Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/1990

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

36101 FM 3159
NEW BRAUNFELS, TX 78132-5903

2b Employer Identification Number (EIN)
74-1194662

2c Sponsor's telephone number
830-885-4411

2d Business code (see instructions)
517000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	08/01/2013	MARK GITTER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/01/2013	MARK GITTER
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a	Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4c**	PN

5	Total number of participants at the beginning of the plan year	**5**	237
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	225
b	Retired or separated participants receiving benefits	**6b**	2
c	Other retired or separated participants entitled to future benefits	**6c**	42
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	269
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	270
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	270
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	7
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 3H 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[X]	1	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[X]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

D Employer Identification Number (EIN)
74-1194662

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

JOHN HANCOCK LIFE INSURANCE COMPANY USA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
01-0233346	65838	28753		01/01/2012	12/31/2012

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	76129

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

SALOMON SMITH BARNEY
9311 SAN PEDRO
SAN ANOTNIO, TX 78258

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	58702	COMMISSIONS	4

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

RETIRMENT HORIZONS INC.
16414 SAN PEDRO, STE 970
SAN ANTONIO, TX 78232

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	13709	REVENUE SHARING	5

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

RETIRMENT HORIZONS INC.
16414 SAN PEDRO, STE 970
SAN ANTONIO, TX 78232

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	
	3553	TPA FEES	5

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

SALOMON SMITH BARNEY
9311 SAN PEDRO
SAN ANTONIO, TX 78258

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	
	113	OTHER ALLOWANCES	4

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

VANGUARD GROUP, INC
PO BOX 2600
VALLEY FORGE, PA 19482

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	
	52	REDEMPTION FEES	6

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☐ guaranteed investment (4) ☒ other ▶ GROUP PENSION FUNDING

b	Balance at the end of the previous year			7b	25276
c	Additions: (1) Contributions deposited during the year	7c(1)	5488		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	185		
	(4) Transferred from separate account	7c(4)	17148		
	(5) Other (specify below)	7c(5)	454		
	▶ LOAN REPAYMENTS PLAN EXPENSE REDUCTION CREDIT				
	(6) Total additions			7c(6)	23275
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	48551
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)			
	(2) Administration charge made by carrier	7e(2)	141		
	(3) Transferred to separate account	7e(3)	134		
	(4) Other (specify below)	7e(4)	1878		
	▶ PARTICIPANT LOANS				
	(5) Total deductions			7e(5)	2153
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	46398

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

D Employer Identification Number (EIN)
74-1194662

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JOHN HANCOCK INSURANCE CO USA

01-0233346

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

D Employer Identification Number (EIN)
74-1194662

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: LIFESTYLE CONSERVATIVE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	523874

a Name of MTIA, CCT, PSA, or 103-12 IE: LIFESTYLE MODERATE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	926923

a Name of MTIA, CCT, PSA, or 103-12 IE: LIFESTYLE BALANCED

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	2694358

a Name of MTIA, CCT, PSA, or 103-12 IE: LIFESTYLE GROWTH

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	5016126

a Name of MTIA, CCT, PSA, or 103-12 IE: LIFESTYLE AGGRESSIVE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	1801626

a Name of MTIA, CCT, PSA, or 103-12 IE: PIMCO REAL RETURN

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	678588

a Name of MTIA, CCT, PSA, or 103-12 IE: PIMCO TOTAL RETURN

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
01-0233346-000	P	510953

a Name of MTIA, CCT, PSA, or 103-12 IE: WASHINGTON MUTUAL INVESTORS

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 568074

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE EQUITY INC

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 94141

a Name of MTIA, CCT, PSA, or 103-12 IE: IVY ASSET STRATEGY FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 38205

a Name of MTIA, CCT, PSA, or 103-12 IE: PARNASSUS EQUITY INCOME

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 352942

a Name of MTIA, CCT, PSA, or 103-12 IE: MUTUAL GLOBAL DISCOVERY

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 201854

a Name of MTIA, CCT, PSA, or 103-12 IE: THE GROWTH FUND OF AMERICA

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 286430

a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON WORLD

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 84480

a Name of MTIA, CCT, PSA, or 103-12 IE: COLUMBIA MID CAP VALUE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 266571

