

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 15 2009

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 2009-00425
NECESSITY TO CONSTRUCT A TOWER IN FLOYD)
COUNTY, KENTUCKY).

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

In an effort to improve service in Floyd County, East Kentucky Network, LLC pursuant to KRS 278.020 Subsection 1 and 807 KAR 5:001 Section 9 is seeking the Commission's approval to construct a 300 foot self-supporting tower on a tract of land approximately 1.25 miles northeast of Wayland in Floyd County, Kentucky (37°27'14.86"N 82°47'12.06"W). A map and detailed directions to the site can be found in Exhibit 8.

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

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

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

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

Notice of the location of the proposed construction was published in the Floyd County Time's November 13th, 18th, 20th, & 25th weekly editions. Enclosed is a copy of that notice in Exhibit 3. The Floyd County Times is the newspaper with the largest circulation in Floyd County.

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

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at Allstate 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 S & S Tower Services of St. Albans, West Virginia. S & S Tower Services has vast experience in the erection of communications towers.

FAA approval and Kentucky Airport Zoning Commission concurrence that no permit is required are included as Exhibit 6.

No Federal Communications Commission approval is required prior to construction of this facility. Once service is established from this tower we must immediately notify the Federal Communications Commission of its operation. Prior approval is needed only if the proposed

facility increases the size of the cellular geographic service area. This cell site will not expand the cellular geographic service area.

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

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

Two notice signs meeting the requirements prescribed by 807 KAR 5:063, Section 1(2), measuring at least two (2) feet in height and four (4) feet in width and containing all required language in letters of required height, have been posted, one at a visible location on the proposed site and one on the nearest public road. The two signs were posted on November 10, 2009 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 lease agreement and easement with deed description to the site.

The proposed construction site is on a reclaimed mine site.

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

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

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

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

The foregoing document was prepared by the Accounting Department of East Kentucky Network, LLC d/b/a Appalachian Wireless. All related questions or correspondence concerning this filing should be mailed to the attention of Gerald Robinette at East Kentucky Network, LLC d/b/a/ Appalachian Wireless, 101 Technology Trail, Ivel, KY 41642.

SUBMITTED BY: Lynn Haney DATE: 12/14/09
Lynn Haney, Staff Accountant

APPROVED BY: Gerald F. Robinette DATE: 12-14-09
Gerald Robinette, General Manager

CONTACT INFORMATION:

Gerald Robinette, General Manager
Phone: (606) 791-2375, Ext. 110
Email: grobinette110@ekn.com

Lynn Haney, Staff Accountant
Phone: (606) 791-2375, Ext. 1007
Email: lhaney@ekn.com

Mailing Address:

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

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

WAYLAND
CELLULAR TOWER
APPLICATION

Floyd County, Kentucky
P.S.C. CASE # 2009-00425

1	FCC License
2	Copies of Cell Site Notices to Land Owners
3	Notification of County Judge Executive and Newspaper Advertisement
4	Universal Soil Bearing Analysis
5	Tower Design
6	FAA & Kentucky Airport Zoning Commission Applications
7	Audited Financial Statements
8	Driving Directions from County Court House and Map to Suitable Scale
9	Lease Agreement & Easement 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



Universal Licensing System

FCC > WTB > ULS > Online Systems > License Search

[FCC Site Map](#)

ULS License

Cellular License - KNKN880 - East Kentucky Network, LLC [?] HELP

d/b/a Appalachian Wireless

[New Search](#)
[Refine Search](#)
[Return to Results](#)
[Printable Page](#)
[Reference Copy](#)
[Map License](#)

MAIN **ADMIN** **LOCATIONS**

Call Sign	KNKN880	Radio Service	CL - Cellular
Status	Active	Auth Type	Regular

Market

Market	CMA451 - Kentucky 9 - Elliott	Channel Block	B (View Frequencies)
Submarket	0	Phase	2

Dates

Grant	08/28/2001	Expiration	10/01/2011
Effective	11/11/2009	Cancellation	

Five Year Buildout Date

10/23/1996

Control Points

1 U.S. 23, HAROLD, KY

Licensee

FRN	0001786607	Type	Limited Liability Company
	(View Ownership Filing)		

Licensee

East Kentucky Network, LLC d/b/a Appalachian Wireless	P:(606)477-2355
101 Technology Trail	F:(606)874-7551
Ivel, KY 41642	
ATTN Gerald Robinette, Manager	

Contact

Lukas, Nace, Gutierrez & Sachs, LLP	P:(703)584-8665
Pamela L Gist Esq	F:(703)584-8695
8300 Greensboro Drive	E:pgist@fcclaw.com
McLean, VA 22102	

Ownership and Qualifications

Radio Service Type	Mobile
Regulatory Status	Common Carrier Interconnected Yes

Alien Ownership

The Applicant answered "No" to each of the [Alien Ownership](#) questions.

Basic Qualifications

The Applicant answered "No" to each of the [Basic Qualification](#) questions.

Demographics

Race

Ethnicity

Gender

ULS Help

[ULS Glossary](#) - [FAQ](#) - [Online Help](#) - [Technical Support](#) - [Licensing Support](#)

ULS Online Systems

[CORES](#) - [ULS Online Filing](#) - [License Search](#) - [Application Search](#) - [Archive License Search](#)

About ULS

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Basic Search

By Call Sign

SEARCH

[FCC](#) | [Wireless](#) | [ULS](#) | [CORES](#)

[Help](#) | [Tech Support](#)

Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Phone: 1-877-480-3201
TTY: 1-717-338-2824
[Submit Help Request](#)

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

Floyd County Service Project, Inc.
149 South Central Avenue
Prestonsburg, KY 41653

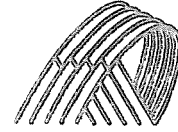
The Elkhorn Coal Corp
544 South Lake Drive
Prestonsburg, KY 41653

Ivan Turner
3004 Stone Coal Rd
Langley, KY 41645

John Moore Estate
C/O Ed Moore
2258 Turkey Creek Rd
Langley, KY 41645

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

EAST KENTUCKY
NETWORK



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

November 9, 2009

Floyd County Service Project, Inc.
149 South Central Avenue
Prestonsburg, KY 41653

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00425)

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 in Floyd County. The facility will include a 300 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 1.25 miles northeast of Wayland in Floyd County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower or within a 200' radius of the proposed or existing access road.

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. 2009-00425 in your correspondence.

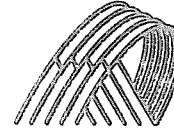
Sincerely,

Lynn Haney
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
MIDWAY, 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

PUBLIC NOTICE

November 9, 2009

The Elkhorn Coal Corp
544 South Lake Drive
Prestonsburg, KY 41653

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00425)

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

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. 2009-00425 in your correspondence.

Sincerely,

Lynn Haney
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
MADISON, 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

November 9, 2009

Ivan Turner
3004 Stone Coal Rd
Langley, KY 41645

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00425)

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 in Floyd County. The facility will include a 300 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 1.25 miles northeast of Wayland in Floyd County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower or within a 200' radius of the proposed or existing access road.

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. 2009-00425 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Lynn Haney".

Lynn Haney
Staff Accountant

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

November 9, 2009

John Moore Estate
C/O Ed Moore
2258 Turkey Creek Rd
Langley, KY 41645

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00425)

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 in Floyd County. The facility will include a 300 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 1.25 miles northeast of Wayland in Floyd County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower or within a 200' radius of the proposed or existing access road.

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.

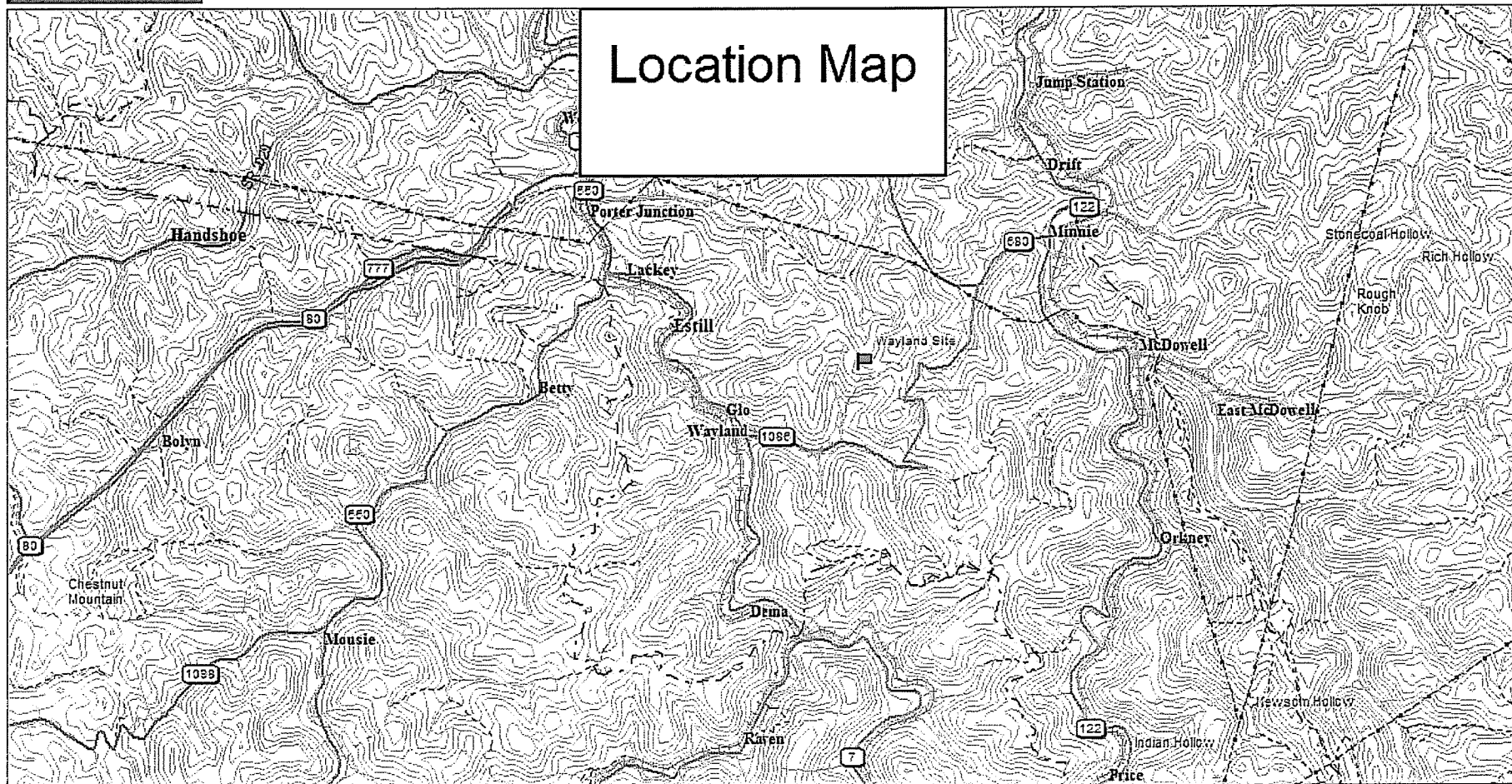
Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00425 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Lynn Haney".

Lynn Haney
Staff Accountant

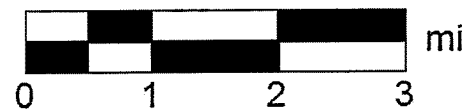
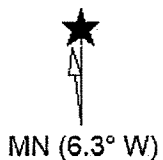
Enclosure 1



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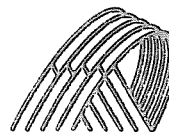
www.delorme.com



Data Zoom 11-0

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

EAST KENTUCKY
NETWORK



VIA: U.S. CERTIFIED MAIL

November 9, 2009

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

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00425)

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 in Floyd County. The facility will include a 300 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 1.25 miles northeast of Wayland in Floyd 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 Floyd County.

