

RECEIVED

AUG 04 2008

**PUBLIC SERVICE
COMMISSION**

EAST KENTUCKY NETWORK

d/b/a

APPALACHIAN WIRELESS

**EVARTS
CELLULAR TOWER
APPLICATION**

**Harlan County, Kentucky
P.S.C. CASE # 2008-00267**

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 04 2008

PUBLIC SERVICE
COMMISSION

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 2008-00267
NECESSITY TO CONSTRUCT A TOWER IN HARLAN)
COUNTY, KENTUCKY).

In case number 91-002 East Kentucky Network, LLC, formerly Mountaineer Cellular Limited Liability Company was granted a Certificate of Public Convenience and Necessity by the Kentucky Public Service Commission to construct and operate a cellular radio telecommunications system for KY RSA 10. 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 Harlan 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 tower near .. The proposed tower will be a 180 foot self-supporting tower with attached antennas located approximately 0.2 mi south of US-38, east of Evarts in Harlan County, Kentucky. A map and detailed directions to the site can be found in Exhibit 8.

FAA and Kentucky Airport Zoning Commission approvals have been applied for and a copy of the application is included as Exhibit 4 and 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.

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 3

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at World Tower, Inc 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 A & D Communication of Cattlesburg, Kentucky. A & D has vast experience in the erection of communications towers.

Enclosed, and should be filed with Exhibit 10 is a survey of the proposed tower site signed by a Kentucky registered professional engineer. There is no structure within 500 feet of the proposed tower as indicated in this enclosure. 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's property.

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

Pursuant to 807 KAR5:063 Sections 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.

Harlan County has no formal local planning unit. In absence of this unit the Harlan 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 (1) is a copy of that notification.

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

| | |
|-----------------------------------|------------|
| Estimated Cost of Construction | 140,000.00 |
| 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 July 28, 2008 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 deeds to the site.

Notice of the location of the proposed construction was published on the first two weeks of August in the Harlan Daily Enterprise. Enclosed is a copy of that notice in Exhibit 1. The Harlan Daily Enterprise is the newspaper with the largest circulation in Harlan County.

The proposed construction site is on a very rugged mountaintop some feet from the nearest structure. Prior to construction the site was wooded.

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.

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 Janice Robinson, Technical Site Coordinator for East Kentucky Network 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: Janice Robinson DATE: 07-28-08
Janice Robinson, Cell Site Coordinator

APPROVED BY: _____ DATE: _____
Gerald Robinette, General Manager

Contacts:

Gerald Robinette, General Manager

Phone: (606) 791-2375, Ext. 111

Email: grobinette110@ekn.com

Janice Robinson, Technical Site Coordinator

Phone: (606) 791-2375, Ext. 166

Email: jrobinson166a@ekn.com

Mailing Address:

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

| | |
|----|--|
| 1 | Notification/Response from County. |
| 2 | Copies of Cell Site Notices. |
| 3 | Universal Soil Bearing Analysis. |
| 4 | Kentucky Airport Zoning Commission Application. |
| 5 | Tower Design. |
| 6 | FAA Approval/Notice of Proposed Construction. |
| 7 | Audited Financial Statements |
| 8 | Driving Directions and Map to Suitable Scale. |
| 9 | Deed/Lease Agreement 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. |

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
LEVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
EMAIL: INFO@EKN.COM
WEBSITE: WWW.EKN.COM

EAST KENTUCKY
NETWORK



VIA: U.S. CERTIFIED MAIL

July 29, 2008

Joseph A Grieshop, Judge/Executive
P. O. Box 956
Harlan, KY 40831

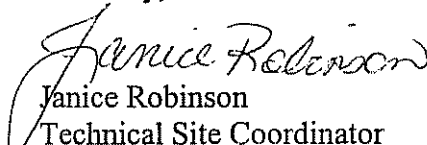
RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land located approximately 0.2 mi south of US-38, east of Evarts in Harlan County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you are the County Judge Executive of Harlan County.

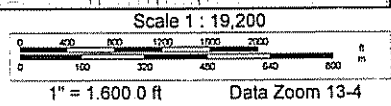
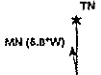
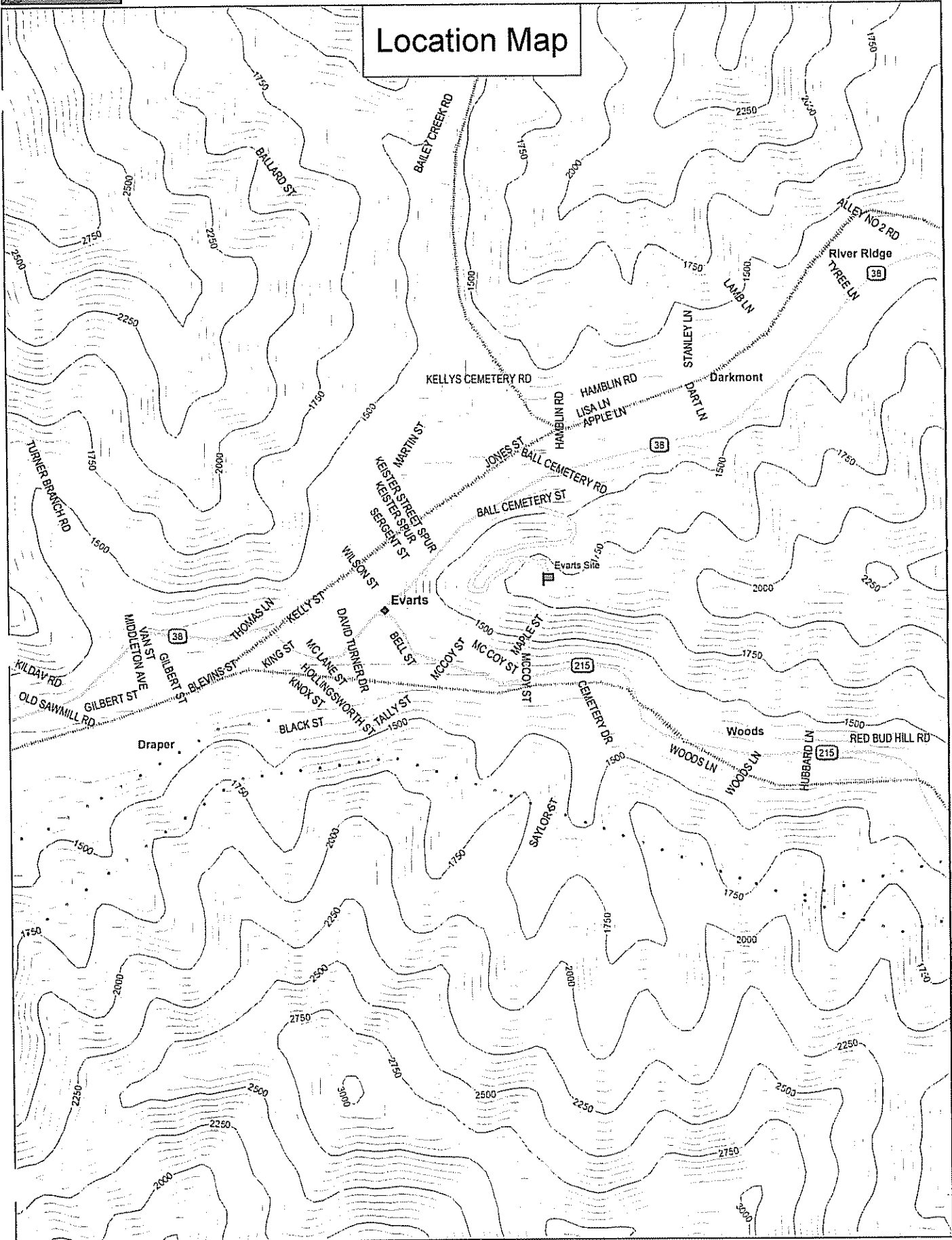
The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

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. 2008-00267 in your correspondence.

Sincerely,

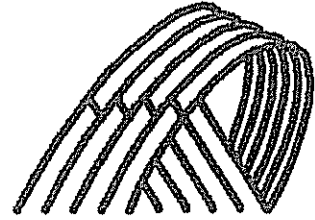

Janice Robinson
Technical Site Coordinator
enclosure

Location Map



d/b/a Appalachian Wireless
101 TECHNOLOGY TRAIL
IVEL, KY 41642
Phone: 606/874-7550
Fax: 606/791-2225

EAST KENTUCKY NETWORK



Fax

To: Harlan Daily Enterprise

From: JANICE ROBINSON

Attn: Ad Manager

East Kentucky Network,

d/b/a Appalachian Wireless

Fax: 606-573-0042

Phone: 606-874-7550, Ext 166

Phone: 606-573-4510

Pages: 1 Page (INCLUDING COVER)

Re: (2nd) PUBLIC NOTICE (Evarts)

Date: 07/25/08

We would like to have the following public notice printed in the Harlan Daily Enterprise for the next two weeks for the 2nd tower we plan to build also in Harlan County. The 2nd notice should state the following:

PUBLIC NOTICE:

RE: Public Service Commission of Kentucky (CASE NO. 2008-00267)

Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a tower located on a tract of land located approximately 0.2 mi south of US-38, east of Evarts in Harlan County, Kentucky (36°51'57.70"N 83°11'11.20"W). The proposed tower will be a 180-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. 2008-00267.

If you have questions about the placement of the above mentioned notice, please call me at 606-874-7550, ext. 166.

Thank you,

Janice Robinson, Technical Site Coordinator

Accounting Department If you have any problems with this fax, please call 606/886-6007. 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.

* * * Communication Result Report (Jul. 29, 2008 9:25AM) * * *

1) Ekn
2)

Date/Time: Jul. 29, 2008 9:23AM

| File No. | Mode | Destination | Pg(s) | Result | Page Not Sent |
|----------|-----------|-------------|-------|--------|---------------|
| 0838 | Memory TX | 6065730042 | P. 1 | OK | |

Reason for error
 mm 1) Hang up or line fail
 mm 3) No answer
 mm 5) Exceeded max. E-mail size
 E 2) Busy
 E 4) No facsimile connection

dba Appalachian Wireless
 101 TECHNOLOGY TRAIL
 MEL, KY 41642
 Phone: 606-674-7550
 Fax: 606-791-2225

EAST KENTUCKY
 NETWORK



Fax

| | |
|---|---------------------------------|
| To: Harlan Daily Enterprise | From: JANICE ROBINSON |
| Attn: Ad Manager | East Kentucky Network |
| | dba Appalachian Wireless |
| Fax: 606-573-0042 | Phone: 606-674-7550, Ext. 103 |
| Phone: 606-573-4510 | Pages: 1 Page (INCLUDING COVER) |
| Re: (2 nd) PUBLIC NOTICE (Evarts) | Date: 07/25/08 |

We would like to have the following public notice printed in the Harlan Daily Enterprise for the next two weeks for the 2nd tower we plan to build also in Harlan County. The 2nd notice should state the following:

PUBLIC NOTICE:
 RE: Public Service Commission of Kentucky (CASE NO. 2008-00267)
 Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a tower located on a tract of land located approximately 0.2 mi south of US-98, east of Evarts in Harlan County, Kentucky (36°53'57.70"N 83°11'11.20"W). The proposed tower will be a 180-foot self-supporting tower with attached antenna. If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sewer Boulevard, PO Box 615, Frankfort, Kentucky 40602. Please refer to Case No. 2008-00267.

If you have questions about the placement of the above mentioned notice, please call me at 606-674-7550, ext. 165.

Thank you,

Janice Robinson, Technical Site Coordinator

Accounting Department If you have any problems with this fax, please call 606-688-4007. 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.

EXHIBIT II : LIST OF PROPERTY OWNERS:

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

Section 1 (1)(I) 1. 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 ,

Section 1 (1) I 2. 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

Section 1 (1) I 3. 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

Terry Wayne Williams
8908 Highway 38
Evarts, KY 40828

Tommy L. Graham
P O Box 789
Linden, TN 37096

Lee Harvey Ford, Jr.
19 Keenland Drive
Summerset, KY 42503

Lee Harvey Ford, Jr.
1164A Trillium Ave.
Fort Drum, NY 1603

Connie & Billy Ledford
P O Box 411
Evarts, KY 40828

Jack & Alice Ledford
P O Box 411
Evarts, KY 40828

Wanda Beth Boggs
P O Box 385
Evarts, KY 40828

Ball Cemetery
Evarts, KY 40828

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
LEVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
EMAIL: INFO@EKN.COM
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Tommy L. Graham
P O Box 789
Linden, TN 37096

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Janice Robinson".

