

LOTUS COMMUNICATIONS CORP. & AFFILIATES

I.

STRUCTURE

A.

OVERVIEW

Lotus Communications Corp. (Lotus Corp.), a California corporation, is a holding and operating company, with headquarters at 3301 Barham Boulevard 90068, Los Angeles, California. Lotus Corp. and its affiliates (collectively, the "Company") own and operate (i) twenty-four radio stations, with an AM station (1100 kHz) under construction in Las Vegas, Nevada, (ii) three FM translator stations and (iii) three Low Power Television stations. The radio stations are in Arizona, California, Nevada and Texas; the television stations are in Arizona, Florida and Texas.

Lotus Corp. is controlled by Howard A. Kalmenson of Los Angeles, California, who votes all the outstanding, voting shares in Lotus Corp. and votes all equity interests held by Lotus Corp. in its affiliates. Stated otherwise, Howard A. Kalmenson exclusively controls the Company.

Lotus Corp. has two classes of stock - Class A common and voting and Class B common and non-voting. There are 500 issued and outstanding shares of Class A stock. These shares are owned, in equal parts, by The Howard A. Kalmenson Trust (Howard A. Kalmenson Trustee) and The Lilli Kalmenson Rosenbloom Trust (Lilli Kalmenson Rosenbloom, Trustee). The Class B non-voting common stock - 85 shares are issued and outstanding - are held by Diane K. Levine of Ryebrook, New York, in her individual capacity (eighty shares), and as Executor of the Estate of Burton Levine (five shares). The stockholders and trustees of Lotus Corp. are U.S. citizens, and U.S. entities.

The equity interest in Lotus Corp. is owned and held as follows:

The Howard A. Kalmenson Trust (42.66%)
The Lilli Kalmenson Rosenbloom Trust (42.66%)
Diane K. Levine, individually (13.82%)
Diane K. Levine, Executor of the Estate of Burton Levine (0.86%)

B.

COMPANY RADIO INTERESTS

The Company's radio station holdings are set out in Part III hereof. The Company's radio licensees consist of (a) Lotus Corp, and five, first-tier, corporate subsidiaries, together with (b) a non-corporate affiliate, Texas Lotus Ltd.

CORPORATE RADIO AFFILIATES

Lotus Corp.'s corporate radio affiliates are:

Arizona Lotus Corp., an Arizona corporation
Lotus Broadcasting Corp., a Nevada corporation
Lotus Radio Corp., a Nevada corporation
Lotus Oxnard Corp., a California corporation
Lotus Bakersfield Corp., a California corporation

NON-CORPORATE RADIO AFFILIATE

Lotus Corp. has a single, non-corporate radio affiliate, Lotus Texas Ltd. which is a Texas limited partnership, composed of Texas Lotus Management Corp., a Nevada corporation (general partner), and Texas Lotus Investments, a Nevada limited liability company (limited partner). The former and latter entities respectively own 1% and 99% of the equity in Texas Lotus, Ltd. and are wholly-owned by Lotus Broadcasting Corp. which, as noted above, is a first-tier corporate subsidiary of Lotus Corp.

C.

COMPANY TELEVISION INTERESTS

The Company's television station holdings are set out in Part IV hereof. The Company's television licensees consist of an Arizona and a Florida limited liability company and a Texas limited partnership. The Arizona limited liability company is Lotus TV of Phoenix LLC, licensee of Station KPHE-LP, Phoenix, Arizona; the Florida limited liability company is Lotus TV of Tampa LLC, licensee of Station WTAM-LP, Tampa, Florida. The Texas limited partnership is Lotus TV of Houston Ltd, which consists of Texas Lotus TV Management, a Texas limited liability company (general partner), and Texas Lotus Investment No. 2 LLC, a Nevada limited liability company (limited partner). The former and latter entities respectively own 1% and 99% of the equity in Lotus TV of Houston Ltd., each of these entities is owned directly by Lotus Corp.

