

RECUSAL STATEMENT for STEPHEN B. BURKE¹

Stephen B. Burke is a director of Berkshire Hathaway Inc. (“Berkshire Hathaway”). He also is the Chief Executive Officer and President of NBCUniversal, Inc. (“NBCU”), which holds attributable interests in two television stations licensed to communities in the Miami-Ft. Lauderdale Designated Market Area—Telemundo affiliate WSCV(TV) (Facility ID No. 64971) and NBC affiliate WTVJ(TV) (Facility ID No. 63154). Berkshire Hathaway indirectly wholly owns and controls Station licensee WPLG, Inc. (“Licensee”), and therefore holds an attributable interest in Licensee. The Commission’s local broadcast ownership rule, however, prohibits an individual or entity from holding an attributable interest in three television stations in a single market.² Therefore, as further described below and as previously indicated to the Commission, Mr. Burke is recused from any involvement with the Station or Licensee by the Berkshire Hathaway board of directors (“Board”), and Mr. Burke’s duties and responsibilities as a Berkshire Hathaway director are wholly unrelated to the Station and Licensee.³ As a result, Mr. Burke does not hold an attributable interest in the Licensee due to his positional interest as a director of Berkshire Hathaway.⁴

¹ A similar recusal statement was included in the 2014 application to transfer control of the Station from Graham Holdings Co. to Berkshire Hathaway (“Application”). See FCC File No. BTCCDT-20140417AAX (granted June 27, 2014; consummated June 30, 2014). The Commission’s grant of the Application demonstrates that it approved this recusal statement to the extent that any such approval was necessary or otherwise agreed with the reasoning set forth therein and herein. Subsequently, essentially the same recusal statement was included in the post-consummation ownership report filed by Berkshire Hathaway Inc. in connection with the acquisition of WPLG. See File No. BOS-20140730ADK.

² See 47 C.F.R. § 73.3555(b).

³ Mr. Burke is also recused from involvement by the Board with Berkshire Hathaway’s subsidiary that holds the Licensee’s stock, National Indemnity Company (“NICO”) to the extent necessary to effectively implement the commitments set forth herein.

⁴ See 47 C.F.R. § 73.3555, Note 2(g) (“The officers and directors of a parent company of a broadcast licensee . . . , with an attributable interest in any such subsidiary [broadcast licensee], shall be deemed to have a cognizable interest in the subsidiary *unless* the duties and responsibilities of the officer or director involved are wholly unrelated to the broadcast licensee . . . and a statement properly documenting this fact is submitted to the Commission.” (emphasis added)). Note 2(g) merely requires an applicant to include a documentary statement of nonattribution with respect to directors of *a parent company of a broadcast licensee*. Berkshire Hathaway is the ultimate parent company of the Licensee, and this exhibit serves as the required documentary statement. By contrast, Note 2(g) requires a waiver to be requested to render nonattributable certain directors of an *entity that primarily is a broadcaster*. No such affirmative waiver request is required by Note 2(g) to render nonattributable directors of *a parent company of a broadcast licensee*, such as

Commission policy dictates that when the duties and responsibilities of a director of a multi-faceted corporation are neither directly nor indirectly related to the activities of a broadcast licensee subsidiary of the corporation, then the director is not deemed to hold an attributable interest in the broadcast licensee.⁵ To qualify for such nonattribution, the director and the corporation must undertake certain measures to prevent the recused director from exercising authority or influence over the broadcast licensee subsidiary. As the Commission was previously advised, Mr. Burke and Berkshire Hathaway have put such measures in place with respect to the Station and Licensee, and those measures continue to be in place.

As an initial matter, Berkshire Hathaway is a holding company owning subsidiaries that engage in a number of diverse businesses activities, including insurance and reinsurance, freight

Berkshire Hathaway. Indeed, since this statement has been submitted to the Commission on two prior occasions and there has been no material change in any material fact or circumstance, the instant inclusion of this statement in this Biennial Ownership Report may be wholly unnecessary. Nonetheless, Berkshire Hathaway is submitting it again out of an abundance of caution.