Janice Robinson
Technical Site Coordinator
Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
LEVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
E-MAIL: INFO@EKN.COM
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Terry Wayne Williams
8908 Highway 38
Evarts, KY 40828


RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,


Janice Robinson
Technical Site Coordinator
Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
LEVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
EMAIL: INFO@EKN.COM
WEB: WWW.EKN.COM

EAST KENTUCKY
NETWORK



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Lee Harvey Ford, Jr.
19 Keenland Drive
Summerset, KY 42503

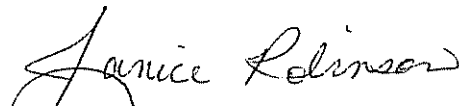
RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,


Janice Robinson
Technical Site Coordinator
Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
IVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
E-MAIL: INFO@EKN.COM
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Lee Harvey Ford, Jr.
1164A Trillium Ave.
Fort Drum, NY 1603

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Janice Robinson".

Janice Robinson
Technical Site Coordinator
Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
LEVEL, KY 41642
PHONE: (606) 874-7550
X: (606) 874-7551
EMAIL: INFO@EKN.COM
WEBSITE: WWW.EKN.COM

EAST KENTUCKY
NETWORK



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Connie & Billy Ledford
P O Box 411
Evarts, KY 40828

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,

Janice Robinson
Technical Site Coordinator
Enclosure 1

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.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Jack & Alice Ledford
P O Box 411
Evarts, KY 40828

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Janice Robinson".

Janice Robinson
Technical Site Coordinator
Enclosure 1

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.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Wanda Beth Boggs
P O Box 385
Evarts, KY 40828

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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. 2008-00267 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Janice Robinson".

Janice Robinson
Technical Site Coordinator
Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
IVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
E-MAIL: INFO@EKN.COM
WEB: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

July 29, 2008

Ball Cemetery
Evarts, KY 40828

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00267)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied 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. The facility will include a 180 foot self supporting tower with attached antennas extending upwards, and an equipment shelter located approximately 0.2 mi south of US-38, east of Evarts in Harlan County (36°51'57.70" N 83°11'11.20"W). 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.

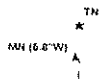
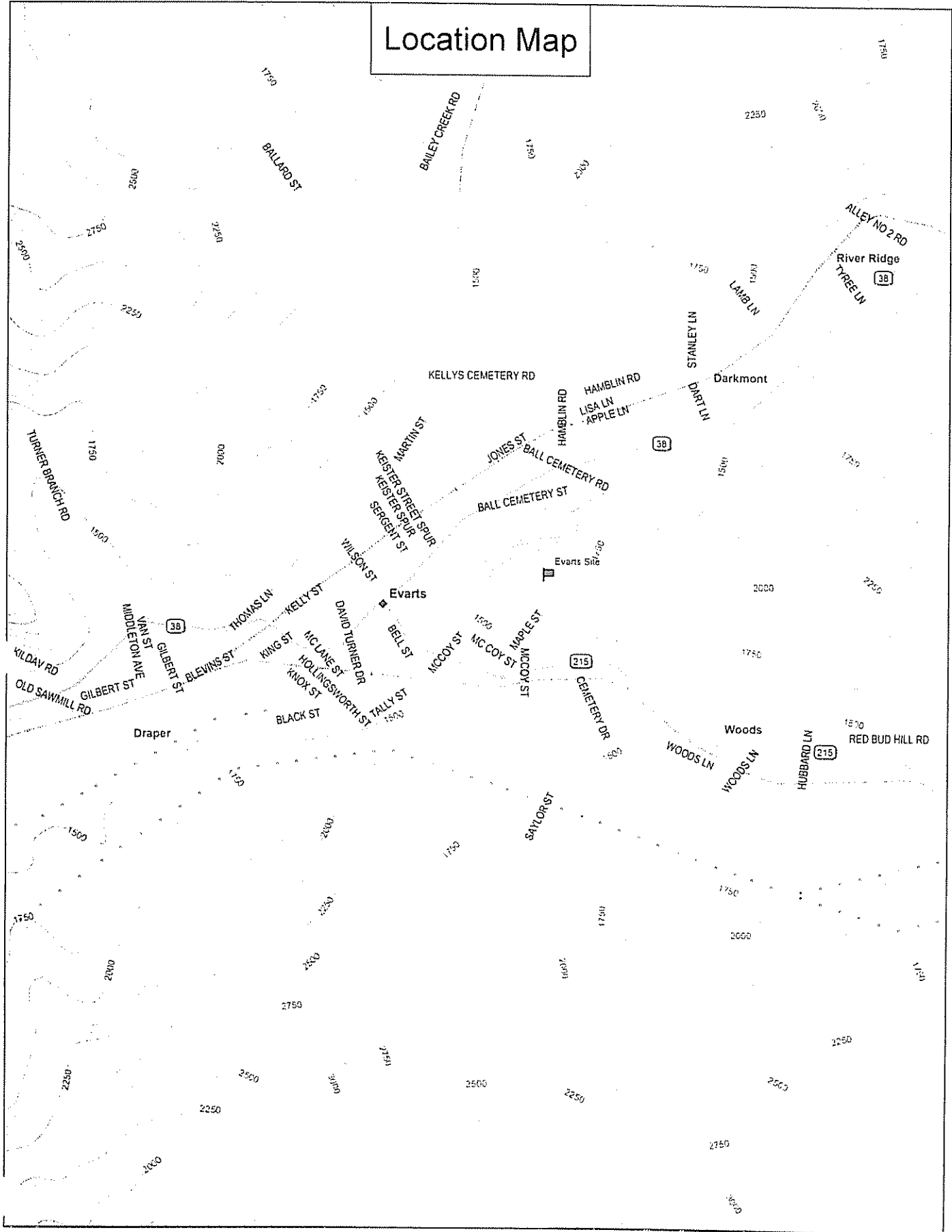
Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2008-00267 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Janice Robinson".

Janice Robinson
Technical Site Coordinator
Enclosure 1

Location Map



WENDELL R. HOLMES, P.G.
120 Church Street
Whitesburg, KY 41858
(606) 633-1511

June 20, 2008

Evarts Tower Site

Purpose:

A site assessment was conducted for Appalachian Wireless on a tract of land located in Harlan County in the City of Evarts, Kentucky. The site of the proposed tower is now forestland property. The purpose of this investigation was to determine the depth to bedrock and of what type of rock the bedrock consists.

Site Investigation:

The trenching method was used to determine at what depth and what type of bedrock material is present at the proposed tower site. A Caterpillar Excavator was used to expose the bedrock material. It is approximately 11.50 feet to the sandstone bedrock. (See attachments for location and descriptions of materials encountered.)

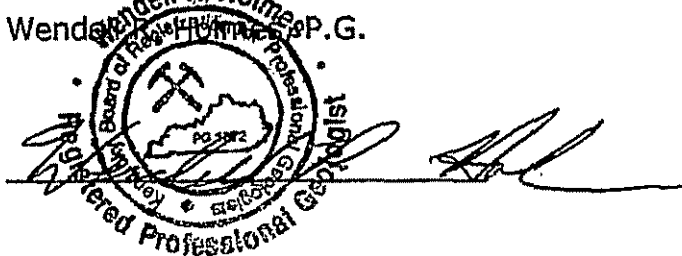
The terrain in Harlan County is slightly to moderately steep. The tower site is located on a point above the confluence of Yocum Creek and the Cumberland River, approximately three tenths of a mile east of the city of Evarts in Harlan County. The sandstone with shale formation below the tower site is approximately 10.00 feet thick, based on the information obtained from the site investigation and geological maps of the area.

Conclusions:

The proposed tower site is located on a point in the area. The sandy shale bedrock on the proposed tower site is part of the Mingo Formation, and is lower to middle Pennsylvanian in age. Tests were not conducted to determine the load-bearing strength of the bedrock. However, it is apparent that the tower will be constructed on the sandstone with shale bedrock formation.

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

Wendell R. Holmes, P.G.



WENDELL R. HOLMES, P.G.

120 Church Street

Whitesburg, Ky. 41858

Geologist Log

Location: Evarts Tower Site

| Unit Thickness | Total depth | Strata | Description |
|----------------|-------------|--------------------|-------------------------------------|
| 0.50' | 0.50' | Soil | Brown with plant and rock fragments |
| 3.00' | 3.50' | Shale | Brown and Weathered |
| 1.00' | 4.50' | Coal | Black, soft |
| 1.00' | 5.50' | Shale | Gray, soft |
| 6.00' | 11.50' | Sandstone w/ Shale | Brown, Gray and Weathered |
| 10.00' | 21.50' | Sandstone w/ Shale | Brown and Gray |



Kentucky Transportation Cabinet, Kentucky Airport Zoning Commission, 200 Mero Street, Frankfort, KY 40622

Kentucky Aeronautical Study Number

APPLICATION FOR PERMIT TO CONSTRUCT OR ALTER A STRUCTURE

INSTRUCTIONS INCLUDED

1. APPLICANT -- Name, Address, Telephone, Fax, etc

East Kentucky Network, LLC
 c/o Lukáš, Nace, Gutierrez & Sachs, Chtd
 1650 Tysons Blvd, Suite 1500
 McLean, VA 22102
 T: 703-584-8667 F: 703-584-8692

9. Latitude: 36 ° 51 ' 57 " 7 "10. Longitude: 83 ° 11 ' 11 " 2 "11. Datum: NAD83 NAD27 Other _____12. Nearest Kentucky City: Everts County Harlan13. Nearest Kentucky public use or Military airport:
Harlan14. Distance from #13 to Structure: 9.6 mi15. Direction from #13 to Structure: east16. Site Elevation (AMSL): 1,840.00 Feet17. Total Structure Height (AGL): 190.00 Feet18. Overall Height (#16 + #17) (AMSL): 2,030.00 Feet19. Previous FAA and/or Kentucky Aeronautical Study Number(s):

20. Description of Location: (Attach USGS 7.5 minute Quadrangle Map or an Airport layout Drawing with the precise site marked and any certified survey)

Site is located approx. 0.2 mi (0.3 km) south of US-38, east side of Everts (Harlan), KY

2. Representative of Applicant -- Name, Address, Telephone, Fax

Ali Kuzehkanani
 Lukáš, Nace, Gutierrez & Sachs, Chtd
 1650 Tysons Blvd, Suite 1500
 McLean, VA 22102
 T: 703-584-8667 F: 703-584-8692

3. Application for: New Construction Alteration Existing4. Duration: Permanent Temporary (Months _____ Days _____)5. Work Schedule: Start 8/15/2008 End 8/30/20086. 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 None

8. FAA Aeronautical Study Number: _____

21. Description of Proposal:

The structure will include a 180' tower with top-mounted antennas (overall height of 190' AGL) The ERP will be 500 watts.

22. Has a "NOTICE OF CONSTRUCTION OR ALTERATION" (FAA Form 7460-1) been filed with the Federal Aviation Administration?

No Yes, When July 24, 2008

CERTIFICATION: I hereby certify that all the above statements made by me are true, complete and correct to the best of my knowledge and belief.

Ali Kuzehkanani/Dir of Engineering

Printed Name and Title

Signature

7/24/2008

Date

PENALTIES: Persons failing to comply with Kentucky Revised Statutes (KRS 183.861 through 183.990) and Kentucky Administrative Regulations (602 KAR 050:Series) are liable for fines and/or imprisonment as set forth in KRS 183.990(3). Non-compliance with Federal Aviation Administration Regulations may result in further penalties.

Commission Action: Chairman, KAZC Administrator, KAZC Approved Disapproved

Date _____

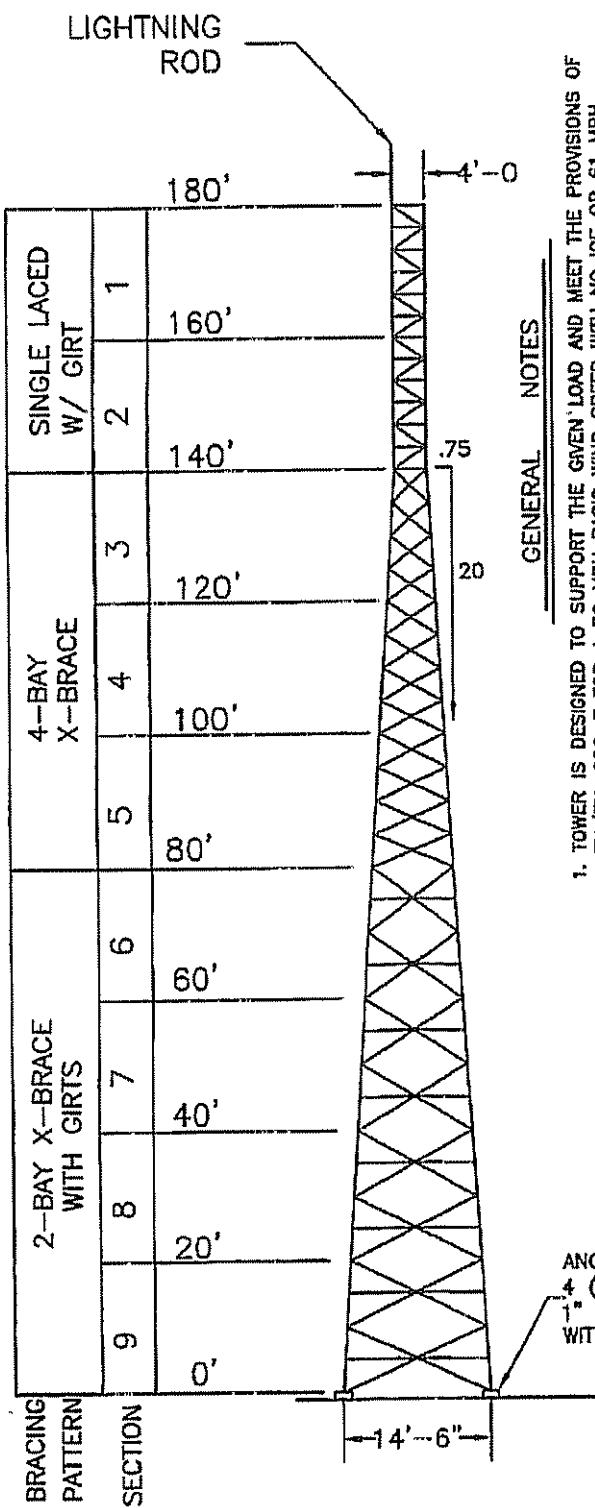


World Tower
COMPANY, INC

1213 Compressor Drive
P O Box 508
Mayfield, KY 42066
270-247-3642
FAX: 270-247-0909
E-mail: worldtower@worldtower.com
Web: www.worldtower.com

