

**CHANGES IN INTEREST AS A RESULT OF TRANSFER**

This application seeks Commission consent to: (1) the relinquishment of negative control by Lenard Liberman and Jose Liberman (as trustee for the Liberman Trust and the Jose Liberman and Esther Liberman 2003 Annuity Trusts) of the ultimate parent company of six Commission licensees (the “LBI Licensees”) as a result of the exercise of warrants for and the offering to the public (“IPO”) of Class A common stock in Liberman Broadcasting, Inc., a Delaware Corporation (“LBI”); and (2) the *pro forma* transfer of control of LBI Media Holdings, Inc. from LBI Holdings I, Inc. (“LBI Holdings”) to LBI.

As illustrated in Figure 1, LBI Media Holdings, Inc. wholly owns, through various subsidiaries, the LBI Licensees. LBI Media Holdings, Inc. is currently wholly owned by LBI Holdings. Lenard D. Liberman currently holds 100 shares of the stock of LBI Holdings, which represents a 50% interest. His father, Jose Liberman, currently votes the remaining 100 shares of LBI Holdings (a 50% interest), through three trusts.

The instant application seeks Commission consent to: (1) the merger of LBI Holdings into LBI, its successor, which will wholly own LBI Media Holdings, Inc.; and (2) the relinquishment of negative control of the LBI Licensees by Jose and Lenard Liberman that will result through the IPO.<sup>1</sup> Following the IPO, it is anticipated that Jose Liberman (through the three trusts) and Lenard Liberman will retain 95-98% of the voting power, and 70-75% of the equity, in LBI. Figure 2 illustrates the anticipated structure of LBI and its subsidiaries post-IPO.

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<sup>1</sup> Post-IPO, Lenard and Jose Liberman (in his role as trustee) will hold 100% of the outstanding shares of Class B common stock in LBI. The Class B common stock gives the holder 10 votes per share as compared to the one vote per share of the Class A common stock being offered in the IPO.

Because the LBI Licensees are currently ultimately controlled by Lenard and Jose Liberman, whose qualifications have been passed upon on numerous occasions by the Commission (most recently in connection with the consent to assignment of the licensees for KNOR(FM), Krum, TX (File No. BALH-20040401AGJ)), and because Jose and Lenard Liberman will retain 95-98% of the voting power and 70-75% of the equity in LBI post-IPO, the completed transaction is *pro forma* in nature and the use of FCC Form 316 is appropriate.

**LIBERMAN BROADCASTING, INC. (a Delaware Corporation)**

The officers, directors\* and shareholders (as anticipated post-IPO) of **Liberma Broadcasting, Inc.**, a Delaware corporation, all of whom are U.S. citizens, are as follows:

<b>NAME &amp; ADDRESS</b>	<b>OFFICER</b>	<b>DIRECTOR</b>	<b>% VOTES</b>	<b>% EQUITY</b>
Jose Liberman c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	President	Yes	0	0
Lenard D. Liberman c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	Executive Vice President/ Secretary/Chief Financial Officer	Yes	47.5 - 49%	35 - 37.5%
Jose Liberman 2003 Annuity Trust ( <i>Jose Liberman, Trustee, votes the shares</i> ) c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	N/A	N/A	12.7 - 13.1%	9.36 - 10%
Esther Liberman 2003 Annuity Trust ( <i>Jose Liberman, Trustee, votes the shares</i> ) c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	N/A	N/A	12.7 - 13.1%	9.36 - 10%
The Liberman Trust ( <i>Jose Liberman, Trustee, votes the shares</i> ) c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	N/A	N/A	22.1 - 22.8%	16.29 - 17.45%
Public shareholders of Liberma Broadcasting, Inc.	N/A	N/A	2 - 5%	25 - 30%

\* Upon completion of the IPO, LBI intends to increase the size of its board of directors to four by nominating and electing two additional directors, including an independent director as defined under Nasdaq rules. LBI intends to increase the size of its board of directors to five by adding a second independent director within 90 days from the closing of the IPO.

