

FCC Form 316
Radio Station KSQM(NCE-FM), FCC Facility ID No. 172153,
Sequim, Washington
June 2013
Attachment to Exhibit 2

STATEMENT RE THE USE OF FCC FORM 316

1. When SCB obtained the initial Construction Permit for radio station KSQM, SCB's By-laws provided for a Board of Directors comprising three members. On the date of grant of that initial Construction Permit, August 15, 2008, the members of SCB's Board of Directors were:

- Keith Burfitt;
- Dennis R. Perry; and
- Lynda L. Perry.

Each Director had 33.33% voting control. See FCC File No. BNPED-20071012ACD.

2. Since that time, SCB's Board of Directors has amended the entity's By-laws. As amended, SCB's By-laws provide for a maximum of five Directors. Under both the original By-laws and the amended By-laws, the Board of Directors is self-perpetuating.

3. Also since the date of grant of the initial Construction Permit, there have been gradual changes to SCB's Board of Directors. Currently, SCB's Board of Directors has five members. They are:

- Jeffrey Allen Bankston;
- Bill Benedict;
- Lawrence E. Freedman;
- Paul McHugh; and
- Lynda L. Perry.

Each Director has 20% voting control.

4. Because the changes in the composition of SCB's Board of Directors have occurred over time, an FCC Form 316 Application for the FCC's consent to a Pro Forma Transfer of Control is the appropriate vehicle for obtaining the Commission's consent to such changes. Notice of Inquiry in MM Docket No. 89-77, 4 FCC Rcd 3403 (1989).