Description of Amendment

EDGE SPECTRUM, INC. submits this amendment to provide additional information regarding the status of its efforts to complete construction for KIBN-LD, LUFKIN, TX (Facility ID 28961). EDGE SPECTRUM, INC. has not been able to complete construction because of a delay in getting the necessary equipment from Hitachi Kokusai Electric Comark LLC d/b/a Comark Communications ("Hitachi Comark"). Attached is a copy of the letter from Hitachi Comark documenting this delay and a statement that as of February 28, 2022, it had completed and shipped all of the transmitters. Assuming no further delays, EDGE SPECTRUM, INC. expects to finish construction of the Station's facilities and resume operations by 7/1/2022.

Hitachi Kokusai Electric Comark LLC

February 28, 2022

RE: Status of Transmitter Orders

To Whom It May Concern:

I am writing to provide an update on the status of the delivery of certain UHF and VHF television transmitters from Hitachi Kokusai Electric Comark LLC d/b/a Comark Communications ("Hitachi Comark") to ARK Multicasting ("ARK").

Hitachi Comark is a leading transmitter vendor for the low power television industry. We have been engaging with ARK as a customer for that past several years and have served as the primary supplier of transmitters for stations managed by ARK that were displaced as a result of the broadcast television incentive auction and subsequent frequency repack. This process has been riddled with many obstacles including delays caused by COVID, supply chain issues, and mistakes by other third-party vendors.

ARK's transmitter orders fall into two categories: (1) transmitters for television stations that were operating prior to the incentive auction and were displaced; and (2) transmitters to commence service pursuant to a construction permit.

As of this writing, we have recently completed manufacturing of the displacement transmitters, which we have either shipped to ARK for installation or placed in storage while ARK awaits the completion of the associated antenna and/or the tower application, zoning, and permitting process. The latter is necessary when we are able to manufacture a transmitter before ARK can complete the design of its antenna and obtain all of the approvals required to mount the antenna—a process that we understand can take several years in some cases. Many of the transmitters that we are still working to manufacture, and deliver were ordered by ARK in late 2020 and have been subject to unexpectedly long lead times resulting from high volume and COVID related delays.

Given this backlog, we were unable to commit to deliver additional standard transmitters to ARK within the timeline required to meet the deadlines for unbuilt stations managed by ARK (original July 2021 and extended to January 2022). In our experience, there was not enough manufacturing capacity in the industry (particularly given COVID-related delays) to satisfy the needs of low power television stations.

We understand that ARK discussed the effect of the supply chain backlog and local zoning and permitting delays with the FCC in late 2020 and early 2021 and agreed upon a solution that entailed modifying the existing construction permits to a smaller footprint that could both use a smaller transmitter and, in most cases, proceed without the extended zoning and permitting approvals associated with a standard build. When we first discussed this plan with ARK, we agreed that the suggested approach was reasonable.

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COMARK Communications

However, Hitachi Comark was not able to serve ARK's needs because: (1) we were devoting our resources to satisfying existing orders, including those ARK had previously placed; and (2) we did not manufacture or resell transmitters that would have satisfied the specifications for the proposed builds.

ARK asked us to revisit this issue in Spring 2021, when another vendor was promoting the availability of equipment that was seemingly suitable for ARK's needs. At that time, Hitachi Comark was still not able to help. In May 2021, ARK checked with us one more time before it ordered units from two other providers: R&L Media Systems ("R&L") and Anywave Communications ("Anywave").

A few months later, in October 2021, Hitachi Comark began offering a unit from a Canadian vendor, Technalogix, that had similar specifications to the units we understand ARK had ordered from Anywave. Technalogix committed that it would be able to deliver 10 units within 30 days and up to 50 units by the end of the year, with additional units to follow as needed.

ARK immediately placed an order for TLS-004-100U and TLS-004-25V3 transmitters (see attached) in what we understood was a "belt and suspenders" approach to supplement the transmitters it had already ordered from R&L and Anywave. It was our understanding that ARK was ordering a total of 250 transmitters, with the units being invoiced and shipped in batches of 50. The first of these orders was invoiced and paid for with a 50% deposit on November 8, 2021. The first batch of 10 units was shipped to ARK the beginning of December 2021. The remainder of the first batch of 50 has just now been completed and will ship to ARK within the next week with another batch immediately following.

Although the timeline for delivery of the Technalogix transmitters has not met our initial expectations, the delays were significantly less than those we have experienced for larger transmitters, such as those ARK ordered for its displaced stations in Fall 2020. Despite the delays ARK has faced, had it not altered its plans to pursue construction permits that rely on smaller transmitters, it would have been in an even worse position.

We are continuing to work expeditiously to complete the orders for ARK's displaced stations and its unbuilt construction permits, and we expect to complete these orders by late spring or early summer.

Please feel free to contact me if you have any questions regarding this update.

Sincerely,



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