

HORRY TELEPHONE COOPERATIVE, INC. COMPLIANCE STATEMENT

Communications Assistance for Law Enforcement Act (CALEA)

Horry Telephone Cooperative ("HTC") is compliant with the Communications Assistance for Law Enforcement Act (CALEA) codified in the United States Code and implemented by Federal Communications Commission ("FCC") rules and regulations. CALEA requires that telecommunications carriers design their equipment, facilities, and services to ensure that they have the necessary surveillance capabilities under their network architectures to comply with legal requests for information. HTC has submitted to the FCC its CALEA policies and procedures pursuant to Section 1.20005 of the FCC's rules.

Red Flag

HTC is compliant with the Red Flag Rules established by the Federal Trade Commission ("FTC") pursuant to the Fair and Accurate Credit Transactions Act ("FACTA"). The Red Flag Rules require some business entities to implement an identity theft program to detect and mitigate identity theft in day-to-day operations. HTC maintains compliance with the Red Flag Rules to the full extent applicable to HTC.

Equal Employment Opportunity (EEO)

HTC is compliant with Equal Employment Opportunity ("EEO") program and reporting requirements pursuant to the FCC's rules and regulations. The EEO rules prohibit discrimination by multichannel video programming distributors, such as HTC. HTC maintains compliance with the EEO Rules to its full applicable extent.

Members acting in ways that abuse or threaten the HTC network or violate the Cooperative's Acceptable Use Policy, Internet Service Terms and Conditions, or the Internet Service Agreement will be asked to stop any such actions immediately. A failure to respond to HTC or to cease any such conduct could result in service suspension or termination.

HTC network and congestion management practices are service application-agnostic, based on current network conditions, and are not implemented on the basis of members' online activities, protocols or applications. HTC network management practices do not relate to any particular member's aggregate monthly data usage.

HTC does not prioritize or discriminate against any applications or protocols. HTC does not utilize any traffic shaping, prioritization, or resource reservations techniques to prioritize one-member service over another member in any manner.

II. Network Security

HTC understands the importance of securing its network and protecting its members from network threats and annoyances. The Cooperative promotes the security of its network and members by providing resources to its members for identifying and reporting threats such as spam, viruses, firewall issues, and phishing schemes. HTC also deploys spam filters in order to divert spam from an online member's email inbox while allowing the member to control which emails are identified as spam. For more information please review the HTC Spam Policy.

As a normal practice, HTC does not block or throttle any protocols, content or traffic for purposes of network management except that the Company may block or limit such traffic as spam, viruses, malware, and denial of service attacks to protect network integrity and the security of HTC members. HTC filters ports to reduce the spread of computer-related viruses and protect personal computers from intruder access. If HTC suspects traffic originated by a member is virus related, HTC will contact the suspected party. If there is no response from the member, the member's service will be suspended until the issue can be resolved.

HTC does not currently engage in any application-specific behaviors on its network, except as maybe listed in the Specialized Service section of this policy.

III. Monitoring Schedule

HTC automatically monitors its network for performance. Alarms or alerts are generated if network performance is degraded. In addition, traffic is analyzed and trended to insure peak performance. HTC adds capacity or reroutes traffic to relieve congestion when identified. HTC uses industry standard software tools to check for abnormal traffic flows, network security breaches, malware, and other elements that may damage the the network. If a breach is detected or high-volume users are identified, HTC provides

notification to the member by either email or telephone. If a violation of HTC's policies has occurred and such violation is not remedied by the customer, HTC will suspend or terminate the member's service.

IV. Network Management Technology

HTC employs a variety of industry-standard tools, applications and devices to monitor, secure and maintain its network, including the following:

- network graphing solutions
- latency measurement software
- bandwidth and performance measurement platforms

V. Service Descriptions

HTC offers broadband service over Cable Modem, Digital Subscriber Line (DSL), and Fiber to the Home (FTTH) facilities. Due to the differences in technology, not all service tiers and bandwidth options are available to every member. HTC offers data transmissions speeds ranging from 1 Mbps to 1 Gig for residential members and 1.5 Mbps to 10 Gig for businesses. Not all service tiers are available on all technology types.

Service offerings are detailed in the services section of the website [insert link]. There are no data caps for broadband services. The terms and conditions for broadband and internet services are posted on the HTC website [link]. All of HTC's broadband services are capable of supporting real time applications.

VI. Network Performance

HTC broadband services are provisioned as "best effort". HTC makes every effort to support advertised speeds and will perform speed tests as needed to troubleshoot and resolve speed and application performance issues that exist on the Company's network. HTC measures availability, latency, and aggregate utilization on the network and strives to meet internal service level targets in its network. However, the member's connection performance is affected by the particular website being accessed, capacity in the public internet beyond the HTC network and the member's computer, inside wiring, wireless router, number of devices connected to a member's wireless router and other member- owned equipment.

Across all technology types and speeds, HTC provides a minimum of 85% of the advertised download and upload speeds, unless the factors aforementioned above cause customer performance degradation. HTC's current spends and latency is shown in the chart on the next page for residential and business members.

