) I certify that the entity(ies) I represent have and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

(iii) If requesting BTOP funding, I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the DOC Pre-Award Notification, published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); DOC American Recovery and Reinvestment Act Award Terms (April 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award."

8-10-09

(Date)

D. Scott Sherman
(Authorized Representative's Signature)

D. Scott Sherman

Name:

General Manager

Title:

CERTIFICATION REGARDING LOBBYING LOWER TIER COVERED TRANSACTIONS

Applicants should review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, "New Restrictions on Lobbying."

LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

In any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

NAME OF APPLICANT

Hardy Telecommunications, Inc.

AWARD NUMBER AND/OR PROJECT NAME

Hardy Anchor Ring

PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

D. Scott Sherman, General Manager

SIGNATURE

D. Scott Sherman

DATE

08/12/09

CERTIFICATION REGARDING LOBBYING

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- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
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NAME OF APPLICANT	AWARD NUMBER AND/OR PROJECT NAME
Hardy Telecommunications, Inc.	Hardy Anchor Ring
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
D. Scott Sherman, General Manager	
SIGNATURE	DATE
<i>D. Scott Sherman</i>	08/12/09

Certification Requirements for BTOP

U.S. Department of Commerce
Broadband Technology Opportunities Program

I certify that I am the duly authorized representative of the applicant organization, and that I have been authorized to submit the attached application on its behalf. A copy of the applicant organization's authorization for me to submit this application as its official representative is on file in the applicant's office, and I am identified as the applicant organization's Authorized Organization Representative (AOR) in the Central Contractor Registration database. By signing this certification, I certify that the statements contained in the application are true, complete, and accurate to the best of my knowledge, and that if an award is made, the applicant organization will comply with all applicable award terms and conditions.

08/12/09
(Date)

David Scott Sherman
(Authorized Representative's Signature)

D. Scott Sherman _____
Name:

General Manager _____
Title:

DETAIL OF PROJECT COSTS

PLEASE COMPLETE THE TABLE BELOW FOR THE DIFFERENT CATEGORIES OF EQUIPMENT THAT WILL BE REQUIRED FOR COMPLETING THE PROJECT. EACH CATEGORY SHOULD BE BROKEN DOWN TO THE APPROPRIATE LEVEL FOR IDENTIFYING UNIT COST

SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
NETWORK & ACCESS EQUIPMENT					\$745,718	
Switching	Zhone MXK Switch Equipment	Y	\$11,222.00	21	\$235,662	Quote From Vendor
					\$0	
					\$0	
Routing					\$0	
					\$0	
					\$0	
Transport	Ring Transport Equipment	Y	\$7,000.00	21	\$147,000	Quote From Vendor
	GPON Fiber Nodes	Y	\$1,321.25	21	\$27,746	Quotes from Current Vendors
	Fiber Equipment	Y	\$9,315.06	21	\$195,616	Quotes from Current Vendors
Access					\$0	
					\$0	
					\$0	
Other	Splitters	Y	\$3,500.00	21	\$73,500	Quote from Vendor
	Installation Labor	Y	\$2,800.00	21	\$58,800	Hardy Labor Experience/Estimate on Install
	Connecting Cables & Hardwar	Y	\$352.06	21	\$7,393	Quotes from Current Vendors
OUTSIDE PLANT					\$2,186,252	
Cables	Aerial Fiber Cable and Constr	Y	\$18,331.63	95	\$1,741,505	Sum of Quotes on Various Parts from Vendors and Contractors
	Buried Fiber Cable and Consr (units based on miles)	Y	\$20,215.77	22	\$444,747	
					\$0	
Conduits					\$0	
					\$0	
					\$0	
Ducts					\$0	
					\$0	
					\$0	
Poles					\$0	
					\$0	
					\$0	
Towers					\$0	
					\$0	
					\$0	
Repeaters					\$0	
					\$0	
					\$0	
Other					\$0	
					\$0	
					\$0	

SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
BUILDINGS					\$210,500	
New Construction	Pine Ridge - A Access Point	Y	\$60,000.00	1	\$60,000	Sum of Quoted Prices on All Parts
	Wardensville - B Access Pt.	Y	\$61,000.00	1	\$61,000	Sum of Quoted Prices on All Parts
					\$0	
Pre-Fab Huts					\$0	
					\$0	
					\$0	
Improvements & Renovation	Baker Wire Center Upgrade	Y	\$43,500.00	1	\$43,500	Sum of Quoted Prices on All Parts
	EHHS Wire Center Upgrade	Y	\$46,000.00	1	\$46,000	Sum of Quoted Prices on All Parts
					\$0	
Other					\$0	
					\$0	
					\$0	
CUSTOMER PREMISE EQUIPMENT					\$66,906	
Modems	Anchor Facility ONT	Y	\$501.00	81	\$40,581	Quoted Price from Vendor
					\$0	
					\$0	
Set Top Boxes					\$0	
					\$0	
					\$0	
Inside Wiring	ONT Installation	Y	\$85.00	81	\$6,885	Quoted Price from Vendor & Contractors
	Service Installation	Y	\$60.00	81	\$4,860	Average Time of Install per Industry Average
	Inside Wiring at Location	Y	\$180.00	81	\$14,580	Average Time of Install per Industry Average
					\$0	
Other					\$0	
					\$0	
					\$0	
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS					\$0	
Billing Support Systems					\$0	
					\$0	
					\$0	
Customer Care Systems					\$0	
					\$0	
					\$0	
Other Support					\$0	
					\$0	
					\$0	

SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
OPERATING EQUIPMENT					\$118,500	
Vehicles	Basic Bucket Truck Chasis	Y	\$34,000.00	1	\$34,000	Quoted Price from Vehicle Dealer
	Aerial Bucket Unit	Y	\$41,000.00	1	\$41,000	Quoted Price from Vendors
					\$0	
Office Equipment / Furniture					\$0	
					\$0	
					\$0	
Other	Fiber Splicing Trailer Unit	Y	\$17,859.00	1	\$17,859	Quoted Price from Vendors
	Fiber Splicing	Y	\$25,641.00	1	\$25,641	Quoted Price from Vendors
					\$0	
PROFESSIONAL SERVICES					\$671,122	
Engineering Design	Engineering Design	Y	\$5,167.00	6	\$31,002	6 Weeks w/ 2 Persons and Reasonable Exp
Project Management	Project Management	Y	\$6,940.00	52	\$360,880	Estimated Weeks At Contract Cost/Wk/Hr
	Construction Mgmt.	Y	\$3,610.77	52	\$187,760	Estimated Weeks At Contract Cost/Wk/Hr
Consulting	Grant Appl Consultant	Y	\$7,500.00	1	\$7,500	Contractually Negotiated Price
					\$0	
					\$0	
Other	Post Construction Records	Y	\$3,230.00	26	\$83,980	Estimated Weeds At Contract Cost/Wk/Hr
					\$0	
					\$0	
TESTING					\$16,866	
Network Elements					\$0	
					\$0	
					\$0	
IT System Elements					\$0	
					\$0	
					\$0	
User Devices	OTDR Fiber Tester	Y	\$16,866.00	1	\$16,866	Quoted Prices from Vendors
					\$0	
					\$0	
Test Generators					\$0	
					\$0	
					\$0	
Lab Furnishings					\$0	
					\$0	
					\$0	
Servers / Computers					\$0	
					\$0	
					\$0	

SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
OTHER UPFRONT COSTS					\$0	
Site Preparation					\$0	
					\$0	
					\$0	
Other					\$0	
					\$0	
					\$0	
PROJECT TOTAL:					\$4,015,864	

