
November 1, 2007

Customer Update on New CPNI Rules

The Federal Communications Commission (FCC) has adopted new rules designed to better protect the security and confidentiality of Customer Proprietary Network Information (CPNI). CPNI includes call detail information (including the numbers you call, who calls you, and the length of your calls), certain account information (including the services you subscribe to and the amount of your bill) and other individually identifiable and customer specific information. Under the FCC's new rules, telephone companies like Preston Telephone Co. are responsible for maintaining the security and confidentiality of CPNI. Failure to comply with the new rules may result in substantial fines or other penalties. The new rules become effective at the end of the year and will have a significant impact on our relationship with customers. In order to prepare for these changes, we will be phasing in new policies and procedures over the coming months. This interim period will provide all of us with the time needed to adjust to the required changes. Listed below are the biggest changes these new rules will have on our relationship:

- At our retail location(s), the company can only discuss CPNI with the customer of record or persons designated by the customer of record as authorized to receive information about the account.
- At our retail locations, you will be required to show a photo ID when you have questions relating to your account. For certain routine customer service issues, we may be permitted to discuss CPNI if you have all pertinent information with you, such as the bill or call detail information you wish to discuss. For example, you will be required to show a photo ID if you have questions about your bill (including the amount of the bill) but do not have the bill with you.
- For telephone inquiries relating to CPNI, we will be required to authenticate you as the customer of record. We have two options: call you back at the telephone number related to your account or mail the information to your mailing address or e-mail address of record. For certain routine customer service issues, we may be permitted to discuss CPNI if you are able to give our customer representative all the information necessary to assist with your issue.

For your convenience, we have enclosed forms which can be used to designate authorized account users and to designate an e-mail address of record. If you wish to have the option to communicate with us regarding CPNI through authorized account users or via e-mail, you should return these forms at your earliest convenience.

We recognize that the new rules and the procedures are going to change the way we do business. One way to alleviate the potential frustration associated with these policies and procedures is to always have the information in question or required to complete the transaction with you. We apologize in advance for any inconvenience, but failure of Preston Telephone Co. to comply with these rules may result in substantial fines or other penalties imposed by the FCC. We appreciate your understanding and cooperation as we change our policies and procedures to comply with these new FCC requirements.