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AUDIO SERVICES DIVISION

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In re Applications of )  
 )  
ALEXANDRA COMMUNICATIONS, INC. ) File No. BPH-20130529AIA  
Station KLZY ) Facility ID #78988  
Channel )  
 )  
Minor Change Application to )  
Licensed Facility )

Received & Inspected

To: Peter Doyle  
Chief, Audio Division  
Mass Media Bureau  
445 12<sup>th</sup> Street SW  
Washington, D.C. 20554

JUL 07 2014

FCC Mail Room

**OPPOSITION TO SHOW CAUSE ORDER ISSUED BY THE FCC  
IN THE ABOVE-REFERENCED MATTER ON JUNE 3, 2014**

In support the following is shown:

Westend Radio, LLC ("Westend"), through its counsel, respectfully submits this Opposition to the Show Cause Order issued June 3, 2014, by the Media Bureau of the FCC, directing Westend as the licensee of Radio Station KQFM, Hermiston, Oregon to modify its license to specify FM Channel 229 in lieu of Channel 261A on which KQFM now operates and has since 2010. In support the following is shown:

1. On May 9<sup>th</sup>, 2013 Alexandra Communications, Inc. ("Alexandra") filed an application to modify its facility requesting a construction permit to change channels from Channel 229A to Channel 261A. Inasmuch as Westend currently operates Station KQFM on that channel, Alexandra has requested the Commission issue a show cause order

forcing Westend to shift its operation from Channel 229A in Hermiston to Channel 261A in Hermiston, Oregon. Simultaneously, Alexandra asks that the Commission allocate Channel 261A to Pasco, Washington. In other words, Alexandra is requesting a channel swap between the two stations. In its original filing, Alexandra offered no public interest reasons as to why a show cause order should be issued against Westend's operation of Station KQFM on Channel 261A. When Westend objected to the request for the show cause order on the basis there was no public interest showing in support of the swap, Alexandra replied claiming the proposed channel change would ameliorate current first adjacent channel interference being experienced by Station KRKG-FM as result of alleged interference from Station KWDR(FM) licensed to Royal City Washington. Alexandra also stated in its supplemental showing that the forced change would improve KRKG's FM signal strength throughout the densely populated core of its city of license and would ameliorate the current first adjacent channel interference being experienced by Station KRKG-FM on Channel 229A within its city of license. No engineering support or independent testimony evidence was provided for either of these claims other than the naked claim that, KRKG-FM has "reportedly experienced" alleged first adjacent interference from Station KWDR(FM) within KRKG-FM's home market. There is no study or empirical evidence supporting this claim. Thus, there is no information as to specific dates, times, locations or circumstances regarding the reported interference. Yet, engineering on file with the FCC makes clear that Stations KWDR and KRKG-FM are fully spaced with the operations of a geographic separation clearance of some 12.7 kilometers. (*See* BPH-20090611ABZ).

2. Alexandra's application suffers further infirmity in its claim in exhibit 5 to its application that Alexandra has ownership interests in "no more than three broadcast stations in the market (no more than two stations in one radio service) in the market." This is simply not correct. As it is apparent from the attached map (*See* Exhibit 2), Alexandra has interests in four stations in the Tri-Cities area. These include, Station

KRKG-FM, Pasco, Washington; Station KZIU-FM, Weston Oregon; Station KUJ(AM), Walla Walla, Washington; and more recently Station KZLY(FM), Ione, Oregon. The KZLY 60 DBU contour clearly overlaps with the contour of KRKG-FM. Alexandra was issued its permit for Station KZLY on September 28, 2013. Although Alexandra did not file its application for KLZY until a month after submitting its proposal for KRKG-FM, it has never amended that application to update its media ownership information. Although Alexandra has had multiple occasions to report its interest in KZLY(FM) in biennial ownership reports for its other stations, i.e. KUIL-AM/FM, KDEP(FM), and K21U-FM, it has never reported its ownership of KZLY(FM) in any of those reports.<sup>1</sup>

3. Of greater and more serious concern is Alexandra's stewardship of Station KZLY which Alexandra built the station in 2013 and received a main studio waiver to locate its main studio in Hermiston, Oregon. The facility was licensed in February of 2014. What Alexandra has failed to disclose is that it has effectively transferred control of the operation of the stations over to Tiffany Madrid Mota or persons associated or in the employment of Ms. Mota, as of November 1, 2013 via a Time Brokerage Agreement. (See Exhibit 1). Local press coverage indicates that control of the station occurred in the summer of 2013, a formal Time Brokerage Agreement with Ms. Mota was not executed until November 1<sup>st</sup>. The actual owner operators of the station is not clear because the local press coverage refers to different individuals as having acquired the Station. (See Exhibit 3) The Time Brokerage Agreement specifically names, Ms. Mota, as the broker of the Station and that she has also entered into a Option Agreement giving her the right to purchase the station subject to FCC consent. (See Exhibit 1).

4. It is further apparent from the facts disclosed herein, that Alexandra and Ms. Mota have failed to even minimally comply with the Commission's operational rules and requirements. For instance, based upon an inspection of the Station on June 24,

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<sup>1</sup>FCC Form 323 specifically requires licensees to list their other media interests and to certify that all information is true, current and complete.

