

***CHARACTER ISSUES RELATING TO SUNBELT COMMUNICATIONS
COMPANY AND ITS SUBSIDIARY LICENSEE COMPANIES***

Sunbelt Communications Company (“Sunbelt”) and its several subsidiary licensee companies, including Two Ocean Broadcasting Company, the licensee of Station KWJY(TV), Jackson, Wyoming, have been subject to certain character issue allegations. These character issues were raised as a result of allegations made against an application for a new TV station in Idaho Falls, Idaho. The applicant, Meridian Communications of Idaho, Inc., is owned by the adult children of James E. Rogers. James E. Rogers is the majority shareholder of Sunbelt. The allegations claimed that Meridian and Sunbelt had violated the Commission’s multiple ownership rules because of allegedly prohibited familial ties between James E. Rogers and his children.

In a letter dated July 22, 2003 from Barbara Kreisman, Division Chief, Video Division, Media Bureau, to J. Dominic Monahan, Esquire, the FCC staff rejected all of the allegations, claiming that no substantial material question of fact had been raised. Notwithstanding the Commission staff’s favorable letter ruling regarding these allegations, one of the original petitioners filed a Petition of Reconsideration on August 21, 2003. Once again, Sunbelt filed an Opposition. Two years later, on July 21, 2005, Barbara Kreisman, Division Chief, Video Division, Media Bureau, issued another letter decision denying the Petition for Reconsideration, stating that no new evidence had been raised to support these claims.

Once more, on August 22, 2005, the staff decisions were challenged in an Application for Review filed by the petitioner before the full Commission. The pleading cycle on the Application for Review was completed on September 13, 2005 and the matter remains pending, although no residual issues exist with regard to character qualifications.

Another Sunbelt subsidiary, Beartooth Communications Company (“Beartooth”), the licensee of Station KTVH(TV), Helena, Montana, was challenged with alleged character issues when it filed for certain television translator and booster stations in Montana. The grounds for this challenge was that Sunbelt had made misrepresentations about its financial and technical qualifications and had violated the FCC’s multiple ownership rules. Although the pleading cycle on these matter was completed on May 17, 2004, the matter remains pending before the Commission.