

DESCRIPTION OF TRANSACTION

This application is one of a coordinated group of applications being filed concurrently and collectively requesting Commission consent to the following radio station license assignments:

- The assignment of the following radio stations (collectively the “Entercom Stations”) from The Entercom Divestiture Trust (the “Entercom Trust”) to license subsidiaries of iHeartCommunications, Inc. (“iHeart”):
 - KFNQ(AM), Seattle, Washington (Facility ID #6387)
 - KJAQ(FM), Seattle, Washington (Facility ID #1091)
 - KZOK-FM, Seattle, Washington (Facility ID #20357)
 - WBZ(AM), Boston, Massachusetts (Facility ID #25444)
 - WKAF(FM), Brockton, Massachusetts (Facility ID #19633)
 - WRKO(AM), Boston, Massachusetts (Facility ID #1902)
 - WZLX(FM), Boston, Massachusetts (Facility ID #13806)
- The assignment of the following radio stations (collectively the “iHeart Stations”) from license subsidiaries of iHeart to license subsidiaries of Entercom Communications Corp. (“Entercom”):
 - WBTJ(FM), Richmond, Virginia (Facility ID #74168)
 - WKXJ(FM), Walden, Tennessee (Facility ID #14735)
 - WLND(FM), Signal Mountain, Tennessee (Facility ID #72371)
 - WRNL(AM), Richmond, Virginia (Facility ID #11960)
 - WRVA(AM), Richmond, Virginia (Facility ID #11914)
 - WRVQ(FM), Richmond, Virginia (Facility ID #11963)
 - WRXL(FM), Richmond, Virginia (Facility ID #11961)
 - WRXR-FM, Rossville, Georgia (Facility ID #72375)
 - WTVR-FM, Richmond, Virginia (Facility ID #54387)
 - WUSY(FM), Cleveland, Tennessee (Facility ID #12315)

- The assignment of the following radio stations (collectively the “iHeart Divestiture Stations”), currently licensed to iHeart subsidiaries, to Ocean Station Trust LLC (“Ocean Trust”), a qualified divestiture trust:
 - KFOO(FM), Centralia, Washington (Facility ID #33829)
 - KUBE(FM), Eatonville, Washington (Facility ID #3915)
 - WKOX(AM), Everett, Massachusetts (Facility ID #53964)

Various applications are currently pending before the Commission that relate to the proposed merger of an Entercom subsidiary with and into CBS Radio Inc. (“CBS Radio”), a transaction (the “Entercom Merger”) that will result in the transfer of control of CBS Radio to Entercom. Among the pending applications relating to the Entercom Merger are applications proposing to assign various Entercom and CBS Radio stations—including the Entercom Stations herein—to the Entercom Trust. Upon consummation of the Entercom Merger following Commission approval, the Entercom Stations will be assigned to the Entercom Trust. Accordingly, the Entercom Trust is specified as the assignor of the Entercom Stations in the instant applications.¹

The exchange transaction for which consent is being requested by way of these applications is governed by an Asset Exchange Agreement (“AEA”) dated November 1, 2017, by and among various Entercom subsidiaries, various CBS Radio subsidiaries and various iHeart subsidiaries. A copy of the AEA is being supplied with each of the applications. Pursuant to the AEA, Entercom (or the Entercom Trust, as applicable) will convey the Entercom Stations (together with associated broadcast auxiliaries, microwave and earth station facilities) to iHeart subsidiaries, and iHeart subsidiaries will convey the iHeart Stations, together with associated broadcast auxiliaries and FM translators, to one or more Entercom subsidiaries.

As demonstrated in the relevant Form 314 applications, iHeart’s acquisition of the Entercom Stations would result in iHeart exceeding the limits of the local radio ownership rule by one (1) AM station in the Boston, MA radio market, and by two (2) FM stations in the Seattle-Tacoma, WA radio market. Accordingly, simultaneously with the closing under the AEA, iHeart proposes to divest the iHeart Divestiture Stations to Ocean Trust. The use of a divestiture trust is appropriate, as this is a multi-station, multi-market transaction, where divestiture trusts have previously been approved.

¹ The parties anticipate that the Entercom Merger will have been consummated, and the Entercom Stations assigned to the Entercom Trust, before the consummation of the exchange transaction herein. In the event the Entercom Merger and the instant exchange transaction close concurrently, then at such concurrent closings the Entercom Station licenses would be conveyed to the Entercom Trust, which would then immediately assign the licenses to the specified iHeart assignees.

Accordingly, the following applications are being filed concurrently:

- (1) two (2) Form 314 applications requesting Commission consent to the assignment of the licenses for the Entercom Stations from the Entercom Trust to iHeart subsidiaries;
- (2) six (6) Form 314 applications and one (1) Form 345 application² requesting Commission consent to the assignment of the licenses for the iHeart Stations (and related FM translators) from iHeart license subsidiaries to Entercom license subsidiaries; and
- (3) two (2) Form 314 applications requesting Commission consent to the assignment of the iHeart Divestiture Stations from iHeart license subsidiaries to Ocean Trust.

Entercom, iHeart and the Entercom Trust have agreed to enter into a local marketing agreement (the “Entercom Station LMA”) pursuant to which iHeart subsidiaries will provide programming to the Entercom Stations until the closing of the instant exchange transaction. The Entercom Station LMA shall be effective one day after the consummation of the Entercom Merger with respect to stations WBZ(AM), WKAF(FM) and WZLX(FM) in the Boston market. It may take effect with respect to Boston station WRKO(AM) and Seattle-Tacoma stations KJAQ(FM) and KZOK-FM only upon consummation of the assignment of the iHeart Divestiture Stations to the Ocean Trust.

Entercom and iHeart have also agreed to enter into a local marketing agreement (the “iHeart Station LMA”), to be effective on a mutually agreeable date, pursuant to which Entercom and/or its subsidiaries will provide programming to the iHeart Stations until the closing of the instant exchange transaction.

Forms of the Entercom Station LMA and the iHeart Station LMA will be supplied in one or more amendments to the pertinent applications once available.

² A FCC Form 345 is being filed to assign FM translator station W253BI, Glen Allen, VA, which is associated with the iHeart Stations, to an Entercom subsidiary.