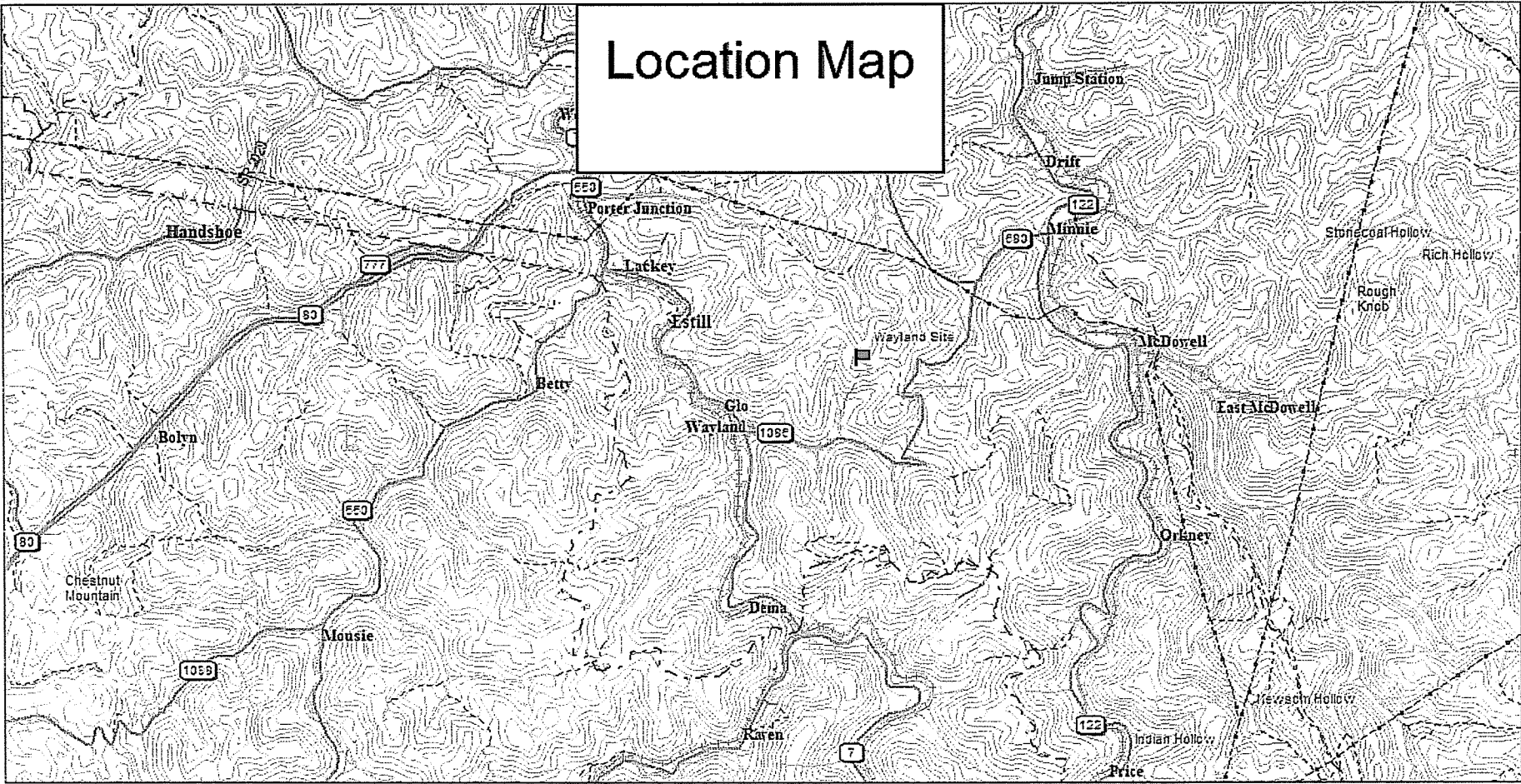
The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

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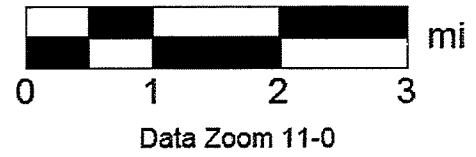
Sincerely,

Lynn Haney
Staff Accountant

Enclosure



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www.delorme.com



dba Appalachian Wireless
101 Technology Trail
Ivel, KY 41642
Phone: 606-874-7550
Fax: 606-791-2225

EAST KENTUCKY
NETWORK



To:	Floyd County Times	From:	Lynn Haney
	Attn: Willie		Staff Accountant – Fixed Assets

Fax:		Date:	November 10, 2009
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Re:	PUBLIC NOTICE ADVERTISEMENT	Pages:	1
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Please place the following Public Notice Advertisement in the Floyd County Times to be ran for 2 weeks starting with the November 13th edition and ending with the November 25th edition.

PUBLIC NOTICE:

RE: Public Service Commission of Kentucky (CASE NO. 2009-00425)

Public Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a cellular telecommunications tower on a tract of land located approximately 1.25 miles Northeast of Wayland in Floyd County, Kentucky. The proposed tower will be a 300 foot self-supporting tower with attached antennas. If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sower Boulevard, PO Box 615, Frankfort, Kentucky 40602. Please refer to Case No. 2009-00425.

If you have any questions about the placement of the above mentioned notice, please call me at 606-791-2375, ext. 1007.

Thank you,

Lynn Haney
Staff Accountant – Fixed Assets

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.

Lynn Haney

From: Willie Conley [willie@floydcountytimes.com]
Sent: Tuesday, November 10, 2009 11:30 AM
To: Lynn Haney
Subject: Re: East Kentucky Network Public Notice Advertisement

Lynn,

Received the copy and run schedule for your public notice, and will pass it over to legal advertising dept.

Thanks,
Willie Conley
Floyd County Times

On Nov 10, 2009, at 10:55 AM, Lynn Haney wrote:

Willie,

I have attached a public notice advertisement for East Kentucky Network, LLC dba Appalachian Wireless that needs to be placed in the Floyd County Times for the next 2 weeks. I would like this notice to run in the Nov 13

th

, 18

th

, 20

th

& 25

th

editions.

Please send back confirmation that you have received this and that it will run those dates.

Feel free to contact me if you have any questions.

Thank you,

Lynn Haney

11/10/2009

Staff Accountant-Fixed Assets
East Kentucky Network, LLC
dba Appalachian Wireless

(606) 791-2375 ext. 1007
(606) 791-2225 (fax)

<Public Notice Advertisement.doc>

WENDELL R. HOLMES, P.G.

120 Church Street
Apartment 2
Whitesburg, KY 41858
(606) 633-1511

July 21, 2009

Wayland Tower Site

Purpose:

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

Site Investigation:

The method used to determine the type of material is on the proposed tower site. A Caterpillar excavator was used to try to expose the bedrock material however, the fill material was too deep for the excavator to reach to the bedrock. From researching mine maps in the area and coordinates from GPS location it is approximately 68.00 feet to the bedrock. (See attached page for descriptions of materials encountered.)

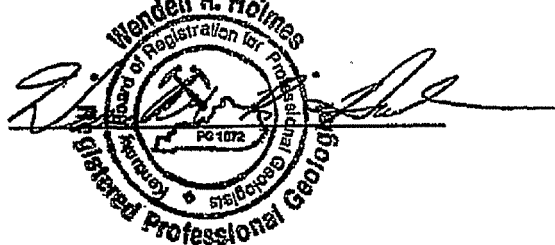
The terrain in Floyd County is moderately to very steep. The tower site is located on a ridgeline between Steele Creek and Turkey Creek, both being tributaries of the Right Fork of Beaver Creek, approximately one half mile northeast of the City of Wayland in Floyd County.

Conclusions:

The proposed tower site is located on a ridge in the area. The unconsolidated mine fill is from an abandoned mountain top removal surface mine which was mined over twenty years ago. Tests were not conducted to determine the load-bearing strength of the mine fill. However, it is apparent that the tower will be constructed on the unconsolidated mine fill.

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.



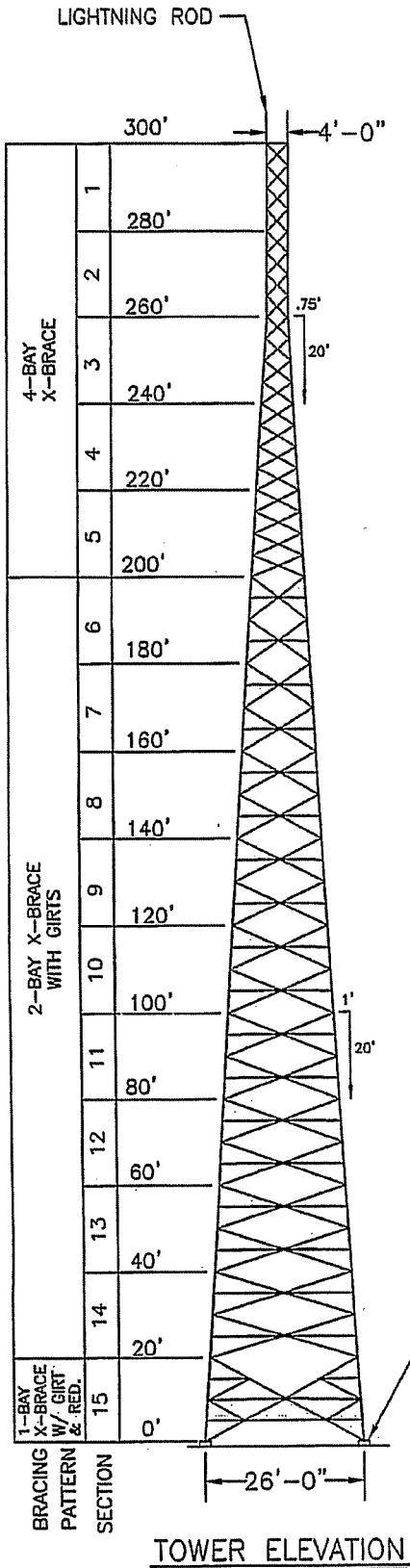
WENDELL R. HOLMES, P.G.

**120 Church Street
Apartment 2
Whitesburg, Ky. 41858**

Geologist Log

Location: Wayland Tower Site

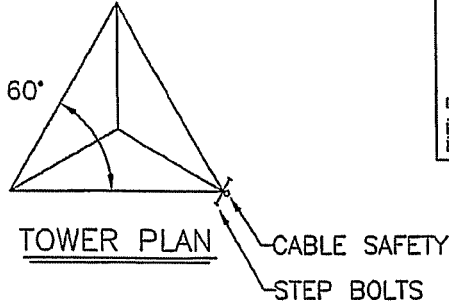
Unit Thickness	Total depth	Strata	Description
68.00	68.00'	Mine Fill	Brown and Gray, Sandstone and Shale Fragments



TOWER ELEVATION

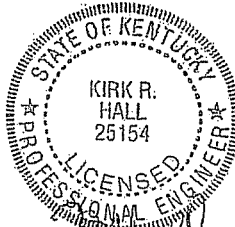
GENERAL NOTES

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 AND 60.62 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 ACCORDING TO DRAWING Q09188WG.
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 270-247-5642.
10. STEP BOLTS PROVIDED ON 3 LEGS SECTION 10-15, ONE LEG SECTION 1-9.
11. CABLE SAFETY 0'-300'.
12. WAVEGUIDE LADDER PROVIDED ON ONE TOWER FACE FOR FULL TOWER HEIGHT.



TOWER PLAN

ANCHOR BOLTS WITH EMBEDDED PL.



