Pinpoint Communications Inc.

Nebraska Universal Service Fund

Broadband Program

Grant Application

Gothenburg Wildhorse

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Submitted to the Nebraska Public Service Commission
November 26, 2014

Pinpoint Communications Inc.

Nebraska Universal Service Fund Broadband Program

Gothenburg Wildhorse Application

Application Checklist Item #1:

"A listing of all companies associated with the proposed broadband project that will provide the broadband or voice component of the service to consumers, including a main point of contact for all companies. (This requirement does not refer to vendors such as construction companies or equipment providers.)"

Narrative:

Pinpoint Communications Inc. ("PPC") is a competitive local exchange carrier ("CLEC") and Internet Service Provider ("ISP") that will be responsible for managing the implementation of the project submitted through this application and will be providing the facilities for the proposed broadband project. PPC will be providing the voice and data components of the service to the consumers in the proposed project area.

The mailing addresses for this company is:

Pinpoint Communications, Inc.
611 Patterson St.
P.O. Box 490
Cambridge, NE 69022

The main point of contact for this project is:

Chris Karn
President
Pinpoint Communications, Inc.
Office Telephone Number: [redacted]
Email: Chris.karn@pnpt.com

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Pinpoint Communications Inc.

Nebraska Universal Service Fund Broadband Program

Gothenburg Wildhorse Application

<u>Application Checklist Item #2:</u>

"A description of the proposed broadband project plan for which Nebraska Universal Service Fund Broadband Program funding is being requested including download and upload speed capabilities which can be provided using the proposed infrastructure. Minimum speed standards should be 4 mbps download and 1 mbps upload."

<u>Narrative:</u>

Pinpoint Communications Inc. proposes to construct broadband facilities in the underserved, rural customer service area north of the town of Gothenburg in a service territory where Centurylink is currently the incumbent local exchange carrier ("ILEC").

[redacted] which will meet or exceed the required 4 Mbps download and 1 Mbps upload ("4/1") throughput service required by the Nebraska Public Service Commission ("the Commission") for grant consideration [redacted]

The customers receiving broadband from this grant-funded project will receive the same service amenities as Pinpoint's existing broadband customers in the community of Gothenburg

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Nebraska. Pinpoint offers technical support, installation support, anti-spam and virus protection for email, email service, voice services and IPTV.

[redacted]

[redacted]

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<u>Application Checklist Item #3:</u>

"A description of which areas are "unserved" or "underserved" in accordance with the Commission's definition."

<u>Narrative:</u>

In this application of Pinpoint Communications Inc., the proposed project area submitted for consideration for grant funding is a rural, underserved area north of the town of Gothenburg. [redacted]

[redacted]

[redacted]

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Application Checklist Item #4:

"A list in Excel Format of all the census blocks where broadband facilities would be deployed for the proposed project which shall include 2010 Census Block identification numbers of service area, by project. The list of census blocks must be identified on a per project basis and must be contained in one spreadsheet. Carriers should not break apart the listing of census blocks in separate workbook tabs."

Narrative:

Pinpoint Communications Inc. has provided a list in Excel Format of all the census blocks where broadband facilities will be deployed in the proposed project area. PPC has provided the census block list in an electronic, Excel Spreadsheet format and has also included a print out of the list in this application.

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Pinpoint Communications
Census Block List

Wildhorse
Gothenburg, NE

310479682001021
310479682001028
310479682001029
310479682001148

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Application Checklist Item #5:

"An estimate of the number of potential new broadband subscribers."

Narrative:

In order to determine an estimate of the number of potential new broadband subscribers, PPC utilized the engineering plans for the proposed project area to determine how many households in the proposed project area [redacted] and allow access to increased speed capabilities and broadband availability to those households in the proposed project area.

An estimate of the number of potential new broadband subscribers in the proposed project area is included in the table below:

	Gothenburg Wildhorse Customer Service Area
Underserved	
Totals	

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Application Checklist Item #6:

"A schedule for broadband deployment with commitment to complete the build-out within 24 months of approval of the application. The schedule should describe milestones in project completion increments of 25 percent, and the estimated date by which the milestones will be completed."

Narrative:

If the application of Pinpoint Communications Inc. is approved for the rural customer service area of Gothenburg, PPC intends to have the construction completed in 2015. PPC will begin construction shortly after obtaining materials. The majority of the design and planning for this application is complete, and once approved, PPC will only need to finalize the construction drawings, obtain permits, and order materials. Below are the primary milestones and completion dates for the project, along with a timeline estimating the completion of each milestone. If requested, more detailed project schedules can be available to the Commission.