180' MODEL WSST TOWER
FOR: APPALACHIAN WIRELESS
SITE: EVARTS, KY
DESIGN PACKAGE



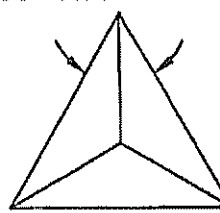


TOWER ELEVATION

GENERAL NOTES

1. TOWER IS DESIGNED TO SUPPORT THE GIVEN LOAD AND MEET THE PROVISIONS OF TIA/EIA-222-F FOR A 70 MPH BASIC WIND SPEED WITH NO ICE OR 61 MPH WITH 1/2" ICE.
2. WELDED CONNECTIONS SHALL CONFORM TO THE LATEST REVISION OF THE AMERICAN WELDING SOCIETY AWS, D 1.1.
3. TOWER AND ALL FABRICATED ACCESSORIES ARE HOT-DIP GALVANIZED.
4. ALL BOLTS SHALL BE GALVANIZED ACCORDING TO THE STANDARD SPECIFICATION FOR ZINC COATING OF IRON AND STEEL HARDWARE ASTM A153.
5. LEG STEEL IS 50 KSI MIN YIELD SOLID ROUND AND BRACING STEEL IS 36 KSI MIN YIELD SOLID ROUND OR STRUCTURAL ANGLE.
6. ALL STRUCTURAL BOLTS ARE ASTM A325.
7. TOWER IS DESIGNED FOR ALL LINES TO BE MOUNTED IN ACCORDANCE WITH DRAWING NO. Q08250WG.
8. TOWER SHOULD BE INSPECTED IN ACCORDANCE WITH TIA/EIA-222-F EVERY 5 YEARS.
9. TOWER INSPECTION SHOULD ONLY BE PERFORMED BY EXPERIENCED QUALIFIED PERSONNEL FOR ASSISTANCE IN PROPER MAINTENANCE OF YOUR TOWER, CALL WORLD TOWER AT 270-247-3542.
10. STEP BOLTS PROVIDED ON ONE LEG FOR FULL HEIGHT OF TOWER.
11. CABLE SAFETY PROVIDED FOR FULL TOWER HEIGHT.
12. TOWER TO BE GROUNDED IN ACCORDANCE WITH EIA-TIA-222F

60° TYP.



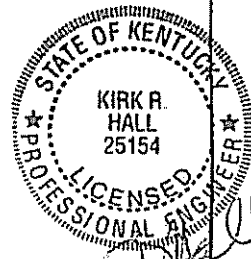
TOWER PLAN

ANCHOR BOLTS
4 (12 TOTAL)
1" ASTM A449
WITH EMBEDDED PL.

| BASE REACTIONS | |
|----------------|-----------------|
| OTM: | 1945.0 FT. KIPS |
| COMP. | 163.0 KIPS |
| UPLIFT | 138.0 KIPS |
| SHEAR (3 LEGS) | 19.0 KIPS |
| WT. (NO ICE) | 26.0 KIPS |
| WT. (1/2" ICE) | 39.0 KIPS |

WORLD TOWER

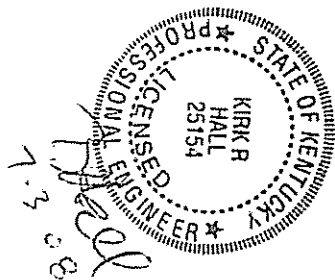
| | |
|-----------|--|
| TITLE: | 180' MODEL WSST TOWER FOR: APPALACHIAN WIRELESS SITE: EVARTS, KY |
| SCALE: | NONE |
| FILE: | WORLD TOWER |
| DWG. NO.: | Q08250 |
| DATE: | 6-12-08 |



Handwritten signature and date:
7.3.08

| SECTION NO. | LEGS | DIAGONALS | GIRTS | SPUCE BOLTS | DIAG BOLTS | GIRT BOLTS |
|-------------|-------|--------------|----------|-----------------|---------------------|------------|
| 1 | 1 1/2 | 1 | 1 | 4-3/4" | WELDED CONSTRUCTION | |
| 2 | 1 3/4 | 1 | 1 | | | |
| 3 | 2 1/4 | 2 X 1/8 | 2 X 1/8 | | 5/8 | 5/8 |
| 4 | 2 1/2 | 2 X 1/8 | N/A | 4-1" | | N/A |
| 5 | 2 1/2 | 2 X 1/8 | | | | |
| 6 | 2 3/4 | 2 1/2 X 3/16 | 2 X 1/8 | | | 5/8 |
| 7 | 2 3/4 | 2 1/2 X 3/16 | 2 X 1/8 | | | |
| 8 | 3 | 2 1/2 X 3/16 | 2 X 1/8 | | | |
| 9 | 3 | 3 X 3/16 | 2 X 3/16 | 4-1" A-BOLTS | | |

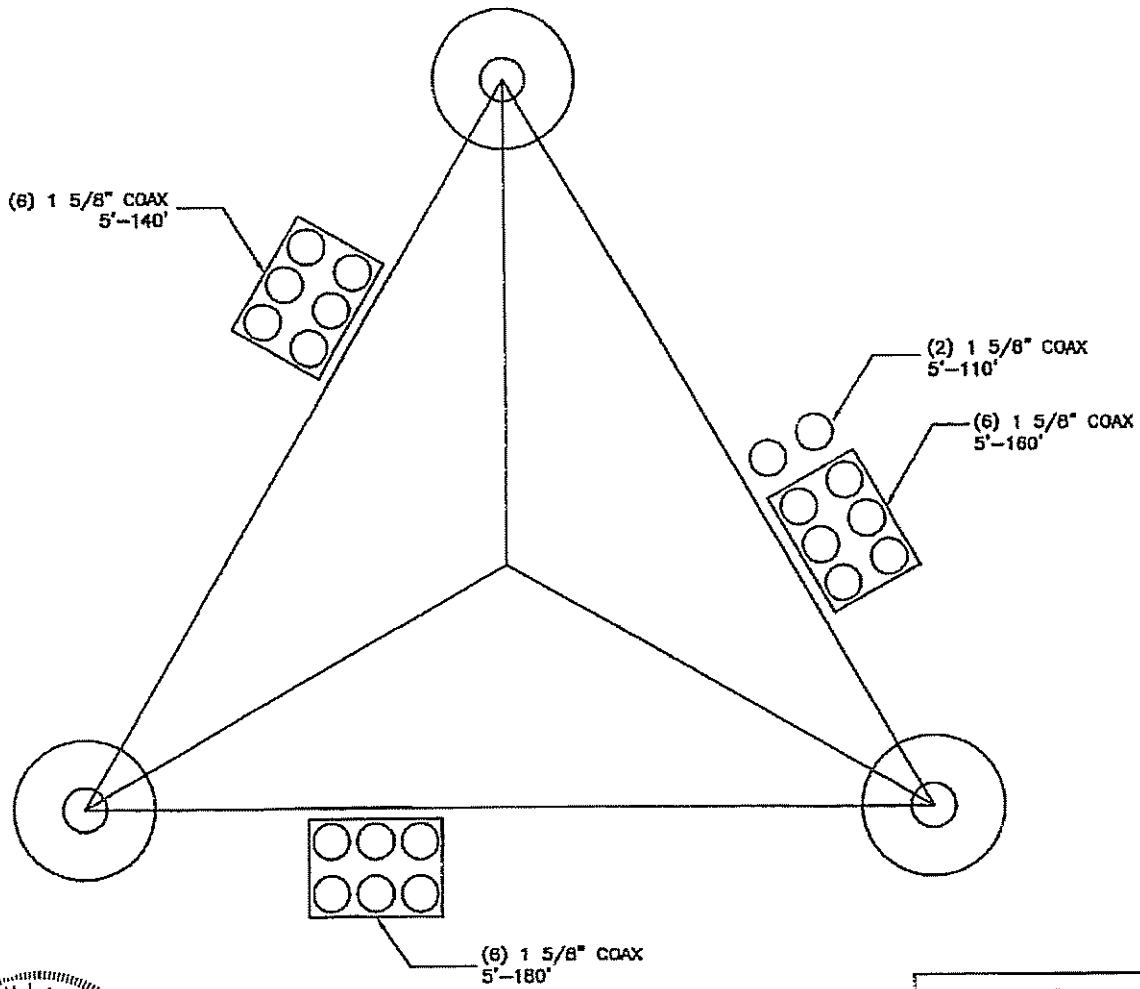
| ANTENNA LOADING | | |
|-----------------|--|-----------|
| ELEV. | DESCRIPTION | LINE |
| 180' | (6)- PANEL ANTENNAS (4'X1'X3") ON WD13X53 SECTOR MOUNT | 6- 1 5/8" |
| 160' | (6)- PANEL ANTENNAS (4'X1'X3") ON WD13X53 SECTOR MOUNT | 6- 1 5/8" |
| 140' | (6)- PANEL ANTENNAS (4'X1'X3") ON WD13X53 SECTOR MOUNT | 6- 1 5/8" |
| 110' | (2) 8' STANDARD DISHES @ 120 DEGREE SEPARATION | 2- 1 5/8" |



