

Assignment of License Application (FCC Form 314)  
Response to Question 3 of Section II

Exhibit 4

**DESCRIPTION OF THE PROPOSED TRANSACTION**

**I. INTRODUCTION AND SUMMARY**

This application requests Commission approval of a proposed transaction involving the following licensees, as described in greater detail below:

- Freedom Broadcasting of New York, Inc. (licensee of WRGB-TV, Schenectady, NY);
- Freedom Broadcasting of Tennessee, Inc. (licensee of WTVC-TV, Chattanooga, TN);
- Freedom Broadcasting of Southern New England, Inc. (licensee of WLNE-TV, New Bedford, MA);
- Freedom Broadcasting of Oregon, Inc. (licensee of KTVL-TV, Medford, OR);
- Freedom Broadcasting of Florida, Inc. (licensee of WPEC-TV, West Palm Beach, FL);
- Freedom Broadcasting of Michigan, Inc. (licensee of WLAJ-TV, Lansing, MI, and WWMT-TV, Kalamazoo, MI); and
- Freedom Broadcasting of Texas, Inc. (licensee of KFDM-TV, Beaumont, TX).

The licensees listed above are referred to in this Exhibit as the “Licensee Subsidiaries.” Each main station television license listed above, collectively with all other licenses issued by the Commission to the respective Licensee Subsidiary in connection therewith, is referred to individually in this Exhibit as a “License” and collectively are referred to as the “Licenses.”

As a result of a series of proposed transactions that will transpire on the same day, each Licensee Subsidiary will assign all of its Licenses to one of the corresponding entities listed below (collectively, the “New Licensee Subsidiaries”):

- Freedom Broadcasting of New York Licensee, L.L.C. (proposed licensee of WRGB-TV, Schenectady, NY);
- Freedom Broadcasting of Tennessee Licensee, L.L.C. (proposed licensee of WTVC-TV, Chattanooga, TN);
- Freedom Broadcasting of Southern New England Licensee, L.L.C. (proposed licensee of WLNE-TV, New Bedford, MA);

- Freedom Broadcasting of Oregon Licensee, L.L.C. (proposed licensee of KTVL-TV, Medford, OR);
- Freedom Broadcasting of Florida Licensee, L.L.C. (proposed licensee of WPEC-TV, West Palm Beach, FL);
- Freedom Broadcasting of Michigan Licensee, L.L.C. (proposed licensee of WLAJ-TV, Lansing, MI, and WWMT-TV, Kalamazoo, MI); and
- Freedom Broadcasting of Texas Licensee, L.L.C. (proposed licensee of KFDM-TV, Beaumont, TX).

Today, each of the Licensee Subsidiaries is a wholly owned, indirect subsidiary of Freedom Communications, Inc., a California corporation (“Freedom California”), which, in turn, is wholly owned and controlled by descendants of R. C. Hoiles, the founder of Freedom California, and their respective family members (including children, grandchildren, and current and former spouses), who hold their interests either as individual shareholders or through various family corporations, family limited partnerships, family trusts, and/or family custodial arrangements and by charitable organizations to which these individuals have made donations.

As a result of the proposed transaction, (i) the New Licensee Subsidiaries will become wholly owned, indirect subsidiaries of another legal entity, Freedom Communications Holdings, Inc. (“Freedom Holdings”); (ii) the current shareholders of Freedom California who elect to continue as shareholders of Freedom Holdings will have all or a portion of their current holdings ultimately converted into voting stock in Freedom Holdings; and (iii) stockholders of Blackstone/Providence Merger Corp., a Delaware corporation, will acquire an 18.8% to 49.9% voting interest in Freedom Holdings, and may also acquire non-voting stock in that same entity. Blackstone/Providence Merger Corp. is owned by affiliates of Blackstone Communications Partners I L.P. and Blackstone Capital Partners IV L.P. (collectively, “Blackstone”) and by affiliates of Providence Equity Partners IV L.P. and Providence Equity Operating Partners IV L.P. (collectively, “Providence” and together with Blackstone, “Blackstone /Providence”). The amount of voting and non-voting stock of Freedom Holdings that Blackstone/Providence acquires will depend on certain cash elections to be made by the current Freedom California shareholders.

Certain other rights with respect to Freedom Holdings that will be held by the current shareholders of Freedom California and by Blackstone/Providence following the proposed transaction are summarized herein.

