GARRETT CELLULAR TOWER APPLICATION

Floyd County, Kentucky P.S.C. Case # 2013-00370

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION PUBLIC 2 COMMISSION COMMISSION PUBLIC 2 COMMISSION COMMI

In the matter of:

THE APPLICATION OF EAST KENTUCKY NETWORK)
LIMITED LIABILITY COMPANY FOR THE ISSUANCE)
OF A CERTIFICATE OF PUBLIC CONVENIENCE AND) CASE No 2013-00370
NECESSITY TO CONSTRUCT A TOWER IN FLOYD	<u> </u>
COUNTY, KENTUCKY).	,

East Kentucky Network, LLC, d/b/a Appalachian Wireless, was granted authorization to provide cellular service in the KY-9 Cellular Market Area (CMA451) by the Federal Communications Commission (FCC). FCC license is included as Exhibit 1. East Kentucky Network, LLC merger documents were filed with the Commission on February 2, 2001 in Case # 2001-022.

In an effort to improve service in Floyd County, East Kentucky Network, LLC pursuant to KRS 278.020 Subsection 1 and 807 KAR 5:001 Section 9 is seeking the Commission's approval to construct a 300 foot self-supporting tower on a tract of land located off of Community Church Road, Garrett, Floyd County, Kentucky (37°29'20.1"N 82°51'11.2"W). A map and detailed directions to the site can be found in Exhibit 8.

Exhibit 2 is a list of all Property owners or residents according to the property valuation administrator's record who reside or own property within 500 feet of the proposed tower in accordance with the Public Valuation Administrator. No other properties are contiguous with East Kentucky Network's property.

Pursuant to 807 KAR 5:063 Section 1 (1)(L) and Section 1(1)(n)(1) all affected property owners according to the property valuation administrator's record who reside or own property within 500 feet of the proposed Tower were notified by certified mail return receipt requested of East Kentucky Network, LLC's proposed construction and informed of their right to intervene.

They were given the docket number under which this application is filed. Enclosed in Exhibit 2 is a copy of that notification.

Floyd County has no formal local planning unit. In absence of this unit the Floyd County Judge Executive's office was notified by certified mail, return receipt requested of East Kentucky Network Limited Liability Company's proposal and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit 3 is a copy of that notification.

Notice of the location of the proposed construction was published in the Floyd County Times' November 27, 2013 edition. Enclosed is a copy of that notice in Exhibit 3. The Floyd County Times is the newspaper with the largest circulation in Floyd County.

A geologist was employed to determine soil and rock types and to ascertain the distance to solid bedrock. The geotechnical report is enclosed as Exhibit 4.

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at Tower Innovations and will be constructed under their supervision. Their qualifications are evidenced in Exhibit 5 by the seal and signature of the registered professional engineer responsible for this project.

The tower will be erected by S & S Tower Services of St. Albans, West Virginia. S & S Tower Services has vast experience in the erection of communications towers.

FAA and Kentucky Airport Zoning Commission applications are included as Exhibit 6.

No Federal Communications Commission approval is required prior to construction of this facility. Once service is established from this tower we must immediately notify the Federal Communications Commission of its operation. Prior approval is needed only if the proposed facility increases the size of the cellular geographic service area. This cell site will not expand the cellular geographic service area.

East Kentucky Network, LLC will finance the subject Construction with earned surplus in its General Fund.

Estimated Cost of Construction \$ 350,000.00 Annual Operation Expense of Tower \$ 12,500.00

Two notice signs meeting the requirements prescribed by 807 KAR 5:063, Section 1(2), measuring at least two (2) feet in height and four (4) feet in width and containing all required language in letters of required height, have been posted, one at a visible location on the proposed site and one on the nearest public road. The two signs were posted on October 9, 2013 and will remain posted for at least two weeks after filing of this application as specified.

Enclosed in Exhibit 9 is a copy of East Kentucky Network LLC's deed to the site.

The proposed construction site is on a very rugged mountaintop some feet from the nearest structure and is located in a reclaimed mining area.

Due to the steep hillside surrounding the proposed site, the property in close proximity is unsuitable for any type of development. East Kentucky Network LLC's operation will not affect the use of nearby land nor its value. No more suitable site exists in the area. A copy of the search area map is enclosed in Exhibit 8. No other tower capable of supporting East Kentucky Network LLC's load exists in the general area; therefore, there is no opportunity for co-location of our facilities with anyone else.

Enclosed, and filed as Exhibit 10 is a survey of the proposed tower site signed by a Kentucky registered professional engineer.

Exhibit 12 contains a vertical sketch of the tower supplied by Summit Engineering.

WHEREFORE, Applicant respectfully requests that the PSC accept the foregoing Application for filing, and having met the requirements of KRS [278.020(1), 278.650, and 278.665] and all applicable rules and regulations of the PSC, grant a Certificate of Public Convenience and Necessity to construct and operate the proposed tower.

The foregoing document was prepared by Lynn Haney, Compliance Coordinator for East Kentucky Network, LLC d/b/a Appalachian Wireless. All related questions or correspondence concerning this filing should be mailed to East Kentucky Network, LLC d/b/a/ Appalachian Wireless, 101 Technology Trail, Ivel, KY 41642.

SUBMITTED BY: < ___ DATE:_*[1] |32 |[3*

Lynn Haney, Compliance Coordinator

r ____ DATE: 11/22/2013 APPROVED BY:

W. A. Gillum, General Manager

CONTACT INFORMATION:

W. A. Gillum, General Manager Phone: (606) 477-2355, Ext. 111 Email: wagillum@ekn.com

Lynn Haney, Compliance Coordinator Phone: (606) 477-2355, Ext. 1007

Email: lhaney@ekn.com

Mailing Address:

East Kentucky Network, LLC d/b/a Appalachian Wireless 101 Technology Trail Ivel, KY 41642

1	FCC License	
2	Copies of Cell Site Notices to Land Owners	
3	Notification of County Judge Executive and Newspaper Advertisement	
4	Universal Soil Bearing Analysis	
5	Tower Design	
6	FAA & Kentucky Airport Zoning Commission Approvals	
7	Audited Financial Statements	
8	Driving Directions from County Court House and Map to Suitable Scale	
9	Deed for Proposed Site	
10	Survey of Site Signed/Sealed by Professional Engineer Registered in State of Kentucky	
11	Site Survey Map with Property Owners Identified in Accordance with PVA of County	
12	Vertical Profile Sketch of Proposed Tower	

ULS License

Cellular License - KNKN880 - East Kentucky Network, LLC d/b/a Appalachian Wireless

This license has pending applications: 0005928012

Call Sign KNKN880 Radio Service CL - Cellular

Status Active

Auth Type Regular

Market

Market CMA451 - Kentucky 9 - Elliott Channel Block B
Submarket 0 Phase 2

Dates

Grant 08/30/2011 Expiration 10/01/2021

Effective 11/02/2013 Cancellation

Five Year Buildout Date

10/23/1996

Control Points

U.S. 23, HAROLD, KY

Licensee

FRN 0001786607 Type Limited Liability Company

P:(606)477-2355

Licensee

East Kentucky Network, LLC d/b/a Appalachian

Wireless

101 Technology Trail Ivel, KY 41642

ATTN W.A. Gillum, General Manager/CEO

Contact

Lukas, Nace, Gutierrez & Sachs, LLP

 Pamela L Gist Esq
 P:(703)584-8665

 8300 Greensboro Drive
 F:(703)584-8695

 McLean, VA 22102
 E:pgist@fcclaw.com

Ownership and Qualifications

Radio Service Mobile

Type

Regulatory Status Common Carrier Interconnected Yes

Alien Ownership

The Applicant answered "No" to each of the Alien Ownership questions.

Basic Qualifications

The Applicant answered "No" to each of the Basic Qualification questions.

Demographics

Race

Ethnicity

Gender

EXHIBIT II: LIST OF PROPERTY OWNERS:

Statement Pursuant to Section 1 (1) (I) 807 KAR 5:063

<u>Section 1 (1)(1) 1.</u> The following is a list of every property owner who according to property valuation administrator's records, owns property within 500 feet of the proposed tower and each have been: notified by certified mail, return receipt requested, of the proposed construction,

<u>Section 1 (1)(1) 2.</u> Every person listed below who, according to the property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Given the Commission docket number under which the application will be processed: and

<u>Section 1 (1)(1) 3.</u> Every person listed below who, according to property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Informed of his right to request intervention.

LIST OF PROPERTY OWNERS

Larry Shepherd 241 Community Church Road Hueysville, KY 41640

> Melvin Cox P.O. Box 793 Martin, KY 41649

> Neil Watson P.O. Box 64 Garrett, KY 41630

Jack Osborne P.O. Box 37 Hueysville, KY 41640 EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
IVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
EMAIL: INFO@EKN.COM

WEBSITE: WWW.EKN.COM



VIA: <u>U.S. CERTIFIED MAIL</u>

November 22, 2013

Larry Shepherd 241 Community Church Road Hueysville, KY 41640

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2013-00370)

East Kentucky Network, LLC d/b/a Appalachian Wireless is applying to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Floyd County. The facility will include a 300 foot self supporting tower with attached antennas extending upwards, and an equipment shelter on a tract of land located off of Community Church Road, Garrett, Floyd County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2013-00370 in your correspondence.

If you have any questions for East Kentucky Network, LLC, please direct them to my attention at the following address: East Kentucky Network, LLC, 101 Technology Trail, Ivel, KY 41642 or call me at 606-477-2355, Ext. 1007.

