

January 29, 2009

Midcontinent Communications
Attn: Mary Lohnes
Regulatory Affairs
5001 West 41st Street
Sioux Falls, SD 57106

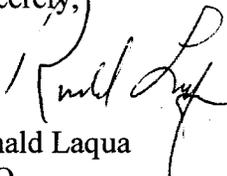
Re: Notice of Change of Control – Interconnection Agreement Between
Midcontinent Communications and HTC Services, Inc. for the Hillsboro, ND
exchange.

Dear Ms. Lohnes:

The purpose of this letter is to inform you that Halstad Telephone Company, the parent company of HTC Services, Inc., a party to the above captioned Interconnection Agreement, has transferred the assets of its subsidiary, HTC Services, Inc., to the parent company effective Dec 31, 2008. As a result of this action Halstad Telephone Company will succeed to the rights and obligations of HTC Services, Inc., under the above captioned Interconnection Agreement and as such will be bound by the terms and conditions of that agreement.

If you have any questions or comments please feel free to contact me.

Sincerely,



Ronald Laqua
CEO

Cc: Pat Fahn
North Dakota Public Service Commission

1 **PU-09-60** Filed: 1/29/2009 Pages: 14
**Notice of Transfer of Interconnection Agreement
from HTC Services to Halstad Telephone**

HTC Services, Inc.

1 **PU-09-59** Filed: 1/29/2009 Pages: 14
**Notice of Transfer of Interconnection Agreement to
Halstad from HTC Services**

Halstad Telephone Company

INTERCONNECTION AGREEMENT

THIS INTERCONNECTION AGREEMENT, made as of the 7 day of MARCH, 2008, is between HTC Services, Inc. hereinafter referred to as ("HTCS") and Midcontinent Communications, hereinafter referred to as ("Midcontinent") collectively referred to as the "Parties".

RECITALS

This Interconnection Agreement (the "Agreement") is entered into as a result of private negotiations between the Parties.

WHEREAS Midcontinent is authorized to provide telecommunications services in the State of North Dakota and has requested the below described interconnection; and

WHEREAS HTCS is authorized to provide telecommunications services in the State of North Dakota and is willing and able to provide the requested interconnection; and

WHEREAS, the Parties enter into this Agreement specifically for the purposes of fulfilling their obligations pursuant to Sections 251 of the Telecommunications Act of 1996 ("the Act"); and

WHEREAS The Parties agree that the rates, terms and conditions contained within this Agreement, including all Attachments, comply and conform to each Parties obligations under Sections 251 of the Act.

WIHEREAS Parties have agreed to limit this interconnection Agreement to interconnection matters only;

NOW, THEREFORE, Party's agree to interconnect with each other upon the following terms and conditions.

1. SCOPE OF AGREEMENT

1.1. Pursuant to this Agreement the Parties will extend certain arrangements to one another within the Local Calling Area.

1.2. This Agreement addresses the interconnecting requirements of the Act and does not address: 1) traffic originated by other telecommunications carriers; 2) traffic terminated by either Party acting as an inter-exchange carrier; 3) traffic originating in or terminating to any other local exchange carrier or (4) ISP bound traffic. This Agreement does not affect the right of either Party to request a waiver, suspension or modification with respect to new services or interconnections not included within this Agreement.

2. EFFECTIVE DATE

This Agreement shall become effective as of the 7 day of MARCH, 2007^{8 RL}
(the "Effective Date")

3. TERM OF AGREEMENT

3.1 This Agreement shall have an initial term of one year. This Agreement shall automatically renew for successive one (1) year periods.

3.2 Either Party may terminate this agreement by providing written notice to the other Party at least sixty (60) days prior to expiration of the initial term or any succeeding term. Provided the Parties are pursuing negotiation, mediation, or arbitration of a new Agreement, this Agreement shall continue in full force and effect until such new Agreement is effective, but in no event for a period of more than nine (9) months from the notice of termination.

4. DEFINITIONS

Except as otherwise specified herein, the following definitions will apply to all sections contained in this Agreement. Additional definitions that are specific to the matters covered in a particular section may appear in that section.

4.1 Act, as used in this Agreement, means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended by the Telecommunications Act of 1996, and as from time to time interpreted in the duly authorized rules and regulations of the Federal Communications Commission ("FCC") or the Commission.

4.2 Bill and Keep shall mean that the originating Party has no obligation to pay terminating charges to the terminating party for terminating Local Traffic subject to this Agreement.

