

Corporate Governance Guidelines

COMMUNICATIONS BOARD OF DIRECTORS GUIDELINES RELATING TO SIGNIFICANT CORPORATE GOVERNANCE ISSUES

Compensation

Separation of the positions of Chairman and CEO

The Board's general policy is that the positions of Chairman of the Board and Chief Executive Officer should be held by different individuals.

Size of the Board

The Company's Bylaws provide that the Board will be not less than 5 nor more than 9 directors. The Board will periodically review the appropriate size of the Board. The bylaws provide that the size of the Board shall be 7.

Composition of Inside and Independent Directors

The Board confirms that there must be a majority of independent directors on the Board. The Board anticipates that SureWest's Chief Executive Officer will be elected annually to serve on the Board. The Board may also appoint other members of Management whose experience and role at SureWest are expected to help the Board fulfill its responsibilities.

Board Definition of What Constitutes Independence for non-employee Directors

The Board conforms to the Nasdaq National Market Issuer requirements for independent directors (Nasdaq Stock Market Rule 5605(a)(2)4200) and Securities Exchange Act Rule 10A-3. Because it is not possible to anticipate or explicitly provide for all potential conflicts of interest that may affect independence, the Board is also responsible to affirmatively determine that each independent director has no other material relationship with the Company or its affiliates, including any officer of the Company or his or her affiliates. A relationship will be considered "material" if in the judgment of the Board it would interfere with the director's independent judgment.

Board Membership Criteria

Candidates for the Board should be committed to enhancing long-term shareholder value and must possess a high level of personal and professional ethics, sound judgment and integrity. The Board's policy is to encourage selection of directors who will contribute to SureWest's overall corporate goals: return to shareholders, technology leadership, effective execution, high customer satisfaction and superior employee working environment. The Nominating and Governance Committee may from time to time review the appropriate skills and characteristics required of Board members, including such factors as business acumen, experience, diversity, and personal skills in technology, finance, marketing, financial reporting and other areas that are expected to contribute to an effective Board. In evaluating potential candidates for the Board, the Nominating and Governance Committee considers these factors in the light of the specific needs of the Board at that time. Board members are expected to prepare for, attend and participate in meetings of the Board and committees on which they serve. Board members are expected to attend the Company's annual meetings of shareholders.

Selection of Board Members

Board members are elected annually by the Company's shareholders, except for Board action to fill vacancies. The Nominating and Governance Committee is responsible for recommending to the Board director candidates for nomination and election. The Nominating and Governance Committee annually reviews and recommends the applicable skills and characteristics required of Board nominees in the context of current Board composition and Company circumstances. In making its recommendations to the Board, the Nominating and Governance Committee considers, among other things, the qualifications of individual candidates in light of the Board Membership Criteria described above. The Nominating and Governance Committee is committed to actively seeking out and recommending candidates and individuals from ethnic minority groups to include in the pool from which nominees are chosen.

The Nominating and Governance Committee will consider candidates recommended by shareholders. Shareholders wishing to suggest director candidates should submit their suggestions in writing to the attention of the Corporate Secretary of the Company, providing the candidate's name and qualifications for service as a Board member, a document signed by the candidate indicating the candidate's willingness to serve, if elected, and evidence of the shareholder's ownership of Company stock.

The Board nominates director candidates for election by the shareholders and fills any Board vacancies that occur between shareholder elections pursuant to the Company's Bylaws.

Shareholder Majority Voting Policy

In January 2009, the Board adopted a non-binding majority voting policy which provides that in uncontested elections of directors, any nominee who receives a smaller number of votes "withheld" from his or her election than votes "for" such election shall tender his or her resignation to the Board. The Nominating and Governance Committee shall convene a meeting or meetings as soon as practicable after such resignation is tendered to consider whether such resignation should be accepted or rejected, and the terms and conditions, if any, under which such resignation should be accepted or rejected. In making this determination,

Committee may weigh and consider any information or factors relevant to shareholder interest, including, but not limited to (1)the reasons for the shareholder vote and the degree to which the director failed to achieve a favorable majority vote, (2)whether the reasons causing the failure to achieve a favorable majority vote can be cured or remedied, (3)whether the reasons causing the failure to achieve a favorable majority vote involved conduct or actions that would be illegal, immoral, unethical, in violation of the Company's Code of Ethics and Business Conduct, or in breach of the director's fiduciary duties to the shareholders, (4)whether the resignation would cause the Company to suffer or sustain detrimental collateral consequences such as triggering a payment obligation or others, breaching a loan covenant or other contract, violating a listing requirement or an existing bylaw or charter provision, failing to achieve a quorum requirement, and (5)the timing and availability of suitable replacements.