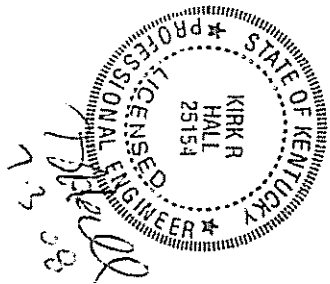
WORLD TOWER

TITLE:
180' MODEL WSST TOWER
FOR: APPALACHIAN WIRELESS
SITE: EVARTS, KY

SCALE NONE DWG. WDU CKD. *(kb)* DATE 6-12-08
FILE DWG. NO. Q08250T



PLAN VIEW

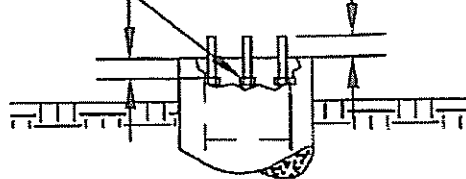


WORLD TOWER

TITLE:
180' MODEL WSST TOWER
FOR: APPALACHIAN WIRELESS
SITE: EVARTS, KY

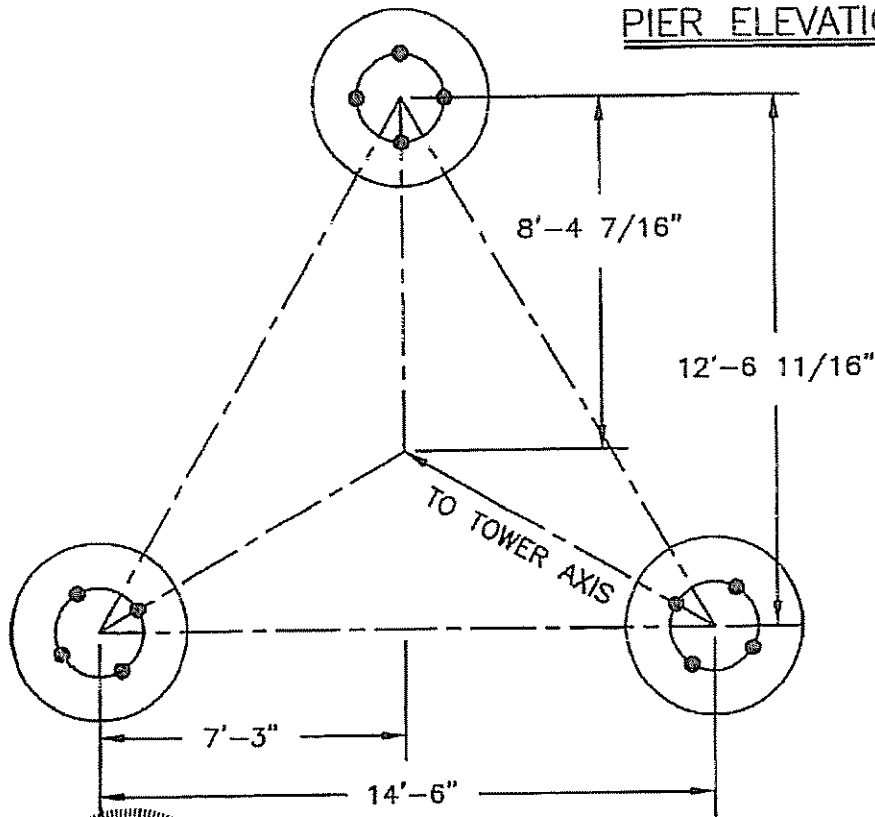
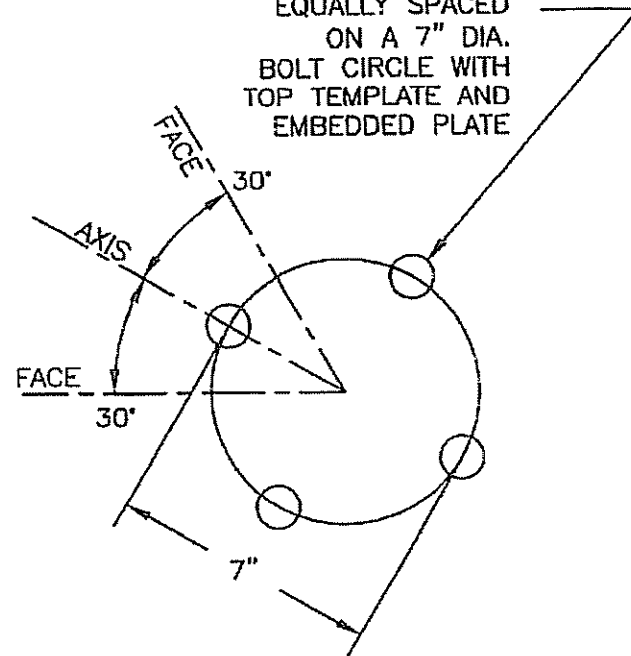
| | | | |
|------------|--|----------------|--------------|
| SCALE NONE | DWN. <input checked="" type="checkbox"/> WDU | CHK. <i>WJ</i> | DATE 6-12-08 |
| FILE | DWG. NO. Q08250WG | | |

GALVANIZED NUT TYP. 3" MIN. 7" PROJ.



PIER ELEVATION

ANCHOR BOLTS
 (4) 1" ASTM A449
 EQUALLY SPACED
 ON A 7" DIA.
 BOLT CIRCLE WITH
 TOP TEMPLATE AND
 EMBEDDED PLATE

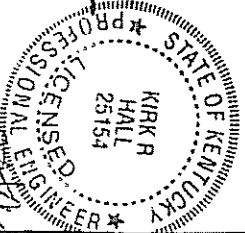


| BASE REACTIONS | |
|----------------|-----------------|
| OTM: | 1945.0 FT. KIPS |
| COMP. | 163.0 KIPS |
| UPLIFT | 138.0 KIPS |
| SHEAR (3 LEGS) | 19.0 KIPS |
| WT. (NO ICE) | 26.0 KIPS |
| WT. (1/2" ICE) | 39.0 KIPS |

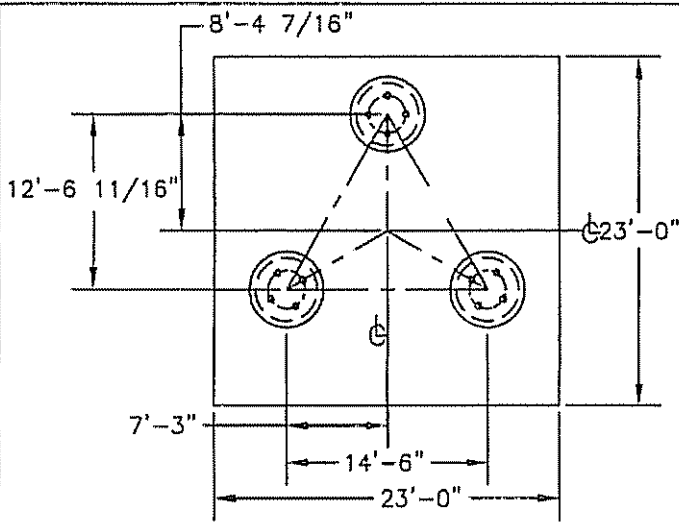
TITLE: ANCHOR BOLT LAYOUT
 180' WSST TOWER
 FOR: APPALACHIAN WIRELESS
 SITE: EVARTS, KY

WORLD TOWER

SCALE NONE DWN. WDU ✓ CKD. *llb* DATE 6-12-08
 FILE DWG. NO. Q08250AB

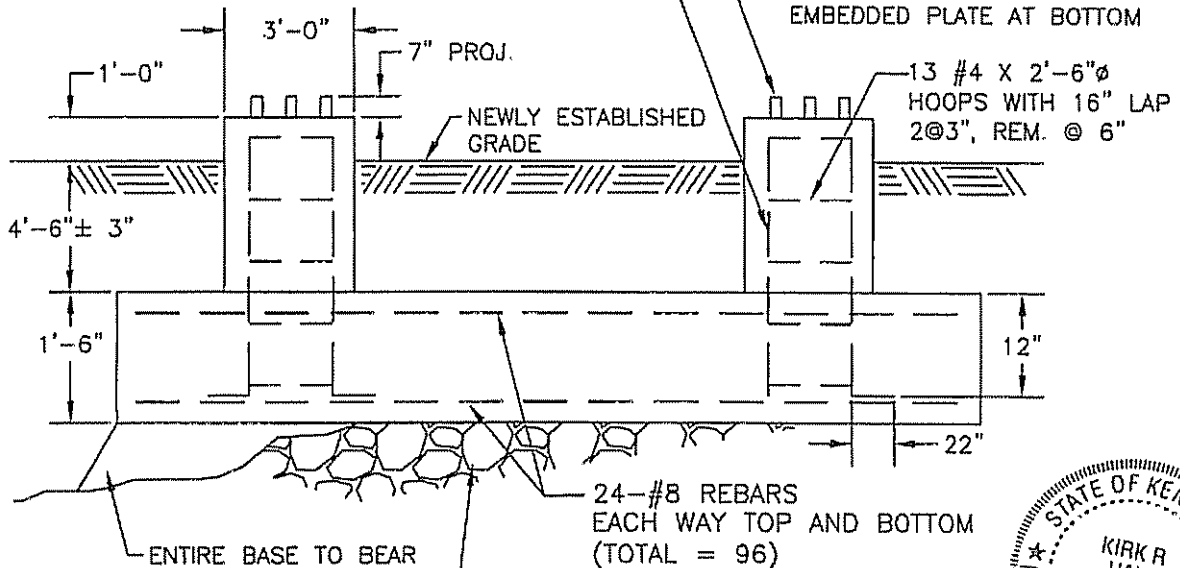


Handwritten notes:
 7.3
 03



34 CU. YDS.
CONCRETE REQ'D.

| BASE REACTIONS | |
|----------------|-----------------|
| OTM: | 1945.0 FT. KIPS |
| COMP. | 163.0 KIPS |
| UPLIFT | 138.0 KIPS |
| SHEAR | 19.0 KIPS |
| WT. (NO ICE) | 26.0 KIPS |
| WT. (1/2" ICE) | 39.0 KIPS |



ENTIRE BASE TO BEAR ON SANDSTONE. IF SANDSTONE VARIES FILL WITH CONCRETE.

SANDSTONE AT 11'-6" ± BELOW GRADE. SITE IS ON HILLSIDE. WORLD TOWER COMPANY HAS BEEN INFORMED THAT 5 1/2' OF SOIL FILL WILL BE REDIRECTED TO ESTABLISH NEW GRADE.



GENERAL NOTES

1. CONCRETE TO HAVE 4000 PSI MIN. COMPRESSIVE STRENGTH AFTER 28 DAYS.
2. ALL REINFORCEMENT STEEL IS DEFORMED AND MEETS THE STRENGTH REQUIREMENTS OF ASTM A615 GRADE 60.
3. EMBEDDED STEEL TO HAVE 3" MIN. CONCRETE COVER.
4. FOUNDATION DESIGN IS BASED ON CUSTOMER SUPPLIED SOIL DATA FROM WENDELL R. HOLMES, P.G. DATED JUNE 20, 2008.

TITLE:
FOUNDATION 180' WSST TOWER
FOR: APPALACHIAN WIRELESS
SITE: EVARTS, KY

WORLD TOWER

| | | | |
|------------|-----------------|-------------|--------------|
| SCALE NONE | DWN. LKB | CKD. KH/LKB | DATE 6-25-08 |
| FILE | DWG. NO. Q08250 | | |

LUKAS, NACE, GUTIERREZ & SACHS

CHARTERED

1650 TYSONS BOULEVARD, SUITE 1500
MCLEAN, VIRGINIA 22102
703 584 8678 • 703 584 8696 FAX

WWW.FCCLAW.COM

RUSSELL D. LUKAS
DAVID L. NACE
THOMAS GUTIERREZ*
ELIZABETH R. SACHS*
GEORGE L. LYON, JR.
PAMELA L. GIST
DAVID A. LAFURIA
TODD SLAMOWITZ*
B. LYNN F. RATNAVALE*
STEVEN M. CHERNOFF*
KATHERINE PATSAS*

CONSULTING ENGINEERS
ALI KUZEHKANANI
LEILA REZANAVAZ
—
OF COUNSEL
LEONARD S. KOLSKY*
JOHN CIMKO*
J. K. HAGE III*
JOHN J. MCAVOY*
HON. GERALD S. MCGOWAN*
TAMARA DAVIS-BROWN*

*NOT ADMITTED IN VA

Writers Direct Dial
(703) 584-8667
akuzehkanani@fcclaw.com

July 23, 2008

Via U.S. Mail

EXPRESS PROCESSING CENTER
Federal Aviation Administration
Southwest Regional Office
Air Traffic Airspace Branch, ASW-520
2601 Meacham Blvd.
Fort Worth, TX 76137-4298

Dear FAA Evaluator:

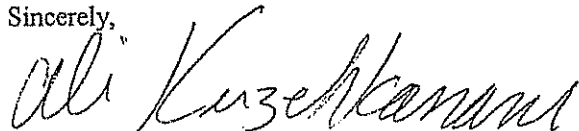
Enclosed is an FAA Form 7460-1 (Notice of Proposed Construction or Alteration) for a new 190' communications tower structure (180' tower plus 10' antenna/lightning rod) near Evarts (Harlan), Kentucky. The site ("Evarts") is located 0.2 mi (0.3 km) east of Evarts.

The proponent, East Kentucky Network, LLC, is the licensee for PCS Block A service in a portion of the Knoxville, TN Metropolitan Statistical Area ("Knoxville MTA"), Market No. 44A12. Transmit technology to be employed at this station is CDMA in the PCS Band A frequency band (1850 - 1860 MHz and 1930 - 1940 MHz); the maximum ERP is 500 Watts.

The transmitting systems at this site will be installed and maintained such that transmitter spurious radiation in the frequency range of 118 MHz to 137 MHz is attenuated at least 71 dB below the unmodulated carrier level.

Should you have any questions or require additional information, please do not hesitate to call the undersigned at the above identified telephone number.