**LIBERMAN ENTITIES**

## LBI Licensees

The officers and directors of the entities and each of their parent companies, including LBI Media Holdings, Inc., all of whom are U.S. citizens, are as follows:

<b>NAME &amp; ADDRESS</b>	<b>OFFICER</b>	<b>DIRECTOR</b>
Jose Liberman c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	President	Yes
Lenard D. Liberman c/o Liberman Broadcasting, Inc. 1845 Empire Avenue Burbank, CA 91504	Executive Vice President/ Secretary/Chief Financial Officer	Yes

As noted in Figure 1, the LBI Licensees are as follows:

**LBI Radio License Corp.** (wholly owned by Liberman Broadcasting, Inc., a California Corporation, which is wholly owned by LBI Media, Inc.) is the licensee of stations:

<b><u>CALL SIGN</u></b>	<b><u>TYPE</u></b>	<b><u>LOCATION</u></b>	<b><u>FACILITY ID</u></b>
KVNR	AM	Santa Ana, CA	37223
KWIZ	FM	Santa Ana, CA	37225
KBUA	FM	San Fernando, CA	10097
KBUA-FM1	Booster	Valencia/Newhall, CA	10098
KHJ	AM	Los Angeles, CA	37224
KBUE	FM	Long Beach, CA	34386
KEBN	FM	Garden Grove, CA	50513

**Liberman Broadcasting of Houston License Corp.** (wholly owned by Liberman Broadcasting of Houston, Inc., which is wholly owned by LBI Media, Inc.) is the licensee of stations:

<u>CALL SIGN</u>	<u>TYPE</u>	<u>LOCATION</u>	<u>FACILITY ID</u>
KIOX-FM	FM	El Campo, TX	36507
KJOJ	AM	Conroe, TX	20625
KJOJ-FM	FM	Freeport, TX	69565
KQQK	FM	Beaumont, TX	19087
KQUE	AM	Houston, TX	65309
KSEV	AM	Tomball, TX	9645
KTJM	FM	Port Arthur, TX	20489
KXGJ	FM	Bay City, TX	2131
KEYH	AM	Houston, TX	2911

**KZJL License Corp.** (which is wholly owned by Liberman Television of Houston, Inc., which is wholly owned by LBI Media, Inc.) is the licensee of station:

<u>CALL SIGN</u>	<u>TYPE</u>	<u>LOCATION</u>	<u>FACILITY ID</u>
KZJL	TV	Houston, TX	69531

**KRCA License Corp.** (which is wholly owned by KRCA Television, Inc., which is wholly owned by Liberman Television, Inc., which is wholly owned by LBI Media, Inc.) is the licensee and/or permittee of stations:

<u>CALL SIGN</u>	<u>TYPE</u>	<u>LOCATION</u>	<u>FACILITY ID</u>
KRCA	TV	Riverside, CA	22161
KRCA1	Booster	Hesperia/Pearblossom, CA	130271
KSDX-LP	LPTV	San Diego, CA	22162