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VALUE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 74031

a Name of MTIA, CCT, PSA, or 103-12 IE: EUROPACIFIC GROWTH FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 201412

a Name of MTIA, CCT, PSA, or 103-12 IE: LEGG MASON CLEARBR AGG GROWTH

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 193595

a Name of MTIA, CCT, PSA, or 103-12 IE: DFA INTERNATIONAL VALUE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15244

a Name of MTIA, CCT, PSA, or 103-12 IE: OPPENHEIMER DEVELOPING MARKET

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 87061

a Name of MTIA, CCT, PSA, or 103-12 IE: ENERGY

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 764519

a Name of MTIA, CCT, PSA, or 103-12 IE: RETIREMENT LIVING AT 2035

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 21648

a Name of MTIA, CCT, PSA, or 103-12 IE: MONEY MARKET FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1884633

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP INDEX FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 84626

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 18675

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP STOCK FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 176587

a Name of MTIA, CCT, PSA, or 103-12 IE: ROYCE PENNSYLVANIA MUTUAL FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 122875

a Name of MTIA, CCT, PSA, or 103-12 IE: THORNBURG INTERNATIONAL VALUE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 62225

a Name of MTIA, CCT, PSA, or 103-12 IE: OPPENHEIMER INTL GROWTH FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 755

a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON GLOBAL BOND FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 138719

a Name of MTIA, CCT, PSA, or 103-12 IE: RETIREMENT LIVING 2050

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1637

a Name of MTIA, CCT, PSA, or 103-12 IE: RETIREMENT LIVING 2040

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6917

a Name of MTIA, CCT, PSA, or 103-12 IE: RETIREMENT LIVING 2030

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 127

a Name of MTIA, CCT, PSA, or 103-12 IE: RETIREMENT LIVING 2015

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3322

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

D Employer Identification Number (EIN)
74-1194662

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1097094	1884633
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	615737	580981
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	13326584	16019119
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	25276	46398
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	15064691	18531131
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	15064691	18531131

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	570586	
	(B) Participants	2a(1)(B)	889687	
	(C) Others (including rollovers)	2a(1)(C)	338082	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1798355
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	188	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)	25050	
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		25238
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1925413
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		3749006
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	228317	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		228317
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	51272	
(3) Investment advisory and management fees	2i(3)	52	
(4) Other	2i(4)	2925	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		54249
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		282566
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		3466440
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CURTIS BLAKELY & CO. P.C. **(2)** EIN: 75-1546734

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

D Employer Identification Number (EIN)
74-1194662

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 01-0233346

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

As of December 31, 2012 and 2011
With Independent Auditor's Report

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN

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All other schedules required by Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended, are omitted as they are not applicable or the required information is shown in the financial statements or notes thereto.

Curtis Blakely & Co., PC
Certified Public Accountants & Consultants

Independent Auditor's Report

The Plan Committee
Guadalupe Valley Telephone Cooperative, Inc.
401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Guadalupe Valley Telephone Cooperative, Inc. 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting our audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information described in Note 4, which was certified by John Hancock Life Insurance Company, the custodian of the Plan (the custodian), except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2012 and 2011, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets, which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Curtis Blakely & Co, P.C.

Longview, Texas

July 22, 2013

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31

	2012	2011
Assets:		
Investments:		
John Hancock Life Insurance Company		
Group Annuity Contract #28753	**$ 17,950,150**	$ 14,448,954
Receivables:		
Loans to participants	**580,981**	615,737
Total Assets	**18,531,131**	15,064,691
Liabilities	**-0-**	-0-
Net Assets Available for Benefits	**$ 18,531,131**	$ 15,064,691

See accompanying notes to financial statements.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Years Ended December 31

