

## Michael Wagner

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**From:** Francisco Montero <montero@fhhlaw.com>  
**Sent:** Tuesday, September 12, 2017 11:39 AM  
**To:** Michael Wagner  
**Cc:** Denise Williams; Annette Smith  
**Subject:** RE: Highpoint-J.S. Kelly LLC transfer applications

Mike:

The explanation I received for why the Parmer, Kelly and Tanner interests are subject to the Redemption and Distribution Agreement and the Bankston and Grondines interests are not, is because the purpose of the Redemption and Distribution Agreement is to provide a mechanism whereby those members of Highpoint Summit, LLC who are going to maintain an ownership in SummitMedia Member, LLC post-transaction will have their ownership interests in Highpoint Summit, LLC redeemed through an exchange of their Highpoint Summit units for SummitMedia Member units of equivalent value.

The Parmer Trust, J.S. Kelly and Bill Tanner are currently members of HighPoint Summit, LLC (and all three are *also* direct owners of SummitMedia Member, LLC), while Bankston and Grondines are not currently members of HighPoint Summit, LLC, but both of them are *only* direct owners in SummitMedia Member, LLC.

Therefore, the Redemption and Distribution Agreement really only applies to the current HighPoint Summit, LLC ownership held by the Parmer, Kelly and Tanner interests.

Let me know if this provides you with the clarity you needed or if you'd like more detail?

Frank

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**From:** Michael Wagner [mailto:Michael.Wagner@fcc.gov]  
**Sent:** Tuesday, September 12, 2017 10:53 AM  
**To:** Francisco Montero <montero@fhhlaw.com>

**Cc:** Denise Williams <Denise.Williams@fcc.gov>; Annette Smith <Annette.Smith@fcc.gov>  
**Subject:** RE: Highpoint-J.S. Kelly LLC transfer applications

Sounds good. Thank you, Frank.

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**From:** Francisco Montero [<mailto:montero@fhhlaw.com>]  
**Sent:** Tuesday, September 12, 2017 10:50 AM  
**To:** Michael Wagner <[Michael.Wagner@fcc.gov](mailto:Michael.Wagner@fcc.gov)>  
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**Subject:** RE: Highpoint-J.S. Kelly LLC transfer applications

Mike:

Thank you for the quick attention to this. I'm going to reach out to the client and their corporate counsel in Birmingham to get detailed answers to your questions.

Frank

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**From:** Michael Wagner [<mailto:Michael.Wagner@fcc.gov>]  
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**Subject:** Highpoint-J.S. Kelly LLC transfer applications

Frank,

I'm taking a look now at the group of applications pursuant to which Highpoint Summit is transferring control of ~24 stations to J.S. Kelly, LLC. It looks quite good, and Denise did a nice job processing the group.

I have but one question: The Transaction documents include a "Redemption and Distribution Agreement" involving J.S. Kelly, the Parmer Family Trust, and William B. Tanner, the "Redeeming Members" who will be redeeming their "HP Summit Units" in High Point Summit, LLC, which in turn owns Summit Media Member LLC, and on down the ownership chain.

- In return for their “HP Summit Units,” Kelly, Parmer, and Tanner will receive “SMM Units” in Summit Media Member LLC
- There are two other small owners, Paul F. Bankston and Darryl Grondines, who each have < 1.0 % of Summit Media Member LLC. There is no similar Redemption and Distribution Agreement regarding Bankston and Grondines’ ownership interests, which (pursuant to the two very helpful charts) will remain the same after the TC.

Admittedly, the Bankston and Grondines interests are miniscule, but I’m trying to get a grip on the whole transaction. Can you explain to me in a responsive e-mail (NO AMENDMENT TO THE APPLICATIONS, PLEASE!!!!) how that works, how the Parmer Kelly, and Tanner interests are subject to the Redemption and Distribution Agreement but the Bankston and Grondines interests are not.

Here are the marvelous charts, for your convenience:

Before:

[https://licensing.fcc.gov/cdbs/CDBS\\_Attachment/getattachment.jsp?appn=101762320&qnum=5050&copynum=1&exhcnun=1](https://licensing.fcc.gov/cdbs/CDBS_Attachment/getattachment.jsp?appn=101762320&qnum=5050&copynum=1&exhcnun=1)

After:

[https://licensing.fcc.gov/cdbs/CDBS\\_Attachment/getattachment.jsp?appn=101762320&qnum=5050&copynum=1&exhcnun=2](https://licensing.fcc.gov/cdbs/CDBS_Attachment/getattachment.jsp?appn=101762320&qnum=5050&copynum=1&exhcnun=2)

Thanks very much, Frank. I cannot think of anything else we need here.

MW