

Federal Communications Commission

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Application Reference Number: 20100127ACS
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Federal Communications Commission Washington, D.C. 20554	Approved by OMB 3060-0009 (June 2002)	FOR FCC USE ONLY
FCC 316		
APPLICATION FOR CONSENT TO ASSIGN BROADCAST STATION CONSTRUCTION PERMIT OR LICENSE OR TO TRANSFER CONTROL OF ENTITY HOLDING BROADCAST STATION CONSTRUCTION PERMIT OR LICENSE		FOR COMMISSION USE ONLY FILE NO. - 20100127ACS
Read INSTRUCTIONS Before Filling Out Form		

Section I - General Information

1.	Legal Name of the Licensee/Permittee ALASKA BROADCASTING COMPANY, INC.		
	Mailing Address 1007 W. 32ND AVENUE		
	City ANCHORAGE	State or Country (if foreign address) AK	Zip Code 99503 -
	Telephone Number (include area code) 9072733192	E-Mail Address (if available)	
	FCC Registration Number: 0006160915	Call Sign KTVA	Facility ID Number 49632
2.	Contact Representative (if other than licensee/permittee) KENNETH E. SATTEN		Firm or Company Name WILKINSON BARKER KNAUER, LLP
	Mailing Address 2300 N STREET, N.W. SUITE 700		
	City WASHINGTON	State or Country (if foreign address) DC	ZIP Code 20037 -
	Telephone Number (include area code) 2027834141	E-Mail Address (if available) KSATTEN@WBKLAW.COM	
3.	If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Noncommercial Educational Licensee/Permittee <input checked="" type="radio"/> Other AMENDMENT <input type="radio"/> N/A (Fee Required)		
4.	a. <input type="radio"/> Voluntary Assignment or Transfer of Control <input checked="" type="radio"/> Involuntary Assignment or Transfer of Control <input checked="" type="radio"/> Amendment to pending application File number of pending application: BALCDT-20100127ACS If an amendment, submit as an Exhibit a listing, by Section and Question Number, of the portions of the pending application that are being revised. <div style="text-align: right;">[Exhibit 1]</div> b. Applicant certifies that the use of FCC Form 316 is appropriate for this transaction. <div style="text-align: right;"> <input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 2] </div>		

NOTE: In addition to the information called for in this section, an explanatory exhibit providing full particulars must be submitted for each question for which a "No" response is provided.

Section II - Assignor/Transferor

1. Certification. Assignor/Transferor certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Assignor/Transferor further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions and worksheets.		<input checked="" type="radio"/> Yes <input type="radio"/> No		
2. Application for (check one):	<input type="radio"/> Consent to Assign Construction Permit	<input type="radio"/> Consent to Transfer Control of Permittee		
	<input type="radio"/> Consent to Assign License	<input type="radio"/> Consent to Transfer Control of Licensee		
	<input checked="" type="radio"/> Amendment to pending application			
3. Legal Name of the Assignor/Transferor ALASKA BROADCASTING COMPANY, INC.				
Mailing Address 1007 W. 32ND AVENUE				
City	State or Country (if foreign address)	Zip Code		
ANCHORAGE	AK	99503 -		
Telephone Number (include area code)		E-Mail Address (if available)		
9072733192				
4. Contact Representative (if other than Assignor/Transferor) KENNETH E. SATTEN		Firm or Company Name WILKINSON BARKER KNAUER, LLP		
Mailing Address 2300 N STREET, N.W. SUITE 700				
City	State or Country (if foreign address)	Zip Code		
WASHINGTON	DC	20037 -		
Telephone Number (include area code)		E-Mail Address (if available)		
2027834141		KSATTEN@WBKLAW.COM		
If more than one Transferor, submit the information requested in Questions 3 and 4 for each transferor.			[Exhibit 3]	
5. Authorizations to be Assigned/Transferred. List the authorized stations and construction permits to be assigned/transferred. Provide the Facility Identification Number and the Call Sign, or the Facility Identification Number and the File Number of the Construction Permit, and the location, for each station to be assigned/transferred. Include main stations, FM and/or TV translator stations, LPTV stations, FM and/or TV booster stations.				
[Enter Station Information]				
List the authorized stations and construction permits to be assigned/transferred. Provide the Facility Identification Number and the Call Sign, or the Facility Identification Number and the File Number of the Construction Permit, and the location, for each station to be assigned/transferred. Include main stations, FM and/or TV translator stations, LPTV stations,, FM and/or TV booster stations.				
Facility ID Number	Call Sign	or Construction Permit File Number	City	State
49632	KTVA	-	ANCHORAGE	AK
Facility ID	Call Sign	or Construction Permit File Number	City	State