## **II. TRANSACTION**

### **A. OWNERSHIP OF NEW LICENSEE SUBSIDIARIES.**

On October 13, 2003, the following parties entered into an Agreement and Plan of Mergers and Recapitalization (the “Recapitalization Agreement”): Freedom California; Freedom Communications, Inc., a Delaware corporation and a wholly owned subsidiary of Freedom California (“Freedom Delaware”); Viaponte, Inc., a Delaware corporation and a wholly owned subsidiary of Freedom California, which will be renamed Freedom Communications Holdings,

Inc. (defined above as “Freedom Holdings”); Freedom Merger Corp., a Delaware corporation and a wholly owned subsidiary of Freedom Holdings (“Freedom Merger Sub”); and Blackstone/Providence Merger Corp., which is owned by Blackstone/Providence.

Freedom Broadcasting, Inc., a Delaware corporation (“Freedom Broadcasting”), is wholly owned by Freedom California. Each of the Licensee Subsidiaries, except Freedom Broadcasting of Tennessee, Inc., is wholly owned by Freedom Broadcasting. Freedom Broadcasting of Tennessee, Inc. is wholly owned by another Licensee Subsidiary, Freedom Broadcasting of Texas, Inc.

Freedom California is a privately held corporation, wholly owned by descendants of its founder, R. C. Hoiles, and their family members (including children, grandchildren, and current and former spouses), who hold their interests either as individual shareholders or through various family trusts, family limited partnerships, family corporations, and/or family custodial arrangements and by charitable organizations to which these individuals have made donations. The current ownership structure of the Licensee Subsidiaries and certain affiliated entities is illustrated in Figure 1.