BASE REACTIONS	
OTM:	5379.0 FT. KIPS
COMP.	266.0 KIPS
UPLIFT	206.0 KIPS
SHEAR (3 LEGS)	35.0 KIPS
WT. NO ICE	56.0 KIPS
WT. 1/2" ICE	93.0 KIPS

R1-REVISED TOWER SITE NAME LKB 8-13-09

WORLD TOWER

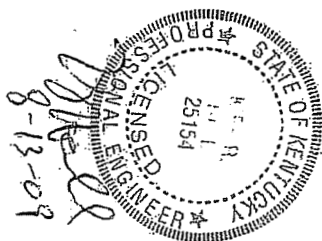
TITLE: 300' MODEL WSST TOWER FOR: APPALACHIAN WIRELESS SITE: WAYLAND, KY

SCALE NONE	OWN LKB	CHKD.	DATE 3-27-09
FILE	DWG. NO.		Q09188 R1

8-13-09

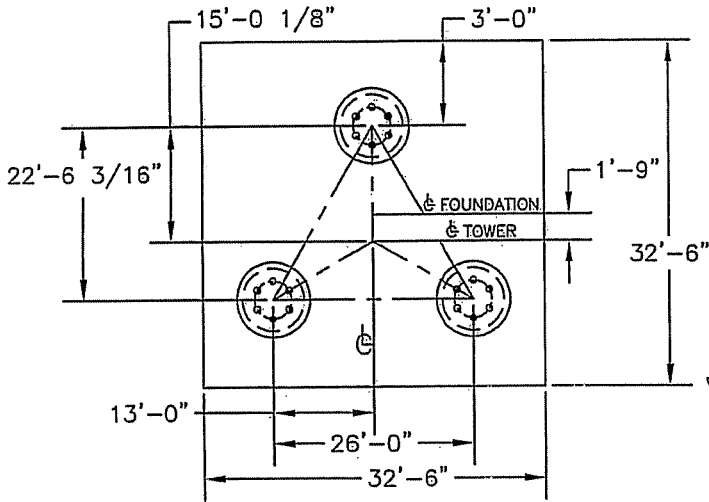
SECTION NO.	LEGS	DIAGONALS	GIRTS	SUB HORIZONTAL	RED. DIAG	RED. HOR.	SPLICE BOLTS	DIAG BOLTS	GIRT BOLTS
1	1 3/4	1 3/4 X 1/8	2 X 1/8	N/A	N/A	N/A	4- 3/4"	1/2	1/2
2	2	1 3/4 X 1/8	N/A						N/A
3	2 1/4	1 3/4 X 1/8					4-1"		
4	2 1/2	1 3/4 X 1/8						5/8	5/8
5	2 1/2	2 X 1/8							
6	2 3/4	2 1/2 X 3/16	2 X 1/8						
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					3/4	3/4
9	3	3 X 3/16	2 1/2 X 3/16				6-1"		
10	3 1/4	3 X 3/16	2 1/2 X 3/16						
11	3 1/4	3 1/2 X 1/4	2 1/2 X 3/16						
12	3 1/4	3 1/2 X 1/4	3 X 3/16						
13	3 1/2	3 1/2 X 1/4	3 X 3/16						
14	3 1/2	4 X 1/4	3 X 3/16						
15	3 3/4	3 1/2 X 1/4	3 1/2 X 1/4	3 1/2 X 1/4	2 1/2 X 3/16	2 1/2 X 3/16	6-1 1/4" ANCHOR BOLTS		

ANTENNA LOADING		
ELEV.	DESCRIPTION	LINE
300'	(6) 2960.001 ON WD13X53 MOUNT	6 - 1 5/8"
280'	(6) 4' X 1' X 3" PANEL ON WD13X53 MOUNT	6 - 1 5/8"
260'	(6) 4' X 1' X 3" PANEL ON WD13X53 MOUNT.	6 - 1 5/8"
220'	(1) 8 FT. DISH	1 - EW63
200'	(1) 8 FT. DISH	1 - EW63
180'	(1) 6 FT. DISH	1 - EW63
120'	(1) 4 FT. DISH	1 - 7/8"
100'	(1) 6 FT. DISH	1 - 7/8"
80'	(1) 6 FT. DISH	1 - 7/8"



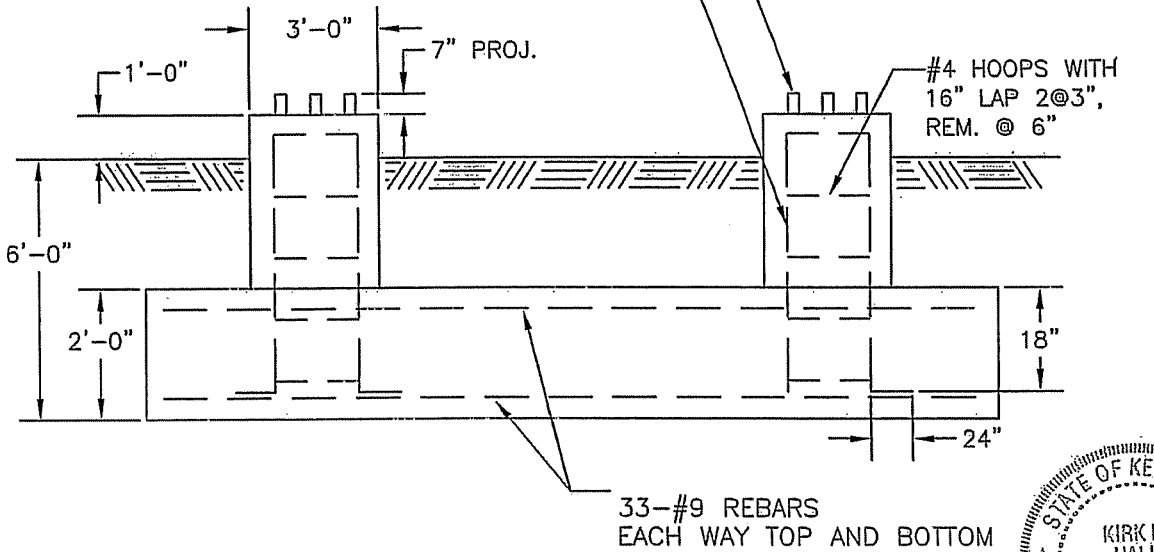
WORLD TOWER			
TITLE:			
300' MODEL WSST TOWER FOR: APPALACHIAN WIRELESS SITE: WAYLAND, KY			
SCALE	NONE	DWN. LKB	CRD.
FILE		DWG. NO.	Q09188T R1
DATE: 3-27-09			

R1-REVISED TOWER SITE NAME LKB 8-13-09



82 CU. YDS.
CONCRETE REQ'D.

BASE REACTIONS	
OTM:	5379.0 FT. KIPS
COMP.	266.0 KIPS
UPLIFT	206.0 KIPS
SHEAR (3 LEGS)	35.0 KIPS
WT. NO ICE	56.0 KIPS
WT. 1/2" ICE	93.0 KIPS



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 JULY 21, 2009. MINE FILL ENCOUNTERED ON SITE. ASSUMED ALLOWABLE BEARING PRESSURE MIN EQUAL TO 1200 PSF. FIELD VERIFY.



TITLE: FOUNDATION DETAIL
300' WSST TOWER
FOR: APPALACHIAN WIRELESS
SITE: WAYLAND, KY

WORLD TOWER

SCALE NONE DWN. LKB CKD. DATE 8-31-09
FILE DWG. NO. Q09188F



Federal Aviation Administration

<< OE/AAA

Notice of Proposed Construction or Alteration - Off Airport

Project Name: EAST -000134898-09 Sponsor: East Kentucky Network, LLC

Details for Case : Wayland

Show Project Summary

Case Status

ASN: 2009-ASO-7142-OE Date Accepted: 12/03/2009
 Status: Accepted Date Determined:
 Letters: None
 Documents: 12/03/2009 Wayland_Cover Ltr...

Construction / Alteration Information

Notice Of: Construction
 Duration: Permanent
 if Temporary : Months: Days:
 Work Schedule - Start: 12/01/2010
 Work Schedule - End: 12/10/2010
 State Filing: Filed with State

Structure Summary

Structure Type: Tower
 Structure Name: Wayland
 FCC Number:
 Prior ASN:

Structure Details

Latitude: 37° 27' 14.80" N
 Longitude: 82° 47' 12.00" W
 Horizontal Datum: NAD83
 Site Elevation (SE): 1630 (nearest foot)
 Structure Height (AGL): 310 (nearest foot)
 Requested Marking/Lighting: Dual-red and medium intensity
 Other :
 Recommended Marking/Lighting:
 Current Marking/Lighting: None
 Other :
 Nearest City: Wayland
 Nearest State: Kentucky
 Description of Location: Site will be located approx. 1.0 mi (1.6 km) NE of Wayland (Floyd), KY
 Description of Proposal: A new 300' tower plus top-mounted antennas (overall height of 310' AGL)

Common Frequency Bands

Low Freq	High Freq	Freq Unit	ERP	ERP Unit
806	824	MHz	500	W
824	849	MHz	500	W
851	866	MHz	500	W
869	894	MHz	500	W
896	901	MHz	500	W
901	902	MHz	7	W
930	931	MHz	3500	W
931	932	MHz	3500	W
932	932.5	MHz	17	dBW
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



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

<p>1. APPLICANT -- Name, Address, Telephone, Fax, etc. East Kentucky Network, LLC c/o Lukas, Nace, Gutierrez & Sachs, Chtd 8300 Greensboro Drive, Suite 1200 McLean, VA 22102 T: 703-584-8667 F: 703-584-8692</p>	<p>9. Latitude: <u>37</u> ° <u>27</u> ' <u>14</u> . <u>8</u> "</p> <p>10. Longitude: <u>82</u> ° <u>47</u> ' <u>12</u> . <u>0</u> "</p> <p>11. Datum: <input checked="" type="checkbox"/> NAD83 <input type="checkbox"/> NAD27 <input type="checkbox"/> Other _____</p> <p>12. Nearest Kentucky City: <u>Wayland</u> County <u>Floyd</u></p>
<p>2. Representative of Applicant -- Name, Address, Telephone, Fax Ali Kuzehkanani Lukas, Nace, Gutierrez & Sachs, Chtd 8300 Greensboro Drive, Suite 1200 McLean, VA 22102 T: 703-584-8667 F: 703-584-8692</p>	<p>13. Nearest Kentucky public use or Military airport: <u>Pike County Hatcher Field</u></p> <p>14. Distance from #13 to Structure: <u>14.2</u> mi</p> <p>15. Direction from #13 to Structure: <u>WNW</u></p> <p>16. Site Elevation (AMSL): <u>1,630.00</u> Feet</p>
<p>3. Application for: <input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Alteration <input type="checkbox"/> Existing</p> <p>4. Duration: <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Temporary (Months _____ Days _____)</p> <p>5. Work Schedule: Start <u>1/1/2010</u> End <u>1/10/2010</u></p> <p>6. Type: <input checked="" type="checkbox"/> Antenna Tower <input type="checkbox"/> Crane <input type="checkbox"/> Building <input type="checkbox"/> Power Line <input type="checkbox"/> Landfill <input type="checkbox"/> Water Tank <input type="checkbox"/> Other _____</p> <p>7. Marking/Painting and/or Lighting Preferred: <input type="checkbox"/> Red Lights and Paint <input checked="" type="checkbox"/> Dual - Red & Medium Intensity White <input type="checkbox"/> White - Medium Intensity <input type="checkbox"/> Dual - Red & High Intensity White <input type="checkbox"/> White - High Intensity <input type="checkbox"/> Other _____</p> <p>8. FAA Aeronautical Study Number: _____</p>	<p>17. Total Structure Height (AGL): <u>310.00</u> Feet</p> <p>18. Overall Height (#16 + #17) (AMSL): <u>1,940.00</u> Feet</p> <p>19. Previous FAA and/or Kentucky Aeronautical Study Number(s): _____</p> <p>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. 1.0 mi (1.6 km) NE of Wayland (Floyd), KY</p>

21. Description of Proposal:

The structure will include a 300' tower with top-mounted antennas (overall height of 310' 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 December 03, 2009

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 12/3/2009
 Printed Name and Title Signature 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 _____

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

FINANCIAL REPORT

December 31, 2008

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying balance sheets of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2008 and 2007 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, 2008 and 2007 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 6, 2009

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

**BALANCE SHEETS
December 31, 2008 and 2007**

ASSETS	<u>2008</u>	<u>2007</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,078,319	\$ 1,751,689
Short-term investments	166,846	127,015
Accounts receivable, less allowance for doubtful accounts of \$1,054,283 in 2008 and \$803,092 in 2007	4,359,740	3,541,622
Accounts receivable, members (Notes 5 and 6)	88,078	79,803
Inventory	3,053,445	2,979,257
Prepaid expenses	411,948	431,859
Total current assets	<u>\$ 13,158,376</u>	<u>\$ 8,911,245</u>
 PROPERTY, PLANT AND EQUIPMENT (Note 3)		
Plant in service:		
General support	\$ 25,370,575	\$ 22,417,029
MTSO equipment	20,505,774	15,068,558
Cell equipment	55,340,782	45,543,309
Paging equipment	3,321,068	3,321,068
Fiber ring	7,429,057	6,606,546
Unfinished plant	1,960,503	1,825,466
	<u>\$113,927,759</u>	<u>\$ 94,781,976</u>
Less accumulated depreciation	48,072,427	40,355,585
	<u>\$ 65,855,332</u>	<u>\$ 54,426,391</u>
 OTHER ASSETS		
Investment in affiliated company, RTFC	\$ 112,712	\$ 112,653
Intangible assets, net of accumulated amortization of \$3,697,725 in 2008 and \$3,122,139 in 2007 (Note 2)	5,255,760	4,242,306
Other	25,403	26,431
	<u>\$ 5,393,875</u>	<u>\$ 4,381,390</u>
	<u>\$ 84,407,583</u>	<u>\$ 67,719,026</u>

