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# Before the Federal Communications Commission Washington, DC

2016 OCT 24 A 10: 49

AUDIO S	In re Applications of:	
E	ENTERTAINMENT MEDIA TRUST, DENNIS J. WATKINS, TRUSTEE	
	KFTK (AM), East St. Louis, Illinois (Facility ID 72815)	) File No. BAL-20160919ADH
	KZQZ (AM), St. Louis, Missouri (Facility ID 72391)	) File No. BAL-20160919ADI
	KQQZ (AM), DeSoto, Missouri (Facility ID 5281)	File No. BAL-20160919ADJ
	WQQW (AM), Highland, Illinois (Facility ID 90598)	File No. BAL-20160919ADK Accepted / Filed
	For Assignment of License	Accepted / I lied
	TO: Honorable Marlene H. Dortch	OCT 21 2016
	Secretary of the Commission	Federal Communications Commission Office of the Secretary
	ATTN: Peter H. Doyle	

Chief, Audio Services Division, Media Bureau

#### PETITION TO DENY

Mark A. Kern ("Petitioner"), by his attorneys, and pursuant to Section 309 (d) (1) of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 309 (d) (1), and Section 73.3584 (a) of the Commission's rules, 47 C.F.R. § 73.3584 (a), hereby respectfully requests that the above-captioned applications of Entertainment Media Trust, Dennis J. Watkins, Trustee (Licensee) for consent to assign licenses to Entertainment Media Trust #2, Dennis J. Watkins, Trustee be denied. In support thereof, the following is set forth. <sup>1</sup>

<sup>1/</sup> Notice of acceptance for filing of the above-referenced applications was given in Broadcast Applications Report No. 28825, dated September 22, 2016. Accordingly, the instant Petition to Deny is timely filed with 30 days after issuance of the aforementioned public notice.

#### Preliminary Statement

On November 1, 2012, Petitioner filed a petition to deny the license renewal applications of each of the above-captioned stations (see BR-20120709ACP, BR-20120921AAW, BR-20120921ABA, and BR-20120709ACO), which petition and associated filings are hereby incorporated by reference. The petition to deny the license renewals, which is still pending, set forth Petitioner's standing and provided information to support the following allegations:

- Licensee Trust was devised to conceal from the Commission, through misrepresentation, lack of candor and false certification, that Robert S. Romanik, a twice convicted felon for obstruction of justice in lying to a grand jury and obtaining bank loans through fraud, was the grantor of the Trust;<sup>2</sup> and
- Dennis J. Watkins, the trustee, through his past involvement and association with Robert S. Romanik, is essentially a straw man for Romanik who exercises de facto control of the Trust stations which have been operated in a manner which evidences a pattern of abuse and disregard for compliance with Commission rules.

Because the character issues raised by Petitioner in his petition to deny the license renewals of the Trust stations are unresolved and still pending, the Commission's Jefferson Radio policy precludes consideration of the above-captioned license assignment applications.<sup>3</sup> This is because, as the Commission has explained, "there is no authorization to assign" if the licensee is ultimately found unqualified.<sup>4</sup> This deterrent effect would be undermined if a licensee could "sell out from under a potential disqualification." Although, in rare instances, the Commission has exempted licensees from application of the Jefferson Radio policy based on

<sup>&</sup>lt;sup>2</sup> A felony conviction is a serious offense that the Commission considers when deciding on the fitness of a person or entity to hold a license and any person or entity that fails to submit candid, complete and accurate information about their background, criminal or otherwise, will be held accountable pursuant to Section 1.17 of the rules, 47 C.F.R. § 1.17.

<sup>&</sup>lt;sup>2</sup> See Jefferson Radio Corp. v. FCC, 340 F.2d 781 (D.C. Cir. 1964). <sup>4</sup> Catherine C. Murphy, Decision, 42 FCC 2<sup>nd</sup> 346, 347 (1973).

<sup>&</sup>lt;sup>5</sup> See Cellular System One of Tulsa, Inc., Memorandum Opinion and Order, 102 FCC 2d 86, 89-90 (1985)...

compelling public interest considerations,<sup>6</sup> Petitioner submits that there are no compelling public interest considerations regarding the instant license assignment applications, particularly since Robert S. Romanik is a potential beneficiary of Trust #2 in the event that Katrina Sanders, the grantor and beneficiary under Trust #2, should appoint him by will or fail to appoint the Trust assets by will. See Section 3.3 and 3.4 of Trust Agreement of The Entertainment Media Trust #2, Dennis J. Watkins, Trustee.