PROJECT MILESTONES SCHEDULE

Milestone	Estimated Completion Date
Material Selection and Ordering	April 2015
[redacted]	June 2015
	July 2015
Turn Up/Project Completion	August 2015

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Application Checklist Item #7:

"A proposed budget, showing total project costs, in electronic format, with a detailed breakdown of the cost elements and a depreciation schedule showing the life of the investment."

Narrative:

Pinpoint Communications Inc. has included a proposed budget, showing total project costs, including a detailed breakdown of the cost elements and a depreciation schedule showing the life of the investment. PPC has provided the budget and depreciation schedule in an electronic, Excel Spreadsheet format and has included a print out of the budget and depreciation schedule in this application.

PPC commits to using broadband support only for the purposes intended and which have been approved by the Commission through the application process. Further, PPC commits to fulfilling all reporting and audit requirements adopted by the Commission for oversight of the NUSF Broadband Program.

Summary totals from the proposed project budget, along with a summary of the depreciation schedule, are provided below:

Description	Gross Investment	Depreciable Life	Depreciation Per Year
Electronics			
Plant			
Total Capital Budget			
PPC Matching Amount (25%)			

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Pinpoint Communications Inc.
Gothenburg Wildhorse Budget

RUS UNIT	Description	Quantiy	Labor	Materials	L&M Total Price/Unit	Total
[redacted]						
					Total Cost	[redacted]
					25% Match Total	[redacted]
					Yearly Depreciation	[redacted]

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Pinpoint Communications Inc.
Gothenburg Wildhorse Depreciation Schedule

Category	Value	Life	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Electronics	[redacted]							
Plant								

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Pinpoint Communications Inc.
Gothenburg Wildhorse Depreciation Schedule

Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
[redacted]								

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Application Checklist Item #8:

"Proposed retail pricing, including both monthly recurring costs and nonrecurring costs for the new broadband service(s) to be offered. Proposed rate, either monthly recurring (MRC) or non-recurring (NRC), for broadband related customer premise equipment (CPE, e.g. modem). If none listed, please state that applicant will not be charging a rate to the end user for broadband CPE."

Narrative:

Pinpoint Communications Inc. is committed to offering broadband services at reasonably comparable rates for comparable services in urban areas. PPC has included in this application a pricing document detailing the recurring pricing of the broadband services offered through this project, as well as any nonrecurring costs associated with the broadband service to be offered through the proposed project. Depending upon the service subscribed to by the customer, PPC may assess a one-time, non-recurring fee for broadband-related customer premise equipment. That charge is detailed in the pricing document included with the application.

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Gothenburg Internet

Non-Recurring Charges	RES	BUS
[redacted]		
[redacted]		
[redacted]		
[redacted]		
[redacted]		

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Application Checklist Item #9:

"Retail rate(s) charged for basic voice service. If a subscriber line charge is assessed, the amount of the SLC. If no SLC is assessed then a statement that no SLC is assessed."

Narrative:

Pinpoint Communications Inc. is committed to offering voice services at reasonably comparable rates for comparable services in urban areas. PPC has included in this application a pricing document detailing the recurring and non-recurring pricing of the voice services offered through this project. PPC does assess a subscriber line charge and the amount of the SLC is detailed in the pricing document included with this application.

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Gothenburg Telephone

SERVICE	RES	RES RURAL	LIFELINE	BUS	BUS RURAL
Basic Line	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Federal Lifeline Credit	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
State NTAP Credit	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
911	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Dual Party	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Fed SLC	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Local Number Portability	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

Optional	RES	BUS	LIFELINE
Wire Maintenance	[redacted]	[redacted]	[redacted]
Non Pub	[redacted]	[redacted]	[redacted]
Off Premise Extension	[redacted]	[redacted]	[redacted]
Call Features			
Call Forward	[redacted]	[redacted]	[redacted]
Call Waiting	[redacted]	[redacted]	[redacted]
3 Way Calling	[redacted]	[redacted]	[redacted]
Caller ID	[redacted]	[redacted]	[redacted]
Voice Mail	[redacted]	[redacted]	[redacted]
Toll Restrict	[redacted]	[redacted]	[redacted]
Short Speed Calling	[redacted]	[redacted]	[redacted]
Long Speed Calling	[redacted]	[redacted]	[redacted]
CW CF SSC 3W for [redacted]	[redacted]	[redacted]	[redacted]
Auto Recall *69	[redacted]	[redacted]	[redacted]

