

## **Exhibit 12**

The instant application seeks the consent of the Federal Communications Commission (“FCC” or “Commission”) to the involuntary *pro forma* transfer of control of Radio Perry, Inc., Debtor-in-Possession (“Radio Perry DIP”), licensee of commercial television station WPGA-TV, Perry, Georgia, Facility ID No. 54728 (“WPGA”), from Register Communications, Inc. (“Register” and, together with Radio Perry DIP, the “Debtors”) to Green Bull Georgia Partners LLC (“Green Bull”). The proposed *pro forma* transfer of control (“Transaction”) is being effectuated pursuant to an order of the United States Bankruptcy Court for the Middle District of Georgia (“Bankruptcy Court”) approving a settlement agreement between, *inter alia*, the Debtors and Green Bull and terminating the automatic stay of bankruptcy protection afforded to Debtors in order to enable Green Bull to exercise its rights as a secured creditor of Register. As explained herein, the Transaction is involuntary, does not involve a substantial change of control of Radio Perry DIP, and can be processed and approved pursuant to the FCC’s *pro forma* procedures and requirements using FCC Form 316 because (i) Radio Perry DIP presently is operating under the control of the Bankruptcy Court, (ii) Green Bull will assume control of Radio Perry DIP pursuant to an order of the Bankruptcy Court, and (iii) Radio Perry DIP will continue to remain under the control of the Bankruptcy Court until such time as the Bankruptcy Court and the FCC approve the subsequent sale of Radio Perry DIP’s assets pursuant to Section 363 of the United States Bankruptcy Code (“Bankruptcy Code”) to a yet-to-be-determined buyer.

### **I. DESCRIPTION OF TRANSACTION**

**Background.** Green Bull is the owner and holder of promissory notes executed by Register in an aggregate amount of approximately \$6.1 million. This loan, which is past due, is secured by collateral that includes, *inter alia*, the outstanding shares of Radio Perry DIP held by Register (“Stock Collateral”).

On November 15, 2016, the Debtors filed voluntary petitions for bankruptcy protection under the provisions of chapter 11 of the Bankruptcy Code, thereby securing the protections afforded by the automatic stay of bankruptcy that precluded Green Bull from exercising its rights as a secured creditor under Georgia law and the loan documents to initiate a foreclosure action against Register.<sup>1</sup> Accordingly, on November 1, 2017, Green Bull filed a Motion for Relief from the Automatic Stay of Bankruptcy in order to

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<sup>1</sup> See *In re Register Communications, Inc.*, Case No. 15-52823 (Bankr. M.D.Ga.). The Debtors presently are operating as debtors-in-possession under the Bankruptcy Court’s oversight in a pending bankruptcy proceeding. FCC File No. BALCDT- 20170706ABC (approving involuntary *pro forma* assignment of WPGA to Radio Perry DIP).

foreclose on the Stock Collateral.<sup>2</sup> Thereafter, the Debtors and Green Bull entered into a Settlement Agreement and Mutual Release (“Settlement Agreement”) pursuant to which the parties agreed that, if Register did not pay Green Bull an agreed-upon amount prior to December 31, 2018, the automatic stay would be lifted with respect to the Stock Collateral and Green Bull would be entitled to initiate foreclosure proceedings against the Stock Collateral.<sup>3</sup> The Bankruptcy Court issued an order approving the Settlement Agreement on April 4, 2018,<sup>4</sup> and has retained jurisdiction over all matters covered by the Settlement Agreement.<sup>5</sup>

***Foreclosure Sale.*** Register failed to pay Green Bull the amount due to it under the Settlement Agreement by December 31, 2018 and, as a result, the automatic stay of bankruptcy was lifted with respect to the Stock Collateral. Accordingly, on April 15, 2019, Green Bull initiated a foreclosure action in accordance with Georgia law against the Stock Collateral for Green Bull to acquire the shares of Radio Perry DIP from Register, subject to receipt of FCC approval of the instant application. At the foreclosure, Green Bull acquired the right to require Register to transfer the Stock Collateral to it after the instant application is granted. Following the consummation of the foreclosure sale, Radio Perry DIP will continue to operate in debtor-in-possession status, subject to the ongoing oversight of the Bankruptcy Court.<sup>6</sup>