General Budget Overview

Budget	Loan Request	Federal Funding Request	Matching Funds (Cash)	Matching Funds (In-Kind)	Equity	Debt	Bond	Other	TOTAL
Network & Access Equipment (switching, routing, transport, access)		363,756	381,962						\$745,718
Outside Plant (cables, conduits, ducts, poles, towers, repeaters, etc.)		1,754,110	418,038	14,104					\$2,186,252
Buildings and Land – (new construction, improvements, renovations, lease)		210,500							\$210,500
Customer Premise Equipment (modems, set-top boxes, inside wiring, etc.)		66,906							\$66,906
Billing and Operational Support Systems (IT systems, software, etc.)									\$0
Operating Equipment (vehicles, office equipment, other)		118,500							\$118,500
Engineering/Professional Services (engineering design, project management, consulting, etc.)		671,122							\$671,122
Testing (network elements, IT system elements, user devices, test generators, lab furnishings, servers/computers, etc.)		16,866							\$16,866
Site Preparation									\$0
Other									\$0
TOTAL BROADBAND SYSTEM:	\$0	\$3,201,760	\$800,000	\$14,104	\$0	\$0	\$0	\$0	\$4,015,864

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Approval No. 4040-0009
Expiration Date 07/30/2010

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.


PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-1 33, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

*SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	*TITLE General Manager
*APPLICANT ORGANIZATION Hardy Telecommunications, Inc.	*DATE SUBMITTED 08/12/09

APPLICANT'S NAME

BUDGET INFORMATION - Construction Programs

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Matching Funds (Cash)	c. Matching Funds (In-Kind)	d. Federal Funding Request (Columns a-b-c)
1. Administrative and legal expenses	\$7,500	\$0	\$0	\$7,500
2. Land, structures, rights-of-way, appraisals, etc.	\$205,133	\$0	\$0	\$205,133
3. Relocation expenses and payments	\$0	\$0	\$0	\$0
4. Architectural and engineering fees	\$579,642	\$0	\$0	\$579,642
5. Other architectural and engineering fees	\$0	\$0	\$0	\$0
6. Project inspection fees	\$83,980	\$0	\$0	\$83,980
7. Site work	\$1,995	\$0	\$0	\$1,995
8. Demolition and removal	\$3,372	\$0	\$0	\$3,372
9. Construction	\$2,186,252	\$418,038	\$14,104	\$1,754,110
10. Equipment	\$947,990	\$381,962	\$0	\$566,028
11. Miscellaneous	\$0	\$0	\$0	\$0
12. SUBTOTAL (add #1 through #11)	\$4,015,864	\$800,000	\$14,104	\$3,201,760
13. Contingencies	\$0	\$0	\$0	\$0
14. SUBTOTAL (add #12 and #13)	\$4,015,864	\$800,000	\$14,104	\$3,201,760
15. Project (program) income	\$0	\$0	\$0	\$0
16. TOTAL PROJECT COSTS (subtract #15 from #14)	\$4,015,864	\$800,000	\$14,104	\$3,201,760
FEDERAL FUNDING				
17. Federal assistance requested, calculated as follows: (Consult Federal agency for Federal percentage share.) Enter the resulting Federal share.			Enter eligible costs from line 16e	\$3,201,760

WALTERS, KRAUSKOPF & BAKER
ATTORNEYS AT LAW
204 N. ELM STREET
P. O. BOX 119
MOOREFIELD, WEST VIRGINIA 26836

JACK H. WALTERS
HOWARD E. KRAUSKOPF
JESSICA MATHIAS BAKER

TEL: (304) 530-6618
FAX: (304) 530-2336
e-mail: jack@wkblaw.org
howard@wkblaw.org
jessica@wkblaw.org

August 5, 2009

Administrator
Rural Utilities Service
U.S. Department of Agriculture
Washington, DC 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, DC 20230

RE: Hardy Telecommunications, Inc.

Dear Sir:

We are general counsel for Hardy Telecommunications, Inc. In such capacity, we acted as counsel to the Applicant in connection with its ability to apply to the Broadband Initiatives Program and the Broadband Technology Opportunities Program and in the review of the loan/grant combination agreement, as referenced in the Notice of Funds Availability.