Sincerely,



Ali Kuzehkanani
Director of Engineering

Enclosure

cc: East Kentucky Network, LLC
Attention: Marty Thacker and Gerald Robinett

Notice of Proposed Construction or Alteration - Off Airport

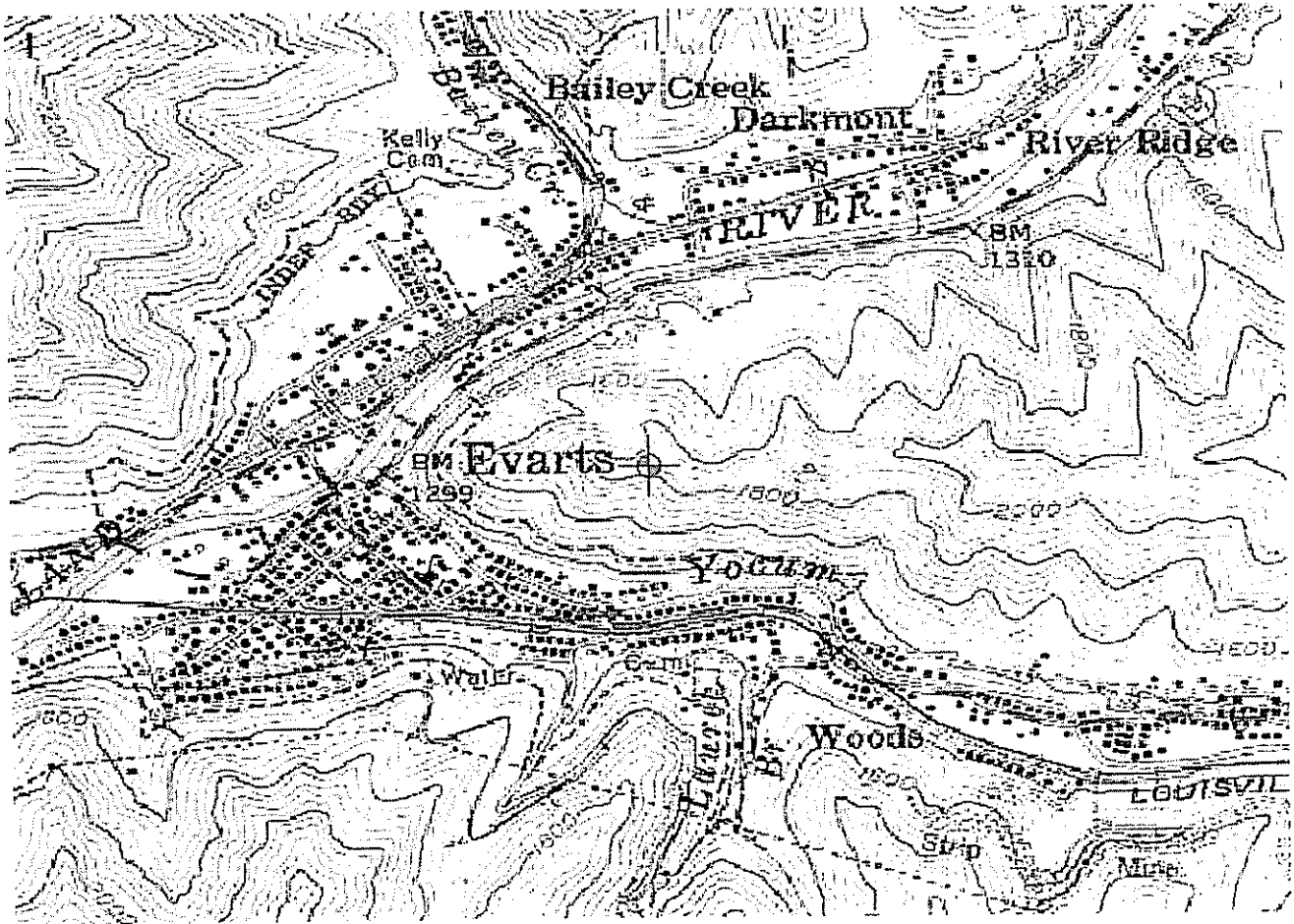
Project Name: EAST -000099617-08 Sponsor: East Kentucky Network, LLC

Details for Case : Evarts

Show Project Summary

| Case Status | | Date Accepted: | | 07/23/2008 | | |
|---------------------------------------|---|------------------|------------------------|----------------------|--------|----------|
| ASN: | 2008-ASO-4095-OE | Date Determined: | | Letters: | None | |
| Status: | Accepted | | | | | |
| Construction / Alteration Information | | | Structure Summary | | | |
| Notice Of: | Construction | Structure Type: | Tower | Structure Name: | Evarts | |
| Duration: | Permanent | FCC Number: | | Prior ASN: | | |
| <i>If Temporary</i> : Months: Days: | | | | | | |
| Work Schedule - Start: | 08/15/2008 | | | | | |
| Work Schedule - End: | 08/30/2008 | | | | | |
| State Filing: | Filed with State | | | | | |
| Structure Details | | | Common Frequency Bands | | | |
| Latitude: | 36° 51' 57.70" N | Low Freq | High Freq | Freq Unit | ERP | ERP Unit |
| Longitude: | 83° 11' 11.20" W | 806 | 824 | MHz | 500 | W |
| Horizontal Datum: | NAD83 | 824 | 849 | MHz | 500 | W |
| Site Elevation (SE): | 1840 (nearest foot) | 851 | 866 | MHz | 500 | W |
| Structure Height (AGL): | 190 (nearest foot) | 869 | 894 | MHz | 500 | W |
| Marking/Lighting: | None | 896 | 901 | MHz | 500 | W |
| <i>Other</i> : | | 901 | 902 | MHz | 7 | W |
| Nearest City: | Evarts | 930 | 931 | MHz | 3500 | W |
| Nearest State: | Kentucky | 931 | 932 | MHz | 3500 | W |
| Description of Location: | Approx. 0.2 mi (0.3 km) south of US-38. east of Evarts (Harlan). KY | 932 | 932.5 | MHz | 17 | dBW |
| Description of Proposal: | A new 180' tower with top-mounted antennas (190' overall height) | 935 | 940 | MHz | 1000 | W |
| | | 940 | 941 | MHz | 3500 | W |
| | | 1850 | 1910 | MHz | 1640 | W |
| | | 1930 | 1990 | MHz | 1640 | W |
| | | 2305 | 2310 | MHz | 2000 | W |
| | | 2345 | 2360 | MHz | 2000 | W |
| | | | | Specific Frequencies | | |

Close Print



EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

FINANCIAL REPORT

December 31, 2006

CONTENTS

| | Page |
|--|-----------|
| INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS | 1 |
| FINANCIAL STATEMENTS | |
| Balance sheets | 2 |
| Statements of income | 3 |
| Statements of members' equity | 4 |
| Statements of cash flows | 5-6 |
| Notes to financial statements | 7-13 |
| INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION | 14 |
| SUPPLEMENTARY INFORMATION | |
| Statement of income detail | 15 and 16 |

INDEPENDENT AUDITOR'S REPORT

To the Members
East Kentucky Network, LLC
dba Appalachian Wireless
Ivel, Kentucky 41642

We have audited the accompanying balance sheets of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2006 and 2005 and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our 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, 2006 and 2005 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, Nale & Mattingly, P.C.

Louisville, Kentucky
March 15, 2007

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

BALANCE SHEETS
December 31, 2006 and 2005

| ASSETS | <u>2006</u> | <u>2005</u> |
|--|----------------------|----------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 2,818,346 | \$ 1,046,669 |
| Short-term investments | 46,271 | 43,803 |
| Accounts receivable, less allowance for doubtful <i>accounts of \$567,790 in 2006 and \$375,856 in 2005</i> | 2,802,673 | 1,560,267 |
| Accounts receivable, members (Notes 5 and 6) | 37,612 | 3,149 |
| USF receivable (Note 7) | -- | 589,913 |
| Inventory | 1,584,039 | 1,056,766 |
| Prepaid expenses | <u>173,657</u> | <u>143,547</u> |
| Total current assets | <u>\$ 7,462,598</u> | <u>\$ 4,444,114.</u> |
| PROPERTY, PLANT AND EQUIPMENT (Note 3) | | |
| Plant in service: | | |
| General support | \$ 18,914,927 | \$ 10,633,736 |
| MTSO equipment | 13,354,875 | 11,934,434 |
| Cell equipment | 39,339,797 | 34,785,982 |
| Paging equipment | 3,321,068 | 3,320,416 |
| Fiber ring | 6,471,128 | 6,245,412 |
| Unfinished plant | <u>657,524</u> | <u>3,992,696</u> |
| | \$ 82,059,319 | \$ 70,912,676 |
| Less accumulated depreciation | <u>33,358,066</u> | <u>27,810,940</u> |
| | <u>\$ 48,701,253</u> | <u>\$ 43,101,736</u> |
| OTHER ASSETS | | |
| <i>Investment in affiliated company, RTFC (Notes 3)</i> | \$ 862,394 | \$ 875,133 |
| Intangible assets, net of accumulated amortization <i>of \$2,646,913 in 2006 and \$2,179,654 in 2005 (Note 2)</i> | 4,497,032 | 4,623,855 |
| Other | <u>27,550</u> | <u>28,669</u> |
| | <u>\$ 5,386,976</u> | <u>\$ 5,527,657</u> |
| | <u>\$ 61,550,827</u> | <u>\$ 53,073,507</u> |

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

| LIABILITIES AND MEMBERS' EQUITY | <u>2006</u> | <u>2005</u> |
|--|-----------------------------|-----------------------------|
| CURRENT LIABILITIES | | |
| Current maturities of long-term debt (Note 3) | \$ 1,200,000 | \$ 48,033 |
| Accounts payable | 1,166,909 | 851,643 |
| Accounts payable, member (Notes 5 and 6) | 2,899 | 2,936 |
| Accrued expenses | 2,113,530 | 1,457,463 |
| Accrued state corporation taxes | 232,157 | 85,989 |
| Customer deposits | 317,603 | 291,380 |
| Total current liabilities | <u>\$ 5,033,098</u> | <u>\$ 2,737,444</u> |
| | | |
| LONG-TERM DEBT, less current maturities (Note 3) | 13,000,000 | 13,297,220 |
| | | |
| MEMBERS' EQUITY | 43,517,729 | 37,038,843 |
| | | |
| | <u><u>\$ 61,550,827</u></u> | <u><u>\$ 53,073,507</u></u> |

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF INCOME
Years Ended December 31, 2006 and 2005

| | 2006 | 2005 |
|--|---------------|---------------|
| REVENUE | | |
| Retail | \$ 24,156,320 | \$ 20,908,570 |
| Roamer | 6,964,309 | 6,868,904 |
| Long distance | 155,046 | 177,350 |
| Paging | 852,011 | 1,039,429 |
| Equipment sales, cellular | 2,922,817 | 2,152,962 |
| Equipment sales, paging | 27,894 | 57,632 |
| Other | 3,065,078 | 2,359,809 |
| Total revenue | \$ 38,143,475 | \$ 33,564,656 |
| EXPENSES | | |
| Cost of cellular service | \$ 7,888,446 | \$ 7,924,553 |
| Cost of paging service | 411,177 | 510,665 |
| Cost of equipment sales, cellular | 6,813,457 | 4,912,998 |
| Cost of equipment sales, paging | 58,755 | 78,428 |
| Customer service | 1,330,573 | 1,208,726 |
| Billing | 1,097,834 | 1,200,135 |
| Selling | 2,703,570 | 2,131,009 |
| Maintenance | 1,267,034 | 1,042,844 |
| Utilities | 454,008 | 354,870 |
| Bad debts | 800,268 | 672,263 |
| Recovery of bad debts | (90,925) | (120,673) |
| Cell site rental | 158,500 | 135,012 |
| Taxes | 565,271 | 257,247 |
| Advertising | 1,574,298 | 1,139,697 |
| General and administrative | 2,238,348 | 2,249,226 |
| Occupancy | 334,981 | 359,928 |
| Depreciation | 5,541,628 | 4,635,200 |
| Amortization | 508,526 | 495,241 |
| Total expenses | \$ 33,655,749 | \$ 29,187,369 |
| Income from operations | \$ 4,487,726 | \$ 4,377,287 |
| OTHER INCOME (EXPENSE) | | |
| Interest income | \$ 49,052 | \$ 23,915 |
| Interest expense | (821,277) | (795,898) |
| Universal Service Fund income (Note 7) | 3,716,602 | 589,913 |
| Impairment of goodwill (Note 8) | -- | (331,286) |
| | \$ 2,944,377 | \$ (513,356) |
| Income before taxes | \$ 7,432,103 | \$ 3,863,931 |
| Kentucky corporation tax expense | 399,157 | 170,197 |
| Net income | \$ 7,032,946 | \$ 3,693,734 |

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

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF MEMBERS' EQUITY
Years Ended December 31, 2006 and 2005

| | Cellular Services, Inc. | Gearhart Communi- cations Company, Inc. | Mountain Tele- communi- cations, Inc. | Thacker- Grigsby Telephone Co., Inc. | Peoples Rural Telephone Coop- erative Corp- oration, Inc. | Total |
|----------------------------|-------------------------------|---|---|---|--|---------------------|
| Balance, January 1, 2005 | \$ 6,781,309 | \$ 6,781,309 | \$ 6,781,309 | \$ 6,781,309 | \$ 6,781,308 | \$33,906,544 |
| Net income | 738,747 | 738,747 | 738,747 | 738,746 | 738,747 | 3,693,734 |
| Capital distributions | (112,287) | (112,287) | (112,287) | (112,287) | (112,287) | (561,435) |
| Balance, December 31, 2005 | <u>\$ 7,407,769</u> | <u>\$ 7,407,769</u> | <u>\$ 7,407,769</u> | <u>\$ 7,407,768</u> | <u>\$ 7,407,768</u> | <u>\$37,038,843</u> |
| Net income | 1,406,589 | 1,406,589 | 1,406,589 | 1,406,590 | 1,406,589 | 7,032,946 |
| Capital distributions | (110,812) | (110,812) | (110,812) | (110,812) | (110,812) | (554,060) |
| Balance, December 31, 2006 | <u>\$ 8,703,546</u> | <u>\$ 8,703,546</u> | <u>\$ 8,703,546</u> | <u>\$ 8,703,546</u> | <u>\$ 8,703,545</u> | <u>\$43,517,729</u> |