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

LIABILITIES AND MEMBERS' EQUITY	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES		
Current maturities of long-term debt (Note 3)	\$ 3,852,381	\$ 1,400,000
Accounts payable	1,772,238	938,193
Capital distributions payable	--	615,383
Accounts payable, member (Notes 5 and 6)	49,579	45,267
Accrued expenses	1,208,138	1,123,649
Customer deposits	600,872	453,470
Total current liabilities	<u>\$ 7,483,208</u>	<u>\$ 4,575,962</u>
LONG-TERM DEBT, less current maturities (Note 3)	<u>\$ 16,388,735</u>	<u>\$ 12,350,000</u>
INTEREST RATE SWAPS (Note 8)	<u>\$ 2,067,821</u>	<u>\$ 572,632</u>
MEMBERS' EQUITY		
Members' capital accounts	\$ 60,535,640	\$ 50,793,064
Accumulated other comprehensive (loss)	<u>(2,067,821)</u>	<u>(572,632)</u>
	<u>\$ 58,467,819</u>	<u>\$ 50,220,432</u>
	<u>\$ 84,407,583</u>	<u>\$ 67,719,026</u>

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

**STATEMENTS OF INCOME
Years Ended December 31, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
REVENUE		
Retail	\$ 35,590,860	\$ 29,480,700
Roamer	12,592,115	9,239,822
Long distance	214,296	196,787
Paging	566,677	684,064
Equipment sales, cellular	2,248,939	3,006,173
Equipment sales, paging	35,777	33,862
Other	<u>7,916,897</u>	<u>4,513,769</u>
Total revenue	<u>\$ 59,165,561</u>	<u>\$ 47,155,177</u>
EXPENSES		
Cost of cellular service	\$ 12,861,903	\$ 9,010,171
Cost of paging service	332,386	309,524
Cost of equipment sales, cellular	11,656,367	9,978,249
Cost of equipment sales, paging	56,705	59,307
Customer service	1,313,033	1,424,197
Billing	1,383,121	1,086,540
Selling	3,731,205	2,760,702
Maintenance	1,838,940	1,597,342
Utilities	711,446	562,455
Bad debts	802,158	1,165,669
Cell site rental	237,540	175,720
Taxes and licenses	965,327	873,366
Advertising	2,968,190	1,774,317
General and administrative	3,106,380	2,635,470
Occupancy	403,800	353,641
Depreciation	7,703,016	6,987,459
Amortization	<u>670,464</u>	<u>528,232</u>
Total expenses	<u>\$ 50,741,981</u>	<u>\$ 41,282,361</u>
Income from operations	<u>\$ 8,423,580</u>	<u>\$ 5,872,816</u>
OTHER INCOME (EXPENSE)		
Interest income	\$ 56,023	\$ 42,847
Interest expense	(1,242,505)	(885,156)
Universal Service Fund income (Note 7)	<u>6,680,698</u>	<u>4,910,497</u>
	<u>\$ 5,494,216</u>	<u>\$ 4,068,188</u>
Net income	<u>\$ 13,917,796</u>	<u>\$ 9,941,004</u>

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, 2008 and 2007**

	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, 2007	\$ 8,667,881	\$ 8,667,881	\$ 8,667,881	\$ 8,667,880	\$ 8,667,880	\$43,339,403
Comprehensive income:						
Net income	1,988,201	1,988,201	1,988,200	1,988,201	1,988,201	9,941,004
Change in fair value of interest rate swaps	<u>(78,861)</u>	<u>(78,861)</u>	<u>(78,862)</u>	<u>(78,861)</u>	<u>(78,861)</u>	<u>(394,306)</u>
Total comprehensive income	\$ 1,909,340	\$ 1,909,340	\$ 1,909,338	\$ 1,909,340	\$ 1,909,340	\$ 9,546,698
Capital distributions	<u>(533,134)</u>	<u>(533,134)</u>	<u>(533,133)</u>	<u>(533,134)</u>	<u>(533,134)</u>	<u>(2,665,669)</u>
Balance, December 31, 2007	\$10,044,087	\$10,044,087	\$10,044,086	\$10,044,086	\$10,044,086	\$50,220,432
Comprehensive income:						
Net income	2,783,559	2,783,559	2,783,559	2,783,560	2,783,559	13,917,796
Change in fair value of interest rate swaps	<u>(299,038)</u>	<u>(299,038)</u>	<u>(299,038)</u>	<u>(299,038)</u>	<u>(299,037)</u>	<u>(1,495,189)</u>
Total comprehensive income	\$ 2,484,521	\$ 2,484,521	\$ 2,484,521	\$ 2,484,522	\$ 2,484,522	\$12,422,607
Capital distributions	<u>(835,044)</u>	<u>(835,044)</u>	<u>(835,044)</u>	<u>(835,044)</u>	<u>(835,044)</u>	<u>(4,175,220)</u>
Balance, December 31, 2008	<u>\$11,693,564</u>	<u>\$11,693,564</u>	<u>\$11,693,563</u>	<u>\$11,693,564</u>	<u>\$11,693,564</u>	<u>\$58,467,819</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, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 13,917,796	\$ 9,941,004
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	7,703,016	6,987,459
Amortization	670,464	528,232
Changes in assets and liabilities, net of the effects of investing and financing activities:		
(Increase) in accounts receivable	(818,118)	(738,949)
(Increase) in accounts receivable, members	(8,275)	(42,191)
(Increase) in inventory	(74,188)	(1,395,218)
(Increase) decrease in prepaid expenses	19,911	(358,202)
Decrease in other assets	969	750,860
Increase (decrease) in accounts payable	834,045	(183,899)
Increase (decrease) in accounts payable, member	4,312	(2,449)
Increase (decrease) in accrued expenses	84,489	(1,222,038)
Increase in customer deposits	147,402	135,867
Net cash provided by operating activities	<u>\$ 22,481,823</u>	<u>\$ 14,400,476</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	\$ (19,165,600)	\$ (12,765,603)
Purchase of intangible assets	(1,650,275)	(120,500)
Proceeds from sale of short-term investments	(39,831)	(80,744)
Net cash (used in) investing activities	<u>\$ (20,855,706)</u>	<u>\$ (12,966,847)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital distributions	\$ (4,790,603)	\$ (2,050,286)
Proceeds from long-term borrowings	8,250,000	1,000,000
Payments on long-term borrowings	(1,758,884)	(1,450,000)
Net cash provided by (used in) financing activities	<u>\$ 1,700,513</u>	<u>\$ (2,500,286)</u>
Net increase (decrease) in cash and cash equivalents	\$ 3,326,630	\$ (1,066,657)
Cash and cash equivalents:		
Beginning	<u>1,751,689</u>	<u>2,818,346</u>
Ending	<u>\$ 5,078,319</u>	<u>\$ 1,751,689</u>

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, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	<u>\$ 1,178,953</u>	<u>\$ 885,156</u>
 SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Capital distributions declared	<u>\$ --</u>	<u>\$ 615,383</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 may exceed the federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that credit risk related to the accounts is minimal.

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. Fair value is determined by quoted prices for similar certificates of deposit in active markets.

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, bond issuance costs, loan fees and use of name are recorded at cost and are being amortized over the life of the asset by the straight-line method.

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, 2008 and 2007, these costs were \$2,968,190 and \$1,774,317, respectively.

Income taxes

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

The Company adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, on January 1, 2008. The Company had no prior unrecognized tax benefits as a result of the implementation of Interpretation 48. There are no tax positions for which the ultimate deductibility is highly uncertain included in the balance sheet at December 31, 2008.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the years ended December 31, 2008 and 2007 the Company did not recognize any interest or penalties.

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.

Comprehensive income

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

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Reclassification

Certain amounts presented in the prior period have been restated to conform with the current year presentation.

Note 2. Intangible Assets

Intangible assets consist of the following at December 31, 2008:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (2,868,565)
Non-compete agreements	220,348	(150,977)
FCC licenses	2,452,368	(544,730)
Use of name	10,000	(5,669)
Other	907,239	(127,784)
	\$ 8,953,485	\$ (3,697,725)

Intangible assets consist of the following at December 31, 2007:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (2,510,268)
Non-compete agreements	220,348	(136,257)
FCC licenses	1,262,093	(399,017)
Use of name	10,000	(5,001)
Other	508,474	(71,596)
	\$ 7,364,445	\$ (3,122,139)

NOTES TO FINANCIAL STATEMENTS

Note 2. Intangible Assets (Continued)

Aggregate amortization expense related to these intangible assets for the years ended December 31, 2008 and 2007 totaled \$575,586 and \$475,226, respectively. The following represents the total estimated amortization of intangible assets for each of the succeeding five years:

Year ending December 31:

2009	\$ 625,000
2010	625,000
2011	625,000
2012	625,000
2013	625,000

Note 3. Long-Term Debt

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

	2008	2007
Note payable, Fifth Third Bank (a)	\$ 11,600,000	\$ 13,000,000
Line of credit, Fifth Third Bank (b)	-	750,000
Note payable, Fifth Third Bank (c)	8,641,116	-
	\$ 20,241,116	\$ 13,750,000

- (a) On February 28, 2006, the Company issued \$14,200,000 in adjustable rate notes to restructure its debt. The notes were issued pursuant to a trust indenture between the Company and U.S. Bank National Association. Principal and interest on the notes are paid from funds drawn by the Trustee under an irrevocable letter of credit issued by Fifth Third Bank. The Notes are collateralized by the assets of the Company and mature on February 1, 2016. The Notes bear interest at a floating interest rate as determined by U.S. Bank National Association (4.60% at 12/31/08). However, the Company entered into an interest rate swap contract (original notional amount of \$14,200,000) that effectively converts its floating-rate debt into a fixed-rate of 5.32% (see Note 8). 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.

On February 2, 2009, the Company refinanced the remaining \$10,200,000 of the note with a new note payable that matures November 1, 2013, and renegotiated the terms of the interest rate swap contract.

- (b) The line of credit agreement with Fifth Third Bank provides for borrowing up to \$2,000,000. The agreement carries a variable interest rate (4.90% at 12/31/08), is secured by the assets of the Company, and is due September 1, 2010.

NOTES TO FINANCIAL STATEMENTS

Note 3. Long-Term Debt (Continued)

(c) On September 1, 2008, the Company borrowed \$9,000,000 to restructure existing debt, purchase new equipment and upgrade existing equipment. The note is collateralized by the assets of the Company. Interest on the note is floating at monthly LIBOR plus 3.00% as determined by Fifth Third Securities, Inc (4.90% at 12/31/08). The Company also entered into an interest rate swap contract (original notional amount of \$9,000,000) that effectively converts its floating-rate debt into a fixed rate of 7.20% (see Note 8). The note is payable in monthly installments of \$107,143 plus interest with a balloon payment due on September 1, 2013.

Under terms of the Notes, the Company has also agreed, among other things, to maintain minimum debt service coverage and minimum debt to tangible worth ratios.

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:

2009	\$ 3,852,381
2010	2,685,714
2011	2,685,714
2012	2,769,048
2013	8,248,258

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 \$112,235 and \$81,606 matching funds for its 401(k) plan during the years ended December 31, 2008 and 2007, 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 \$371,105 and \$355,059 to its retirement savings plan during the years ended December 31, 2008 and 2007, respectively.

Note 5. Related Party Transactions

The Company shares personnel with four of its members. The Company paid \$157,825 and \$137,799 for shared personnel during the years ended December 31, 2008 and 2007, respectively. The Company also leased offices and warehouse space from three members. The leases are for an unspecified length of time. The annual lease expense related to these leases was \$20,301 and \$18,642 during the years ended December 31, 2008 and 2007, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 5. Related Party Transactions (Continued)

The Company incurred interconnection, telephone, cable and internet access charges from its members aggregating \$1,047,239 and \$892,626 for the years ended December 31, 2008 and 2007, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member. The annual lease expense related to these leases was \$2,400 for the years ended December 31, 2008 and 2007. The leases are for an unspecified length of time. The Company also pays part of an annual lease for sharing a tower with a member for an annual fee of \$450. In addition, the Company leases one other site from a company owned by a member for an annual fee of \$3,600. The Company leases cellular tower sites from the parent company of one of its other members. The annual lease expense related to these leases was \$12,463 for the years ended December 31, 2008 and 2007. 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 during the years ended December 31, 2008 and 2007 was \$51,872 and \$43,644, respectively.