Number				
49630	K08IZ	-	BP ALASKA CAMP, ETC.	AK
Facility ID Number	Call Sign	or Construction Permit File Number	City	State
49641	K08LW	-	KENAI/SOLDOTNA	AK
Facility ID Number	Call Sign	or Construction Permit File Number	City	State
130473	K11VP	-	HOMER- SELDOVIA	AK
Facility ID Number	Call Sign	or Construction Permit File Number	City	State
49625	K66CF	-	PALMER	AK
6. Agreements for Sale/Transfer of Station. a. If the transaction is voluntary, Assignor/Transferor certifies that: i. it has placed in licensee's/permittee's public inspection file(s) and submitted as an exhibit to this item copies of all agreements for the assignment/transfer of the station(s); ii. these documents embody the complete and final understanding between assignor/transferor and assignee/transferee; and iii. these agreements comply fully with the Commission's rules and policies. b. If the transaction is involuntary, the Assignor/Transferor certifies that court orders or other authorizing documents have been issued and that it has placed in the licensee's/permittee's public inspection file(s) and submitted to the Commission copies of such court orders or other authorizing documents. Exhibit Required			<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A [Exhibit 4] <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> N/A [Exhibit 5]	
7. Character Issues. Assignor/Transferor certifies that neither licensee/permittee nor any party to the application has or has had any interest in, or connection with: a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or any party to the application; or b. any pending broadcast application in which character issues have been raised.			<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 6]	
8. Adverse Findings. Assignor/Transferor certifies that, with respect to the assignor/transferor and each party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to any of the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another governmental unit; or discrimination.			<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 7]	
9. Anti-Drug Abuse Act Certification. Assignor/transferor certifies that neither licensee/permittee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.			<input checked="" type="radio"/> Yes <input type="radio"/> No	

I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations.

Typed or Printed Name of Person Signing JOSEPH J. LODOVIC, IV	Typed or Printed Title of Person Signing PRESIDENT
Signature	Date

2/23/2010

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

NOTE: In addition to the information called for in this section, an explanatory exhibit providing full particulars must be submitted for each question for which a "No" response is provided.

Section III - Assignee/Transferee

1.	Certification. Assignee/Transferee certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Assignee/Transferee further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions and worksheets.	<input checked="" type="radio"/> Yes <input type="radio"/> No
2.	Legal Name of the Assignee/Transferee AFFILIATED MEDIA, INC. FCC TRUST Mailing Address C/O JOSEPH J. LODOVIC, TRUSTEE 101 WEST COLFAX AVENUE, SUITE 1100 City: DENVER State or Country (if foreign address): CO Zip Code: 80202 - Telephone Number (include area code): 3039546360 E-Mail Address (if available):	
3.	Contact Representative (if other than Assignee/Transferee): KENNETH E. SATTEN Firm or Company Name: WILKINSON BARKER KNAUER, LLP Mailing Address: 2300 N STREET, N.W. SUITE 700 City: WASHINGTON State or Country (if foreign address): DC Zip Code: 20037 - Telephone Number (include area code): 2027834141 E-Mail Address (if available): KSATTEN@WBKLAW.COM	
	If more than one Transferee, submit the information requested in Questions 2 and 3 for each transferee.	[Exhibit 8]
4.	Agreements for Sale/Transfer of Station. Assignee/Transferee certifies that: a. the written agreements in the licensee/permittee's public inspection file embody the complete and final agreement for the sale or transfer of the station(s); and b. these agreements comply fully with the Commission's rules and policies.	<input type="radio"/> Yes <input checked="" type="radio"/> No [Exhibit 9]
5.	Changes in interests as a result of assignment/transfer. a. [Enter Changes in Interests Information] _____ _____ or [Exhibit 10]	
	b. Applicant certifies that equity interests not set forth above are non-attributable.	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A [Exhibit 11]
6.	Other Authorizations. List call signs, locations, and facility identifiers of all other broadcast stations in which assignee/transferee or any party to the application has an attributable interest.	<input type="checkbox"/> N/A