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

**EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF CASH FLOWS
Years Ended December 31, 2006 and 2005**

| | 2006 | 2005 |
|---|-----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income | \$ 7,032,946 | \$ 3,693,734 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 5,541,628 | 4,635,200 |
| Amortization | 508,526 | 495,241 |
| Impairment of goodwill | -- | 331,286 |
| Changes in assets and liabilities, net of the effects of investing and financing activities: | | |
| (Increase) in accounts receivable | (1,242,406) | (78,367) |
| Decrease in accounts receivable, members | (34,463) | 51,248 |
| (Increase) decrease in USF receivable | 589,913 | (589,913) |
| (Increase) in inventory | (527,273) | (230,130) |
| (Increase) decrease in prepaid expenses | (30,110) | 5,012 |
| (Increase) decrease in other assets | 13,858 | (646) |
| Increase (decrease) in accounts payable | 315,266 | (291,123) |
| Increase (decrease) in accounts payable, member | (37) | 2,332 |
| Increase in accrued expenses | 656,067 | 339,038 |
| Increase in accrued state corporation taxes | 146,168 | 85,989 |
| Increase in customer deposits | 26,223 | 139,030 |
| Net cash provided by operating activities | \$ 12,996,306 | \$ 8,587,931 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | \$ (11,182,411) | \$ (11,469,668) |
| Purchase of intangible assets | (340,437) | (299,159) |
| Proceeds from sale of short-term investments | (2,468) | 56,197 |
| Net cash (used in) investing activities | \$ (11,525,316) | \$ (11,712,630) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Capital distributions | \$ (554,060) | \$ (561,435) |
| Proceeds from long-term borrowings | 14,200,000 | 3,450,000 |
| Payments on long-term borrowings | (13,345,253) | (832,731) |
| Net cash provided by financing activities | \$ 300,687 | \$ 2,055,834 |
| Net increase (decrease) in cash and cash equivalents | \$ 1,771,677 | \$ (1,068,865) |
| Cash and cash equivalents: | | |
| Beginning | 1,046,669 | 2,115,534 |
| Ending | \$ 2,818,346 | \$ 1,046,669 |

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

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF CASH FLOWS (Continued)
Years Ended December 31, 2006 and 2005

| | <u>2006</u> | <u>2005</u> |
|--|-------------------|-------------------|
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash payments for interest | <u>\$ 866,941</u> | <u>\$ 788,610</u> |
| Cash payments for state corporation taxes | <u>\$ 167,000</u> | <u>\$ 84,207</u> |
| SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES | | |
| Settlement of note payable from impairment of goodwill | <u>\$ - -</u> | <u>\$ 400,000</u> |
| Settlement of accrued interest from impairment of goodwill | <u>\$ - -</u> | <u>\$ 56,000</u> |

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

**EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS**

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, Inc.; Gearheart Communications Company, Inc.; Mountain Telecommunications, Inc.; Peoples Rural Telephone Cooperative Corporation, Inc.; and Thacker-Grigsby Telephone Co., Inc.

Cash

The Company maintains its cash balances, which exceed the \$100,000 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.

Cash equivalents

For purposes of the statement of cash flows, the Company considers temporary investments having a maturity of three months or less to be cash equivalents.

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.

Inventory

Inventory is composed of cellular telephone equipment, paging 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.

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.

Investment

The investment in affiliated company is composed of equity certificates in Rural Telephone Finance Cooperative and is reported at cost, which approximates fair value.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Intangible assets

The customer lists, non-compete agreements, FCC licenses, and use of name are recorded at cost and are being amortized over 15 years by the straight-line method. The excess cost over the fair value of the net assets acquired (goodwill) related to paging acquisitions is measured for impairment on an annual basis, and written down, if necessary, to its estimated value at that time. During the prior year, the Company expensed the remaining balance of goodwill as an impairment (see Note 8).

Recognition of revenue

Cellular service and paging revenues are recognized when earned. Monthly access and feature charges are billed one month in advance and recognized as revenue the following month. Revenue from telephone and accessories sold are recognized as revenue upon delivery to the customer.

Advertising

Advertising costs are expensed as incurred. At December 31, 2006 and 2005, these costs were \$1,574,298 and \$1,139,697, 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. Effective for years beginning on or after January 1, 2005, the State of Kentucky enacted legislation which now provides for the taxation of limited liability companies' at the entity level. The accompanying financial statements include the related state tax liability under the new regulations.

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.

NOTES TO FINANCIAL STATEMENTS

Note 2. Intangible Assets

Intangible assets consist of the following at December 31, 2006:

| | Gross Amount | Accumulated Amortization |
|------------------------|-----------------|-----------------------------|
| Customer lists | \$ 5,363,530 | \$ (2,152,951) |
| Non-compete agreements | 220,348 | (121,577) |
| FCC licenses | 1,141,593 | (330,542) |
| Use of name | 10,000 | (4,334) |
| Other | 408,474 | (37,509) |
| | \$ 7,143,945 | \$ (2,646,913) |

Intangible assets consist of the following at December 31, 2005:

| | Gross Amount | Accumulated Amortization |
|------------------------|-----------------|-----------------------------|
| Customer lists | \$ 5,363,530 | \$ (1,795,634) |
| Non-compete agreements | 220,348 | (106,898) |
| FCC licenses | 1,141,593 | (264,446) |
| Use of name | 10,000 | (3,668) |
| Other | 68,038 | (9,008) |
| | \$ 6,803,509 | \$ (2,179,654) |

Aggregate amortization expense related to these intangible assets for the years ended December 31, 2006 and 2005 totaled \$467,259 and \$437,982, respectively. The following represents the total estimated amortization of intangible assets for each of the succeeding five years:

Year ending December 31:

| | |
|------|------------|
| 2006 | \$ 450,000 |
| 2007 | 450,000 |
| 2008 | 450,000 |
| 2009 | 450,000 |
| 2010 | 450,000 |

NOTES TO FINANCIAL STATEMENTS

Note 3. Long-Term Debt

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

| | 2006 | 2005 |
|--|---------------|---------------|
| Note payable, Fifth Third Bank (a) | | |
| Dated 02/28/06, variable rate (5.41% at 12/31/06) | \$ 14,200,000 | \$ -- |
| Notes payable, RTFC (b) | | |
| Dated 11/13/97, variable rate Paid in full 03/01/06 | -- | 194,957 |
| Dated 11/13/97, variable rate Paid in full 03/01/06 | -- | 899,406 |
| Dated 11/13/97, fixed rate Paid in full 03/01/06 | -- | 727,521 |
| Dated 12/31/98, fixed rate Paid in full 03/01/06 | -- | 618,521 |
| Dated 02/13/01, variable rate Paid in full 03/01/06 | -- | 786,457 |
| Dated 02/13/01, variable rate Paid in full 03/01/06 | -- | 932,200 |
| Dated 07/27/01, variable rate Paid in full 03/01/06 | -- | 2,845,311 |
| Lines of Credit, RTFC | | |
| Line of credit, variable rate (c) Paid in full 03/01/06 | -- | 5,000,000 |
| Line of credit, variable rate (d) Paid in full 03/01/06 | -- | 1,750,000 |
| Line of Credit, Fifth Third Bank (e) | | |
| Due 03/28/08, variable rate (5.41% at 12/31/06) | -- | -- |
| | \$ -- | \$ 13,754,373 |

(a) On February 28, 2006, the Company borrowed \$14,200,000 to restructure its debt. The note is payable in 10 annual installments of \$1,200,000 for 2007, \$1,400,000 for 2008 through 2012, and \$1,500,000 for 2013 through 2016, with a variable interest rate. The note is collateralized by the assets of the Company.

(b) The notes payable to Rural Telephone Finance Cooperative (RTFC) were secured by mortgage and security agreements that include substantially all of the assets of the Company. In addition, the Company was required to purchase equity certificates in RTFC equal to 5% of the total amounts borrowed. The notes were payable in quarterly installments over 15 years with interest at variable or fixed rates set by RTFC. The notes were paid in full on March 1, 2006.

NOTES TO FINANCIAL STATEMENTS

Note 3. Long-Term Debt (Continued)

- (c) The line of credit agreement with RTFC provided for borrowings up to \$5,000,000. The agreement carried an interest rate at prime, plus one and one-half percent, was unsecured and was renewed June 28, 2004 for 24 months. The line of credit was paid in full on March 1, 2006.
- (d) The line of credit agreement with RTFC provided for borrowings up to \$2,000,000. The agreement carried an interest rate at prime, plus one and one-half percent, was unsecured and due May 16, 2006. The line of credit was paid in full on March 1, 2006.
- (e) The line of credit agreement with Fifth Third Bank provides for borrowing up to \$3,000,000. The agreement carries a variable interest rate, is secured by certain assets of the company, and is due March 28, 2008.

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:

| | |
|------|--------------|
| 2006 | \$ 1,200,000 |
| 2007 | 1,400,000 |
| 2008 | 1,400,000 |
| 2009 | 1,400,000 |
| 2010 | 1,400,000 |

Note 4. Retirement Plans

The Company has a 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 \$73,607 and \$67,460 matching funds for its 401(k) plan during the years ended December 31, 2006 and 2005, 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 \$259,859 and \$221,669 to its retirement savings plan during the years ended December 31, 2006 and 2005, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 5. Related Party Transactions

The Company shares personnel with one of its members. The Company paid \$114,996 and \$132,681 for shared personnel during the years ended December 31, 2006 and 2005 respectively. The Company also leased offices and warehouse space from two members. The leases are for an unspecified length of time. The monthly lease payments total approximately \$7,000. In addition, the Company incurred interconnection and telephone charges from its members aggregating \$752,095 and \$786,283 for the years ended December 31, 2006 and 2005, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member for \$100 per month for each site. The leases are for an unspecified length of time. In addition, the Company leases two other sites from a company owned by this member for \$600 each on a month to month basis.

The Company leases cellular tower sites from the parent company of one of its other members for \$1,039 per month. The leases are for five years with options to renew.

The Company pays commissions to two of its members for phone sales to customers. The amount of commissions paid to related parties was \$45,484 and \$43,873 for 2006 and 2005 respectively.

Note 6. 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 were \$1,130,809 and \$1,254,902 for the years ended December 31, 2006 and 2005, respectively. Rental income earned from the Company's members from these leases was \$631,789 and \$713,599 for the years ended December 31, 2006 and 2005, respectively.

Investments in operating leases are as follows at December 31:

| | 2006 | 2005 |
|--------------------------|--------------|--------------|
| Fiber ring | \$ 6,471,128 | \$ 6,245,412 |
| Accumulated depreciation | (982,379) | (773,028) |
| | \$ 5,488,749 | \$ 5,472,384 |

The future minimum rental payments expected to be received under these lease agreements for each of the succeeding five years are approximately \$700,000 each year based upon new contracts negotiated during 2005.

NOTES TO FINANCIAL STATEMENTS

Note 6. Operating Leases (Continued)

The Company has also entered into lease agreements with its members to obtain fiber optic transmission and digital microwave transmission services. The terms of these leases are for 15 years.

Rental expenses incurred under these operating lease commitments included in the statements of income were \$194,083 and \$33,329 for the years ended December 31, 2006 and 2005, respectively. The future minimum lease payments required under these lease agreements for each of the succeeding five years are \$115,734 each year.

Note 7. Eligible Telecommunication Carrier

During the prior year, 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 \$3,716,602 and \$589,913 for 2006 and 2005 respectively.

Note 8. Impairment of Goodwill

During 2005, the Company completed its annual valuation of the acquired goodwill related to paging acquisitions. Pursuant to the valuation, the Company expensed the remaining balance of goodwill. In management's judgment, the underlying assets associated with the goodwill were determined to be of substantially less value than the amount originally paid. The Company disputed the amount based upon the estimated current market value of the purchased customer lists, which approximates the current amortized book value. Accordingly, the entire balance of the remaining note payable issued as part of the acquisitions, along with the related accrued interest, has been written off due to the impairment of goodwill.

The following is a summary of the impairment of goodwill expense included in the financial statements for the year ended December 31, 2005:

| | |
|------------------|-------------------|
| Goodwill | \$ 787,286 |
| Note payable | (400,000) |
| Accrued interest | (56,000) |
| | <u>\$ 331,286</u> |

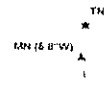
Directions to Evarts Tower

From the Harlan County Courthouse located at the intersection of first St. and Central St. Take Central St. .1 mile to the Jct. of Central St. and 421. Turn left onto 421 and go .2 miles to Route 38. Turn Left onto Route 38 and continue for 9 miles to Ball Cemetery Rd. Turn Right onto Ball Commentary Rd. .1 mile to new gravel road on the right. Turn right onto new gravel road for .7 miles. Road stops at tower site.