2014, Alexandra and Ms. Mota have failed to properly maintain a Public Inspection File. As evidenced by the attached Declaration of Marv Anderson, the Station does not even minimally comply with the Public File Requirements. (See Exhibit 4) As attested to by Mr. Anderson, there is no record of issue program lists in the file, nor does the Station maintain a political file. Also absent from the file, is a copy of the Option Agreement referred to in the Time Brokerage Agreement. During Mr. Anderson's inspection at the Station he was provided with only the following documents:

1. A copy of the Community Coverage Study Map;
2. A copy of the KZLY License dated February 2, 2014;
3. A letter from the FCC granting a waiver of The FCC's main studio location rules;
4. A copy of a book entitled *Public and Broadcasting Handbook*;
5. An undated Statement that KZLY has no pending applications before the Commission, no activity construction permits, or any other application that might be awaiting final action;
6. An Ownership Report (FCC Form 323) for Alexandra Communications, Inc. dated October 28, 2013, but stamped as filed with the Commission on November 8, 2013;
7. Letter dated November 18, 2013, to the FCC requesting a main studio rule waiver; and
8. A Time Brokerage Agreement dated November 1, 2013, between Tiffany Madrid Mota and Alexandra Communications, Inc.

5. An examination of the files at the FCC, similarly disclose that there is neither a copy of the Option Agreement or the Time Brokerage Agreement on file with the Commission. (See Declaration of Michael Bader (Exhibit 5).

6. The available evidence also points to the fact that Alexandra has totally ignored the FCC's main studio rule requirements. A licensee is obligated to maintain a

studio in its city of license which require the presence of at least two employees at the station. The licensee must also maintain a separate manager, who is present at the station as well as an employee who works at the station and who deals with the public on behalf of the licensee. As of date Alexandra does not even have a local telephone number in its community of license.

7. As previously pointed out to the Commission in its opposition to Alexandra's initial filing requesting that the KQFM change channels, Westend noted that Station KQFM had already been subject to two forced channel changes in the last thirteen years because of show cause orders, the first of which was engineered by the present ownership of Alexandra in April 2000. At that time Westend was forced to move to Channel 263A as a result of a rulemaking petition filed by Mark Jackey Broadcasting in MM Docket No. 97.246. Cheryl Hodgins, the wife of Tom Hodgins, became the minority shareholder of Mark Jackey in 1997. Tom Hodgins became the majority shareholder of Mark Jackey in February 2001.

8. Five years later, Station KQFM and Westend Radio were once again subject to another show cause order in MB Docket No. 05-9 when Two Hearts Communications initiated a rulemaking proposal which resulted in Station KQFM being forced to change channels once again, this time from Channel 263A to Channel 261A. Ultimately due to other channel changes authorized in the rulemaking proceeding, Station KQFM was not able to go on the air with its new frequency until February 9, 2010. Now three years later the Station is once again subject to its third channel change prompting the question, when does it all end?

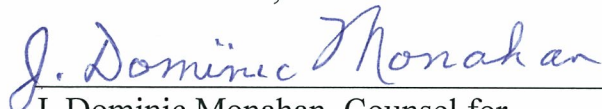
9. These multiple channel changes have resulted in an audience instability which has victimized not only Westend Radio but its listening audience and advertisers. Listeners are being continually forced to readjust and search for KQFM's dial position. Despite the promotion that Westend has provided in the past on the channel changes, it still encounters listeners and members of the public who complain about locating their

favorite signal. The result has been unwarranted disruption to Westend, listeners, advertisers and the general public.

10. In this case, the disruption is magnified by the fact there is no underlying compelling reason why Alexandra and Station KRKG-FM should be allowed to swap channels with Station KQFM. Station KRKG-FM is a Class A facility which is operated on Channel 229 since its inception over 15 years ago. Although Alexandra's new proposal for Station KRKG-FM involves a modest increase in power and change of transmitter site, a comparison of Alexandra's own coverage maps submitted to the FCC in recent years, shows the significant decrease in 1 milivolt coverage between its presently licensed operation and its proposed operation. In fact, City grade coverage to the adjacent communities of Burbank (population 3,291 persons) and Finley (population 6,012) has been eliminated. *See* attached Contour Maps from BPH-20090611ABW and BPH-20130529AIA, Exhibit 6). In short, there are no public interest reasons which have been demonstrated remaining to support the application and proposed channel swap between Station KRKG-FM and Station KQFM. Moreover, the situation has been aggravated by the failures of Alexandra to even minimally adhere to the Commission's Rules governing transfers of control, public inspection files and disclosure of other media interests in its ownership filings with the FCC. In short, there is no compelling public interest showing advanced by Alexandra. Rather the facts demonstrate that Alexandra simply fails as a licensee who operates consistent with its obligations as a steward of the public interest and as a licensee of the Commission.

Respectfully submitted.

WESTEND RADIO, LLC

  
J. Dominic Monahan, Counsel for  
Westend Radio, LLC

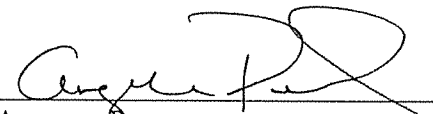
cc: Thomas Hodgins

**DECLARATION  
OF  
ANGELA PURSEL**

I, **ANGELA PURSEL**, declare under penalty of perjury that I am the General Manager of Station KQFM and a principal of Westend Radio, LLC and the attached Opposition to Show Cause Order of July 2, 2014 is, to the best of my knowledge, a true and correct statement of the actual facts asserted therein.

DATED this 2 of July, 2014.

Respectfully submitted.

