

Exhibit 5

This Exhibit sets forth information on (1) the capitalization level of ION Media Networks, Inc. (“ION”) prior to the consummation of the pending application for consent to the transfer of control of ION from Paxson Management Corporation and Lowell W. Paxson to CIG Media and (2) the different classes of current capital stock of ION, the holders of that stock, and ION’s compliance with the Commission’s foreign ownership limits.¹

ION presently has issued and outstanding three classes of voting stock and three classes of non-voting stock.

Voting Rights

ION’s three classes of voting stock and the voting rights represented by each class are as follows:

Class of Voting Stock	Percentage of Total Voting Rights by Class
Class A Common Stock	41.1%
Class B Common Stock	52.3%
9-3/4% Series A Convertible Preferred	6.6%
TOTAL VOTING RIGHTS	100%

Lowell W. Paxson, a U. S. citizen, votes all of the Class B Common stock of ION and approximately 15,455,062 shares of ION’s Class A Common stock. The Class B Common Stock controls ION. The Class A Common Stock, which represents a minority voting stock interest in ION, is publicly traded. CIG Media concluded a tender offer for the publicly held shares of ION’s Class A Common Stock on June 15, 2007, pursuant to which CIG Media acquired 42,041,309 shares of ION’s Class A Common Stock. In addition, CIG Media already held 2,724,207 shares of ION’s Class A Common Stock. Thus, CIG Media already has acquired a majority of those outstanding publicly held Class A Common Stock shares and ultimately will acquire all outstanding shares of ION’s Class A Common Stock.² The controlling principals of CIG Media who vote CIG Media’s Class A Common Stock are exclusively U.S. citizens. The remaining shares of

¹ Although ION is presenting here information about its pre-transaction ownership, the only relevant inquiry for purposes of the present applications is whether ION’s capital structure *after* consummation of the proposed transaction will comply with the ownership rules. As shown in Exhibit 3 to this Amendment, that structure will fully comply with those rules.

² CIG will acquire the 15.4 million shares of Class A held by the Paxson Stockholders, then a reverse stock split will occur at a ratio that leaves only CIG holding a whole share – all other shares will become fractional and be cashed and retired.

ION's Class A Common Stock are voted by Lowell W. Paxson. The only other ION voting shares, the 9-3/4% Series A Convertible Preferred, trade publicly and comprise only 6.6% of ION's total voting rights. Accordingly, assuming the successful completion of the ongoing tender, more than 93% of the voting rights in ION are exercised exclusively by U.S. persons.³

Ownership

In addition to its three classes of voting stock, ION has three classes of non-voting preferred securities: (1) 14-1/4% Cumulative Junior Exchangeable Preferred⁴, which trades over the counter on an irregular basis, (2) 11% Series B Convertible Exchangeable Preferred, and (3) 8% Series F Non-Convertible Preferred.

ION's issued and outstanding securities differ substantially in their terms and preferences and were initially issued at different times over more than a decade. There is no one common basis for valuation that cuts across all of these classes of ION's outstanding securities. Also, the relative value of the various classes of ION's stock as perceived by potential traders and purchasers varies with changing perceptions of ION's situation. Recent developments at ION, including the tender offer for its Class A Common Stock by CIG Media and ION's exchange offer for ION's 9-3/4% Series A Convertible Preferred shares and 14-1/4% Cumulative Junior Exchangeable Preferred shares, have caused a higher level of trading – both publicly and privately – in ION's various classes of securities.⁵ ION submits that the following approach provides a reasonable basis in these circumstances for evaluating ownership of capital stock across classes of ION securities.

For purposes of this analysis, ION has valued the various classes of shares as follows:

- The per-share value of ION's Class A Common Stock was assumed to be the tender offer price paid by CIG Media in its tender offer.
- The Class B Common, which conveys control of ION, does not trade publicly, but these shares have the same economic characteristics as the Class A Common shares, except for having 10 votes per share. The value of the Class B Common shares

³ ION has calculated its pre-consummation foreign ownership based on the completion of CIG Media's tender offer for ION's publicly-held Class A Common shares. Since those shares already have been acquired by CIG Media, an analysis of how those shares were held prior to the commencement of the tender offer would not accurately reflect ION's ownership today; nor would ION be able to solicit responses to any survey from former owners of its stock.