Directions were written by,

Marty Thacker
Appalachian Wireless
606-438-2355 Ext 111 (office)
606-634-9505 (Cell Phone)
m.thacker@tgtel.com (email)

Search Area Map



75257

LEASE AGREEMENT

 **COPY**

THIS LEASE is made and executed on the 5th day of March, 2008, by and between **Terry Wayne Williams**, single, P.O. Box 848, Evarts, Kentucky, 40828, hereinafter referred to as "Lessor", and **East Kentucky Network, LLC, d/b/a Appalachian Wireless**, 101 Technology Trail, Ivel, Kentucky, 41642, hereinafter referred to as "Lessee":

WITNESSETH

That for and in consideration of the rents and other consideration hereinafter set out and subject to the terms and conditions therefore, Lessor does hereby lease, let and demise unto Lessee, its successors and assigns, to have and to hold for the term hereinafter set out and subject to the Lessee's right to surrender or terminate this Lease and provided hereinafter, the following described premises ("Leased Premises"), which term shall include all real property, rights and privileges herein granted:

A 100 x 100 foot tract of land located on the ridge between Clover Fork Branch of the Cumberland River and Yocum Creek of the Clover Fork near Evarts, Harlan County, Kentucky, and more particularly described as follows:

Unless stated otherwise, any monument referred to herein as a T/T-Bar is a steel T-Bar having three radial arms of one-half inch and is 18" inches in length, with a metal cap stamped Summit Engineering, L.D. #2661. All bearings stated herein are based on an observation GPS taken at the site and report provided by NGS OPUS Solution.

Beginning at a T/T-Bar at the base of a 8" inch Sassafras in an existing fence line and being S 53°54'35" W 53.02' feet from a small knob at the forks of the ridge and also being on the common boundary line between Terry Wayne Williams (D.B. 410 - P. 472) and land now or formerly owned by F.F. Cawood (D.B. 98 - P. 334); Thence, with the common boundary line between Terry Wayne Williams and F.F. Cawood with the existing fence line S 64°54'49" W a distance of 16.42'; Thence, S 70°07'36" W a distance of 29.56'; Thence, S 69°09'40" W a distance of 52.02'; Thence, S 64°52'31" W a distance of 2.06'; Thence, leaving the line and F.F. Cawood and running down the hill severing the land of Terry

Wayne Williams N 22°46'54" W a distance of 1.49' to a set T/T-bar; Thence, N 22°46'54" W a distance of 34.83' to a set T/T-bar; Thence, N 22°46'56" W a distance of 69.14' to a set T/T-Bar; Thence, around the hill N 69°30'49" E a distance of 100.06' to a set T/T-Bar; Thence, up the hill S 22°46'47" E a distance of 58.87' to a set T/T-Bar 1' foot right of a 12" oak; Thence, S 22°46'51" E a distance of 45.10' to the point of beginning and having an area of 0.24 acres more or less according to a survey conducted by personnel under the direct supervision of Steven E. Haywood, PLS #2661 with Summit Engineering, Inc. on November 30th, 2007, and being a portion of the tract of land conveyed to Terry Wayne Williams by Johnny Jason Christian by deed dated August 29th, 2005, which is of record in Deed Book 410 - Page 272 of the records of the Harlan County Court Clerk's office.

The Lessor grants unto Lessee full and complete right on ingress, egress and regress over roads located upon this property controlled by Lessor to and from the Leased Premises, and the non-exclusive right to use any existing road located on this property. In the event the Lessee desires to relocate all or any portion of an existing roadway or to construct another access road to the Leased Premises, the location of such roadway shall be mutually agreed upon by Lessor and Lessee. Lessor further grants to the Lessee a right of way and easement to construct and maintain and operate telephone and power transmission lines over Lessor's remaining property to the Leased Premises for service for the tower and related facilities only, said lines to be located where feasible along the access road to the Leased Premises, with Lessor having input as to the location of said power transmission lines in the event Lessee changes the location of its access road. Lessee shall have the right to trim or remove trees, limbs or underbrush which interferes with its access road or power/telephone lines wherever such road and lines are located. Lessee shall help maintain the existing road with gravel and any needed repairs.

This Lease is made on the following terms and conditions:

1. **TERM OF LEASE.** The term of this lease shall be for a period of Thirty (30) years from and after the date hereof (the "Term").

2. **CANCELLATION.** Lessee shall have the right to terminate this Lease and abandon the Premises at any time under its sole discretion, upon six (6) months written notice to Lessor of its intention to do so. In the event of termination by Lessee, the Lessor shall have no obligation to refund all or any portion of the annual Leasehold rental payment that has been paid. Upon termination of this Lease, Lessee shall have one hundred eighty (180) days thereafter to remove all structures it has erected upon the Leased Premises, and to reclaim the premises. Payment shall continue until said structures are removed.

3. **RENTAL.** As rental for the Leased Premises, Lessee shall pay to Lessor as follows:

- (a) Payment of Two Hundred (\$200.00) Dollars per month totaling Twenty-Four Hundred (\$2400.00) Dollars per year. Lessee agrees to pay Lessor a one time payment for the first five (5) years or sixty (60) months of rent totaling Twelve Thousand (\$12,000.00) Dollars on the date this lease is executed.
- (b) At the beginning of the sixth (6th) year, the monthly rental will increase Ten Percent (10%), and Lessee shall pay to Lessor the rental of Two Hundred Twenty (\$220.00) Dollars per month thereafter. Lessee agrees to Pay Lessor for one (1) year or twelve (12) months of rent totaling Two Thousand Six Hundred Forty (\$2,640.00) Dollars at the beginning of the sixth (6th) year and then yearly thereafter.
- (c) At the beginning of the eleventh (11th) year, the monthly rental will increase Ten Percent (10%), and Lessee shall pay to Lessor the rental of Two Hundred Forty-Two (\$242.00) Dollars per month thereafter. Lessee agrees to Pay Lessor for one (1) year or twelve (12) months of rent totaling Two Thousand Nine Hundred Four

(\$2,904.00) Dollars at the beginning the eleventh (11th) year and then yearly thereafter.

- (d) At the beginning of the sixteenth (16th) year, the monthly rental will increase Ten Percent (10%), and Lessee shall pay to Lessor the rental of Two Hundred Sixty-Seven (\$267.00) Dollars per month thereafter. Lessee agrees to Pay Lessor for one (1) year or twelve (12) months of rent totaling Three Thousand Two Hundred Four (\$3,204.00) Dollars at the beginning of the sixteenth (16th) year and then yearly thereafter.
- (e) At the beginning of the twenty-first (21st) year, Lessee shall pay to Lessor the rental of Six Hundred (\$600.00) Dollars per month thereafter. Lessee agrees to Pay Lessor for one (1) year or twelve (12) months of rent totaling Seven Thousand Two Hundred (\$7,200.00) Dollars at the beginning of the twenty-first (21st) year and then yearly thereafter.
- (f) At the beginning of the twenty-sixth (26th) year, the monthly rental will increase Ten Percent (10%), and Lessee shall pay to Lessor the rental of Six Hundred Sixty (\$660.00) Dollars per month thereafter. Lessee agrees to Pay Lessor for one (1) year or twelve (12) months of rent totaling Seven Thousand Nine Hundred Twenty (\$7,920.00) Dollars at the beginning of the twenty-sixth (26th) year and then yearly thereafter through the term of this lease.

4. USE OF PREMISES. Lessee shall have the exclusive rights and privileges of the use of the Leased Premises for the purpose of constructing buildings, towers, and other related facilities, including, but not limited to, telephone lines, coaxial lines, power lines and the installation of any and all other equipment deemed necessary by Lessee to receive and transmit

any and all electronic signals in the rural service area now or hereafter to be served by the facility. The parties hereto recognize that technology in the communications field is advancing at a rapid rate and that this site may be used for any other purpose now in the developmental stage or which may later be developed in the communications industry to carry out the objectives of Lessee, that being to transmit and receive signals and communications by wire, fiber optics, radio and satellite. Lessee shall not use the Leased Premises for purposes other than maintenance or use as a site for communications by the use of methods now or hereafter known.

Lessee shall gate its access road in a manner to best prevent trespassing. The gate shall be kept locked with a lock furnished by Lessee, who shall also furnish the Lessor with a key to the lock. Lessee shall not allow any persons not associated with its business to have access to the Leased Premises or its access road. Lessee shall have the right to relocate the road to the site at Lessee's expense, at a mutually agreed upon route, so as long as Lessor has the right to use the new road, which use by Lessor shall not interfere with Lessee's use thereof or pose a threat to the security of Lessee's operations or the Leased Premises.

Lessee agrees to maintain the Leased Premises in a neat and orderly manner.

5. **INDEMNITY.** Lessee agrees to indemnify and save harmless the Lessor from any liability by virtue of Lessee's activities upon the Leased Premises or in the exercise of any rights and privileges granted herein, specifically including, but not limited to, any claim, loss, fine, penalty and costs (including reasonable attorney's fees) arising out of any violation of any environmental laws or regulations. This provision shall survive the termination of the lease. Lessee shall maintain and keep in full force and effect public liability and property damage insurance in an amount of at least one Million Dollars (\$1,000,000.00). Lessor shall not be held

liable for personal injury or property damage on the Leased Premises whether or not associated with Lessee.

6. **MISCELLANEOUS PROVISIONS.** All notices, demands, or other writings in this Lease Agreement provided to be given, made or sent, or which may be given or made or sent, to either party hereto to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States Mail, certified and postage prepaid, to Lessor and Lessee at the addressed stated in the caption of this Lease Agreement. Such addresses may be changed by written notice given by such party as above provided.

7. **SUCCESSORS AND ASSIGNS.** This Lease Agreement shall be binding upon the parties hereto, their heirs, executors, administrators and assigns.

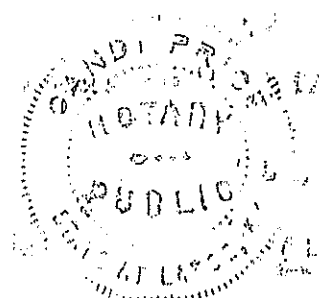
WITNESS OUR HANDS, as of this day and year aforesaid.

LESSOR:

By: Terry Wayne Williams
Terry Wayne Williams

LESSEE: East Kentucky Network, LLC,
d/b/a Appalachian Wireless

By: Gerald F. Robinette
Gerald F. Robinette
Its: General Manager/CEO



STATE OF KENTUCKY

COUNTY OF Johnson

The foregoing Lease Agreement was on this 5th day of March,

2008, produced before me and duly subscribed and sworn to and acknowledged by Terry Wayne Williams, single, as Lessor herein.

Candi Rice
Notary Public, State of Kentucky

My Commission Expires: 1-28-2009

STATE OF KENTUCKY

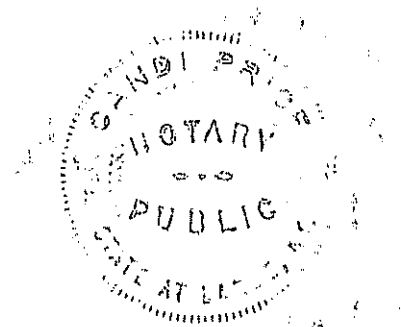
COUNTY OF Johnson

The foregoing Lease Agreement was on this 5th day of March,

2008, produced before me and duly subscribed and sworn to and acknowledged by Gerald F. Robinette as General Manager/CEO for and on behalf of East Kentucky Network, d/b/a Appalachian Wireless as Lessee herein.

Candi Rice
Notary Public, State of Kentucky

My Commission Expires: 1-28-2009

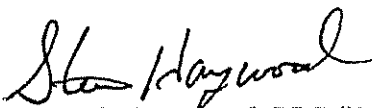


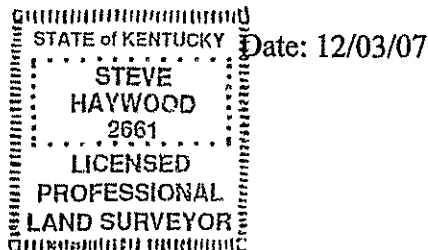
Description

A certain tract of land located on the ridge between Clover Fork Branch of the Cumberland River and Yocum Creek of the Clover Fork near Evarts, Harlan County, Kentucky and more particularly described as follows.

Unless stated otherwise any monument referred to herein as a T/T-Bar is a steel T-Bar having three radial arms of one half inch and is 18" inches in length, with a metal cap stamped Summit Engineering, L.S. #2661. All bearings stated herein are based on an observation GPS taken at the site and report provided by NGS OPUS Solution.

Beginning at a T/T-Bar at the base of a 8" inch Sassafras in an existing fence line and being S 53°54'35" W 53.02' feet from a small knob at the forks of the ridge and also being on the common boundary line between Terry Wayne Williams (D.B. 410 P. 472) and land now or formerly owned by F.F. Cawood (D.B. 98 P. 334); Thence, with the common boundary line between Terry Wayne Williams and F.F. Cawood with the existing fence line S 64°54'49" W a distance of 16.42'; Thence, S 70°07'36" W a distance of 29.56'; Thence, S 69°09'40" W a distance of 52.02'; Thence, S 64°52'31" W a distance of 2.06'; Thence, leaving the line and F.F. Cawood and running down the hill severing the land of Terry Wayne Williams N 22°46'54" W a distance of 1.49' to a set T/T-bar; Thence, N 22°46'54" W a distance of 34.83' to a set T/T-bar; Thence, N 22°46'56" W a distance of 69.14' to a set T/T-Bar; Thence, around the hill N 69°30'49" E a distance of 100.06' to a set T/T-Bar; Thence, up the hill S 22°46'47" E a distance of 58.87' to a set T/T-Bar 1' foot right of a 12" oak; Thence, S 22°46'51" E a distance of 45.10' to the point of beginning and having a area of 0.24 acres more or less according to a survey conducted by personal under the direct supervision of Steven E. Haywood, PLS #2661 with Summit Engineering, Inc. on November 30th, 2007 and being a portion of the tract of land conveyed to Terry Wayne Williams by Johnny Jason Christian by deed dated August 29th, 2005 which is of record in Deed Book 410 Page 272 of the records of the Harlan County Court Clerk's office.

