

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Liberman Broadcasting, Inc.)	Docket No. _____
)	
Petition for Declaratory Ruling Under Section)	
310(b)(4) of the Communications Act of 1934,)	
as Amended)	
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PETITION FOR DECLARATORY RULING

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November 14, 2019

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I. INTRODUCTION AND SUMMARY

Liberman Broadcasting, Inc. (“LBI”) and SLF LBI Aggregator, LLC (“SLA”) (LBI and SLA, collectively, “Petitioners”), by their attorneys, respectfully submit this petition (“Petition”) requesting that the Federal Communications Commission (“FCC” or “Commission”) issue a declaratory ruling to allow LBI to have foreign investment in excess of the 25 percent benchmark contained in Section 310(b)(4) of the Communications Act of 1934, as amended (the “Communications Act”).¹ Specifically, LBI, which is the indirect parent company of six subsidiaries that hold broadcast television and radio and other FCC licenses, seeks a ruling permitting up to 100 percent aggregate foreign investment (voting and equity) in LBI.² In addition,

¹ 47 U.S.C. § 310(b)(4).

² See 47 C.F.R. § 1.5000(a)(1); see also *id.* § 1.5000(c)(2). Attachment A contains a list of LBI’s subsidiaries that hold broadcast licenses and the information required by Section 1.5001(a)-(c) of the Commission’s rules with respect to LBI and each such subsidiary. Certain of these subsidiaries and other LBI subsidiaries hold wireless and satellite authorizations. Information concerning those authorizations (and the subsidiaries that hold only wireless and/or satellite authorizations) is not included in Attachment A because those authorizations are not subject to Section 310(b) of the Communications Act. 47 U.S.C. § 310(b) (imposing foreign ownership limitations on holders of

LBI requests specific approval for certain foreign investors that seek to directly or indirectly hold more than 10 percent of LBI's equity, and/or to hold equity interests that will cause them to be deemed to hold more than 10 percent of LBI's voting rights.³ LBI notes that the nature of the foreign investment in the company is entirely indirect and passive, through a leading global investment firm with a multitude of diversified assets, and that post-declaratory ruling the day-to-day operations of LBI (including the content of its radio, television, and network programming) will remain, as they are today, under the control of U.S. citizens. As described more fully below, approval of the proposed foreign investment in LBI will serve the public interest by enabling LBI to better compete in the media marketplace, incentivizing foreign investment in broadcasting, and

“broadcast or common carrier or aeronautical en route or aeronautical fixed radio station license[s]”). Attachment B contains information concerning the individuals and entities that will directly and indirectly hold attributable interests in LBI following grant of the requested declaration ruling as required by Section 1.5001(e), (f), and (g)(2) of the Commission's rules, as well as the attributable interest holders of its subsidiaries that hold broadcast licenses. Attachment C contains an ownership diagram that illustrates the vertical ownership structure of LBI and its subsidiaries that hold broadcast licenses as required by Section 1.5001(h)(2) of the Commission's rules.

³ Each of the entities and individuals requiring specific approval will hold a non-controlling interest in LBI in or through a membership interest in SLA, and all of those membership interests will be insulated in accordance with the FCC's broadcast ownership rules. 47 C.F.R. § 73.3555, Note 2(f). The FCC's foreign ownership rules applicable to broadcast companies incorporate by reference the broadcast attribution criteria. *See id.* § 1.5003(a) (“[T]he insulation of limited partnership and limited liability [company] interests for broadcast applicants and licensees *shall* be determined in accordance with Note 2(f) of § 73.3555 of this chapter.”) (emphasis in original). The FCC's foreign ownership rules also require specific approval for non-controlling insulated membership interests of more than 10 percent (rather than more than 5 percent). *See id.* §§ 1.5001(i)(3)(i), 1.5001(i)(3)(ii)(C).

Although the insulated members of SLA will not actually hold any voting rights both because of their insulated status and because all such rights will be held solely by SLA, Petitioners have treated these insulated entities as having a voting interest that is equivalent to their equity interest for purposes of this Petition. *See id.* § 1.5002(b)(2)(ii)(B). All voting interests contained in this Petition have been calculated in accordance with this principle.

promoting U.S. trade policy by encouraging reciprocal investment opportunities for U.S. companies in foreign markets, while avoiding any risks to national security, law enforcement, or foreign or trade policy.

II. THE CIRCUMSTANCES PROMPTING THE FILING OF THE PETITION AND LBI'S CURRENT FOREIGN OWNERSHIP

LBI, through wholly owned subsidiaries, owns and operates, among other things, 21 full-power broadcast television and radio stations pursuant to licenses issued by the FCC. On October 15, 2019, and pursuant to the FCC's conditional grant of applications seeking consent to LBI's reorganization pursuant to Chapter 11 of the Bankruptcy Code,⁴ LBI and its subsidiaries that hold broadcast licenses emerged from bankruptcy. In connection with its emergence, LBI took steps to ensure compliance with the 25 percent foreign ownership benchmark, as well as other Communications Act and FCC regulatory restrictions on ownership.⁵ Specifically, pursuant to the Plan, LBI issued new capital stock ("New Equity Interests") and/or warrants to purchase New Equity Interests ("Warrants") to creditors. The Warrants are exercisable for New Equity Interests only upon the satisfaction of certain conditions, including compliance with the Communications Act and the FCC's rules.⁶

The *Approval Order* conditioned the grant of the Emergence Applications upon the filing of a petition for declaratory ruling pursuant to Section 310(b)(4) of the Communications Act within

⁴ See *Liberman Television of Dallas License LLC, Debtor-in-Possession*, Order, DA 19-1012 (rel. Oct. 4, 2019) ("*Approval Order*"); see also FCC File Nos. BALCDT-20190605ABL, BALH-20190605ABD, BALH-20190605AAY, BAL-20190605AAQ, BALCDT-20190605ABM, BALCDT-20190605ABJ (the "Emergence Applications").

⁵ See Emergence Applications, Exhibit 13 (FCC Description of Transaction).

⁶ See *id.* The Warrants have no voting rights, are convertible instruments that by their terms may be exercised only if exercise will be consistent with the Communications Act, and are not intended to confer any current equity interests. See *id.* at 2; *Approval Order* at 2.

30 days of closing of the transaction authorized by such grant, which closing occurred on October 15, 2019.⁷ Petitioners are timely filing the instant Petition in satisfaction of that condition and pursuant to 47 C.F.R. § 1.5000(a)(1).⁸

III. THE PROPOSED FOREIGN OWNERSHIP IS CONSISTENT WITH COMMISSION PRECEDENT AND THE PUBLIC INTEREST

A. Standard of Review

Under the revised foreign ownership rules adopted in 2016, the FCC reviews requests by broadcast licensees to exceed the Communications Act’s 25 percent indirect foreign ownership benchmark under the same streamlined standard that had historically applied to common carriers.⁹ Specifically, under Section 310(b) and the FCC’s rules, the agency will approve indirect foreign ownership of broadcast licensees above 25 percent “unless the Commission finds that the public interest will be served by refusing to permit such foreign ownership.”¹⁰

In adopting rules to govern the consideration of broadcaster parent company requests for approval of up to 100 percent foreign voting and equity, the FCC rightly recognized “the need to provide broadcasters, as well as those seeking to acquire ownership interests in broadcasters, greater clarity and certainty” in an effort to “help improve access to capital from foreign investors

⁷ *Approval Order*, ¶ 19.

⁸ See 47 C.F.R. § 1.5001(d) (requiring Petitioners to indicate whether they are seeking a declaratory ruling pursuant to Section 1.5000(a)(1) or 1.5000(a)(2) of the Commission’s rules).

⁹ See *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272, ¶ 11 (2016) (“2016 Foreign Ownership Order”).

¹⁰ 47 C.F.R. § 310(b)(4); see *2016 Foreign Ownership Order*, ¶ 5; see also, e.g., *Grupo Multimedia LLC*, Declaratory Ruling and Memorandum Opinion and Order, 33 FCC Rcd 4465, ¶ 4 (2018).

and promote regulatory flexibility.”¹¹ Permitting greater foreign investment in broadcast parent companies “has the potential to spur new and increased opportunities for capitalization for broadcasters” which “may in turn yield greater innovation.”¹² Further, the FCC has previously determined that affording additional flexibility to structure foreign investments in Commission licensees “will promote U.S. trade policy.”¹³ As demonstrated below, the declaratory ruling sought herein would further each of these relevant policy objectives without compromising the FCC’s important interests in national security, law enforcement, or foreign and trade policy. Petitioners acknowledge, moreover, that the Commission’s grant of the relief requested in this Petition would be subject to the requirement that LBI obtain specific approval in the future for any new foreign investment in LBI (or increases in foreign investment by then-existing investors in LBI) that would result in any foreign entity holding interests above 5 percent (or above 10 percent for passive investors) other than any investor specifically approved herein.

B. Proposed Foreign Ownership

1. Proposed Foreign Ownership in General

The Petitioners seek approval for LBI to have up to 100 percent of its equity and voting rights held by foreign entities and individuals as a result of transactions that are contemplated following the FCC’s grant of this Petition. Specifically, following such grant, LBI proposes to reorganize as follows:

¹¹ *2016 Foreign Ownership Order*, ¶ 12.

¹² *Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees*, Declaratory Ruling, 28 FCC Rcd 16244, ¶ 12 (2013) (“*2013 Broadcast Clarification Order*”).

¹³ *See, e.g., Review of Foreign Ownership Policies for Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act, as Amended*, First Report and Order, 27 FCC Rcd 9832, ¶¶ 2, 21 (2012).

- SLA, a newly created Delaware limited liability company, will acquire 100 percent of the outstanding New Equity Interests and 100 percent of the outstanding Warrants.
- HPS Group GP, LLC (“HPS Group GP”), a Delaware limited liability company, will be the sole non-member manager of SLA. HPS Group GP’s sole member and manager is Scott Kapnick, a U.S. Citizen. Through HPS Group GP, Mr. Kapnick will control 100 percent of the voting rights in SLA and, indirectly, 100 percent of the voting rights in LBI.
- The current holders of the New Equity Interests and Warrants will be issued membership interests in SLA accounting for 100 percent of SLA’s equity. The SLA Limited Liability Company Agreement will include insulation provisions to ensure that none of its members are materially involved, directly or indirectly, in the management or operation of the media-related activities of the LLC, consistent with the FCC’s broadcast ownership rules.¹⁴
- SLA will exercise 100 percent of the Warrants for New Equity Interests, and SLA will be the sole shareholder of LBI.

The entities that will hold insulated membership interests in SLA following these transactions are either foreign-organized or ultimately foreign-controlled. The consummation of the transactions described above will cause such entities to collectively hold a 100 percent indirect equity interest, and to be deemed to hold a 100 percent indirect voting interest, in LBI.

2. SLA’s Ownership Structure and Specific Approval Requests

As a result of the transactions described above, a number of foreign entities that hold insulated membership interests in SLA will acquire indirect equity interests, and will be deemed to acquire indirect voting interests, of more than 10 percent in LBI and, thus, will require specific approval.¹⁵ Certain individuals and additional entities within the upstream ownership structure of those insulated members will also hold or be deemed to hold interests requiring specific approval.