7.	Acquisition of Control. List the file number and date of grant of FCC Form 301, 314, or 315 application by which the Commission approved the qualifications of the individual or entity with a pre-existing interest in the licensee/permittee that is now acquiring control of the licensee/permittee as a result of the grant of this application.	[Exhibit 12] <input checked="" type="checkbox"/> N/A [Exhibit 13]
8.	Character Issues. Assignee/Transferee certifies that neither assignee/transferee nor any party to the application has or has had any interest in, or connection with: a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or any party to the application; or b. any pending broadcast application in which character issues have been raised.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 14]
9.	Adverse Findings. Assignee/Transferee certifies that, with respect to the assignee/transferee and each party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to any of the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another governmental unit; or discrimination.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 15]
10.	Alien Ownership and Control. Assignee/Transferee certifies that it complies with the provisions of Section 310 of the Communications Act of 1934, as amended, relating to interests of aliens and foreign governments.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 16]
11.	Anti-Drug Abuse Act Certification. Assignor/transferor certifies that neither licensee/permittee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.	<input checked="" type="radio"/> Yes <input type="radio"/> No

I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations. I hereby waive any claim to the use of any particular frequency as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and request an authorization in accordance with this application. (See Section 304 of the Communications Act of 1934, as amended.)

Typed or Printed Name of Person Signing JOSEPH J. LODOVIC, IV	Typed or Printed Title of Person Signing TRUSTEE
Signature	Date 2/23/2010

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

Exhibit 1

Description: PURPOSE OF AMENDMENT

THE PURPOSE OF THE FIRST AMENDMENT WAS TO PROVIDE THE COMMISSION A COPY OF THE ATTACHED BANKRUPTCY COURT ORDER ESTABLISHING THE LIQUIDATING TRUST AND APPROVIING THE ASSUMPTION AND ASSIGNMENT OF THE FCC BROADCAST LICENSES TO THE TRUST, SUBJECT TO FCC APPROVAL.

THE PURPOSE OF THIS SECOND AMENDMENT IS TO PROVIDE (1) A REVISED EXHIBIT 10 TO INCLUDE THE ADDRESSES FOR THE TRUSTEES; AND (2) SCHEDULE 1.04 OF THE LIQUIDATING TRUST AGREEMENT IN EXHIBIT 5.

Attachment 1

Description

BANKRUPTCY COURT ORDER ESTABLISHING LIQUIDATING TRUST AND THE ASSIGNMENT OF FCC LICENSES TO TRUST
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Exhibit 2

Description: USE OF FCC 316 APPROPRIATE

THE INSTANT APPLICATION INVOLVES THE INVOLUTARY ASSIGNMENT OF THE FCC BROADCAST LICENSES HELD BY THE LICENSEE TO A LIQUIDATING TRUST PURSUANT TO AN ORDER OF THE BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE IN A REORGANIZATION CASE UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE (THE 'BANKRUPTCY CODE') FOR THE DISTRICT OF DELAWARE. SEE EXHIBIT 10.