#### Discussion

Stephen Romanik II, the adult son of Robert S. Romanik, was the sole beneficiary under Entertainment Media Trust #1, Dennis J. Watkins, Trustee. Stephen Romanik II also was the sole owner of Insane Broadcasting Company, which entity Licensee has represented was responsible for the overall operations of the Trust stations, subject to the ultimate direction of the Trustee, a practicing attorney with no prior broadcast experience. The death of Stephen Romanik II on September 17, 2015 was clearly a reportable event pursuant to Section 1.65 of the rules which Licensee was obligated to report to the Commission within 30 days of the event. Not only did Licensee fail to timely report this event to the Commission, but it affirmatively delisted Stephen Romanik from its 2015 biennial ownership report filed on November 9, 2015 (less than 2 months after Stephen's death), a fact brought to the Commission's attention by Petitioner in his June 3, 2016 Supplement to Petition to Deny. Indeed, Licensee did not inform the Commission of Stephen Romanik's death until it filed the above-captioned assignment applications on September 19, 2016, more than one year after his death, continuing Licensee's pattern of abuse of the Commission's processes and flagrant disregard for its rules and regulations.

Pursuant to an Assignment of Beneficial Interest in Trust, dated September 14, 2016, Licensee asserts to the Commission that Stephen Romanik, during his lifetime, exercised his

<sup>&</sup>lt;sup>5</sup> See, e.g., WEWC (AM), Callahan, FL, Letter, 22 FCC Rcd 17311 (MB 2007).

power of appointment to distribute the Trust assets to his father, Robert S. Romanik, but that Robert Romanik declined such appointment and assigned the Trust assets to Katrina M. Sanders, his longtime girlfriend and/or common law wife (which assignment would presumably be treated for tax purposes as a gift by Robert Romank to Katrina Saunders). However, Licensee has not provided any documentation to the Commission regarding Stephen Romanik's alleged exercise of his power of appointment (presumably by will) over the Trust assets.

In any event, Petitioner submits that the proposed assignment of licenses to Entertainment Media Trust #2, Dennis J. Watkins, Trustee, is merely a continuation of the subterfuge to enable Robert S. Romanik to exercise de facto control over the Trust stations. Indeed, when the Commission granted its consent for the Licensee to operate and control these stations pursuant to a trust agreement, it had no knowledge that Robert S. Romanik was the grantor of the trust and would be involved in the operation of the Trust stations. While trusts are occasionally established to effect compliance with the Commission's ownership rules for holdings which would violate the rules if held outright, in this instance Petitioner submits that the purpose of the trust was to conceal from the Commission Robert S. Romanik's felony convictions and involvement with the Trust stations and, therefore, to evade compliance with Commission character qualification policy, oversight and rules.

Petitioner notes that on September 16, 2016, KFTK (formerly WQQX) changed its call sign (and sports program format) and began rebroadcasting the conservative talk radio programming of KFTK-FM, Florissant, Missouri, licensed to Emmis Radio License, LLC, pursuant to a Local Programming and Marketing Agreement ("LMA"), dated July 13, 2016, which runs for an initial term of four years; a copy of this agreement, executed by Dennis J. Watkins in his capacity of Trustee of the Licensee, is set forth as Exhibit A. Petitioner submits

that this change in call letters/format is indicative of the <u>de facto</u> control of Robert S. Romanik over the Trust station operations rather than Dennis J. Watkins' <u>de jure</u> control over the Trust stations. While Dennis J. Watkins may have executed the LMA on behalf of the Licensee, it is highly probable and reasonable to assume that Robert S. Romanik, not Watkins, negotiated and approved the LMA on which Watkins signed off. Indeed, the attached newspaper article at Exhibit B refers to KFTK as being "owned by Entertainment Media Trust, run by controversial Metro East political figure Bob Romanik." While this newspaper article does not constitute evidence, it does provide a basis for the Commission to direct the Licensee to provide information on the involvement of Robert S. Romanik in the negotiation and implementation of the LMA with KTFK-FM.

#### Conclusion

Petitioner renews his request that the Commission order the Licensee to show cause why the licenses of the Trust stations should not be revoked and to designate for hearing the Licensee's applications for renewal of license. Pending resolution of Licensee's character issues, the Commission should defer action on the above-captioned license assignment applications.