Sincerely,

Lynn Haney

Compliance Coordinator

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November 22, 2013

Melvin Cox P.O. Box 793 Martin, KY 41649

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Lynn Haney

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WEBSITE: WWW.EKN.COM



VIA: <u>U.S. CERTIFIED MAIL</u>

November 22, 2013

Neil Watson P.O. Box 64 Garrett, KY 41630

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Lynn Haney

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November 22, 2013

Jack Osborne P.O. Box 37 Hueysville, KY 41640

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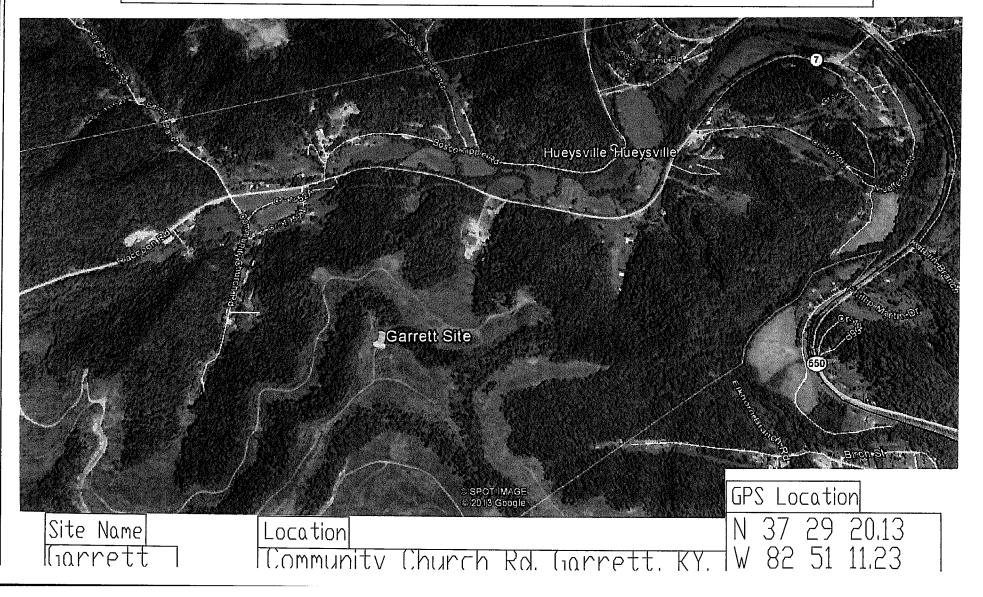
If you have any questions for East Kentucky Network, LLC, please direct them to my attention at the following address: East Kentucky Network, LLC, 101 Technology Trail, Ivel, KY 41642 or call me at 606-477-2355, Ext. 1007.

Sincerely,

Lynn Haney

Compliance Coordinator

Appalachian Wireless Location Map



EAST KENTUCKY NETWORK

101 TECHNOLOGY TRAIL

IVEL, KY 41642

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VIA: <u>U.S. CERTIFIED MAIL</u>

November 22, 2013

Robert D. Marshall, Judge Executive 149 S Central Ave Prestonsburg, KY 41653

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The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

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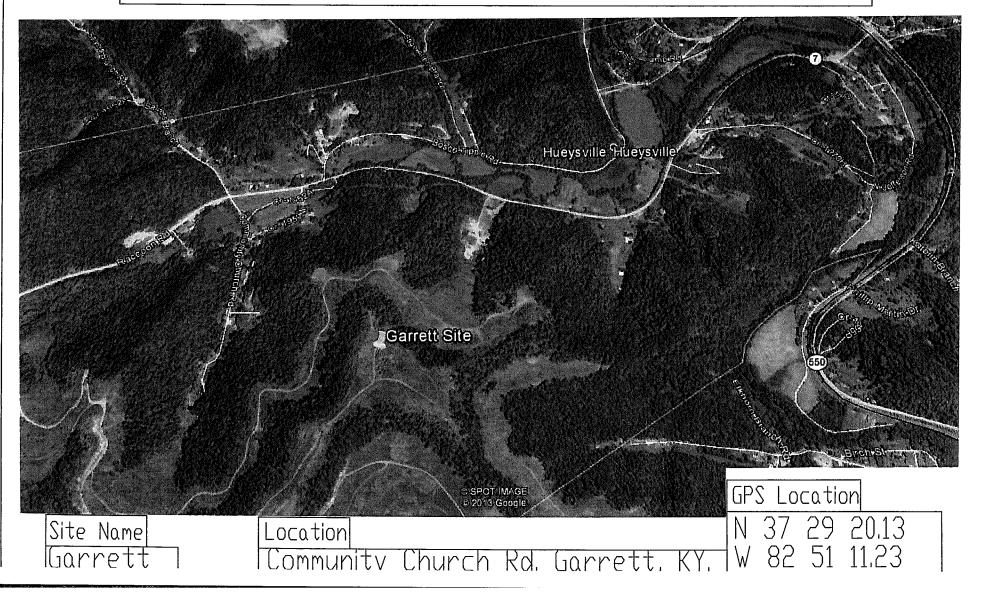
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Sincerely,

Lynn Haney

Compliance Coordinator

Appalachian Wireless Location Map



dba Appalachian Wireless 101 Technology Trail Ivel, KY 41642 Phone: 606-477-2355

Fax: 606-791-2225



To:	Floyd County Times	From:	Lynn Haney	
	Attn: Classifieds		Compliance Coordinator	
Email:	fctclassifieds@civitasmedia.com	Date:	November 22, 2013	 -
Re:	PUBLIC NOTICE ADVERTISEMENT	Pages:	1	

Please place the following Public Notice Advertisement in the Floyd County Times November 27, 2013 edition.

PUBLIC NOTICE:

RE: Public Service Commission of Kentucky (CASE NO. 2013-00370)

Public Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a cellular telecommunications tower on a tract of land located off of Community Church Road, Garrett, Floyd County, Kentucky. The proposed tower will be a 300 foot self-supporting tower with attached antennas. If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sower Boulevard, PO Box 615, Frankfort, Kentucky 40602. Please refer to Case No. 2013-00370.

If you have any questions about the placement of the above mentioned notice, please call me at 606-477-2375, ext. 1007.

Thank you,

Lynn Haney Compliance Coordinator

The message above and the information contained in the documents transmitted are confidential and intended only for the person(s) named above. Dissemination, distribution or copying of this communication by anyone other than the person(s) named above is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address listed above via regular mail. Thank you.

WENDELL R. HOLMES, P.G.

424 Pear Street Hazard, KY 41701 (606) 438-7250

October 11, 2013

Garrett Tower Site

Purpose:

A site assessment was conducted for Appalachian Wireless on a tract of land located in Floyd County near Garrett, Kentucky. The site of the proposed tower is now a reclaimed mountain top removal mine site. The purpose of this investigation was to determine the depth of material and of what type of rock the fill material consists.

Site Investigation:

Mine mapping and a site investigation was used to determine the type of material at the proposed tower site. There is approximately forty feet of mine spoil on which the tower will be located. The area was mined by the mountain top removal method and backfilled, with the material which was overlying the coal (overburden), approximately twenty years ago. The material consists of fragments of sandstone and shale which is generally associated with the overburden of the Peach Orchard coal bed. (See attached page for descriptions of materials encountered.)

The terrain in Floyd County is moderately to very steep. The tower site is located on a ridge between Right Beaver Creek and Saltlick Creek, both being tributaries of the Levisa Fork of the Big Sandy, approximately one mile northwest of Garrett in Floyd County. The fill material below the tower site is approximately 40.00 feet thick, based on the information obtained from the site investigation, mine maps and geological maps of the area.

Conclusions:

The proposed tower site is located on a ridge in the area. The fill material has been in place for approximately twenty years. Tests were not conducted to determine the load-bearing strength of the fill material. However, it is apparent that the tower will be constructed on the fill material.

The field work for this site was performed by Wendell R. Holmes, using generally accepted methods in the practice of geological science.

Wendell R. Hellinker P.G.

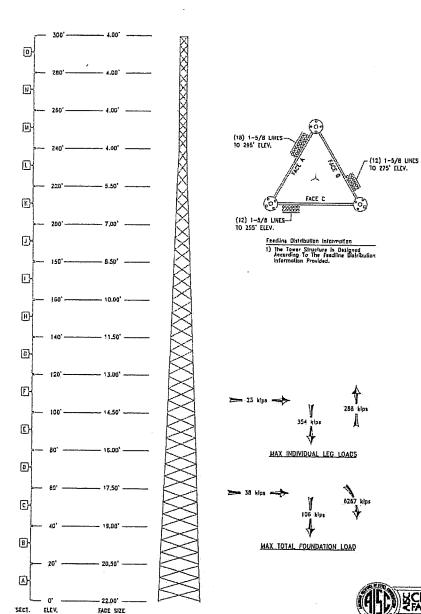
WENDELL R. HOLMES, P.G.