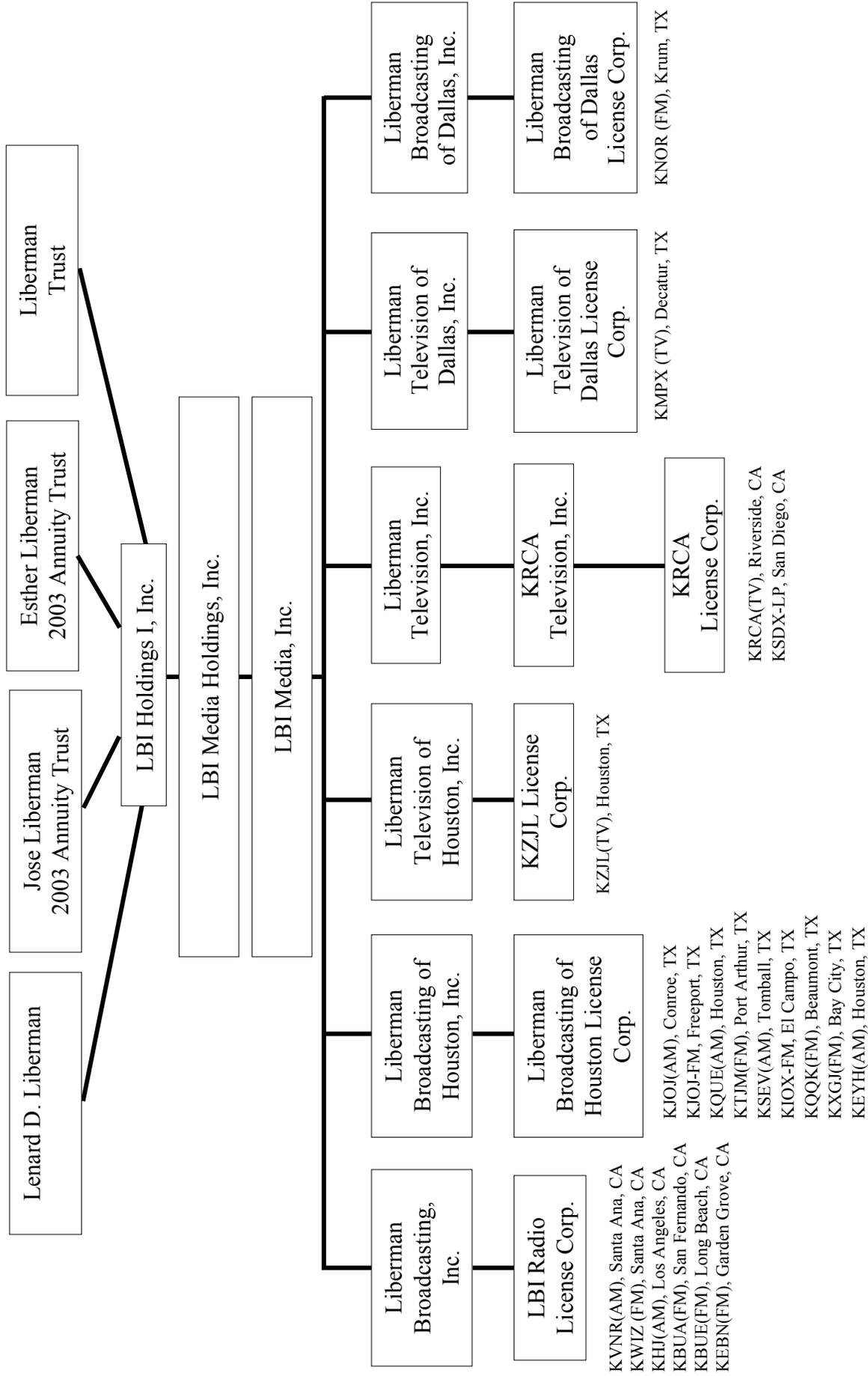
**Liberman Television of Dallas License Corp.**, (wholly owned by Liberman Television of Dallas, Inc., which is wholly owned by LBI Media, Inc.) is the licensee of station:

<b><u>CALL SIGN</u></b>	<b><u>TYPE</u></b>	<b><u>LOCATION</u></b>	<b><u>FACILITY ID</u></b>
KMPX	TV	Decatur, TX	73701

**Liberman Broadcasting of Dallas License Corp.**, (wholly owned by Liberman Broadcasting of Dallas, Inc., which is wholly owned by LBI Media, Inc.) is the licensee of station:

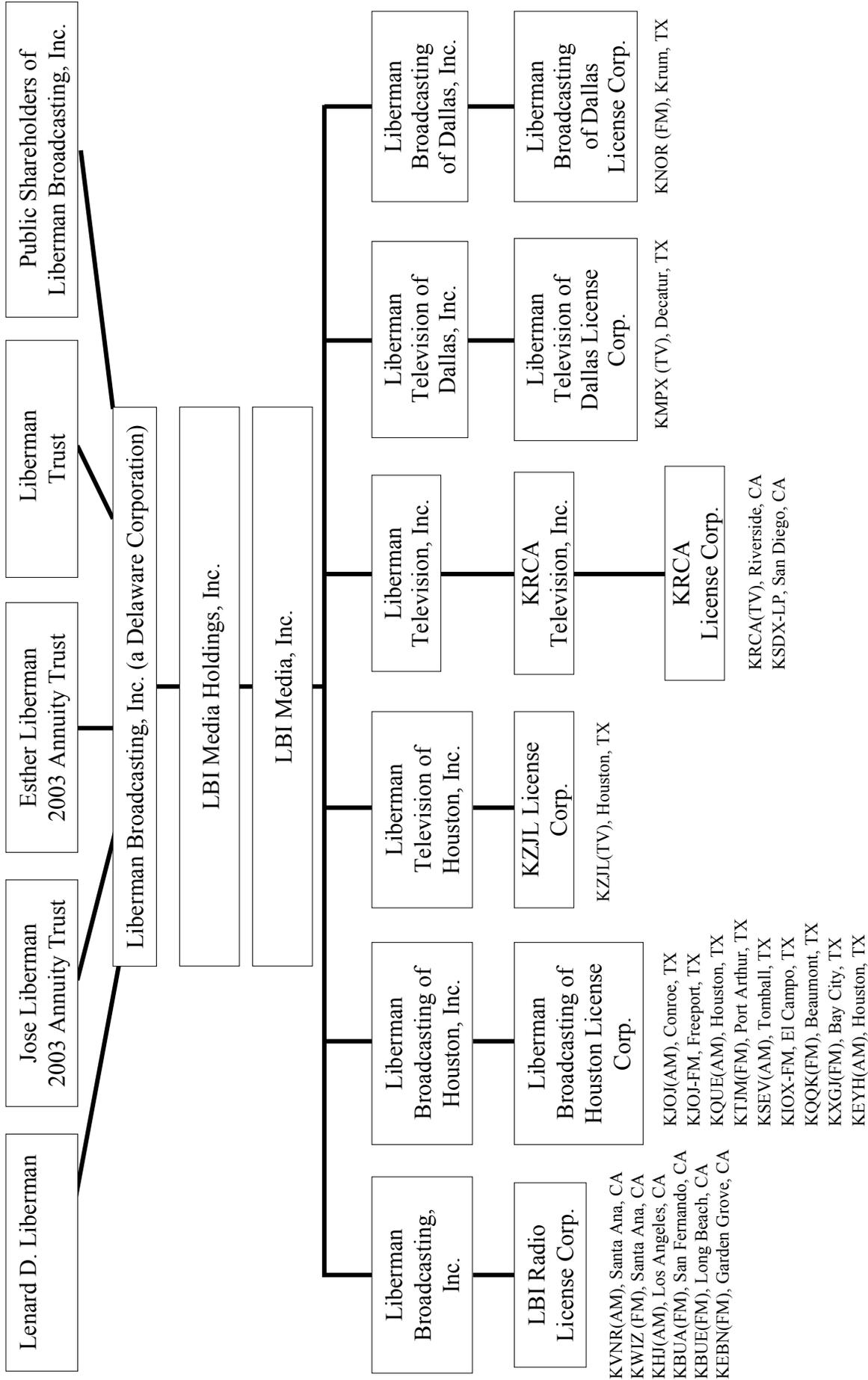
<b><u>CALL SIGN</u></b>	<b><u>TYPE</u></b>	<b><u>LOCATION</u></b>	<b><u>FACILITY ID</u></b>
KNOR	FM	Krum, TX	36289

**Figure 1** **Liberman Ownership Structure\***



\*Each subsidiary is wholly-owned by its parent corporation. Jose Liberman is the trustee and votes the shares of the Jose Liberman 2003 Annuity Trust (approx. 18.64% of LBI Holdings I, Inc.), the Esther Liberman 2003 Annuity Trust (approx. 18.64% of LBI Holdings I, Inc.) and the Liberman Trust (approx. 12.72% of LBI Holdings I, Inc.). Lenard Liberman holds and votes 50% of the shares of LBI Holdings I, Inc.

**Figure 2** **Liberman Ownership Structure\***



\*Each subsidiary is wholly-owned by its parent corporation. Jose Liberman is the trustee and votes the shares of the Jose Liberman 2003 Annuity Trust, the Esther Liberman 2003 Annuity Trust, and the Liberman Trust. Following the initial public offering, it is anticipated that Jose Liberman (on behalf of the three trusts) and Lenard Liberman each will vote 47.5% to 49% of the stock of Liberman Broadcasting, Inc., a Delaware corporation, and together retain an 70 – 75% equity interest in the company.