¹⁴ 47 C.F.R. § 73.3555, Note 2(f). As discussed in note 3, *supra*, the FCC’s foreign ownership rules applicable to broadcast companies incorporate by reference the broadcast attribution criteria.

¹⁵ *See* 47 C.F.R. § 1.5001(i). As discussed in note 3, *supra*, the 10 percent specific approval threshold, rather than the 5 percent specific approval threshold, applies to the non-controlling insulated interests involved in this Petition.

A description of SLA's ownership structure, including identification of the individuals and entities requiring specific approval, follows.

In addition to its non-member manager, SLA will have nine insulated members. Six of the insulated members will have an indirect equity interest of 10 percent or less, while three of the insulated members will have an indirect equity interest exceeding 10 percent. Because all of the members in SLA will be insulated in accordance with Commission rules and none will hold a controlling interest in LBI, only the three members holding an indirect equity interest (who also will be deemed to hold an indirect voting interest) of more than 10 percent require specific approval. The three members that will hold a greater than 10 percent equity interest in SLA are:

- SLF 2016 JL Subsidiary I, L.P., a Cayman Islands limited partnership, which will hold a 26.45 percent interest in SLA;¹⁶
- SLF 2016 JL Subsidiary I-A, L.P., a Cayman Islands limited partnership, which will hold a 27.19 percent equity interest in SLA; and
- Aiguilles Rouges Sector F Investment Fund, L.P., a Canadian limited partnership, which will hold a 22.79 percent equity interest in SLA.

Under the Commission's foreign ownership rules, each of these entities will be deemed to hold an indirect voting interest in LBI that is equal to its indirect equity interest.¹⁷ The ownership structure of each of these entities is described in greater detail below.

a. *SLF 2016 JL Subsidiary I, L.P.*

The general partner of SLF 2016 JL Subsidiary I, L.P. is HPS GP, Ltd., a Cayman Islands corporation, which is owned equally by Clive Harris and Richard Crawshaw, both citizens of the

¹⁶ All of the equity and voting percentages reported in this Petition, except for the percentages for which Petitioners are seeking specific approval, are approximate and may differ in minor respects from what is reported herein at the closing of the transactions for which approval is requested. Petitioners will supplement this Petition to the extent that any material changes are likely to occur.

¹⁷ 47 C.F.R. § 1.5002(b)(2)(ii)(B).

United Kingdom. As the general partner, HPS GP, Ltd. holds no equity and is deemed to have a voting interest that is the same as the equity interest that SLF 2016 JL Subsidiary I, L.P. holds in SLA.¹⁸ Accordingly, this Petition seeks specific approval for HPS GP, Ltd. Similarly, Petitioners seek specific approval for each of Messrs. Harris and Crawshaw to hold up to 100 percent of the voting interest that will be held by HPS GP, Ltd.¹⁹

In addition, SLF 2016 JL Subsidiary I, L.P. has two insulated limited partners, both of which are Cayman Islands limited partnerships. Under the Commission's rules, the indirect equity interest held by these entities in LBI is determined by multiplying their equity interest in SLF 2016 JL Subsidiary I, L.P. by the equity interest that SLF 2016 JL Subsidiary I, L.P. will hold in SLA.²⁰ Because the limited partners are insulated, they are deemed to have indirect voting interests equal to their indirect equity interests.²¹ As a result, only one of the limited partners of SLF 2016 JL Subsidiary I, L.P.—Specialty Loan Fund 2016, L.P., a Cayman Islands limited partnership—has an indirect equity (and deemed voting) interest in LBI that exceeds 10 percent and requires specific approval, which Petitioners seek herein.²²

¹⁸ *Id.* § 1.5002(b)(2)(ii)(A).

¹⁹ As shown in Attachment C hereto, Messrs. Crawshaw and Harris will also hold indirect interests in LBI through various other entities in the ownership structure for which this Petition seeks approval. Although Messrs. Crawshaw and Harris are expected to hold less than 0.1 percent of the equity of LBI following consummation of the proposed transactions, Petitioners seek approval for Messrs. Crawshaw and Harris to hold up to 100 percent of LBI's equity in order to provide flexibility.

²⁰ 47 C.F.R. § 1.5002(a).

²¹ *Id.* § 1.5002(b)(2)(ii)(B).

²² HPS GP, Ltd. is the general partner of Specialty Loan Fund 2016, L.P.

Each of the limited partners of Specialty Loan Fund 2016, L.P. will be insulated in accordance with the Commission's rules and none will hold an indirect equity and/or voting interest in LBI that is greater than 10 percent. Accordingly, specific approval is not needed for any of the limited partners of Specialty Loan Fund 2016, L.P.

b. *SLF 2016 JL Subsidiary I-A, L.P.*

HPS GP, Ltd. is also the general partner of SLF 2016 JL Subsidiary I-A, L.P. As noted above, Petitioners are seeking specific approval for HPS GP, Ltd. and its owners, Clive Harris and Richard Crawshaw.

SLF 2016 JL Subsidiary I-A, L.P. has four insulated limited partners, each of which is a Cayman Islands limited partnership. Only one of those insulated limited partners—SLF 2016 Institutional Holdings, L.P.—will hold an indirect equity and/or deemed voting interest in LBI that is greater than 10 percent.²³ Petitioners thus seek specific approval for SLF 2016 Institutional Holdings, L.P.

The general partner of SLF 2016 Institutional Holdings, L.P. is HPS GP, Ltd. and the sole limited partner of SLF 2016 Institutional Holdings, L.P. is SLF 2016 Institutional Holdings Lux Sàrl, a Luxembourg limited liability company. The sole member of SLF 2016 Institutional Holdings Lux Sàrl is Specialty Loan Institutional Fund 2016-L, L.P., a Cayman Islands limited partnership, the general partner of which is HPS GP, Ltd. Petitioners are seeking specific approval for SLF 2016 Institutional Holdings Lux Sàrl and Specialty Loan Institutional Fund 2016-L, L.P.

²³ Here again, the indirect equity interests held by the limited partners in LBI were determined by multiplying their equity interest in SLF 2016 JL Subsidiary I-A, L.P. by the equity interest that SLF 2016 JL Subsidiary I-A, L.P. will hold in SLA. *Id.* § 1.5002(a). Because the limited partners are insulated, their indirect voting interests are deemed to be the same as their indirect equity interest. *Id.* § 1.5002(b)(2)(ii)(B).

Each of the limited partners of Specialty Loan Institutional Fund 2016-L, L.P. will be insulated in accordance with the Commission's rules and none will hold an indirect equity and/or voting interest in LBI that is greater than 10 percent. Accordingly, specific approval is not needed for any of the limited partners of Specialty Loan Institutional Fund 2016-L, L.P.

c. *Aiguilles Rouges Sector F Investment Fund, L.P.*

The general partner of Aiguilles Rouges Sector F Investment Fund, L.P., a Canadian limited partnership, is Highbridge GP III, Ltd., a Cayman Islands corporation owned equally by Clive Harris and Richard Crawshaw. As the general partner, Highbridge GP III, Ltd. holds no equity interest in Aiguilles Rouges Sector F Investment Fund, L.P., but is deemed to have an indirect voting interest that is the same as the equity interest that Aiguilles Rouges Sector F Investment Fund, L.P. holds in SLA.²⁴ Accordingly, this Petition seeks specific approval for Highbridge GP III, Ltd.²⁵

Aiguilles Rouges Sector F Investment Fund, L.P. has two insulated limited partners, one of which is a Canadian limited partnership and the other of which is an Irish corporation. Under the Commission's rules, the indirect equity interest held by these entities in LBI is determined by multiplying their equity interest in Aiguilles Rouges Sector F Investment Fund, L.P. by the equity interest that Aiguilles Rouges Sector F Investment Fund, L.P. will hold in SLA.²⁶ Because the limited partners are insulated, they are deemed to have indirect voting interests equal to their

²⁴ *Id.* § 1.5002(b)(2)(ii)(A).

²⁵ Highbridge GP III, Ltd. is also the general partner of Aiguilles Rouges Specialty Loan Fund, L.P.

²⁶ *Id.* § 1.5002(a).

indirect equity interests.²⁷ As a result, only one of the limited partners of Aiguilles Rouges Sector F Investment Fund, L.P.—Aiguilles Rouges Specialty Loan Fund, L.P., a Canadian limited partnership—has an indirect equity (and deemed voting) interest in LBI that exceeds 10 percent and requires specific approval, which Petitioners seek herein.

Each of the limited partners of Aiguilles Rouges Specialty Loan Fund, L.P. will be insulated in accordance with the Commission’s rules and none will hold an indirect equity and/or voting interest in LBI that is greater than 10 percent. Accordingly, specific approval is not needed for any of the limited partners of Aiguilles Rouges Specialty Loan Fund, L.P.

In addition, each of the limited partners of Aiguilles Rouges Specialty Loan Fund, L.P. and each of the shareholders of the Irish corporation that is an insulated limited partner of Aiguilles Rouges Sector F Investment Fund, L.P. is ultimately controlled by AXA SA (“AXA”), a French corporation. Entities ultimately controlled by AXA also hold interests in certain other entities that will hold insulated indirect interests in LBI. As a result, AXA will hold an indirect equity interest, and will be deemed to hold an indirect voting interest, of approximately 24.25 percent in LBI. Petitioners thus seek specific approval for AXA.²⁸

d. *Information Concerning Certain Relationships*

As explained in the Emergence Applications, HPS Investment Partners, LLC (“HPSIP”), a Delaware limited liability company which is ultimately controlled by Mr. Kapnick (who, as

²⁷ *Id.* § 1.5002(b)(2)(ii)(B).

