

Explanation of Transaction

Background

Harry J. Pappas and his wife Stella were the subject of Chapter 11 Bankruptcy cases in the United States Bankruptcy Court for the District of Delaware, which are now being jointly administered under the caption *In re Pappas Liquidating Trust*, 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") was formed effective January 3, 2012, for the benefit of the Pappases' creditors and other beneficiaries, 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") vested in either the Liquidating Trust or, Pappas GP, LLC, an entity wholly owned and controlled by the Liquidating Trust. Harry J. Pappas and his wife Stella received their bankruptcy discharge On January 3, 2012 upon the effectuation of the Liquidating Trust. Involuntary transfers of control to the licensee entities in which the Pappases' or either of them had an interest were granted by the FCC on December 27, 2011 (the "December 316s").

As authorized by the December 316s, Harry J. Pappas became the Initial Trustee of the Liquidating Trust, and effective as of January 3, 2012, has managed the Trust Property for the benefit of the Pappases' creditors and other beneficiaries in accordance with the Plan and the Trust Agreement. The Plan provided that if Comerica Bank was 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 upon the satisfaction of all administrative obligations of the Liquidating Trust and payment of a fixed sum to the Pappases' general unsecured creditors (other than Comerica Bank) equal to 15% of their allowed claims, all Trust Property would re-vest in the Pappases (subject to FCC approval). The Discounted Payoff was not made to Comerica as of March 26, 2012. As a result, under the terms of the Plan and the Liquidating Trust, a successor trustee, Lee W. Shubert (the "Successor Trustee"), succeeds 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). Pursuant to the Plan, Harry J. Pappas's stock in Pappas Telecasting Companies, which had been an exempt asset and not part of the Pappases' bankruptcy estates, must now also be transferred to the Liquidating Trust.

The Transaction

As a result of the fact that the Discounted Payoff was not made to Comerica by the Discounted Payoff Date, 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 substitute Lee W. Shubert as the Trustee of the Liquidating Trust and to transfer all of Harry J. Pappas's stock interest in Pappas Telecasting Companies to the Liquidating Trust. Because the Bankruptcy Court continues to retain jurisdiction over the case and the Liquidating Trust Assets, the transfer of control of the Liquidating Trust from Harry J. Pappas, as the initial trustee, to Lee W. Shubert, as the Successor Trustee, is an involuntary transfer of control and 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 KHGI-LD

-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

-Pappas Telecasting Companies, licensee of KIAZ-LP

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