Attachment 2

Exhibit 5

Description: ATTACHMENT 5

PREPACKAGED PLAN OF REORGANIZATION OF AFFILIATED MEDIA, INC.

DISCLOSURE STATEMENT DATED DECEMBER 18, 2009 OF AFFILIATED MEDIA, INC.

BANKRUPTCY COURT MOTION TO ESTABLISH LIQUIDATING TRUST AND TO ASSIGN FCC LICENSES TO TRUST

PROPOSED ORDER TO ESTABLISH LIQUIDATING TRUST AND TO ASSIGN FCC LICENSES TO TRUST (EXHIBIT A TO BANKRUPTCY COURT MOTION)

LIQUIDATING TRUST AGREEMENT (EXHIBIT B TO BANKRUPTCY COURT MOTION)

TIME BROKERAGE AGREEMENT (TV)

TIME BROKERAGE AGREEMENT (RADIO)

SCHEDULE 1.04 TO THE LIQUIDATING TRUST AGREEMENT

THE EXHIBITS TO THE PLAN AND THE DISCLOSURE STATEMENT (OTHER THAN THE PLAN ITSELF, WHICH IS EXHIBIT 1 TO THE DISCLOSURE STATEMENT) HAVE NOT BEEN SUBMITTED AS THEY ARE LENGTHY AND NOT GERMANE TO THE COMMISSION'S REVIEW OF THE APPLICATION. THE OMITTED EXHIBITS ARE LISTED IN THE TABLE OF CONTENTS OF EACH DOCUMENT AND WILL BE PROVIDED IF REQUESTED BY THE COMMISSION.

THE MOTION SEEKING BANKRUPTCY COURT APPROVAL TO ESTABLISH THE LIQUIDATING TRUST AND AUTHORIZATION TO ASSIGN FCC LICENSES TO THE LIQUIDATING TRUST HAS BEEN FILED AND A PROPOSED ORDER SUBMITTED, BUT THE COURT HAS NOT YET ISSUED SUCH ORDER. THE MOTION IS EXPECTED TO BE HEARD BY THE BANKRUPTCY COURT ON OR ABOUT FEBRUARY 9, 2010.

Attachment 5

Description
PREPACKAGED PLAN OF REORGANIZATION OF AFFILIATED MEDIA, INC.
DISCLOSURE STATEMENT DATED DECEMBER 18, 2009 OF AFFILIATED MEDIA, INC.
BANKRUPTCY COURT MOTION TO ESTABLISH LIQUIDATING TRUST AND TO ASSIGN FCC LICENSES TO TRUST
PROPOSED ORDER TO ESTABLISH LIQUIDATING TRUST AND TO ASSIGN FCC LICENSES TO TRUST (EXHIBIT A TO BANKRUPTCY COURT MOTION)

LIQUIDATING TRUST AGREEMENT (EXHIBIT B TO BANKRUPTCY COURT MOTION)
TIME BROKERAGE AGREEMENT (TV)
TIME BROKERAGE AGREEMENT (RADIO)
SCHEDULE 1.04 TO THE LIQUIDATING TRUST AGREEMENT

Exhibit 9

Description: EXHIBIT 9

SEE EXHIBIT 5.

Attachment 9

Exhibit 10

Description: DESCRIPTION OF TRANSACTION AND CHANGES IN INTERESTS

Attachment 10

Description
DESCRIPTION OF TRANSACTION AND CHANGES IN INTERESTS

Exhibit 12

Description: OTHER AUTHORIZATIONS

GRAHAM NEWSPAPERS, INC., A SUBSIDIARY OF AFFILIATED MEDIA, INC. (FORMERLY MEDIANEWS GROUP, INC.), IS THE LICENSEE OF THE FOLLOWING RADIO STATIONS:
 KSWA(AM), GRAHAM, TEXAS (FIN 35644);
 KWKQ(FM), GRAHAM, TEXAS (FIN 35643);
 KROO(AM), BRECKENRIDGE, TEXAS (FIN 7703); AND
 KLXK(FM), BRECKENRIDGE, TEXAS (FIN 7702).