424 Pear Street Hazard, KY 41701 606-438-7250

Geologist Log

Location: Garrett Tower Site

Unit Thickness	Total depth	Strata	Description
10.00′+	10.00′+	Mine Spoil	Unconsolidated material containing large rocks and dirt





			l	FLANGE CONNECTIONS	INNER: MEMBER & (CONNECTIO	N O LEGS)	i .	SECTION
SECTION	ELEVATION	FACE SIZE	LEGS	(6) OR (#4) PER FLANGE	DIAGONALS	HORIZONTALS	CLIMBING	WEIGHT (Ibs.
	0" - 20"	72.00" - 20.50"	4-1/2	0' ELEV. (1-1/24 1 79)	L3-1/2 x 3-1/2 + 1/4 (5/8+ + 1-3/4)	17/2	HOTE: 4	5800
1	20" - 40"	20.50" - 19,00"	4-1/4	20' ELEV. (1-1/2# x 5)	13-1/2 x 3-1/2 x 1/4 (5/80 x 1-3/4)	H/A	HOTE: 4	5300
C	40" - 50"	19.00" - 17.50"	4-1/4	48' ELEY. (1-1/2# > 6)	L3 (3 V 1/4 (5/8# + 1-3/4)	H/A	HOTE: 4	4500
Þ	\$0" - 60"	17,50" - 16,00"	1-1/4	60" ELEV. (1-1/24 x 6)	13 × 3 × 1/4 (5/8» ± 1-3/4)	H/A	NOTE 4	4700
Ĕ.	ED" - 160"	15.00' - 14.50'	4	80' ELEV. (1-1/2# + 6)	13 + 3 + 3/15 (5/9# x 1-3/4)	H/A	NOTE: 4	3900
1	100' - 120'	14.50" - 15.00"	4	100' ELEV. (10 x 4-3/4)	12-1/2 x 2-1/2 x 3/16 (5/3# x 1-3/4)	N/r	12Q1E: 4	3600
G	120' - 140'	13.00' - 11.50'	3-5/4	120" ELEV. (18 x 4-3/4)	12-1/2 + 2-1/2 + 3/18 (5/8) > 1-3/4	H/A	HOTE: 4	3200
я	140' - 160'	11.50" - 10.00"	3-3/4	149" ELIV. (18 x 4-3/4)	12-1/2 x 2-1/2 x 3/18 (5/89 x 1-3/4)	ti/A	HOTE: 4	3107
ż	160' - 180'	10.00' - 8.50'	3-1/2	160' ELEV. (10 x 4-3/4)	12 x 2 x 3/13 (5/8# x 1-3/4)	H/A	HOTE: 4	2600
,	180, - 500,	1.50' - 7,00'	5-1/2	180' ELEV. (18 x 4-3/4)	L1-3/4 x 1-3/4 x 3/18 (3/8s x 1-3/4)	H/A	HOTE: 4	7500
×	200' - 220'	7.00' - 5.50'	3-1/4	203' ELEV. (16 + 4-3/4)	L1-3/4 = 1-3/4 = 3/15 (5/86 = 1-3/4)	H/A	HOIE: 4	2100
L	220' - 240'	5.50" - 4.00"	3-1/4	220' ELEV. (1# + 4-3/4)	Li-3/4 x 1-3/4 x 3/15 (5/8s x 1-3/1)	H/A	NOTE: 4	2100
и	748' - 260'	1.00,	3	240' ELEV. (1# + 4-3/4)	L1-3/4 x 1-3/4 x 3/14 (3/8# x 1-3/4)	1/1	NOTE: 4	1800-
R	250' - 250'	1.00'	7-1/2	ZEG ELLY. (1# = 4-3/4)	LI-3/4 = 1-5/4 = 3/18 (5/84 = 1-3/4)	11/4	HOIL: 4	1400
٥	280' - 300"	4.00	1-3/4	280' ELEY. 4(7/8# x 3-1/2)	L1-3/4 : 1-3/4 : 3/15 (5/3/ : 1-3/4)	N/A	NOTE: 4	950

MEMBER CHART

MATERIAL SPEC CHART

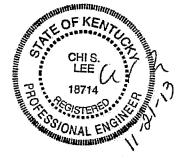
DESC.	MAT'L SPEC,	MIN. YIELD (ksl)
BCLIEG X-BE	ACED SECTIONS A	- O
LEG5	A-572 GRADS 50	50
HNER HEN,	A-572 GRADE 50	50
FLANCE PL	A-572 GRADE 50	50
LEG PAG PL	A-30	36

ANTENNA INFORMATION

ANTENNA INFOR	MACHUIT	
ANTENNA	ELEVATION	LIHE
(6) TYPICAL 4' PANELS	Ø 300°	(5) 1-5/8
(3) 13' GATE MOUNTS	3 300°	H/A
(12) TYPICAL 4" PANELS	₽ 292'	(12) 1-5/5
(3) 13' GATE MOUNTS	\$ 292	N/A
(12) TYPICAL 4' PANELS	9 280°	(12) I-5/5
(3) 13' GATE MOUNTS	₽ 280°	N/A
(5) TYPICAL 4" PAHELS	2 250	(5) 1-5/B
(3) 13' GATE MOUNTS	9 260°	H/A
B' STANDARO PLUS RADDME W/DISH	₽ 220'	(1) 1-5/8
B' STANDARD PLUS RADOME W/DISH	₽ 200'	(1) 1-5/8
6' STANDARD PLUS RADDINE W/OISH	o 160'	(1) 1-5/8
4' STANDARD PLUS RADDME W/DISH	9 1Z0°	(1) i-5/8
6' STANDARD PLUS RADOME W/DISH	₱ 100°	(1) 1-5/8
6' STANDARD PLUS RADOME W/DISH	0 80'	(1) 1~5/8

DESIGN & DRAWING NOTES:

- 1) SOME DETAIL HAS BEEN OMITTED FOR CLARITY OF ILLUSTRATION.
- 2) TOWER IS DESIGNED FOR A 70 MPH BASIC WIND IN ACCORDANCE WITH THE TIA/EIA-222-F STANDARD.
- 3) TOWER IS ALSO DESIGNED FOR A 61 MPH BASIC WIND WITH 1/2" ICE. 4) TOWER IS DESIGNED FOR STEP BOLTS AND A SAFETY CLIMB.
- 5) TOWER DESIGNED FOR FEEDLINES TO BE MOUNTED OH CLIP-ON WAYEGUIDE LADDERS.
- 5) BOLTED SECTIONS A L ARE 3-BAY X-BRACED. BOLTED SECTIONS M D ARE 4-BAY X-BRACED.



ACV.	PESCHITTON	DATE	MY.	CHAWN	0411
		_	1-	J.W.L	11/13/15
				G.O.T.	11/13/13
			 	G.R.F.	11/13/13

.23m 3/10" pentin norte #1/33

Tower Innovations ELEVATION VIEW & MEMBER INFORMATION GARRETT, (FLOYD COUNTY) KY DWG NO.

6123-T1 DO HOT SCALL DRAWING

PAD. (TOP LAYER)

REBAR SIZE	REBAR LENGTHS	# OF REBAR	TOTAL FT. REO'D
#9 GRADE 60	33'	78	2,574

PAD (BOTTOM LAYER)

REBAR SIZE	REBAR LENGTHS	# OF REBAR	TOTAL FT. REO'D
#9 GRADE 60	33'	78	2,574

PIER (verts) (Total for 3 Piers)

REBAR SIZE	REBAR LENCTHS	# OF REBAR	TOTAL FT. REO'D
#9 GRADE 60	8'-11"	45	402'

PIER (lies) (Total for 3 Plers)

REBAR SIZE	REBAR LENGTHS	# OF REBAR	TOTAL FT. REQ'D
#4 GRADE 60	42"ø	39	430'

APPROXIMATE CONCRETE REO'D = 93.3 yd³

REBAR SPLICING CHART

BAR SIZE	SPLICE LENGTH BOTTOM BARS	SPLICE LENGTH TOP BARS
23	19"	25"
#4	25*	33"
15	31*	41"
#6	37"	49"
#7	54"	71"
#8	62"	81"
#9	70"	91"
# 10	78"	102"
. E11	85"	1117

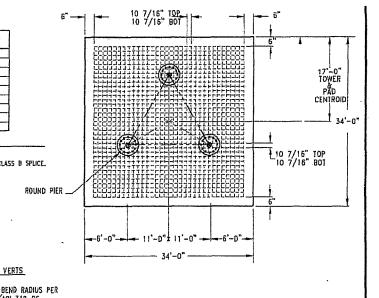
SPLICING NOTES:

- 1) STAGGER ALL SPLICES.
- 2) SPLICE CHART IS BASED ON 4000 PSI CONCRETE AND CLASS B SPLICE.

VERTS

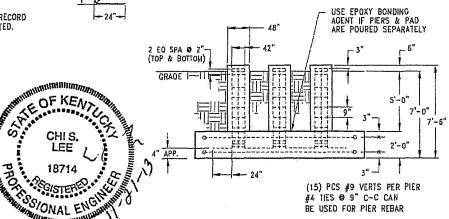
ACI 318-D5

3) SPLICE REBAR ONLY WHEN HECESSARY.

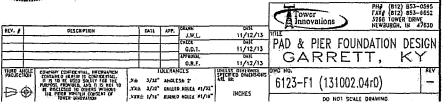


NOTES:

- 1) ALL WORKMANSHIP AND MATERIALS SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF ACI 3D1 AND ACI318.
- 2) THIS FOUNDATION IS DESIGNED TO CONFORM ACI 318-02 AND ANSI/TIA-222-F STANDARDS UTILIZING THE GEDTECHNICAL SITE ASSESSMENT PREPARED BY WENDELL R. HOLMES, P.G., DATED OCTOBER 11, 2013. THE SUBSURFACE MATERIAL CONSISTS OF APPROXIMATELY 40 FT OF MINE SPDIL. THE ENGINEER OF RECORD DID NOT VISIT THE SITE AND IS NOT FAMILIAR WITH HOW THE MINE SPOIL WAS PLACED OR COMPACTED. IT IS ASSUMED THAT THIS MATERIAL IS SUITABLE FOR THIS TYPE OF TOWER FOUNDATION AND A NET ALLOWABLE BEARING CAPACITY OF 2,500 PSF HAS BEEN ASSUMED FOR THE DESIGN OF THIS FOUNDATION, SDIL CONDITIONS THAT DIFFER FROM THOSE DESCRIBED IN THE SITE ASSESSMENT SHALL BE BROUGHT TO THE ATTENTION OF THE ENGINEER OF RECORD/INSPECTOR.
- 3) ALL CONCRETE SHALL BE 4000 PSI AT 28 DAYS. CYLINDERS SHALL BE PROPERLY CAST WITH COPIES OF THE TEST REPORTS GOING TO THE RESIDENT ENGINEER/INSPECTOR.
- 4) ALL ADMIXTURES MUST BE ADDED SEPARATELY INTO FRESH CONCRETE AND SUFFICIENTLY MIXED. A NON-CORROSIVE CONCRETE SET ACCELERATE MAY BE UTILIZED IN COMPLIANCE WITH ASTM 494 TYPE C. A WATER REDUCING ADMIXTURE MAY BE UTILIZED IN COMPLIANCE WITH ASTM 494 TYPE A.
- 5) ALL BACKFILL SHALL BE PLACED IN 9 INCH LIFTS AND COMPACTED TO A MINIMUM OF 95 PERCENT OF THE STANDARD PROCTOR MAXIMUM DRY DENSITY AS MEASURED BY ASTM D-698 UNLESS MORE STRINGENT COMPACTION IS REQUIRED BY THE SOIL REPORT.
- 6) MINIMUM CONCRETE COVER SHALL BE 3 INCHES UNLESS OTHERWISE NOTED.
- 7) CROWN TOP OF PIER FOR DRAINAGE AND CHAMFER ALL EXPOSED CONCRETE EDGES 1 INCH.
- B) SEE TEMPLATE DRAWING & TEMPLATE DESIGN CHART FOR TOWER LAYOUT DIMENSIONS. USE OF TEMPLATE IS REQUIRED TO INSURE PROPER LOCATION AND ORIENTATION OF ANCHOR BOLTS.