The Company pays fees to companies owned by its members for advertisement in telephone directories, television and on local billboards. The amount of advertising paid to related parties was \$98,276 and \$18,885 for the years ended December 31, 2008 and 2007, 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 was \$1,612,227 and \$1,267,544 for the years ended December 31, 2008 and 2007, respectively. Rental income earned from the Company's members from these leases was \$780,931 and \$607,789 for the years ended December 31, 2008 and 2007, respectively.

Investments in operating leases are as follows at December 31:

	2008	2007
Fiber ring	\$ 7,429,057	\$ 6,606,546
Accumulated depreciation	(2,143,096)	(1,687,693)
	\$ 5,285,961	\$ 4,918,853

The future minimum rental payments expected to be received under these lease agreements for each of the succeeding five years are approximately \$1,500,000 each year.

NOTES TO FINANCIAL STATEMENTS

Note 6. Operating Leases (Continued)

The Company has also entered into lease agreements to obtain fiber optic transmission and digital microwave transmission services; and to rent retail office facilities. The terms of these leases are between 5 and 15 years. Total rental expense incurred from these operating lease commitments included in the statements of income was \$805,277 and \$646,474 for the years ended December 31, 2008 and 2007, respectively. Rental expense incurred from the Company's members from these leases was \$291,461 and \$188,539 for the years ended December 31, 2008 and 2007, respectively. The future minimum lease payments required under these lease agreements for each of the succeeding five years are \$800,000 each year.

Note 7. Eligible Telecommunication Carrier

During 2005, the Company was granted Eligible Telecommunication Carrier (ETC) status by the Kentucky Public Service Commission. As an ETC, the Company receives funding from the federal Universal Service Fund (USF) to support the high cost of providing local telephone service in rural areas. USF payments amounted to \$6,680,698 and \$4,910,497 for 2008 and 2007, respectively.

Note 8. Derivative Financial Instruments, Interest Rate Swaps

The Company entered into two interest rate swap contracts with Fifth Third Bank for the purpose of converting floating-rate interest on its long-term debt to fixed rates. The interest rate swap effectively fixed \$14,200,000 at a rate of 5.32% until February 1, 2016 and fixed \$9,000,000 at a rate of 7.20% until September 1, 2013.

Under the swap contracts, the Company pays interest at 5.32% and 4.20% on the notional amounts and receives interest at LIBOR observed weekly (1.075% at December 31, 2008) and LIBOR observed monthly (1.90% at December 31, 2008), respectively. The interest rate swaps qualify as, and are designated as, cash flow hedges. The swaps are designed to hedge the risk of changes in interest payments on the notes caused by changes in LIBOR. The notional amounts do not represent actual amounts exchanged by the parties, but instead represent the amounts on which the contracts are based.

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

NOTES TO FINANCIAL STATEMENTS

Note 8. Derivative Financial Instruments, Interest Rate Swaps (Continued)

The carrying amounts of the swaps are classified as noncurrent since management does not intend to terminate the swaps during 2009. Since the critical terms of the swaps and the notes are approximately the same, the swaps are assumed to be effective as hedges, and none of the changes in fair values are included in income. Accordingly, all of the adjustment of the swaps' carrying amount is reported as other comprehensive income or loss in the accompanying statements of members' equity. If the swaps are terminated early, the corresponding carrying amount would be reclassified into earnings. The Company does not hold or issue interest rate swaps or other financial instruments for trading purposes.

**INDEPENDENT AUDITOR'S REPORT ON
THE SUPPLEMENTARY INFORMATION**

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

Our audit was made for the purpose of forming an opinion on the basic financial statements for the year ended December 31, 2008 and 2007, taken as a whole. The supplementary information shown on pages 16 and 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information for the year ended December 31, 2008 and 2007, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Jones, Nale & Mattingly PLC

Louisville, Kentucky
March 6, 2009

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

STATEMENTS OF INCOME DETAIL

	Year Ended December 31, 2008				
	RSA #9 Appalachian	RSA #10 Mountaineer	Fiber Ring	PCS	Totals
REVENUE					
Retail	\$21,677,148	\$ 13,716,884	\$ --	\$ 196,828	\$35,590,860
Roamer	9,424,434	3,125,657	--	42,024	12,592,115
Long distance	131,994	81,285	--	1,017	214,296
Paging	259,547	307,130	--	--	566,677
Equipment sales, cellular	1,492,348	689,288	--	67,303	2,248,939
Equipment sales, paging	20,869	14,908	--	--	35,777
Other	3,903,116	2,387,648	1,559,075	67,058	7,916,897
Total revenue	<u>\$36,909,456</u>	<u>\$ 20,322,800</u>	<u>\$ 1,559,075</u>	<u>\$ 374,230</u>	<u>\$59,165,561</u>
EXPENSES					
Cost of cellular service	\$ 7,464,380	\$ 5,305,238	\$ --	\$ 92,285	\$12,861,903
Cost of paging service	148,346	184,040	--	--	332,386
Cost of equipment sales, cellular	6,730,198	4,590,695	--	335,474	11,656,367
Cost of equipment sales, paging	24,309	32,396	--	--	56,705
Customer service	813,941	496,602	--	2,490	1,313,033
Billing	873,600	505,623	--	3,898	1,383,121
Selling	2,134,116	1,595,634	--	1,455	3,731,205
Maintenance	1,035,157	697,495	39,468	66,820	1,838,940
Utilities	391,910	254,462	43,330	21,744	711,446
Bad debts	491,883	302,032	--	8,243	802,158
Cell site rental	133,339	88,571	400	15,230	237,540
Taxes and licenses	576,748	250,317	121,722	16,540	965,327
Advertising	2,084,232	771,388	--	112,570	2,968,190
General and administrative	1,802,346	1,056,315	226,927	20,792	3,106,380
Occupancy	102,054	80,815	208,497	12,434	403,800
Depreciation	3,939,105	2,891,653	725,234	147,024	7,703,016
Amortization	211,208	407,992	22,151	29,113	670,464
Total expenses	<u>\$28,956,872</u>	<u>\$ 19,511,268</u>	<u>\$ 1,387,729</u>	<u>\$ 886,112</u>	<u>\$50,741,981</u>
Income from operations	<u>\$ 7,952,584</u>	<u>\$ 811,532</u>	<u>\$ 171,346</u>	<u>\$ (511,882)</u>	<u>\$ 8,423,580</u>
OTHER INCOME (EXPENSE)					
Interest income	\$ 21,154	\$ 31,375	\$ 3,331	\$ 163	\$ 56,023
Interest expense	(783,129)	(455,419)	--	(3,957)	(1,242,505)
Universal Service Fund income	3,340,349	3,340,349	--	--	6,680,698
	<u>\$ 2,578,374</u>	<u>\$ 2,916,305</u>	<u>\$ 3,331</u>	<u>\$ (3,794)</u>	<u>\$ 5,494,216</u>
Net income (loss)	<u>\$10,530,958</u>	<u>\$ 3,727,837</u>	<u>\$ 174,677</u>	<u>\$ (515,676)</u>	<u>\$13,917,796</u>

Year Ended December 31, 2007

RSA #9 Appalachian	RSA #10 Mountaineer	Fiber Ring	PCS	Totals
\$17,642,270	\$11,838,430	\$ --	\$ --	\$29,480,700
6,669,355	2,570,467	--	--	9,239,822
124,057	72,730	--	--	196,787
311,459	372,605	--	--	684,064
1,858,283	1,147,890	--	--	3,006,173
22,375	11,487	--	--	33,862
1,918,184	1,393,323	1,202,262	--	4,513,769
<u>\$28,545,983</u>	<u>\$17,406,932</u>	<u>\$ 1,202,262</u>	<u>\$ --</u>	<u>\$47,155,177</u>
\$ 5,269,638	\$ 3,740,533	\$ --	\$ --	\$ 9,010,171
144,051	165,473	--	--	309,524
6,159,530	3,818,719	--	--	9,978,249
32,491	26,816	--	--	59,307
854,848	569,349	--	--	1,424,197
646,609	439,931	--	--	1,086,540
1,488,778	1,271,924	--	--	2,760,702
947,194	605,128	41,911	3,109	1,597,342
317,027	211,787	33,641	--	562,455
679,376	486,293	--	--	1,165,669
110,010	63,542	2,168	--	175,720
460,230	354,586	58,550	--	873,366
1,349,040	425,277	--	--	1,774,317
1,470,148	957,527	207,795	--	2,635,470
92,800	76,970	183,871	--	353,641
3,606,890	2,433,512	944,763	2,294	6,987,459
138,707	375,631	11,515	2,379	528,232
<u>\$23,767,367</u>	<u>\$16,022,998</u>	<u>\$ 1,484,214</u>	<u>\$ 7,782</u>	<u>\$41,282,361</u>
\$ 4,778,616	\$ 1,383,934	\$ (281,952)	\$ (7,782)	\$ 5,872,816
\$ 4,769	\$ 34,195	\$ 3,883	\$ --	\$ 42,847
(531,490)	(353,666)	--	--	(885,156)
2,683,838	2,226,659	--	--	4,910,497
<u>\$ 2,157,117</u>	<u>\$ 1,907,188</u>	<u>\$ 3,883</u>	<u>\$ --</u>	<u>\$ 4,068,188</u>
\$ 6,935,733	\$ 3,291,122	\$ (278,069)	\$ (7,782)	\$ 9,941,004

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

STATEMENTS OF INCOME DETAIL (Continued)

	Year Ended December 31, 2008				
	RSA #9 Appalachian	RSA #10 Mountaineer	Fiber Ring	PCS	Totals
COST OF CELLULAR SERVICE					
Roamer pass through charges	\$ 4,949,474	\$ 3,595,547	\$ --	\$ 77,604	\$ 8,622,625
SCB interconnection	237,395	144,905	--	532	382,832
Local charges	2,401,115	1,387,166	--	18,826	3,807,107
Harold interconnection	134,062	--	--	--	134,062
Wheelwright interconnection	37,412	--	--	--	37,412
GTE interconnection	62,621	63,402	--	--	126,023
West Liberty interconnection	46,578	--	--	--	46,578
Chapman interconnection	67,775	21,616	--	161	89,552
Salyersville interconnection	154,146	82,148	--	658	236,952
Bluefield interconnection	300	--	--	--	300
Roanoke interconnection	13,626	--	--	--	13,626
Interconnect revenue	(715,726)	(453,368)	--	(5,653)	(1,174,747)
Fiber ring interconnection	75,602	121,000	--	157	196,759
TGTC interconnection and DS3 charges	--	171,590	--	--	171,590
PRTC interconnection	--	171,232	--	--	171,232
	<u>\$ 7,464,380</u>	<u>\$ 5,305,238</u>	<u>\$ --</u>	<u>\$ 92,285</u>	<u>\$12,861,903</u>
COST OF PAGING SERVICE					
Paging maintenance	\$ 256	\$ 384	\$ --	\$ --	\$ 640
Salaries and benefits	30,752	46,129	--	--	76,881
Tower rent	45,095	75,005	--	--	120,100
Telephone expense	--	131	--	--	131
Expanded coverage costs	--	998	--	--	998
Interconnection charges	33,211	28,094	--	--	61,305
Office and billing expense	38,462	22,945	--	--	61,407
Other	570	10,354	--	--	10,924
	<u>\$ 148,346</u>	<u>\$ 184,040</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 332,386</u>

Year Ended December 31, 2007

RSA #9 Appalachian	RSA #10 Mountaineer	Fiber Ring	PCS	Totals
\$ 3,554,926	\$ 2,559,114	\$ --	\$ --	\$ 6,114,040
234,187	158,145	--	--	392,332
1,496,116	991,910	--	--	2,488,026
166,140	--	--	--	166,140
31,134	--	--	--	31,134
18,186	33,187	--	--	51,373
107,242	--	--	--	107,242
43,298	16,620	--	--	59,918
118,167	64,495	--	--	182,662
2,976	--	--	--	2,976
14,629	--	--	--	14,629
(569,849)	(393,685)	--	--	(963,534)
52,486	71,881	--	--	124,367
--	186,290	--	--	186,290
--	52,576	--	--	52,576
<u>\$ 5,269,638</u>	<u>\$ 3,740,533</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 9,010,171</u>

\$ 3,966	\$ 6,718	\$ --	\$ --	\$ 10,684
28,850	43,351	--	--	72,201
44,798	53,146	--	--	97,944
--	126	--	--	126
--	703	--	--	703
35,618	27,865	--	--	63,483
30,566	22,507	--	--	53,073
254	11,056	--	--	11,310
<u>\$ 144,052</u>	<u>\$ 165,472</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 309,524</u>