Respectfully submitted

MARK A. KERN

By:

Richard A. Helmick

COHN AND MARKS LLP 1101 17<sup>th</sup> Street, N.W.

and A. Selick

**Suite 1001** 

Washington, D.C. 20036

His Attorneys

# **EXHIBIT A**

AUG 0 1 2016

# LOCAL PROGRAMMING AND MARKETING AGREEMENT FCC Mail Room

THIS LOCAL PROGRAMMING AND MARKETING AGREEMENT (this "Agreement") is made as of July 13, 2016, between Entertainment Media Trust, a trust established under the laws of the State of Illinois ("Licensee"), and Emmis Radio LLC, an Indiana limited liability company ("Programmer").

#### Recitals

A. Licensee owns and operates the following radio station (the "<u>Station</u>") pursuant to licenses issued by the Federal Communications Commission ("<u>FCC</u>"):

#### WQQX(AM), East St. Louis, Illinois

B. The parties desire that Programmer provide the programming for broadcast on the Station on the terms set forth in this Agreement.

#### Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

#### 1. Term.

- (a) The term of this Agreement (the "Term") will begin on the date designated by Programmer on 5 business days' notice to Licensee (the "Commencement Date") and will continue for a period of four years, unless extended or earlier terminated in accordance with the terms of this Agreement (or extended by mutual written agreement). The Term shall automatically extend for any period of time that the Station is off the air for more than 48 hours consecutively.
- 2. Programming. During the Term, Licensee shall make available to Programmer all of the airtime on the Station (including any and all of the primary and secondary program streams and ancillary uses) for programming provided by Programmer (the "Programs") for broadcast twenty-four (24) hours per day, seven (7) days per week (the "Broadcasting Period"). Programmer shall be solely and exclusively responsible for the delivery of the Programs to the Station for broadcasting on the Station in a manner that ensures the technical quality of the Programs is compliant with all applicable laws, including the rules and regulations of the Federal Communications Commission. Licensee shall have the right to approve, in advance, the method of delivery and equipment used for such delivery to the Station. Any additional equipment required to deliver the Programs shall be solely the responsibility of the Programmer to acquire

and arrange for installation, provided it shall be approved in advance by Licensee. In each case, Licensee's consent not to be unreasonably withheld, conditioned or delayed.

Licensee agrees to consent to the rebroadcast of the Station on any translator acquired by Programmer.

- 3. Advertising. During the Term, Programmer will be exclusively responsible for the sale of advertising on the Station and for the collection of accounts receivable arising therefrom, and Programmer shall be entitled to all broadcast advertising revenue of the Station. During the Term, Licensee shall not sell any advertising or other paid programming on the Station, except as provided by Section 6(b) below.
- 4. <u>Payments</u>. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer will pay Licensee as set forth on <u>Schedule A</u> attached hereto. To the extent reasonably necessary to perform this Agreement, during the Term, Licensee shall provide Programmer with the benefits of any of the Station's lease agreements, and Programmer shall perform the obligations of Licensee thereunder, to the extent of the benefits received.

#### 5. Control.

- (a) Notwithstanding anything to the contrary in this Agreement, Licensee shall retain ultimate control over the operation of the Station and over all persons working at the Station during the Term. Licensee shall bear responsibility for the Station's compliance with the rules, regulations and policies of the FCC and all other applicable laws. Without limiting the generality of the foregoing, Licensee will: (i) employ a manager for the Station, who will report to Licensee and will direct the day-to-day operations of the Station, and who shall have no employment, consulting, or other relationship with Programmer, (ii) employ a second employee for the Station acceptable to Programmer who shall be shared with Programmer, but who will report and be solely accountable to the manager (the "Licensee Employees"), and (iii) retain control over the policies, programming and operations of the Station.
- (b) Nothing contained herein shall prevent Licensee from (i) rejecting or refusing programs which Licensee reasonably believes to be contrary to the public interest, or (ii) substituting programs which Licensee reasonably believes to be of greater local or national importance or which are designed to address the problems, needs and interests of the local communities. Licensee reserves the right to (x) refuse to broadcast any Program containing matter which violates any right of any third party, which constitutes a personal attack, or which does not meet the requirements of the rules, regulations, and policies of the FCC, (y) preempt any Program in the event of a local, state, or national emergency, or (z) delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. If in any month Licensee preempts any Programs, Licensee shall refund to Programmer such portion of the monthly payment made to Licensee pursuant to Section 5 hereof as the total time preempted bears to the total amount of time in the Broadcasting Period for such month. In addition, Programmer shall have the right to terminate this Agreement on ten (10) days' notice to Licensee if Licensee preempts Programming on any one occasion for more than four hours or on more than three occasions during any twelve month period during the Term.

