

Explanation of Transaction

Background

Harry J. Pappas and his wife Stella are the subject of Chapter 11 Bankruptcy cases in the United States Bankruptcy Court for the District of Delaware, which are being jointly administered under the caption *In re Pappas*, 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") will be formed on or about December 31, 2011, for the benefit of the Pappases' creditors, 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") will vest in either the Liquidating Trust or, at the election of the Pappases, **in an entity to be wholly owned and controlled by the** Liquidating Trust. Upon effectuation of the Liquidating Trust, the Chapter 11 Bankruptcy case against Harry J. Pappas and his wife Stella will terminate.

Under the Plan, Harry J. Pappas will be the initial trustee of the Liquidating Trust and will manage the Trust Property for the benefit of the Pappases' creditors in accordance with the Plan and the Trust Agreement. The Plan provides that if Comerica Bank is provided certain funds plus certain additional consideration (as set forth in the Plan) (collectively, the "Discounted Payoff") on or before March 26, 2012 (subject to extension under certain circumstances, the "Discounted Payoff Date"), then all Trust Property will re-vest in the Pappases (subject to FCC approval). If the Discounted Payoff is not received by Comerica Bank on or before the Discounted Payoff Date, then a successor trustee will succeed Harry J. Pappas as trustee of the Liquidating Trust.

The Trust Property includes, but is not limited to, Harry J. Pappas's equity interests (LLC membership interests, general partnership and limited partnership interests) in various companies that are FCC licensees or are in the direct ownership chain of the FCC licensee companies (the "Licensee Entities") (see list of entities below). The Trust Property does *not* include Harry J. Pappas's stock in Pappas Telecasting Companies, which is the manager of certain of the Licensee Entities. However, if the successor trustee is appointed, then the Plan requires that Harry J. Pappas transfer his stock in Pappas Telecasting Companies to the Liquidating Trust, free and clear of any claimed exemption.

The Plan contains certain conditions to the consummation of the Plan, including obtaining the necessary FCC approvals by 1/1/2012 and vesting all of the Trust Property in the Liquidating Trust (or another entity controlled by the Liquidating Trust) by 1/1/2012. Failure to meet these conditions and consummate the Plan would be grounds for conversion of the Pappases' chapter 11 cases to cases under chapter 7 and could significantly reduce recoveries by the Pappases' creditors.

The Transaction

As a result of and in order to comply with the Confirmation Order, the *pro forma* transfer of control applications filed on behalf of the Licensee Entities listed below, seek to move all of Harry J. Pappas's interests in the various licensee entities (*except his stock interest in Pappas Telecasting Companies*) to the Liquidating Trust. For those Licensees Entities which are limited partnerships, Harry Pappas' limited partnership interests will be moved directly to the Liquidating Trust while while his general partnership interests will be moved in to a new Delaware limited liability company, Pappas GP, LLC, whose sole member will be Harry Pappas as Trustee for the Liquidating Trust. Because Harry Pappas currently owns and controls greater than a majority of the partnership interests (general and limited) or membership interests in each of the Licensee Entities, and because he will be the Trustee of the Liquidating Trust to which such interests are being moved, the use of a Form 316 is proper.

Entities for which 316s are being filed to move Harry J. Pappas interests to the Liquidating Trust directly or through Pappas GP, LLC:

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

-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

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