89.7 WCPE
Great Classical Music, 24 Hours A Day

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December 17, 1997

Managing Director
Federal Communications Commission
c/o Office of the Secretary, Room 222
Washington, DC 20554.

Dear Sir,

This is in reference to our request for exemption of fee filing for our non-profit broadcast and related operations, pursuant to the FCC's October 27th decision in MD Docket #96-186.

We understand that licensees seeking an exemption from payment of annual regulatory fees based on non-profit status must submit documentation of that status to the FCC by December 31, 1997, and to effect such we present an original and three copies of this documentation. (One of the three copies is intended as a receipt and a self-addressed and stamped envelope has been provided for same.)

Our documentation includes a list of the names and addresses of all stations owned by us and the names on the licenses, a list of all call signs, TV markets or other identification for all stations, the type of service provided by each, and a current Internal Revenue Service Determination Letter documenting our nonprofit status.

If you need more information, please feel free to contact us at the address on this letterhead.

Sincerely,

Deborah S. Proctor

Deborah S. Proctor

General Manager,
WCPE, Raleigh, NC

President,
Educational Information Corporation
Licensee of WCPE, Raleigh, NC

0+2

1928 State Road 2054 □ Post Office Box 828 □ Wake Forest, North Carolina 27588-0828 □ 919/556-5178

Documentation for Fee Exemption

Educational Information Corporation

Item 1

A List of the Names and Addresses of All Stations Owned by the Non-Profit Entity

Educational Information Corporation, a non-profit corporation organized under the laws of the State of North Carolina is the holder of all permits, licenses, and applications.

Educational Information Corporation is known as, and does business as, "WCPE Radio".

The Corporate address is:

1928 Chalks Road
Wake Forest, NC 27587

Post Office Box 828
Wake Forest, NC 27588-0828

Item 2

The Names on the License if Other Than a Non-Profit Entity

The names on all licenses should be that of the corporate non-profit entity, "Educational Information Corporation".

In some cases, "WCPE Radio" may have been used.

Item 3

A List of All Corresponding Call Signs, Community Unit Numbers, TV Markets, or Other Identification for All Stations

The call signs and identification which the Corporation has been assigned and have used have been:

E970324, 35 56 29.0 N, 78 28 33.0 W
WCPE, Raleigh
WCPE, Raleigh, Durham, Chapel Hill
WCX457, Raleigh
WPKM576, 160KMRA 35-56-24N 078-28-44W Wake NC

This location is identified for television market purposes as the "Raleigh-Durham" DMA.

This location is identified for radio market purposes as the "Raleigh-Durham, NC".

Item 4

The Type of Service Provided

Broadcast Auxiliary Service: Exemption claimed under 1.1114 (c) and/or 1.1162 (e) for:

WCX457, Raleigh NC

Domestic Fixed Satellite Service, Fixed Earth Station: Exemption claimed under 1.1114 (d) and/or 1.1162 (f) for:

E970324, File # 1086-DSE-P/L-97

FM Broadcast, Non-Commercial: Exemption claimed under 1.1114 (c) and/or 1.1162 (e) for:

WCPE, Raleigh, BLED-930916KC
WCPE, Raleigh, Auxiliary, BPED-970121IH

IB Business: Exemption claimed under 1.1114 (d) and/or 1.1162 (f) for:

WPKM576, Wake County, NC

Item 5

A Current Internal Revenue Service Determination Letter Documenting Non-Profit Status

This item contains three letters:

The "Advance Ruling" letter 411-12:CDB:166 from the Internal Revenue Service dated September 25, 2974.

The modification letter EP/EO 7203:3503 from the Internal Revenue Service dated March 14, 1976.

The "Publication 78" verification letter QRS:EO:TPA from the Internal Revenue Service dated December 7, 1989.

The modification letter dated March 14, 1976 is the primary letter of concern which documents our non-profit status, and remains in force and effective.

For reference, the Letter of Determination of non-profit status from the State of North Carolina dated April 3, 1974 has also been included.

These four letters follow this page and conclude this request for exemption of fee.