  
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ANGELA PURSEL

## **CERTIFICATE OF SERVICE**

I, Sheri L. Cooke, ACP, Advanced Certified Paralegal in the law offices of Luvaas Cobb, certify that I have on this 2<sup>nd</sup> day of July, 2014, on behalf of Westend Radio, LLC, copies of the foregoing Opposition to Show Cause Order to:

### **Via by United Parcel Service Overnight Service**

Peter H. Doyle, Chief  
Audio Division, Media Bureau  
Federal Communications  
Commission  
445 12<sup>th</sup> Street SW  
Washington, D.C. 20554

### **Via United States mail, postage prepaid, to**

Alexandra Communications, Inc.  
Thomas Hodgins  
1600 Gray Lynn Drive  
Walla Walla, Washington 99362


Gary Loehrs  
Low Power FM Stations  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, D.C. 20554

and

Robert Lewis Thompson  
Smithwick & Belendiuk, PC  
5028 Wisconsin Avenue, NE #301  
Washington, DC 20016  
Of Counsel for Alexandra  
Communications, Inc.

### **Via Email, to**

Gary Loehrs	<a href="mailto:Gary.Loehrs@fcc.gov">Gary.Loehrs@fcc.gov</a>
Peter Doyle	<a href="mailto:Peter.Doyle@fcc.gov">Peter.Doyle@fcc.gov</a>
Robert Thompson	<a href="mailto:bthompson@fccworld.com">bthompson@fccworld.com</a>
Thomas Hodgins	<a href="mailto:tomh@kujam.com">tomh@kujam.com</a>

  
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Sheri L. Cooke, ACP  
Advanced Certified Paralegal

## TIME BROKERAGE AGREEMENT

ALEXANDRA COMMUNICATIONS, INC., a Washington corporation ("Licensee") and TIFFANY MADRID MOTA, a resident of the State of Washington ("Broker"), hereby agree, this 1st day of November, 2013, to enter into this **TIME BROKERAGE AGREEMENT** (this "TBA") under the terms and conditions specified herein. The parties hereto are collectively and individually referred to herein as the parties.

### WITNESSETH:

WHEREAS, Licensee owns and operates the following radio station (the "Station"):

New FM, Ione, Oregon: FAC ID# 191488

WHEREAS, the parties have entered into an **OPTION AGREEMENT** of even date herewith (the "Option"), granting Broker the right to purchase the Station, subject to the consent of the Federal Communications Commission (the "FCC" or "Commission");

WHEREAS, until such time that the Broker has met all conditions precedent to exercising its Option and the Option has been exercised, Broker desires to acquire time on the Station for the provision of programming and the generation of revenue;

WHEREAS, Licensee desires to accept the programming produced by Broker and to make broadcasting time on the Station available to Broker on terms and conditions which conform to the FCC Rules and to this TBA;

WHEREAS, this TBA and the transaction hereby represented complies with the local and national multiple Station ownership and audience reach limitations of Section 73.3555 and the program duplication limitations of Section 73.3556 of the rules and regulations of the Federal Communications Commission (the "FCC" or "Commission").

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in light of the mutual promises and covenants contained herein, Licensee and Broker hereby agree:

1. Commencement Date and Term. This TBA shall be effective as of the date hereof, (the "Effective Date") and shall commence (the "Commencement Date") on that date that the Station has been constructed and has signed on-the-air with the FCC Form 302-FM Request for License filed with the FCC. This TBA shall remain in effect for one (1) year from the Commencement Date unless earlier superseded by the consummation of the sale of the Station to Broker or otherwise terminated pursuant to terms contained herein. This TBA may be extended on a month-to-month basis, if the parties so desire, on the same terms and conditions contained herein or as otherwise agreed to in writing.

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2. Use of Station Facilities. Upon the Commencement Date, Licensee will, subject to the terms and conditions herein, make available to Broker the broadcast transmission facilities of the Station on a twenty-four (24) hour per day, seven (7) day per week basis for carriage on the Station of programming content produced and/or selected by Broker delivered by Broker provided that any and all programming material proffered by Broker for carriage on the Station will be in material compliance with any and all applicable laws and governmental regulations, including but not limited to the Communications Act of 1934, as amended (the "Act"), and the rules and regulations of the FCC.

3. Advertising and Program Sponsorships. Broker shall have the unilateral and exclusive right to solicit advertising and program sponsorships as Broker, in the exercise of its unilateral discretion, deems appropriate. Broker shall have sole responsibility for the billing and collection of fees and other charges for all matter aired on the Station during the term of this TBA.

4. Programming.

(a) Program Standards. All programming, advertising and promotional materials shall be prepared and presented in compliance with the Act and all FCC rules and policies and in conformity with the Standards set forth in Attachment A hereto.

(b) Responsive Programming. Licensee shall retain the right and responsibility to air programming it deems reasonably responsive to the needs and interests of Ione, Oregon, and the surrounding communities. Licensee reserves the right to refuse to broadcast any program containing matter which violates any right of any third party or which constitutes a "personal attack" as that term has been defined by the FCC. Licensee also reserves the right to refuse to broadcast any program which does not meet the requirements of the rules, regulations, and policies of the FCC or the Program Standards set forth in Attachment A. Licensee further reserves the right to preempt any program in the event of a local, state, or national emergency. If Licensee pre-empts, rejects or otherwise refuses to broadcast any program, then Licensee shall broadcast substitute programming of equal or greater value to Broker. Broker agrees to cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions. Licensee reserves the right to delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. Broker agrees that neither it nor its agents, employees, consultants or personnel will accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, material, supplies or other merchandise, services or labor (collectively "Consideration"), whether or not pursuant to written contracts or agreements between Programmer and merchants or advertisers, unless the payer is identified in the program for which Consideration was provided as having paid for or furnished such Consideration, in accordance with the FCC rules, regulations and policies.