²⁸ Petitioners are in the process of confirming certain information regarding the ownership of AXA and AXA-related entities. Among other things, it is possible that one or more additional AXA-related entities may also require specific approval. To the extent that Petitioners determine that additional specific approvals are needed or learn of material changes to the information reported herein, they will promptly supplement this Petition.

discussed above, will indirectly control LBI), currently provides certain services to two of the existing holders of New Equity Interests in LBI—SLF LBI US Holdings I, LLC and SLF LBI US Holdings II, LLC (the “SLF Parties”).²⁹ Petitioners also contemplate that HPSIP will have contractual relationships with certain of the other insulated members of SLA, although Petitioners submit that these relationships do not give rise to any cognizable relationships under the FCC’s broadcast attribution or foreign ownership rules. Specifically:

- HPSIP will act as the investment manager to certain entities that collectively will hold a 7 percent indirect equity interest, and that will be deemed under the FCC’s foreign ownership rules collectively to hold a 7 percent indirect voting interest, in LBI. In that role, HPSIP will make investment decisions for those entities consistent with their status as insulated members of SLA.³⁰
- HPSIP will have an investment advisory relationship with certain other insulated members of SLA that collectively will hold a 76.4 percent indirect equity interest, and will be deemed to hold a 76.4 percent indirect voting interest, in LBI.³¹ Pursuant to

²⁹ See Emergence Applications, Exhibit 13 (FCC Description of Transaction, Services Agreement, and Description of the Parties to the Application). As explained in the Emergence Applications, the Services Agreements contain provisions insulating HPSIP from being materially involved, directly or indirectly, in the management or operation of the media-related activities of the SLF Parties. See *id.*, Exhibit 13 (Services Agreement, Description of the Parties to the Application)

³⁰ The insulated members of SLA that will have investment management relationships with HPSIP are: (1) Specialty Loan Ontario Fund 2016, L.P. (2.80 percent indirect interest in LBI); (2) Reliance Standard Life Insurance Company (2.10 percent indirect interest in LBI); (3) Safety National Casualty Corporation (1.26 percent indirect interest in LBI); and (4) Houston Casualty Company (0.84 percent indirect interest in LBI). All of these entities except for Specialty Loan Ontario Fund 2016, L.P. are insurance companies that are commonly controlled by a single Japanese corporation. Because these entities will be insulated members of SLA, they will not hold an attributable interest in LBI and, accordingly, HPSIP’s status as their investment manager will not give rise to attribution. See 47 C.F.R. 73.3555, Note 2.f. In addition, because of these entities’ insulated non-controlling status and the facts that (1) none of these entities will individually hold an equity interest, or be deemed to hold a voting interest, of more than 10 percent, and (2) these four entities will not collectively hold an equity interest, or be deemed to hold a voting interest, of more than 10 percent, the investment management relationships will not cause any foreign entity that may hold an interest in HPSIP or the entity that controls the insurance companies to require specific approval. See 47 C.F.R. §§ 1.5001(i)(3)(i), 1.5001(i)(ii)(C).

³¹ The insulated members of SLA that will have investment advisory relationships with HPSIP are (1) SLF 2016 JL Subsidiary I, L.P. (26.45 percent indirect interest in LBI); (2) SLF 2016 JL

those investment advisory relationships, HPSIP will provide recommendations and advice to those entities regarding investments consistent with their status as insulated members of SLA, subject to the “sole and absolute discretion” of those entities to make any ultimate decision, and HPSIP will not have any power or authority to make investments or enter into any transaction on behalf of those entities.

- HPSIP will continue to provide services to, but will not have investment management or investment advisory relationships with, the SLF Parties.

In addition, it is anticipated that Chengdong Investment Corporation, a Chinese sovereign wealth fund, will acquire an insulated indirect equity interest of approximately 4.64 percent in LBI.³² The FCC’s rules do not require disclosure of these relationships, nor do these relationships create attributable interests or cause any additional foreign entities to require specific approval. Nevertheless, Petitioners have discussed the relationships herein in the interest of completeness.

* * *

The table below identifies the entities and individuals requiring specific approval, their respective projected equity and/or deemed voting percentages, and the equity and/or deemed voting percentages for which Petitioners are seeking specific approval.³³

Subsidiary I-A, L.P. (27.19 percent indirect interest in LBI); and (3) Aiguilles Rouges Sector F Investment Fund, L.P. (22.79 percent indirect interest in LBI). HPSIP has no direct or indirect ownership interest in these entities, and they are ultimately controlled by individuals who are unaffiliated with HPSIP and who, as noted in the text, will have “sole and absolute discretion” over these entities’ investments in LBI. Accordingly, HPSIP will not hold an attributable interest in LBI as a result of the investment advisory relationships and that those relationships will not cause any foreign entity that may hold an interest in HPSIP to require specific approval.

³² It is anticipated that this interest will be held as an insulated interest in an investment fund that is itself an insulated limited partner of one of SLA’s insulated members.

³³ The percentages in the “Projected Equity %” and “Projected Voting %” columns are approximate and may differ in minor respects from what is reported herein at the closing. Petitioners will supplement this Petition to the extent that any material changes are likely to occur.

Name of Entity	Jurisdiction of Organization	Projected Equity %	Projected Voting %	Maximum Equity %³⁴	Maximum Voting %³⁵
SLF 2016 JL Subsidiary I, L.P.	Cayman Islands	26.45%	26.45%	49.99%	49.99%
Specialty Loan Fund 2016, L.P.	Cayman Islands	19.43%	19.43%	49.99%	49.99%
SLF 2016 JL Subsidiary I-A, L.P.	Cayman Islands	27.19%	27.19%	49.99%	49.99%
SLF 2016 Institutional Holdings, L.P.	Cayman Islands	13.12%	13.12%	49.99%	49.99%
SLF 2016 Institutional Holdings Lux Sàrl	Luxembourg	13.12%	13.12%	49.99%	49.99%
Specialty Loan Institutional Fund 2016-L, L.P.	Cayman Islands	13.12%	13.12%	49.99%	49.99%
Aiguilles Rouges Sector F Investment Fund, L.P.	Canada	22.79%	22.79%	49.99%	49.99%
Aiguilles Rouges Specialty Loan Fund, L.P.	Canada	13.40%	13.40%	49.99%	49.99%
Highbridge GP III, Ltd.	Cayman Islands	0%	22.79%	49.99%	49.99%
HPS GP, Ltd.	Cayman Islands	<0.1%	64.18%	100%	100%
Richard Crawshaw	United Kingdom	<0.1%	47.9%	100%	100%
Clive Harris	United Kingdom	<0.1%	47.9%	100%	100%
AXA SA	France	24.25%	24.25%	49.99%	49.99%

The information required by Sections 1.5001(i)-(j) of the Commission’s rules for the entities requiring specific approval is contained in Attachment D to this Petition. Other than the entities disclosed above, Petitioners have not identified any other foreign investor or group of investors that will receive an equity or voting interest in LBI that requires specific approval under the FCC’s rules.³⁶

³⁴ The percentages in this column represent the maximum percentage of equity for which Petitioners are seeking specific approval for the listed entities to hold.

³⁵ The percentages in this column represent the maximum percentage of voting for which Petitioners are seeking specific approval for the listed entities to hold or to be deemed to hold.

³⁶ As noted in note 28, *supra*, Petitioners are in the process of confirming certain information regarding the ownership of AXA and AXA-related entities. Among other things, it is possible that

C. Public Interest Analysis

1. Grant of the Petition Will Enhance LBI's Ability to Compete and Innovate in the Media Distribution Marketplace.

LBI provides a unique and much needed voice in the rapidly expanding Hispanic media marketplace. Through both its national networks and its local stations, LBI focuses on providing Spanish language programming catered specifically to the needs and tastes of the U.S. Hispanic market. The foreign investment contemplated herein will enable LBI to continue and enhance its provision of this genre of programming.

LBI's radio stations are market leaders and broadcast an array of musical genres, which range from regional Mexican and traditional mariachi and ranchera, to pop and oldies. LBI's 17 owned and operated radio stations are renowned for their ability to create and develop new musical movements. For example, "La Famosa Que Buena," KBUE-FM, is credited for discovering and developing the musical careers of regional Mexican superstars Adan Chalino Sanchez, Jenni Rivera, and Luis Coronel, to name a few. LBI also syndicates its Don Cheto Network in more than 31 markets in the U.S. "Don Cheto Al Aire" is a popular family friendly morning radio program that has universal appeal among Hispanics of all ages, genders and lifestyles. Throughout the years, the show has ranked #1 in various markets across the U.S. without regard to language, and has consistently featured distinguished guests, including many well-known politicians and entertainers.

On the television side, since its launch in 2009, Estrella TV has quickly become one of America's most popular and fastest-growing Hispanic television networks. Estrella TV has

one or more additional AXA-related entities may require specific approval. To the extent that Petitioners determine that additional specific approvals are needed or learn of material changes to the information reported herein, they will promptly supplement this Petition.

differentiated itself from other Spanish language broadcast networks through relevant and original programming that provides an alternative to the traditional telenovela format. Estrella TV's fast-paced and alternative programming includes national and local news shows, political shows, sports, variety, talk, reality, drama, music, and comedy programming – all primarily produced at its Empire Television Studios in Burbank, California by a predominantly Hispanic workforce. LBI distributes Estrella TV on its 12 full power and low power television stations as well as affiliated stations owned by major media companies like Hearst, TEGNA, Sinclair, Nexstar, and a number of minority-owned station groups.

LBI emerged from its nearly year-long Chapter 11 bankruptcy process on October 15, 2019. As LBI seeks to implement its post-restructuring business operations and continue its efforts to offer enhanced service to the public, flexibility in accessing capital is essential. LBI operates in a diverse and expanding entertainment ecosystem, in which many of its competitors are not subject to foreign ownership limitations. Allowing LBI to access foreign investment will position LBI more similarly to its less regulated competitors. The flexibility and increased competitiveness that will result from the grant of this Petition will permit the company to maintain a healthy balance sheet, take more risks on innovative new programs and services, and compete more effectively, all to the benefit of U.S. consumers who access LBI's programming and other service offerings. As the Commission has recognized, “[g]reater capitalization may in turn yield greater innovation.”³⁷ Grant of the Petition, and the resultant flexibility permitting LBI to obtain cost-effective investment, will bear this out.

³⁷ *Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees*, Declaratory Ruling, 28 FCC Rcd 16244, ¶ 10 (2013) (“2013 Broadcast Clarification Order”).

2. Grant of the Petition Will Serve the Commission’s Interest in Encouraging Foreign Investment in Broadcasting and Ensure Comity with the Bankruptcy Laws.

For more than two decades, the FCC has recognized that enhancing the degree to which foreign investment can flow into the United States communications industries can yield important public interest benefits.³⁸ Indeed, the Commission has repeatedly recognized that “foreign investment has been and will continue to be an important source of financing for” communications companies in the U.S., and that creating additional opportunities for such investment can “foster[] technological innovation, economic growth, and job creation.”³⁹ In most recently adopting specific rules to streamline the process by which broadcasters may seek to exceed the foreign ownership limits, the Commission expressed a desire to “facilitate investment from new sources of capital at a time of growing need for investment in this important sector of our nation’s economy.”⁴⁰ Furthering this important policy goal, the FCC has in recent years granted a number of petitions for declaratory ruling allowing broadcasters to exceed the Section 310(b)(4) limitation, including several permitting foreign ownership up to and including 100 percent.⁴¹

³⁸ See, e.g., *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Market Entry and Regulation of Foreign Affiliated Entities*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, ¶ 4 (1997).

³⁹ *Review of Foreign Ownership Policies for Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 28 FCC Rcd 5741, ¶ 3 (2013).

⁴⁰ *2016 Foreign Ownership Order*, ¶ 2.