***Bankruptcy Court Retained Jurisdiction.*** Following completion of the foreclosure action, and upon receipt of the FCC’s approval of the instant application, control of Radio Perry DIP will be vested in Green Bull, subject to the retained jurisdiction of the Bankruptcy Court. Consummation of the foreclosure sale will not result in Radio Perry DIP’s emergence from bankruptcy, nor will it change Radio Perry DIP’s status as debtor-in-possession. Rather, in approving the Settlement Agreement, the Bankruptcy Court has authorized Green Bull only to exercise the rights and remedies

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<sup>2</sup> See Motion for Relief from the Automatic Stay of Bankruptcy and Waiver of 30-Day Hearing Pursuant to 11 U.S.C. §262, In re Register Communications, Inc., Case No. 15-52823 (Bankr. M.D.Ga.) (filed Nov. 1, 2017).

<sup>3</sup> See Settlement Agreement at paras. 8(b) and 11.

<sup>4</sup> See Order on Debtor’s Motion to Approve Compromise Pursuant to Bankruptcy Rule 9019(a) In re Register Communications, Inc., Case No. 15-52823 (Bankr. M.D.Ga.) (Apr. 4, 2018).

<sup>5</sup> See Settlement Agreement at para. 15 (“Venue for actions brought to enforce or construe this Settlement Agreement shall be in the United States Bankruptcy Court for the Middle District of Georgia, and that court reserves jurisdiction to interpret or enforce the terms of this Agreement and to resolve any dispute between the Parties concerning it.”).

<sup>6</sup> After the foreclosure sale is completed, Green Bull intends to seek approval of the Bankruptcy Court to initiate a sale of the assets of WPGA to a third buyer pursuant to Section 363 of the Bankruptcy Code. Prior to consummating a Section 363 sale, Green Bull and the prospective purchaser will seek the consent of the FCC pursuant to the Commission’s long-form procedures.

available to it under Georgia law as a secured creditor, i.e., the right to conduct a public foreclosure sale of the Stock Collateral. In other words, the order approving the Settlement Agreement was narrowly tailored such that, even after consummation of the foreclosure action, the Bankruptcy Court will retain jurisdiction and oversight over Radio Perry DIP's operations as debtor-in-possession until the bankruptcy proceedings are terminated.<sup>7</sup>

## **II. FCC FORM 316 IS APPROPRIATE FOR THE INSTANT TRANSACTION**

As explained below, the instant *pro forma* Transaction is involuntary and does not involve a substantial change of control of Radio Perry DIP. Accordingly, consistent with Commission precedent for similar transactions, FCC Form 316 may be used to authorize the Transaction described herein.

### **A. The Transaction does not involve a substantial change of control of Radio Perry DIP**

FCC Form 316 may be used to obtain Commission approval for a transaction that does not effectuate a substantial change in control of an FCC licensee. The instant Transaction satisfies this requirement because it does not result in a substantial change in control of Radio Perry DIP. To this end, Radio Perry DIP presently is under the control of the Bankruptcy Court, which exercised such control through issuing the order approving the Settlement Agreement pursuant to which Green Bull is authorized to foreclose on the Stock Collateral. Indeed, as explained above, even after the Transaction is consummated, Radio Perry DIP will continue to operate in debtor-in-possession status. Accordingly, Green Bull's control of Radio Perry DIP after the foreclosure action will remain subject to the ultimate jurisdiction, supervision and control of the Bankruptcy Court. As a result, Bankruptcy Court approval will be required before Green Bull can initiate a sale of the assets of WPGA under Section 363 of the Bankruptcy Code or otherwise. In short, the proposed Transaction does not result in a substantial change in control of Radio Perry DIP because the management and control of Radio Perry DIP presently is under the ultimate jurisdiction, supervision and control of the Bankruptcy Court, and Green Bull's management and control of Radio Perry DIP will continue to be under the ultimate jurisdiction, supervision and control of the Bankruptcy Court following consummation of the Transaction described herein.