⁴ Issued as 13-1/4 % Cumulative Junior Exchangeable Preferred, these shares currently are accruing dividends at a rate of 14-1/4%.

⁵ The increased level of trading makes it impossible for ION to conduct a survey to determine ownership of the two classes of publicly-held preferred shares. In addition, several holders of the 14-1/4% Cumulative Junior Exchangeable Preferred shares have commenced litigation concerning this transaction. Several holders of the 9 3/4 Series A convertible preferred shares have similarly commenced litigation concerning this transaction. Those shareholders are unlikely to respond to any inquiry from ION.

therefore was assumed to be the tender offer price paid for the Class A Common shares plus a 15% control premium recommended by ION's advisors.

- The 9-3/4% Series A Convertible Preferred shares were assigned a relative per-share value equal to the sum of (1) the principal amount of the debt securities and (2) the aggregate liquidation preference of the new preferred stock being offered in exchange for such shares in the current exchange offer.⁶
- The 8% Series F Non-Convertible Preferred shares, which are not subject to a current exchange offer, were assigned a relative value based upon their liquidation preference.
- The 11% Series B Convertible Exchangeable Preferred Shares were valued at their pro rata share of the aggregate face value of the securities offered in consideration for conversion of those shares to alternative securities in connection with the consummation of the CIG Media transaction.

The characteristics of ION's 14-1/4% Cumulative Junior Exchangeable Preferred shares are such that, under applicable accounting rules, ION is required to, and does in fact, treat these securities on its books as liabilities (that is, debt) rather than as equity. Accordingly, the 14-1/4% Cumulative Junior Exchangeable Preferred shares were excluded from the foreign ownership analysis, but are addressed further below.⁷

Under the analysis and assumptions described above, and assuming (as described below) that 50% of the publicly traded 9-3/4% Series A Convertible Preferred shares are entirely held by foreign persons or entities, the foreign ownership of ION's equity would be approximately 14.24%. This figure is well below the 25% benchmark for foreign ownership under Section 310(b).⁸ Even if the 14-1/4% Cumulative Junior Exchangeable Preferred shares were treated as equity, and half of those shares were assumed to be held by foreign owners, ION's capital structure would still be fully compliant with the foreign ownership limits.

Additional Information about Holders of Ion Securities

ION's securities have traded actively in recent months as ION sought to chart a new future for itself, an effort that culminated in the transaction with CIG Media that is now before the Commission. With the increasingly common practice under which the

⁶ Under the exchange offer, holders of each 9-3/4% Series A Convertible share will receive debt instruments totaling \$4000 and \$1000 liquidation preference of Series A-1 Convertible Preferred shares.

⁷ ION's 9-3/4% Series A Convertible Preferred shares also are not treated on ION's books as equity but, rather, are included in a "mezzanine" category reflecting mixed characteristics of debt and equity. The 9-3/4% Series A Convertible Preferred shares nevertheless were included in the foreign ownership analysis.

⁸ For example, as indicated below, those persons and entities holding, in the aggregate, a majority of the 9-3/4% Series A Convertible shares as of March 2007 were overwhelmingly U.S. persons or entities.

securities of public companies are held in “street name” (that is, the owner of record of the securities is a nominee), beneficial ownership of shares effectively can transfer without notice to ION. As a result, daily changes in underlying beneficial ownership of the securities cannot be tracked by the issuer and not all holders of beneficial interests in ION’s securities can be identified. Beneficial owners behind nominee holders have no legal obligation to provide such information to ION and no incentive to do so. Even assuming that its publicly traded non-voting securities were 50% foreign-held, however, ION, under the analysis above, would comply with both the voting rights prong and the “ownership” prong of the Commission’s foreign ownership test. (As demonstrated below, however, the beneficial ownership of these ION publicly traded securities is substantially in the hands of U.S. persons and entities.)