⁴¹ See, e.g., *Zoo Communications, LLC*, Declaratory Ruling and Memorandum Opinion and Order, MB Docket No. 17-359, DA 19-108 (rel. Feb. 22, 2019) (permitting 100 percent foreign ownership in the licensee’s parent company); *Border Media Licenses, LLC*, Declaratory Ruling and Memorandum Opinion and Order, 33 FCC Rcd 8324 (2018) (same); *Grupo Multimedia LLC*, Declaratory Ruling and Memorandum Opinion and Order, 33 FCC Rcd 4465 (2018) (same); *Frontier Media*, Memorandum Opinion and Order and Declaratory Ruling, 32 FCC Rcd 1427 (2017) (same); *Hemisphere Media Group, Inc.*, Declaratory Ruling, 32 FCC Rcd 718 (2017) (permitting up to 49.99 percent foreign ownership in the licensee’s parent company); *Univision*

The important public interest benefits associated with enabling greater foreign investment in communications companies take on added significance in the context of a company, such as LBI, that has recently restructured its debt load through the Chapter 11 bankruptcy process. In the bankruptcy context, debt interests are often held by entities that are considered foreign under FCC rules, and the conversion of debt to equity is commonplace in restructurings. The foreign ownership limitations serve as a disincentive to foreign debt investment in communications companies subject to those limitations by limiting the extent to which foreign entities can receive equity in the event of a restructuring. By contrast, permitting the conversion of debt to equity (or warrants to equity) following the grant of any necessary declaratory ruling will serve the important goal of incentivizing (or, at a minimum, not disincentivizing) foreign debt investments in companies subject to the Communications Act's foreign ownership limitations, allowing such companies to emerge in a stronger economic position. Moreover, permitting LBI to take on additional foreign investment following grant of a declaratory ruling will afford it flexibility to access additional sources of capital in the future. These results, in turn, will produce the same kinds of benefits that the Commission has recognized will flow from facilitating foreign investment more generally.

Grant of the requested declaratory ruling would also further the broad aims of the Bankruptcy Code, which generally seeks to permit the retirement of debt and restructuring of a company's operations post-bankruptcy. Indeed, the courts have instructed that "agencies should constantly be alert to determine whether their policies might conflict with other federal policies

Holdings, Inc., Declaratory Ruling, 32 FCC Rcd 6 (2017) (same); *Pandora Radio LLC*, Declaratory Ruling, 30 FCC Rcd 5094 (2015) (same); *see also Cumulus Media Inc.*, Public Notice, MB Docket No. 19-143, DA 19-446 (May 21, 2019) (seeking comment on petition for declaratory ruling seeking up to 100 percent foreign ownership of licensees' parent company).

and whether such conflict can be minimized.”⁴² In keeping with this directive, the Commission has recognized that it “is obliged to reconcile its policies under the [Communications] Act with the policies of other federal laws and statutes, including the bankruptcy laws in particular.”⁴³ As a result, the FCC has routinely acknowledged the need for comity with the bankruptcy process,⁴⁴ and has granted numerous foreign ownership petitions for declaratory ruling filed by companies in connection with their emergence from bankruptcy.⁴⁵ In particular, a primary goal of the Bankruptcy Laws is to ensure “equality of distribution among creditors.”⁴⁶ Where, as here, certain foreign creditors seek to exchange warrants for equity in the context of a Chapter 11 restructuring, grant of a declaratory ruling directly serves this important bankruptcy-related policy goal.

⁴² *LaRose v. FCC*, 494 F.2d 1145, 1146 n.2 (D.C. Cir. 1974).

⁴³ *Dale J. Parsons, Jr.*, Memorandum Opinion and Order, 10 FCC Rcd 2718, ¶ 11(1995).

⁴⁴ *See, e.g., Tribune Broadcasting Co.*, Memorandum Opinion and Order, 27 FCC Rcd 14239, ¶ 4 (2012) (granting waivers of FCC ownership rules to “facilitate the emergence of the company from bankruptcy”); *Sam Jones, Jr.*, Memorandum Opinion and Order, 10 FCC Rcd 5330, ¶ 22 (1995) (deferring to bankruptcy court concerning debtor’s financial status); *Fox Television Stations, Inc.*, Declaratory Ruling, 8 FCC Rcd 5341, ¶¶ 15, 42 (1993) (granting waiver of FCC ownership rule based on the interest in minimizing conflicts with bankruptcy law); *Second Thursday Corp.*, Memorandum Opinion and Order, 22 F.C.C.2d 515, ¶ 1 (1970) (creating exception to policy prohibiting sale of station when there are outstanding character issues concerning the seller for situations involving bankruptcy in the interest of protecting innocent creditors).

⁴⁵ *See, e.g., LightSquared Subsidiary, LLC*, Memorandum Opinion and Order and Declaratory Ruling, 30 FCC Rcd 13988, ¶ 29 (2015) (finding that allowing foreign ownership in excess of 25 percent “will serve the public interest by providing the capital necessary to allow the LightSquared entities to emerge from bankruptcy, consistent with the broad aims of the Bankruptcy Code, the Act and the Commission’s rules and policies”); *see also, e.g., Loral Satellite, Inc.*, Order and Authorization, 19 FCC Rcd 2404 (2004) (granting foreign ownership petition for declaratory ruling to company seeking consent to implement restructuring plan approved by bankruptcy court); *Space Station System Licensee, Inc.*, Memorandum Opinion, Order and Authorization, 17 FCC Rcd 2271 (2002) (same); *XO Communications, Inc.*, Memorandum Opinion, Order and Authorization, 17 FCC Rcd 19212 (2002) (same).

⁴⁶ *Fox Television Stations, Inc.*, ¶ 15.

3. Grant of the Petition Will Further United States Trade Policy Without Raising any National Security, Law Enforcement, or other Risks.

The Commission is just one of the U.S. agencies that recognizes the benefits that result from more foreign investment in the U.S. Promoting foreign investment has been a critical aspect of U.S. trade policy for decades. In 2016 alone, there were 7,087,900 U.S. workers employed by American affiliates of majority foreign-owned firms according to the Department of Commerce.⁴⁷ Furthermore, foreign investment “directly and indirectly” supports almost 13 million American jobs.⁴⁸ Such investment is especially robust in the technology sector, as “[m]ore than 40 percent of the \$5 trillion global IT market is in North America, primarily the United States.”⁴⁹ The U.S. government has committed to bolstering foreign direct investment, with more than 20 federal agencies and bureaus currently working together⁵⁰ to promote foreign investment in the American

⁴⁷ *Foreign Direct Investment (FDI): United States* (2018), U.S. Department of Commerce, at 1, <https://www.selectusa.gov/servlet/servlet.FileDownload?file=015t000000LKSn> (“U.S. FDI Fact Sheet”).

⁴⁸ Steven Meyers, *SelectUSA’s \$30 Billion Impact on the U.S. Economy*, U.S. Department of Commerce Blog (June 7, 2018), <https://www.commerce.gov/news/blog/2018/06/selectusas-30-billion-impact-us-economy>.

⁴⁹ *See Software and Information Technology Spotlight*, SelectUSA, U.S. Department of Commerce, <https://www.selectusa.gov/software-and-information-technology-services-industry-united-states> (last visited Oct. 28, 2019).

⁵⁰ SelectUSA is a Department of Commerce program intended to “facilitate job-creating business investment into the United States and raise awareness of the critical role that economic development plays in the U.S. economy. SelectUSA works with more than 20 federal agencies and bureaus to increase coordination and provide guidance and information to respond to specific and broad-reaching issues that affect business investment decisions.” *About SelectUSA*, SelectUSA, U.S. Department of Commerce, <https://www.selectusa.gov/about-selectusa> (last visited October 28, 2019).

economy. This is especially true in the American broadcast and media entertainment industry, which is the largest in the world at \$717 billion.⁵¹

This emphasis on growing the economy through foreign investment has borne results, as the U.S. reported \$457.1 billion in foreign direct investment in 2016, which is more than double the annual average between 2012 and 2014.⁵² That investment amounted to 6.4 percent of the total American private-sector gross domestic product (“GDP”), which represented a 1.9 percent increase from 2015.⁵³ Majority-owned U.S. affiliates employed 7.1 million workers, totaling a 3.9 percent increase between 2015 and 2016.⁵⁴ Although expenditures by foreign direct investors to “acquire, establish, or expand” U.S. companies decreased to \$272.8 billion in 2017, such investments improved to \$296.4 billion in 2018.⁵⁵ Indeed, the U.S. continues to be “one of the most open markets . . . in the world.”⁵⁶

⁵¹ See, e.g., *Media and Entertainment Spotlight*, SelectUSA, U.S. Department of Commerce, <https://www.selectusa.gov/media-entertainment-industry-united-states> (last visited October 28, 2019); *Foreign Direct Investment (FDI): High-Tech*, SelectUSA, U.S. Department of Commerce, <https://www.selectusa.gov/high-tech-fact-sheet> (last visited October 28, 2019) (2,099,700 high-tech jobs were directly supported by majority-owned U.S. affiliates in 2015).

⁵² *Foreign Direct Investment in the United States* (2017), U.S. Department of Commerce, at 1, <https://www.commerce.gov/sites/default/files/migrated/reports/FDIUS2017update.pdf> (“*FDI in the U.S.*”).

⁵³ *Activities of U.S. Affiliates of Foreign Multinational Enterprises, 2016* (2018), U.S. Bureau of Economic Analysis, at 2, <https://www.bea.gov/system/files/2018-11/imne1118.pdf>.

⁵⁴ *Id.* at 1.

⁵⁵ *New Foreign Direct Investment in the United States, 2018* (July 2, 2019), Bureau of Economic Analysis, <https://www.bea.gov/news/2019/new-foreign-direct-investment-united-states-2018>.

⁵⁶ *Foreign Direct Investment in the United States* (2018), Organization for International Investment, at 3, <http://ofii-docs.ofii.org/dmfile/FDIUS-2018-Report.pdf> (“*OII Foreign Domestic Investment Report*”).

Grant of this Petition will provide the benefits of foreign investment to LBI without raising any countervailing national security or law enforcement risks. Indeed, the day-to-day management of LBI will be controlled by U.S. citizens, with foreign investment present only indirectly through insulated membership interests in SLA, a U.S.-organized limited liability company which will become LBI's ultimate parent company.⁵⁷ Moreover, the insulated individuals and entities requiring specific approval here consist of two British citizens and Cayman-, Canadian-, and French-organized companies and/or their subsidiaries. These countries are among the United States' closest allies and, as demonstrated further below, are large investors in the U.S. economy with which the U.S. is engaged in robust reciprocal trade.

a. *United Kingdom and the Cayman Islands*

The United Kingdom has historically been a top international investor in the United States,⁵⁸ and was the largest in 2017⁵⁹ and 2018.⁶⁰ As a self-governing British Overseas Territory, the Cayman Islands' tourism and international finance industries have made the United States a critical economic partner.⁶¹ According to the Cayman Islands Immigration Department, the U.S.

⁵⁷ In addition, the limited partners of insulated members of SLA that will indirectly hold more than 90 percent of LBI's equity interests are themselves subject to insulation provisions.

⁵⁸ *FDI in the U.S.* at 2.

⁵⁹ *OII Foreign Domestic Investment Report* at 4.

⁶⁰ *U.S. FDI Fact Sheet*.

