

APPLICATION FOR INVOLUNTARY TRANSFER OF CONTROL

This application is one of seven simultaneously filed FCC Form 316 applications seeking Commission consent to the *pro forma* involuntary transfer of control of seven commonly owned television stations following the death of the principal shareholder. Specifically, these applications seek consent to the involuntary transfer of control of the station licenses from Milton R. Grant (deceased) to his Estate, which event occurred automatically upon Mr. Grant's death in 2007. As detailed below, as a result of various circumstances, the licenses were incorrectly conveyed following Mr. Grant's death.

A court has now rectified the situation and restored the *status quo ante*. This Application for Involuntary Transfer of Control is filed as the direct result of an Order (the "Order"), attached hereto at Attachment 1, issued by Judge Mark A. Speiser, Probate Division, Seventeenth Judicial Circuit, Broward County, Florida, on April 15, 2011. This Application seeks consent to the involuntary transfer of control following the death of the controlling shareholder, Milton R. Grant ("Grant"), on April 28, 2007, and thus is appropriately the subject of an FCC Form 316 *pro forma* application.

When Milton R. Grant died, the stock of Grant Company, Inc., parent entity of the FCC licensees and television stations controlled by Grant (see organizational chart attached hereto at Attachment 2), should have conveyed to the Estate of Milton R. Grant (Bessemer Trust Company of Florida, Personal Representative) immediately as a matter of Florida law.¹ In this case, however, as a result of mistaken legal advice, control of the Grant companies and television stations was transferred to a fiduciary named in the Milton R. Grant Living Trust when it should have instead been transferred to the Estate.

The attached Order requires that the previous transaction assigning Grant Company, Inc. stock and control of all other Grant subsidiaries and television stations to the Living Trust be cancelled. The Order further reinstates the correct Florida probate law result, namely, the immediate vesting of broadcasts interests from the decedent to the Estate that will hold the deceased person's assets pending their distribution. In addition, the Order instructs the parties to file the instant Application seeking Commission approval for the resulting involuntary *pro forma* transfer of control.

As the Commission knows, its approval of an application does not consummate that application but merely provides permission for a party to consummate a transaction. And even though the Commission approved certain prior actions (often not the actions finally taken) the actual prior assignments and transfers made by the interested parties were undertaken without Probate Court approval, to say the least, and were inconsistent with Florida law.

¹ The Bessemer Trust Company of Florida has been appointed the Personal Representative of the Estate of Milton R. Grant by Judge Speiser. Attached hereto at Attachment 3 is a copy of the June 5, 2007 "Letters of Administration" issued by the Florida probate court declaring Bessemer Trust Company of Florida to be the Personal Representative of the Estate of Milton R. Grant.

Now the Court has not just announced its approval of a certain course of action, but ordered one specific transaction to be cancelled and another to occur, subject to Commission consent. The Personal Representative respectfully requests Commission approval of the instant application as the next valid and lawful step toward settlement of the Estate and distribution of its assets to the heirs, subject to the continuing jurisdiction of the Commission and its rules.

ATTACHMENT 1

IN THE CIRCUIT COURT FOR THE 17th
JUDICIAL CIRCUIT OF BROWARD
COUNTY, FLORIDA

PROBATE DIVISION

File No.: 07-2776
Division: 62

IN RE: ESTATE OF
MILTON GRANT

Deceased.

**ORDER GRANTING BESSEMER TRUST
COMPANY OF FLORIDA'S MOTION TO TRANSFER STOCK**

THIS CAUSE having come before the Court on February 24, 2011 at 1:30 p.m. upon Bessemer Trust Company of Florida's Motion to Transfer Stock, and the Court having heard argument of counsel, having reviewed the motion and related responses, and being otherwise fully advised in the premises,

THE COURT MAKES THE FOLLOWING FINDINGS:

1. At the time of his death, on April 28, 2007, Milton Grant held 100% of the stock of Grant Company, Inc., (the "stock") which, through various subsidiaries, owned and controlled seven television broadcast stations and held the FCC licenses of these stations.
2. Upon his death, Mr. Grant's assets, including the stock, became assets of the Estate of Milton R. Grant (the "Estate") by operation of Florida law.
3. Bessemer Trust Company of Florida ("Bessemer") was appointed Personal Representative of the Estate by this Court on June 5, 2007, and the stock was shown on the inventory of the Estate's assets signed by Bessemer and its then-counsel, Daniel Mielnicki, and

filed with the Florida probate court on August 12, 2009. The stock was, in fact, the principal asset of the Estate.