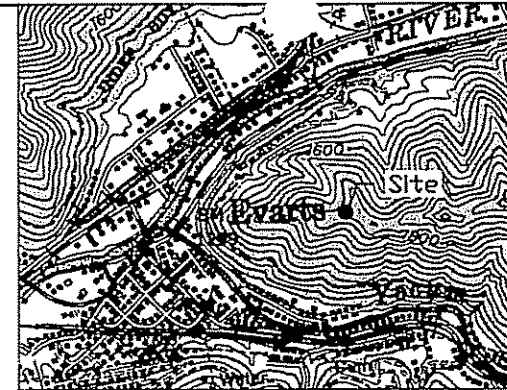
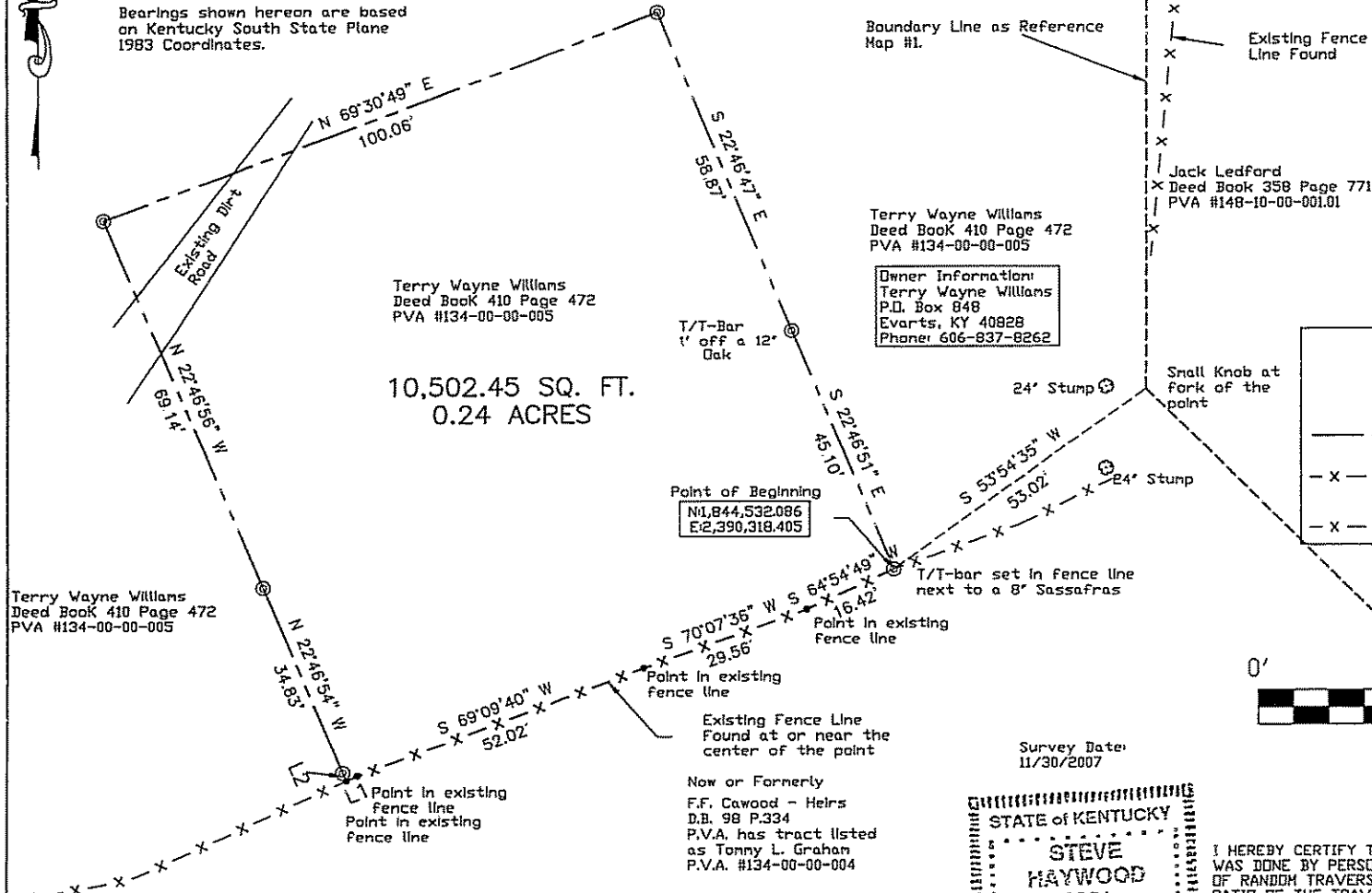

Steven E. Haywood, PLS #2661



Terry Wayne Williams
Deed Book 410 Page 472
PVA #134-00-00-005

| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | S 64°52'31" W | 2.06' |
| L2 | N 22°46'54" W | 1.49' |

Bearings shown hereon are based on Kentucky South State Plane 1983 Coordinates.



Vicinity Map
Not to Scale
Evarts 7 1/2" Quad

Legend

- ⊙ T/Bar set with metal cap stamped Summit Engineering, L.S. #2661, Unless noted otherwise
- Meander Point in Fence Line
- Lease Line
- x - x - x - x - x - x - Fence Line with Boundary Line and Lease Line
- x - x - x - x - x - x - Fence Line with Boundary Line

Boundary Line as Reference Map #1.

Existing Fence Line Found

Jack Ledford
Deed Book 358 Page 771
PVA #148-10-00-001.01

Terry Wayne Williams
Deed Book 410 Page 472
PVA #134-00-00-005

Owner Information:
Terry Wayne Williams
P.O. Box 848
Evarts, KY 40928
Phone: 606-837-8262

Terry Wayne Williams
Deed Book 410 Page 472
PVA #134-00-00-005

10,502.45 SQ. FT.
0.24 ACRES

Point of Beginning
N1,844,532.086
E2,390,318.405

Terry Wayne Williams
Deed Book 410 Page 472
PVA #134-00-00-005

Survey Date:
11/30/2007

Now or Formerly
F.F. Cawood - Heirs
D.B. 98 P.334
P.V.A. has tract listed as Tony L. Graham
P.V.A. #134-00-00-004

East Kentucky Network
Contact Person:
Paul DeLong
477-3294
477-2355 ext 225

STATE OF KENTUCKY
STEVE HAYWOOD
2661
LICENSED PROFESSIONAL LAND SURVEYOR

I HEREBY CERTIFY THAT THE SURVEY DEPICTED BY THIS PLAT WAS DONE BY PERSONS UNDER MY DIRECT SUPERVISION BY THE METHOD OF RANDOM TRAVERSE WITH SIDESHOTS. THE UNADJUSTED PRECISION RATIO OF THE TRAVERSE WAS GREATER THAN 110,000 AND WAS NOT ADJUSTED. THE SURVEY AS SHOWN HEREIN IS A CLASS 'A' SURVEY AND THE ACCURACY AND PRECISION OF SAID SURVEY MEETS TO MY KNOWLEDGE THE SPECIFICATIONS OF THIS CLASS.

STEVEN E. HAYWOOD PLS #2661 DATE 11-30-07

Maps of Reference:
1. Clarence Eldon Boggs and Wanda Beth Boggs Property Survey, Prepared by Cawood and Associates, P.O. Box 1560, 209 Mound Street Harlan, KY
2. Map of Cawood Coal and Land Company. Date 9/15/1940. Map provided by Terry Williams

The tract of land shown hereon is a portion of the tract of land conveyed to Terry Wayne Williams by Johnny Jason Christian by deed dated August 29, 2005 which is of record in Deed Book 410 Page 472 of the records of the Harlan County Court Clerk's office.

The tract of land shown hereon is located on the ridge between Clover Fork of the Cumberland River and Yocum Creek of Clover Fork.

| | |
|---------------|-----------------------------------|
| DATE: | FILENAME: Terry Williams Tower |
| SCALE: 1"=30' | DISK NO. |
| DRAWN BY: SEH | |

East Kentucky Network
d.b.a Appalachian Wireless
204 Technology Trail, Ivel KY 41642

Lease Area
Portion of the Terry Wayne Williams property located on Clover Fork of the Cumberland River Evarts, Harlan County, Kentucky

SUMMIT ENGINEERING, INC
131 SUMMIT DRIVE
PIKEVILLE, KY, 41501
(606) 432-1447

LEIGHTON, KY BRUNDY, VA LOGAN, WV
CHARLESTON, WV HAZARD, KY

STATE OF KENTUCKY
COUNTY OF HARLAN

I, WANDA S. CLEM, CLERK OF THE COUNTY IN AND FOR THE
COUNTY AND STATE AFORESAID, CERTIFY THAT THE FOREGOING
Lease Agreement, WAS ON THE 29TH
DAY OF May, 2008. AT 10:30 A .M.
LODGED FOR RECORD WHEREUPON THE SAME WITH THE FOREGOING
AND THIS CERTIFICATE HAVE DULY RECORDED IN MY OFFICE IN
Lease BOOK 48 PAGE 70.

WITNESSED MY HAND THIS 29TH DAY OF May, 2008.

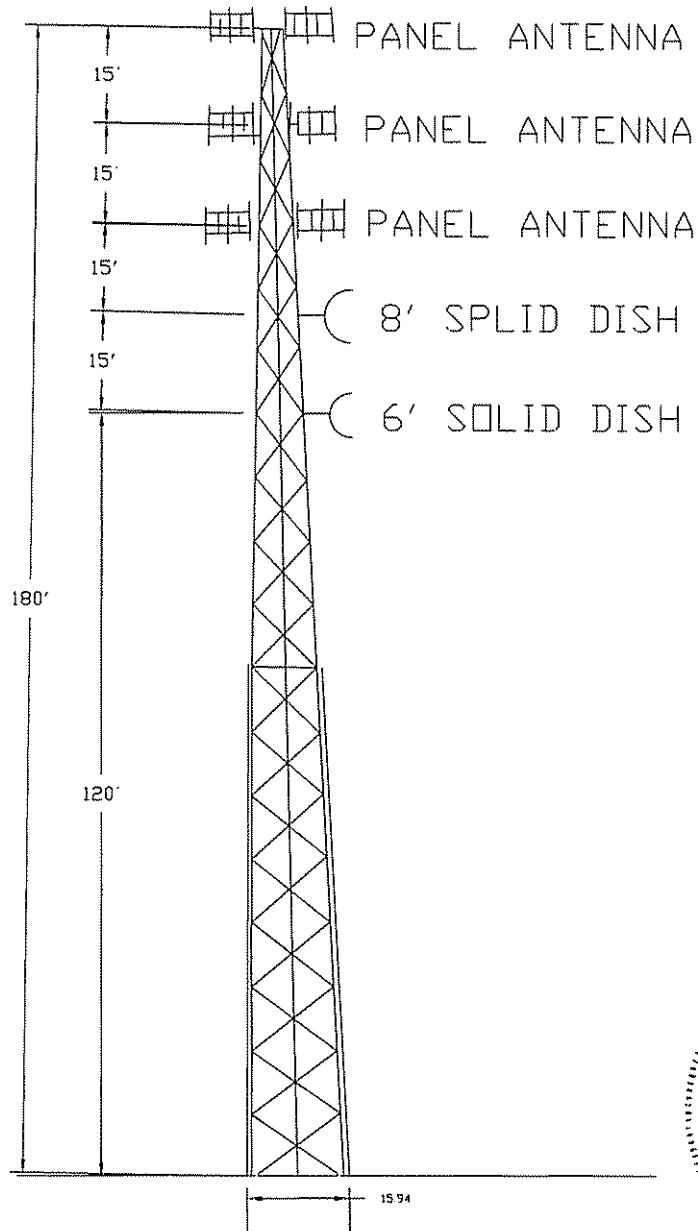
WANDA S. CLEM, HARLAN COUNTY CLERK

BY: Sue Parrott
SUE PARROTT

Evarts Tower

VERTICAL PROFILE SKETCH

APPALACHIAN WIRELESS



SCALE: 1" = 30'

Ira David Sanders 12599 6/13/08
 David Sanders PE#12599 Date

Note: This is a vertical sketch of the tower indicating the proposed antenna and dish elevations. No design criteria was considered in the preparations of this drawing.