Although unnecessary to demonstrate compliance for the reasons outlined above, additional detail is provided below regarding holders of various classes of ION stock.

1. *Class A Common (Voting)*: Upon the completion its the tender offer, CIG Media now holds 44,765,516 shares of the ION Class A Common stock that is not voted by Mr. Paxson. Under CIG Media’s governance structure, the right to vote the shares of ION is vested exclusively in U.S. citizens. CIG Media has approximately 21% foreign equity ownership.
2. *Class B Common (Voting)*: ION’s Class B Common stock is voted by Lowell Paxson, a U.S. citizen, directly or through entities controlled by him.
3. *8% Series F Non-Convertible Preferred (Non-Voting)*: ION’s 8% Series F Non-Convertible Preferred is held by CIG Media. CIG Media has reported to the Commission that its foreign ownership percentage is 21%.
4. *11% Series B Convertible Exchangeable Preferred (Non-Voting)*: ION’s 11% Series B Convertible Exchangeable Preferred is held by NBCU. As reported to the Commission by CIG Media, NBCU’s parent entity GE is no more than 10% foreign owned.
5. *9-3/4% Series A Convertible Preferred (Voting)*: ION’s 9-3/4% Series A Convertible Preferred securities comprise 6.6% of the voting rights in ION. Record ownership of this class is almost exclusively in the name of Cede & Co. as nominee. As of March 8, 2007, the following were represented to ION as the holders, in the aggregate, of a majority of the shares in the class:
 - Contrarian AHFP
 - Contrarian Long Short, L.P.
 - Contrarian Equity Fund, L.P.
 - Contrarian Capital Fund I, L.P.
 - CCM Pension, LLC
 - Litespeed Master Fund Ltd.
 - Ore Hill Hub Fund, Ltd.
 - Zazove High Yield Convertible Securities Fund, L.P.

- Zazove Aggressive Growth Fund, L.P.
- Gene T. Pretti

Of these holders, only Ore Hill Hub Fund is known to be a non-U.S. entity or person, and the others are believed to be U.S. entities or persons. Thus, it is highly conservative to assume that foreign ownership of this class of ION securities is no more than 50%.

6. *14-1/4% Cumulative Junior Exchangeable Preferred (Non-Voting)*: As of early June, the following were the known holders of 1% or more of ION's 14-1/4% Cumulative Junior Exchangeable Preferred shares. The percentage of the class held by each is also provided:

Ave International Master LP	1.54%
Avenue DCP Global Opportunities Fund, LP	2.04%
Avenue Special Situations Fund IV, LP	3.94%
CIG Media	16.46%
Caspian Capital Partners, LP	1.18%
JP Morgan Ventures Corp.	5.38%
Master Credit Opportunities I	2.20%
New York Life Insurance Annuity Corp.	1.61%
New York Life Insurance Corporation	1.94%
Oppenheimer Champion Income Fund	2.99%
Oppenheimer Strategic Income Fund	3.29%
Prudential & Co.	2.30%
Signature High Income Corporate Class	1.44%

Each of the above entities is understood to be a U.S. investor or a U.S. investment company. With additional known holders of a fraction of 1% of the shares, ION has been able to determine the identity of approximately 68% of the holders of the class. Holders known to be foreign (including U.S.-controlled investment companies organized under foreign law) hold in the aggregate less than 10% of the class.

The assumption that foreign holders own no more than 50% of the two classes of publicly held preferred stock is thus entirely reasonable and, indeed, very conservative, based on the known identity of the holders of those shares.

Conclusion

In sum, as demonstrated above, ION currently meets both the “voting rights” prong and the “ownership” prong of the Commission’s test for compliance with the foreign interest benchmarks in Section 310(b). More than 93% of the voting rights in ION are exercised by U.S. persons and entities, and as analyzed above, ION’s foreign ownership is well under the applicable benchmark.