⁶¹ As a British Overseas Territory, the United Kingdom is responsible for the Cayman Islands' defense and external affairs. *A Guide to the United States' History of Recognition, Diplomatic, and Consular Relations, by Country, since 1776: The Cayman Islands*, U.S. Department of State, Office of the Historian, <https://history.state.gov/countries/cayman-islands> (last visited Oct. 30, 2019) ("*History of U.S.-Cayman Relations*"); *U.S. Relations with Canada* (July 8, 2019), U.S. Department of State, Bureau of Western Hemisphere Relations, <https://www.state.gov/u-s-relations-with-canada/>; *U.S. Relations with France* (Apr. 4, 2019), U.S. Department of State, Bureau of European and Eurasian Affairs, <https://www.state.gov/u-s-relations-with-france/> ("*U.S. Relations with France*"); *U.S. Relations with the United Kingdom* (May 24, 2019), U.S.

led all other countries with 213,096 visitors in 2018.⁶² British foreign investment in the U.S. was \$597,219 million in 2018, while the U.S. invested \$757,781 million in the United Kingdom.⁶³ Although the United Kingdom's investment in the U.S. declined slightly between 2017 and 2018, the country has increased its investment position by \$76,756 million since 2014.⁶⁴ In 2017, the Cayman Islands and other British Caribbean territories⁶⁵ invested \$87,409 million in the United States while the U.S. invested \$331,391 million in those islands.⁶⁶

The United Kingdom's top trade export destination was the United States in 2017, with a 13.39 percent share of all exports according to the World Bank.⁶⁷ Additionally, the U.S. was the United Kingdom's third largest import partner with a 9.17 percent share of all imports originating in the U.S.⁶⁸ The Commission previously approved of the 65.1 percent indirect foreign ownership

Department of State, Bureau of European and Eurasian Affairs, <https://www.state.gov/u-s-relations-with-united-kingdom/>.

⁶² *The Cayman Islands 2018 Bi-Annual Report*, Cayman Islands, <https://www.visitcaymanislands.com/statistics/biannual2018/index.html> (last visited October 30, 2019).

⁶³ *Foreign Direct Investment (FDI): United Kingdom* (2018), SelectUSA, <https://www.selectusa.gov/servlet/servlet.FileDownload?file=015t0000000LKOM>.

⁶⁴ *Id.*

⁶⁵ The other United Kingdom Caribbean territories include the British Virgin Islands, Montserrat, and the Turks and Caicos Islands. *Direct Investment by Country and Industry: 2017* (2018), Bureau of Economic Analysis, at 5, 9, <https://www.bea.gov/system/files/2018-07/fdici0718.pdf>.

⁶⁶ *Id.*

⁶⁷ *United Kingdom Trade at a Glance 2017*, World Bank, World Integrated Trade Solution, <https://wits.worldbank.org/countrysnapshot/en/GBR/textview> (last viewed Oct. 30, 2019).

⁶⁸ *Id.*

of Verizon Wireless by Vodaphone Group Plc, a British company.⁶⁹ Furthermore, the FCC also permitted Q Wireless, LLC, a Nevada-based company holding a Wireless Internet Service Provider License, to exceed the 25 percent foreign ownership limitation through ownership by several Cayman Islands entities.⁷⁰

b. *Canada*

As a close ally, Canada's investment in the U.S. was second only to the United Kingdom in 2018 with a \$588,399 million position.⁷¹ During that time, the U.S. invested \$401,874 million in Canada.⁷² Canadian investments in the American economy have increased every year since 2014, with growth totaling \$260,310 million from 2014 to 2018.⁷³ According to the World Bank, Canada's top export partner in 2017 was the U.S., which received a 75.85 percent share of Canadian exported goods.⁷⁴ Canada also received the majority of its imports from the U.S. through a 51.33 percent share.⁷⁵ In 2016, the Commission approved 100 percent ownership of Telecom

⁶⁹ *International Authorizations Granted*, Public Notice, 21 FCC Rcd 13575, 13575-76 (Nov. 24, 2006).

⁷⁰ *International Authorizations Granted*, Public Notice, 30 FCC Rcd 364, 3642 (Apr. 16, 2015).

⁷¹ *U.S. FDI Fact Sheet*.

⁷² *Foreign Direct Investment (FDI): Canada* (2018), SelectUSA, <https://www.selectusa.gov/servlet/servlet.FileDownload?file=015t0000000LKLr>.

⁷³ *Id.*

⁷⁴ *Canada Trade at a Glance 2017*, World Bank, World Integrated Trade Solution, <https://wits.worldbank.org/countrysnapshot/en/CAN/textview> (last visited Oct. 30, 2019).

⁷⁵ *Id.*

North America, Inc., a Personal Communications Service license holder organized in Nevada, by Knowroaming, Ltd., a Canadian corporation.⁷⁶

c. *France*

As the United States' oldest ally, France has played a crucial role in the American economy as its third largest trading partner in Europe.⁷⁷ French and American companies transact approximately \$1 billion in business each day,⁷⁸ and France is the sixth largest international investor in the U.S. with \$326,437 million contributed in 2018.⁷⁹ American affiliates of majority French-owned businesses employed 728,500 workers in the United States while also investing \$5.6 billion in American research and development in 2016.⁸⁰ In 2018, the U.S. invested \$86,863 million in France.⁸¹ In terms of foreign trade, the United States was the fourth largest importer of French goods in 2017.⁸² France imported \$39,677 million in American goods in 2017, as the U.S. was the fifth largest exporter to France that year.⁸³ In 2011, the Commission granted Telecom North America Mobile's petition for declaratory ruling, finding that its 50 percent ownership

⁷⁶ *International Authorizations Granted*, Public Notice, 31 FCC Rcd 11878, 11879 (Oct. 27, 2016).

⁷⁷ *U.S. Relations with France*.

⁷⁸ *Id.*

⁷⁹ *Foreign Direct Investment (FDI): France* (2018), SelectUSA, <https://www.selectusa.gov/servlet/servlet.FileDownload?file=015t0000000LKBS>.

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² France exported more than seven percent of all its goods to the United States in 2017. *See France Trade at a Glance 2017*, World Bank, World Integrated Trade Solution, <https://wits.worldbank.org/countrysnapshot/en/FRA/textview> (last visited Nov. 6, 2019).

⁸³ *Id.*

interest by a French citizen would serve the public interest in connection with the company's application for partial assignment of a Broadband Personal Communications Service license.⁸⁴

* * *

Finally, even if the proposed foreign ownership might be perceived as creating any national security or law enforcement concerns—which it should not—those concerns can be fully addressed through the Team Telecom review process. Grant of this Petition would therefore align with the U.S. government's desire to promote increased cross-border investment and would further the economically beneficial relationship that the United States has worked hard to form with the United Kingdom, the Cayman Islands, Canada, France, and other foreign countries across the world.⁸⁵

IV. CONCLUSION

As demonstrated above, grant of the relief sought in this Petition would deliver concrete public interest benefits by enhancing LBI's ability to compete and innovate, encouraging foreign investment in broadcasting, ensuring comity with the bankruptcy laws, and furthering U.S. trade policy by encouraging reciprocal investment opportunities for U.S. companies in foreign markets, without raising any national security, law enforcement, or other risks. Accordingly, there is no basis to conclude that “the public interest will be served by the refusal” to grant the petition.⁸⁶ For these reasons, the Commission should authorize up to 100 percent of the equity, and up to 100

⁸⁴ *International Authorizations Granted*, Public Notice, DA 11-259, 26 FCC Rcd 1359, 1359 (Feb. 10, 2011).

⁸⁵ See, e.g., *Frontier Media*, ¶ 7 (granting petition for declaratory ruling in part on the ground that such action would “potentially encourage reciprocal investment opportunities for U.S. companies in foreign markets”); *Zoo Communications*, ¶ 4 (same).

⁸⁶ 47 U.S.C. § 310(b)(4).

percent of the voting rights, in LBI to be held by foreign entities or individuals, and should grant the specific approvals sought herein.

Respectfully submitted,

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November 14, 2019

Schedule of Attachments

Attachment A	Petitioners, Subsidiaries, Licenses, and Applications (47 C.F.R. §§ 1.5001(a)-(c))
Attachment B	Attributable Interest Holders (47 C.F.R. §§ 1.5001(e), (f), (g)(2))
Attachment C	Post-Declaratory Ruling Ownership and Control Structure (47 C.F.R. § 1.5001(h)(2))
Attachment D	Estimate of Aggregate Foreign Ownership (47 C.F.R. § 1.5001(h)(1))
Attachment E	Specific Approval Parties and Their Attributable Interest Holders (47 C.F.R. § 1.5001(i)-(j))
Attachment F	Certifications (47 C.F.R. §§ 1.5000(c)(1), 1.5001(l))

ATTACHMENT A

Petitioners, Subsidiaries, Licenses, and Applications

(47 C.F.R. §§ 1.5001(a)-(c))

Petitioners and Representatives

(47 C.F.R. § 1.5001(a)-(b), (c)(1))

Petitioner

Liberman Broadcasting, Inc.

FRN: 0010612695
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone Number: (818)729-5300
Organized: Delaware
Business Type: Corporation
Licenses: None held directly, see below for subsidiaries
Certifying Party:¹ Brian Kei

Representatives:² Kathleen A. Kirby, Eve Klindera Reed, Wayne D. Johnsen
Firm: Wiley Rein LLP
Address: 1776 K Street, NW, Washington, DC 20006
Phone: (202)719-7000
Email address: kkirby@wileyrein.com

Petitioner:

SLF LBI Aggregator, LLC

FRN: 0028977114
Address: 40 West 57th Street, 33rd Floor, New York, NY 10019
Phone Number: (212)287-6767
Organized: Delaware
Business Type: Limited Liability Company
Licenses: None
Certifying Party: Scott Kapnick

Representatives: Michael Nilsson, Colleen Sechrest, Randall W. Sifers
Firm: Harris, Wiltshire & Grannis LLP
Address: 1919 M Street, NW, The Eighth Floor, Washington, DC 20036
Phone: (202)730-1300
Email address: mnilsson@hwglaw.com

¹ Mr. Kei is also the certifying party for all of the Licensee Subsidiaries of Liberman Broadcasting, Inc.

² The information regarding the representatives of Liberman Broadcasting, Inc. also applies to all of the Licensee Subsidiaries of Liberman Broadcasting, Inc.

