

EXHIBIT 12

Background

On April 6, 2012, Palm Beach Broadcasting LLC and Palm Beach Broadcasting License LLC (collectively, “PBB”) and CBS Radio Stations Inc. (“CBS”) entered into an agreement for the sale of CBS’s radio broadcast stations in the West Palm Beach-Boca Raton, FL Arbitron Metro (the “WPB Metro”), including WMSF(FM) (formerly WEAT), West Palm Beach, FL (Fac. ID No. 29567) (“WMSF” or the “Station”). Under the FCC’s local radio ownership rule, 47 C.F.R. 73.3555(a)(1), PBB is not permitted to own more than four FM radio stations in the WPB Metro. As a result, pursuant to an Option Agreement between CBS and PBB (the “WMSF Option Agreement”), CBS granted PBB an option to acquire WMSF, subject to PBB’s immediate sale of the Station to a qualified third party purchaser (the “Designated Buyer”). Additionally, under the WMSF Option Agreement, CBS granted to PBB an option for the Designated Buyer to program the Station under a Local Marketing Agreement (the “LMA Option”), subject to CBS’s consent.

On August 22, 2012, PBB exercised its option to acquire the Station and designated Lincoln Financial Media Company of Florida (“LFM”) as the Designated Buyer. PBB also exercised the LMA Option for LFM to program the Station. On August 24, 2012, PBB and LFM entered into an Asset Purchase Agreement (the “LFM APA”) pursuant to which LFM has agreed, subject to the FCC’s consent, to acquire WMSF from PBB immediately upon, and simultaneously with, the consummation of PBB’s acquisition of the Station from CBS. In addition, on August 24, 2012, CBS and LFM entered into a Local Marketing Agreement (the “LFM LMA”) for the Station.

Because the proposed transaction will involve a pass-through of the Station’s license from CBS to LFM through PBB in a continuous, uninterrupted series, the parties submit that, under existing Commission policy, the proposed transaction is eligible for processing on a single FCC Form 314 application identifying CBS as Assignor and LFM as Assignee.¹

Additional LFM Agreements

In addition to those documents that CBS has included as Attachment 5 hereto, which are hereby incorporated by reference, LFM submits two additional agreements between it and PBB.

Attachment 12-1 to this Application is a copy of the LFM APA.

The following schedules and exhibits to the LFM APA have been excluded from this Application:

1. Schedule 1.1(a): WMSF FCC Licenses
2. Schedule 1.1(b): Tangible Personal Property
3. Schedule 1.1(c): Station Contracts
4. Schedule 2.4: Noncontravention
5. Schedule 2.5: Litigation

¹ See *John H. Phipps, Inc.*, FCC 96-395, 11 FCC Rcd 13053, 13055-56 (1996).

6. Schedule 2.6: FCC License Exceptions
7. Schedule 2.9: Real Property Exceptions
8. Schedule 2.10: Environmental
9. Schedule 2.14: No Finder
10. Schedule 3.9: [No Finder]
11. Schedule 8.1: [Determination Event]
12. Schedule 9.3: Taxpayer IDs
13. Exhibit A-1: Form of Assignment and Assumption Agreement
14. Exhibit A-2: Form of Bill of Sale
15. Exhibit A-3: Form of Assignment of FCC Licenses
16. Seller Letter Transmitting Station Contracts

Attachment 12-2 to this Application is a complete copy of the Sub-Lease Agreement between PBB, as sub-lessor, and LFM, as sub-tenant (the “Tower Sublease”) that enables the Station to remain at its current tower site prior to the Station’s proposed move from West Palm Beach to Miramar, Florida, pursuant to a pending application for authority to change the Station’s community of license and to operate on Channel 282C1 from a new transmitter site.²

As partial consideration under the Tower Sublease, LFM has agreed to pay PBB additional compensation if LFM, in its sole discretion, elects to program the Station in certain specified formats while operating from the West Palm Beach tower site, prior to its move to Miramar. Following the consummation of the transactions proposed herein, LFM intends to continue to prosecute the Minor Change Application and, upon grant by the Commission, expeditiously to construct and license the proposed facilities, thereby providing the residents of Miramar with their first local service.

Exhibits A (Prime Lease) and B (Landlord Consent) to the Tower Sublease have been excluded from this Application.

The excluded documents identified herein, together with an Escrow Agreement, contain proprietary information and/or are not germane to the Commission’s consideration of this application.³ The excluded documents will be provided to the Commission upon request.

² See Application of Assignor, CBS Radio Stations Inc. (FCC File No. BAL-20120529AKO) (the “Minor Change Application”).

³ See *LUJ, Inc. and Long Nine, Inc., Memorandum Opinion and Order*, 17 FCC Rcd 16980 (2002).