4. As Personal Representative, Bessemer was the only party with authority to execute documents or take other actions relating to and on behalf of the Estate or its assets.

5. In order to accomplish a valid conveyance of FCC licenses or a transfer of control of television broadcast stations subject to FCC licenses, this Court understands that the FCC must give consent.

6. In the case of a decedent, the conveyance and transfer of control occurs by operation of law upon death, subject to subsequent FCC consent to an "involuntary transfer of control" from the decedent to his/her estate, an application for which can be filed by the decedent's duly authorized representative after death and the creation of the Estate.

7. The FCC has not received or granted any application for involuntary transfer of control of the FCC licenses from Milton Grant, decedent, to the Estate.

8. The only party with authority to file an application with the FCC on behalf of the Estate is Bessemer, as Personal Representative. Bessemer has not filed an application for any transfer of control of the FCC licenses held by Grant Company, Inc. or its subsidiaries.

9. On or about July 17, 2007, following Milton Grant's death, while the stock was held by the Estate, Jack Lewis executed and filed a Form 316 involuntary Transfer Application seeking approval of the FCC for the involuntary transfer of the Grant station FCC licenses from Milton Grant directly to the Living Trust.¹

10. The Form 316 involuntary Transfer Applications did not disclose or otherwise identify that a personal representative had been appointed for the Estate, and the Applications failed to attach the previously-issued Letters of Administration.

¹ The Court makes no finding at this time as to whether the filing was the result of a good faith mistake or otherwise.

11. Included in those Form 316 Applications, as amended in September 2007, was a letter from the law firm of Berger Singerman, signed by Daniel Mielnicki, Esq. (who at the time was acting as counsel for Bessemer, as personal representative) dated September 18, 2007, stating, among other things, that "under Florida law, the stock of Grant Company, Inc. passed directly to the [Living Trust] upon Milton Grant's death by operation of law" and that Lewis "exercises all voting rights with respect to the stock of Grant Company, Inc."

12. The statements in the September 18, 2007 letter from Daniel Mielnicki regarding how the stock transferred upon Milton Grant's death, and who exercised voting rights with respect to the stock, were incorrect. In fact, by operation of law, upon the death of Milton Grant, the stock transferred to the Estate, and pursuant to Milton Grant's Will, Bessemer, as personal representative, exercised all voting rights with respect to the stock.

13. On October 3, 2007, the FCC consented to the transfer of the FCC licenses as requested in the Form 316 Applications.

14. The Court recommends that the purported involuntary transfer of control of the FCC licenses or control of the television broadcast stations subject to the FCC licenses from Milton Grant to the Living Trusts, occurring on October 3, 2007, should be held by the FCC to be unauthorized and ineffective because the stock and control of the FCC licenses were no longer held by the purported transferor, Milton Grant, after his death, but had passed by operation of law to his Estate.

15. In September 2009, two years after the FCC had approved the Form 316 Applications filed by Jack Lewis, Bessemer, as Personal Representative, signed Assignments of shares of the stock to Jack Lewis, as Business Trustee, and Bessemer, as Corporate Trustee of

the Living Trust. The Assignments purport to reflect a retroactive effective date of the assignment as of the date of Mr. Grant's death, April 28, 2007.

16. On or about November 30, 2009, Jack Lewis signed Form 315 Applications to voluntarily transfer control of the FCC licenses from the Living Trust to the two family trusts identified in Milton Grant's testamentary documents. The corporate trustee of the two family trusts is Bessemer Trust Company of Delaware, N.A., based in Wilmington, Delaware, and the trusts have a legal situs in Delaware. These trusts are the intended beneficiaries of some, but not all, of the stock. The amount of stock to be transferred to each family trust and other specific beneficiaries will not be ascertainable until after the Estate is administered and other issues have been resolved. These Form 315 Applications and certain filings directed at them are currently pending before the FCC.

17. In October/ November 2010, through various probate court and FCC filings and correspondence, Thomas Grant alerted the probate court, Bessemer, Lewis and the FCC to the incorrect statements contained within the Form 316 Involuntary Transfer Applications and the impropriety of the involuntary transfer of control from Milton Grant to the Living Trust. Thereafter, on November 3, 2010, Bessemer also notified the FCC of the incorrect statements.

