

## Explanatory Exhibit

At the request of the FCC staff, this amendment is submitted to provide more detail on the transaction and the structure of Assignee.

The proposed assignee, Iliad Media Holdings Inc., has a single shareholder: Iliad Media Group Holdings Inc Employee Stock Option Trust (“ESOT”). The Grantor of the ESOT is Iliad Media Group Holdings Inc. The beneficiary of the ESOT is the participants in the Iliad Media Group Holdings Inc. Employee Stock Option Plan (“ESOP”). The participants in the ESOP are eligible employees of the Grantor/proposed assignee and its subsidiaries. The ESOP is a stock-bonus and profit-sharing plan that is intended to qualify under Code § 401(a) of the IRS rules and be an “employee stock ownership plan” as defined by Code § 4975(e)(7).

The Trustee of the ESOT is Mark M. Mills. Mr. Mills of Mills, Potoczak & Company, has no familial, personal, or extra-trust business relationship to the Grantor or ultimate beneficiaries of the ESOT. He is a professional third-party fiduciary. Mr. Mills, as the Trustee of the sole shareholder of Iliad Media Group Holdings Inc., is the sole party entitled to vote the stock of Iliad Media Group Holdings Inc., and he has a fiduciary obligation to hold and vote the stock in accordance with the interests of the employee-participants in the ESOP and not for his own interests or those of any other entity, and thus is not an independent control party voting its own interest. In certain limited circumstances, (sale of substantially all assets of the company, merger or consolidation, recapitalization, etc.), the ESOP participants have the right to inform the trustee of their preferred course of action, but the Trustee has the sole discretion to determine how he would vote on such issues. In these limited instances, the Trustee may follow the participant’s preferences, but only if he believes it is not a violation of his fiduciary duty to do so. This discretion of determining this lies with the Trustee alone. Mr. Mills is also the trustee of Edwards Group Holdings, Inc. Employee Stock Ownership Plan, which is the sole shareholder of Edwards Group Holdings, Inc., the shareholder of Edwards Communications, LC, licensee of approximately 10 stations in Wisconsin, Michigan, and Wyoming (an ESOT Transaction earlier approved by the FCC).

There is no participant in the ESOP who holds a 5% or greater beneficial interest in the company. Due to the number of variables at play, it is not possible to determine *at this time* when or if a participant will achieve a 5% or greater interest in the ESOP.

The only ESOP participant(s) that is/are likely to “influence” the vote of the Trustee, would be the officers of the Grantor by virtue of their involvement in the day-to-day operations of the Stations that are the subject of this application, all of whom are listed in the application. But again, only the Trustee is entitled to vote the stock.

The ESOT is revocable by the Grantor. Only the Grantor has the right to appoint/remove/replace the Trustee. Only the Grantor has the right to amend or terminate the ESOT or the ESOP.