II.

COMPANY OFFICIALS

A.

CORPORATE RADIO STATION OFFICIALS

DIRECTORS

The directors of Lotus Corp. and each of its corporate subsidiaries are:

Howard A. Kalmenson
James Kalmenson
Lilli Kalmenson Rosenbloom

OFFICERS

The officers of Lotus Corp. and its corporate subsidiaries are:

LOTUS CORP.

Howard A. Kalmenson, President
Lilli Kalmenson Rosenbloom, Vice President
Jerry Roy, Senior Vice President and Secretary
William H. Shriftman, Senior Vice President and Treasurer
James Kalmenson, Vice President
Jay Levine, Assistant Secretary

LOTUS BROADCASTING CORP.

Howard A. Kalmenson, President
Lilli Kalmenson Rosenbloom, Vice President
Jerry Roy, Senior Vice President and Secretary
William H. Shriftman, Senior Vice President and Treasurer
Tony Bonnici, Vice President

LOTUS RADIO CORP.

ARIZONA LOTUS CORP.

LOTUS OXNARD CORP.

LOTUS BAKERSFIELD CORP.

Howard A. Kalmenson, President
Lilli Kalmenson Rosenbloom, Vice President
Jerry Roy, Senior Vice President and Secretary

William H. Shriftman, Senior Vice President and Treasurer

B.

NON-CORPORATE RADIO STATION OFFICIALS

The officials of Texas Lotus, Ltd are:

TEXAS LOTUS MANAGEMENT CORP., General Partner

Jay Levine, President and Secretary

William H. Shriftman, Senior Vice President and Treasurer

TEXAS LOTUS INVESTMENTS , LLC, LIMITED PARTNER

Howard A. Kalmenson, Manager

C.

TELEVISION STATION OFFICIALS

The officials of Lotus TV of Tampa LLC and Lotus TV of Phoenix LLC are:

James Kalmenson, Manager

James Kalmenson, President

Jerry Roy, Senior Vice President (Compliance)

William Shriftman, Senior Vice President (Finance)

Howard A. Kalmenson , Secretary

The officials of Lotus TV of Houston Ltd. are:

TEXAS LOTUS TV MANAGEMENT, LLC (General Partner)

James Kalmenson, Manager

TEXAS LOTUS INVESTMENT NO. 2, LLC (Limited Partner)

James Kalmenson, Manager

D.

INFORMATION CONCERNING CORPORATE OFFICIALS

Each individual who holds a directorship or other official position in the Company is a U.S. citizen.

1. Family Relationships

Howard A. Kalmenson and Diane K. Levine are brother and sister.

Howard A. Kalmenson and Lilli Kalmenson Rosenbloom are the father and mother, respectively, of James Kalmenson and Diane K. Levine is his aunt.

Howard A. Kalmenson and Diane K. Levine are the uncle and mother, respectively, of Jay Levine.

Lilli Kalmenson Rosenbloom is the aunt of Jay Levine.

Diane K. Levine is the aunt of James Kalmenson.

James Kalmenson and Jay Levine are first cousins.

2. Addresses

Howard A. Kalmenson
Lotus Communications Corp.
3301 Barham Boulevard
Los Angeles, CA 90068

James Kalmenson
Station KWKW
3301 Barham Boulevard
Los Angeles, CA 90068

Diane K. Levine
17 Reunion Road
Ryebrook, NY 10573

Estate of Burton Levine
Diane K. Levine, Executor
17 Reunion Road
Ryebrook, NY 10573

Jay Levine
Station KZEP-FM
427 East Ninth Street
San Antonio, TX 78215

Lilli Kalmenson Rosenbloom
Lotus Interiors
5031 Brewster
Tarzana, CA 91352

Jerry Roy
Lotus Communications Corp.
3301 Barham Boulevard
Los Angeles, CA 90068

William H. Shriftman
Lotus Communications Corp.
3301 Barham Boulevard
Los Angeles, CA 90068

Tony Bonnici
Lotus Broadcasting Corp.
8755 W. Flamingo Road
Las Vegas, NV 89147

III.

