

FCC Form 315, Exhibit No. 5
Section II, Question Nos. 2, 3 and 4
Section IV, Question Nos. 2, 3 and 6
August 2001

CHANGES IN INTEREST AS A RESULT OF TRANSFER

The parties to these applications seek FCC consent to the voluntary transfer of control of two limited liability company FCC licensees that are wholly owned by Lilly Broadcasting Holdings, L.L.C. ("*Parent Company*"). The two FCC licensee subsidiaries are: (1) White Broadcasting, LLC, which is the licensee of the main and auxiliary licenses for radio broadcast stations WENY(AM), Elmira, New York (FIN: 71510) and WENY-FM, Elmira, New York (FIN: 71509); and (2) Lilly Broadcasting, LLC, which is the licensee of the main and auxiliary licenses for television broadcast station WENY-TV, Elmira, New York (FIN: 71508), and television translator stations W06AR, Hornell, New York (FIN: 71511) and W07BJ, Ithaca, New York (FIN: 71512). Applications on FCC Form 315 are being filed simultaneously on behalf of these two FCC licensee subsidiaries.

No change is being proposed in the relationship between the licensee subsidiaries and the Parent Company. However, pursuant to the instant FCC Form 315 applications, Mercury Capital Partners, L.P. ("*MCP*"), a member of the Parent Company, seeks FCC approval to increase its economic interest in the Parent Company to a level above 50%.

On July 18, 2001, the parties to these applications filed applications on FCC Form 316 seeking FCC consent to the indirect, *pro forma* voluntary transfer of control of the two FCC licensee subsidiaries.¹ The ownership changes contemplated by the FCC Form 316 applications included an increase in the economic interest associated with MCP's membership interests in the Parent Company to an economic interest of 49.9%.²

By way of background: MCP agreed to loan an aggregate of \$750,000.00 to the Parent Company in exchange for which MCP has been given the right to convert, in whole or in part, that indebtedness into membership interests in the Parent Company. The instant applications seek Commission consent for MCP to convert the balance of the indebtedness under the convertible notes to a Class D limited liability membership interest in the Parent Company that will bring MCP's total economic interest in the Parent Company to above 50%.

¹ See FCC File Nos. BTCCT-20010718AAT, AAU, AAV and BTC/BTCH-20010718AAW, AAX. The applications are currently pending before the Commission.

² The applications also sought Commission approval, *nunc pro tunc*, of the acquisition by MCP of membership interests in the Parent Company once held by B/Z Investors, LLC, a company with certain common ownership with MCP.

The Chart attached hereto illustrates the changes proposed by these applications. The names and addresses for all of the non-insulated members of the Parent Company are set forth in the Chart. With the exception of MCP, all non-insulated members of the Parent Company are natural persons.

MCP is a limited partnership. The sole general partner of MCP is Mercury Capital GP, L.P. MCP's 31 limited partners, with the exception of Charles W. Banta, are fully insulated pursuant to the Commission's applicable rules, regulations, and policies. Mercury Capital GP, L.P.'s sole general partner is Mercury GP, Inc., and its sole limited partner is Charles W. Banta. Mr. Banta is the President and sole shareholder of Mercury GP, Inc. Sandra A. Miller is the Secretary and Treasurer of Mercury GP, Inc.

Column A of the attached Chart shows the current ownership of the Parent Company before any of the \$750,000.00 in convertible notes have been converted in favor of MCP. In Column A, the three members, Kevin T. Lilly, Nicholas B. White, and Brian M. Lilly (collectively, the "*Control Group*") are shown as holding membership interests in the Parent Company with 100% of the voting interests (35%, 35% and 30%, respectively), along with a total of 52.6% of the economic interests (20.2296%, 20.2296% and 12.1408%, respectively). MCP is shown as holding Class D (10.4% economic interest) and Class E (0% economic interest) membership interests in the Parent Company as well as Special Advisor status with a 3% economic interest.

Column B of the Chart represents the proposed ownership of the Parent Company after the final conversion of the convertible notes. Column B shows that the three members of the Control Group will continue to hold 100% of the voting interests of the Parent Company in the aggregate but in slightly different proportions. The economic interests associated with the membership interests of these members and other members will decrease, and the economic interest associated with MCP's membership interests will increase to above 50%.

The economic interest percentages shown in Column B are based upon an anticipated date of September 15, 2001 for the final conversion of the convertible notes. After the final conversion is effected, the licensee companies will file appropriate post-consummation ownership reports to reflect the final economic interest percentages, which are not expected to vary materially from the percentages shown in Column B.

**LILLY BROADCASTING HOLDINGS, L.L.C.
CHART**

Member's Name and Address	A Pre-Conversion Interest Percentage		B Post-Conversion Interest Percentage	
	Voting Interest Percentage	Economic Interest Percentage	Voting Interest Percentage	Economic Interest Percentage
<i>Class A Members:</i>				
Kevin T. Lilly 2 Eastleigh Lane Natick, MA 01760-4275	35%	20.2296%	33.3334%	5.84%
Nicholas B. White 153 17th Street Atlanta, GA 30309	35%	20.2296%	33.3333%	5.84%
Brian M. Lilly 633 Picacho Lane Monticeto, CA 93108	30%	12.1408%	33.3333%	5.84%
	100%	<i>Total A: 52.6%</i>	100%	<i>Total A: 17.52%</i>
<i>Class B Members:</i>				
Jason H. Arnold 113 Homestead Road Ithaca, NY 14850	0%	2%	0%	0.83%
Beverly Myer 474 Old Ithaca Road Horseheads, NY 14845	0%	0.5%	0%	0%
		<i>Total B: 2.5%</i>	0%	<i>Total B: 0.83%</i>
<i>Class C Members:</i>				
Kevin T. Lilly 2 Eastleigh Lane Natick, MA 01760-4275	0%	3.2%	0%	2.92%

Member's Name and Address	A Pre-Conversion Interest Percentage		B Post-Conversion Interest Percentage	
	Voting Interest Percentage	Economic Interest Percentage	Voting Interest Percentage	Economic Interest Percentage
Nicholas B. White 153 17th Street Atlanta, GA 30309	0%	3.2%	0%	2.92%
Brian M. Lilly 633 Picacho Lane Monticeto, CA 93108	0%	1.9%	0%	1.77%
Insulated Members	0%	23.2%	0%	20.72%
		<i>Total C: 31.5%</i>		<i>Total C: 28.33%</i>
<i>Class D Member:</i>				
Mercury Capital Partners, L.P. 220 Northpointe Parkway Suite D Amherst, New York 14228	0%	10.4%	0%	53.32%
		<i>Total D: 10.4%</i>		<i>Total D: 53.32%</i>
<i>Class E Member:</i>				
Mercury Capital Partners, L.P. 220 Northpointe Parkway Suite D Amherst, New York 14228	0%	0%	0%	0%
<i>Special Advisor:</i>				
Mercury Capital Partners, L.P. 220 Northpointe Parkway Suite D Amherst, New York 14228	0%	3%	0%	0%
Total	100%	100%	100%	100%