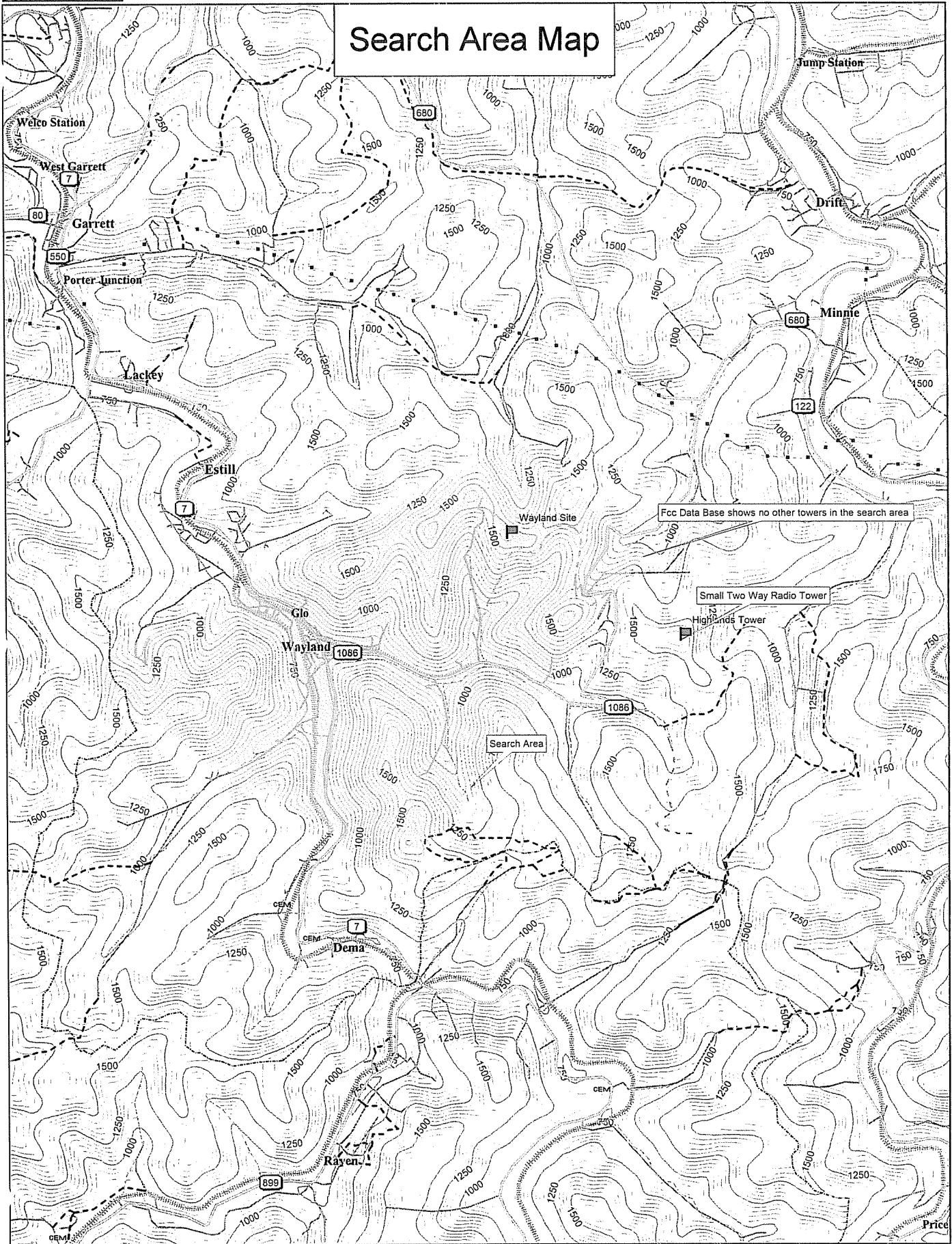
Directions to Wayland Site

Beginning on Central Street in front of the Floyd County Courthouse, Prestonsburg, KY go North less than one block and turn left on Court Street. Go one block and turn right on North Lake Drive. Go 0.2 miles and turn left on State Route 114. Follow State Route 114 for 1.1 miles and turn left on US Route 23 South. Follow US Route 23 South for 2.7 miles and turn West on Route 80. Stay on Route 80 West for 11.1 miles and turn left on Route 680. Follow Route 680 for 2.8 miles and turn right on Route 777. Go 0.6 miles on Route 777 and turn left on the tower road that is gated. Follow the graveled tower road for 1.4 miles to the tower site. Total miles are 19.9.

Directions given by:

Dennis Shepherd
Appalachian Wireless
606-791-6263 Cell Phone
606-785-2215 Office
d.shepherd@tgtel.com email

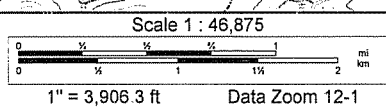
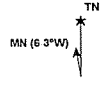
Search Area Map



Fcc Data Base shows no other towers in the search area

Small Two Way Radio Tower
Highlands Tower

Search Area



LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into this the 23 day of March, 2008 by and between **FLOYD COUNTY SERVICE PROJECT, INC.**, a Kentucky non-profit corporation having a mailing address of 149 South Central Avenue, Prestonsburg, Kentucky 41653, hereinafter referred to as "Lessor; and **EAST KENTUCKY NETWORK, LLC, dba APPALACHIAN WIRELESS**, having a mailing address of 101 Technology Trail, Ivel, Kentucky 41642, hereinafter referred to as "Lessee".

WITNESSETH:

That for and in consideration of the rents and other consideration exchanged by and between Lessor and Lessee, and subject to the terms and conditions hereinafter specified, Lessor does hereby lease, let and demise unto Lessee, its successors and assigns, the following described premises (the "Leased Premises"):

Being the same property described in Exhibit "A" attached hereto and made a part hereof by reference and as further shown on the plat attached hereto as Exhibit "B" dated July 9th, 2008, prepared by James W. Caudill, Licensed Professional Land Surveyor.

Source of Title: Being a part of the same property conveyed by The Elk Horn Coal Corporation to Lessor by deed dated June 5, 2001 and recorded at Deed Book 460, page 79 in the Floyd County Clerk's Office.

Easement Rights: In addition to the lease of the Leased Premises, Lessor hereby grants unto Lessee certain rights of way and easements across the remaining portion of Lessor's property as described at Deed Book 460, page 79 in the Floyd County Clerk's Office ("Lessor's Remaining Property"), as follows: (i) a right of way and easement to construct, maintain and operate telephone and power transmission lines over and across Lessor's Remaining Property to service the tower and related facilities which are to be erected upon the Leased Premises, said right of way and easement to be approximately

forty feet in width; and (ii) a nonexclusive right of way and easement along that portion of the existing roadway located on Lessor's Remaining Property, as shown on the plat attached hereto as Exhibit B and hereinafter referred to as "Lessor's Existing Roadway", for purposes of ingress to and egress from the Leased Premises. Lessee shall maintain Lessor's Existing Roadway and shall have the right to make improvements to it as needed for accessibility to the Leased Premises. In return for the easement rights along Lessor's Existing Roadway, Lessee has agreed to extend Lessor's Existing Roadway to an area on Lessor's Remaining Property, as previously agreed to by Lessor and Lessee, which is currently being developed as a public park.

It is understood by the parties that Lessee is attempting to obtain easement rights from The Elk Horn Coal Corporation to use that portion of the existing roadway located on The Elk Horn Coal Corporation's property, as shown on the plat attached hereto as Exhibit B and hereinafter referred to as "Elk Horn's Existing Roadway", to be used in conjunction with Lessor's Existing Roadway for access to the Leased Premises. In the event Lessee and The Elk Horn Coal Corporation do not reach an agreement as to such easement rights, then Lessor hereby grants unto Lessee, for the consideration paid hereunder, a nonexclusive right of way and easement across a portion of Lessor's Remaining Property, at least twenty (20) feet in width, for the construction and maintenance of a new access road (hereinafter referred to as the "New Access Road") to provide Lessee with complete access to the Leased Premises, the location of the New Access Road to be mutually determined by Lessor and Lessee.

With respect to all of the easement rights granted herein, Lessee shall have the right to trim or remove trees, limbs or underbrush which may interfere with Lessee's telephone and power transmission lines or with the use of Lessor's Existing Roadway or the New Access Road, if constructed. At Lessor's request, Lessee shall gate Lessor's Existing Roadway or the New Access Road, if constructed, in a manner to best prevent trespassing and shall keep the gate locked with the understanding that Lessor shall be provided with a working key. Lessee shall not allow any persons not associated with its business operations to have access to the Leased Premises or to Lessor's Existing Roadway or the New Access Road, if constructed.

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 twenty-five (25) years from and after the date hereof (the "Initial Term"), with Lessee having the exclusive option of extending this Lease for an additional term of twenty-five (25) years (the "Additional Term"). In the event that Lessee desires to extend the Lease for the Additional Term, it shall give Lessor notice of such intention in writing at least six (6) months prior to the expiration of the Initial Term.

2. **Cancellation.** Lessee, in its sole discretion, shall have the right to terminate this Lease and abandon the Leased Premises at any time upon six (6) months written notice to Lessor of Lessee's intention to do so. In the event of termination by Lessee, Lessor shall have no obligation to refund all or any portion of the annual rental payment that has already been paid by Lessee. 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 Leased Premises. If, after notice of termination has been provided to Lessor by Lessee, a new annual rental payment becomes due before the expiration of the aforesaid one hundred eighty (180) day period, then in that event, Lessee shall only be obligated to pay unto Lessor rental on a monthly basis (being calculated as 1/12 of the annual rental then due) for the months which Lessee will actually occupy the Leased Premises.

3. **Rental – Initial Term.** As rental for the Leased Premises during the Initial Term, Lessee shall pay to Lessor, annually and in advance, the sum of Six Thousand Dollars (\$6,000.00) beginning on the date of execution of this Lease, provided however, that after the fifth year of the Initial Term, Lessor shall receive the following increases in the annual rental:

(a) For lease years six through ten, Lessee shall pay Lessor annually the sum of \$6,300.00 (which sum represents a 5% increase over the rental paid during years one through five of the Lease);

(b) For lease years eleven through fifteen, Lessee shall pay Lessor annually the sum of \$6,615.00 (which sum represents a 5% increase over the rental paid during years six through ten of the Lease);

(c) For lease years sixteen through twenty, Lessee shall pay Lessor annually the sum of \$6,945.75 (which sum represents a 5% increase over the rental paid during years eleven through fifteen of the Lease); and

(d) For lease years twenty-one through twenty-five, Lessee shall pay Lessor annually the sum of \$7,293.03 (which sum represents a 5% increase over the rental paid during years sixteen through twenty of the Lease).

4. Rental – Additional Term. In the event this Lease is extended for the Additional Term (being twenty-five (25) years), Lessee shall pay Lessor, annually and in advance beginning on the twenty-sixth year anniversary date of the execution of this Lease, the sum of Nine Thousand One Hundred Sixteen Dollars and Twenty-Eight Cents (\$9,116.28) (which sum represents a 25% increase in the annual rental paid during years twenty-one through twenty-five of the Initial Term), provided however, that after the fifth year of the Additional Term, Lessor shall receive the following increases in the annual rental:

(a) For lease years six through ten of the Additional Term, Lessee shall pay Lessor annually the sum of \$9,572.09 (which sum represents a 5% increase over the rental paid during years one through five of the Additional Term of the Lease);

(b) For lease years eleven through fifteen of the Additional Term, Lessee shall pay Lessor annually the sum of \$10,050.69 (which sum represents a 5% increase over the rental paid during years six through ten of the Additional Term of the Lease);

(c) For lease years sixteen through twenty of the Additional Term, Lessee shall pay Lessor annually the sum of \$10,553.22 (which sum represents a 5% increase over the rental paid during years eleven through fifteen of the Additional Term of the Lease); and

(d) For lease years twenty-one through twenty-five of the Additional Term, Lessee shall pay Lessor annually the sum of \$11,080.88 (which sum represents a 5% increase over the rental paid during years sixteen through twenty of the Additional Term of the Lease).

5. Use of Premises. Lessee shall have the exclusive right and privilege 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.

6. **Indemnity.** Lessee agrees to indemnify and save harmless 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.