Attachment 12

Schedule 1.04
FCC Trustees

William Dean Singleton

Joseph J. Lodovic, IV

Howell E. Begel, Jr.

EXHIBIT 10

Description of Transaction and Changes in Interests

The instant application and a companion application filed contemporaneously herewith seek the consent of the Commission to the involuntary *pro forma* assignment of the broadcast licenses held by Alaska Broadcasting, Inc. (“Alaska Broadcasting”) and Graham Newspapers, Inc. (“GNI”) to the Affiliated Media, Inc. FCC Trust (the “Liquidating Trust”) pursuant to an order of the United States Bankruptcy Court for the District of Delaware and as contemplated by the Prepackaged Plan of Reorganization (the “Prepackaged Plan”) proposed by Affiliated Media, Inc. (formerly named MediaNews Group, Inc.) (“AMI”) and filed in the Bankruptcy Court.

A. Background

Through subsidiaries, AMI publishes 54 daily and over 100 non-daily newspapers in 11 states. The daily newspapers include The Denver Post, San Jose Mercury News, St. Paul Pioneer Press, Los Angeles Daily News, The Salt Lake Tribune, The Detroit News, and Oakland Tribune. The daily newspapers that AMI and its subsidiaries control have a combined daily and Sunday paid circulation of approximately 2.4 million and 2.5 million, respectively, as of September 30, 2009. AMI and its operating subsidiaries constitute the second largest newspaper publisher in the United States in terms of paid daily circulation under management.

While primarily a newspaper publishing company, AMI, through subsidiaries, also operates a television station in Alaska and four radio stations in Texas. Alaska Broadcasting is the licensee of television station KTVA(TV), Anchorage, Alaska.¹ GNI is the licensee of radio stations KSWA(AM) and KWKQ(FM), Graham, Texas and KROO(AM) and KLXK(FM), Breckenridge, Texas.² These broadcast operations of AMI produced less than 1.0% of AMI’s consolidated revenues for the fiscal year ended June 30, 2009.

In recent years, the newspaper publishing industry has suffered declining circulation and advertising revenues due to alternative choices for readers and advertisers in an increasingly competitive marketplace for delivery of news and advertising. The recent recession has placed an even greater burden on an already distressed industry. As a

¹ AMI owns 95 percent of the outstanding stock of Alaska Broadcasting. The remaining 5 percent of the stock is held by several individuals.

² GNI is a wholly-owned subsidiary of AMI.

result, AMI has experienced a substantial decrease in operating revenues and cash flow. Although AMI has aggressively sought to reduce expenses, enhance revenues and monetize various assets, its operating cash flow has been insufficient to support AMI's obligations.

After lengthy negotiations, AMI and certain of its senior lenders under its Senior Credit Agreement reached agreement on the material terms of a plan of reorganization for AMI. Pursuant to this plan of reorganization, the debt of AMI will be substantially reduced by converting much of the existing debt to equity. The plan of reorganization agreed upon by AMI and its senior lenders is embodied in the Prepackaged Plan included in Exhibit 5 hereto. Also included in Exhibit 5 is the Disclosure Statement regarding the Prepackaged Plan that was provided to certain creditors of AMI before filing the bankruptcy case. The Prepackaged Plan has been voted upon and accepted by all of the impaired classes entitled to vote in excess of the requirements provided in the Bankruptcy Code.

On January 22, 2010, AMI filed a voluntary petition for relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware seeking to reorganize under chapter 11 of the Bankruptcy Code and confirm the Prepackaged Plan.³ The Prepackaged Plan and Disclosure Statement were filed with the Bankruptcy Court shortly after the filing of the bankruptcy case, as well as the certification of votes accepting the Prepackaged Plan. AMI is now operating as a debtor-in-possession ("AMI-DIP") under the Bankruptcy Court's jurisdiction and oversight.