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Gothenburg Telephone

Non-Recurring Charges	
Connect	[redacted]
Deposit	[redacted]
Move	[redacted]
Reconnect	[redacted]
Service Call	[redacted]
Labor	[redacted]

Pinpoint Long Distance – Carrier 9061	
Plan	**Rate**
Flat Rate/Minute	[redacted]
150 Minute	[redacted]
500 Minute	[redacted]
[redacted]	[redacted]
.[redacted] interstate/[redacted] intrastate	[redacted]
Toll Free Number -$[redacted]	[redacted]
Toll Free Number- $[redacted]	[redacted]
Unlimited [redacted]	[redacted]

RES Super [redacted] Bundle [redacted]
Local Basic Telephone
Unlimited Long Distance
[redacted] Internet
*features at standard rates

RES Super [redacted] Bundle [redacted]
Local Basic Telephone
Unlimited Long Distance
[redacted] Internet
*features at standard rates

RES Super [redacted] Bundle [redacted]
Local Basic Telephone
Unlimited Long Distance
[redacted] Internet
*features at standard rates

RES Super [redacted] Bundle [redacted]
Local Basic Telephone
Unlimited Long Distance
[redacted] Internet
*features at standard rates

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Application Checklist Item #10:

"A description of the applicant's commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years."

Narrative:

Pinpoint Communications Inc. commits to offering the supported broadband service upon completion of the deployment to all households within the proposed project service area for a period of no less than five years.

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Application Checklist Item #11:

"A description of the applicant's commitment to provide broadband data to the Commission and its vendors for the duration of the State Broadband Data and Development (SBDD) program so that this broadband coverage area can be depicted on the Commission's state broadband data inventory map and on the National Telecommunications and Information Administration's (NTIA's) national broadband map."

Narrative:

Pinpoint Communications Inc. has been and will continue to be committed to providing its broadband data to the Nebraska Public Service Commission and to its vendors for the duration of the State Broadband Data and Development program. The Nebraska Broadband Map and the National Broadband Map are invaluable tools for consumers, businesses and the telecommunications industry. As a successful applicant to the Nebraska Universal Service Fund Broadband Program, Pinpoint will continue to provide all required mapping data to the Commission and its vendors for its existing and new service areas so PPC's coverage areas will continue to be depicted on the Commission's state broadband data inventory map and on the National Telecommunications and Information Administration's National Broadband Map.

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Application Checklist Item #12:

"A description of the applicant's financial qualifications, which may be filed on a confidential basis, to meet the commitments made in the application."

Narrative:

The Commission has indicated that for companies filing Annual Report Form M, the information contained in Form M would be sufficient to meet the application requirement.

Pinpoint Communications Inc.'s Annual Report Form M illustrates the company's financial position and is on file with the Nebraska Public Service Commission.

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Application Checklist Item #13:

"If the applicant does not have a certificate of public convenience and necessity to provide telecommunications services in Nebraska, a demonstration of the applicant's financial, technical, and managerial competence."

Narrative:

Pinpoint Communications Inc. is an established rural, competitive local exchange carrier operating in Nebraska and holds a certificate of public convenience and necessity to provide telecommunications services in the State of Nebraska. A copy of the Certificate of Public Convenience and Necessity, granted on September 19, 2000, is included in this application.

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Nebraska Public Service Commission

300 The Atrium, 1200 N Street | P.O. Box 94927 | Lincoln, Nebraska 68509-4927
(402) 471-3101 | Nebraska Consumer Hot Line 1-800-526-0017 | Fax (402) 471-0254

September 21, 2000

Roger Hoffman
Pinpoint Communications, Inc.
611 Patterson Street
Cambridge, NE 69022-0490

RE: Application No. C-2355: Pinpoint Communications, Inc., Cambridge, seeking authority to operate as a competitive local exchange carrier of telecommunications services within the state of Nebraska.

Dear Mr. Hoffman:

CERTIFICATION

I, Andrew S. Pollock, Executive Director of the Nebraska Public Service Commission, hereby certify that the enclosed is a true and correct copy of the original order made and entered in the above-captioned matter on the 19th day of September, 2000, as the same is filed and recorded in the official records of said Commission.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Seal of the Nebraska Public Service Commission, Lincoln, Nebraska, this 21st day of September, 2000.