« OE/AAA

Notice of Proposed Construction or Alteration - Off Airport

Project Name: EAST -000256487-13	Sponsor: East Kentucky Network, LLC

Details for Case: Garrett

Show Project Summary

Case Status

Public Comments:

ASN:

2013-ASO-10472-OE

Status:

Accepted

None

11/07/2013

Date Accepted: Date Determined:

Structure Summary

Structure Type:

Structure Name:

NOTAM Number:

FCC Number:

Prior ASN:

Letters:

None

Documents:

11/07/2013 📆 Garrett_1A Survey...

Project Documents:

None

Garrett

Construction / Alteration Information

Notice Of:

Construction

Duration:

Permanent

if Temporary: Months: Days:

Work Schedule - Start: Work Schedule - End:

12/20/2013

12/15/2013

*For temporary cranes-Does the permanent structure require separate notice to the FAA? To find out, use the Notice Criteria Tool. If separate notice is required, please ensure it is filed.

State Filing:

Structure Details

If it is not filed, please state the reason in the Description of Proposal. Filed with State

	Commo	Fraguency Rande

Latitude:	37° 29' 20.13" N	Low Freq 698	High Freq 806	Freq Unit MHz	ERP 1000
Longitude:	82° 51′ 11.23″ W	806	824	MHz	500
Horizontal Datum:	NAD83	824	849	MHz	500
Site Elevation (SE):	1392 (nearest foot)	851	866	MHz	500
Structure Height (AGL):	310 (nearest foot)	869	894	MHz	500
Structure neight (AGL):	310 (Hearest loot)	896	901	MHz	500
Current Height (AGL):	(nearest foot)	901	902	MHz	7
* For notice of alteration or existing provide the current		930	931	MHz	3500
AGL height of the existing structure.		931	932	MHz	3500
Include details in the Description of Proposal		932	932.5	MHz	17
		935	940	MHz	1000
Nacelle Height (AGL):	(nearest foot)	940	941	MHz	3500
* For Wind Turbines 500ft AGL or greater		1850	1910	MHz	1640
	.	1930	1990	MHz	1640
Requested Marking/Lighting:	Dual-red and medium intensity	2305	2310	MHz	2000

Other:

Recommended Marking/Lighting:

Current Marking/Lighting:

N/A Proposed Structure

Other:

Nearest City: Garrett Nearest State: Kentucky

Description of Location:

On the Project Summary page upload any certified survey.

Description of Proposal:

Approx. 1.2 NW of Garrett (Floyd),

A new 300' tower with top-mounted antenna (overall height of 310' AGL)

Specific Frequencies

2360

2345

1 of 2

ERP Unit

W W W W W W W W W dBW W W W W

W

W

MHz 2000



Kentucky Transportation Cabinet, Kentucky Airport Zoning Commission, 200 Mero APPLICATION FOR PERMIT TO CONSTRUCT OR ALTER INSTRUCTIONS INCLUDED	i i
 APPLICANT Name, Address, Telephone, Fax, etc. East Kentucky Network, LLC c/o Lukas, Nace, Gutierrez & Sachs, Chtd 8300 Greensboro Drive, Suite 1200 McLean, VA 22102 T: 703-584-8667 F: 703-584-8692 	9. Latitude: 37 ° 29 ' 20 13 " 10. Longitude: 82 ° 51 ' 11 23 " 11. Datum: ☒ NAD83 ☐ NAD27 ☐ Other
2. Representative of Applicant Name, Address, Telephone, Fax Ali Kuzehkanani Lukas, Nace, Gutierrez & Sachs, Chtd 8300 Greensboro Drive, Suite 1200 McLean, VA 22102 T: 703-584-8667 F: 703-584-8692 3. Application for: ☑ New Construction ☐ Alteration ☐ Existing 4. Duration: ☑ Permanent ☐ Temporary (MonthsDays)	13. Nearest Kentucky public use or Military airport: Pike County-Hatcher Field Airport 14. Distance from #13 to Structure: 16.5 mi 15. Direction from #13 to Structure: WSW 16. Site Elevation (AMSL): 1,392.00 Feet 17. Total Structure Height (AGL): 310.00 Feet 18. Overall Height (#16 + #17) (AMSL): 1,702.00 Feet
5. Work Schedule: Start 12/15/2013 End 12/20/2013 6. Type: Antenna Tower Crane Building Power Line Landfill Water Tank Other 7. Marking/Painting and/or Lighting Preferred: Red Lights and Paint Dual - Red & Medium Intensity White White - Medium Intensity Dual - Red & High Intensity White White - High Intensity Other 8. FAA Aeronautical Study Number	18. Overall Height (#16 + #17) (AMSL):
21. Description of Proposal: The structure will include a 300' tower with top-mounted antennas (overa 22. Has a "NOTICE OF CONSTRUCTION OR ALTERATION" (FAA Form 7460-1)	
□ No ☑Yes, When November 07, 2013	and the control of th
Ali Kuzehkanani/ Dir of Engineering Printed Name and Title PENALTIES: Persons failing to comply with Kentucky Revised Statutes (KRS 183 050:Series) are liable for fines and/or imprisonment as set forth in KRS 183.990(3). in further penalties.	3.861 through 183.990) and Kentucky Administrative Regulations (602 KAR
Commission Action: ☐ Chairr ☐ Approved	nan, KAZC Administrator, KAZC
☐ Disapproved	Date

FINANCIAL REPORT

December 31, 2012

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Jones, Nale & Mattingly PLC

INDEPENDENT AUDITOR'S REPORT

To the Members
East Kentucky Network, LLC
dba Appalachian Wireless
Ivel, Kentucky

We have audited the accompanying financial statements of East Kentucky Network, LLC, dba Appalachian Wireless, which comprise the balance sheets as of December 31, 2012 and 2011, and the related statements of income and comprehensive income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Jones Male & Mattingly Pic

Louisville, Kentucky February 25, 2013

BALANCE SHEETS December 31, 2012 and 2011

CURRENT ASSETS	
Cash and cash equivalents \$ 1,871,006	\$ 18,579,633
Short-term investments (Note 10) 100,000	100,000
Accounts receivable, less allowance for doubtful	
accounts of \$1,584,590 in 2012 and \$1,767,789 in 2011 10,448,793	9,830,698
Accounts receivable, members (Notes 6 and 7) 52,468	51,772
Inventory 7,775,126	4,427,993
Prepaid expenses 782,356	729,388
Total current assets \$ 21,029,749	\$ 33,719,484
PROPERTY, PLANT AND EQUIPMENT (Note 4)	
Plant in service:	
General support \$ 38,394,685	\$ 34,918,094
MTSO equipment 28,210,690	23,759,476
Cell equipment 72,167,197	61,652,026
Fiber ring 8,799,036	8,143,858
Unfinished plant 11,985,039	3,371,823
\$159,556,647	\$131,845,277
Less accumulated depreciation 63,337,515	52,192,758
\$ 96,219,132	\$ 79,652,519
ASSETS HELD FOR SALE (Note 12) \$ 1,162,670	\$ 1,564,624
OTHER ASSETS	
Investment in affiliated company, RTFC \$ 112,712	\$ 112,712
Intangible assets, net of accumulated amortization	
of \$1,649,476 in 2012 and \$1,354,066 in 2011 (Note 2) 1,809,459	1,850,851
\$ 1,922,171	\$ 1,963,563
<u>\$120,333,722</u>	\$116,900,190

LIABILITIES AND MEMBERS' EQUITY	2012	2011
CURRENT LIABILITIES	•	
Outstanding checks in excess of bank balance	\$ 275,186	\$
Notes payable (Note 3)	4,000,000	
Current maturities of long-term debt (Notes 4 and 10)	5,803,572	2,545,238
Accounts payable	4,628,654	3,440,389
Accounts payable, members (Notes 6 and 7)	2,408	33,855
Accrued expenses	1,710,395	1,909,347
Deferred revenue, advance billings	2,797,246	2,642,605
Customer deposits	547,104	539,245
Total current liabilities	\$ 19,764,565	\$ 11,110,679
LONG-TERM DEBT, less current maturities (Notes 4 and 10)	2,068,730	\$ 8,104,445
INTEREST RATE SWAPS (Notes 9 and 10)	\$ 577,211	\$ 931,120
MEMBERS' EQUITY		•
Members' capital accounts	\$ 98,500,427	\$ 97,685,066
Accumulated other comprehensive (loss)	(577,211)	(931,120)
	\$ 97,923,216	\$ 96,753,946

	\$120,333,722	\$116,900,190

STATEMENTS OF INCOME AND COMPREHENSIVE INCOME Years Ended December 31, 2012 and 2011