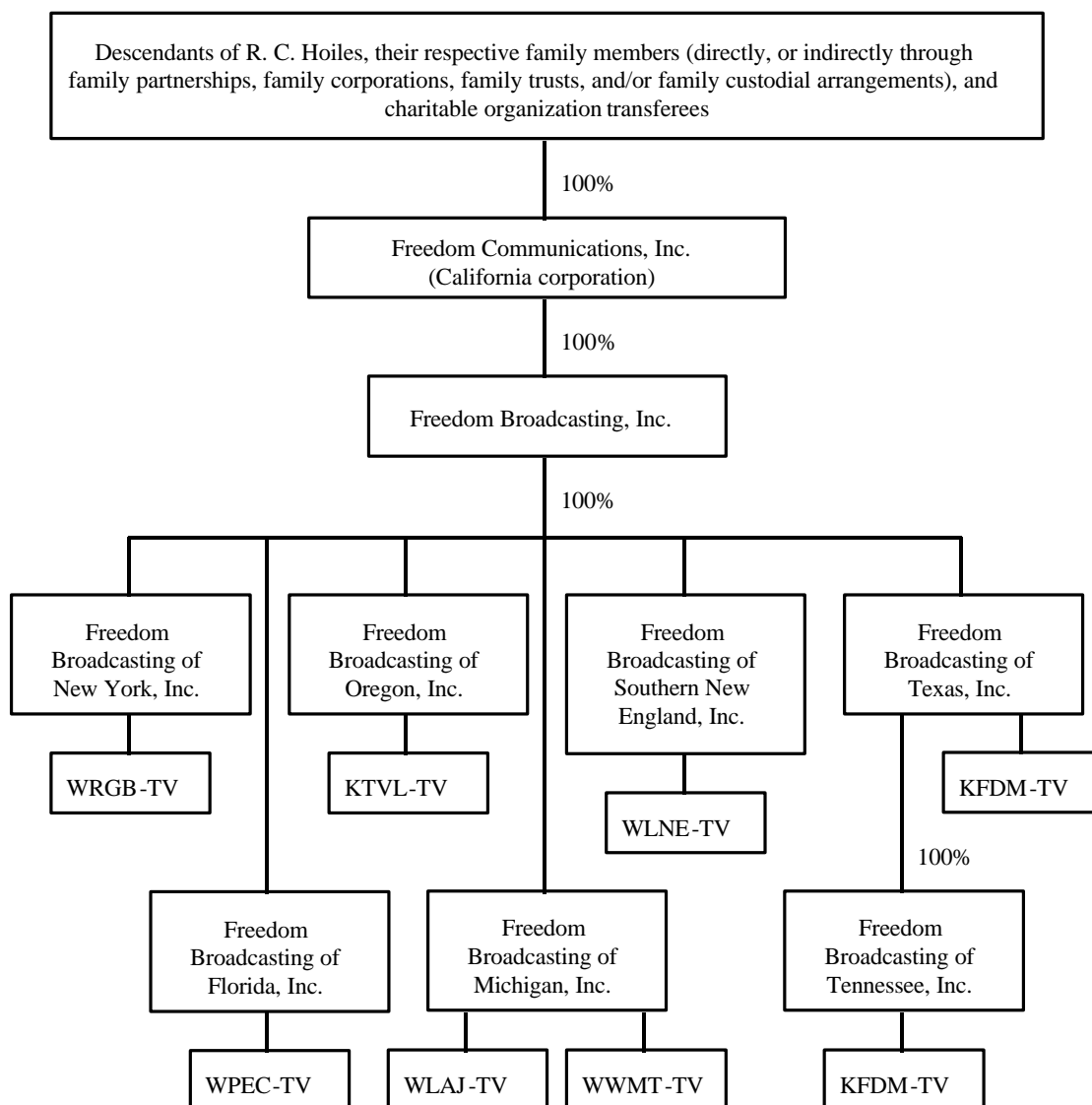


Figure 1. Ownership structure prior to proposed transaction.

Upon grant of Commission consent, each Licensee Subsidiary will assign its Licenses to a wholly-owned New Licensee Subsidiary, and Freedom Holdings will become the ultimate parent company of each New Licensee Subsidiary. Ownership of Freedom Holdings will be determined, in part, based on certain elections to be made before closing by the current voting and non-voting shareholders of Freedom California, and by certain provisions of the Recapitalization Agreement, as described in further detail below.

On the same day as the proposed assignment of Licenses to the New Licensee Subsidiaries, (i) Freedom California will be merged into Freedom Delaware, with the result of Freedom Delaware continuing as the surviving entity; (ii) current holders of voting and non-voting common shares of Freedom California who have so elected will have their holdings exchanged for cash, (iii) holdings of voting and non-voting stock in Freedom California that are not exchanged for cash effectively will be converted into voting stock of Freedom Delaware, and (iv) Blackstone/Providence will acquire a class of voting common stock of Freedom Delaware representing 18.8% to 49.9% of the voting power and equity, and also may acquire non-voting stock in the same entity, representing additional equity. Finally, Freedom Delaware and Freedom Merger Sub will merge, with holders of stock of Freedom Delaware receiving stock of Freedom Holdings in exchange and Freedom Delaware becoming a wholly owned subsidiary of Freedom Holdings.

Funds required to pay cash to the current Freedom California shareholders entitled to receive cash in the proposed transaction would come from the cash equity contributed to Blackstone/Providence Merger Corp. by Blackstone/Providence and from a portion of the proceeds of new financing to be entered into by Freedom Delaware and certain lenders. The remaining proceeds of such new financing would be used for such purposes as to refinance the existing indebtedness of Freedom California and to pay fees and expenses incurred in connection with the proposed transaction.

As noted above, the ultimate ownership of Freedom Holdings (and thus each New Licensee Subsidiary) will depend on certain cash elections made by the current Freedom California shareholders pursuant to the Recapitalization Agreement and prior to the closing of the proposed transaction. The number of shares to be exchanged for cash will be subject to certain minimum and maximum numbers of shares that can be exchanged for the right to receive cash. If the aggregate number of shares electing to receive cash exceeds the maximum, the number of shares covered by each cash election form that will be exchanged for cash will be reduced on a pro rata basis among all shareholders so that the total number exchanged for cash equals the maximum. If the aggregate number of shares electing to receive cash is less than the minimum, all such shares will be exchanged for cash, and a number of remaining shares needed to meet the minimum also will be exchanged for cash on a pro rata basis among all shareholders.

The net result of this proposed transaction is that the family shareholders will hold the Series A Common Stock of Freedom Holdings, representing 50.1% to 81.2% of the voting power,<sup>1</sup> Providence/Blackstone will acquire Series B Common Stock of Freedom Holdings, representing 18.8% to 49.9% of the voting power, and Blackstone/Providence also may acquire Series C Common Stock of Freedom Holdings, which will be non-voting.

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<sup>1</sup> It is not expected that the charitable organizations that currently are shareholders of Freedom California will become shareholders of Freedom Holdings upon the closing of the proposed transaction. In the unlikely event that they do, it is expected that their interests will not be attributable.

Specifically, if the number of shares of Series B Common Stock that Blackstone/Providence otherwise would hold would exceed 49.9% of the total voting stock of Freedom Holdings, Blackstone/Providence will hold a corresponding number of shares of non-voting Series C Common Stock in lieu of such voting shares that would exceed 49.9%. If non-voting Series C Common Stock is issued, Blackstone/Providence could acquire up to an additional 4.2% of the equity of Freedom Holdings, for a total of up to 54.1% of the equity of Freedom Holdings.