- (c) Programmer shall cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions. Each party shall deliver to the other a copy of any letters of complaint it receives with respect to the Station and Licensee shall include such letters in the Station's public inspection files as appropriate.
- (d) During the Term Licensee will use its best efforts to maintain and renew the Station's FCC licenses. Without limiting the preceding sentence, Licensee shall diligently defend itself against the petition to deny filed against the Station's pending FCC license renewal application (FCC File No. BR-20120709ACP), including but limited to (1) providing all information requested by the FCC in connection with such proceeding, (2) appearing and defending itself at any hearing designated by the FCC, and (3) filing and prosecuting any and all possible requests for reconsideration or other regulatory or judicial appeals in the event of an FCC action designating such renewal application, or revoking the Station's license.

#### 6. Programs.

- (a) Licensee acknowledges that it is familiar with the type of programming Programmer intends to broadcast and has determined that the broadcast of such programming on the Station would serve the public interest. Notwithstanding the foregoing, Programmer agrees not to change the format of the Station without the prior written consent of Licensee, such consent not to be unreasonably withheld, conditioned or delayed. Programmer shall ensure that the contents of the Programs conform to all FCC rules, regulations and policies in all material respects. Programmer shall consult with Licensee in the selection of the Programs to ensure that the Programs' content contains matters responsive to issues of public concern in the local communities, as those issues are made known to Programmer by Licensee. Licensee acknowledges that its right to broadcast the Programs is non-exclusive and that ownership of or license rights in the Programs shall be and remain vested in Programmer.
- (b) Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC. During the Term, Programmer shall 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 broadcasting provisions of the FCC's rules, the Communications Act of 1934, as amended, and federal election laws. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary to permit Licensee to comply with the political broadcast rules of the FCC; provided, however, that revenue received by Licensee as a result of any such release of advertising time shall promptly be remitted to Programmer. Programmer shall maintain and deliver to the Station and Licensee such records and information required by the FCC to be placed in the public inspection file of the Station relating to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1943 and 73.3526 of the FCC's rules, and pertaining to the broadcast of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the provisions of Section 73.1212 of the FCC's rules. In particular, and without limitation, Programmer shall immediately provide to Licensee complete records of all requests for broadcast time made by or on behalf of any candidate for public office, together with information concerning the disposition of such requests and the charges made. Programmer also

shall consult with Licensee concerning the Programming to ensure that the Station is compliant with the Act and all other applicable statutes and the rules, regulations and policies of the FCC, as announced from time to time, with respect to the carriage of political advertisements and programming and the charges permitted therefor.

- Copyright. Notwithstanding any other provision of this Agreement, Programmer shall not broadcast any program that requires the consent or authorization of a third party (including but not limited to sporting events, copyrighted material, or any material which is subject to performance rights or other property rights) without first obtaining such consent. If Licensee requests a copy of a required consent, Programmer will provide Licensee with a copy within three (3) business days. In the event Programmer broadcasts any programming without the required consent, Programmer shall indemnify Licensee for any and all liability arising from such unauthorized broadcast. Programmer shall be responsible for the maintenance and completion of all logs and records necessary for obtaining and maintaining any required music licenses from BMI, ASCAP, SESAC and SoundExchange. Programmer shall execute, where applicable, amendments to such music licenses to obligate Programmer to remit payment for such music licenses. Notwithstanding the foregoing, Programmer shall at all times be responsible to Licensee to reimburse Licensee for any and all required payments made to BMI. SESAC, ASCAP or SoundExchange for any required music licenses for programming material provided by Programmer during the Term, which payment shall be in addition to any other compensation provided for herein.
- 7. Expenses. Licensee will pay for the Station's employees contemplated by Section 5(a), maintenance of all studio and transmitter equipment and all other operating costs required to be paid to maintain the Station's broadcast operations in accordance with FCC rules and policies and applicable law, and all utilities supplied to its main studio and transmitter sites (subject to reimbursement by Programmer as provided on Schedule A). The Licensee Employees will be responsible for the broadcast transmission of the Programs (once received at its transmitter site) and Licensee will be responsible for the salaries, taxes, insurance and related costs for the Licensee Employees.
- 8. <u>Employees.</u> Programmer shall employ all personnel utilized in the production of the programs supplied to Licensee under this Agreement.
- 9. <u>Call Signs</u>. During the Term, Licensee will change the call letters of the Station to KFTK such other call letters as may reasonably be requested by Programmer, at Programmer's expense, and will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Programmer shall include in the Programs an announcement at the beginning of each hour of such Programs to identify such call letters, as well as any other announcements required by the rules and regulations of the FCC. Programmer is authorized to use such call letters in its Programs and in any sales or promotional materials in any media used in connection with the Programs. Licensee agrees to again change the call letters of the Station to something other than those used during the Term within 30 days after the expiration or termination of the Term.
- 10. <u>Maintenance</u>. During the Term, Licensee shall maintain the operating power of the Station within licensed parameters authorized by the FCC for the Station and shall repair and maintain the Station's tower and transmitter site and equipment in good operating condition.