The Nominating and Governance Committee shall make a recommendation to the Board which, as soon as practicable thereafter, shall convene a meeting of the Board to determine whether to accept or reject the resignation. In making this determination, the Board shall consider all the factors and information presented to the Committee in making its recommendation, and any other information and factors the Board deems relevant to the proper discharge of its fiduciary duty, acting in the best interest of shareholders. The Committee and Board shall conduct their analysis and investigation in such manner that a final recommendation, in the event exigent circumstances, be rendered by the Board not later than 90days after the vote is certified by the Secretary. The Board shall promptly disclose its decision in a press release and in an 8K, and in such release and filing shall disclose the reasons for its decision. In no event may the director or directors whose resignation is being considered participate in the Committee voting to recommend acceptance or rejection of the resignation, or in the Board's voting to accept or reject, or modify said recommendation. In the event that any director or directors whose resignations may be under consideration shall cause a conflict of interest, the Board, the decision to accept or reject shall be made by any and all remaining independent directors within a 30-day timeframe.

Directors Who Change Their Present Job Responsibility; Retirement

The Board does not believe that directors who retire or change from the position they held when they came on the Board should necessarily leave the Board. It should, however, be an opportunity for the Board, through the Nominating and Governance Committee, to review the continued appropriateness of the director's membership under these circumstances. The Board has therefore adopted a policy requiring every director to inform the Board of any significant change in professional or employment status or position and to annually confirm with the Board any anticipated future changes to professional, employment or other status. The Board does not believe a fixed retirement age for directors is appropriate.

Term Limits

The Board does not believe it should establish term limits. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operation and future of SureWest based on their experience with and understanding of the Company's policy, history and objectives.

Board Compensation

The Board, through the Compensation Committee, will review, with the assistance of Management or outside consultants if desired, appropriate compensation for the directors serving on the Board and its committees. This review may consider Board compensation practices of other public companies, industry compensation, positions on Board functions, service as committee chairs, and other appropriate factors.

MEETINGS; INVOLVEMENT OF SENIOR MANAGEMENT AND INDEPENDENT ADVISORS

Board Meetings - Frequency

The Board will generally have at least six regularly scheduled meetings per year and hold additional special meetings as necessary. The Board may also call special meetings from time to time by unanimous consent. Each director is expected to attend both scheduled and special meetings.

Board Meetings - Agenda

The Chairman of the Board and the Chief Executive Officer, together with the Corporate Secretary, and in consultation with all Board members, will prepare the agenda for each Board meeting, and will distribute this agenda in advance to each director.

Advance Distribution of Materials

Information relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting should be distributed in writing or electronically to the Board members in advance, whenever feasible and appropriate. Each director is expected to review this information in advance of the meeting to facilitate the efficient use of meeting time. In preparing this information, management should ensure that the materials distributed are as concise as possible, yet provide sufficient information to make informed decisions. The Board acknowledges that certain items to be discussed at Board meetings are of an exceptional nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate.

Access to Employees

Board should have access to Company employees and any Company advisors and consultants in order to ensure that directors can ask all questions and obtain all information necessary to fulfill their duties. The Board may specify a protocol for making such inquiries. Management is encouraged to invite any director to any Board meeting at which their presence and expertise would help the Board have a full understanding of matters being considered.

Access to Independent Advisors

Board and its committees have the right at any time to retain independent outside auditors and financial, legal or other advisors, and the Company will provide appropriate funding, as determined by the Board or any committee, to compensate those independent outside auditors or advisors, as well as any ordinary administrative expenses incurred by the Board and its committees in carrying out their duties.

Executive Sessions of Independent Directors

Independent directors of the Company will meet regularly in executive session, i.e., with no management directors or management present, at least once each fiscal year. Executive sessions of the independent directors will be called and chaired by the Chairman of the Nominating and Governance Committee. Executive session discussions may include such topics as the independent directors determine. SureWest's independent auditors, finance staff and other employees may be invited to attend portions of these meetings.