Licensee Subsidiaries

(47 C.F.R. § 1.5001(c)(2))

LBI Radio License LLC

FRN: 0003748613
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone number: (818)729-5300
Organized: California
Business type: Limited Liability Company
Service: Broadcast Radio

LBI Radio License LLC is the licensee of stations:

<u>Call Sign</u>	<u>Type</u>	<u>Location</u>	<u>Facility ID</u>
KVNR	AM	Santa Ana, CA	37223
KWIZ	FM	Santa Ana, CA	37225
KBUA	FM	San Fernando, CA	10097
KBUA-FM1	Booster	Valencia/Newhall, CA	10098
KBUE	FM	Long Beach, CA	34386
KEBN	FM	Garden Grove, CA	50513
KRQB	FM	San Jacinto, CA	25809

Liberman Broadcasting of Houston License LLC

FRN: 0016264632
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone number: (818)729-5300
Organized: Delaware
Business type: Limited Liability Company
Service: Broadcast Radio

Liberman Broadcasting of Houston License LLC is the licensee of stations:

<u>Call Sign</u>	<u>Type</u>	<u>Location</u>	<u>Facility ID</u>
KJOJ-FM	FM	Freeport, TX	69565
KQQK	FM	Beaumont, TX	19087
KTJM	FM	Port Arthur, TX	20489
KNTE	FM	Bay City, TX	2131
KEYH	AM	Houston, TX	2911

KZJL License LLC

FRN: 0016264616
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone number: (818)729-5300
Organized: Delaware
Business type: Limited Liability Company
Service: Broadcast Television

KZJL License LLC is the licensee of station:

<u>Call Sign</u>	<u>Type</u>	<u>Location</u>	<u>Facility ID</u>
KZJL	TV	Houston, TX	69531

KRCA License LLC

FRN: 0001529247
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone number: (818)729-5300
Organized: California
Business type: Limited Liability Company
Service: Broadcast Television

KRCA License LLC is the licensee of stations:

<u>Call Sign</u>	<u>Type</u>	<u>Location</u>	<u>Facility ID</u>
KRCA	TV	Riverside, CA	22161
KSDX-LD	LPTV	San Diego, CA	168576
KVPA-LD	LPTV	Phoenix, AZ	33773
WASA-LD	LPTV	Port Jervis, NY	167320
KETD	TV	Castle Rock, CO	37101
WESV-LD	LPTV	Chicago, IL	68043
WVFW-LD	LPTV	Miami, FL	6040
WGEN-TV	TV	Key West, FL	27387
WGEN-LD	LPTV	Miami, FL	168060
W12DI-D	LPTV	Key West, FL	168058
W08ED-D	TX	Marathon, FL	168062
W17DG-D	TX	Miami, FL	4332
W21CL-D	TX	Marathon, FL	6042

Liberman Television of Dallas License LLC

FRN: 0016264558
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone number: (818)729-5300
Organized: Delaware
Business type: Limited Liability Company
Service: Broadcast Television

Liberman Television of Dallas License LLC is the licensee of station:

<u>Call Sign</u>	<u>Type</u>	<u>Location</u>	<u>Facility ID</u>
KMPX	TV	Decatur, TX	73701

Liberman Broadcasting of Dallas License LLC

FRN: 0016264533
Address: 1845 Empire Avenue, Burbank, CA 91504
Phone number: (818)729-5300
Organized: Delaware
Business type: Limited Liability Company
Service: Broadcast Radio

Liberman Broadcasting of Dallas License LLC is the licensee of stations:

<u>Call Sign</u>	<u>Type</u>	<u>Location</u>	<u>Facility ID</u>
KNOR	FM	Krum, TX	36289
KBOC	FM	Bridgeport, TX	64694
KZZA	FM	Muenster, TX	23017
KZMP	AM	University Park, TX	63551
KZMP-FM	FM	Pilot Point, TX	15854

Applications

(47 C.F.R. § 1.5001(c)(2))

This Petition is being filed as Exhibit 26 to applications on FCC Form 315 for FCC consent to the transfer of control of the radio and television licenses held by indirect, wholly-owned subsidiaries of Liberman Broadcasting, Inc. (“LBI”) from the current shareholders of LBI to SLF LBI Aggregator, LLC. Those applications are being filed concurrently herewith.

ATTACHMENT B

**Attributable Interest Holders of Liberman Broadcasting, Inc. and Broadcast License
Subsidiaries**

(47 C.F.R. §§ 1.5001(e), (f), (g)(2))

Attributable Interest Holders of Liberman Broadcasting, Inc. and Broadcast License Subsidiaries

(47 C.F.R. §§ 1.5001(e), (f), (g)(2))

The tables below list the following:

- 1) Name of each individual or entity that will hold an attributable interest in Liberman Broadcasting, Inc. (“LBI”) and its broadcast license subsidiaries (“License Subsidiaries”) following the transactions proposed in the Petition and associated applications.
- 2) Citizenship or place of organization.
- 3) Nature of Interest: Office, director, general partner, limited partner, LLC member, attributable investor, etc.
- 4) Percentage of votes (rounded to the nearest percentage).
- 5) Percentage of equity (rounded to the nearest percentage).

Section I includes tables for the License Subsidiaries, Section II includes tables for the intermediate parent companies of the License Subsidiaries, and Section III includes tables for LBI, which is the ultimate parent company of the License Subsidiaries, and its attributable interest holders.¹

I. LICENSE SUBSIDIARIES

LBI Radio License LLC is a limited liability company with a principal business of radio broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1)	(2)	(3)	(4)	(5)
Name	Citizenship	Nature of Interest	%Votes	%Equity
LBI Radio License LLC	U.S.	---	--	--
Peter Markham	U.S.	Manager	0	0
Brian Kei	U.S.	Manager	0	0
Liberman Broadcasting of California LLC	U.S.	Sole Member	100	100

¹ It is possible that additional officers, directors, or managers of LBI and its subsidiaries may be named prior to consummation of the transactions for which approval is sought in this Petition. Each such officer, director, or manager will possess the requisite qualifications to hold an attributable interest in a broadcast licensee, will not hold an attributable interest in any other broadcast licensee that would cause a violation of the media ownership rules when combined with an attributable interest in LBI, and will not hold equity or deemed voting interests that require specific approval under the foreign ownership rules.

Liberman Broadcasting of Houston License LLC is a limited liability company with a principal business of radio broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1) Name	(2) Citizenship	(3) Nature of Interest	(4) %Votes	(5) %Equity
Liberman Broadcasting of Houston License LLC	U.S.	---	--	--
Peter Markham	U.S.	Manager	0	0
Brian Kei	U.S.	Manager	0	0
Liberman Broadcasting of Houston LLC	U.S.	Sole Member	100	100

KZJL License LLC is a limited liability company with a principal business of television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1) Name	(2) Citizenship	(3) Nature of Interest	(4) %Votes	(5) %Equity
KZJL License LLC	U.S.	---	--	--
Peter Markham	U.S.	Manager	0	0
Brian Kei	U.S.	Manager	0	0
Liberman Television of Houston, LLC	U.S.	Sole Member	100	100

Liberman Television of Dallas License LLC is a limited liability company with a principal business of television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1) Name	(2) Citizenship	(3) Nature of Interest	(4) %Votes	(5) %Equity
Liberman Television of Dallas License LLC	U.S.	---	--	--
Peter Markham	U.S.	Manager	0	0
Brian Kei	U.S.	Manager	0	0
Liberman Television of Dallas LLC	U.S.	Sole Member	100	100

Liberman Broadcasting of Dallas License LLC is a limited liability company with a principal business of radio broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1) Name	(2) Citizenship	(3) Nature of Interest	(4) %Votes	(5) %Equity
Liberman Broadcasting of Dallas License LLC	U.S.	---	--	--
Peter Markham	U.S.	Manager	0	0
Brian Kei	U.S.	Manager	0	0
Liberman Broadcasting of Dallas LLC	U.S.	Sole Member	100	100

KRCA License LLC is a limited liability company with a principal business of television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1)	(2)	(3)	(4)	(5)
Name	Citizenship	Nature of Interest	%Votes	%Equity
KRCA License LLC	U.S.	---	--	--
Peter Markham	U.S.	Manager	0	0
Brian Kei	U.S.	Manager	0	0
Liberman Television LLC	U.S.	Sole Member	100	100

II. INTERMEDIATE PARENT COMPANIES OF LICENSE SUBSIDIARIES

LBI Media, Inc. is the sole member of Liberman Broadcasting of California LLC, Liberman Broadcasting of Houston, LLC, Liberman Television of Houston LLC, Liberman Television of Dallas LLC, Liberman Broadcasting of Dallas LLC, and Liberman Television LLC. It is a corporation with the principal business of radio and television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1)	(2)	(3)	(4)	(5)
Name	Citizenship	Nature of Interest	%Votes	%Equity
LBI Media, Inc.	U.S.	--	--	--
Peter Markham	U.S.	Chief Executive Officer	0	0
Brian Kei	U.S.	Chief Operating Officer	0	0
LBI Intermediate Holdings, Inc.	U.S.	Sole Shareholder	100	100

LBI Media Intermediate Holdings, Inc. is the sole shareholder of LBI Media, Inc. It is a corporation with the principal business of radio and television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1)	(2)	(3)	(4)	(5)
Name	Citizenship	Nature of Interest	%Votes	%Equity
LBI Media Intermediate Holdings, Inc.	U.S.	--	--	--
Peter Markham	U.S.	Chief Executive Officer	0	0
Brian Kei	U.S.	Chief Operating Officer	0	0
LBI Media Holdings, Inc.	U.S.	Sole Shareholder	100	100

LBI Media Holdings, Inc. is the sole shareholder of LBI Media Intermediate Holdings, Inc. It is a corporation with the principal business of radio and television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504:

(1) Name	(2) Citizenship	(3) Nature of Interest	(4) %Votes	(5) %Equity
LBI Media Holdings, Inc.	U.S.	--	--	--
Peter Markham	U.S.	Chief Executive Officer	0	0
Brian Kei	U.S.	Chief Operating Officer	0	0
Liberman Broadcasting, Inc.	U.S.	Sole Shareholder	100	100

III. LIBERMAN BROADCASTING, INC.

Liberman Broadcasting, Inc. is the sole shareholder of LBI Media Holdings, Inc. It is a corporation with the principal business of radio and television broadcasting and will have the following attributable interest holders, all of which will use the address 1845 Empire Avenue, Burbank, CA 91504, except as otherwise noted:

(1) Name	(2) Citizenship	(3) Nature of Interest	(4) %Votes	(5) %Equity
Liberman Broadcasting, Inc.	U.S.	--	--	--
Colbert Cannon 40 West 57th Street 33rd Floor New York, NY 10019	U.S.	Chairman of the Board, Director	0	0
Daniel Zevnik 40 West 57th Street 33rd Floor New York, NY 10019	U.S.	Director	0	0
Willem Mesdag c/o Red Mountain Capital Partners LLC 10250 Constellation Boulevard Suite 2300 Los Angeles, CA 90067	U.S.	Director	0	0
Peter Markham	U.S.	Chief Executive Officer, Director	0	0
Brian Kei	U.S.	Chief Operating Officer	0	0
SLF LBI Aggregator, LLC 40 West 57th Street 33rd Floor New York, NY 10019	U.S.	Sole Shareholder	100	100

SLF LBI Aggregator, LLC will be the sole shareholder of Liberman Broadcasting, Inc. It is a limited liability company with the principal business of radio and television broadcasting and will have the following attributable interest holder, which will use the address 40 West 57th Street, 33rd Floor, New York, NY 10019:

(1)	(2)	(3)	(4)	(5)
Name	Citizenship	Nature of Interest	%Votes	%Equity
SLF LBI Aggregator, LLC	U.S.	--	--	--
HPS Group GP, LLC	U.S.	Sole Non-Member Manager	100	0 ²

