

**FCC Form 314
Section III, Question 3
Exhibit 13A**

Agreements and Summary of Transaction

Pursuant to a Purchase Agreement dated as of July 29, 2015 (the “Agreement”), TV-3, LLC (“TV-3”), an indirect subsidiary of Raycom Media, Inc. (“Raycom”), is purchasing the equity interests and certain assets of the television and radio station licensees and other subsidiaries comprising the Drewry Communications station group (“Drewry”). A copy of the Agreement is provided at **Exhibit 13B**.

In some cases, the transaction will be accomplished by the direct assignment of licenses from the current Drewry licensee to a newly-created Raycom subsidiary. In other cases, the transaction will be accomplished by the merger of the Drewry licensee into a Raycom subsidiary, which will simultaneously assign the FCC licenses into a wholly-owned license subsidiary.¹ Thus, in each case, the post-closing Raycom licensee will differ from the current Drewry licensee, and all of the applications are structured as license assignments. The table below summarizes the assignments, which are described in more detail in **Attachments A and B** hereto.

Market (Rank)	Station	Community	Fac. ID	Assignor	Assignee
Waco-Temple-Bryan, TX (87)	KXXV(TV)	Waco, TX	9781	Centex Television Limited Partnership	KXXV License Subsidiary, LLC
Amarillo, TX (130)	KEYU(TV)	Borger, TX	83715	Midessa	KFDA/KEYU License Subsidiary, LLC
	KEYU-FM	Amarillo, TX	39892	Broadcasting Limited Partnership	
	KFDA-TV	Amarillo, TX	51466	Panhandle Telecasting Limited Partnership	
Wichita Falls, TX-Lawton, OK (145)	KSWO-TV	Lawton, OK	35645	KSWO Television Co. Inc.	KSWO License Subsidiary, LLC

¹ Due to the simultaneous consummation of the mergers and the assignments of the licenses to the license subsidiaries, the licenses will pass through the intervening Raycom subsidiaries on an instantaneous basis only. Accordingly, it is appropriate and consistent with FCC precedent to treat the transaction as entailing an assignment of the licenses directly from the current Drewry subsidiary to the ultimate Raycom license subsidiary. *See John H. Phipps, Inc.*, Memorandum Op. & Order, 11 FCC Rcd 13053, 13055-56 (1996). *See also* Attachments A and B.

Market (Rank)	Station	Community	Fac. ID	Assignor	Assignee
Odessa-Midland, TX (146)	KWAB-TV	Big Spring, TX	42008	Midessa Television Limited Partnership	KWES License Subsidiary, LLC
	KWES-TV	Odessa, TX	42007		
	KTXC(FM)	Lamesa, TX	71650	Midessa Broadcasting Limited Partnership	

(Only full power stations are shown in the summary table.)

Multiple Ownership. In the Amarillo market, Drewry owns two television stations and one radio station: KEYU(TV), KFDD-TV, and KEYU-FM. Drewry acquired KEYU(TV) pursuant to a “failing station” waiver. KEYU(TV) continues to be a failing station. **Exhibit 18** to the applications for the Amarillo stations includes a failing station waiver request and a showing of compliance with respect to the radio-television cross-ownership rule.

In the Odessa market, Drewry owns two television stations and one radio station: KWAB-TV, KWES-TV, and KTXC(FM). KWAB-TV historically has operated as a satellite station of KWES-TV. **Exhibit 18** to the applications for the Odessa stations includes a satellite station showing and a showing of compliance with respect to the radio-television cross-ownership rule.

In the Wichita Falls market, Drewry’s station KSWO-TV currently provides advertising sales services and certain other services to KAUZ-TV, Wichita Falls (FCC Facility ID No. 6864). KAUZ-TV is currently licensed to Hoak Media of Wichita Falls License, LLC (“Hoak”). As part of the instant transaction, a third party (KAUZ License Subsidiary, LLC) (together with its immediate parent company KAUZ, LLC, and its ultimate parent company, American Spirit Media, LLC, “American Spirit”) will acquire KAUZ-TV from Hoak.² The Agreement contemplates that Raycom will enter into a non-attributable Shared Services Agreement (“SSA”) to provide certain services to American Spirit. A form of the non-attributable SSA and a related lease are provided as **Exhibit 13C** to the application for the Wichita Falls station, KSWO-TV. With respect to the Media Bureau’s *SSA Processing Guidelines*, it is noted that Raycom has not guaranteed a loan for American Spirit’s acquisition of KAUZ-TV, nor does Raycom have an option, right of first refusal, put/call arrangement, or

² A Drewry entity, Texhoma Broadcasting, LLC (“Texhoma”), holds an option to acquire KAUZ-TV. Texhoma has exercised its option, but it will not acquire the FCC license for KAUZ-TV except on an instantaneous basis: at closing, (1) Texhoma will acquire the license for KAUZ-TV, (2) Raycom will acquire Texhoma, and (3) Texhoma will assign KAUZ-TV’s license to American Spirit. All three steps will occur simultaneously. Given the instantaneous assignment of the license to American Spirit, it is appropriate to treat this aspect of the transaction as an assignment of KAUZ-TV’s license directly from Hoak to American Spirit. See *Phipps, supra* n.1.

other similar contingent interest with respect to KAUZ-TV.³ Moreover, the parties will terminate a currently-existing, grandfathered attributable joint sales agreement — American Spirit will sell its own advertising time for KAUZ-TV.⁴

License Renewal. The license renewal application for Hoak’s station KAUZ-TV is currently pending. The applicants to the instant application understand that the parties to the Hoak-KAUZ, LLC application will request processing of that assignment application pursuant to the Commission’s precedent concerning multi-market transactions. *See Stockholders of CBS Inc.*, 11 FCC Rcd 3733 (1995); *Existing Shareholders of Cumulus Media, Inc.*, 26 FCC Rcd 12956 (2011).

