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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH	
In the Matter of the Application of The Manti Telephone Company for an Order Approving the Acquisition of the Voting Stock of The Manti Telephone Company by Lynch Telephone Corporation X	SETTLEMENT STIPULATION Docket No. 24-046-03

Pursuant to Utah Code §54-7-1 and the Rules of the Public Service Commission of Utah (the “Commission”), The Manti Telephone Company (“Manti”) and Lynch Telephone Corporation X (“Lynch”) (Manti and Lynch collectively, the “Applicants”), together with the Division of Public Utilities (the “Division”) (collectively the “Parties” or singly “Party”) submit this Settlement Stipulation (“Stipulation”). This Stipulation shall be effective upon the entry of a final order of approval by the Commission.

PROCEDURAL HISTORY

1. On August 19, 2024, Lynch entered into a Stock Purchase Agreement (the “Stock Purchase Agreement”) with Manti and its shareholders whereby Lynch would acquire 100% of the issued and outstanding shares of Manti (the “Transaction”).

2. On September 5, 2024, the Applicants filed a Joint Application for an Order Approving the Acquisition of the Voting Stock of The Manti Telephone Company by Lynch Telephone Corporation X.

3. The Commission conducted a virtual scheduling conference on September 13, 2024.

4. On September 16, 2024, the Commission issued a Scheduling Order and Notice of Hearing setting deadlines for testimony and providing notice of the hearing currently set for December 4, 2024.

5. On September 20, 2024, the Applicants filed the Direct Testimony of Dallas Cox, Stephen J. Moore, and Brad Welch in support of the Application.

6. Direct Testimony from Non-Applicants is due November 6, 2024.

7. No party, other than the Division, has sought to participate in this docket. The deadline for intervention is November 13, 2024.

8. The Applicants and the Division have engaged in settlement discussions, and the Parties have reached agreement as set forth below:

TERMS AND CONDITIONS

Based on the Application, testimony, and exhibits submitted, and the settlement discussions between the Applicants and the Division, the Division and the Applicants agree for purposes of settlement that Lynch’s acquisition of the voting stock of Manti is in the public

interest as required by Utah Code §54-4-29. Specifically, the Applicants and the Division stipulate and agree as follows:

1. The Transaction referred to in this docket will not affect the applicability of Commission rules and regulations to Manti, or the Commission's ability to regulate Manti. Post-Transaction, Manti will continue to abide by all regulatory obligations under which Manti currently operates in Utah.

2. The Transaction will not negatively impact Manti's service offerings in Utah, or Manti's maintenance of accounting data, network and plant data, continuing property records, and personnel records. Manti has no Commission approved Interconnection Agreements and wholesale broadband internet access service provided by Manti will not be impacted by this Transaction.

3. Applicants shall provide the Commission and the Division with reasonable access to the books, records, employees, and officers on matters relevant to Manti and within the jurisdiction of the Commission. Applicants shall make available appropriate employees, officers, and agents to testify before the Commission, to provide information relevant to matters involving Manti and within the jurisdiction of the Commission.

4. Applicants agree that no customers of Manti will be worse-off as a direct result of the Transaction. There will be no negative impacts on any rates charged or the quality of service provided to new or existing customers of Manti as a direct result of the Transaction. The Transaction will not disrupt any existing service arrangements or regulatory requirements applicable to Manti.

5. Manti agrees to make investments based upon and consistent with the service needs of the Manti subscribers and sound business practices.

6. Post-Transaction, Manti will not include stock purchase transaction costs such as fees and expenses of financial advisors, consultants and lawyers, or filing fees in its revenue requirement and Universal Public Telecommunications Service Support Fund (“UUSF”) calculation. Acquisition adjustments, transaction premiums, and goodwill amortization, if any, arising from the Transaction will not be included in Manti’s revenue requirement/UUSF calculation post-Transaction.

7. The Parties agree that Lynch has the business, technical, management, and operating experience to own and operate Manti, and that Manti’s customers will benefit from the expertise of Lynch’s management team and the access to additional capital that Lynch can provide.

8. The Parties agree that the Transaction is in the public interest and should be approved by the Commission.

GENERAL PROVISIONS

9. The Parties agree that this Stipulation represents a resolution among them of the matters in this proceeding included within this Stipulation. Utah Code § 54-7-1 authorizes the Commission to approve a settlement so long as the settlement is just and reasonable in result. All negotiations related to this Stipulation are confidential, and no Party shall be bound by any position asserted in negotiations. Except as expressly provided in this Stipulation, and in accordance with Utah Code § 54-7-1, neither the execution of this Stipulation nor the order adopting it shall be deemed to constitute an admission or acknowledgment by any Party of the validity or invalidity of any principle; nor shall they be construed to constitute the basis of an estoppel or waiver by any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Stipulation.

10. The Parties agree that no part of this Stipulation or methods used in developing the same or a Commission order approving the same shall in any manner be argued or considered as precedential in any future case except with regard to issues expressly called-out and resolved by this Stipulation. This Stipulation does not resolve and does not provide any inferences regarding any issues not specifically identified and settled herein. The Parties are free to take any position concerning such issues.

11. The Parties request that the Commission hold a hearing on this Stipulation. The Applicants and the Division will support the Commission's approval of this Stipulation. As applied to the Division, the explanation and support shall be consistent with its statutory authority and responsibility.

12. The Parties agree that if any person challenges the approval of this Stipulation or requests rehearing or reconsideration of any order of the Commission approving this Stipulation, each Party will use its best reasonable efforts to support the terms and conditions of this Stipulation. As applied to the Division, the phrase "use its best reasonable efforts" means that it shall do so in a manner consistent with its statutory authority and responsibility. In the event any person seeks judicial review of a Commission order approving this Stipulation, no Party shall take a position in that judicial review proceeding in opposition to the Stipulation.

13. Except with regard to the obligations of the Parties under the four (4) immediately preceding paragraphs of this Stipulation, this Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission.

14. This Stipulation is an integrated whole, and any Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission's approval is rejected or materially conditioned by a reviewing court. If the Commission rejects

any part of this Stipulation or imposes any material change or condition on approval of this Stipulation or if the Commission's approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five (5) business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Stipulation, any Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Stipulation, and no party shall be bound or prejudiced by the terms and conditions of the Stipulation.

15. This Stipulation may be executed by individual Parties through two or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

RELIEF REQUESTED

Based on the foregoing, the Parties request that the Commission issue an order approving this Stipulation and adopting its terms and conditions.

RESPECTFULLY SUBMITTED: October 29, 2024

HALE WOOD, PLLC

/s/ Paul W. Jones

Paul W. Jones

Attorneys for The Manti Telephone Company

BLACKBURN & STOLL, LC



Kira M. Slawson
Brett N. Anderson
Attorneys for Lynch Telephone Corporation X

DIVISION OF PUBLIC UTILITIES



Chris Parker

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Settlement Stipulation In the Matter of the Approval of the Acquisition of the Voting Stock of The Manti Telephone Company by Lynch Telephone Corporation X, Docket 24-046-03 was served the 29th day of October, 2024, as follows:

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