The shares of new Series B Common Stock and, if applicable, non-voting Series C Common Stock, will be held entirely by Blackstone and its affiliates, and Providence and its affiliates, with Blackstone and its affiliates holding in the aggregate up to 29.9% of the voting power of Freedom Holdings, and with Providence and its affiliates holding in the aggregate up to 20.0% of the voting power of Freedom Holdings.

The direct and indirect ownership structure of the New Licensee Subsidiaries following consummation of the proposed transaction is illustrated in Figure 2, below, and potential holders of 5% or more of the voting shares of Freedom Holdings are set forth on Exhibit 11. The proposed officers and directors of Freedom Holdings and certain of its direct and indirect subsidiaries also are set forth in Exhibit 11.

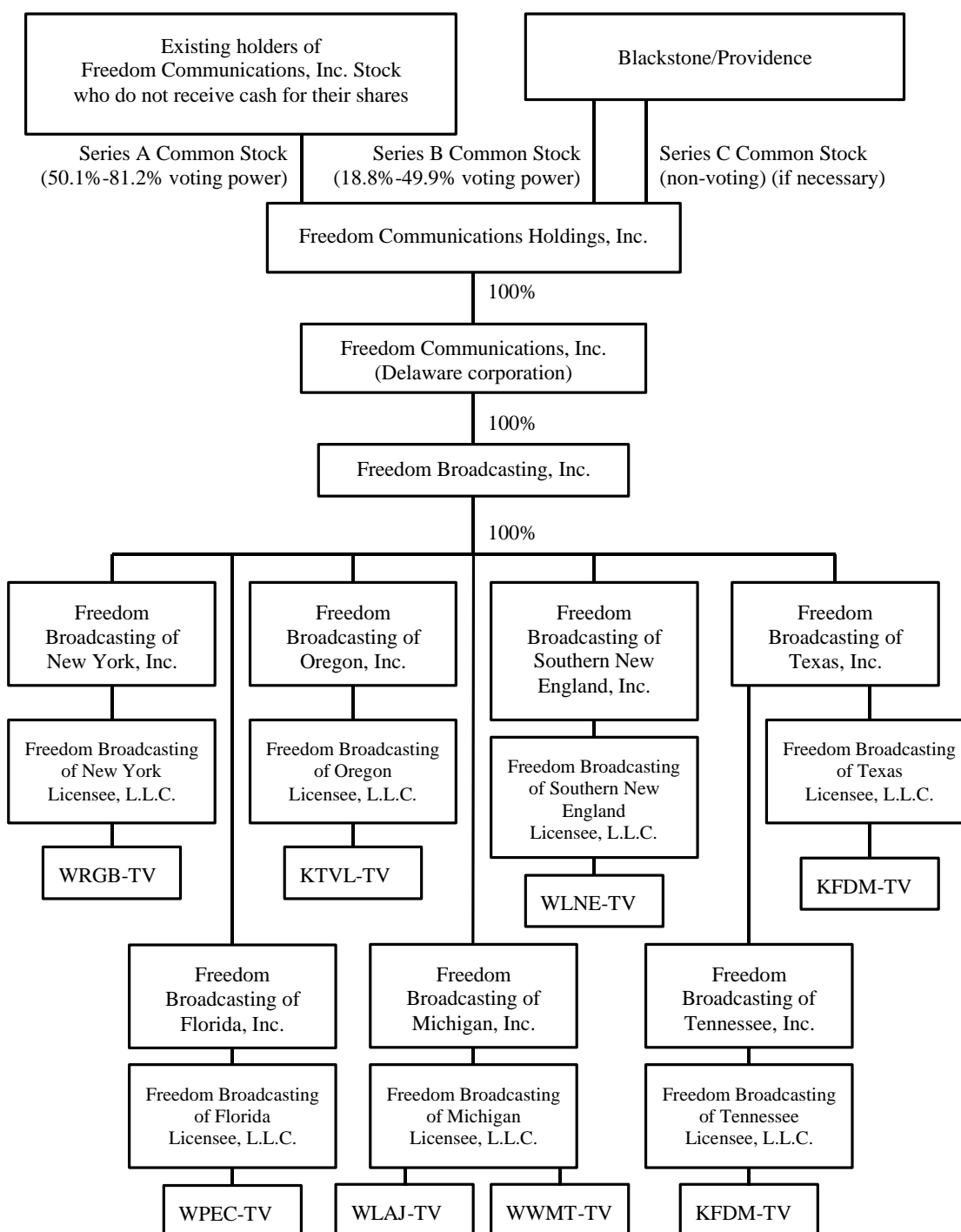


Figure 2. Ownership structure following proposed transaction.