4.3 Commission shall mean North Dakota Public Service Commission.

4.4 Interconnection Facility is the dedicated transport facility used to connect the Parties' networks.

4.5 Internet Service Provider (ISP) Bound Traffic means traffic delivered to a provider of Internet Services and which, for purposes of intercarrier compensation, is subject to the FCC's Order on Remand and Report and Order, FCC 01-131, CC Dockets No. 96-98 and 99-68 as modified or amended.

4.6 Local Traffic means two-way wireline telephone exchange traffic exchanged between the Parties that originates and terminates within the local calling area, as defined in Attachment 1. Local calling area does not include alternative toll optional calling plans. Local traffic also does not include ISP bound traffic.

4.7 Point of Interconnection (POI) means the physical location(s) at which the Parties' networks meet for the purpose of exchanging Local Traffic.

5. INTERCONNECTION TRUNKING ARRANGEMENTS

5.1 The Parties will interconnect their networks by exchanging local traffic at the POI within the local serving area as identified in Attachment 1. Midcontinent will be solely responsible for all costs to deliver its local traffic to the POI. HTCS will be solely responsible for all costs to deliver its local traffic to the POI. The POI will be located at a technically feasible point within the local serving area identified in Attachment 1.

5.2 The Parties agree that there will be the single POI as described in paragraph 5.1.

5.3 Each Party will be responsible for the engineering and construction of its own network facilities on its side of the POI.

5.4 The Parties mutually agree that all interconnection facilities will be sized according to mutual forecasts and sound engineering practice, as mutually agreed to by the Parties. The Parties further agree that all equipment and technical interconnections will be in conformance with all generally accepted industry standards with regard to facilities, equipment, and services.

5.5 Interconnection will be provided via two-way trunks. The mutually agreed upon technical and operational interfaces, procedures, grade of service and performance standards for interconnection between the Parties are set forth per industry standards, and will conform with all generally accepted industry standards with regard to facilities, equipment, and services. All interconnection facilities and trunking will be ordered using industry standard ASR/LSR as referenced in the Telcordia guide.

5.6 This Agreement is applicable only to HTCS's serving area as indicated in Attachment 1. HTCS will not be responsible for interconnections or contracts relating to Midcontinent's interconnection with any other Carrier.

6. RECIPROCAL COMPENSATION

6.1 Compensation for the exchange of Local Traffic shall be based upon bill and keep as a reciprocal compensation mechanism so long as the traffic is roughly balanced. The Parties agree that bill and keep is defined as a mechanism under which neither Party will apply a reciprocal compensation rate for local traffic originated by one Party and terminated by the other Party. Neither Party shall deliver to the other for call termination traffic associated with third party traffic that transits that Party's network.

6.2 The Parties assume and agree that the exchange of Local Traffic between them is either roughly balanced or de minimis, unless traffic studies indicate otherwise. Accordingly, neither Party will initially bill the other for termination of Local Traffic. However, upon the request of either Party, the Parties agree to perform joint traffic studies based upon mutually agreeable assessment criteria and audit standards. Such requests may be requested no more than once every six (6) months. In the event that either Party establishes through a minimum of six (6) months of traffic data that the Local Traffic exchanged between the Parties is out of balance by at least fifty-five percent (55%) to forty-five (45%) in either direction, then compensation shall commence in the following month. Traffic studies may also show the traffic exchange in balance at which time compensation shall return to bill and keep in the following month.

6.3 Should the Parties determine under paragraph 6.2 that symmetrical reciprocal compensation (Transport and Termination) charges for Local Traffic apply, the rate for such compensation shall be pursuant to Attachment 1.

7. INTERCONNECTION FORECASTING

7.1 All requests by Midcontinent to HTCS to establish, add, change, or disconnect trunks can be made using the industry standard Access Service Request (ASR) or mutually agreeable forms.

8. TESTING AND TROUBLE RESPONSIBILITIES

Parties agree that each will share responsibility for all maintenance and repair of trunks/trunk groups. The Parties agree to:

8.1 Cooperatively plan and implement coordinated repair procedures for the local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.

8.2 Provide trained personnel with adequate and compatible test equipment to work with each other's technicians.

8.3 Promptly notify each other when there is any change affecting the service requested, including the date service is to be started.

8.4 Coordinate and schedule testing activities of their own personnel, and others as applicable, to ensure its interconnection trunks/trunk groups are installed per the interconnection order, meet agreed upon acceptance test requirements, and are placed in service by the due date.

