

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, December 18, 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 November 20, 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 \$30,113.01.
- Uncollectible Accounts for Surry Telephone in the amount of \$4,298.11 and PCSI accounts in the amount of \$156.56 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 October 2025 were presented and discussed.

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

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

2026 Budget

CEO Parker presented the proposed budget for 2026. This budget is similar to previous years budgets. The financials are projected from the past seven-year average. Highlights of the budget are: Other than grant projects, we will continue to build fiber as in previous years while we maintain a watch on the construction expenses. The goals for 2026 were discussed. 2026 is the 75th Anniversary of the company and plans for this celebration are included in the budget. There will be continued reductions in revenue from IPTV and CATV in 2026. Cable modems in Davidson will continue to be upgraded for better internet service. Personnel and capex estimates for 2026 were discussed. There are no plans to draw down the new RUS loan in 2026.

Management believes that there is a continued need to retain capital in the company in order to allow the company to continue construction of the fiber network in the both the ILEC and CLEC areas and to continue to both maintain the network and continue technology upgrades to the network, all without borrowing additional funds. Therefore, management recommends that the budget not include a general retirement of capital credits in 2026.

The 2026 compared to the 2025 budget numbers were reviewed and explained.

Following questions, a motion was made, seconded, and unanimously passed approving the 2026 Budget as presented.

CEO UPDATES

Construction Update: CEO Parker reviewed the construction and splicing projects that are underway. Only two "Tucker" crews are now being used.

Engineering Update: The Engineering update was given. Fiber order lead time is now out to 14-16 weeks.

Network Operations Update: The boards reviewed the several network operations projects underway and being planned. We continue to reduce Allied Equipment in the field. Our goal is that all Allied Equipment will be removed by 2027. The new Level Cross Generator installation is still delayed.

Service Level Update: Network Operations is experiencing continual issues with the Lexington tandem. Cold temperatures affect the coax system.

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

CATV/Video Update: CEO Parker reviewed the schedule for turn-down of video customers. These turndowns is increasing internet subscribers and sales of DirectTV. The "sunset" of video continues to be December 31, 2026.

Accounting Update: The RUS Loan package has been completed and documents have been recorded. The package should be sent to RUS within the next few days. Reviewed the new internet speeds and tariffs. Staff wants to add 750 MBS and 2500 MBPS to ILEC Modems in Reeds and Churchland. This addition requires a change in the internet tariff. A motion was made, seconded, and unanimously passed approving these new tariffs.

A large institutional customer has given us notice that sometime in 2026 they will be changing their internet provider to Spectrum due to other locations in the state being with Spectrum on a company account.

Marketing Update: A marketing update was given.

Personnel Update: CEO Parker gave a Personnel Report.

Subsidiary Updates:

- Carolina West-The CWW Board met on December 9, 2025. Financials and metrics were reviewed. The 2026 Budget was approved. There was a follow-up on the October discussions. The next board meeting is in February.
- AccessOn-Met on December 12, 2025. Financials were reviewed. The 2026 Budget showing a slight loss or break-even performance was apporoved. Next meeting in February.
- Visions West-No meeting.

Other Business

The next regular joint meeting of the boards is scheduled for Thursday, January 15, 2026, at 9:00 AM.

A reminder that the 2026 Nominating Committee will meet in January 5, 2026. Director seats for Red Brush and Zepher Directors up for reelection. Chris Younger and Jean Hardy have completed their applications for reelection.

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

Mr. Younger declared the meeting adjourned.

SUBMITTED:

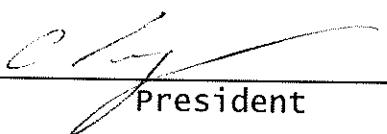


Dennis Younger

Secretary

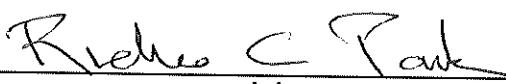
APPROVED:

Surry Telephone Membership Corporation



President

Piedmont Communications Services, Inc.



President