- 11. <u>Facilities</u>. During the Term, Licensee shall provide Programmer such access to the Station's tower and transmitter site as Programmer may reasonably request upon advance (24 hour) notice to Licensee.
- 12. Representations. Programmer and Licensee each represent and warrant to the other that (a) it has the power and authority to enter into this Agreement and to perform the obligations contemplated hereby, (b) it is in good standing in the jurisdiction of its organization and is qualified to do business in all jurisdictions where the nature of its business requires such qualification, (c) it has duly authorized this Agreement, and this Agreement is binding upon it, and its beneficiaries, successors and assigns, and (d) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any material agreement to which it is a party or by which it is bound.

#### 13. Right of First Refusal to Purchase;

- (a) During the Term (the "ROFR Period"), Licensee shall not, directly or indirectly through an affiliate or other related party, enter into any agreement or consummate any transaction relating to the sale or other transfer of ownership of the Station with any Person other than Programmer or it's designee (a "Third-party Transaction") except in compliance with the terms and conditions of this Section 13(a).
  - (i) If, at any time during the ROFR Period, Licensee receives a bona fide written offer for a Third-party Transaction that Licensee desires to accept (each, a "Third-party Offer"), Licensee shall immediately notify Programmer in writing (the "Offer Notice") of the identity of all proposed parties to such Third-party Transaction and all of the material financial and other terms and conditions of such Third-party Offer (the "Material Terms"). Each Offer Notice constitutes an offer made by Licensee to enter into an agreement with Programmer on the same Material Terms of such Third-party Offer (the "ROFR Offer").
  - At any time prior to the expiration of the thirty day period following Programmer's receipt of the Offer Notice (the "Exercise Period"), Programmer or its designee may accept the ROFR Offer by delivery to Licensee of a binding letter of intent containing the Material Terms and any standard or customary conditions applicable to sales and purchases of radio station assets (including but not limited to no liens, FCC approval, and the like) executed by Programmer or its designee; provided, however, that Programmer is not required to accept any non-financial terms or conditions contained in any Material Terms that cannot be fulfilled by Programmer as readily as by any other person (e.g., an agreement conditioned upon the services of a particular individual or the supply of a product exclusively under the control of such third-party offer) and, if the ROFR Offer includes assets that are not then used in the operation of the Station, Programmer shall be entitled to exclude such non-Station assets and accept the ROFR Option by agreeing to pay a purchase price that is reduced by the value of the ROFR Offer attributable to the Station assets as reasonably determined by Programmer.

- (iii) If, by the expiration of the Exercise Period, Programmer has not accepted the ROFR Offer, and provided that Licensee has complied with all of the provisions of this Section 13(a), at any time following the expiration of the Exercise Period, Licensee may consummate the Third-party Transaction with the counterparty identified in the applicable Offer Notice, on Material Terms that are the same or more favorable to Licensee as the Material Terms set forth in the Offer Notice provided that such identified counterparty has unconditionally agreed to assume all of the rights and obligations of Licensee under this Agreement. If such Third-party Transaction is not consummated, the terms and conditions of this Section 13(a) will again apply and Licensee shall not enter into any Third-party Transaction during the ROFR Period without affording Programmer the right of first refusal on the terms and conditions of this Section 13(a).
- (iv) For the avoidance of doubt, the terms and conditions of this Section 13(a) apply to each Third-party Offer received or made by Licensee during the ROFR Period.