8.5 Perform sectionalization to determine if a trouble condition is located in its facility or its portion of the interconnection trunks prior to referring any trouble to each other.

8.6 Provide each other with a trouble reporting number to a work center that is staffed 24 hours a day/7 days a week.

8.7 Immediately report to each other any equipment failure which may affect the interconnection trunks.

8.8 Based on the trunking architecture, provide for mutual tests for system assurance for the proper recording of AMA records in each company's switch. These tests are repeatable on demand by either Party upon reasonable notice.

9. DIRECTORY LISTINGS AND DISTRIBUTION SERVICES

9.1 Each party will be solely responsible for establishing its own relationship with the directory publishing company for directory listings and distribution.

9.2 Each party will be solely responsible for establishing its own relationship for directory assistance listings and access to listings.

9.3 Each party will provide to the other party, upon reasonable request, its' customers directory listings for the sole purpose of publishing directories. The lists may not be used for any other purposes.

10. MIDCONTINENT RESPONSIBILITY

MIDCONTINENT shall bear total responsibility for connection and provision of their customer's access to E-911, Line information databases (LIDB), local and long distance operator services and directory assistance.

11. BILLING AND PAYMENT

The Parties will prepare bills in accordance with industry standards and shall provide a bill for services monthly. Undisputed amounts payable under this Agreement are due and payable within thirty (30) days after the date of the invoice. If either Party fails to pay for service when due, the billing Party shall include in the next bill late payment charges equal to 1.5 percent per month of the undisputed amounts, or the maximum amount allowed by law, whichever is less.

11.1 The billed Party shall, in writing, advise the billing Party of any disputes with respect to a billing within sixty (60) calendar days of the receipt of the invoice and include the specific details and reasons for disputing each item. The Parties agree to expedite the investigation of any disputed amounts in an effort to resolve and settle the dispute prior to initiating any other rights or remedies. Should the dispute be found in favor of the billing Party, the billed Party shall thereafter pay the Disputed Amount plus interest at the rate of 1.5 percent per month or the maximum amount allowed by law, whichever is less, upon final determination of such dispute.

12. AUDIT

Either Party may, upon written notice to the other Party, conduct an audit, during normal business hours, only on the source data/documents as may contain information bearing upon the services being provided under the terms and conditions of this Agreement. An audit may be conducted no more frequently than once per 12-month period, and only to verify the other Party's compliance with provisions of this Agreement. The notice requesting an audit must identify the date upon which it is requested to commence, the estimated duration, the materials to be reviewed, and the number of individuals who will be performing the audit. Each audit will be conducted expeditiously. Any audit is to be performed as follows: (i) following at least 45 days prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as to not interfere with the audited Party's business operations.

13. DISPUTE RESOLUTION

At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives.

Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration described below or in any lawsuit or other proceeding without

the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or, if otherwise admissible, be admitted in evidence, in the arbitration or lawsuit or other proceeding.

If any claim, controversy or dispute between the Parties cannot be resolved through negotiation; either party shall have the option of referring the matter either to the appropriate court, regulatory agency or to arbitration. Arbitration may be used only with the consent of both Parties. If Arbitration is used, it shall be resolved by a single arbitrator engaged in the practice of law, under the then current rules of the American Arbitration Association ("AAA"). The Federal Arbitration Act, 9 U.S.C. Sec. 1-16, not state law, shall govern the arbitration of all disputes. The arbitrator shall not have authority to award punitive damages. All expedited procedures prescribed by the AAA rules shall apply. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction thereof.

Each Party shall bear its own costs and attorneys' fees, and shall share equally in the fees and expenses of the arbitrator.

14. CHANGE OF LAW

If a federal or state legislation body or regulatory agency or a court of competent jurisdiction issues a rule, regulation, law or order which has the effect of canceling, changing, or superseding any material term or provision of this Agreement then the Parties shall negotiate in good faith to modify this Agreement in a manner consistent with the form, intent and purpose of this Agreement and as necessary to comply with such change of law.