HPS Group GP, LLC is the sole non-member manager of HPS Aggregator, LLC. It is a limited liability company with the principal business of acting as the general partner to various holdings companies of an SEC registered investment adviser and will have the following attributable interest holder, which will use the address 40 West 57th Street, 33rd Floor, New York, NY 10019:

(1)	(2)	(3)	(4)	(5)
Name	Citizenship	Nature of Interest	%Votes	%Equity
HPS Group GP, LLC	U.S.	--	--	--
Scott Kapnick	U.S.	Sole Member	100	100

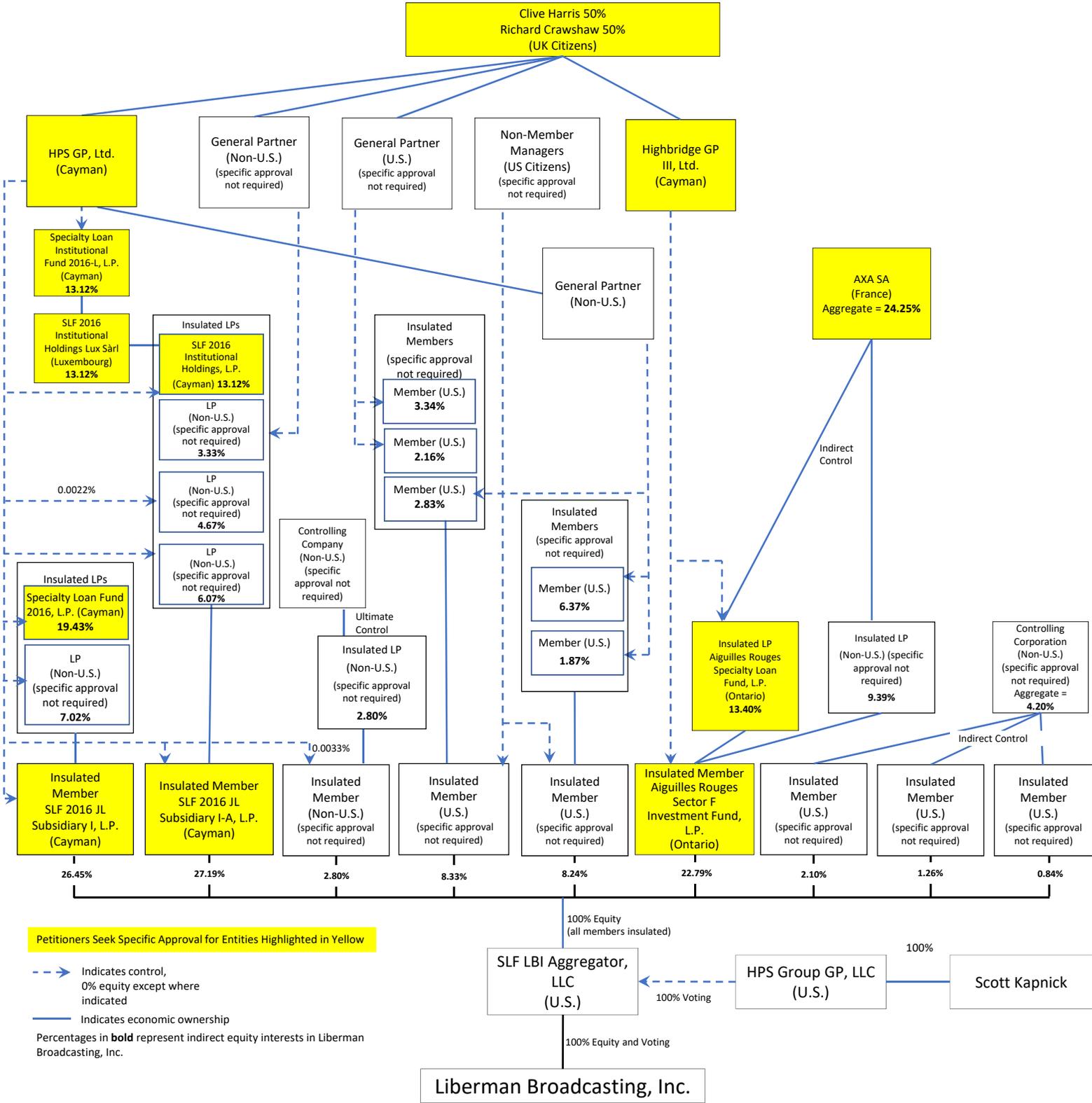
² 100 percent of the equity of SLF LBI Aggregator, LLC is held by its members, all of which are insulated from attribution pursuant to the FCC's broadcast ownership rules. See 47 C.F.R. § 73.3555, Note 2(f).

ATTACHMENT C

Ownership Structure Chart

(47 C.F.R. § 1.5001(h)(2))

Post-Declaratory Ruling Ownership Structure Liberman Broadcasting, Inc.



ATTACHMENT D

Estimate of Aggregate Foreign Ownership

(47 C.F.R. § 1.5001(h)(1))

Liberman Broadcasting, Inc. (“LBI”) estimates that foreign ownership of its capital stock following a grant of this Petition which would permit such ownership would, on a direct and/or indirect basis, be 100 percent. This estimate is based upon direct inquiry of the entities that will hold direct and/or indirect ownership interests in LBI—except insofar as AXA SA is concerned, in which case certain publicly available information has been relied upon—and calculations performed by LBI’s advisors.

ATTACHMENT E

Specific Approval Parties and Their Attributable Interest Holders

(47 C.F.R. § 1.5001(i)-(j))

Specific Approval Parties and Their Attributable Interest Holders

(47 C.F.R. § 1.5001(i)-(j))

I. SLF 2016 JL Subsidiary I, L.P.

Information regarding SLF 2016 JL Subsidiary I, L.P.

Name	SLF 2016 JL Subsidiary I, L.P.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Limited Partnership
Principal business	Investment subsidiary of private investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities directly holding an attributable interest in SLF 2016 JL Subsidiary I, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
HPS GP, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the individuals or entities that will hold attributable interests in HPS GP, Ltd. is provided in Section IX below.

¹ As noted in the Petition and depicted in Attachment C, SLF LBI Aggregator, LLC will become the direct parent company of Liberman Broadcasting, Inc. (“LBI”) following consummation of the transactions for which the Petition seeks approval and, through his sole ownership of HPS Group GP, LLC, Scott Kapnick will actually control all of the voting rights in LBI. Nevertheless, Petitioners have treated these entities as having voting interests in LBI, *see* 47 C.F.R. §§ 1.5002(b)(2)(ii)-(iii), and are, accordingly, requesting specific approval for entities to have the voting percentages specified herein.

II. Specialty Loan Fund 2016, L.P.

Information regarding Specialty Loan Fund 2016, L.P.

Name	Specialty Loan Fund 2016, L.P.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Limited Partnership
Principal business	Private investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly hold an attributable interest in Specialty Loan Fund 2016, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
HPS GP, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the individuals or entities that will hold attributable interests in HPS GP, Ltd. is provided in Section IX below.

III. SLF 2016 JL Subsidiary I-A, L.P.

Information regarding SLF 2016 JL Subsidiary I-A, L.P.

Name	SLF 2016 JL Subsidiary I-A, L.P.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Limited Partnership
Principal business	Investment subsidiary of private investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly hold an attributable interest in SLF 2016 JL Subsidiary I-A, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
HPS GP, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the entities or individuals that will hold attributable interests in HPS GP, Ltd. is provided in Section IX below.

IV. SLF 2016 Institutional Holdings, L.P.

Information regarding SLF 2016 Institutional Holdings, L.P.

Name	SLF 2016 Institutional Holdings, L.P.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Limited Partnership
Principal business	Private investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly or indirectly hold an attributable interest in SLF 2016 Institutional Holdings, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
SLF 2016 Institutional Holdings Lux Sàrl	10-12 Rue Boulevard Roosevelt 2450 Luxembourg	Luxembourg
Specialty Loan Institutional Fund 2016-L, L.P.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands
HPS GP Ltd.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the entities that will hold attributable interests in the entities listed above is provided in Section V (SLF 2016 Institutional Holdings Lux Sàrl), Section VI (Specialty Loan Institutional Fund 2016-L, L.P.), and Section IX (HPS GP Ltd.) below.

V. SLF 2016 Institutional Holdings Lux Sàrl

Information regarding SLF 2016 Institutional Holdings Lux Sàrl

Name	SLF 2016 Institutional Holdings Lux Sàrl
Address	10-12 Rue Boulevard Roosevelt 2450 Luxembourg
Citizenship (individual) or place of organization (entity)	Luxembourg
Type of business organization (entity)	Société à responsabilité limitée (Limited Liability Company)
Principal business	Private investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly or indirectly hold an attributable interest in SLF 2016 Institutional Holdings Lux Sàrl

Name	Address	Citizenship (individual) or place of organization (entity)
Armando Correia	10-12 Boulevard Roosevelt, 2450, Luxembourg	Portugal
Francois Daloze	15 Boulevard F.W Raiffeisen 2411 Luxembourg	Belgium
Hyana Kim	1 Mayfair Place, Devonshire House, 4, W1J8AJ, London Royaume-Uni	Australia/U.K.
Faith Rosenfeld	40 West 57 th Street, Floor 33, New York, NY 10019	United States
Specialty Loan Institutional Fund 2016-L, L.P.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands
HPS GP, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the entities that will hold attributable interests in the entities listed above is provided in Section VI (Specialty Loan Institutional Fund 2016-L, L.P.) and Section IX (HPS GP, Ltd.) below.

VI. Specialty Loan Institutional Fund 2016-L, L.P.

Information regarding Specialty Loan Institutional Fund 2016-L, L.P.

Name	Specialty Loan Institutional Fund 2016-L, L.P.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Limited Partnership
Principal business	Private investment focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly hold an attributable interest in Specialty Loan Institutional Fund 2016-L, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
HPS GP, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the individuals or entities that will directly hold an attributable interest in HPS GP, Ltd. is provided in Section IX below.

VII. Aiguilles Rouges Sector F Investment Fund, L.P.

Information regarding Aiguilles Rouges Sector F Investment Fund, L.P.

Name	Aiguilles Rouges Sector F Investment Fund, L.P.
Address	152928 Canada Inc., 199 Bay Street, Toronto, Ontario, Canada, M5L 1B9
Citizenship (individual) or place of organization (entity)	Canada
Type of business organization (entity)	Limited Partnership
Principal business	Private Investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly hold an attributable interest in Aiguilles Rouges Sector F Investment Fund, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
Highbridge GP III, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Umland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the individuals or entities that will directly hold an attributable interest in Highbridge GP III, Ltd. is provided in Section X below.

VIII. Aiguilles Rouges Specialty Loan Fund, L.P.

Information regarding Aiguilles Rouges Specialty Loan Fund, L.P.

