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May 10, 2004

VIA HAND DELIVERY

Terri Carlock
Idaho Public Utilities Commission
472 W. Washington
P.O. Box 83720
Boise, ID 83720-0074

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2004 MAY 10 PM 2:58
IDAHO PUBLIC
UTILITIES COMMISSION

CAM-T-03-2

Our File No.: 1256-32
Subject: Loan Documents

Dear Terri:

As we discussed last Friday, enclosed are the following loan documents relating to Cambridge's loan from the Rural Utilities Service:

Loan Agreement dated April 1, 2004;
Promissory Note (\$6,096,000) dated April 1, 2004;
Promissory Note (\$4,857,000) dated April 1, 2004;
Promissory Note (\$2,643,000) dated April 1, 2004;
Promissory Note (\$3,547,950) dated April 1, 2004; and
Restated Mortgage, Security Agreement and Financing Statement

The first advance under the loan will be used to pay off the outstanding loan from CoBank (which originated to finance Council Telephone Company's purchase of the USWest exchanges in 1996). The Commission approved this pending RUS loan for a total of \$17,143,950 in its Order No. 29399. However, at that time, RUS had indicated there would be three notes. In the package of loan documents forwarded to Cambridge by RUS, there are four notes that together total the loan amount approved by the Commission. For our firm to give our

May 10, 2004

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loan opinion, we would greatly appreciate an amended order that approves execution and delivery of the four notes on the terms contained therein.

Please let me know if you or the Commission will need any additional information in consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly D. Malby" with a flourish underneath.

Michael C. Creamer

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