	2012	2011
REVENUE		
Retail	\$ 56,305,095	\$ 54,274,185
Roamer	25,111,532	23,098,144
Long distance	89,777	127,117
Equipment sales, cellular	1,367,159	2,656,667
Other	7,600,397	3,474,978
Total revenue	\$ 90,473,960	\$ 83,631,091
EXPENSES		
Cost of cellular service	\$ 19,341,261	\$ 17,261,240
Cost of equipment sales, cellular	23,780,445	14,694,220
Customer service	1,636,032	1,624,578
Billing	1,819,521	1,861,761
Selling	6,377,064	5,814,292
Maintenance	3,696,507	3,065,832
Utilities	1,178,897	1,117,555
Bad debts	1,888,831	1,083,570
Cell site rental	466,570	372,666
Taxes and licenses	1,177,597	864,670
Advertising	5,061,129	4,322,032
General and administrative	5,683,526	4,357,440
Occupancy	573,178	527,989
Depreciation		9,723,879
Amortization	11,243,764	
	625,147	484,164
Total expenses	\$ 84,549,469	\$ 67,175,888
Income from operations	\$ 5,924,491	\$ 16,455,203
DISCONTINUED OPERATIONS, HELD FOR SALE, NET (Note 12)		
Paging revenue	\$ 257,947	\$ 325,062
Equipment sales, paging	23,548	34,248
Cost of paging service	(253,758)	(291,614)
Cost of equipment sales, paging	(15,507)	(23,597)
Depreciation	(8,738)	(127,289)
Amortization	(393,216)	(395,333)
(Loss) from discontinued operations	\$ (389,724)	\$ (478,523)
OTHER INCOME (EXPENSE)		
Interest income	\$ 20,960	\$ 29,774
Interest expense	(714,050)	(928,325)
Universal Service Fund income (Note 8)	* * *	• > •
OTHANISTI DOLATOR LITTIC MODING (LAGIE 0)	7,472,724 \$ 6,779,634	7,919,934 \$ 7,021,383
	\$ 6,779,634	\$ 7,021,383
Net income (carried forward)	\$ 12,314,401	\$ 22,998,063

The Notes to Financial Statements are an integral part of these statements.

STATEMENTS OF INCOME AND COMPREHENSIVE INCOME (Continued) Years Ended December 31, 2012 and 2011

	2012	2011
Net income (brought forward) Other comprehensive income, change in fair value	\$ 12,314,401	\$ 22,998,063
of interest rate swaps	353,909	370,478
Total comprehensive income	\$ 12,668,310	\$ 23,368,541

STATEMENTS OF MEMBERS' EQUITY Years Ended December 31, 2012 and 2011

					Peoples	
*					Rural	
					Telephone	
		Gearhart	Mountain		Coop-	
		Communi-	Tele-	Thacker-	erative	
	Cellular	cations	communi-	Grigsby	Corp-	
	Services,	Company,	cations,	Telephone	oration,	
	LLC	Inc.	Inc.	Co., Inc.	Inc.	Total
			•			
Balance, January 1, 2011	\$16,218,798	\$16,218,798	\$16,218,798	\$16,218,798	\$16,218,798	\$81,093,990
Net income	4,599,613	4,599,612	4,599,612	4,599,613	4,599,613	22,998,063
Other comprehensive						
income	74,096	74,096	74,096	74,096	74,096	370,480
Capital distribution	(1,541,717)	(1,541,717)	(1,541,718)	(1,541,717)	(1,541,718)	(7,708,583)
Balance, December 31, 2011	\$19,350,790	\$19,350,789	\$19,350,788	#10 250 700	#10.250.750	PD2 752 D42
Net income				\$19,350,790	\$19,350,789	\$96,753,946
Other comprehensive	2,462,880	2,462,880	2,462,880	2,462,880	2,462,881	12,314,401
income	70,782	70,782	70,782	70,783	70,782	353,909
Capital distribution	(2,299,807)	(2,299,807)	(2,299,808)	(2,299,808)	(2,299,808)	(11,499,040)
Balance, December 31, 2012	\$19,584,645	\$19,584,644	\$19,584,642	\$19,584,645	\$19,584,644	\$97,923,216

STATEMENTS OF CASH FLOWS Years Ended December 31, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 12,314,401	\$ 22,998,063
Adjustments to reconcile net income to net cash provided		
by operating activities:		
Depreciation	11,252,502	9,851,168
Amortization	1,018,363	879,497
Loss on disposition of property, plant, and equipment Changes in assets and liabilities, net of the effects	180,749	440,743
of investing and financing activities;		
(Increase) in accounts receivable	(618,095)	(1,320,166)
(Increase) decrease in accounts receivable, members	(696)	68,507
(Increase) decrease in inventory	(3,347,133)	1,045,608
(Increase) in prepaid expenses	(52,968)	(218,626)
Increase in accounts payable	1,188,265	1,100,892
Increase (decrease) in accounts payable, members	(31,447)	6,148
(Decrease) in accrued expenses	(198,952)	(60,818)
Increase in deferred revenue, advance billings	154,641	188,348
Increase (decrease) in customer deposits	7,859	
Net cash provided by operating activities	\$ 21,867,489	(31,130)
ther dasir brokinger by oberating activities	3 21,007,409	\$ 34,948,234
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	\$ (28,574,881)	\$ (17,313,302)
Proceeds from sale of property, plant and equipment		45,000
Net cash (used in) investing activities	\$ (28,574,881)	\$ (17,268,302)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital distributions	\$ (11,499,040)	\$ (7,708,583)
Net proceeds on line of credit	4,000,000	ψ (19100g202)
Payments on long-term borrowings	(2,777,381)	(2,909,523)
Outstanding checks in excess of bank balance	275,186	(2000)
Net cash (used in) financing activities	\$(10,001,235)	\$(10,618,106)
Account (and In) Intelligent the	Ψ (10,001,233)	φ(10,010,100)
Net increase (decrease) in cash and cash equivalents	\$ (16,708,627)	\$ 7,061,826
Cash and cash equivalents:		
Beginning	18,579,633	11,517,807
Degining	10,77,003	11,317,004
Ending	\$ 1,871,006	\$ 18,579.633
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	\$ 724,807	\$ 979,424

The Notes to Financial Statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of operations

East Kentucky Network, LLC, dba Appalachian Wireless, is a Kentucky limited liability company formed by the merger of Appalachian Cellular, LLC, Mountaineer Cellular, LLC and East Kentucky Network, LLC on January 1, 2000. The Company is engaged in cellular telephone communications and paging services to residential and commercial customers located in eastern Kentucky. The Company's five members consist of Cellular Services, LLC; Gearheart Communications Company, Inc.; Mountain Telecommunications, Inc.; Peoples Rural Telephone Cooperative Corporation, Inc.; and Thacker-Grigsby Telephone Co., Inc.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

Cash and cash equivalents

For purposes of the statement of cash flows, the Company considers temporary investments having original maturities of three months or less to be cash equivalents. The Company maintains its cash balances, which may exceed the federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that credit risk related to the accounts is minimal.

Short-term investments

Certificates of deposit having original maturities between three and nine months are classified as short-term investments, are carried at cost, which approximates fair value, and are held to maturity. Fair value is determined by quoted prices for similar certificates of deposit in active markets (Level 2) as defined under U.S GAAP (see Note 10).

Accounts receivable

Accounts receivable are recorded at net realizable value consisting of the carrying amount less an allowance for uncollectible accounts. The Company uses the allowance method to account for uncollectible accounts receivable balances. Management charges off uncollectible receivables to the allowance when it is determined the amounts will not be realized.

Inventory

Inventory is composed primarily of cellular telephone equipment and accessories purchased for resale during the ordinary course of business. The inventory is valued at the lower of cost or market, cost being determined by the first-in, first-out (FIFO) method.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment

Property, plant and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Assets held for sale

Assets held for sale consist primarily of paging equipment and intangible assets related to the Company's paging service.

Investment

The investment in affiliated company is composed of equity certificates in Rural Telephone Finance Cooperative and is reported at cost.

Intangible assets

The customer lists, non-compete agreements, FCC licenses, bond issuance costs, loan fees and use of name are recorded at cost and are being amortized over the life of the asset by the straight-line method.

Revenue recognition

Revenue consists primarily of charges for access, airtime, roaming, long distance, data and other value-added services provided to the Company's retail customers; charges to other cellular carriers whose customers use the Company's network when roaming; and sales of phones and accessories.

Revenue from cellular service is recognized monthly when earned, phone and accessory sales are recognized at the point of sale, activation fees are recognized when activation of service occurs, and cancellation penalties are recognized at the time of disconnection from service. Deferred revenue consists of monthly access and feature charges billed one month in advance and recognized as revenue the following month.

The Company's sales contracts are considered multiple deliverable arrangements that generally involve delivery and activation of a cellular phone, plus phone service. Each is treated as a separate unit of accounting. Contracts are subject to one to two-year terms and require the customer to pay a cancellation fee if the customer cancels the contract. There is a one-time activation fee and a monthly fee for the ongoing service. All fees are nonrefundable. The Company uses estimated selling price to determine both the selling price of the phone and for the phone service. The phone and activation are delivered first, followed by the phone service (which is provided over the contract period). Delivery and activation of the phone are considered one element because activation is necessary for the functionality of the phone. Revenue from phone service is recognized separately over the life of the service arrangement.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Advertising

Advertising costs are expensed as incurred. At December 31, 2012 and 2011, these costs were \$5,061,129 and \$4,322,032, respectively.

Income taxes

Under existing provisions of the Internal Revenue Code, the income or loss of a limited liability company is recognized by the members for income tax purposes. Accordingly, no provision for federal income taxes has been provided for in the accompanying financial statements.

The Company's accounting policy provides that a tax expense/benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Management believes the Company has no uncertain tax positions resulting in an accrual of tax expense or benefit.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Company did not recognize any interest or penalties during the years ended December 31, 2012 and 2011.

The Company's federal and state income tax returns are subject to possible examination by the taxing authorities until the expiration of the related statutes of limitations on those tax returns. In general, the federal income tax returns have a three year statute of limitations, and the state income tax returns have a four year statute of limitations.

Comprehensive income

Comprehensive income consists of net income and other comprehensive income. Other comprehensive income includes the change in fair value of interest rate swaps which is also recognized as a separate component of equity.