Name	Aiguilles Rouges Specialty Loan Fund, L.P.
Address	152928 Canada Inc., 199 Bay Street, Toronto, Ontario, Canada, M5L 1B9
Citizenship (individual) or place of organization (entity)	Canada
Type of business organization (entity)	Limited Partnership
Principal business	Private investment fund focused on direct lending
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly hold an attributable interest in Aiguilles Rouges Specialty Loan Fund, L.P.

Name	Address	Citizenship (individual) or place of organization (entity)
Highbridge GP, Ltd.	c/o Maples Corporate Services Limited PO Box 309, Umland House, Grand Cayman, KY1-1104	Cayman Islands

Information regarding the individuals or entities that will directly hold an attributable interest in Highbridge GP III, Ltd. is provided in Section X below.

IX. HPS GP, Ltd.

Information regarding HPS GP, Ltd.

Name	HPS GP, Ltd.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Exempted Limited Company (Corporation)
Principal business	General partner of private investment funds
Maximum % of equity (rounded to the nearest %) proposed to be held	100%
Maximum % of votes (rounded to the nearest %) proposed to be held	100% ¹

Information regarding individuals or entities that will directly hold an attributable interest in HPS GP, Ltd.

Name	Address	Citizenship (individual) or place of organization (entity)
Clive Harris	516 Crighton Drive, Laliq Point, West Bay, Grand Cayman, Cayman Islands KY1 1202	United Kingdom
Richard Crawshaw	17 Silver Thatch Drive, George Town, Grand Cayman, Cayman Islands KY1-1007	United Kingdom

X. Highbridge GP III, Ltd.

Information regarding Highbridge GP III, Ltd.

Name	Highbridge GP III, Ltd.
Address	c/o Maples Corporate Services Limited PO Box 309, Ugland House, Grand Cayman, KY1-1104
Citizenship (individual) or place of organization (entity)	Cayman Islands
Type of business organization (entity)	Exempted Limited Company (Corporation)
Principal business	General partner of private investment funds
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities that will directly hold an attributable interest in Highbridge GP III, Ltd.

Name	Address	Citizenship (individual) or place of organization (entity)
Clive Harris	516 Crighton Drive, Laliq Point, West Bay, Grand Cayman, Cayman Islands KY1 1202	United Kingdom
Richard Crawshaw	17 Silver Thatch Drive, George Town, Grand Cayman, Cayman Islands KY1-1007	United Kingdom

XI. Clive Harris

Information regarding Clive Harris

Name	Clive Harris
Address	516 Crighton Drive, Laliq Point, West Bay, Grand Cayman, Cayman Islands KY1 1202
Citizenship (individual) or place of organization (entity)	United Kingdom
Type of business organization (entity)	N/A (Individual)
Principal business	Professional director of private investment funds
Maximum % of equity (rounded to the nearest %) proposed to be held	100%
Maximum % of votes (rounded to the nearest %) proposed to be held	100% ¹

XII. Richard Crawshaw

Information regarding Richard Crawshaw

Name	Richard Crawshaw
Address	17 Silver Thatch Drive, George Town, Grand Cayman, KY1-1007, CAYMAN ISLANDS
Citizenship (individual) or place of organization (entity)	United Kingdom
Type of business organization (entity)	N/A (Individual)
Principal business	Professional director of private investment funds
Maximum % of equity (rounded to the nearest %) proposed to be held	100%
Maximum % of votes (rounded to the nearest %) proposed to be held	100% ¹

XIII. AXA SA

Information regarding AXA SA

Name	AXA SA
Address	25, avenue Matignon 75008 Paris – France ²
Citizenship (individual) or place of organization (entity)	France
Type of business organization (entity)	Société Anonyme (Corporation)
Principal business	Insurance Company ³
Maximum % of equity (rounded to the nearest %) proposed to be held	49.99%
Maximum % of votes (rounded to the nearest %) proposed to be held	49.99% ¹

Information regarding individuals or entities directly holding⁴ an attributable interest in AXA SA

Name	Address	Citizenship (individual) or place of organization (entity)
Denis Duverne	25, avenue Matignon 75008 Paris – France	France
Thomas Buberl	25, avenue Matignon 75008 Paris – France	Germany/Switzerland
Patricia Barbizet	25, avenue Matignon 75008 Paris – France	France
Martine Bièvre	25, avenue Matignon 75008 Paris – France	France
Jean-Pierre Clamadieu	25, avenue Matignon 75008 Paris – France	France
Bettina Cramm	25, avenue Matignon 75008 Paris – France	Germany
Irene Dorner	25, avenue Matignon 75008 Paris – France	U.K.
Rachel Duan	25, avenue Matignon 75008 Paris – France	China
Andre Francois-Poncet	25, avenue Matignon 75008 Paris – France	France

² Address information for AXA SA is from its Annual Financial Report for 2018. See https://www-axa-com.cdn.axa-contento-118412.eu/www-axa-com%2F913d1869-3d11-4eb2-b013-4caedb747fab_axa-ddr2018b-en.pdf (last visited Nov. 11, 2019) (“AXA Annual Financial Report”).

³ Information regarding AXA SA’s principal business was obtained from the AXA Annual Financial Report.

⁴ Information regarding the individuals listed in the table below was obtained the AXA SA website and consists of the members of the board of directors and management committee. See <https://www.axa.com/en/about-us/committee/members-board-of-directors> (last visited Nov. 13, 2019). Petitioners have presumed that the address for all such individuals is AXA SA’s business address as listed on the AXA Annual Financial Report.

Name	Address	Citizenship (individual) or place of organization (entity)
Dr. Angelien Kenma	25, avenue Matignon 75008 Paris – France	Netherlands
Stefan Lippe	25, avenue Matignon 75008 Paris – France	Germany/Switzerland
Francois Martineau	25, avenue Matignon 75008 Paris – France	France
Ramon De Oliveira	25, avenue Matignon 75008 Paris – France	France/Argentina
Doina Palici-Cehab	25, avenue Matignon 75008 Paris – France	Germany/France
Elaine Sarsynksi	25, avenue Matignon 75008 Paris – France	U.S.
Gerald Harlin	25, avenue Matignon 75008 Paris – France	France
George Stansfield	25, avenue Matignon 75008 Paris – France	U.S.
Etienne Bouas-Laurent	25, avenue Matignon 75008 Paris – France	France
Benoit Claveranne	25, avenue Matignon 75008 Paris – France	France
Georges Desvaux	25, avenue Matignon 75008 Paris – France	France
Greg Hendrick	25, avenue Matignon 75008 Paris – France	U.S.
Alban De Mailly Nesle	25, avenue Matignon 75008 Paris – France	France
Antimo Perretta	25, avenue Matignon 75008 Paris – France	Switzerland
Jacques De Peretti	25, avenue Matignon 75008 Paris – France	France
Karima Silvent	25, avenue Matignon 75008 Paris – France	France
Astrid Stange	25, avenue Matignon 75008 Paris – France	Germany
Gordon Watson	25, avenue Matignon 75008 Paris – France	U.K.
AXA Assurances IARD Mutuelle ⁵	Terrasses De Larche – 92727 – Nanterre Cedex 313	France

⁵ As of November 10, 2019, Bloomberg reported that “The Mutuelles AXA” held 14.45 percent of the outstanding shares of AXA SA. According to the *AXA Annual Financial Report*, The Mutuelles AXA are comprised of two French mutual insurance companies which have stated their intention to collectively vote their shares in AXA. See *AXA Annual Financial Report* at 180. AXA SA’s website indicates that, as of December 30, 2018, The Mutuelles AXA were (1) AXA Assurances IARD Mutuelle (11.52 percent of capital ownership and 19.29 percent of voting rights) and (2) AXA Assurances Vie Mutuelle (2.88 percent of capital ownership and 4.87 percent of voting rights). See AXA SA, Investors, Capital Ownership, <https://www.axa.com/en/investor/capital-ownership> (last visited November 11, 2019). Because it appears that only one of the entities that Bloomberg jointly reports under the moniker “The Mutuelles AXA”—AXA Assurances IARD Mutuelle—holds a 5 percent or greater voting stock interest in AXA SA, Petitioners have included only that entity in the table above. Address information for AXA Assurances IARD Mutuelle is from the Financial Services and Markets Authority website, available at <https://www.fsma.be/en/party/axa-assurances-iard-mutuelle> (last visited Nov. 11, 2019). As of the date of this filing,

Name	Address	Citizenship (individual) or place of organization (entity)
Société Générale SA ⁶	Tours Société Générale - 75886 – Paris Cedex 18	France

Petitioners have been unable to obtain information regarding the individuals or entities, if any, holding attributable interests in AXA Assurances IARD Mutuelle, which appears to be a privately-organized French entity.

⁶ As of November 10, 2019, Bloomberg reported that Société Générale SA held 5.39 percent of the outstanding shares of AXA SA. Address information for Societe Generale SA is from its Annual Financial Report for 2018. See https://www.societegenerale.com/sites/default/files/documents/Document%20de%20r%C3%A9f%C3%A9rence/2019/ddr-2019_societe-generale_eng_version.pdf (last visited Nov. 11, 2019) (“*Société Générale Annual Report*”). Publicly available information concerning the individuals and entities that Petitioners believe may hold an attributable interest in Société Générale SA is contained in the *Société Générale SA Annual Report* and on its website. See <https://www.societegenerale.com/en/about-us/governance/board-of-directors> (last visited Nov. 13, 2019); <https://www.societegenerale.com/en/about-us/governance/general-management> (last visited Nov. 13, 2019); <https://www.societegenerale.com/en/about-us/governance/group-management-committee> (last visited Nov. 13, 2019).

Certification of Brian Kei

I, Brian Kei, am the Chief Operating Officer of Liberman Broadcasting, Inc. ("LBI"), and am an authorized officer of LBI. I hereby certify, to the best of my knowledge, information, and belief, and based on the attached Certification of Scott Kapnick insofar as information regarding SLF LBI Aggregator, LLC and its ownership (including its insulated members) is concerned, that:

1. All information contained in the foregoing Petition for Declaratory Ruling is true and correct.

2. The ownership interests disclosed in the Petition have been calculated based upon a review of the Commission's rules and the interests disclosed satisfy each of the pertinent standards and criteria set forth in the rules.

I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on November 14, 2019



A handwritten signature in black ink, appearing to read "B. Kei", is written above a horizontal line.

Certification of Scott Kapnick

I, Scott Kapnick, am the Sole Member of HPS Group GP, LLC (“HPSG”), which is the Sole Non-Member Manager of SLF LBI Aggregator, LLC (“SLA”). I am an authorized officer of HPSG and SLA. I hereby certify, to the best of my knowledge, information, and belief, that:

1. All information contained in the foregoing Petition for Declaratory Ruling concerning HPSG and SLA (including SLA’s ownership and its insulated members) is true and correct.

2. The ownership interests disclosed in the Petition related to HPSG and SLA have been calculated based upon a review of the Commission’s rules and the interests disclosed satisfy each of the pertinent standards and criteria set forth in the rules.

I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on November 14, 2019



A handwritten signature in black ink, appearing to read "Scott Kapnick", is written over a horizontal line. The signature is cursive and stylized.