	2012	2011
Additions to Net Assets:		
Investment Income:		
Interest	$ 25,238	$ 26,197
Net appreciation (depreciation) in fair value of investments	1,925,413	(480,996)
Total Investment Income (Loss)	1,950,651	(454,799)
Contributions:		
Employer	570,586	486,532
Employee	889,687	852,037
Rollovers	338,082	45,277
Total Contributions	1,798,355	1,383,846
Total Additions	3,749,006	929,047
Deductions from Net Assets:		
Distributions to participants or beneficiaries	228,317	1,129,276
Administrative expense	54,249	59,388
Total Deductions	282,566	1,188,664
Increase (Decrease) in Net Assets	3,466,440	(259,617)
Net Assets Available for Benefits:		
Beginning of Year	15,064,691	15,324,308
End of Year	$ 18,531,131	$ 15,064,691

See accompanying notes to financial statements.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 1 – Description of Plan:

The following brief description of the Guadalupe Valley Telephone Cooperative, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General

The Plan is a defined contribution plan that was established effective January 1, 1990. The Plan is administered by the Guadalupe Valley Telephone Cooperative, Inc.'s Plan Committee. John Hancock Life Insurance Company serves as the Plan asset custodian and record keeper (the custodian). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Eligibility

Participation in the Plan is limited to employees of Guadalupe Valley Telephone Cooperative, Inc. and its wholly-owned subsidiary Guadalupe Valley Communications Systems, L.P. (the Cooperative) who have attained the age of 18 and have completed three months of continuous service as defined by the Plan document. Employees may enter the Plan on January 1, April 1, July 1, or October 1 after they become eligible.

Contributions

The Plan participants may direct the Cooperative to deposit amounts to the Plan on their behalf through the execution of a salary reduction agreement. A contribution may be made of up to 50 percent of the participant's annual compensation as defined in the Plan document, subject to the maximum annual limitations established by the Internal Revenue Service (IRS).

The Cooperative will contribute, on behalf of each Tier 1 participant who is an active employee, an amount equal to a percentage of the participant's contribution, up to four and one-half percent (4.5%) of the participant's compensation. A Tier 1 employee is any employee who was first hired prior to February 1, 2006. In the absence of current or accumulated earnings of the Cooperative, the Cooperative may elect to make a lesser matching contribution or no matching contribution to the Plan. The matching percentage contributed to the Tier 1 participant is based upon the employee's years of participation in the Plan, as defined in the Plan document as of the first day of the Plan year.

	Cooperative Matching Percentage
Years of participation:	
0 through 5 years	33 1/3%
6 through 10 years	66 2/3%
11 years or more	100%

The Cooperative will contribute for each Tier 2 participant an amount equal to 100 percent of the participant's contribution, up to five percent (5%) of the participant's compensation. A Tier 2 employee is any employee who was first hired on or after February 1, 2006.

Subject to the discretion of the Cooperative's board of directors, the Cooperative may make a nonmatching contribution to the Plan over and above the matching contribution described above.

Nonmatching contributions are allocable pro rata to Plan participants on an annual basis. Allocation of nonmatching contributions shall be made to each participant in the ratio of such participant's compensation for the Plan year to the total compensation of all participants for the Plan year. The Cooperative did not make a nonmatching contribution to the Plan for the years ended December 31, 2012 and 2011.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 1 – Description of Plan: (continued)

During 2012, the Cooperative made a discretionary qualified matching contribution of $45,200 which was allocated to Plan participants on a per capita basis.

Participant Accounts

Each participant's account is credited with the participant and matching contributions and an allocation of nonmatching contributions, if applicable, and Plan earnings. Allocations are based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan transactions are treated as general investments of the Plan. Loan terms range from one to five years. The loans are secured by the balance in the participant's account and bear interest at one percentage point above the prime rate at the time of the loan. Interest rates range from 4.25 percent to 6 percent. Principal and interest is paid ratably through monthly payroll deductions.

Vesting

The participant's basic and supplemental contributions, along with the associated earnings on those investments, are at all times fully vested and nonforfeitable.

If a participant's service is terminated by retirement on or after his normal retirement age, as defined in the Plan document, or is terminated for death or disability, the member becomes 100 percent vested in their account. For terminations other than by retirement, death, or disability, the participant is entitled to receive the following percentages of the employer contributions, along with associated investment earnings.

Years of Service:	Vested Percentage
Less than 1 year	0%
1 to 2 years	20%
2 to 3 years	40%
3 to 4 years	60%
4 to 5 years	80%
5 or more years	100%

For vesting purposes, a year of service is defined as a Plan year in which an employee completes 1,000 hours of service.