Subsequent events

Management has evaluated subsequent events through February 25, 2013, the date the financial statements were available to be issued.

Note 2. Intangible Assets

Intangible assets used in operations consist of the following at December 31, 2012:

	Gross Amount	Accumulated Amortization	Weighted Average Life (in years)
FCC licenses Other	2,516,664 942,271	(951,160) (698,316)	14 7
•	\$3,458,935	\$ (1,649,476)	·

Intangible assets used in operations consist of the following at December 31, 2011:

•			Weighted
	Gross	Accumulated	Average
	Amount	Amortization	Life (in years)
FCC licenses	2,262,647	(797,226)	14
Other	942,271	(556,840)	7
	\$3,204,918	\$ (1,354,066)	

Aggregate amortization expense related to these intangible assets for the years ended December 31, 2012 and 2011 totaled \$295,410 and \$290,765, respectively. The following represents the total estimated amortization of intangible assets for each of the succeeding five years:

Year ending December 31:

2013	\$ 295,000
2014	295,000
2015	295,000
2016	275,000
2017	235,000

Note 3. Notes Payable

On September 9, 2011, the Company entered into a line of credit agreement with Fifth Third Bank that provides for borrowings up to \$12,000,000. The agreement carries a variable interest rate at monthly LIBOR plus 2.25% as determined by Fifth Third Securities, Inc (2.52% at 12/31/12), is secured by assets of the Company, and is due on September 1, 2013. The balance due as of December 31, 2012 and 2011 was \$4,000,000 and zero, respectively.

Note 4. Long-Term Debt

Long-term debt consists of the following at December 31:

	2012	2011
Note payable, Fifth Third Bank (a) Note payable, Fifth Third Bank (b)	\$ 4,625,000 3,247,302	\$ 6,116,667 4,533,016
	\$ 7,872,302	\$ 10,649,683

(a) On February 28, 2006, the Company issued \$14,200,000 in adjustable rate notes to restructure its debt. The notes were issued pursuant to a trust indenture between the Company and U.S. Bank National Association. Principal and interest on the notes were paid from funds drawn by the Trustee under an irrevocable letter of credit issued by Fifth Third Bank. The Notes were collateralized by the assets of the Company and were scheduled to mature on February 1, 2016. The Notes bear interest at a floating interest rate as determined by U.S. Bank National Association (4.60% at 12/31/08). However, the Company entered into an interest rate swap contract (original notional amount of \$14,200,000) that effectively converted its floating-rate debt into a fixed-rate of 8.02%.

On February 2, 2009, the Company refinanced the remaining \$10,200,000 of the note with a new note payable that matures November 1, 2013 and is collateralized by the assets of the Company. Interest on the note is floating at monthly LIBOR plus 1.75% as determined by Fifth Third Securities, Inc. (2.02% at 12/31/12). The Company also renegotiated the terms of the interest rate swap contract and entered into an interest rate swap contract (original notional amount of \$10,200,000) that effectively converts its floating-rate debt into a fixed rate of 7.46% (see Note 9). The note is payable in monthly installments of \$116,667 plus interest through February 1, 2012 and \$125,000 plus interest thereafter through November 1, 2013 with a balloon payment due at maturity.

(b) On September 1, 2008, the Company borrowed \$9,000,000 to restructure existing debt, purchase new equipment and upgrade existing equipment. The note was collateralized by the assets of the Company. Interest on the note was floating at monthly LIBOR plus 3.00% as determined by Fifth Third Securities, Inc (3.27% at 12/31/12). The Company also entered into an interest rate swap contract (original notional amount of \$9,000,000) that effectively converted its floating-rate debt into a fixed rate of 7.20% (see Note 9). The note was payable in monthly installments of \$107,143 plus interest with a balloon payment due on September 1, 2013.

Note 4. Long-Term Debt (Continued)

On March 31, 2012, the Company refinanced the remaining \$4,318,730 of the note with a new note payable that matures August 1, 2015 and is collateralized by the assets of the Company. Interest on the note is floating at monthly LIBOR plus 2.50% (2.77% at 12/31/12). The Company also renegotiated the terms of the interest rate swap contract and entered into an interest rate swap contract (original notional amount of \$4,318,730) that effectively converts its floating rate debt into a fixed rate of 6.21% (see Note 9). The note is payable in monthly installments of \$107,143 plus interest.

Total interest cost for the years ended December 31, 2012 and 2011 was approximately \$714,000 and \$928,000, respectively.

Under terms of the Notes, the Company has also agreed, among other things, to limit distributions, to maintain minimum fixed charge coverage ratios, and to maintain minimum debt to earnings ratios. The Company was in violation of certain of these covenants as of December 31, 2012; however, these violations have been waived by the note holder.

Approximate maturities or payments required on principal under note payable agreements for each of the succeeding five years are as follows:

Year ending December 31:	
2013	\$ 5,803,572
2014	1,285,714
2015	783,015
2016	indi tay
2017	- più
	\$ 7,872,302

Note 5. Retirement Plans

The Company has a multiple-employer 401(k) plan for qualifying employees who have reached twenty-one years of age. Eligible employees are allowed to invest up to 15% of their compensation and the Company has agreed to match 100% of the first 3% of the employees' contribution and 50% of the employees' contribution between 3% and 5%. The Company contributed \$156,598 and \$148,041 in matching funds for its 401(k) plan during the years ended December 31, 2012 and 2011, respectively.

The Company also offers an employer sponsored retirement savings plan for qualified employees who have reached twenty-one years of age. The Company has agreed to contribute 9% of the eligible employee's compensation, plus an additional 5% of the original contribution.

The Company contributed \$741,000 and \$725,318 to its retirement savings plan during the years ended December 31, 2012 and 2011, respectively.

Note 6. Related Party Transactions

The Company shares personnel with three of its members. The Company paid \$254,438 and \$383,149 for shared personnel during the years ended December 31, 2012 and 2011, respectively. The Company also leased offices and warehouse space from three members. The leases are for an unspecified length of time. The annual lease expense related to these leases was \$20,483 and \$20,858 for the years ended December 31, 2012 and 2011, respectively.

The Company incurred interconnection, telephone, cable and internet access charges from its members aggregating \$818,607 and \$1,329,216 for the years ended December 31, 2012 and 2011, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member. The annual lease expense related to these leases was \$2,400 for both years ended December 31, 2012 and 2011. The leases are for an unspecified length of time. The Company also pays part of an annual lease for sharing a tower with a member for an annual fee of \$450. The Company leases cellular tower sites from the parent company of one of its other members. The annual lease expense related to these leases for years ended December 31, 2012 and 2011was \$9,347 and \$12,463 respectively. The leases are for five years with options to renew.

The Company pays fees to companies owned by its members for advertisement in telephone directories, television and on local billboards. The amount of advertising paid to related parties was \$103,845 and \$40,120 for the years ended December 31, 2012 and 2011, respectively.

Note 7. Operating Leases

The Company has entered into operating leases with its members and other customers to provide fiber optic transmission capacity and ancillary services. The terms of these leases are for 15 years. Total rental income earned from these operating lease commitments included in the statements of income was \$858,920 and \$1,016,885 for the years ended December 31, 2012 and 2011, respectively. Rental income earned from the Company's members from these leases was \$617,218 and \$846,249 for the years ended December 31, 2012 and 2011, respectively.

Investments in operating leases are as follows at December 31:

	2012	2011
Fiber ring	\$ 8,799,036	\$ 8,143,858
Accumulated depreciation	(4,190,747)	(3,643,160)
	\$ 4,608,289	\$ 4,500,698

The future minimum rental payments expected to be received under these lease agreements for each of the succeeding five years are approximately \$750,000 each year.

Note 7. Operating Leases (Continued)

The Company has also entered into lease agreements to obtain fiber optic transmission and digital microwave transmission services; and to rent retail office facilities. The terms of these leases are between 5 and 15 years. Total rental expense incurred from these operating lease commitments included in the statements of income was \$1,518,640 and \$1,195,368 for the years ended December 31, 2012 and 2011, respectively. Rental expense incurred from the Company's members from these leases was \$778,599 and \$464,544 for the years ended December 31, 2012 and 2011, respectively. The future minimum lease payments required under these lease agreements for each of the succeeding five years are approximately \$1,600,000 each year.

Note 8. Eligible Telecommunication Carrier

During 2005, the Company was granted Eligible Telecommunication Carrier (ETC) status by the Kentucky Public Service Commission. As an ETC, the Company receives funding from the federal Universal Service Fund (USF) to support the high cost of providing local telephone service in rural areas. USF payments amounted to \$7,472,724 and \$7,919,934 for the years ended December 31, 2012 and 2011, respectively.

Note 9. Derivative Financial Instruments, Interest Rate Swaps

The Company entered into two interest rate swap contracts with Fifth Third Bank for the purpose of converting floating-rate interest on its long-term debt to fixed rates. The interest rate swap effectively fixed \$10,200,000 at a rate of 7.46% until February 1, 2016 and fixed 4,318,730 at a rate of 6.21% until August 1, 2015.

Under the swap contracts, the Company pays interest at 5.71% and 3.71% on the notional amounts and receives interest at LIBOR observed monthly (0.27% at December 31, 2012). The interest rate swaps qualify as, and are designated as, cash flow hedges. The swaps are designed to hedge the risk of changes in interest payments on the notes caused by changes in LIBOR. The notional amounts do not represent actual amounts exchanged by the parties, but instead represent the amounts on which the contracts are based.

The swaps were issued at market terms so that they had no fair value or carrying value at their inception. The carrying amount of the swaps has been adjusted to their fair value at the end of the year, which because of changes in forecasted levels of LIBOR, resulted in reporting a liability for the fair value of the future net payments forecasted under the swaps. The swap contracts permit settlement prior to maturity only through termination by the Company. The settlement amounts are determined based on forecasted changes in interest rates required under fixed and variable legs of the swaps. The Company believes the settlement amounts are the best representation of the fair value of the swaps and has adjusted their carrying amounts to the settlement amounts at the end of the year.