7. **Miscellaneous Provisions.** Lessee shall keep and maintain the Leased Premises in a neat and orderly manner and clear and free of litter.

8. **Notices.** All notices, demands or other writings in this Lease required or permitted to be given hereunder shall be made in writing and deposited in the United States Mail, certified and postage prepaid, to Lessor and Lessee at the addresses stated in the preamble to this Lease. Such addresses may be changed by written notice as provided herein.

9. **Successors and Assigns.** This Lease shall be binding upon the parties hereto, their heirs, successors, executors, and assigns.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto this
the day and year first above written.

LESSOR:

Floyd County Service Project, Inc.

By: Jake Halbert
Its: Chairman

LESSEE:

East Kentucky Network, LLC
dba Appalachian Wireless

By: Spencer F. Roberts
Its: GENERAL MANAGER

STATE OF KENTUCKY

COUNTY OF Floyd

The foregoing Lease Agreement was this 23rd day of March, 2008,
produced and acknowledged before me by Floyd County Service Project, Inc., by
Jake Halbert, its Chairman,
on behalf of said entity.

Dennis Shepherd
Notary Public
Commission Expires: Oct-22-2009

STATE OF KENTUCKY

COUNTY OF Floyd

The foregoing Lease Agreement was this 9th day of April, 2008,
produced and acknowledged before me by East Kentucky Network, LLC, dba
Appalachian Wireless, by Gerald F. Robinette, its
General Manager, on behalf of said entity.

Dennis Shepherd
Notary Public
Commission Expires: Oct-22-2009

This instrument prepared by:

Robin J. Collins
ROBIN JOHNSON COLLINS
ATTORNEY AT LAW
P.O. BOX 176
LACKEY, KENTUCKY 41643
(606)358-4493

**DEED DESCRIPTION
FOR SUB DIVISION OF**

Property of
Floyd County Service Project, Inc.
Elkhorn Recreational & Educational Park
149 South Central Avenue
Prestonsburg, Ky 41653
Near Wayland in Floyd County
July 9, 2008

A portion of the property lying within the tract of land located between Turkey Creek and Wayland in Floyd County Kentucky, near the community of Wayland. Being a part of property conveyed by deed from The Elkhorn Coal Corporation to Floyd County Service Project, Inc. and recorded in Deed Book 460 Page 79 of the Floyd County Court House.

Lot #A1

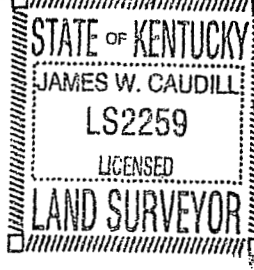
Unless stated otherwise, any monument referred to herein as "set iron pin with cap" is a set 1/2" diameter rebar, at least eighteen (18") in length, with a plastic cap stamped "LS-2259". All bearings stated herein are referred to the NAD83 KY South State Plane north. This survey performed by James W. Caudill, LS2259, on July 09, 2008.

Beginning on a set iron pin with cap marked ls2259 at a point on top of the ridge near the edge of the backfill bench, said point having a NAD83 KY south state plane coordinate of [N:2061907.06, E:2500410.47] and being North 78 deg 35 min 59 sec East, 187.94 from a point on the edge of the disturbed mine bench on the line of The Elkhorn Coal Corp. property and North 04 deg 38 min 22 sec West, 129.68 feet from a second point on the edge of the disturbed mine bench on the line of The Elkhorn Coal Corp. property; thence severing the land of Floyd county service Project, Inc. (Book 460 Page 79) and running around the edge of the flat North 36 deg 06 min 53 sec West, 58.50 feet to a set iron pin with cap marked ls2259 on edge of the flat, North 15 deg 35 min 03 sec West, 124.49 feet to a set iron pin with cap marked ls2259 on the edge of the flat; thence running across the flat North 89 deg 25 min 00 sec East, 119.04 feet to a set iron pin with cap marked ls2259 near the access road, South 35 deg 41 min 24 sec East, 144.99 feet to a set iron pin with cap marked ls2259 on the edge of the flat; thence running with the edge of the flat South 69 deg 33 min 07 sec West, 144.82 feet to the beginning

Containing a calculated area of 21396 sq ft or 0.49 acres.

This according to a survey by James W. Caudill, PLS #2259, on July 09, 2008.

Exhibit "A"



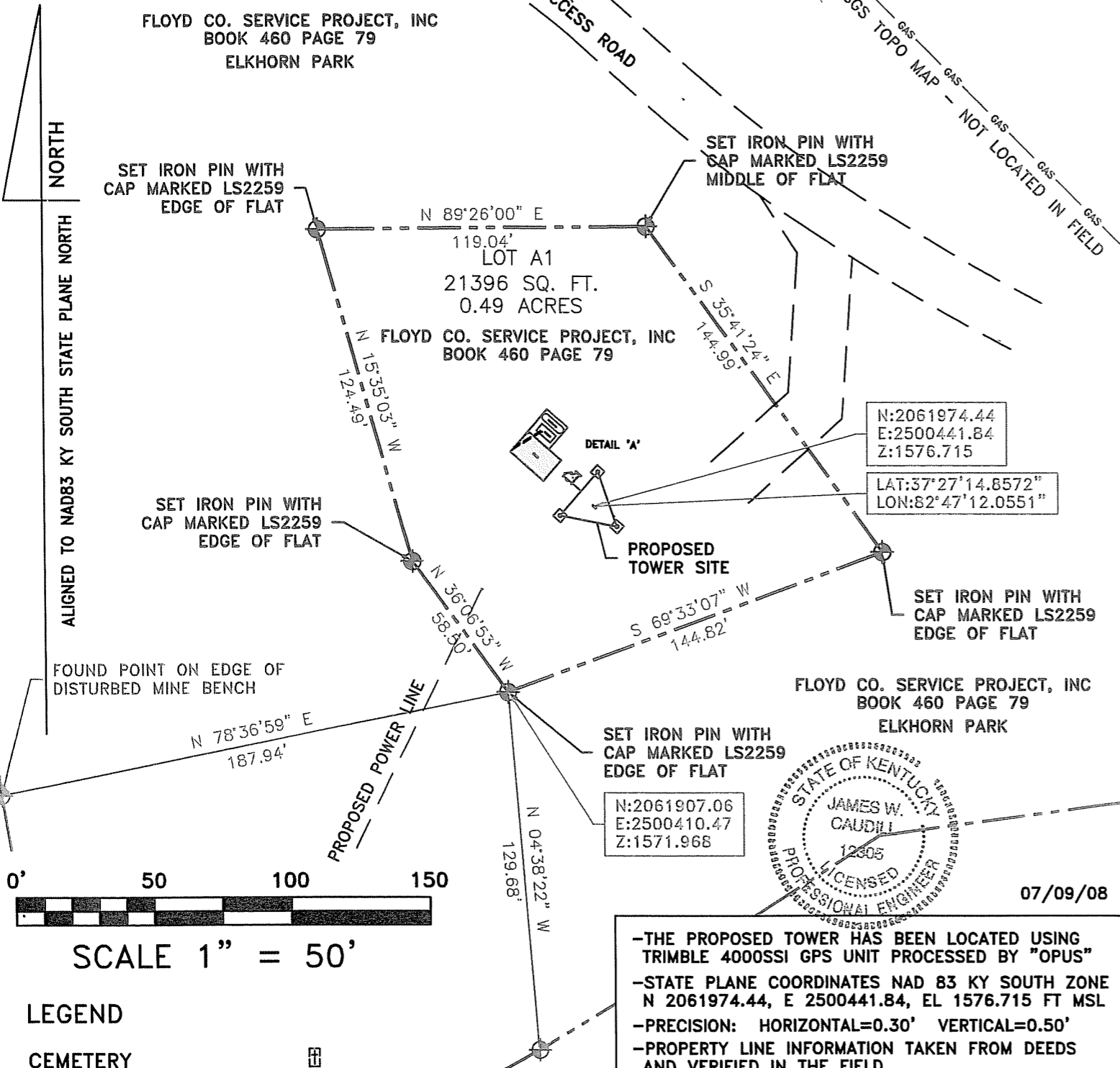
James W. Caudill
James W. Caudill, PLS #2259

STATE OF KENTUCKY, COUNTY OF FLOYD, S.S.
I, CHRIS WAUGH, Clerk of Floyd County certify that the foregoing *Deed* was on the 13 day of April, 2009 at 10:40 clock A.m. lodged for record whereupon the same with the foregoing and this certificate have been duly recorded in my office.
Witness my hand, this 13 day of April, 2009
CHRIS WAUGH, CLERK By: Linda Lallen D.C.

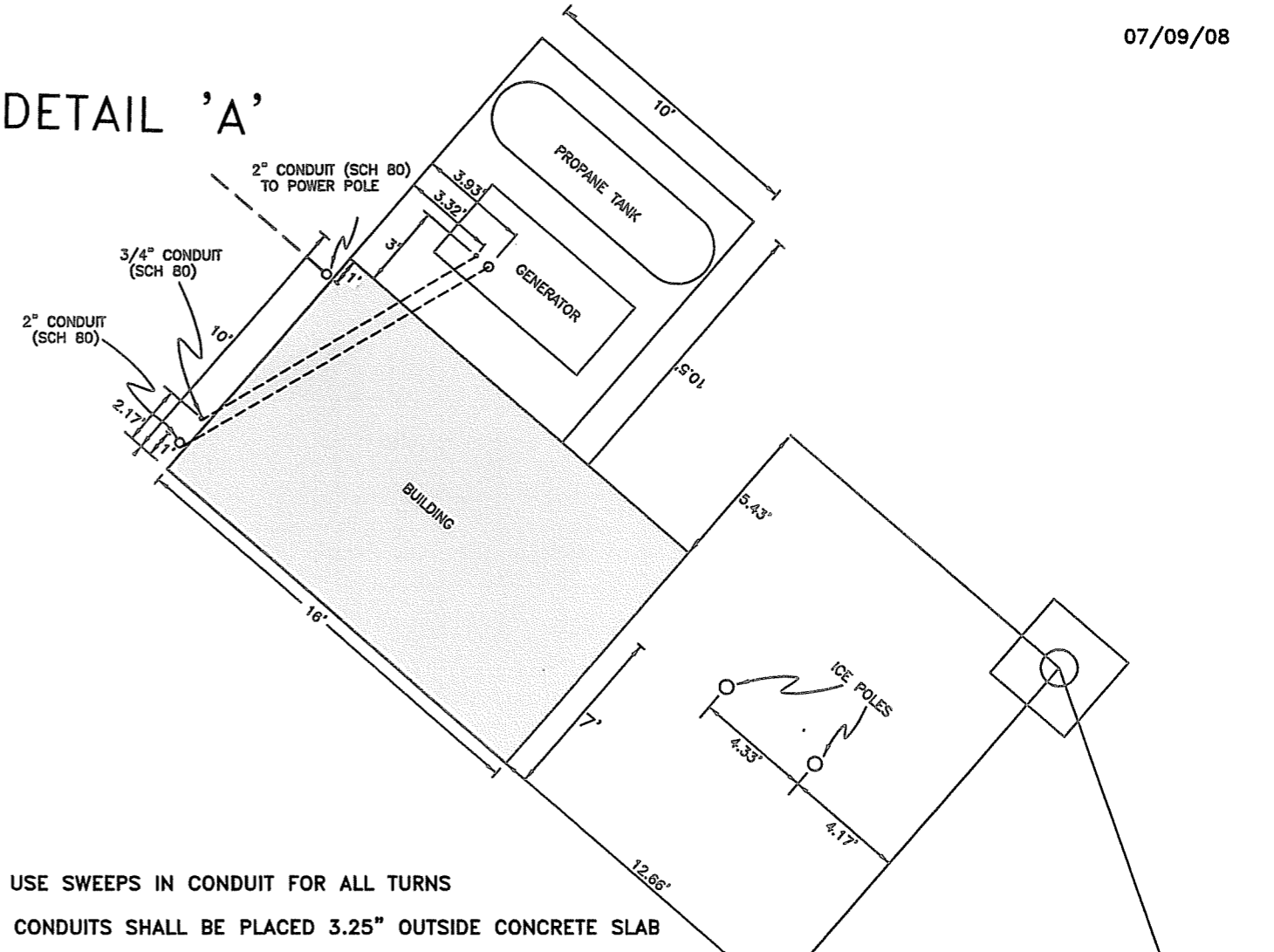
APPALACHIAN WIRELESS
 101 TECHNOLOGY TRAIL
 IVEL, KY. 41642
 PROPOSED TOWER SITE
 WAYLAND IN FLOYD COUNTY

