

NCR III, LLC, Debtor-in-Possession
Pro Forma Transfer of Control
September 12, 2002
FCC Form 316
Exhibit 2
Page 1

NB II, Inc., Debtor-in-Possession (“NBIIDIP”) certifies that the use of FCC Form 316 is appropriate for this transaction. The transfer proposed herein is necessary to reflect a change in control of NBIIDIP reflected in orders issued by the United States Bankruptcy Court for the Southern District of Indiana (the “Court”), copies of which are attached as Exhibit 5.

Through a series of intermediate entities (collectively, the “BMC Entities”), NBIIDIP is effectively 100% owned and controlled by Alan R. Brill. Included among the BMC Entities are Brill Media Company, LLC; Brill Media Management, Inc.; and BMC Holdings, LLC (collectively, the “Original Debtors”). On January 17, 2002, various creditors filed with the United States Bankruptcy Court for the Southern District of Indiana (the “Court”) involuntary chapter 7 bankruptcy petitions against the Original Debtors. On February 6, 2002, the Court, at the request of the Original Debtors, converted the petitions to chapter 11 bankruptcy petitions.

Chapter 11 petitions were filed for several individual BMC Entities that are FCC licensees. The licensees are NBIII; Northland Broadcasting, Inc.; NB III, LLC; Northern Colorado Radio, Inc.; NCR III, LLC; NCR IV, LLC; Reading Radio, Inc.; Tri-State Broadcasting, Inc.; and TSB IV, LLC.¹ On February 8, 2002; the Court ordered that the related chapter 11 filings be consolidated for administrative convenience under Bankruptcy No. 02-70079. The Commission granted the various assignment applications changing the status of the licensees to Debtors-in-Possession, with Alan R. Brill remaining as the sole equity owner of the Debtors-in-Possession.² The Court’s orders establishing the administrative consolidation and Debtors-in-Possession status were submitted with these assignment applications.

¹ Separate *pro forma* transfer of control applications are being filed concurrently with this application to reflect the change in each of the Debtors-in-Possession.

² The file numbers for the Debtor-in-Possession assignment applications are: FCC File No. BALH-20020320ABZ (NB II, Inc., Debtor-in-Possession); FCC File No. BALH-20020320ACI (NB III, LLC, Debtor-in-Possession); FCC File No. BALH-20020320ACU (NCR III, LLC, Debtor-in-Possession); FCC File No. BAPH-20020320ACV (NCR IV, LLC, Debtor-in-Possession); FCC File No. BALH-20020320ACP (Northern Colorado Radio, Inc., Debtor-in-Possession); FCC File No. BAL-20020321ABI and FCC File No. BALH-20020321ABJ (Northland Broadcasting, LLC, Debtor-in-Possession); FCC File No. BAL-20020320ACW, FCC File No. BALFTB-20020320ACY and FCC File No. BALH-20020320ACX (Reading Radio, Inc., Debtor-in-Possession); FCC File No. BAL-20020321ABG and FCC File No. BALH-20020321ABH (Tri-State Broadcasting, Inc., Debtor-in-Possession); and FCC File No. BALH-20020320ADB (TSB IV, LLC, Debtor-in-Possession).

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Page 2

More recently, the Court appointed Mr. Anthony H. N. Schnellling as the Bankruptcy Administrative Officer (“BAO”)³ to administer the ultimate disposition of the debtor broadcast stations, that is, the sale of the Debtor-in-Possession stations to Regent Communications, Inc. (“Regent”), the Court approved buyer.⁴

The Court granted the BAO exclusive authority to take all actions necessary to complete a sale of the Debtors-in-Possession’s assets, including filing applications to that effect with the Commission and assuming control over the financial affairs of the debtor broadcast stations, subject to any necessary regulatory approvals. The parties have concluded that the effect of the Court’s directions, which also grant the BAO the authority to negotiate, finalize, execute and close on an asset purchase agreement with Regent, as well as local management agreements with Regent,⁵ pending the closing of the transactions, may be to transfer control of the debtor broadcast stations from Mr. Brill to the BAO. The purpose of this application is to request Commission consent to the involuntary transfer of control of station KTRR(FM), Loveland, Colorado, from Alan R. Brill to Anthony H. N. Schnellling, as BAO.

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³ The original Consent Order designating Mr. Schnellling as the BAO was issued by the Court on April 10, 2002 (the “Consent Order”). The Consent Order was subsequently revised on May 16, 2002 (the “Revised Order”) and amended on August 30, 2002 (the “Amended Order”). These three Orders are attached hereto as Exhibit 5.

⁴ The Court approved of the sale of the debtor broadcast stations to Regent in its Order of August 26, 2002. A copy of this Order is also attached hereto as Exhibit 5.

⁵ Pursuant to this authority, on September 11, 2002, the BAO entered into a Time Brokerage Agreement with Regent.