A JOINT MEETING OF THE BOARDS OF DIRECTORS OF SURRY TELEPHONE MEMBERSHIP CORPORATION AND PIEDMONT COMMUNICATIONS SERVICES, INC.

A joint meeting of the Board of Directors of Surry Telephone Membership Corporation and the Board of Directors of Piedmont Communications Services, Inc. was held on Thursday, September 11, 2025, at 9:00 AM in the boardroom of the Surry Telephone office building, Dobson, NC.

Present in person were Directors Chris Younger, Joe Atkins, Ronnie Griggs, Jean Hardy, Joe Riddle, Bud Snyder, Chad Bullington, Renee Martin, CEO Richie Parker and General Counsel Raymond Parker. All documents and reports to be discussed at the board meeting were posted in advance of the meeting in the "board portal" and are on file in the company offices.

Chris Younger, President of Surry Telephone, presided.

CONSENT AGENDA

- The Minutes of the August 21, 2025, joint Board Meeting of Surry Telephone and Piedmont Communications Services.
- Capital Credits proposed for refund to Estates of deceased members discounted to present value of $15,466.00.
- Uncollectible Accounts for Surry Telephone in the amount of $827.30 and PCSI accounts in the amount of $555.86 were proposed for write-off.

No items in the Consent Agenda were requested to be removed and discussed separately. A motion to approve the Consent Agenda items was made, seconded, and unanimously approved.

OPERATING REPORTS

CEO Richie Parker began by reviewing the company's Mission Statement.

CEO Parker reviewed with the Board the list of port-outs and port-ins during the previous month.

The financials for July 2025 were presented and discussed.

The Board received a Subscriber Report based upon the consolidated figures for Surry Telephone and PCSI through the August 1, 2025, billing.

The Boards reviewed investments, check registers, call analysis, top customer reports and trouble calls for both Surry Telephone and PCSI.

CEO UPDATES

Construction Update: CEO Parker reviewed the construction and splicing projects that are underway. Mount Airy Country Club project is 100% complete. Cross Creek is 60% complete.

Engineering Update: The Engineering update was given. NCDIT CAB Round 2 projects must be completed by October 31, 2026. Fiber orders are now 14-26 weeks delivery time.

Network Update: The boards reviewed the several network operations projects underway and being planned. WIFI in Mount Airy is up and working.

Service Level Update: Telephone outages occurred in Surry County on September 7 due to a card failure. We will do a new network routing to correct. Westfield internet customers were experiencing router issues, but the problem has been resolved.

Cyber Update: The Board received the monthly update on company cyber security efforts.

CATV/Video Update: The "sunset" of Video will be December 31, 2026. Discussed plans to phase out coax cable in Davidson County at least by 2031, but hopefully sooner. We have in hand the new DirectTV affiliate agreement.

Accounting Update: CEO Parker discussed in depth the First Community Line of Credit. CEO Parker recommends that we sell off investments from Truist (100% of this investment account), Merrill Lynch, and Morgan Stanley and apply the proceeds to pay down of the Line of Credit. This will leave about $7M owed on the line of credit. CEO Parker stated that he plans to slow our fiber construction and push-out the USDA funded projects to the 4th quarter of 2026. After discussion, a motion was made to sell investments as recommended by the CEO and apply the proceeds to the repayment of the line of credit. This motion was approved. A motion was then made and seconded, to close out the Truist investment account when its investments have been sold. This motion also passed.

CEO Parker announced that an application acceptance letter and Loan Agreement has been received from RUS for the USDA loan. The loan agreement allows for a 5 year withdraw period, with each drawdown having an interest rate of "the cost of money." Once all drawdowns are complete, or five years from the first draw down, whichever is first to occur, the advances will be combined for one amount owed. CEO Parker went over the other terms and obligations set forth in the loan agreement. After discussion, a motion was made, seconded, and unanimously passed approving the USDA Loan Agreement and authorizing and directing the officers to execute the Loan Agreement and any other documents required for obtaining the loan.

CEO Parker updated the board on our current internet pricing. After discussion a motion was made, seconded and unanimously passed that effective immediately the standard fiber internet speed will be 500/500 at a cost of $44.95 per month; Cable modem internet speed in Reeds, Churchland, the CELC, and part of Tyro and W-S will be 500/20 at a cost of $54.95 per month; and the CLEC in Lexington and part of Tyro will be 500/200 at a cost of $54.95 per month.

CEO Parker recommended that the Late Payment Fee be increased from $2.00 to $5.00 effective January 1, 2026. After discussion a motion was made, seconded and unanimously passed to increase the Late Payment Notice Tariff from $2.00 to $5.00 effective January 1, 2026.

Mr. Parker also recommended that the tariff for Reconnect Fees be increased from $10 to $19.99, for telephone and internet accounts, and decrease from $25.00 to $19.99 for TV accounts, effective January 1, 2026. After discussion, a motion was made, seconded and unanimously passed to revise the Reconnect Fee Tariff to $19.99, effective January 1, 2026.

<u>Marketing Update</u>: A marketing update was given.

<u>Personnel Update</u>: CEO Parker gave the Personnel Report. CEO Parker also made a presentation on the NTCA Retirement and Securities policies. NTCA has now announced their 2026 Benefit Formula and contribution percentages. Surry Telephone must make a decision by the end of September on a new NTCA Benefit Formula for our employees. After the presentation and a discussion, a motion was made, seconded, and unanimously passed to keep the benefit formula at 1.7% for 2026, with an increase in cost of $6,176.00.

<u>Subsidiary Updates</u>:

- <u>Carolina West</u>–Met on August 14, 2025, in a special meeting. CEO Parker summarized the purpose of this meeting.
- <u>AccessOn</u>- Will meet at the CVBMA Meeting in Roanoke.
- <u>Visions West</u>-No update.

<u>OTHER BUSINESS</u>

The 2026 Nominating Committee which will meet on January 5, 2026, at 7:00 PM to nominate directors for seats from the Red Brush and Zephyr Exchanges. After some discussion the following members were appointed to the 2026 Nominating Committee:

Beulah	Danny Hodges	Alt.	Larry Bryant
Levels Cross	Terry Pratt	Alt.	Gregory Simmons
Red Brush	Jimmy Draughn	Alt.	Bobby Marsh
Shoals	Scotty Marion	Alt.	Van Tucker

Westfield	Jerry Atkins	Alt.	None
Zephyr	Avery Branch	Alt.	Dennis Wilmoth
Churchland	Danny Snider	Alt.	Jerry Smith
Reeds	Gene Klump	Alt.	Dane Lanier
At large	Clarence Cropps, Jr.		

ADJOURNMENT

The Pay and Compensation Committee will meet on October 21, 2025, at 9:00 am.

The next regular joint meeting of the boards is scheduled for Thursday, October 23, 2025, at 9:00 AM.

President Younger asked if there was any further business to come before the meeting. There was none.

Mr. Younger declared the meeting adjourned at am.

SUBMITTED:

Secretary

APPROVED:

Surry Telephone Membership Corporation

President

Piedmont Communications Services, Inc.

President