

DECLARATION OF BURNS BARR

Burns Barr declares as follows:

I am the executive vice president of Beech Street Communications Corporation (“BSCC”), and the station manager for its Class A television station KLFI-LP, Texarkana, Arkansas.

BSCC is a nonprofit corporation with tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. The corporation’s governing board consists of eight volunteer directors. As the station manager, I lead a staff of just three full-time employees (which includes myself) and several part-timers. The station broadcasts a full-time schedule of programming 24 hours per day seven days per week. We produce eight hours per week in-house of original local programming on a regular basis. We also assist and coordinate with local organizations in the community who produce an additional four hours of programming per week on average. The station has an average annual operating budget of approximately \$250,000. Funds for operating the station are raised through off-air fundraising events, solicitation of financially capable local individuals and businesses, and grants. It is BSCC’s policy to refrain from on-air solicitation of the audience for financial support.

BSCC’s estimated budget for the digital build out of KLFI-LP is as follows:

UHF digital transmitter	\$ 25,500
Two-channel digital encoder	4,000
EAS equipment for all channels	1,500
Digital studio and production equipment	200,000
Shipping, installation, misc.	<u>8,500</u>
TOTAL	\$239,500.

Of the total amount for this build-out budget, approximately \$205,000 has been raised during the past two years and used principally to upgrade the station by installing digital high definition studio and production facilities.

At the beginning of May of this year, we anticipated that we would be able to raise the additional \$34,500 in funds necessary to complete construction of the digital transmission facilities and place the digital station in operation prior to the end of the construction permit. The task of raising the last funds needed to be managed and conducted principally by myself. The primary target of this final fundraising effort was to be known supporters of the station in the community who have available resources.

In March of 2015, I was diagnosed with cancer. Shortly thereafter I was required to stay in Houston for a month to receive an extended course of medical treatment. Since then, I have been receiving chemotherapy twice per month. Each session of this therapy involves spending

three days at a treatment facility in Houston, approximately 300 miles from Texarkana. Aside from the cancer issues, I was also hospitalized in June for ten days for treatment of an embolism. While I am able to lead a mostly normal life between the sessions of chemotherapy, I am very fatigued much of time. Under these conditions, I have been unable to work as hard as necessary to manage all aspects of the day-to-day operation of the station and to meet the additional demands of fundraising for capital improvements.

Despite knowing of my illness in the spring, we anticipated that I would be able to achieve the objectives for completing construction of the digital transmission facilities during the life of the permit. However, at that early stage of my illness, I did not realize how much the cancer and the chemotherapy would drain me of energy. My persistent fatigue has come as a surprise to me. Unfortunately, under these conditions was not successful in raising the capital funds needed to complete the station.

If the permit is extended, it is now our plan to obtain bank financing to complete the build-out of the digital transmission facilities. The board of directors and I are confident that we have the necessary qualifications to obtain such financing. We believe we can close on that borrowing within 30 to 60 days. The equipment vendors indicate that they can deliver and install the remaining necessary equipment on a 60-day schedule. Thus we anticipate being able to complete construction in the range of 90 to 120 days, or approximately by March 1, 2016.

The foregoing statement is given under the penalty of perjury, and is true and correct to the best of my personal knowledge.



Burns Barr
Executive Vice President

10-28-2015
Date