APPALACHIAN WIRELESS
 101 TECHNOLOGY TRAIL
 IVEL, KY. 41642
 PROPOSED TOWER SITE
 WAYLAND IN FLOYD COUNTY

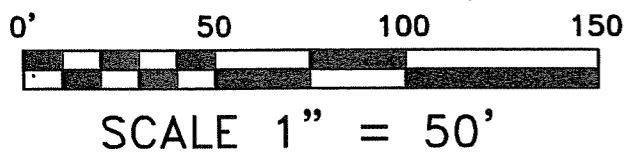
07/09/08



DETAIL 'A'



NOTE: * USE SWEEPS IN CONDUIT FOR ALL TURNS
 * CONDUITS SHALL BE PLACED 3.25" OUTSIDE CONCRETE SLAB



- LEGEND**
- CEMETERY
 - TOWER
 - BOUNDARY LINE
 - ACCESS ROAD
 - PARK BOUNDARY

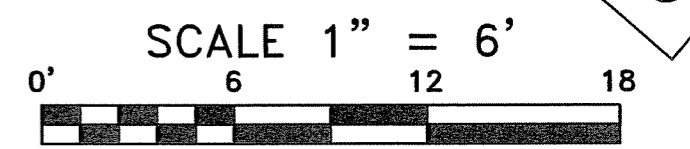
-THE PROPOSED TOWER HAS BEEN LOCATED USING TRIMBLE 4000SSI GPS UNIT PROCESSED BY "OPUS"
 -STATE PLANE COORDINATES NAD 83 KY SOUTH ZONE N 2061974.44, E 2500441.84, EL 1576.715 FT MSL
 -PRECISION: HORIZONTAL=0.30' VERTICAL=0.50'
 -PROPERTY LINE INFORMATION TAKEN FROM DEEDS AND VERIFIED IN THE FIELD.

James W. Caudill 12305 7-9-08
 JAMES W. CAUDILL P.E. DATE

SITE SURVEY/STR LOCATION

COLEMAN ENGINEERING

P.O. BOX 153, HINDMAN, KY 41822



WAYLAND 7.5' QUADRANGLE

APPALACHIAN WIRELESS

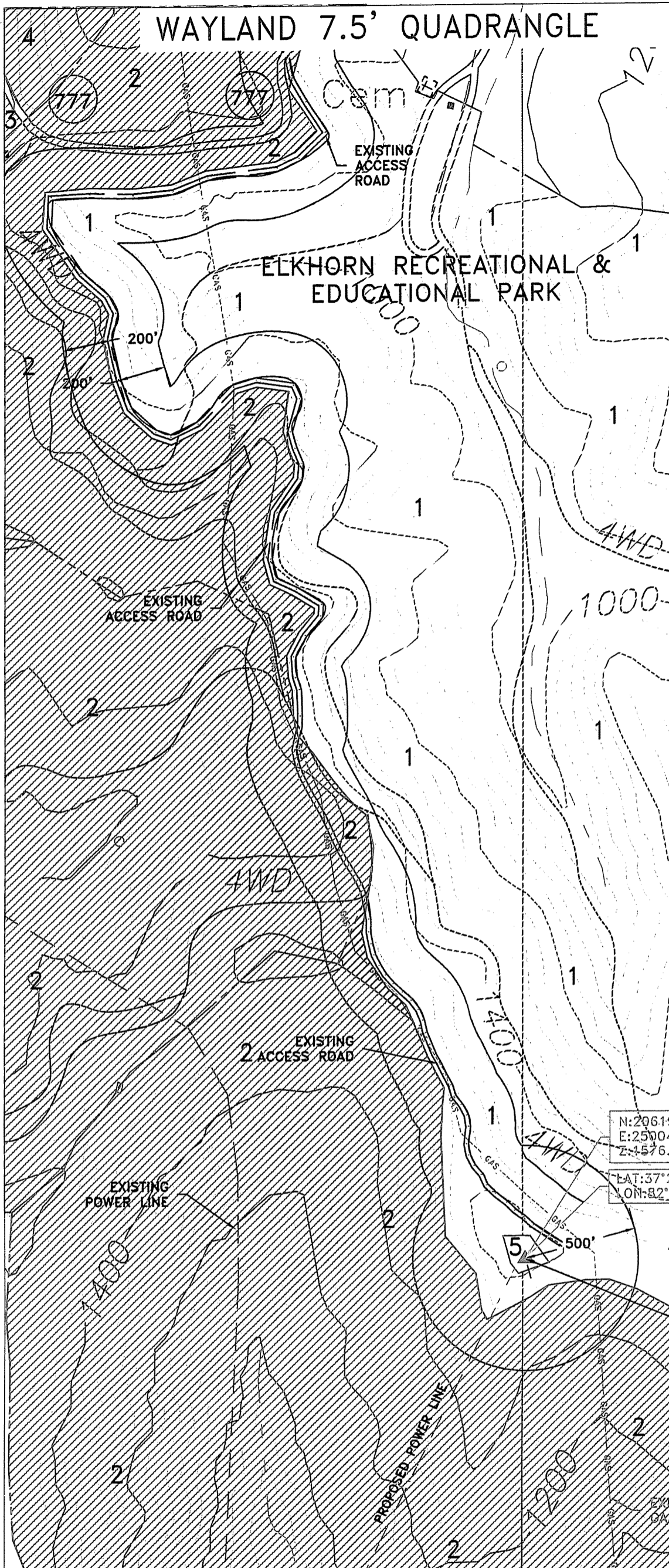
101 TECHNOLOGY TRAIL
IVEL, KY. 41642

PROPOSED TOWER SITE
FLOYD COUNTY OF KENTUCKY

ELKHORN RECREATIONAL PARK
WAYLAND

LAND OWNERS:

- 1 FLOYD COUNTY SERVICE PROJECT, INC.
149 SOUTH CENTRAL AVENUE
PRESTONSBURG, KY 41653
- ◐ 2 THE ELKHORN COAL CORP
544 SOUTH LAKE DRIVE
PRESTONSBURG, KY 41653
- ◑ 3 IVAN TURNER
3004 STONE COAL RD
LANGLEY, KY 41645
- ◒ 4 JOHN MOORE ESTATE C/O ED MOORE
2258 TURKEY CREEK RD
LANGLEY, KY 41645
- 5 APPALACHIAN WIRELESS - LEASE
101 TECHNOLOGY TRAIL
IVEL, KY. 41642
- 6 -
- 7 -



N: 2061974.44
E: 2500441.84
Z: 1576.715

EAT: 37° 27' 14.8572"
LON: 82° 47' 12.0551"



1" = 500'

07/09/08

LEGEND		1" = 500'
ELECTRIC LINE	---	
PROPERTY LINE	---	
ACCESS ROAD	---	
CREEK	---	
CEMETERY	☒	
TOWER	▲	

MAP SHOWING STRUCTURES & LAND OWNERS
WITHIN 500 FT OF THE PROPOSED TOWER

COLEMAN
ENGINEERING

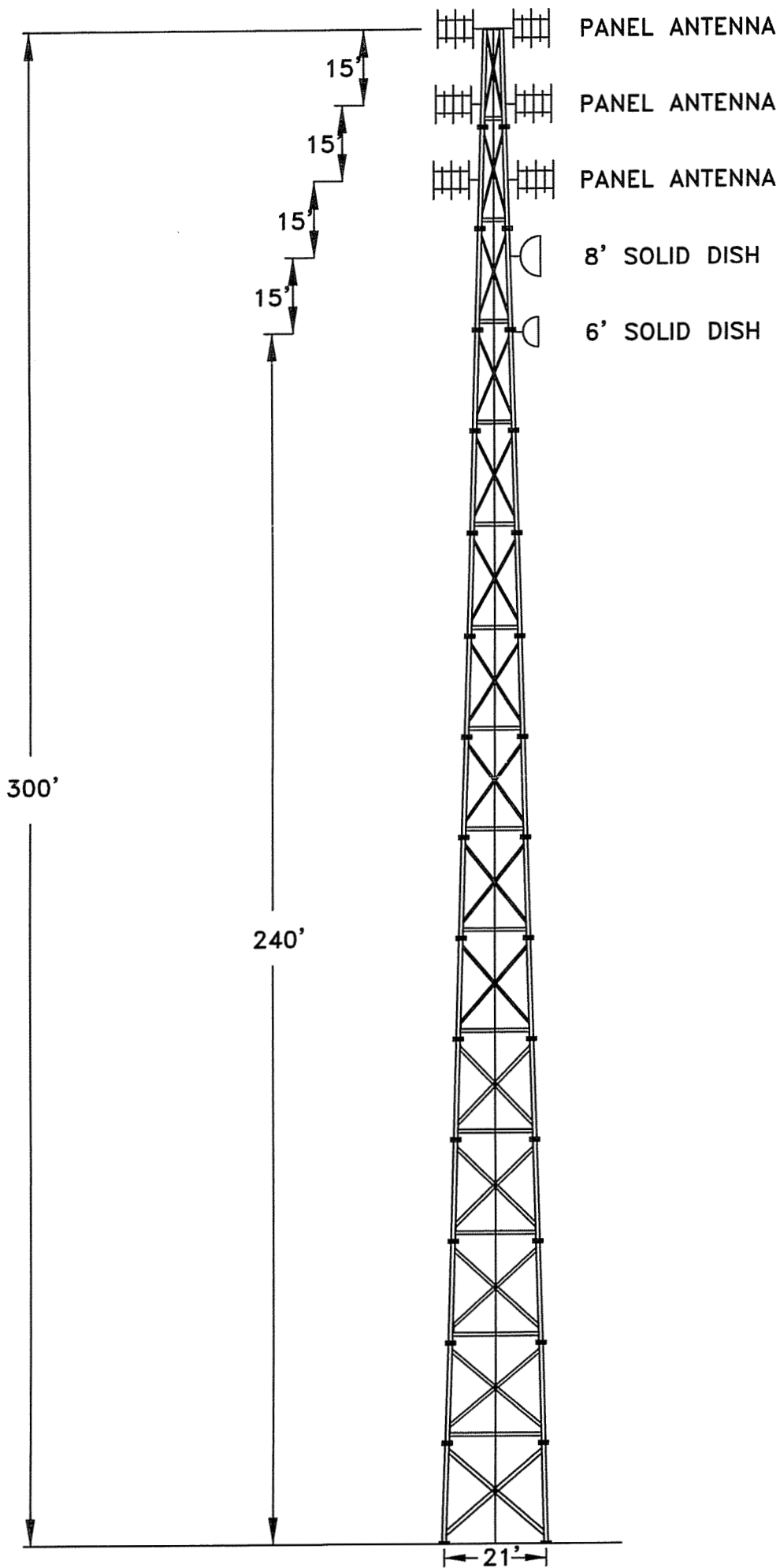
P.O. BOX 153, HINDMAN, KY 41822

ENGINEER'S CERTIFICATE: I HEREBY CERTIFY THAT THE INFORMATION SHOWN REFLECTS THE INFORMATION OBTAINED AND PROVIDED BY THE FLOYD COUNTY PROPERTY VALUATION ADMINISTRATION OFFICE

James W. Caudill
JAMES W. CAUDILL P.E.# 12305 DATE 7-9-08

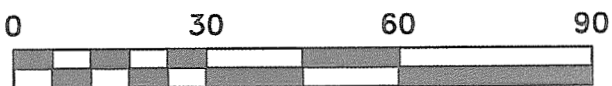
APPALACHIAN WIRELESS
101 TECHNOLOGY TRAIL
IVEL, KY. 41642

PROPOSED TOWER SITE
ELKHORN PARK TR NR WAYLAND IN FLOYD CO OF KY



07/09/08

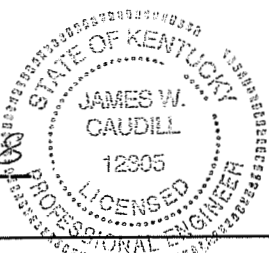
GRAPHIC SCALE



THIS IS A VERTICAL PROFILE SKETCH OF THE TOWER INDICATING THE PROPOSED ANTENNA AND DISH ELEVATIONS. NO DESIGN CRITERIA WAS CONSIDERED IN THE PREPARATION OF THIS DRAWING.

James W. Caudill 12305
JAMES W. CAUDILL P.E.

7-9-08
DATE



VERTICAL PROFILE SKETCH