Residential Cable Modem Tier	Advertised Speed Download	Advertised Speed Upload	Performance Latency	Performance Packet Loss
Standard	300 Mbps	20 Mbps	15 ms	-1%
Premium	500 Mbps	20 Mbps	15 ms	-1%
Ultra	1000 Mbps	20 Mbps	15 ms	-1%
Residential Cable Fiber Tier	Advertised Speed Download	Advertised Speed Upload	Performance Latency	Performance Packet Loss
Standard	300 Mbps	300 Mbps	15 ms	-1%
Premium	500 Mbps	500 Mbps	15 ms	-1%
Ultra	1000 Mbps	500 Mbps	15 ms	-1%
Residential Cable DSL	Advertised Speed Download	Advertised Speed Upload	Performance Latency	Performance Packet Loss
Standard	10 Mbps	1 Mbps	15 ms	-1%
Business Tier	Advertised Speed Download	Advertised Speed Upload	Performance Latency	Performance Packet Loss
Standard	100 Mbps	10 Mbps	15 ms	-1%
Premium	200 Mbps	10 Mbps	15 ms	-1%
Ultra	300 Mbps	20 Mbps	15 ms	-1%

Members can test their actual speeds using the speed test found on the Cooperative's website htcnetracer.speedtestcustom.com or speedtest.net. HTC utilizes available systems and processes that allow the Cooperative to measure the performance of the HTC controlled network against advertised speeds.

VII. Specialized Services

HTC does not provide specialized services at this time.

VIII. Device Attachment Rules

HTC provides DSL modems, FTTH residential gateways and cable modems as part of its broadband services. Members may attach any industry standard device beyond the residential gateway, DSL modem or cable modem. If HTC discovers a member device is harmful to its network, HTC has the right to request that the member remove such device.

IX. Other Notices

In addition to this Network Management Policy, all other notices as listed below can be found on the HTC website. [htcinc.net/htc-policy-guidelines]

- Acceptable Use Policy
- Internet Service Agreement
- Internet Privacy Policy
- Spam Policy
- Website Legal Disclaimer
- Free Webspace Guidelines
- Digital Millennium Act of 1998
- Network Management FAQ

X. Current Pricing

HTC current pricing is included in the Pricing Appendix and can also be found by selecting the following link. [htcinc.net/htc-internet-prices]

XI. Redress Options

For questions, complaints or requests for additional information, please contact HTC at: htcinc.net/customer-service.

Pricing Appendix

BUSINESS TIERS				
BUSINESS INET TIER 0 - 5MX1M MTH	\$ 49.95			
BUSINESS INET TIER 1 - 100MX10M MTH	\$ 99.95			
BUSINESS INET TIER 1 - 10MX1M MTH	\$ 109.95			
BUSINESS INET TIER 1 - 5MX1M	\$ 79.95			
BUSINESS INET TIER 1 - 5MX1M MTHLY	\$ 87.95			
BUSINESS INET TIER 1 DSL- 50MX5M MTH	\$ 99.95			
BUSINESS INET TIER 2 - 15MX2M MTH	\$ 149.95			
BUSINESS INET TIER 2 - 200MX10M MTH	\$ 149.95			
BUSINESS INET TIER 2 - 8MX1M MTHLY	\$ 109.95			
BUSINESS INET TIER 3 - 15MX4M MTH	\$ 169.95			
BUSINESS INET TIER 4 - 35MX5M MTH	\$ 229.95			
BUSINESS INET TIER 5 - 35MX10M MTH	\$ 329.95			
BUSINESS INET TIER 6 - 50MX10M MTH	\$ 399.95			
BUSINESS INET TIER DSL- 10MX1M MTH	\$ 99.95			
BUSINESS INET TIER DSL- 15MX4M MTH	\$ 99.95			
BUSINESS INET TIER DSL- 15X2M MTH	\$ 99.95			
BUSINESS INET TIER DSL- 50MX10M MTH	\$ 149.95			
BUSINESS INET TIER DSL- 75MX5M MTH	\$ 99.95			
RESIDENTIAL TIERS				
RESIDENTIAL INET TIER 0: 1Mx1M (No longer available)	\$ 59.95			
RESIDENTIAL INET TIER 1 FTTH: 300M x 300M	\$ 59.95			
RESIDENTIAL INET TIER 1 CM/DSL: 300M x 20M	\$ 59.95			
RESIDENTIAL INET TIER 1 DSL: 10x1	\$ 44.95			
RESIDENTIAL INET TIER 2 FTTH: 500M x 500M	\$ 69.95			
RESIDENTIAL INET TIER 2 CM: 500M x 20M	\$ 69.95			
RESIDENTIAL INET TIER 3 CM: 1000M x 20M	\$ 84.95			
RESIDENTIAL INET TIER 3 FTTH: 1000M x 500M	\$ 84.95			

[htcinc.net/htc-internet-prices]