Sincerely,

Andrew S. Pollock
Executive Director

ASP:rp
Enclosure

cc: Jon Bruning, 1079 North 204th Avenue, Elkhorn, NE 68022
Timothy F. Clare, Rembolt Ludtke & Berger, 1201 Lincoln Mall, Suite 102, Lincoln, NE 68508

COMMISSIONERS:
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LOWELL C. JOHNSON
ROD JOHNSON
FRANK E. LANDIS
DANIEL G. URWILLER

EXECUTIVE DIRECTOR:
ROBERT R. LOGSDON

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BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of Pinpoint Communications, Inc. Cambridge, Nebraska, seeking authority to operate as a competitive local exchange carrier of telecommunications services within the state of Nebraska.	)))))))	Application No. C-2355 GRANTED Entered: September 19, 2000

APPEARANCES:

For the Applicant:
Jon Bruning
1079 North 204th Avenue
Elkhorn, Nebraska 68022

For the Intervenors:
Mark Fahleson
1201 Lincoln Mall, Suite 102
Lincoln, Nebraska 68508

For the Commission:
Michael T. Loeffler
300 The Atrium
1200 N Street
Lincoln, Nebraska 68508

BY THE COMMISSION:

By application filed July 21, 2000, Pinpoint Communications, Inc. (Pinpoint Communications or Applicant) of Cambridge, Nebraska, seeks to operate as a competitive local exchange carrier of telecommunications services within the state of Nebraska. Notice of the application appeared in The Daily Record on July 24, 2000. Petitions of formal intervention were timely filed by Arapahoe Telephone Company, Benkelman Telephone Company, Inc., Cozad Telephone Company, Hemingford Cooperative Telephone Company, Henderson Cooperative Telephone Company and Wauneta Telephone Company, through their attorney, Mark Fahleson.

On August 11, 2000, the deputy director of this Commission sent by first class mail a copy of the notice of hearing. A hearing was held on August 29, 2000, in the Commission Library, Lincoln, Nebraska, with appearances as shown above.

In support of its application, applicant produced one witness,

Mr. Roger Hoffman, executive vice-president of Pinpoint Communications. Mr. Hoffman testified that Pinpoint Communications is a privately-held company headquartered in Cambridge, Nebraska. The company has about 2250 Internet customers, 190 long-distance customers and 75 paging customers. The company plans to offer local

exchange, DSL and long-distance services. The company has yet to commence negotiations for interconnection.

Mr. Hoffman described the business experience of the directors and key personnel of the company. These persons include the director, J. Richard Shoemaker, who has been with the company since its inception in 1989, and other directors who have been with the company for a number of years. Mr. Hoffman has more than 25 years of experience in the management of telephone companies. Mr. Hoffman further testified that he believes that the company has the technical expertise required of the applicant.

Pinpoint Communications intends to provide the service described in its application on a statewide basis subject to the limitations and duties of an affiliated competitive local exchange carrier (CLEC) as outlined by this Commission in the order entered in Docket No. C-1839/PI-22 on December 15, 1998. The applicant indicated that he was aware of the limitations prescribed for an affiliated CLEC and that the applicant would abide by the mandates of that order.

Financial information was filed by the applicant. Mr. Hoffman indicated that he believed that the financial information provided indicated that his company had the financial capability to operate according to its application.

The applicant further testified that this application did not represent a bona fide request for interconnection with a rural carrier covered by the rural exemption of the federal Telecommunications Act of 1996.

Pinpoint Communications will bring benefits of increased choice to its potential customers and to deliver these choices at competitive prices.

O P I N I O N A N D F I N D I N G S

The Commission considers this application for authority in light of the following criteria and standards established in the Commission's telecommunications rules:

(a) Whether applicant has provided the information required by the Commission;

(b) Whether applicant has provided a performance bond, if required;

(c) Whether applicant possesses adequate financial resources to provide the proposed service;

(d) Whether applicant possesses adequate technical competence and resources to provide the proposed service;

(e) Whether applicant possesses adequate managerial competence to provide the

proposed service; and

(f) Whether granting applicant a certificate preserves and advances universal service, protects the public safety and welfare, ensures the continued quality of telecommunications services and safeguards the rights of consumers, pursuant to Section 253(b) of the Telecommunications Act of 1996 (Act).

Applicant has demonstrated that it meets the standards of financial, technical and managerial competence and all other criteria necessary to provide competitive local exchange services subject to the conditions as outlined in Commission Docket No. C-1839/PI-22 (December 15, 1998) and as described in the application filed with the Commission. The Commission finds that no performance bond should be required at this time.

Before the applicant is allowed to provide competitive local exchange service and resold services to its end users:

(a) The applicant, either through negotiation or adoption, must reach an interconnection agreement with Qwest, GTE, ALLTEL or Sprint;

(b) The Commission must approve the interconnection agreement; and

(c) Applicant must file, and the Commission must approve, a tariff in accordance with the provisions of Section 002.21 of Neb. Admin. R. & Regs. Title 291, Chapter 5.