(c) FCC Requirements. Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit rate, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC. Broker shall

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cooperate with Licensee as Licensee complies with its political broadcast responsibilities, and shall supply such information promptly to Licensee as may be necessary to comply with the political time record keeping and lowest unit charge requirements of federal law. To the extent that Licensee believes necessary, in its sole discretion, Broker shall release advertising availabilities to Licensee to permit Licensee to comply with the political broadcast rules of the FCC; provided, however, that revenues received by Licensee as a result of any such release of advertising time shall promptly be remitted to Broker.

5. Termination. This TBA shall terminate upon the earlier of (i) the consummation of the sale to Broker of the assets and assignment of the FCC License used and useable in the daily operations of the Station; (ii) the first day of the first full month following the date on which an order of the FCC denying its consent to the assignment of the Station's FCC Licenses to Broker becomes a Final Order, or (iii) the termination of this TBA by mutual consent, an event of default, or due to the passage of time which remains un-renewed or extended.

6. Consideration and Payment.

(a) Broker shall be responsible for operating expenses of the Station to include direct payments and/or indirect reimbursements for expenses which must remain under Licensee's control. Reimbursements shall be made monthly within five (5) days of presentment of original invoices and/or bills, and Licensee shall be entitled to reimbursement for expenses and expenditures including but not limited to expenses associated with operations described in Paragraph 8(a)(i-vi) hereinbelow and all other standard and customary operating expenses, a schedule of which is attached hereto as Schedule 1 which shall be reviewed and adjusted from time to time as the parties find necessary.

(b) From the Commencement Date and monthly thereafter, Broker shall make TBA Payments as reflected on Payment Schedules #1 and #2 attached hereto as Exhibit 1 and Exhibit 2 respectively.

7. Pro-rations. Operations of the Station shall be pro-rated to the Commencement Date. Operations of the Station and any income, expense, and liabilities attributable thereto through the Commencement Date shall be for the account and obligation of Licensee and thereafter for the account and obligation of Broker. Expenses including, but not limited to, such items as power and utilities charges, property taxes, rents, commissions, leases and agreements, and similar prepaid and deferred items shall be prorated between Licensee and Broker in accordance with generally accepted accounting principles, the pro-rations to be made as of the Commencement Date.

8. Expenses. Subject to pro-rations and reimbursement, the parties shall be responsible for the following expenses during the term of this TBA, respectively:

(a) Licensee. Without limitation, Licensee shall have initial responsibility (subject to its right to be reimbursed by Broker as provided in Paragraph 7 above) on and after the Commencement Date of this TBA for:

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(i) Any and all personnel expenses, including but not limited to: salary, payroll taxes, and benefits incurred by or for Licensee's employees;

(ii) Any and all rental expenses for the Station's transmitter site(s), studio and offices, and any equipment purchase and/or lease payments;

(iii) Any and all utility bills, (gas, water, telephone [other than toll charges or listener call-in lines], and electricity) rendered at or in conjunction with the Station's studios, offices, and transmission facilities;

(iv) Payment of all taxes, licenses, and other governmental fees necessary for the lease, use, and ownership of the Station's facilities to include without limitation FCC Regulatory Fees;

(v) Insurance to cover loss of or damage to the Station's facilities and general liability insurance; and

(vi) Necessary replacement and general maintenance of the Station's transmission, production, and office equipment, furnishing, and fixtures, provided that such replacement and/or repair is not caused by Broker's negligence or misuse of same.

(b) Broker. From the Commencement Date of this TBA, Broker shall be responsible for the following:

(i) Any and all expenses incurred in the production or distribution of programming to be aired on the Station (other than PSA's, news items, and other material inserted at the request of Licensee);

(ii) Payroll taxes for Broker's personnel used in the provision of programming contemplated herein ("Payroll Taxes"); and

(iv) Any and all fees charged by ASCAP, BMI, and SESAC ("Music Licensing Fees") for the period after the Commencement Date of this TBA.

9. Expenses. . In the event Broker provides studio and/or transmitter sites and facilities to Licensee pursuant to Paragraph 13 hereinbelow, Broker shall be responsible for fees, permits, and expenses associated with those.

10. Control of Station. Notwithstanding anything in this TBA to the contrary, Licensee shall at all times retain, and hereby so certifies that it has, ultimate control over the Station's operations, including but not limited to their finances, personnel, and programming. Broker has agreed to provide and maintain one or more main studios for the Station as required by FCC rules on behalf of Licensee. Licensee shall provide personnel as required by FCC rules and as Licensee deems

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necessary and appropriate for the operation of the Station in the public interest. With Broker's assistance, Licensee will also maintain a public inspection file at the main studio which will include all items required to be retained under FCC rules and policies, including but not limited to this TBA. Licensee shall retain the right to reject any programming proffered by Broker under this TBA if, in the sole opinion of Licensee, such programming is in violation of any applicable law, governmental policy or rule, or otherwise inconsistent with the public interest.

11. Force Majeure. Licensee shall not be liable to Broker or be deemed to be in breach of this TBA for any malfunction of the Station's facilities, or for any delay or interruption in the broadcast of programming proffered by Broker, due to acts of God, strikes or threats thereof, or other causes beyond the control of Licensee.

12. Retention of Broadcast Rights. Broker shall retain whatever copyrights and other retransmission rights it has to and in any and all programming proffered for carriage on the Station, and no programming supplied to Licensee pursuant to this TBA shall be rebroadcast, copied, or made available for any other use without the prior written consent of Broker.

13. Filing with FCC. The parties will cooperate in obtaining any required FCC approval of this TBA. To that end, the parties will negotiate in good faith to amend any provision which the FCC advises the parties, either formally or informally, is unlawful. If required by the FCC, the parties will file a copy of this TBA with the FCC within thirty (30) days from the Commencement Date of this TBA.