Forfeitures

For terminated participants, the nonvested portion of the employer contribution is forfeited and is used to pay administration costs or reduce the Cooperative's contributions to the Plan. Forfeitures of $10,582 were used to pay administration costs in 2012 and $18,155 were used to reduce employer contributions in 2011. At December 31, 2012, there are no forfeitures that have not yet been applied to reduce employer contributions.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 1 – Description of Plan: (continued)

Expenses of the Plan

All reasonable expenses of administering the Plan will be paid out of the Plan assets, unless paid for by the Cooperative. In 2012 and 2011, the Cooperative paid or reimbursed the Plan for Plan expenses which amounted to approximately $10,600 and $31,216, respectively.

Investment Options

Upon enrollment in the Plan, a participant may direct employee and Cooperative contributions in any of the Plan's investment options. Participants may change their investment options a maximum of two exchanges per calendar month through John Hancock Life Insurance Company.

Withdrawal by Participants

Participants may make withdrawals from their account for hardship purposes as defined by the Plan document. Only employee contributions to the account are available for hardship withdrawals. Subsequent to a hardship withdrawal, no basic or supplemental contributions by the employee can be made to the Plan during the six months immediately following the month in which the hardship withdrawal is received. In addition, the maximum basic and supplemental contribution limitation shall be reduced in the Plan year following the Plan year in which the hardship withdrawal was received. The reduction shall be equal to the amount of the hardship withdrawal.

Payments of Benefits

Upon death, disability, retirement, or termination, a participant shall be entitled to receive the vested portion of that participant's account balance. A participant's benefits will be distributed no later than April 1 of the calendar year following the later of: (1) the calendar year in which the participant attains the age of 70 ½ or (2) the calendar year in which the participant retires. The participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or annual installments over a 5 or 10 year period.

At December 31, 2012, there were no plan assets allocated to accounts of persons who had withdrawn from the Plan but had not yet been paid.

Amendment and Termination

Although it has not expressed an interest to do so, the Cooperative has the right to amend or terminate the Plan and the related trust at any time subject to the provisions set forth in ERISA. In the event of Plan termination, participants will become 100 percent vested in the accounts.

Note 2 – Summary of Significant Accounting Policies:

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 2 – Summary of Significant Accounting Policies: (continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions to and deductions from those estimates. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Investment contracts are valued at estimated fair value as provided by insurance companies issuing the contracts.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

These investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the risks associated with certain investment securities, it is at least reasonably possible that changes in the market values of these investments may occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for plan benefits.

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Loans to participants are reported at their unpaid principal balances plus any accrued but unpaid interest.

Fair Value Measurements

In accordance with FASC Topic 820 – Fair Value Measurements and Disclosures, we measure fair value at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts. We apply a hierarchy that prioritizes the information used to develop assumptions used in determining fair value. The hierarchy contains three levels of inputs: Level 1 – quoted prices in active markets for identical assets or liabilities; Level 2 – observable inputs, such as, quoted market prices of similar assets or liabilities in active markets or for identical assets or liabilities in markets that are not active; and Level 3 – unobservable inputs obtained from our own data. FASC Topic 820 applies whenever other standards require or permit assets or liabilities to be measured at fair value; however, it does not expand the use of fair value in any new circumstances. FASC Topic 820 does not apply to lower of cost or market determinations for inventory and does not eliminate the practicability exceptions to fair value measurements.

Our significant fair value measurements are those required by FASC Topic 320 – Investments-Debt and Equity Securities and FASC Topic 825 – Financial Instruments. We have not chosen to use fair value measurements unless required to do so by applicable accounting standards.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 3 – Federal Income Taxes:

The Plan obtained its latest determination letter on September 20, 2002, in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Note 4 – Information Certified by the Custodian:

The Plan Committee has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. The assets of the Plan are held by the custodian.

The Plan Committee has received certification from the custodian of the market value of all of the Plan's investments as of December 31, 2012 and 2011, and of interest income and net appreciation (depreciation) in fair value of investments for the years ended December 31, 2012 and 2011. The Plan's financial statements and supplemental schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2012, have been prepared based upon this certified information and reflect the amounts certified by the custodian.