18. Subsequently, hearings were conducted before this Court where the Court stated that the transfer of stock out of the Estate was improper and ordered Bessemer, in part, to aggressively take action to advise the FCC of the Court's position and to advocate that no further transfer of FCC licenses relating to the Grant Companies should occur. *See* Order on Thomas Grant's Emergency Motion to Enjoin Further Transfer of Grant Company Stock Pending Resolution of Probate Proceedings, dated December 10, 2010.

19. On January 5, 2011, the Court, while clarifying a prior order, stated that it did want Bessemer, if possible, to seek rescission by the FCC of the prior consent transferring the Grant Companies' licenses to the Living Trust.

20. The September 2009 Assignments by which the stock was transferred from the Estate to the Living Trust did not mirror the (Milton Grant to Living Trust) transaction petitioned for and authorized by the Form 316 Applications that were filed. The Commission never approved the September 2009 (Estate to Living Trust) transaction as set forth in the Assignment documents. Rather, the Commission approved a transaction that never took place. See Order on Bessemer's Motion for Clarification, for Rehearing and for Confirmation of Compliance, dated January 12, 2011.

21. Bessemer has requested that Jack Lewis, as Business Trustee, join with Bessemer, as Corporate Trustee of the Living Trust, in returning the stock to the Estate so that Bessemer, as Personal Representative, can initiate the appropriate steps with the FCC to obtain its consent to an involuntary transfer of control to the Estate and, thereafter, to obtain the proper approvals to ensure the stock is distributed as contemplated by Milton Grant's testamentary scheme and/or as subsequently ordered by the Florida probate court having jurisdiction over the Estate and its assets.

22. Jack Lewis has declined Bessemer's request to join in returning the stock to the Estate, forcing Bessemer to seek the Court's assistance to recover the stock as Personal Representative.

23. Jack Lewis is under the Court's jurisdiction as a fiduciary to the Milton Grant Living Trust and as an officer of the Court.

24. Section 733.811 of the Florida Statutes authorizes the personal representative to recover from a distributee any assets of the Estate that were improperly distributed. In this case, the distribution of the stock to the Living Trust was improper.

25. Moreover, section 733.608(1) of the Florida Statutes provides that “[a]ll real and personal property of the decedent, except the protected homestead, within this state and the rents, income and profits from it shall be assets in the hands of the personal representative.”

26. Accordingly, Milton Grant’s ownership interest in the Grant Company, Inc. stock and the broadcast stations should be in the hands of Bessemer, as personal representative, so it may act in accord with the decedent’s testamentary directives and the Court’s orders.

27. Jack Lewis has represented that he will not take any further action to move the stock into the two Family Trusts as contemplated by the Form 315 applications filed on or about November 30, 2009.

It is hereupon ORDERED AND ADJUDGED that:

1. The Motion to Transfer Stock is GRANTED.
2. The Court hereby declares that the previous Assignments that transferred the stock to the Living Trust are a nullity, and therefore cancels them effective immediately.
3. Jack Lewis, as Business Trustee, shall deliver, upon demand, and in any event, within 30 days of the date of this Order, to Bessemer, as Personal Representative, all certificates representing currently outstanding shares of any of the Grant Companies in his possession or control, together with any documents of assignment that may be reasonably requested by Bessemer or the stock transfer agent to permit it to show ownership of the stock in the Estate.

4. The Court confirms Bessemer's authority, and directs Bessemer, to move forward with the FCC to seek FCC approval of the involuntary transfer of control from Milton Grant to the Estate; Jack Lewis, as Business Trustee, shall cooperate and work with Bessemer to seek such approval.

DONE AND ORDERED in Chambers, Broward County, Florida this 15 day of April, 2011.