* * *

The following exhibits and schedules to the Agreement have not been attached because they contain information that is proprietary, not germane to the Commission’s evaluation of the application, or already in the Commission’s possession.⁵ Copies of these materials will be provided to the Commission upon request, subject to the right of the parties to seek confidential treatment of such materials.

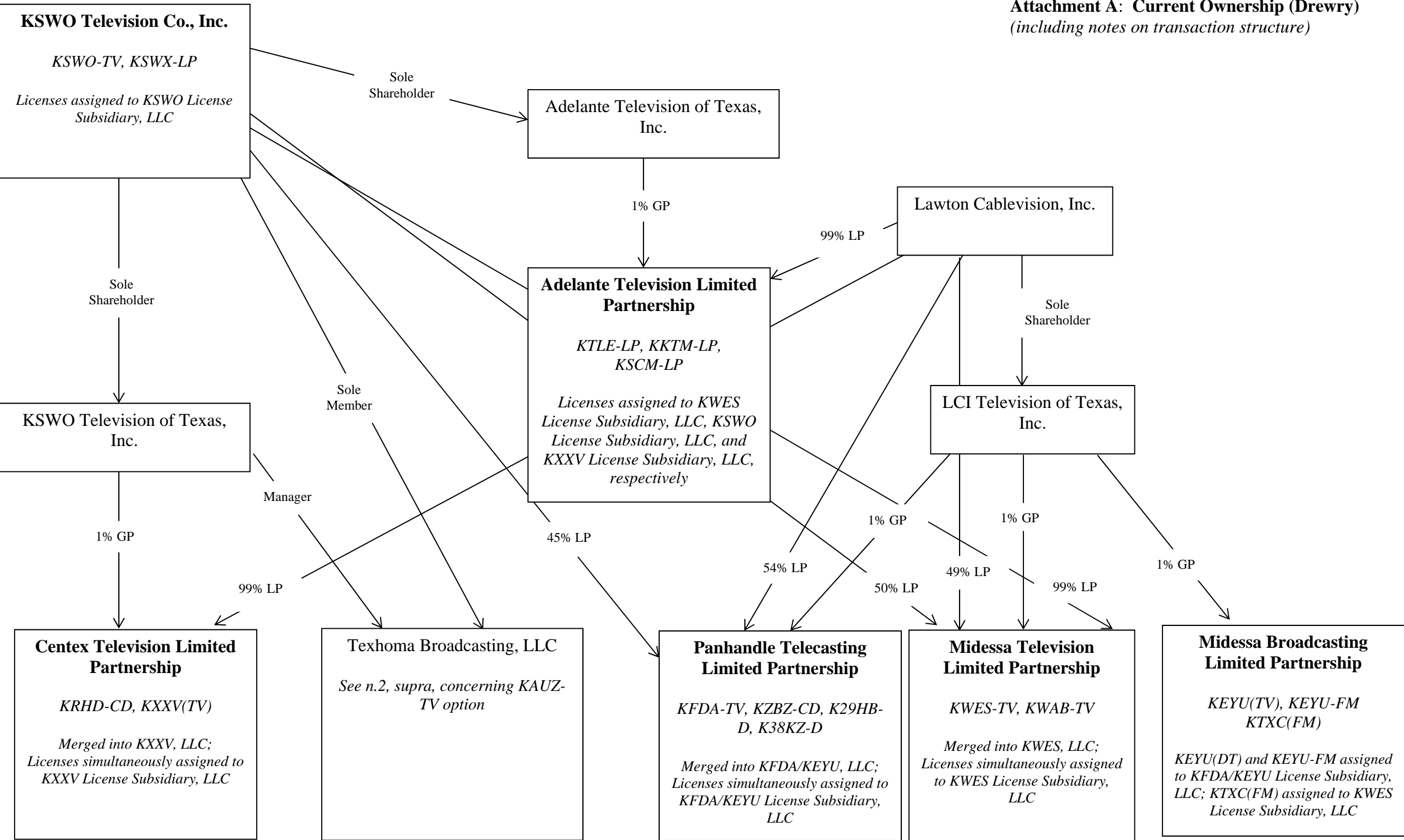
- Exhibit A: Stations
- Exhibit B: Form of Escrow Agreement
- Exhibit C-1: Form of Exercise Notice
- Exhibit D: Form of Employment Agreement
- Exhibit E-1: Form of Assignment of FCC Licenses
- Exhibit E-2: Form of Assignment and Assumption Agreement
- Exhibit E-3: Form of Assignment and Assumption of Leases
- Exhibit E-4: Form of Mineral Deed and Form of Special Warranty Deed
- Exhibit E-5: Form of Bill of Sale
- Exhibit E-6: Form of FIRTPA Certificate
- Exhibit E-7: Form of Assignment of Equity Interests
- Disclosure Schedules to Agreement

The Put and Call Option Agreement concerning KAUZ-TV between Texhoma and Hoak, and the related Exercise Notice, dated as of July 30, 2015, from Texhoma to Hoak, are submitted as exhibits to the FCC Form 314 filed by Hoak and American Spirit concerning KAUZ-TV.

³ Public Notice, “Processing of Broadcast Television Applications Proposing Sharing Arrangements and Contingent Interests,” 29 FCC Rcd 2647 (2014) (“*SSA Processing Guidelines*”).

⁴ The applicants respectfully request that the applications with respect to the Drewry stations and the application with respect to the Hoak station be processed and approved concurrently.

⁵ *See LUI, Inc.*, Memorandum Op. & Order, 17 FCC Rcd 16980 (2002).



Attachment B: Post-Closing Ownership (Raycom)