14. Indemnification.

(a) Broker hereby indemnifies and otherwise holds Licensee harmless against any and all claims, demands, liabilities, obligations, actions, suits, proceedings, losses, damages, costs, expenses, assessments, judgments, recoveries, and deficiencies, including interest, penalties, and reasonable attorneys' fees and expenses, of any kind and description, contingent or otherwise (the foregoing hereinafter collectively referred to as "Damages") resulting from (i) a breach of any of its representations, warranties, covenants or agreements contained in this Agreement, or (ii) libel, slander, illegal competition or trade practices; infringement of trademarks, trade names, or program titles; and infringement of copyrights and proprietary rights resulting from the carriage of programming supplied by Broker over the Station's broadcast transmission facilities. Licensee shall have the right to refuse to broadcast any programming proffered by Broker under this TBA which, in the reasonable opinion of Licensee, contains matter which is or may be in violation of any right of any third party under FCC policy and rules or is otherwise in violation of the Program Standards set forth in Attachment A.

(b) Except as herein provided, Licensee hereby agrees to indemnify and hold Broker and the property of Broker free and harmless from any and all Damages, that result from (i) a breach of any of its representations, warranties, covenants or agreements contained in this agreement, or (ii) the operation of the Station by Licensee prior to the Commencement Date of this TBA.

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15. Representations.

(a) Joint Representations. The parties represent to each other that they are each legally qualified, authorized, and otherwise able to enter into this TBA.

(b) Licensee Representations. Licensee represents (y) that it has all licenses and other authorizations from the FCC and other governmental authorities necessary to operate the Station as currently operated and (z) that it is not aware of any investigation, complaint, petition, objection, or other event, existing or threatened, which, if acted on in a manner adverse to Licensee, would have a material adverse impact on the Station's FCC authorizations or the Station's current operations.

16. Events of Default.

(a) Definition of Default. The following shall each constitute, after the expiration of any applicable cure period, an Event of Default:

(i) Broker's failure to make payments to Licensee as required by Paragraph 6 of this TBA.

(ii) Filing by Broker of a voluntary petition in bankruptcy or voluntary petition or an answer seeking reorganization, arrangement, readjustment of its debts, or any other relief under the Federal Bankruptcy Code or under insolvency act or law now or hereafter existing, the making by Broker of a general assignment for the benefit of creditors, or the admission in writing by Broker of its inability to pay its debts as they mature;

(iii) Filing of an involuntary petition against Broker seeking reorganization, arrangement, readjustment of his debts, or any other relief under the Federal Bankruptcy Code or under any insolvency act or law now or hereafter existing, or the involuntary appointment of a receiver or trustee of Broker, and the continuance of any such events for a period of sixty (60) days not dismissed, bonded, or stayed;

(iv) Broker's habitual failure to make payments when due as follows:

(1) For two (2) months consecutively; or

(2) For four (4) months within any twelve (12)-month period; or

(3) For eight (8) months, cumulatively, during the Term of this

TBA

(b) Maker hereby acknowledges that in the event Maker should fail to pay any amount of principal when due under this TBA, Licensee will incur administrative and other costs

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associated with such late payment. Accordingly, in the event Broker fails to pay any amount of principal and/or interest on this TBA for ten (10) calendar days after such payment becomes due, whether by acceleration or otherwise, Licensee may, at its option, impose a delinquency or "late" charge equal to ten percent (10%) of payments due, in respect of each and every past-due payment; provided, however, that if any such delinquency or "late" charge is in excess of the amount permitted to be charged to Broker under applicable law, Licensee shall be entitled to collect a delinquency or "late" charge at the highest rate permitted by such law. Broker agrees that any such delinquency or "late" charge shall not be deemed to be additional interest or a penalty, but shall be deemed to be a fair estimate of the expenses which will be suffered by Licensee by reason of such late payment since computing the actual amount of Licensee's expenses in advance is presently impracticable or extremely difficult.

(c) In the event of any default by Maker in the payment of the amount due and payable under this Note, simple interest shall thereupon commence to accrue upon the unpaid balance of this Note at the rate of ten percent (10%) per annum or the maximum allowable under law, whichever is lower.

(i) Breach of Representation. If any representation or warranty made in this TBA by any party, or in any certificate or document furnished pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished.

(ii) Breach of Covenants. A party is in material breach of any obligation or representation assumed or made under this TBA, including but not limited to, compliance with the Act and FCC rules and policies.

(d) Cure Periods. An Event of Default, apart from a failure to make payments to Licensee as required herein, shall not be deemed to have occurred until the expiration of ten (10) business days after one party has provided the other party with written notice specifying the event or events that, if not cured, would constitute an Event of Default, and the party in receipt of such notice has not cured the default or otherwise demonstrated that there is no default.

(e) Termination upon Default. In the event of the occurrence of an Event of Default, the non-defaulting Party may terminate this TBA and (i) the Licensee shall have no further obligation to provide to Broker any broadcast time or access to the broadcast transmission facilities of the Station, (ii) the consideration provided for hereunder shall be prorated to the effective termination date of this TBA, and (iii) Licensee shall not be obligated to assume any programming, advertising, trade or other obligations of Broker. No termination pursuant to this Section shall relieve any party of liability it would otherwise have for breach of this TBA.