MARK A. SPEISER
A TRUE COPY
CIRCUIT COURT JUDGE

Hon. Mark A. Speiser, Circuit Judge

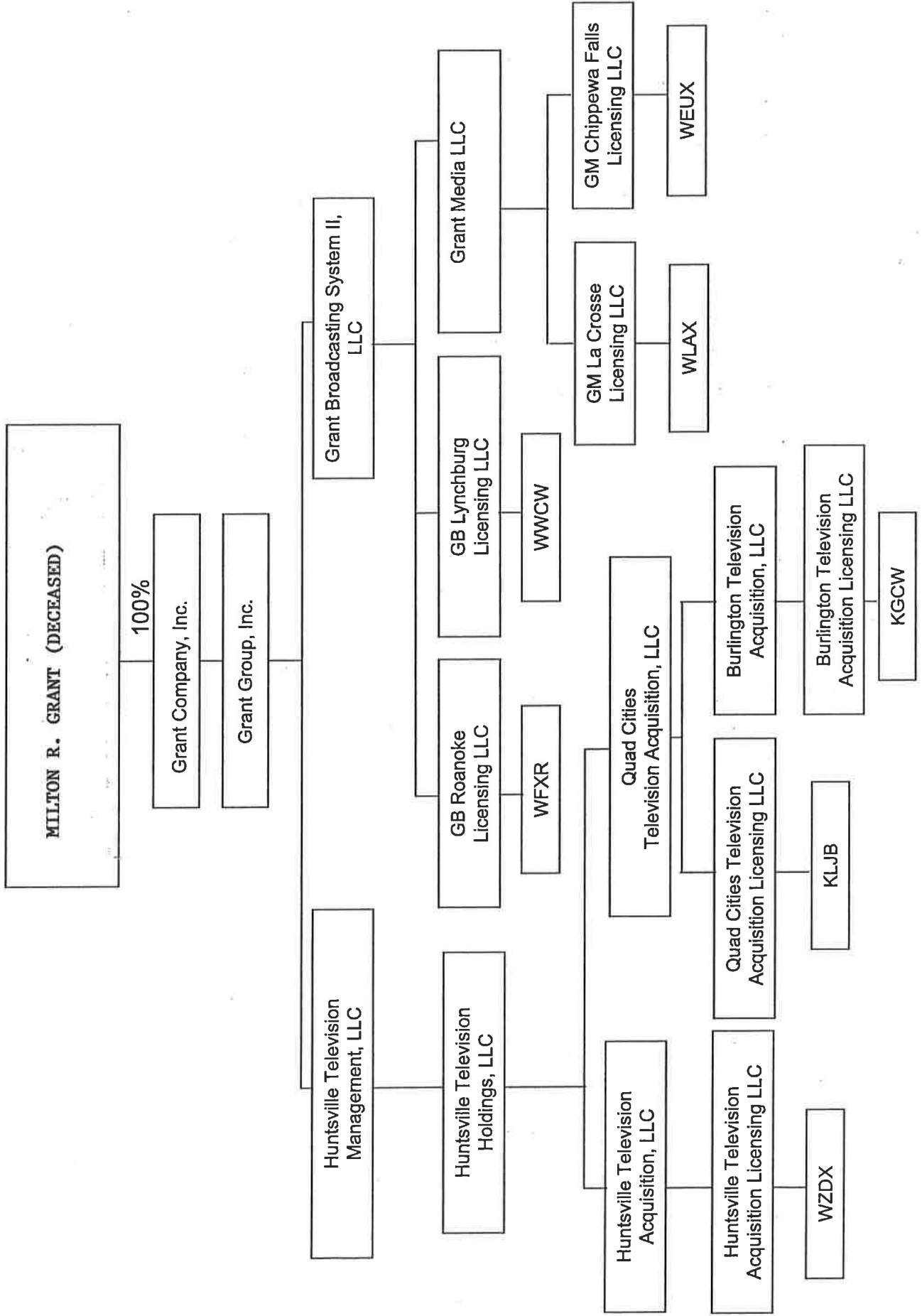
Copies Provided To:

Glen H. Waldman, Esq.
Steven A. Lessne, Esq.
Robert M. Brochin, Esq.
Juan Antunez, Esq.

