

Business Plan and Financial Viability

Stanton is in good standing with Stanton County. Stanton's project does not cross rail-road tracks. Stanton is not aware of any legal challenges that must be addressed prior or during the project in question, such as local zoning, right of way, and permitting process.

Stanton Telecommunications Co., Inc., has been in business since 1909 and is currently providing fiber-based local and long-distance telephone service, and Internet service, in Nebraska; Stanton has been providing Internet Access Service since 1996 (Dial Up Internet) Stanton has provided Fiber-to-the-Home since 2009 and is an NTCA Gig-certified provider. Stanton currently has 12 employees including four central office and outside plant technicians. Having been in business for over 112 years, Stanton has a long history of success with the business operations and financial resources needed to be successful and has demonstrated capability to maintain the network over the long run.

Stanton has attached a financial viability analysis for the project. Stanton projects it will receive revenue to maintain the network from the end user subscribers over the useful life of the network to be in approximately of \$460,000. In addition, Stanton will receive \$83,825 in the form of a grant award through this Application C-5272 for total revenues estimated to be approximately \$543,675 (see Attachment Letter G_2). This projected cash inflow is estimated to cover the cost of construction after incremental expenses are considered. If any short fall shall materialize, Stanton will internally finance the difference.

The major assumptions for the viability analysis includes an estimated take rate ranging from 60% to 85%, with an average revenue per month of \$99.95 per subscriber.