17. Specific Performance and Rights to Cure.

(a) The parties agree that the Assets and the business opportunity represented by this TBA are unique and are not readily available on the open market and the Broker and/or Licensee would each be irreparably injured by the other's failure to perform its obligations hereunder:

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(i) In the event of Licensee's breach or default, Broker shall have the right to seek specific performance and a right to cure with offset, either under the terms of this TBA or the Purchase Agreement;

(ii) In the event of Broker's breach or default, Licensee shall have the right to seek liquidated damages equal to all payments pursuant to Paragraph 6 to the date of default plus all payments remaining to be paid by Broker to Licensee pursuant to the terms of this TBA.

(b) The parties agree that during the term of the TBA, Licensee has the obligation to protect Broker's interest in the Station as its own. Therefore, in the event of any action (breach, default, or otherwise) which would cause Broker to lose the enjoyment of its rights and interests in the TBA and the operation of the Station, Licensee will grant Broker the right to cure such cause with the right of offset for any of Broker's costs associated with such cure.

(c) Any and all operating equipment and/or software purchased, leased, or otherwise acquired by Broker to be used in the operations of the Station ("Broker Acquired Assets") shall at all times remain the property of Broker. In the event of an early termination of this TBA due to a default, breach, or abandonment of the facilities and their operation by Broker, such Broker Acquired Assets may be retained by Licensee at Licensee's sole option and the value of such Broker Acquired Assets may be used as an offset against Broker's liquidated damages specific in Paragraph 17(a)(ii) hereinabove.

18. Finders, Consultants, and Broker. The parties hereby represent and warrant to one another that there has been no finder, broker, or consultant involved in the negotiations leading up to the execution of this TBA other than MCH Enterprises, Inc., which has represented Broker in this transaction and whose fees shall be paid by Broker on the Commencement Date of this TBA.

19. Waivers. No waiver or delay by a Party of any provision of this TBA shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a Party of any remedy provided in this TBA or at law shall not prevent the exercise by that Party of any other remedy provided in this TBA or at law.

20. Governing Law, Venue and Attorney Fees. This TBA shall be construed in accordance with the laws of the State of Oregon. In the event either party commences a legal action regarding this TBA, such action shall only be brought in the court of appropriate jurisdiction in the State of Oregon and both parties consent to personal jurisdiction by such court. In any such action, the substantially prevailing party shall be entitled to recover its costs of suit and reasonable attorney fees, including costs and reasonable attorney fees on appeal.

24. Headings. The headings of the provisions of this TBA are included for convenience only, and no such heading shall in any way affect or alter the meaning of any provision.

25. Successors and Assigns. This TBA, and the rights and obligations hereunder, may not be assigned, transferred or sublet, without the written consent of the other party. This TBA and the terms and conditions contained herein shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

26. Counterpart Signatures. This TBA may be signed in one or more counterparts, all of which shall be deemed to be a single TBA, binding on the parties hereto.

27. Notice. Any notice required or allowed under this TBA shall be in writing and shall be deemed given when delivered personally, mailed by certified mail, return receipt requested (postage prepaid), or sent by an overnight delivery service (charges prepaid), and addressed to the following:

(a) If to Licensee:

Mr. Thomas D. Hodgins, President  
Alexandra Communications, Inc.  
1600 Gray Lynn Dr.  
Walla Walla, WA 99362  
Phone: 509.527.1000  
Email: tomh@pocketinet.com

With a copy (which does not constitute notice) to:

Mr. Kris Hedine  
Virtual In-House Counsel, PLLC  
2225 Isaacs Avenue, Suite A,  
Walla Walla, WA 99362  
Phone: 509-529-5175  
Email: <http://www.virtualinhouse.biz>


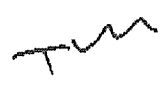
(b) If to Broker:

Ms. Tiffany Madrid Mota  
~~1810 Chestnut St.~~ 120 W Casino Rd  
Apt. 105 13 B  
Everett, WA 98201 98204  
Phone: (509) 942-4252 425-903-2171  
Email: tmota92@yahoo.com

or to any other address as the parties may from time to time designate in writing.

28. Entire Agreement. This TBA embodies the entire understanding between the parties and supersedes any and all prior and contemporaneous agreements, representations, warranties, or

Time Brokerage Agreement:  
KZLY (FM), Ione, Oregon 11.1.13

  
  
EXHIBIT 1  
Page 9 of 10

understandings, oral or written, between the parties with respect to the subject matter hereto. This TBA may be modified only by a document executed by both parties.

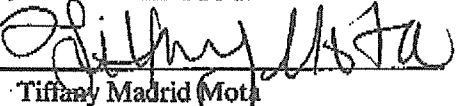
29. Severability. If any provision in this TBA is held to be invalid, illegal, or unenforceable, this TBA shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein, provided that the provision held to be invalid, illegal, or unenforceable is not central to the purpose of this TBA to afford Broker the right to supply programming to be aired on the Station for consideration.

IN WITNESS WHEREOF the parties have executed this TIME BROKERAGE AGREEMENT as of the date first above written.