15. NONDISCLOSURE OF PROPRIETARY INFORMATION

15.1 The Parties agree that it may be necessary to exchange with each other certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, orders for services, usage information in any form, customer account data, call detail records, and Customer Proprietary Network Information ("CPNI") as that term is defined by the Act, and the rules and regulations of the FCC and similar information (collectively, "Confidential Information"). Confidential Information shall also include (i) all information delivered in written form and marked "confidential" or "proprietary" or bearing mark of similar import; (ii) oral information, if identified as confidential or proprietary at the time of disclosure and confirmed by written notification within ten (10) days of disclosure; and (iii) information derived by the Recipient (as hereinafter defined) from a Disclosing Party's (as hereinafter defined) usage of the Recipient's network. The Confidential Information shall remain the property of the Disclosing Party and is deemed proprietary to the Disclosing Party. Confidential Information shall be protected by the Recipient as the Recipient would protect its own proprietary information, including but not

limited to protecting the Confidential Information from distribution, disclosure, or dissemination to anyone except employees or duly authorized agents of the Parties with a need to know such information and which the affected employees and agents agree to be bound by the terms of this Section. Confidential Information shall not be disclosed or used for any purpose other than to provide service as specified in this Agreement or upon such other terms as may be agreed to by the Parties in writing. For purposes of this Section, the Disclosing Party shall mean the owner of the Confidential Information, and the Recipient shall mean the party to whom Confidential Information is disclosed.

15.2 Recipient shall have no obligation to safeguard Confidential Information (i) which was in the Recipient's possession free of restriction prior to its receipt from Disclosing Party, (ii) after it becomes publicly known or available through no breach of this Agreement by Recipient, (iii) after it is rightfully acquired by Recipient free of restrictions on the Disclosing Party, or (iv) after it is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential Information had not been previously disclosed. Recipient may disclose Confidential Information if required by law, a court, or governmental agency, provided that Disclosing Party has been notified of the requirement promptly after Recipient becomes aware of the requirement, and provided that Recipient undertakes all reasonable lawful measures to avoid disclosing such information until Disclosing Party has had reasonable time to obtain a protective order. Recipient agrees to comply with any protective order that covers the Confidential Information to be disclosed.

15.3 Each Party agrees that Disclosing Party would be irreparably injured by a breach of this Agreement by Recipient or its representatives and that Disclosing Party shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of this paragraph. Such remedies shall not be exclusive, but shall be in addition to all other remedies available at law or in equity.

16. FORCE MAJEURE

Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation, acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power failure or blackouts, or adverse weather conditions, labor unrest, including without limitation, strikes, slowdowns, picketing, or boycotts. In the event of any such excused delay in the performance of a Party's obligation(s) under this Agreement, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of the delay. In the event of such delay, the delaying Party shall perform its obligations at a performance level no less than that which it uses for its own operations.

17. INDEPENDENT CONTRACTOR

The Parties to this Agreement are independent contractors. Neither Party is an agent, representative, or partner of the other Party.

18. NO WARRANTY

NEITHER PARTY GUARANTEES NOR WARRANTS THE INSTALLATION OF THE FACILITIES, OR ERROR-FREE OR INTERRUPTION-FREE TELECOMMUNICATIONS SERVICE. THIS AGREEMENT EXCLUDES ALL WARRANTIES OF WHATEVER KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

19. LIMITATION OF LIABILITY

Under no circumstances shall either party be liable to the other for any indirect, incidental, special, or consequential damages (including but not limited to loss of business, loss of use, or loss of profits) arising in connection with this agreement. The parties' only liability under this agreement is for direct, actual damages to the extent either party causes the other party such damage. The parties' remedies under this agreement are exclusive and are limited to those expressly set forth in this agreement.

20. INDEMNIFICATION

Each Party to this Agreement shall indemnify and hold harmless the other Party, with respect to any third-party claims, lawsuits, damages or court actions arising from service under this Agreement, to the extent that the indemnifying Party is liable or responsible for said third-party claims, losses, damages, or court actions. Whenever any claim shall arise for indemnification hereunder, the Party entitled to indemnification shall promptly notify the other Party of the claim and, when known, the facts constituting the basis for such claim. In the event that one Party to this Agreement disputes the other Party's right to indemnification hereunder, the Party disputing indemnification shall promptly notify the other Party of the factual basis for disputing indemnification. Indemnification shall include but is not limited to costs and attorneys fees.

The indemnifying Party shall have sole authority to defend any such action, including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense. In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party.

21. ASSIGNMENT

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. Any assignment by either party of any right, obligation, or duty, in whole or in part, or of any interest, to a non-affiliated entity without the written consent of the other party shall be void. A party assigning or delegating this Agreement or any right, obligation, duty or other interest hereunder to an affiliate shall provide written notice to the other party.