We are of the opinion that:

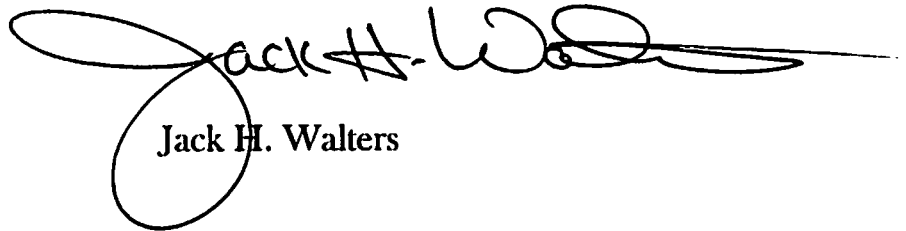
- a) The Applicant is a duly organized and existing Corporation under the laws of the State of West Virginia.
- b) The Applicant has corporate power: (1) to execute and deliver the loan/grant combination agreement; and (2) to perform all acts required to be done by it under said agreement.
- c) No legal proceedings have been instituted or are pending against the Applicant, the outcome of which would adversely affect the Applicant's ability to perform the duties under the loan or loan/grant agreement, or adversely

affect the security to be pledged under the loan agreement, and there are no judgments against the Applicant. There are various liens against some of the Applicant's personal property in favor of the Rural Utilities Service and the Rural Telephone Finance Cooperative only, that might require a lien accommodation so as to not adversely affect the security to be pledged under the loan or loan/agreement; and

- d) The Applicant has the power to own its property and carry out its business as now conducted.

Sincerely yours,

WALTERS, KRAUSKOPF & BAKER

A handwritten signature in black ink, appearing to read "Jack H. Walters". The signature is stylized with large loops and a long horizontal stroke extending to the right.

Jack H. Walters

JHW:sm

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB
0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Hardy Telecommunications, Inc. 2255 Kinseys Run Road Lost River, WV 26810 Congressional District, if known: Second	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: N/A Congressional District, if known:	
6. Federal Department/Agency: Rural Utilities Service and National Telecommunications and Information Administration	7. Federal Program Name/Description: American Recovery and Reinvestment Act of 2009 / The Broadband Initiatives Program and Broadband Technology Opportunities Program CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ 3,500,000.00	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i> WE ARE NOT ENGAGING IN OR PAYING ANY LOBBYIST ON OUR BEHALF.	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i> N/A	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: <u>D. Scott Sherman</u> Print Name: <u>D. Scott Sherman</u> Title: <u>General Manager</u> Telephone No.: <u>(304) 897-9911</u> Date: <u>08/12/09</u>	
Federal Use Only:	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)	

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

Equal Opportunity and Nondiscrimination Certification

**U.S. Department of Agriculture
Broadband Initiatives Program**

All loans and grants made under the Broadband Initiatives Program are subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, as amended, (7 C.F.R. Part 15); Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 901 *et seq.*; 7 C.F.R. Part 15b); and the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 *et seq.*; 45 C.F.R. Part 90), and Executive Order 11375, Amending Executive Order 11246, Relating to Equal Employment Opportunity (3 C.F.R. 1966, 1970).

All recipients of financial assistance from Rural Development, the prospective primary participant commits to carry out Rural Development's established policy to comply with the requirements of the above laws and executive orders to the effect that no person in the United States shall, " on the basis of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Broadband Initiatives Program.

We Hardy Telecommunications, Inc. (the Applicant) hereby certify that, as a prospective recipient under the said Broadband Initiatives Program, we will comply with the above referenced laws and executive orders.

8-10-09

(Date)

D. Scott Sherman

(Authorized Representative's Signature)

D. Scott Sherman

Name:

General Manager

Title:

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

Certification Requirements BTOP

**U.S. Department of Commerce
Broadband Technology Opportunities Program**

(i) I certify that I am authorized to submit this grant application on behalf of the eligible entity(ies) listed on this application, that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. § 1001 and civil violations of the False Claims Act.

(ii) I certify that the entity(ies) I represent have and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

(iii) If requesting BTOP funding, I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the DOC Pre-Award Notification, published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); DOC American Recovery and Reinvestment Act Award Terms (April 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award."

8-10-09

(Date)

D. Scott Sherman

(Authorized Representative's Signature)

D. Scott Sherman

Name:

General Manager

Title:

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

Certification Regarding Architectural Barriers

**U.S. Department of Agriculture
Broadband Initiatives Program**

All facilities financed with Rural Development loans that are open to the public, or in which physically handicapped persons may be employed or reside, must be designed, constructed, and/or altered to be readily accessible to, and usable by, handicapped persons. Standards for these facilities must comply with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §4151 *et seq.*) and with the Uniform Federal Accessibility Standards (UFAS), (Appendix A to 41 C.F.R. subpart 101-19.6).