#### 14. Events of Default.

- (a) The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (i) Programmer fails to observe or perform any obligation contained in this Agreement in any material respect; (ii) Programmer breaches any representation or warranty made by it under this Agreement in any material respect; or (iii) Programmer fails to remit payment in accordance with Schedule "A" in a timely fashion.
- (b) The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform any obligation contained in this Agreement in any material respect; or (ii) Licensee breaches any representation or warranty made by it under this Agreement in any material respect; or (iii) Licensee suffers a revocation, non-renewal or other loss of the Station's FCC license(s).
- (c) Notwithstanding the foregoing, an Event of Default (other than an Event of Default under Section 14(a)(iii) or Section 14(b)(iii) or a failure of Licensee to broadcast the Programming other than due to a Force Majeure event) will not be deemed to have occurred until fifteen (15) calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured. Upon the occurrence of an Event of Default, in the absence of a timely cure pursuant to this Section 14, and in addition to any other remedies that may be available to the non-defaulting party, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party. In the Event of Default pursuant to Section 14(a)(iii), no written notice specifying the Event of Default shall be required and failure to remit payment by the 5<sup>th</sup> day of any month shall result in a late charge as provided in Schedule "A" and failure to remit payment by the 10<sup>th</sup> day of any month on more than one occasion in any twelve month period shall result in automatic termination of this Agreement.

#### 15. Indemnification.

- (a) Programmer shall indemnify and hold Licensee harmless against any and all claims, damages or liabilities arising from or in connection with the broadcast of the Programs on the Station, including, without limitation, all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights or any other violation of third party rights or FCC rules or other applicable law. Programmer further agrees to indemnify Licensee against any petitions to deny, petitions for revocation, petitions for orders to show cause, or other challenges to the extent based upon Programmer, Programmer's conduct or the Programs and brought by parties unrelated to and unaffiliated with Licensee, and agrees to indemnify Licensee for any damage to the Station's assets caused by Programmer.
- (b) Licensee shall indemnify and hold Programmer harmless against any and all claims, damages or liabilities arising from or in connection with the broadcast of Licensee's programming on the Station, including, without limitation, all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights or any other violation of third party rights or FCC rules or other applicable law. Licensee further agrees to indemnify Programmer against any petitions to deny, petitions for revocation, petitions for orders to show cause, or other challenges to the extent based upon Licensee, Licensee's conduct or Licensee's programming and brought by parties unrelated to and unaffiliated with Programmer.
- (c) The obligations under this Section 15 shall survive any termination of this Agreement for a period of one (1) year.
- 16. <u>Assignment</u>. Neither party may assign this Agreement without the prior written consent of the other party hereto, not to be unreasonably withheld, conditioned or delayed. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.
- 17. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal, or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby. The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. The parties agree that Licensee may file a copy of this Agreement with the FCC, and that Licensee shall place a copy of this Agreement in the Station's public inspection files.

18. <u>Notices</u>. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or electronic delivery or confirmed delivery by a nationally recognized overnight courier service, or on the third (3rd) day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Licensee, then to:

Dennis J. Watkins, Trustee Entertainment Media Trust 100 W. Main Street Belleville, IL 62220

Phone: 618-567-1228

With a copy to:

Radiotvlaw Associates, LLC Anthony T. Lepore, Esq. 4101 Albemarle St NW #324 Washington, DC 20016 Email: anthony@radiotvlaw.net

if to Programmer, then to:

Emmis Radio LLC 401 South 18th Street

Suite 100

St. Louis, Missouri 63103 Attention: John Beck

Email: John@stl.emmis.com

With copy to:

Legal Department One EMMIS Plaza

40 Monument Circle, Suite 700 Indianapolis, IN 46204 Attention: General Counsel Email: legal@emmis.com

- 19. Miscellaneous. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or joint venture between the parties. Neither party shall be authorized to act as an agent of or otherwise to represent the other party. The construction and performance of this Agreement shall be governed by the laws of the State of Illinois without giving effect to the choice of law provisions thereof. This Agreement (including the Schedule hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof.
  - 20. <u>Insurance</u>.