22. GOVERNING LAW

To the extent not governed by, and construed in accordance with, the laws and regulations of the United States, this Agreement shall be governed by, and construed in accordance with, the laws and regulations of the FCC and the state of North Dakota, without regard to its conflicts of laws principles.

23. DEFAULT

If either Party believes the other is in breach of this Agreement or otherwise in violation of law, it will first give thirty (30) days notice of such breach or violation and an opportunity for the allegedly defaulting Party to cure. Thereafter, the Parties will employ the dispute resolution procedures set forth in this Agreement.

24. SEVERABILITY

In the event that any one or more of the provisions contained herein, is, for any reason, held to be unenforceable in any respect under law or regulation, the remainder of this Agreement will not be affected thereby and will continue in full force and effect, unless removal of that provision results in a material change to this Agreement. In such a case, the Parties will negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either Party may terminate this Agreement.

25. WAIVERS

Any failure by either Party to insist upon the strict performance by the other Party of any of the provisions of this Agreement will not be deemed a waiver of any of the provisions of this Agreement, and each Party, notwithstanding such failure, will have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

26. AMENDMENT

No amendment or modification of any provision of this Agreement shall be effective unless the same shall be in writing and signed by both Parties hereto.

27. NO RIGHTS TO THIRD PARTIES

This Agreement will not provide any third party, including, but not limited to any end user customer of the Parties, with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference to this Agreement.

28. NOTICE

All notices and other communications provided for hereunder shall be in writing and shall be personally delivered or mailed or sent to each party as set forth below or at such other address or in such other manner as may be designated by such Party in written notice to the other Party. All such notices and communications shall be effective when delivered in person or transmitted by facsimile or upon receipt after dispatch by certified or registered first class mail, postage prepaid, return receipt requested, to the Party to whom the same is so given or made:

To:

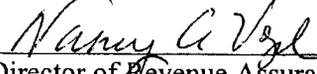
HTC Services, Inc.
345 2nd Avenue West
Halstad, MN 56548

To:

Midcontinent Communications
~~5001 West 41st Street~~ 3901 N. Louise Ave
Sioux Falls, SD ~~57106~~ 57107

In Witness Whereof, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

HTC Services, Inc.
By 
Signature
RONALD LAQUA
Type or Print Name
CEO
Title
3/7/08
Date

Midcontinent Communications
By 
Its Director of Revenue Assurance
By Midcontinent Communications Investor, LLC.
Managing Partner of Midcontinent Communications
3/3/08

ATTACHMENT 1

1. Local Serving Area:

Hillsboro, ND Exchange

2. Local calling area includes the following exchanges:

Hillsboro, ND

3. Point of Interconnection (POI):

124 East Caledonia Ave.
Hillsboro, ND 57445

4. Reciprocal Compensation Rate:

TBD

Important Notice Regarding Process for Pending Interconnection Agreements

Interconnection agreements are filed under Section 252(e) of the Telecommunications Act of 1996 (Act) which requires that any agreement adopted by negotiation or arbitration be submitted to the Commission for approval. Section 252(e)(4) of the Act provides that agreements adopted by negotiation will be deemed approved if the Commission does not act to approve or reject the agreement within 90 days after submission.

Effective for agreements filed on or after November 20, 2003, the Commission will no longer take action to approve interconnection agreements adopted by negotiation and consequently will no longer issue any formal notices inviting written comments. Pending negotiated agreements will be listed here, together with the date each was filed and links to the agreement itself. ***Please note that it may take one working day for a filed agreement to appear on or be removed from this list.*** The Commission will receive written comments on each listed agreement for 60 days from the date filed. **Absent Commission action within 90 days of filing to reject an agreement (or portion thereof) adopted by negotiation, the agreement will be deemed approved under section 252(e)(4) of the Act.** Any assignment, assumption or transfer of an approved agreement requires a new filing with a new 90 day review and comment period.

Under section 252(e)(2)(A) of the Act, the Commission may only reject an agreement (or portion thereof) adopted by negotiation if the Commission finds that:

1. the agreement (or portion thereof) discriminates against a telecommunications carrier that was not a party to the agreement;
2. the implementation of the agreement (or portion thereof) is not consistent with the public interest, convenience, and necessity

In addition, the Commission may include in its review state requirements that do not constitute barriers to entry under section 253 of the Act.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400; or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials please notify Ilona Jeffcoat-Sacco, Executive Secretary.