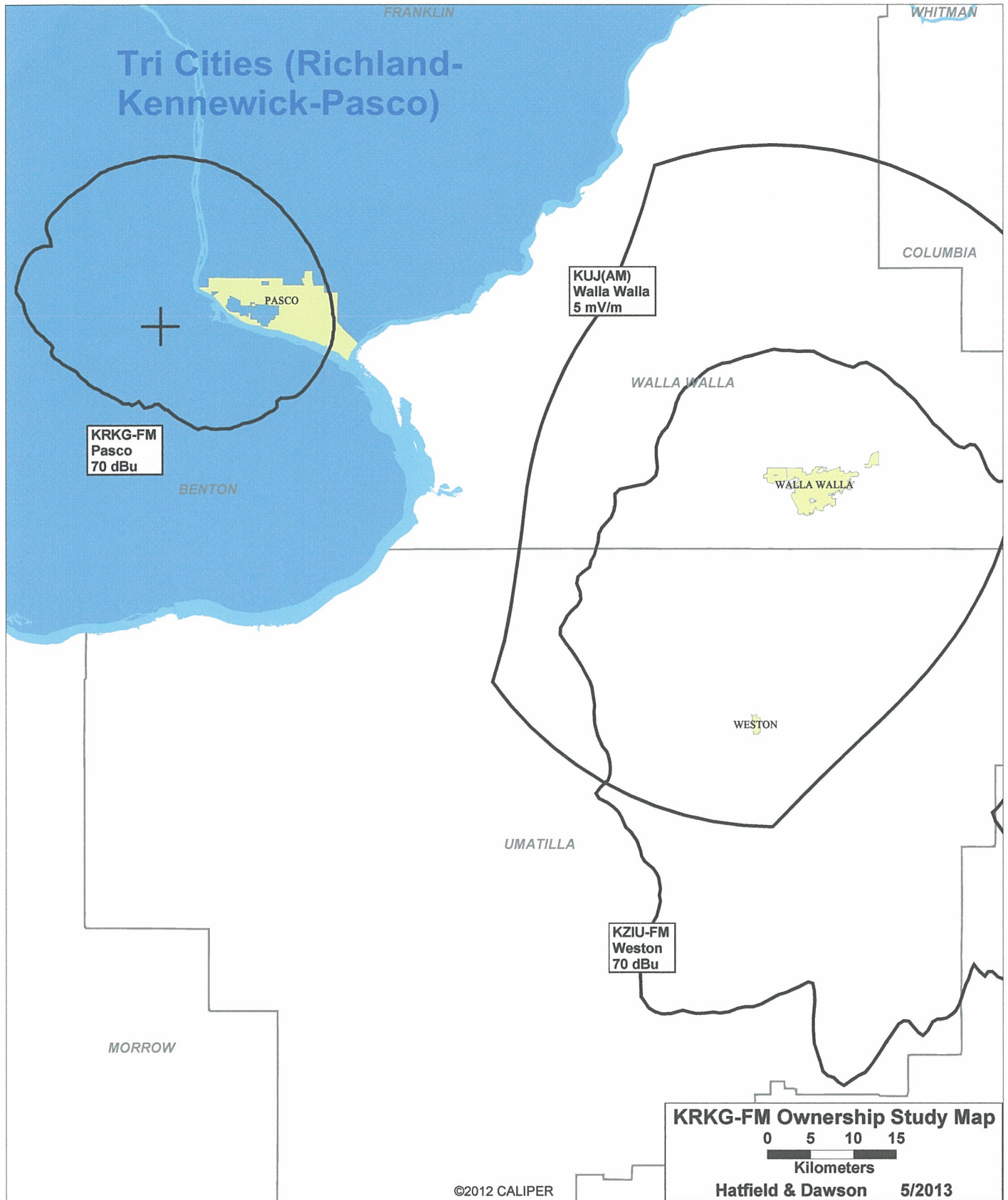
LICENSEE  
ALEXANDRA COMMUNICATIONS, INC.

BY:   
Thomas D. Hodgins, President

BROKER  
TIFFANY MADRID MOTA

BY:   
Tiffany Madrid Mota

Notarization of Broker:



BRII

## Spanish-language station begins broadcasting

HERMISTON — Hermiston's first Spanish-language radio station hit the airwaves this month, broadcasting from La Grande to Yakima, Wash.

La Ley, translating to the "the law," is KZLY 99.5 FM and features entertainment, music, news and community information. The new radio station will have a grand opening at noon Friday at 295 E. Main St. to celebrate its launch.

The brainchild of Gaudencio Felipe Sanchez of Pasco and Jesus Torres of Richland was delayed from an August start date because of permit complications with the Federal Communication Commission. Sanchez began taking music requests from listeners late last week.

"We think this a good opportunity for Hermiston," Sanchez said.

"Hermiston has never had their own Spanish language station until now. This will help get information out to the people who need it."

Hispanic Advisory Committee member Eddie De La Cruz is hoping the station will help bring people a sense of cooperation.

"We want to work together to get this community united," De La Cruz said. "We will have programs on the air that will provide information about the community and the political world. We will have information on immigration reform."

Sanchez and Torres have opened several radio stations in the Northwest in the last five years.

E.O.

Nov 2013

## Ready to launch

**After delay and change of venue, radio station set to air next month**

By Holly Dillemath

Hermiston Herald | [0 comments](#) (8/20/2013)

As soon as next month, listeners from Ione to Hermiston to Pendleton can turn their radio dial to 99.5 FM and listen to a Spanish radio station.

The owners of the new radio station are setting up in their downtown office in Hermiston in the next two weeks, with hopes to be on air by mid-September.

Guadencio Felipe, of Pasco, Wash., and Jesus Torres, of Richland, Wash., announced last month they would open the station at El Gran Chapparral by mid-August, but the duo said Monday they decided to move the location to downtown, where they expect less traffic.

"It's better right here," Torres said, while standing inside the room where the station will broadcast. "The office is more comfortable."

Originally planned to open last week, Felipe and Torres said they were delayed because of complications with obtaining a permit from the Federal Communication Commission.

The owners have since been notified they were granted the permit to operate but are just waiting on equipment for the station. Computers and programs, a music mixer and microphones have been ordered and are expected to arrive in two weeks, Torres said.

The duo first considered starting the station when asked by area residents why there wasn't a local option for Spanish speakers on the radio dial.