RADIO BROADCAST STATION LICENSEES

A. Lotus Communications Corp.

1. KWKU (AM)
1220 kHz
Pomona, CA
Facility Number: 1925
2. KGST (AM)
1600 kHz
Fresno, CA
Facility Number: 38453
3. KWKW (AM)
1330kHz
Los Angeles, CA
Facility Number: 38454

4. KLBN (FM)
Channel 286B1, 105.1MHz
Auberry, CA
Facility Number: 38455
5. KMMM (FM)
Channel 296B1, 107.1 MHz
Madera, CA
Facility Number: 51845

B. Lotus Broadcasting Corp.

1. K257BU (FM Translator)
Channel 255, 98.9 MHz
Henderson, NV
Facility Number: 38447
2. KBAD (AM)
920 kHz
Las Vegas, NV
Facility Number: 38448
3. KENO (AM)
1460 kHz
Las Vegas, NV
Facility Number: 38449
4. KXPT (FM)
Channel 246C, 97.1 MHz
Las Vegas, NV
Facility Number: 38450
5. KOMP (FM)
Channel 222C, 92.3 MHz
Las Vegas, NV
Facility Number: 38451
6. KWWN (AM) (Under Construction)
1100 kHz
Las Vegas, NV
Facility Number: 137871

C. Lotus Radio Corp.

1. KOZZ-FM
Channel 289C, 105.7 MHz
Reno, NV
Facility Number: 38452
2. KDOT (FM)
Channel 283C, 104.5 MHz
Reno, NV
Facility Number: 38457
3. KHIT (AM)
1450 kHz
Reno, NV
Facility Number: 38458
4. KPLY (AM)
630 kHz
Reno, NV
Facility Number: 50304
5. KUUB (FM)
Channel 233C3, 94.5 MHz
Sun Valley, NV
Facility Number: 83586
6. K232EA (FM Translator)
Channel 232, 94.3 MHz
Carson City, NV
Facility Number: 86396

D. Arizona Lotus Corp.

1. KTKT (AM)
990 kHz
Tucson, AZ
Facility Number: 2744
2. KLPX (FM)
Channel 241C, 96.1 MHz
Tucson, AZ
Facility Number: 2745

3. KFMA (FM)
Channel 221C2, 92.1 MHz
Green Valley, AZ
Facility Number: 2746
4. KCMT (FM)
Channel 271C1, 102.1 MHz
Oro Valley, AZ
Facility Number: 87841
5. Station K267AF (FM Translator)
Channel 267D, 101.3 MHz
Tucson, AZ
Facility Number: 82314

E. Lotus Oxnard Corp.

1. KIRN (AM)
670 kHz
Simi Valley, CA
Facility Number: 69743

F. Lotus Bakersfield Corp.

1. KPSL-FM
Channel 221A, 92.1 MHz
Bakersfield, CA
Facility Number: 35108
2. KWAC (AM)
1490 kHz
Bakersfield, CA
Facility Number: 35109
3. KCHJ (AM)
1010 kHz
Delano, CA
Facility Number: 35111
4. KIWI (FM)
Channel 275B1, 102.9 MHz
McFarland, CA
Facility Number: 8108

G. Texas Lotus Ltd.

KZEP-FM
Channel 283C1, 104.5 MHz
San Antonio, TX
Facility Number: 65329

IV.

TV BROADCAST STATION LICENSEES

A. Lotus TV of Tampa LLC

WTAM-LP
Channel 30
Tampa, Florida
Facility Number 9027

B. Lotus TV of Phoenix LLC

KPHE-LP
Channel 44
Phoenix, Arizona
Facility Number 30885

C. Lotus TV of Houston Ltd.

KHLM-LP
Channel 43
Houston, Texas
Facility Number 57189