B. Plan – Liquidating Trust

The Prepackaged Plan contemplates that the Liquidating Trust will be established pursuant to a separate order of the Bankruptcy Court. Attached hereto in Exhibit 5 is a copy of the motion filed with the Bankruptcy Court on behalf of AMI-DIP seeking Bankruptcy Court approval to establish the Liquidating Trust and Bankruptcy Court approval to assign the FCC licenses held by Alaska Broadcasting and GNI to the Liquidating Trust, subject to FCC approval. A proposed Bankruptcy Court Order is included with the motion.

Upon entry of the order of the Bankruptcy Court establishing the Liquidating Trust and grant by the FCC of the applications to assign the FCC licenses held by Alaska Broadcasting and GNI to the Liquidating Trust, these FCC licenses and certain related assets will be assigned to the Liquidating Trust.⁴ The FCC licenses held by Alaska

³ Applications were filed on January 25, 2010 on FCC Form 316 seeking Commission consent to the transfer of control of Alaska Broadcasting (File No. -20100125ADC) and GNI (File No. -20100125ADJ) to AMI as debtor-in-possession.

⁴ A copy of the form of the Trust Agreement for the Liquidating Trust is attached hereto in Exhibit 5.

Broadcasting and GNI will be assigned to the Liquidating Trust in a two-step procedure. That is, the licenses will first be assigned by Alaska Broadcasting and GNI to AMI-DIP and then immediately assigned by AMI-DIP to the Liquidating Trust upon confirmation of the Prepackaged Plan by the Bankruptcy Court and subject to FCC approval. As proposed, and consistent with FCC precedent, the FCC licenses held by Alaska Broadcasting and GNI would “pass-through” AMI-DIP and immediately be assigned by AMI-DIP to the Liquidating Trust.⁵

Upon the assignment of the FCC licenses by Alaska Broadcasting and GNI to the Liquidating Trust, Time Brokerage Agreements will be executed pursuant to which Alaska Broadcasting (for television station KTVA(TV)) and GNI (for the Texas radio stations) will provide certain programming and operational services to the Liquidating Trust. The Time Brokerage Agreements with Alaska Broadcasting and GNI will allow for continuity and stability in the operations of these broadcast stations pending disposition of the broadcast licenses and related assets held in the Liquidating Trust.⁶

Upon the effective date of the confirmation of the Prepackaged Plan by the Bankruptcy Court, AMI will emerge from bankruptcy, will cease to operate as a debtor-in-possession, and will have new ownership (“Reorganized AMI”). AMI and its senior lenders desire to have Reorganized AMI emerge from bankruptcy as quickly as possible as a newspaper publishing company. The establishment of the Liquidating Trust is intended to facilitate AMI-DIP’s expeditious emergence from bankruptcy while the ultimate disposition of the stations is being determined. The Liquidating Trust Agreement provides that in no event shall the broadcast licenses or the license-related assets revert to AMI or to any of its subsidiaries. Under the Liquidating Trust Agreement, the trustees are authorized to negotiate, conduct, or otherwise arrange for a sale of the trust assets and to obtain all necessary approval from the Commission for such sale. Thus, long-form applications will be filed seeking FCC approval for the assignment of the station licenses once a purchaser has been identified.

Until such time as these licenses are assigned pursuant to FCC long-form approval, control of the stations will be vested exclusively in the Liquidating Trust. The Trust will be controlled by the Trustee Board which will consist of William Dean Singleton, Joseph J. Lodovic, IV and Howell E. Begle, Jr. These same individuals currently constitute the Boards of Directors of AMI-DIP, Alaska Broadcasting and GNI.⁷ In addition, Mr. Singleton is Chief Executive Officer and Mr. Lodovic is President of all three companies.

⁵ See *John H. Phipps, Inc.*, 11 FCC Rcd. 13053 (1996).