- (a) At all times hereunder, Programmer shall maintain levels of insurance that are commercially reasonable in connection with its operations, including without limitation, general liability insurance providing at least \$5,000,000 in coverage and media liability insurance providing at least \$1,000,000 in coverage, and Programmer shall provide to Licensee on or before the Commencement Date a certificate of insurance showing Licensee as an additional insured under such policies.
- (b) At all times hereunder, Licensee shall maintain levels of insurance that are commercially reasonable in connection with its operations, including without limitation, general liability insurance providing at least \$5,000,000 in coverage, and property insurance on the Station's tower and transmitter site providing at least \$500,000 in coverage, and Licensee shall provide to Programmer on or before the Commencement Date a certificate of insurance showing Programmer as an additional insured under such policies.
- 21. <u>Certifications</u>. Licensee certifies that it maintains ultimate control over the Station's facilities including, specifically, control over the Station's finances, personnel and programming. Programmer certifies that this Agreement complies with the provisions of 47 C.F.R. Sections 73.3555(a) and (c).
- 22. <u>Force Majeure Events</u>. Any failure or delay in the performance of either parties' obligations under this Agreement, which is not directly or indirectly the fault of that party or its employees or agents due to acts of God, *force majeure* or any other causes beyond the control of that party (collectively, "Force Majeure Events"), shall not constitute a breach of this Agreement. An interruption of the Station's transmitter signal for less than 48 consecutive hours due to mechanical, electrical, or weather related issues is specifically deemed to be a "Force Majeure Event". Licensor will endeavor to restore licensed operations to the Station as soon as possible in such event.
- 23. <u>Assignment</u>. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Programmer shall not assign its interest or delegate its duties under this Agreement without the prior written consent of Licensee, such consent not to be unreasonably withheld, conditioned or delayed. Licensee shall assign this Agreement to any transferee of the Station's main FCC License.
- 24. <u>WAIVER OF JURY TRIAL</u>. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[SIGNATURE PAGE FOLLOWS]

## SIGNATURE PAGE TO LOCAL PROGRAMMING AND MARKETING AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

LICENSEE:

Entertainment Media Trust

By: Dennis J. Watking

Title: Sole Trustee /

PROGRAMMER:

EMMIS RADIO LLC

Name: John Rools

Title: Senjor Vice President

D. RADIOST. LOUIS RADIOWETKILMA OF WQQX-AM 14XXWQQX-AM 14XU LMA 6-22-16 dock

#### Schedule A

For the broadcast of the Programs, during the Term, Programmer will pay to Licensee per month (the "Base Fee").

In addition to the above-mentioned Base Fee, Programmer shall reimburse Licensee for the out-of-pocket expenses of the Station transmitter site electrical expense (estimated to be approximately \$ per month)(the "Expense Fee"). Licensee and Programmer shall, every 90 days, adjust the Expense Fee to reflect any credits or debits arising as a result of actual electrical usage billing.

MONTHLY PAYMENTS. Payment of the Base Fee and Expense Fee for the initial month of this Agreement shall be paid concurrent with the signing of this agreement. Thereafter, on or before the 1st calendar day of each Month, Programmer shall pay to Licensee the Base Fee and Expense Fee. Time is of the essence with respect to the payment of the Base Fee. A late fee of 5% of the outstanding balance due shall be due for any payment described above which is not paid by the end of the 5th calendar day of the month in which it is due. If Programmer is more than five days delinquent on more than one occasion during any twelve month period, the Programmer shall be deemed to be in default without the necessity of any additional notice and the Licensee shall have the right to terminate this Agreement together with any other remedy provided for herein.

SECURITY DEPOSIT. Simultaneously with the execution of this Agreement and payment of the initial month Base Fee and Expense Fee, Programmer shall deposit a refundable sum of \$ with Licensee by delivery of a cashier's check or wire transfer payable to Licensee (the "Deposit"). Said Deposit shall secure the performance of Programmer's obligations hereunder. Licensee shall have the right to commingle the Deposit with Licensee's other funds and to use the Deposit in any manner and said Deposit shall not earn any interest. Licensee may, but shall not be obligated to, apply all or portions of the Deposit on account of Programmer's obligations hereunder. Programmer shall not have any right whatsoever to apply the Deposit to any of its obligations hereunder EXCEPT for the Term's final month Base Fee. If at the end of the term of this Agreement, Programmer is not in default hereunder, then the remaining Deposit, if any, shall be refunded to Programmer. In the event of a default by Programmer hereunder which is not cured and the termination of this Agreement, Licensee shall be entitled to retain the entire Deposit to apply to any outstanding obligations of Programmer hereunder.