COMMUNICATIONS WITH SHAREHOLDERS

Shareholder Communications to the Board

Shareholders may contact an individual director, the Board as a group or a specified Board committee or group, including the independent directors as follows, by the following means:

Board of Directors
Investor Communications
Attention: Board
P.O. Box 969
San Francisco, CA 95661
board@surewest.com

Any communication should specify the applicable addressee or addressees to be contacted as well as the general topic of the communication. The Company will receive and process communications before forwarding them to the addressee. The Company generally will not forward to the directors a shareholder communication that it determines to be primarily commercial in nature or relate to an improper or irrelevant topic, or that request general information about the Company.

Questions about questionable accounting or auditing matters or possible violations of the Code of Ethics and Business Conduct can be directed to the Audit Committee by the following means:

Audit Committee
Investor Communications
Attention: Audit Committee
P.O. Box 601
San Francisco, CA 95678-0601
auditcommittee@surewest.com

COMMITTEES

Number of Type of Committees

Board has three committees - an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. The Board may add, modify, delete or remove existing committees as it deems advisable in the fulfillment of its primary responsibilities. Each committee will perform its duties as directed by the Board in compliance with Company Bylaws and the committee's charter.

Composition of Committees; Committee Chairpersons

The Audit, Compensation and Nominating and Governance Committees consist solely of independent directors. The Board is responsible for the appointment of committee members and committee chairpersons according to criteria that it determines to be in the best interests of the Company and its shareholders. Each committee is governed by a separate charter that is annually reviewed by the committee and approved by the Board. Each committee charter is posted on the Company's website.

Company's website and can be accessed at www.surw.com.

Committee Meetings and Agenda

The chairperson of each committee is responsible for developing, together with relevant Company managers, the committee's general agenda and objectives, and for determining the specific agenda for committee meetings. The chairperson and committee members will determine the frequency and length of committee meetings, which shall be consistent with the committee's charter.

PERFORMANCE EVALUATION; SUCCESSION PLANNING

Evaluation of Chief Executive Officer

The Compensation Committee shall lead the independent directors, in consultation with all other members of the Board, in conducting annual evaluations of the Chief Executive Officer. The Chief Executive Officer conducts annual evaluations of the senior executives of the Company. The Compensation Committee determines the compensation of the Chief Executive Officer and the senior executives of the Company annually.

Succession Planning

The Nominating and Governance Committee reviews CEO succession planning annually. The Chief Executive Officer will review with the Board succession plans for senior executive officers. The Board may from time to time ask the Nominating and Governance Committee to undertake specific management succession planning.

Director Evaluation

The chairperson of the Nominating and Governance Committee manages the Board's process for annual director peer and self-assessments as well as evaluations of the Board.

OTHER MATTERS

Director Orientation and Continuing Education

The chairperson of the Nominating and Governance Committee and Management are responsible for new-director orientation programs and for director continuing education programs to assist directors in maintaining skills necessary or appropriate for the performance of their responsibility.

Orientation programs will be designed to familiarize new directors with the Company's businesses, strategies and policies and to assist new directors in developing the skills and knowledge required for their service.

Continuing education programs for Board members may include a combination of internally developed materials and presentations, programs presented by third parties at the Company, and financial and administrative support for attendance at qualifying university or other independent programs.

Review of Governance Guidelines

The practices memorialized in these guidelines have developed over a period of years. The Board expects to review these guidelines at least every two years, or more frequently if appropriate.

Securities Trading Practices

The Company maintains an insider trading policy and a reporting person policy under Section 16 of the Securities Exchange Act. The Company complies with the reporting requirements under Section 16 regarding reporting persons' securities trading activity in Company stock. Both policies are reviewed annually.

Code of Ethics

The Company maintains a code of ethics to ensure the Company and its employees operate with integrity, accountability, and the utmost ethical conduct. The code of ethics is posted on the Company's website and can be accessed at www.surw.com.

Related Party Transaction Policies and Procedures

The Company maintains a separate written statement on Related Party Transaction Policies and Procedures. That statement ensures that any transaction between the Company and any of its officers, directors, or any persons related to any officer or director is carefully scrutinized, reviewed and approved by the Nominating and Governance Committee for appropriateness and fairness prior to the Company entering into any such transaction and that any such transaction is disclosed to the Company's investors.

ically reviewed and approved for continued appropriateness and fairness.