The Plan's independent public accountants did not perform auditing procedures with respect to this information certified as complete and accurate by the custodian, except for comparing such information to the related information included in the financial statements and supplemental schedule.

Note 5 – Investments:

The Plan has entered into a group annuity contract with the John Hancock Life Insurance Company (John Hancock). John Hancock maintains the contributions in pooled separate accounts which are invested in units of John Hancock's investment funds. The accounts are credited with investment results of the funds and charged for Plan withdrawals and administration expenses charged by John Hancock. The contract is included in the financial statements at estimated fair value as reported by John Hancock.

The following table presents investments at December 31, 2012 and 2011. Investments that represent five percent or more of the Plan's net assets are separately identified. All investments are participant directed.

Investments at Estimated Fair Value:	2012	2011
John Hancock Life Insurance Company		
Group Annuity Contract #28753		
Unallocated funds	$ 46,398	$ 25,276
Pooled separate accounts:		
JH Moderate Lifestyle Fund	926,923	994,637
JH Balanced Lifestyle Fund	2,694,358	2,426,861
JH Growth Lifestyle Fund	5,016,126	4,525,241
JH Aggressive Lifestyle Fund	1,801,626	1,296,551
JH Energy Fund	764,519	800,755
JH Money Market Fund	1,884,633	1,097,094
Other Funds	4,815,567	3,282,539
Total Pooled Separate Accounts	17,903,752	14,423,678
Total Investments	$ 17,950,150	$ 14,448,954

During 2012 and 2011, the Plan's group annuity contract (including investments bought, sold, and held during the year) appreciated (depreciated) in value by $1,925,413 and $(480,996), respectively.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 6 – Fair Value Measurements:

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefit. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following are the Plan's investments measured at fair value on a recurring basis during the years ended December 31, 2012 and 2011.

Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total at December 31,
Group annuity contract, December 31, 2012	$ -0-	$ -0-	$ 17,950,150	$ 17,950,150
Group annuity contract, December 31, 2011	$ -0-	$ -0-	$ 14,448,954	$ 14,448,954

The group annuity contract with an insurance company is not actively traded and significant other observable inputs are not available. Thus, the fair value of the group annuity contract is reported at the amount certified by the Custodian. The following table provides further details of the Level 3 fair value measurements for 2012 and 2011.

	Group Annuity Contract
Ending balance, December 31, 2010	$ 14,724,138
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	(480,762)
Purchases, sales, issuances, and settlements (net)	205,578
Ending balance, December 31, 2011	14,448,954
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	1,925,601
Purchases, sales, issuances, and settlements (net)	1,575,595
Ending balance, December 31, 2012	$ 17,950,150

The net gain (loss) of $1,925,601 and $(480,762) on Level 3 assets includes interest income of $188 and $234, respectively, and net investment gains (loss) of $1,925,413 and $(480,996), respectively, reported in net appreciation in fair value of investments.

Note 7 – Subsequent Events:

We have evaluated subsequent events through July 22, 2013, the date which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
Schedule 1 - Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2012

Plan Sponsor: Guadalupe Valley Telephone Cooperative, Inc.
Employer *Identification Number*: 74-1194662
Plan Number: 002

