

## Agreements and Summary of Transaction

This application and eight companion applications (the “GoodRadio Applications”) seek Commission consent to the transfer of control of the radio station licensee subsidiaries of GoodRadio.TV, LLC (“GoodRadio”) to Digits Media, LLC (“Transferee”), a wholly-owned subsidiary of Digits, LLC.

The transfer of control will be effected by the merger of GoodRadio with GR Merger Sub, LLC, a wholly-owned subsidiary of Transferee (“GR Merger Sub”) pursuant to an Agreement and Plan of Merger (the “Merger Agreement”) by and among Digits, LLC, GR Merger Sub, GoodRadio, Verax Capital Partners, L.P., and Verax Radio Partners, L.P. Pursuant to the Merger Agreement, GR Merger Sub will be merged into GoodRadio, with GoodRadio surviving the merger as a wholly-owned subsidiary of Transferee. Upon the merger, existing LLC interests in GoodRadio will be cancelled and Transferee will be the holder of all LLC interests in the surviving company.<sup>1</sup> The parties respectfully request that the GoodRadio Applications, together with certain other concurrently-filed applications relating to non-broadcast facilities, be processed concurrently.

The consummation of the proposed merger is expected to take place, subject to satisfaction or waiver of specified conditions, simultaneously with the consummation of the acquisition of assets relating to 33 full-power radio stations from NextMedia Group, Inc. by a wholly-owned subsidiary of Transferee.

GoodRadio indirectly owns the following full-power radio authorizations:

<i>Call Letters/Community of License</i>	<i>Facility ID</i>	<i>Licensee</i>
KGRN(AM), Grinnell, IA	43242	Grinnell License Co, LLC
KRTI(FM), Grinnell, IA	35564	Newton License Co, LLC
KCOB(AM), Newton, IA	9900	Newton License Co, LLC
KCOB-FM, Newton, IA	9899	Newton License Co, LLC
KMCD(AM), Fairfield, IA	23040	Fairfield License Co, LLC
KKFD-FM, Fairfield, IA	23037	Fairfield License Co, LLC
KWIX(AM), Moberly, MO	35889	Moberly/Macon License Co, LLC
KRES(FM), Moberly, MO	35890	Moberly/Macon License Co, LLC
KIRK(FM), Macon, MO	78275	Moberly/Macon License Co, LLC
New(FM), Cairo, MO	183331	Moberly/Macon License Co, LLC
KTCM(FM), Madison, MO	171017	Christine CP Co, LLC
KXEA(FM), Lowry City, MO	170999	Christine CP Co, LLC
KAAN(AM), Bethany, MO	31004	Cameron/Bethany License Co, LLC
KAAN-FM, Bethany, MO	31005	Cameron/Bethany License Co, LLC
KMRN(AM), Cameron, MO	50744	Cameron/Bethany License Co, LLC
KKWK(FM), Cameron, MO	50745	Cameron/Bethany License Co, LLC
KREI(AM), Farmington, MO	35531	Festus/Farmington License Co, LLC
KJFF(AM) Festus, MO	35532	Festus/Farmington License Co, LLC
KTJJ(FM), Farmington, MO	35533	Festus/Farmington License Co, LLC
KBNN(AM), Lebanon, MO	51093	Waynesville/ Lebanon License Co, LLC
KJEL(FM), Lebanon, MO	51094	Waynesville/ Lebanon License Co, LLC

<sup>1</sup> Prior to the merger, attributable LLC interests in GoodRadio are held by Verax Capital Partners, L.P., Verax Radio Partners, L.P., Dean Goodman, W. Lawrence Patrick, Susan Patrick, Christine Goodman, Carl E. Hirsch Trust F/B/O Scott Hirsch, Carl E. Hirsch Trust F/B/O Lori H. Goldsmith, and Edward Fritts.

KOZQ-FM, Waynesville, MO	53876	Waynesville/ Lebanon License Co, LLC
KJPW(AM), Waynesville, MO	53877	Waynesville/ Lebanon License Co, LLC
KFBD-FM, Waynesville, MO	4259	Waynesville/ Lebanon License Co, LLC
KIIK(AM) Waynesville, MO	4260	Waynesville/ Lebanon License Co, LLC
KDKD(AM) Clinton, MO	12058	Clinton License Co, LLC
KDKD-FM Clinton, MO	12056	Clinton License Co, LLC

**Multiple Ownership.** In Exhibit 20 to this application, Transferee has provided showings demonstrating that the proposed transfer complies with the ownership limitations set forth in Section 73.3555 of the Commission's Rules:

- **Des Moines, Iowa:** Transferee proposes to acquire one AM station and one FM station in the Des Moines, Iowa Arbitron market. A party may own one AM station and one FM station in any market. The proposed combination complies with Section 73.3555(a)(2) of the Commission's Rules.
- **Grinnell, Iowa:** Transferee proposes to acquire two FM stations and two AM stations in the Grinnell, Iowa area, outside of any Arbitron market. These stations form one contour-defined market which includes 35 full-power commercial radio stations. Thus, in this market a party may own up to seven radio stations, up to four of which may be in the same service. The proposed combination complies with Section 73.3555 of the Commission's Rules.
- **Fairfield, Iowa:** Transferee proposes to acquire one AM station and one FM station in the Fairfield, Iowa area, outside of any Arbitron market. These stations form one contour-defined market. A party may own one AM station and one FM station in any market. The proposed combination complies with Section 73.3555(a)(2) of the Commission's Rules.
- **Moberly, Missouri:** Transferee proposes to acquire three FM stations, one AM station, and one FM construction permit in the Moberly, Missouri area, outside of any Arbitron market. These stations form two contour-defined markets, each defined by three FM stations and one AM station. These two contour-defined markets include 33 and 36 full-power commercial radio stations. Thus, in either market a party may own up to seven radio stations, up to four of which may be in the same service. The proposed combination complies with Section 73.3555 of the Commission's Rules.
- **Bethany, Missouri:** Transferee proposes to acquire two FM stations and two AM station in the Bethany, Missouri area, outside of any Arbitron market. These stations form two contour-defined markets, one defined by one FM station and one AM station, the other defined by two FM stations and one AM station. These two contour-defined markets include 30 and 17 full-power commercial radio stations, respectively. Thus, in the smaller market a party may own up to six radio stations, up to four of which may be in the same service, and in the larger market a party may own up to seven radio stations, up to four of which may be in the same service. The proposed combination complies with Section 73.3555 of the Commission's Rules.
- **St. Louis, Missouri:** Transferee proposes to acquire one AM station in the St. Louis, Missouri Arbitron market. A party may own one AM station in any market. The proposed combination complies with Section 73.3555(a)(1) of the Commission's Rules.

- **Farmington, Missouri:** Transferee proposes to acquire one FM station and two AM stations in the Farmington, Missouri area, outside of any Arbitron market. These stations form one contour-defined market which includes 54 full-power commercial radio stations. Thus, in this market a party may own up to eight radio stations, up to five of which may be in the same service. The proposed combination complies with Section 73.3555 of the Commission's Rules.
- **Waynesville, Missouri:** Transferee proposes to acquire three FM stations and three AM station in the Waynesville, Missouri area, outside of any Arbitron market. These stations form one contour-defined market which included 42 full-power commercial radio stations. Thus, in this market a party may own up to seven radio stations, up to four of which may be in the same service. The proposed combination complies with Section 73.3555 of the Commission's Rules.
- **Clinton, Missouri:** Transferee proposes to acquire two FM stations and one AM station in the Clinton, Missouri area, outside of any Arbitron market. These stations form one contour-defined market which includes 11 full-power commercial radio stations. Thus, in this market a party may own up to five radio stations, up to three of which may be in the same service. The proposed combination complies with Section 73.3555 of the Commission's Rules.

***License Renewals.*** A license renewal application is pending for KBNN(AM), Lebanon, Missouri. The parties respectfully request that the Commission apply its "CBS policy" to process transactions involving the transfer of control of multiple stations that include a subset of stations with pending renewal applications where (1) no basic qualifications issues against the seller and buyer were raised or, if raised, were resolved favorably, and (2) the buyer explicitly agrees to stand in the shoes of the seller in any renewal proceeding that is pending at the time of consummation of the proposed transaction. *See, e.g., Stockholders of CBS Inc.*, 11 FCC Rcd 3733 (1995); *Shareholders of CBS Corporation*, 16 FCC Rcd 16072, 16072-73 (2001). In furtherance of this request, Transferee hereby agrees to succeed to the position of GoodRadio with respect to any renewal application pending for the stations subject to this application as of the consummation of the proposed transaction.

***Attachments.*** The Merger Agreement is included in Exhibit 15 to this application. The Merger Agreement complies with the FCC's rules and policies. However, Transferee responds "no" to Section IV, Question 5 because certain exhibits are not being submitted with this application pursuant to FCC policy and practice.<sup>2</sup> The omitted exhibits, listed below, contain information that is proprietary, not germane to the Commission's evaluation of the application, or already in the Commission's possession. These materials will be provided to the Commission upon request.

### **Exhibits**

Exhibit A	Stations
Exhibit B	Company Indebtedness
Exhibit C	Capitalization
Exhibit D	Form of Unwind Agreement

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<sup>2</sup> *See LUJ, Inc.*, 17 FCC Rcd 16980 (2002).