

## Explanation of Transaction

### Background

Harry J. Pappas and his wife Stella were the subject of Chapter 11 Bankruptcy cases in the United States Bankruptcy Court for the District of Delaware, which are now being jointly administered under the caption *In re Pappas Liquidating Trust*, No. 08-10949 (PJW). On November 10, 2011, the Bankruptcy Court entered an order (the "Confirmation Order") confirming the Pappases' *First Amended Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code* (the "Plan"). Under the Plan, a liquidating trust (the "Liquidating Trust") was formed effective January 3, 2012, for the benefit of the Pappases' creditors and other beneficiaries, pursuant to a form of liquidating trust agreement (the "Trust Agreement") that was approved by the Confirmation Order. All non-exempt property of the Pappases (the "Trust Property") vested in either the Liquidating Trust or, Pappas GP, LLC, an entity wholly owned and controlled by the Liquidating Trust. Harry J. Pappas and his wife Stella received their bankruptcy discharge on January 3, 2012 upon the effectuation of the Liquidating Trust. Involuntary transfers of control to the licensee entities in which the Pappases' or either of them had an interest were granted by the FCC on December 27, 2011 (the "December 316s").

As authorized by the December, 2011 316s, Harry J. Pappas became the Initial Trustee of the Liquidating Trust, and managed the Trust Property until 316s were granted on April 4, 2012, authorizing the transfer of control of the Trust to Lee W. Shubert as successor Trustee.

On October 1, 2013, United States Bankruptcy Court granted an order for the removal of Lee Shubert as the Trustee, subject to the completion of certain conditions precedent, and approving the proposed further successor Trustee, David P. Stapleton, for the benefit of the Pappases' creditors and other beneficiaries in accordance with the Plan and the Trust Agreement. Because the Bankruptcy Court continues to retain jurisdiction over the case and the Liquidating Trust Assets, the transfer of control of the Liquidating Trust from Lee W. Shubert to David Stapleton is an involuntary transfer of control and the use of a Form 316 is proper.

Entities for which 316s are being filed to transfer control of the Liquidating Trust, directly or through Pappas GP, LLC, from Lee W. Shubert to David P. Stapleton are:

-Pappas Telecasting of Central Nebraska, L.P., licensee of KHGI-TV, KWNB-TV, KHGI- CD, KWNB-LD and KHGI-LD

-KCWI License, LLC, licensee of KCWI-TV

-KDMI License, LLC, licensee of KDMI-TV

-Pappas Arizona License, LLC, licensee of KSWT-TV

- Pappas Telecasting of Opelika, L.P., licensee of WLGA(TV)
- WWAZ License, LLC, licensee of WWAZ-TV
- Pappas Radio of Modesto, LLC, licensee of KMPH(AM)
- TV Americas de Omaha, LLC, licensee of KAZO-LP, KAZJ-LP and KAZS-LP
- Pappas Telecasting of the Treasure Coast, LLC, licensee of WMMF-LP
- Pappas Telecasting of the Gulf Coast, L.P., licensee of KVVV-LP
- CASA of Corpus Christi, L.P., licensee of KXCC-CA
- CASA of Austin, L.P., licensee of KXLK-CA
- Pappas Telecasting Companies, licensee of KIAZ-LP

For the actual ownership/structure changes for this application, see exhibit 12.