⁵ See e.g., *Turner Broadcasting System, Inc.*, Memorandum Opinion and Order, 11 FCC Rcd 19595, ¶ 43 (1996) (“The Commission has interpreted Note 2(h) [now Note 2(g)] as allowing attribution relief for corporate directors of multi-faceted parent corporations where these individuals’ duties are neither directly nor indirectly related to the activities of any broadcast licensee in which the parent corporation has an interest. We have thus recognized director recusal of a director of a multi-faceted corporation in the television business as a predicate for relief from attribution in situations where we believed the measures undertaken by the parties adequately prevented the recused director from exercising authority or influence in areas that will affect the licensee involved.” (internal citations omitted)); *Stockholders of CBS, Inc.*, Memorandum Opinion and Order, 11 FCC Rcd 3733, ¶ 110 (1995) (“The Commission has recognized director recusal from a multi-faceted corporation’s television and/or radio businesses as the basis for relieving directors of the company from attribution.” (citations omitted)); *Craig O. McCaw*, Memorandum Opinion and Order, 9 FCC Rcd 5836, ¶ 148 (1994) (“The Commission recently recognized director recusal from a multi-faceted corporation’s television business as a predicate for relief from attribution.” (citations omitted)); *Viacom, Inc.*, Memorandum Opinion and Order, 9 FCC Rcd 1577, ¶ 12 (1994) (“A director of a multi-faceted corporation may be relieved of an attributable interest where that director’s duties and responsibilities ‘are neither directly nor indirectly related to the activities’ of any broadcast licensee in which the corporation has a cognizable interest.” (citations omitted)); *Telemundo Group, Inc.*, Memorandum Opinion and Order, 10 FCC Rcd 1104, ¶¶ 24-26 (1994). See generally *Attribution of Ownership Interests*, 97 FCC 2d 997, ¶ 59 (1984) (“[W]e do find it appropriate to provide attribution relief for corporate officers or directors of multi-faceted parent corporations where these individuals’ duties and responsibilities are neither directly nor indirectly related to the activities of any broadcast licensee in which their corporation has a cognizable interest. By the premise of this exception, such officers or directors will not exercise authority or influence in areas that will affect the licensee or licensees involved, and we see no reason to attribute an interest to them ‘by association.’” (internal citations omitted)).

rail transportation, utilities and energy, finance, manufacturing, services and retailing. It has a market capitalization of approximately \$300 billion. As a result, the Station represents only a little more than one-tenth of one percent of Berkshire's market capitalization. For this reason, Berkshire Hathaway's Board does not make decisions or receive reports regarding the Station or the Licensee in the normal course. Instead, the Station and the Licensee are operated largely independently by its executives reporting to Berkshire Hathaway's management.

Nevertheless, Mr. Burke and Berkshire Hathaway have undertaken measures that prevent Mr. Burke from participating in any way in any involvement that the Board ultimately may have with the Station or Licensee. Specifically, Mr. Burke and Berkshire Hathaway have formally agreed that Mr. Burke (i) will be recused at all times and from all matters that involve and/or implicate the Station or Licensee, such that he will not vote on, or otherwise participate in, any matters involving the Station or Licensee that are brought before the Board; (ii) will not receive any information about the Station or Licensee that is provided to the Board; (iii) will not be involved with the day-to-day operations, management, or financial matters of the Station or Licensee in any manner; and (iv) will not communicate with the officers or directors of the Licensee. As of the date of filing this Biennial Ownership Report, these measures remain in place.

Consistent with these commitments, Berkshire Hathaway will and does discuss any matters involving the Station or Licensee separately at Board meetings to allow Mr. Burke ample opportunity to refrain from participation. To facilitate Mr. Burke's recusal, in the unlikely event that the Board intends to discuss the Station or Licensee during a meeting, Berkshire Hathaway will place the matter on the Board's agenda in advance of the meeting to provide Mr. Burke and the Board with notice that Mr. Burke will need to leave the Board meeting during such discussion. In addition, Berkshire Hathaway will (i) redact any reports distributed to directors that contain any discrete information regarding the Station or Licensee before distributing such reports to Mr. Burke; (ii) aggregate any financial reports that contain information about the Station's or Licensee's finances sufficiently that neither the Station's nor the Licensee's performance figures are separately displayed; and (iii) inform all of Berkshire Hathaway's officers and directors, as well as the officers and directors of the Station and Licensee, of Mr. Burke's recusal on a periodic basis.

* * * * *