As a prospective primary participant recipient of financial assistance from Rural Development, this organization commits to carry out Rural Development's established policy to comply with the requirements of the above referenced law to the effect that all facilities must be readily accessible to and usable by handicapped persons.

We, Hardy Telecommunications, Inc. (the Applicant) hereby certify that, as a prospective recipient under the Rural Broadband Initiatives Program, we are in compliance, or will be in compliance upon completion of the Project, with the above referenced law.

8-10-09

(Date)

D. Scott Sherman

(Authorized Representative's Signature)

D. Scott Sherman

Name:

General Manager

Title:

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements

**U.S. Department of Agriculture
Broadband Initiatives Program**

We Hardy Telecommunications, Inc. (the Applicant) the undersigned certify, to the best of our knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on our behalf, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, we shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions. See <http://www.whitehouse.gov/omb/grants/sfillin.pdf> for Disclosure Instructions.
- (3) We shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

8-10-09

(Date)

D. Scott Sherman

(Authorized Representative's Signature)

D. Scott Sherman

Name:

General Manager

Title:

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters -
Primary Covered Transactions**

**U.S. Department of Agriculture
Broadband Initiatives Program**

This certification is required by the regulations implementing Executive Order 12549, *Debarment and Suspension*, 7 C.F.R. § 3017.510, *Participants' Responsibilities*.

- (1) We Herdy Telecommunications, Inc. (the Applicant) (hereinafter the "Company") hereby certify to the best of our knowledge and belief that neither the Company, nor any of its principals:
- (a) are presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have within a 3-year period preceding this Application had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) If we are unable to certify to any of the statements in this certification, we shall attach an explanation hereto.

8-10-09

(Date)

D. Scott Sherman

(Authorized Representative's Signature)

D. Scott Sherman

Name:

General Manager

Title:

**Broadband Infrastructure Application
Submission to RUS (BIP) and NTIA (BTOP)**

**Uniform Relocation Assistance and Real Property Acquisition
Policies Act of 1970 Certification**

**U.S. Department of Agriculture
Broadband Initiatives Program**

We Herdy Telecommunications, Inc. (the Applicant) assure the U.S. government that we will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. §4601 *et seq.*, and with implementing federal regulations in 49 C.F.R. Part 24 and 7 C.F.R. Part 21.

Specifically, we assure that whenever Federal financial assistance is used to pay for any part of the cost of a program or Project which will result in the displacement of any person:

- (a) Fair and reasonable relocation payments and assistance shall be provided to or for displaced persons in accordance with sections 202, 203, and 204 of the Uniform Act;
- (b) Relocation assistance programs offering the services described in section 205 of the Uniform Act shall be provided to displaced persons; and
- (c) Within a reasonable period of time prior to displacement, comparable replacement dwellings will be available to displaced persons in accordance with section 205(c) (3) of the Uniform Act.

8-10-09
(Date)

D. Scott Sherman
(Authorized Representative's Signature)

D. Scott Sherman
Name:
General Manager
Title:

Network Design and Implementation Plan Certification (to be complete for projects requesting more than \$1 million in federal assistance)

**U.S. Department of Agriculture and U.S. Department of Commerce
BIP and BTOP Program**

We the undersigned, certify that the proposed broadband system will work as described in the System Design and Network Diagram sections, and can deliver the proposed services outlined in the Service Offerings Section. Moreover, the system, as designed, can meet the proposed build-out timeframe based on the resources designated in Project Viability Section, and will be substantially complete in two years, and complete within three years.

8-10-09

(Date)

D. Scott Sherman
(Authorized Representative's Signature)

D. Scott Sherman
Name:

General Manager
Title:

8-10-09

(Date)

Perry S. Windsor
(Certifying Engineer's Signature)

Perry S. Windsor
Name:

Professional Engineer
Title: WV# 18186