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
*	Group Annuity Contract			
	John Hancock Life Insurance Company Group Annuity Contract #28753	Unallocated Funds:		
		JH USA Guaranteed Interest Accounts - 3 Year		$ 28,418
		JH USA Guaranteed Interest Accounts - 5 Year		17,980
		Pooled Separate Accounts:		
		JH Retirement Living at 2015		3,322
		JH Retirement Living at 2030		127
		JH Retirement Living at 2035		21,648
		JH Retirement Living at 2040		6,917
		JH Retirement Living at 2050		1,637
		JH Lifestyle Fund - Conservative		523,874
		JH Lifestyle Fund - Moderate		926,923
		JH Lifestyle Fund - Balanced		2,694,358
		JH Lifestyle Fund - Growth		5,016,126
		JH Lifestyle Fund - Aggressive		1,801,626
		JH PIMCO Real Return Fund		678,587
		JH PIMCO Total Return Fund		510,953
		JH Templeton Global Bond Fund		138,719
		JH American Funds Washington Mutual Investors Fund		568,074
		JH T Rowe Price Equity		94,141
		JH Ivy Asset Strategy		38,205
		JH Parnassus Equity Income		352,942
		JH Mutual Discovery Fund		201,854
		JH American Funds Growth Fund of America		286,430
		JH Templeton World Fund		84,480
		JH River Source Mid Cap Value Fund		84,626
		JH Small Cap Value Fund		74,031
		JH Columbia Mid Cap Value		266,571
		JH Royce Pennsylvania Mutual Fund		122,875
		JH Thornburg International Value		62,225
		JH American Funds EuroPacific Growth Fund		201,412
		JH Legg Partners Aggressive Growth Fund		193,595
		JH DFA International Value		15,244
		JH Oppenheimer International Growth		755
		JH Energy Fund		764,519
		JH Oppenheimer Developing Market		87,061
		JH Money Market Fund		1,884,633
		JH Small Cap Growth		18,675
		JH Mid Cap Stock		176,587
				17,950,150
	Loan to Participants			
*	Participant Loans	4.25% to 6% Interest Rates	$ -0-	580,981
*	Identified party-in-interest to the Plan.		$ -0-	$ 18,531,131

Note: Investment cost has been omitted for participant directed assets.

The information shown on this schedule has been summarized from information provided by John Hancock Life Insurance Company, the Custodian, which John Hancock Life Insurance Company has certified as being complete and accurate.

See accompanying independent auditor's report.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.
401(k) PLAN
Schedule 1 - Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2012

Plan Sponsor: Guadalupe Valley Telephone Cooperative, Inc.
Employer Identification Number: 74-1194662
Plan Number: 002

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
*	Group Annuity Contract			
	John Hancock Life Insurance Company Group Annuity Contract #28753	Unallocated Funds:		
		JH USA Guaranteed Interest Accounts - 3 Year		$ 28,418
		JH USA Guaranteed Interest Accounts - 5 Year		17,980
		Pooled Separate Accounts:		
		JH Retirement Living at 2015		3,322
		JH Retirement Living at 2030		127
		JH Retirement Living at 2035		21,648
		JH Retirement Living at 2040		6,917
		JH Retirement Living at 2050		1,637
		JH Lifestyle Fund - Conservative		523,874
		JH Lifestyle Fund - Moderate		926,923
		JH Lifestyle Fund - Balanced		2,694,358
		JH Lifestyle Fund - Growth		5,016,126
		JH Lifestyle Fund - Aggressive		1,801,626
		JH PIMCO Real Return Fund		678,587
		JH PIMCO Total Return Fund		510,953
		JH Templeton Global Bond Fund		138,719
		JH American Funds Washington Mutual Investors Fund		568,074
		JH T Rowe Price Equity		94,141
		JH Ivy Asset Strategy		38,205
		JH Parnassus Equity Income		352,942
		JH Mutual Discovery Fund		201,854
		JH American Funds Growth Fund of America		286,430
		JH Templeton World Fund		84,480
		JH River Source Mid Cap Value Fund		84,626
		JH Small Cap Value Fund		74,031
		JH Columbia Mid Cap Value		266,571
		JH Royce Pennsylvania Mutual Fund		122,875
		JH Thornburg International Value		62,225
		JH American Funds EuroPacific Growth Fund		201,412
		JH Legg Partners Aggressive Growth Fund		193,595
		JH DFA International Value		15,244
		JH Oppenheimer International Growth		755
		JH Energy Fund		764,519
		JH Oppenheimer Developing Market		87,061
		JH Money Market Fund		1,884,633
		JH Small Cap Growth		18,675
		JH Mid Cap Stock		176,587
				17,950,150
	Loan to Participants			
*	Participant Loans	4.25% to 6% Interest Rates	$ -0-	580,981
*	Identified party-in-interest to the Plan.		$ -0-	$ 18,531,131

Note: Investment cost has been omitted for participant directed assets.

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See accompanying independent auditor's report.