"We need a radio station in Spanish here," Felipe said. "We need to give information to the community."

Torres agreed, stating the station could help Spanish speakers in the surrounding area learn what is going on in their community.

Hispanic Advisory Committee Chairman Eddie De La Cruz is excited about the incoming business.

He plans to air a show called "The Voice of the Town," and said local residents would be encouraged to participate. De La Cruz said the station will serve as a resource for news, sports, weather and music.

"This thing's going to grow so fast," De La Cruz said.

Felipe and Torres are currently renting a space near The Knot Doctor massage studio on East Main Street in which the station will be situated. They plan to employ between three and six employees, Felipe said.

Felipe and Torres have partnered to open radio stations in the past five years.

Felipe, originally of Puebla City, Mexico, moved to the United States in 1985. He has spent the last 20 years establishing eight Spanish-speaking stations, from Utah to New York, and started his first Spanish-speaking radio station in Idaho in 1989.

## Latino radio station set to air next month

By Holly Dillemath

Hermiston Herald | [0 comments](#) (7/16/2013)

Hermiston will likely have a Hispanic radio station as early as mid-August.

Hispanic Advisory Committee Chairman Eddie De La Cruz made the announcement just before the end of the advisory meeting Monday night at City Hall.

"We have great news that Hermiston is heading to the direction of having an Hispanic radio station," De La Cruz said.

The station will be called La Nueva Ley, or "The New Law," and will be in the upstairs of El Gran Chaparral, 305 S.W. 11th St. El Gran Chaparral, a dance hall, is owned Juan Reyna, and he and business partner Jesus Torres will be the owners of the new station. As of Monday, Reyna and Torres did not have a specified frequency for the station.

Gaudencio Felipe, of Pasco, Wash., will serve as general manager for the station, which will reach listeners from Ione to Pendleton, De La Cruz said.

"I'm very excited that that's happening for Hermiston," De La Cruz said. "We're actually moving in the right direction."

De La Cruz has been promoting the advisory committee through a Hispanic radio station in the Tri-Cities area since the committee formed last year. He said the new station will provide the HAC with a new outlet to reach listeners.

"We're going to have a lot more voice for the Hispanic community," De La Cruz said. "Once we get our program going, we're going to invite the chief of police, (county) commissioners, all the agencies we can get to talk to the audience."

The owners are planning to hold a ribbon-cutting for the opening of the radio station with plans to invite city officials. That date has yet to be determined.

**DECLARATION OF MARV ANDERSON**

I, **MARV ANDERSON**, declare under penalty of perjury the following is a true and correct statement.

1. On June 24, 2014, I visited the studios of Station KLZY in Hermiston, Oregon, located on 295 E. Main Street, to inspect the public inspection file for that Station. When I entered the reception area and asked for the Public File, the response was "who are and what do you want to see." I told them I was just an interested member of the public and wanted to see the contents of the file. At that point, the individual responding indicated I would have to wait a moment as she conferred with someone else in the Station. At that point I was allowed to inspect a Public File which was in a file cabinet. However, there was nothing in the file at the time as I was specifically looking for lists of issues/answer addressing issues of concern in the Hermiston Community as well as the Station's political file. Neither of these files were available in the Public File. At that juncture, the woman indicated I would have to talk to someone else. She placed a phone call and I was given the telephone to respond, the gentlemen on the other end of the phone indicated his name was Thomas Hodgins and that while he had the documents for the Public File, he would have to forward them for me. He asked my name and address. He only wanted an email address which I provided to him.

2. The next morning I received an email at my home which included some eight documents, which Mr. Hodgins indicated comprised the contents of the Station's Public File. Again, there was neither a political file nor a file listing issue program lists. The documents provided to me where as follows:

1. A copy of the Community Coverage Study Map;
2. A copy of the KZLY License dated February 2, 2014;
3. A letter from the FCC granting a waiver of The FCC's main studio location rules;
4. A copy of a book entitled *Public and Broadcasting Handbook*;
5. An undated Statement that KZLY has no pending applications before the Commission, no activity construction permits, or any other application that might be awaiting final action. *See the attached*;
6. An Ownership Report (FCC Form 323) for Alexandra Communications, Inc. dated October 28, 2013, but stamped as filed with the Commission on November 8, 2013;
7. Letter dated November 18, 2013, to the FCC requesting a main studio rule waiver; and

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8. A Time Brokerage Agreement dated November 1, 2013, between Tiffany Madrid Mota and Alexandra Communications, Inc.

I have reviewed the above declaration and the factual assertions contained therein are true and correct.

DATED this 1 of July, 2014.



MARV ANDERSON

**DECLARATION  
OF  
MICHAEL BADER**

I, **MICHAEL BADER**, declare under penalty and perjury the following is true and correct statement.

1. I have been employed at Berry Best, since 1979, where I regularly conduct research for clients seeking information and copies of documents from the files of government agencies and in particularly the files at the Federal Communications Commission.

2. In November 2013, I was requested to conduct a search of the files maintained by the FCC for Station KZLY(FM) in Ione, Oregon. Specifically, I was asked to see whether a copy of a Time Brokerage Agreement ("TBA") was on file at the agency on behalf of that Station. I made repeated searches of the files maintained by the FCC for the Station from November 2013 until July 2, 2014. I was also asked to search for a copy of any Option Agreement for the sale of the Station. At no time could I locate a copy of any Time Brokerage Agreement or Option Agreement in the Commission's files on behalf of Station KZLY(FM).

DATED this 2nd of July, 2014.

Respectfully submitted.

  
\_\_\_\_\_  
MICHAEL BADER