Note 9. Derivative Financial Instruments, Interest Rate Swaps (Continued)

The carrying amounts of the swaps are classified as noncurrent since management does not intend to terminate the swaps during 2013. Since the critical terms of the swaps and the notes are approximately the same, the swaps are assumed to be effective as hedges, and none of the changes in fair values are included in income. Accordingly, all of the adjustment of the swaps' carrying amount is reported as other comprehensive income or loss in the accompanying statements of members' equity. If the swaps are terminated early, the corresponding carrying amount would be reclassified into earnings. The Company does not hold or issue interest rate swaps or other financial instruments for trading purposes.

Note 10. Fair Values of Financial Instruments

U.S. GAAP provides a framework for fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The methodology for measuring fair value specifies a three-tier hierarchy of valuation techniques based upon whether the inputs to those valuation techniques are based on quoted prices of identical assets or liabilities (Level 1), significant other observable inputs (Level 2), or significant other unobservable inputs that reflect a company's own assumptions of market participant valuation (Level 3).

Financial instruments of the Company that are subject to fair value measurements are limited to short-term investments, long-term debt and interest rate swaps. Fair values of these financial instruments have been valued using a market approach and are measured using Level 2 inputs.

The fair value of short-term investments approximates its carrying amount due to the short-term nature of these instruments.

The fair value of long-term debt approximates its carrying amount because its variable rate terms are similar to market terms.

The fair value of the interest rate swaps are based on the approximation of market value derived from proprietary models. This fair value takes into consideration the prevailing interest rate environment and the specific terms and conditions of the derivative financial instrument. The fair value was estimated by comparing the Company's fixed swap rates with the current market rates on identical swaps for the remaining terms. The interest due on each remaining payment date is calculated at the existing swap rate and the current market rate. Fair market value is the present value of the difference between those payment streams. The value represents the estimated exit price the Company would pay to terminate the agreement.

Note 11. Commitments

On November 4, 2011, the Company entered into an agreement with a vendor to purchase a minimum quantity of phones each year for the next three years. Under the terms of the agreement, among other things, the Company is required to purchase approximately 36,000 phones in addition to spending at least \$200,000 per year for the next three years on eligible merchandising expenses related to the phones.

As of December 31, 2012, the remaining committed amounts due related to the purchase of the phones approximated the following:

2013	\$ 7,800,000
2014	9,360,000
	\$ 17,160,000

On September 22, 2011, the Company entered into an agreement with Verizon Wireless ("Verizon") to construct and operate its Long Term Evolution ("LTE") technology in geographic territories in the Company's market. Under the terms of the agreement, among other things, the Company is required as part of the initial build-out phase to have the cell sites constructed and fully equipped for provision of LTE Service and ready to commence commercial service no later than December 31, 2013. Following the initial build-out phase, the Company will continue to build out its LTE System in accordance with a plan to be mutually agreed by the Company and Verizon. The estimated cost of the total build-out is approximately \$18,000,000. As of December 31, 2012, the Company has incurred build-out costs of approximately \$5,500,000. The agreement expires on June 13, 2019 with an option for a ten year renewal term at the end of the agreement.

In addition, the Company entered into an agreement to lease the spectrum owned by Verizon in order to offer LTE Service. This agreement also expires on June 13, 2019 with an option for a ten year renewal term at the end of the agreement. The lease expense is expected to be approximately \$300,000 per year

Note 12. Discontinued Operations, Held for Sale

In July 2012, the Company committed to a plan to discontinue its paging services. The Company is currently continuing to operate its paging services as management is evaluating whether to sell or dispose of the operating segment's assets. Management expects that the sale or disposal of the assets is probable and expected to be completed in 2013. The paging assets meet the criteria for classification as held for sale and have been separately presented in the accompanying balance sheets. The related operating results have been separately presented in the accompanying income statements as discontinued operations, held for sale.

Management believes that it is probable that the paging assets are impaired which would result in a loss on an anticipated sale or disposal. However, the amount of the loss cannot be reasonably estimated at this time; therefore, an impairment loss has not been included in the accompanying financial statements.

Note 13. Gain Contingency

On September 27, 2012, the Company was awarded approximately \$4,400,000 by the Federal Communications Commission related to the Mobility Phase One Auction in order to provide coverage and broadband services in certain territories. The award will be disbursed in three separate amounts and is contingent upon the Company demonstrating percentages of completion related to its coverage requirements indicated in the agreement. No amounts have been recorded in the accompanying financial statements.



Jones, Nale & Mattingly PLC

INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION

To the Members
East Kentucky Network, LLC
dba Appalachian Wireless
Prestonsburg, Kentucky 41653

We have audited the financial statements of East Kentucky Network, LLC dba Appalachian Wireless as of December 31, 2012 and 2011, and our report thereon dated February 25, 2013, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information found on pages 20 and 21, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Jones Male + Mattingly PLC

Louisville, Kentucky February 25, 2013

EAST KENTUCKY NETWORK, LLC DBA APPALACHIAN WIRELESS

STATEMENTS OF INCOME AND COMPREHENSIVE INCOME DETAIL

	Year Ended December 31, 2012					
RSA #9 RSA #10 Fiber						
Appalachian Mountaineer Ring	PCS Totals					
REVENUE						
Retail \$32,353,036 \$ 20,337,871 \$	\$ 3,614,188 \$56,305,095					
Roamer 17,730,166 6,710,976	670,390 25,111,532					
Long distance 59,855 27,709	2,213 89,777					
Equipment sales, cellular 822,163 371,870	173,126 1,367,159					
Other <u>4,043,820</u> <u>2,214,876</u> <u>750,</u>						
Total revenues \$55,009,040 \$ 29,663,302 \$ 750,	<u>167</u> \$ 5,051,451 \$90,473,960					
EXPENSES						
Cost of cellular service \$11,404,940 \$ 7,077,280 \$	\$ 859,041 \$19,341,261					
Cost of equipment sales, cellular 13,627,656 8,255,825	1,896,964 23,780,445					
Customer service 977,297 606,403	52,332 1,636,032					
Billing 1,097,413 652,638	69,470 1,819,521					
Selling 3,645,723 2,574,883	156,458 6,377,064					
Maintenance 2,144,462 1,280,977 69,	The state of the s					
Utilities 655,763 389,305 42,	* * * * * * * * * * * * * * * * * * * *					
Bad debts 1,329,106 469,835	89,890 1,888,831					
Cell sife rental 139,272 178,525	148,773 466,570					
Taxes and licenses 705,940 308,284 70,						
Advertising 3,320,822 1,512,752	227,555 5,061,129					
General and administrative 3,296,134 2,055,513 138,						
Occupancy 186,667 77,204 283,						
Depreciation 5,620,660 3,914,160 588,2						
Amortization 327,647 187,638 13,3						
Total expenses \$48,479,502 \$ 29,541,222 \$ 1,206,7						
Income (loss) from operations \$ 6,529,538 \$ 122,080 \$ (456,529,538)	546) \$ (270,581) \$ 5,924,491					
DISCONTINUED OPERATIONS, HELD FOR SALE, NET						
Paging revenue \$ 152,119 \$ 105,828 \$	\$ \$ 257,947					
Equipment sales, paging 15,983 7,565	23,548					
Cost of paging service (112,267) (141,491)	(253,758)					
Cost of equipment sales, paging (9,807) (5,700)	(15,507)					
Depreciation (2,989) (5,749)	(8,738)					
Amortization (72,380) (320,836)	(393,216)					
(Loss) from discontinued operations \$ (29,341) \$ (360,383) \$	\$ \$ (389,724)					
OTHER INCOME (EXPENSE)						
	03 \$ 609 \$ 20,960					
Interest expense (426,153) (263,550)	(24,347) (714,050)					
Universal Service Fund income 4,483,634 2,764,908	224,182 7,472,724					
	03 \$ 200,444 \$ 6,779,634					
Net income (loss) \$10,570,206 \$ 2,270,675 \$ (456,3)	43) \$ (70,137) \$12,314,401					

	Year End	leď	December	31	, 2011	
RSA #9	RSA #10		Fiber			
Appalachian	Mountaineer		Ring	_	PCS	Totals
\$31,312,192	\$19,759,349	\$	_ ==	\$	3,202,644	\$54,274,185
16,919,770	5,798,853	Ψ,		.thi	379,521	23,098,144
					47 4 5 6	
83,066	41,245		-, -		2,806	127,117
1,591,322	870,986		005.022		194,359	2,656,667
1,447,143	721,487	<u>.</u>	995,032	<u></u>	311,316	3,474,978
\$51,353,493	\$27,191,920	\$	995,032	<u>\$</u>	4,090,646	\$83,631,091
	*					
\$10,236,676	\$ 6,289,107	\$		\$	735,457	\$17,261,240
8,324,786	5,308,875				1,060,559	14,694,220
970,595	603,901				50,082	1,624,578
1,117,986	676,319		-		67,456	1,861,761
3,276,883	2,414,482				122,927	5,814,292
1,836,543	1,025,755		35,451		168,083	3,065,832
595,520	377,399		55,554		89,082	1,117,555
758,637	259,313		20,00.1		65,620	1,083,570
					5 S. L. C.	
120,061	134,349		72 161		118,256	372,666
524,438	239,436		73,464		27,332	864,670
2,678,681	1,397,417		100 505		245,934	4,322,032
2,520,839	1,557,592		133,587		145,422	4,357,440
167,156	77,977		256,326		26,530	527,989
4,832,669	3,496,451		555,860		838,899	9,723,879
239,040	141,383		11,841		91,900	484,164
\$38,200,510	<u>\$23,999,756</u>	\$	1,122,083	<u>\$</u>	3,853,539	\$67,175,888
\$13,152,983	\$ 3,192,164	\$	(127,051)	<u>\$</u>	237,107	\$16,455,203
de indicate	h 100 825	ah'		À		m 205 p.co
\$ 185,126	\$ 139,936	\$	***	\$	* *	\$ 325,062
21,833	12,415					34,248
(124,339)	(167,275)				ar ÷	(291,614)
(14,284)	(9,313)					(23,597)
(36,253)	(91,036)		= =		= 7 .	(127,289)
(75,373)	(319,960)	<u></u>	- , -			(395,333)
\$ (43,290)	\$ (435,233)	\$		\$		\$ (478,523)
\$ 17,634	\$ 10,966	\$	294	\$	880	\$ 29,774
(555,585)	(342,505)				(30,235)	(928,325)
4,751,960	2,930,376				237,598	7,919,934
\$ 4,214,009	\$ 2,598,837	\$	294	\$	208,243	\$ 7,021,383
\$17,323,702	\$ 5,355,768	\$	(126,757)	\$	445,350	\$22,998,063