Following the proposed transaction, in addition to the right to vote on matters affecting Freedom Holdings that require shareholder approval, holders of common stock of Freedom Holdings will enjoy certain specific rights and obligations related to the company and to their equity interests. Some of these are summarized below.

## B. SPECIAL VOTING RIGHTS

Series A Common Stock. Freedom Holdings may not take any of the following actions without the approval of the holders of a majority of the outstanding shares of Series A Common Stock of Freedom Holdings (to be held by certain owners of Freedom California prior to the proposed transaction):

- Any change, alteration of, amendment to or repeal of the rights of the Series A Common Stock;
- Issuance or transfer of any equity securities;
- Merger or sale of Freedom Holdings or transfer of all or substantially all of its assets, or substantially all of the assets of *The Orange County Register*;
- Reduction in the amount of dividends paid on Freedom Holdings common stock;
- Relocation of Freedom Holdings' headquarters outside of Orange County, California;
- Changes to the editorial policy or philosophy of Freedom Holdings;
- Incurrence of debt that exceeds the greater of the new debt financing received in the proposed transaction and 5.5 times EBITDA for the immediately preceding four quarters;
- Amendment of Freedom Holdings' certificate of incorporation or bylaws;
- Any liquidation, winding up or dissolution or any voluntary bankruptcy; and
- Increases or decreases in the authorized number of directors.

New Series B Common Stock. Freedom Holdings may not take any the following actions without the approval of the holders of two-thirds of the outstanding shares of new Series B Common Stock (to be held by Blackstone/Providence):

- Any change in Freedom Holdings' chief executive officer or such officer's compensation arrangements;
- Repurchase or redemption of any stock (except in connection with certain rights of Freedom Holdings to require Blackstone/Providence to sell back a portion of its shares and obligations of Freedom Holdings to acquire a portion of Blackstone/Providence's stock);
- Any change, alteration of, amendment to or repeal to the rights of the Series B or Series C common stock;
- Issuance or transfer of equity securities (except in connection with Freedom Holdings' obligations to acquire a portion of Blackstone/Providence's stock);



- Any transaction with a shareholder or director other than with respect to dividends or certain share conversions and director, officer, and employee compensation;
- Any increase or decrease in the authorized number of directors;
- Merger or sale of Freedom Holdings (except in connection with Freedom Holdings' obligations to acquire a portion of Blackstone/Providence's stock) or sale of all or substantially all of its assets;
- Incurrence of debt in excess of the greater of the amount of the new debt financing as of the closing of the proposed transaction and 5.5 times EBITDA for the immediately preceding four quarters;
- Any material change in the nature of Freedom Holdings' business;
- Amendment to Freedom Holdings' certificate of incorporation or bylaws;
- Any acquisitions or dispositions except to the extent that the total value of all such transactions since the closing of the proposed transaction does not exceed \$50 million; and
- Any liquidation, winding up or dissolution or any voluntary bankruptcy.

#### C. BOARD OF DIRECTORS

As of the closing of the proposed transaction, the board of directors of Freedom Holdings will consist of thirteen directors. Twelve of the directors will be divided into three groups serving staggered three-year terms. The thirteenth director will be a member of management of Freedom Holdings and will be elected annually.

The holders of Freedom Holdings Series A Common Stock will have the right to elect four directors, and the holders of new Series B Common Stock will have the right to elect four directors. A majority of the directors elected by Series A Common Stock holders and a majority of the directors elected by new Series B Common Stock holders must both approve the nomination of the remaining four non-management directors, who shall be independent, as well as the management director. The four independent non-management directors, and the management director, will be elected by a majority vote of holders of Series A Common Stock and Series B Common Stock, voting as a single class. The chairman of the board of directors of Freedom Holdings will be selected by the holders of the Series A Common Stock.

#### D. CHANGES IN VOTING RIGHTS AND RIGHTS RELATING TO DIRECTORS

The amount of common stock and the relative percentages of voting and non-voting equity interests in Freedom Holdings held by the Series A Common Stock holders and by Blackstone/Providence will change over time. Such changes may be due to occurrences such as payment of "paid in kind" dividends consisting of non-voting stock, permitted sales of shares to third-parties, and exercise of certain "put" or "call" rights with respect to shares held by Blackstone/Providence. If such occurrences result in aggregate changes in percentage of share

ownership that exceed certain specified limits, shareholders' special voting rights and rights with respect to election of directors would be altered. In certain cases, such future changes could require separate Commission consent, which is not being sought at this time.