ATTACHMENT 2

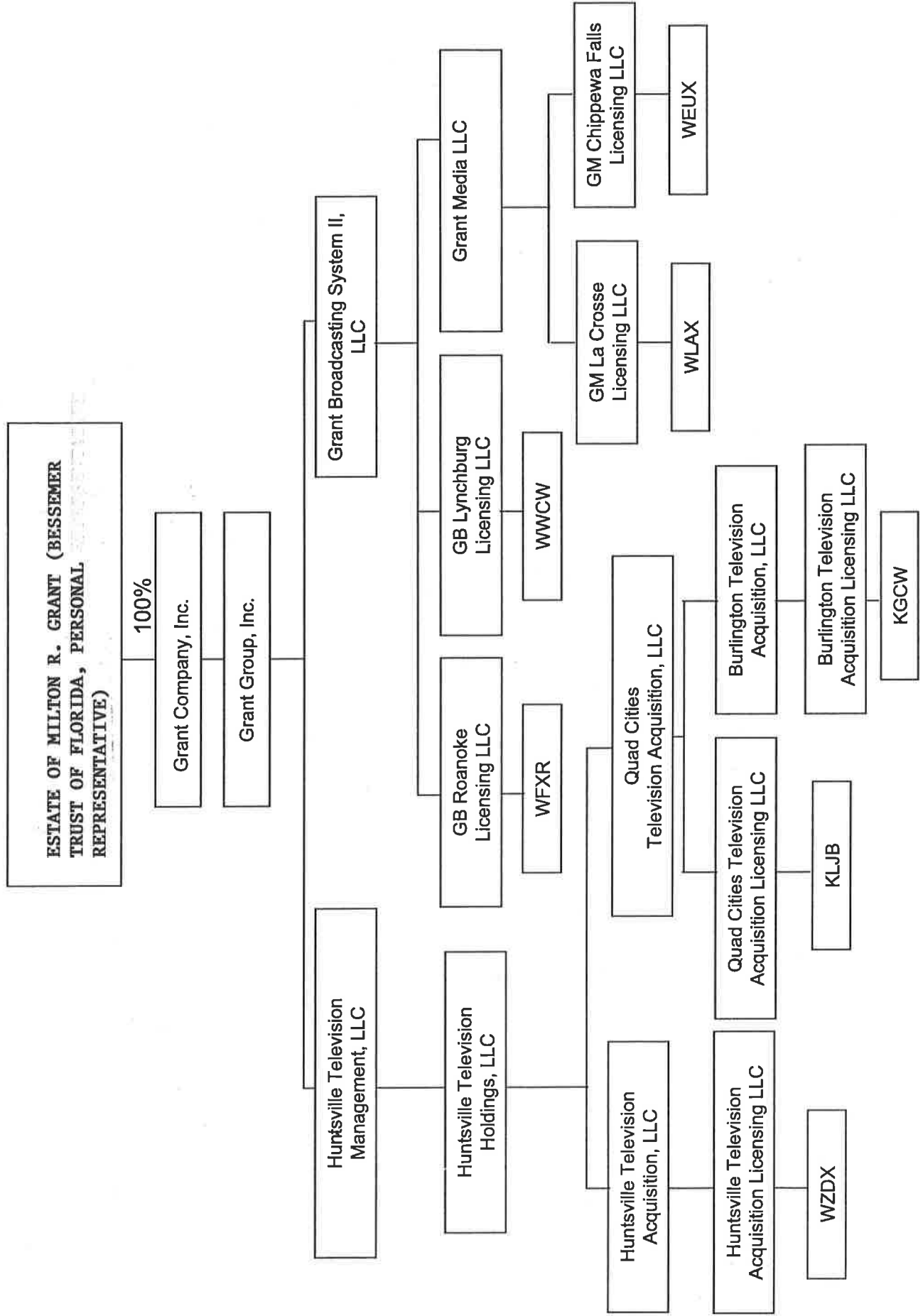
BEFORE

Organizational Chart



AFTER

Organizational Chart



ATTACHMENT 3

EXHIBIT C

IN THE CIRCUIT COURT FOR
BROWARD COUNTY, FLORIDA

PROBATE DIVISION

IN RE: ESTATE OF
MILTON GRANT,
Deceased.

File No.: 07-2776

Division: 62

INSTR # 107169381
OR BK 44241 Pages 203 - 203
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BROWARD COUNTY COMMISS ON
DEPUTY CLERK 3105
#10, 1 Pages

Filed in Open Court,
HOWARD E. FORMAN,
CLERK
ON 6/5/07
BY 918

LETTERS OF ADMINISTRATION

TO ALL WHOM IT MAY CONCERN

WHEREAS, MILTON GRANT, a resident of Broward County, Florida died on April 28, 2007, owning assets in the State of Florida, and

WHEREAS, BESSEMER TRUST COMPANY OF FLORIDA has been appointed Personal Representative of the estate of the decedent and has performed all acts prerequisite to issuance of Letters of Administration in the estate.

NOW, THEREFORE, I, the undersigned circuit judge, declare BESSEMER TRUST COMPANY OF FLORIDA duly qualified under the laws of the State of Florida to act as Personal Representative of the estate of MILTON GRANT, deceased, with full power to administer the estate according to law; to ask, demand, sue for, recover and receive the property of the decedent; to pay the debts of the decedent as far as the assets of the estate will permit and the law directs; and to make distribution of the estate according to law.

ORDERED on June 5, 2007.


Circuit Judge

THIS ESTATE MUST BE
CLOSED WITHIN 24 MONTHS

Upon entry to a safe deposit box, an inventory of the contents must be made in the presence of a bank employee witnessed, and filed with the court.