

Further Explanation Regarding Changes in Interest

The changes-in-interest dynamic of the proposed assignment cannot be fully explained within the graphical format of the Changes in Interest section of Form 316. This exhibit provides the further information needed for a complete response.

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Background. Until July 24, 2020, radio broadcast station KRCK-FM was licensed to Major Market Radio LLC (“Major Market Radio”). The parent corporation of Major Market Radio is Royce International Broadcasting LLC (“Royce”). Edward R. Stolz II is the sole member and owner of Royce.

On July 24, 2020, the Commission granted an application on Form 316 for its consent to the assignment of the FCC license for KRCK-FM to W. Lawrence Patrick, Receiver (LMS File No. BALH-20200716AAD).¹ The receiver-licensee thereupon held a voting interest of 100 percent. In the nature of the case as a receivership, however, Mr. Patrick’s appointment was subject to the equity rights of Edward Stolz by way of Mr. Stolz’ ownership of Royce International, the 100 percent owner of Major Market Radio. Accordingly, the equity interest remained as it had been prior to the assignment – *i.e.*, in the hands of Mr. Stolz.²

Thus, the structure of voting and equity interests at that juncture was:

Name	Before Assignment		After Assignment	
	Voting %	Equity %	Voting %	Equity %
Edward R. Stolz II (as 100% owner of Royce International, the 100% owner of Major Market Radio)	100	100	0	100
W. Lawrence Patrick, Receiver	0	0	100	0

The Proposed Involuntary Assignment. On October 19, 2021, Major Market Radio filed a petition for protection under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court

¹ Mr. Patrick had been appointed as Receiver by the United States District Court for the Central District of California. In addition to KRCK-FM, the receivership included the licenses for FM radio broadcast station KREV, Alameda, California (FCC Facility ID 36029), licensed to Golden State Broadcasting LLC; and FM radio broadcast station KFRH, North Las Vegas, Nevada (FCC Facility ID 19062), licensed to Silver State Broadcasting LLC.

² Notably, Mr. Patrick was not appointed as receiver over Major Market Radio LLC or the other limited liability companies that held the various station licenses; his authority was limited to the three stations themselves.

for the District of Nevada. On February 7, 2022, the Bankruptcy Court issued an Order directing *inter alia* the turnover of the license for KRCK-FM to Major Market Radio (the Chapter 11 debtor) as debtor in possession pursuant to the provisions of Chapter 11. See, Bankruptcy Court Orders, Attachment to Assignor Legal Certifications Exhibit. The instant Schedule 316 application is being filed in furtherance of the Bankruptcy Court's February 7 Order.

Following the Commission's grant of the instant application, the licensee will be Major Market Radio LLC as Debtor in Possession. Inasmuch as Edward R. Stolz II is the sole Manager and 100 percent owner of Royce (the 100 percent owner of Major Market Radio), the "before and after" structure of attributable voting and equity interests is:

Name	Before Assignment		After Assignment	
	Voting %	Equity %	Voting %	Equity %
Edward R. Stolz II (as sole Manager and 100% owner of Royce International, the 100% owner of Major Market Radio, as Debtor in Possession)	0	100	100	100
W. Lawrence Patrick, Receiver	100	0	0	0