EAST KENTUCKY NETWORK, LLC DBA APPALACHIAN WIRELESS

STATEMENTS OF INCOME AND COMPREHENSIVE INCOME DETAIL (Continued)

	4		Year E	inde	d Decemb	er 3	1, 2012		
	,	RSA #9	RSA #10		Fiber				
	A	palachian	Mountaineer		Ring		PCS		Totals
COST OF CELLULAR SERVICE			***************************************						
Roamer pass through charges	\$ `	8,183,994	\$ 5,266,020	\$		\$	767,111	\$1	4,217,125
SCB interconnection		734,959	483,925				45,603		1,264,487
Local charges		2,304,571	1,385,948				122,851		3,813,370
Harold interconnection		128,563							128,563
Grethel interconnection		2,466							2,466
Wheelwright interconnection		37,428							37,428
GTE interconnection		153,601	137,327						290,928
West Liberty interconnection		126,855							126,855
Chapman interconnection		78,120	÷ ÷						78,120
Salyersville interconnection		129,781							129,781
Roanoke interconnection		73	÷ -		**:		<u> </u>		73
Interconnect revenue		(822,654)	(529,504)				(78,204)	(1,430,362)
Fiber ring interconnection		331,571	134,183				1,680	.=	467,434
TGTC interconnection and DS3 charge	S	 ,	88,260				***		88,260
PRTC interconnection			111,121						111,121
West Virginia interconnection		15,612	- 4						15,612
	\$1	1,404,940	\$ 7,077,280	\$		\$	859,041	\$19	9,341,261
•	100.00							Emilio	
COST OF PAGING SERVICE									
Paging maintenance	\$	3,411	\$ 7,000	\$	÷.	\$		\$	10,411
Salaries and benefits		35,979	53,969	,				•	89,948
Tower rent		17,130	21,780				÷		38,910
Telephone expense			678						678
Expanded coverage costs			1,280						1,280
Interconnection charges		39,274	38,274		** **				77,548
Office and billing expense		15,730	7,780						23,510
Other		743	10,730		(ag) ag				11,473
	\$	112,267	\$ 141,491	\$		\$		\$	253,758

Year Ended	December	31	2011
I Cal I HILICO	176661111166	JI.	. 23711

	Year End	ied Decembe	r o 1,	ZULL	
RSA #9	RSA #10	Fiber			
Appalachian	Mountaineer	Ring		PCS	Totals
\$ 6,816,542	\$ 4,399,137	\$	\$	631,778	\$11,847,457
676,267	437,079	ي ي		42,526	1,155,872
2,440,298	1,471,954			129,386	4,041,638
184,527	₩.₩				184,527
					
54,515		 , 			54,515
148,505	133,237	, m. o			281,742
182,700	يسب			<u></u>	182,700
116,428	# #			1,1	116,428
269,914					269,914
- -		4.4		· -	. -, -
(848,387)	(549,469)			(72,066)	(1,469,922)
178,540	130,230			3,833	312,603
. +=	115,510	***			115,510
# # ·	151,429	44 54			151,429
16,827				4.4	16,827
\$10,236,676	\$ 6,289,107	\$	\$	735,457	\$17,261,240
\$ 9,298	\$ 11,583	\$	\$		\$ 20,881
37,457	56,186				93,643
24,235	41,488	, 4		. 22	65,723
	608	w w			608
कर्त के	1,186	÷ ÷		· e'e	1,186
40,482	38,500				78,982
12,485	8,185	= [4,			20,670
382	9,539				9,921
\$ 124,339	\$ 167,275	\$	\$	-	\$ 291,614

Directions To The Garrett Cell Tower Site

Starting in front of the court house in Floyd Co. KY. Starting on South Central Av. and Continue for .1 miles to the intersection of South Central Av. And South Lake Drive. Turn left onto South Lake Drive go 2.6 miles to the intersection of South Lake Drive and Old Water Gap Rd. Turn right onto Old Water Gap Rd. go 2.5 miles. To the intersection of Old Water Gap Rd and route 80. Stay Stright ahead on Route 80 and go 13 miles to the junction of Route 80 and HWY 7. Turn right onto HWY 7 and continue for 1.7 miles to the junction of HWY 7 and Community Church Rd. Sign is posted at this location. Continue on Community Church Rd. .4 miles Follow blue and white markers to site. Sign is posted at site

Direction's Written By

Daryl Bartley Project manager Appalachian Wireless 606-791-0310 Cell dbartley@ekn.com

Data Zoom 12-3

Book 592 Page 731e

THIS DEED OF CONVEYANCE, made and entered into this the 201 day of October, 2012, by and between LARRY SHEPHERD, single, of 241 Community Church Load Hueysville, KY 4/640, Party of the First Part, and

EAST KENTUCKY NETWORK, LLC, d/b/a APPALACHIAN WIRELESS, of 101 Technology Trail, Ivel, Kentucky 41642, Party of the Second Part.

W-I-T-N-E-S-S-E-T-H:

That for and in consideration of the sum of Twenty Five Thousand (\$25,000.00) Dollars, the receipt of which is hereby acknowledged, the Party of the First Part does hereby sell, grant and convey unto the said Party of the Second Part, its successors and assigns forever, with Covenants of General Warranty, a certain tract or parcel of land located in Floyd County, Kentucky, being more particularly bounded and described as follows:

SEE ATTACHED EXHIBITS "A" AND "B"

Being a part of the same property conveyed to Georgia Shepherd, now deceased, and Larry Shepherd by survivorship deed dated June 9, 1992, recorded in Deed Book 357, Page 705, Floyd County Clerk's Office.

In accordance with KRS 382.135, the address to which the current year property taxes may be sent is 101 Technology Trail, Ivel, Kentucky 41642.

TO HAVE AND TO HOLD all of the above-described real property together with the rights, privileges, appurtenances and improvements thereunto belonging unto the Party of the Second Part, its successors and assigns forever, with Covenants of General Warranty of title.

IN WITNESS WHEREOF, the Party of the First Part has hereby set his hand the day and year first above written.

LARRY SHEPHERD

CERTIFICATE OF CONSIDERATION

The undersigned hereby swear and affirm, under penalty of perjury, that the consideration recited in the foregoing instrument is the full actual consideration paid or to be paid for the property transferred hereby.

LARRY SHIPHERD

EAST KENTUCKY NETWORK, LLC, d/b/a APPALACHIAN WIRELSS

14 10/12

ITS: GENERAL MANAGER

OTT TO A PRODUCTOR
STATE OF KENTUCKY
COUNTY OF Floyd
The foregoing instrument and certificate of
consideration was acknowledged, subscribed and sworn to before me
this the 2 day of October, 2012, by LARRY SHEPHERD.
My Commission expires My Commission expires July 14, 2015
Sepren Howey NOTARY PUBLIC
STATE OF KENTUCKY
COUNTY OF Floyd
The foregoing certificate of consideration was
acknowledged, subscribed and sworn to before me this the day
of October, 2012, by EAST KENTUCKY NETWORK, LLC, d/b/a
APPALACHIAN WIRELESS, BY: Gerald F. Robinette
ITS: General Manager.
My Commission expires July 14, 2015
NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY:

Frank K. Nall

HON. FRANK K. NALL ATTORNEY AT LAW

P.O. BOX 1018 PIKEVILLE, KENTUCKY 41502 Description Garrett Tower

A certain tract of land located on Community Church Road in Garrett, Floyd County, Kentucky, more particularly described as follows:

Unless stated otherwise any monument referred to herein as a Re-Bar and Cap is a set ½" steel re-bar eighteen (18") in length, with a yellow plastic cap stamped Summit Engineering, PLS #3967. All bearings stated herein are referred to Kentucky State Plane Coordinate System South Zone. Control Network has Horizontal Datum based on NAD (1983)

Beginning at a Set Tack and Lead Plug in a rock, said point being located in the line between Larry Sheperd (DB 357 Pg 705) and Melvin Cox (DB 66 Pg 466) said point having state plane coordinates of North 2073973.97 and East 2480759.10; Thence leaving Cox and Severing Sheperd N 23°53'31" W a distance of 100.01' to a Set Re-Bar and Cap; Thence N 65°04'14" E a distance of 100.95' to a Set Re-Bar and Cap, said point being located in the line of Neil Watson (DB 519 Pg 358); Thence with the line of Watson up the point S 17°04'23" E a distance of 87.07' to a Set Re-Bar and Cap; Thence S 23°08'41" W a distance of 20.88' to a Set Re-Bar and Cap, said point being a corner to Melvin Cox and being the former location of a Knob; Thence with Cox S 65°14'31" W a distance of 75.30' to the point of beginning containing 0.22 Acres, according to a survey conducted by personal under direct supervision of Gary Christopher Slone, PLS #3967, with Summit Engineering, Inc. on 8-21-12 and being part of the same property conveyed to Larry Sheperd in Deed which is recorded in Deed Book 357 Page 705 in the records of the Floyd County Clerk's office.

Gary Christopher Slone, PLS #3967

Date 09/06/2012

GARY C.
SLONE
3967
LICENSED
PROFESSIONAL
LAND SURVEYOR