⁶ Copies of the forms of Time Brokerage Agreements to be executed are included in Exhibit 5.

⁷ Messrs. Singleton, Lodovic and Begle are U.S. citizens who hold no attributable interest in any broadcast stations other than those currently licensed to Alaska Broadcasting and GNI. The address for each of these Trustees is 101 West Colfax Avenue, Suite 1100, Denver, CO 80202.

The Trustee Board will, at all times, be subject to the ultimate jurisdiction and supervision of the Bankruptcy Court.⁸ The beneficiaries of the Liquidating Trust will be AMI and/or such other persons or entities designated by the Trustees and AMI.

C. FCC Form 316 is Appropriate

As explained below, the instant *pro forma* transactions are involuntary and do not involve a substantial change of control of the television station licensed to Alaska Broadcasting or the radio stations licensed to GNI. Accordingly, consistent with Commission precedent for similar transactions, FCC Form 316 may be used to authorize the assignment of the licenses for the television stations licensed to Alaska Broadcasting and for the radio stations licensed to GNI to the Liquidating Trust as described herein.

1. Assignments Are Involuntary

The Commission has approved the use of Form 316 for bankruptcy proceedings that result in an involuntary assignment of an FCC license or transfer of control of an FCC license to a court-appointed trustee.⁹ The assignment of the FCC licenses from Alaska Broadcasting and GNI to the Liquidating Trust is involuntary because the Plan requires the appointment of the Trust to hold the FCC licenses for the stations and for the Trustee Board to exercise licensee control over the stations.

The Bankruptcy Court will have continuing jurisdiction over the actions of the Trustee Board in the same manner as if it had, itself, appointed a trustee to oversee the stations. The Liquidating Trust and the actions of the Trustee Board will remain subject to the continuing ultimate jurisdiction and supervision of the Bankruptcy Court until the stations and licenses are disposed of pursuant to long-form approval by the Commission and approval by the Bankruptcy Court. Because the Bankruptcy Court will have continued control over the Liquidating Trust in the same manner as if the Bankruptcy Court had itself appointed a trustee to oversee the stations, the proposed transactions are involuntary and *pro forma*.

2. The Assignments Do Not Involve a Substantial Change of Control

FCC Form 316 may be used to obtain Commission approval for a transaction that does not effectuate a substantial change in control of an FCC license. The assignments of the FCC licenses from Alaska Broadcasting and GNI to the Liquidating Trust do not result in a substantial change of control. While the Liquidating Trust is in

⁸ See Sections 6.17 and 11.1(l) of the Plan.

⁹ See 47 C.F.R. § 73.3541. See also, e.g., FCC File No. BTCCT-20080910AAD.

effect, the Trustee Board's control of the licenses for the Alaska television station and the Texas radio stations will remain subject to the ultimate jurisdiction and supervision of the Bankruptcy Court. Moreover, the Trustee Board will consist of the same members of the existing Board of Directors of each of AMI-DIP, Alaska Broadcasting and GNI.

3. **Media Bureau Precedent Supports the Use of FCC Form 316**

The use of FCC Form 316 for a *pro forma* transaction utilizing a liquidating trust is consistent with precedent. In 2005, the Media Bureau approved the *pro forma* transfer of control of several subsidiaries of Pegasus Communications Corporation to a liquidating trust in a bankruptcy case until such time as station assets could be assigned or transferred to "permanent" holders pursuant to Commission approval of long-form applications.¹⁰ More recently, the Media Bureau has approved the *pro forma* transfer of control of ION Media Networks, Inc. and its license subsidiaries to a liquidating trust.¹¹

The assignment of the FCC licenses currently held by Alaska Broadcasting and GNI to the Liquidating Trust is analogous to the Pegasus and ION cases and the use of FCC Form 316 for the instant assignment applications is appropriate.

¹⁰ See, e.g., FCC File No. BTCCT-20050408ADB.

¹¹ See, e.g., FCC File No. BALCDT-20090901AAM.