Address any reply to: P. O. Box 737, Atlanta, Georgia 30301
Department of the Treasury

District Director
Internal Revenue Service

Date: SEP 25 1974

In reply refer to: 411-12:CDB:166

Educational Information Corporation
2517 Wilbon Street
P. O. Box 15635
Durham, North Carolina 27704

Advance Ruling Period Ends: December 31, 1975

Gentlemen:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined you can reasonably be expected to be an organization of the type described in sections 170(b)(1)(A)(vi) and 509(a)(1). Accordingly, for your first three tax years, you will be treated as an organization which is not a private foundation.

At the end of your first three tax years, however, you must establish with the Internal Revenue Service that for such three years you were in fact an organization of the type described in section 170(b)(1)(A)(vi). If you establish this fact with the Service, you will be classified as a section 509(a)(1) organization for all purposes beginning with the first day of your fourth tax year and you must normally meet the requirements of section 170(b)(1)(A)(vi) thereafter. If, however, you do not meet the requirements of section 170(b)(1)(A)(vi) for your first three tax years, you will be classified as a private foundation as of the first day of your fourth tax year. Furthermore, you will be treated as a private foundation as of the first day of your first tax year for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation for your first three tax years, unless notice that you will no longer be treated as a section 509(a)(1) organization is published in the Internal Revenue Bulletin. However, a grantor or donor may not rely on such determination if he was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible under sections 2055, 2106, and 2522 of the Code.

If your sources of support, or your purposes, character, or method of operation is changed, you must let us know so we can consider the effect of the change on your status. Also, you must inform us of all changes in your name or address.

If your gross receipts each year are normally more that $5,000, you are required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, for failure to file a return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Please keep this determination letter in your permanent records.

Sincerely yours,

Thomas P. Schenck

Exempt Organization Specialist
(404) 526-4516

Internal Revenue Service
District Director

Department of the Treasury

Date: MAR 24 1976

Our Letter Dated:
September 25, 1974
Person to Contact:
Carolyn A. Lovett
Contact Telephone Number:
(404) 526-4516

EP/EO 7203:3503

Educational Information Corporation
P. O. Box 5010
Raleigh, N. C. 27607

Gentlemen:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(2). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(2) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(2) organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

J. T. Wilson
Exempt Organization Specialist

Internal Revenue Service

District
Director

Department of the Treasury

Internal Revenue Service
Quality Review Staff/Taxpayer Assistance
P.O. Box 1055, Room 907-B
101 Marietta Street
Atlanta, GA 30370

Educational Information
Corporation WCPE Radio
P. O. Box 828
Wake Forest, NC 27587-0828

Date: DEC 07 1989

Refer Reply to: QRS:EO:TPA

Dear Sir or Madam:

This is in response to your letter of October 12, 1989, requesting that your organization be listed in the Internal Revenue Service Cumulative List of Organizations (Publication 78).

Your organization has been updated to be included in Publication 78.

If we can be of further assistance, please let us know.

Sincerely,

Cynthia Smith

Cynthia Smith
Exempt Organizations
Master File Coordinator

STATE OF NORTH CAROLINA
DEPARTMENT OF REVENUE
P. O. BOX 25000
RALEIGH, N. C. 27640

J. HOWARD COBLE
SECRETARY

JAMES P. SENTER
DEPUTY SECRETARY

April 3, 1974

Educational Information Corporation
c/o Mr. Gregory F. Procopio
2517 Wilbon Street
Durham, North Carolina

Gentlemen:

Thank you for sending us copies of your Articles of Incorporation.

We observe that no part of the corporation's net earnings is to inure to the benefit of any of its officers, directors, or members, or any other private individual. We further observe that if the corporation should dissolve, its remaining net assets will be distributed to some organization or organizations having purposes similar to its own or other charitable purposes.

It is our opinion that this corporation qualifies for exemption from franchise tax and income tax under Sections 105-125 and 105-130.11(a)(3), respectively, of the General Statutes of North Carolina.

Contributions made to the corporation will be deductible for North Carolina income tax purposes, by individual donors as provided in Section 105-147(15), and by corporate donors as provided in Section 105-130.9(1), of the General Statutes.

So long as the corporation retains its exempt status, it will not be required to file franchise and income tax returns with this Department.

Very truly yours,

W. B. Matthews, Director
Corporate Income and Franchise Tax Division

Douglas J. Williams

By: Douglas J. Williams, Administrative Officer

DJW:nhs