# **EXHIBIT B**



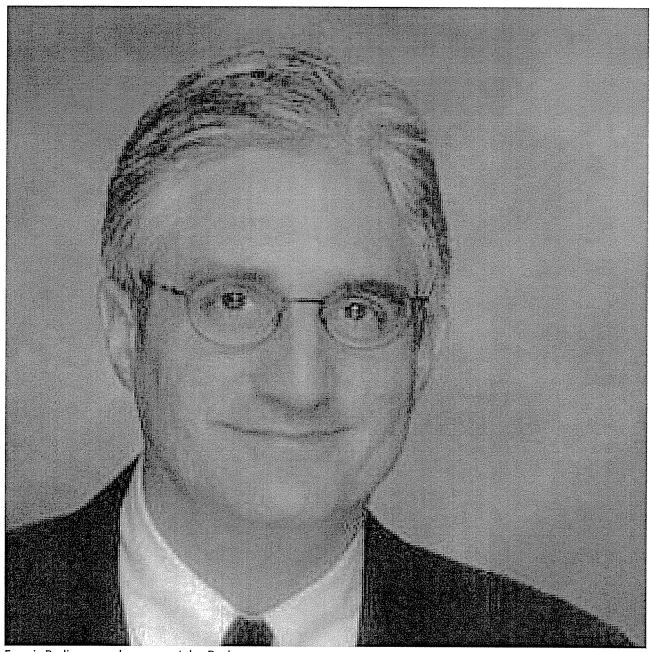
#### Joe Holleman's St. Louis

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## Conservative talk radio KFTK expands reach in STL

By Joe Holleman St. Louis Post-Dispatch Sep 15, 2016



Emmis Radio general manager John Beck

Conservative talk radio is freq-ing out in St. Louis, thanks to "97.1 NewsTalk."

Starting Thursday, KFTK-FM 97.1 programming also will be available at two more spots on the radio dial: WQQX-AM 1490 and 98.7 FM.

"It will be the exact same programming, simulcast on those two frequencies as well as 97.1" FM, said **John Beck**, senior veep and general manager of Emmis Radio-St. Louis.

KFTK is ranked at No. 4 in revenues in the St. Louis market, so the demand for conservative talk-radio programming is on the upswing, Beck said.

Beck noted that the two new frequencies will expand KFTK's coverage map by extending the station's reach into far west and south St. Louis County and farther into Illinois.

KFTK features a weekday line-up of local voices **Jamie Allman**, **Marc Cox** and **Dave Glover**. Also in the regular rotation are syndicated hosts Sean Hannity, Brian Kilmeade, Mark Levin and former STLer **George Noory**.

Beck said WQQX (which had been touted as "The Champ") is owned by Entertainment Media Trust, run by controversial Metro East political figure **Bob Romanik**. Until Thursday's change, the station carried sports programming.

Further, Emmis' lease of WQQX allowed Emmis to secure a permit to operate a "translator station" at the new FM frequency, thereby making KFTK available at three dial locations.

"It's known in the business as a lease management agreement, which the FCC has allowed for some years now," Beck explained. "It's a way for AM stations that may be struggling to make it."

#### Joe Holleman

Joe Holleman is a reporter for the St. Louis Post-Dispatch.

#### STATEMENT OF MARK A. KERN

## I, Mark A. Kern, hereby state as follows under penalty of perjury:

- I reside at 111 South High Street, Belleville, Illinois 62220, which is within the service area of Stations WQQW, KQQZ, KZQZ, and KFTK (the "Stations"), and I regularly listen to and monitor the Stations.
- I have reviewed the foregoing Petition to Deny and the facts and representations stated therein are true and accurate to the best of my knowledge and belief.

Dated: October 19, 2016

Mark A. Kern

#### **CERTIFICATE OF SERVICE**

I, Maurcia C. Brown, hereby certify that a true and correct copy of the foregoing "Petition to Deny" was sent by first-class, postage prepaid mail this 21<sup>st</sup> day of October 2016 to the following:

Peter H. Doyle, Chief \*
Audio Division, Media Bureau
Federal Communications Commission
Room 2-A267
445 12<sup>th</sup> Street, S.W.
Washington, D.C. 20554

Anthony T. Lepore, Esq. 4101 Albermarle Street, N.W. #324 Washington, DC 20016-2151

Counsel for Entertainment Media Trust, Dennis J. Watkins, Trustee

\*via hand delivery

Maurcia C. Brown