Further, prior to providing local exchange service to any area covered by the rural exemption, the applicant must obtain additional authority from this Commission to expand its service territory.

As a provider of competitive local exchange service in the state of Nebraska, the applicant should be subject to the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal service, restrictions on joint marketing and quality of service), applicable to any other local exchange company except those obligations imposed on incumbent local exchange carriers pursuant to Section 251(c) of the Act.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2355 be, and it is hereby, granted.

IT IS FURTHER ORDERED that upon final approval of the interconnection agreement and tariff, applicant is granted authority to provide competitive local exchange services throughout the state of Nebraska subject to Commission conditions outlined in Docket No.

C-1839/PI-22.

IT IS FURTHER ORDERED that applicant shall abide by the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal service, restrictions on joint marketing and quality of service), applicable to other local exchange carriers except obligations imposed on incumbent local exchange carriers pursuant to Section 251(c) of the Act.

IT IS FURTHER ORDERED that applicant shall file, in accordance with the applicable statutes, on or before April 30 of each year, an annual report with this Commission consisting of: (a) a copy of any report filed with the Federal Communications Commission; (b) a copy of any annual report to stockholders; and (c) a copy of the latest Form 10-K filed with the Securities and Exchange Commission. If such reports are unavailable, applicant shall file a balance sheet and income statement for the previous year of operation, and for the state of Nebraska on a combined interstate-intrastate basis, the investment in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, operating expenses, and taxes.

IT IS FINALLY ORDERED that this order be, and hereby is made, the Commission's official Certificate of Public Convenience and Necessity to applicant to provide competitive local exchange services within the state of Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this 19th day of September, 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

Application Checklist Item #14:

"A description of the applicant's financial match which will be used to meet the commitments made in the application. Applicant shall submit a proposed budget for the entire project cost."

Narrative:

In the proposed budget submitted for Application Checklist Item #7, Pinpoint Communications Inc. calculates the dollar total of the NUSF Broadband Program matching requirement of twenty-five percent (25%) of the proposed project based upon all project costs. [redacted]

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Application Checklist Item #15:

"An affidavit from the Applicant attesting to the truth and accuracy of all information included in the application."

Narrative:

Included with this application is an Affidavit of Chris Karn, President of Pinpoint Communications Inc. attesting to the truth and accuracy of all information included in this application.

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BEFORE THE
NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of Pinpoint Communications Inc. Seeking Support Funding from the Nebraska Universal Service Fund Broadband Program	))))))	Application No. _____

AFFIDAVIT OF CHRIS KARN
IN SUPPORT OF
PINPOINT COMMUNICATIONS INC.'S
NEBRASKA UNIVERSAL SERVICE FUND BROADBAND PROGRAM
GRANT APPLICATION

I, Chris Karn, being of lawful age and duly sworn, state as follows:

1. My name is Chris Karn. My business address is 611 Patterson Street, P.O. Box 490, Cambridge, Nebraska 69022. My title is President of Pinpoint Communications Inc. and I have worked for the company in this capacity since 2012. I am responsible for overseeing the daily operations of Pinpoint Communications Inc., project development, network deployment decisions and general management duties of the company.
2. I submit this affidavit in support of the Matter of the Application of Pinpoint Communications Inc. Seeking Support Funding from the Nebraska Universal Service Fund Broadband Program.
3. I hereby verify that, as the President of Pinpoint Communications Inc., I have reviewed the information and documentation submitted in support of Pinpoint Communications Inc.'s Grant Application for funding from the Nebraska Universal Service Fund Broadband Program and filed with the Nebraska Public Service Commission on

November 26, 2014 and attest to the truth and accuracy to the best of my knowledge and belief of all of the information included in Pinpoint Communications Inc.'s application.

4. This completes my affidavit.

VERIFICATION

I, Chris Karn, declare under penalty of perjury that the statements in this Affidavit are true and correct to the best of my knowledge and belief.

Chris Karn
President
Pinpoint Communications Inc.

Subscribed and sworn to before me, this
20 day of November, 2014.

W L Lindburg

William L Lindburg (Printed Name)

Notary Public, Sarpy County, Nebraska

Acting in the County of Sarpy

My Commission Expires: 12-26-15

GENERAL NOTARY - State of Nebraska
WILLIAM L. LINDBURG
My Comm. Exp. December 26, 2015