### **B. The Transaction is involuntary because Radio Perry DIP will be subject to the supervision and control of the Bankruptcy Court**

The Commission has approved the use of FCC Form 316 for bankruptcy proceedings that result in an involuntary assignment of an FCC license or transfer of

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<sup>7</sup> As noted above, once it acquires the Stock Collateral from Register, Green Bull intends to seek approval of the Bankruptcy Court for a Section 363 sale of the assets of WPGA to a third buyer, subject to receipt of prior FCC approval.

control of an FCC licensee where such licensee remains subject to bankruptcy court oversight.<sup>8</sup> The Transaction is involuntary because it is undertaken in order to effectuate an order of the Bankruptcy Court authorizing Green Bull to take action to advance a long and protracted bankruptcy proceeding commenced nearly 2.5 years ago.

Importantly, upon consummation of the foreclosure sale described herein, the Bankruptcy Court will have ultimate control over the actions of Radio Perry DIP in the same manner as it has since November 2016 when Radio Perry, Inc. entered debtor-in-possession status. The Bankruptcy Court will not be relinquishing its jurisdiction or control over the company or its assets (including the WPGA license). Indeed, as explained above, it will be necessary for Green Bull to obtain Bankruptcy Court approval before it can liquidate or dispose of any of the assets of Radio Perry DIP in a Section 363 sale.<sup>9</sup> Thus, because the Bankruptcy Court will have continued ultimate control over Radio Perry DIP's day-to-day operations in the same manner as if the Bankruptcy Court just as it currently does, the proposed Transaction is involuntary and *pro forma*.

### **C. Media Bureau precedent supports the use of FCC Form 316 in the instant case**

The use of FCC Form 316 for a *pro forma* transaction such as the proposed Transaction is consistent with precedent. For example, the Media Bureau has approved *pro forma* transactions pursuant to which liquidating trusts have acquired control of broadcast companies operating in DIP status, including the subject company's stock and FCC license(s) ("Broadcast Assets"), subject to the retained jurisdiction of the bankruptcy court. In these cases, because the trusts were subject to the bankruptcy court's oversight, the Media Bureau permitted the use of FCC Form 316 to authorize the trusts' acquisition of control over the Broadcast Assets until such time as the Broadcast Assets could be transferred or assigned to "permanent" holders pursuant to Commission approval of long-form assignment or transfer applications.<sup>10</sup>

The instant case is analogous to the foregoing. First, like the licensees in the above-referenced cases, Radio Perry DIP currently is operating as a debtor-in-possession

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<sup>8</sup> See 47 C.F.R. § 73.3541. See also, e.g., FCC File Nos. BTCCT-20050408ADB; BALDCT- 20090901AAM.

<sup>9</sup> A Section 363 asset sale of WPGA will be subject to the continuing ultimate control, supervision, and jurisdiction of the Bankruptcy Court during the time in which the FCC evaluates the long-form application that will be filed in connection with such sale.

<sup>10</sup> See, e.g., FCC File No. BTCCT-20050408ADB (authorizing the *pro forma* transfer of control of several subsidiaries of Pegasus Communications Corporation to The PSC Liquidating Trust); FCC File No. BTCCT-20050408ADB (authorizing the *pro forma* transaction whereby the ION Media Networks Liquidating Trust was established to manage and operate ION's assets for the benefit of the creditors of ION, subject to the bankruptcy court's oversight and until such time as FCC approved the sale of such assets to a third party purchase pursuant to its long-form approval procedures).

under the jurisdiction of the Bankruptcy Court. Second, in the precedent cases, the liquidating trusts were established in accordance with the Bankruptcy Code to manage and operate the Broadcast Assets for the benefit of creditors. Similarly, here, Green Bull's proposed control of Radio Perry DIP has been approved by the Bankruptcy Court in order for it to realize its rights as a creditor of Register. Third, as was the case in the *pro forma* transactions previously approved by the Media Bureau, Green Bull's control of Radio Perry DIP will continue to be subject to the ultimate supervision, control and jurisdiction of the Bankruptcy Court until such time as the Bankruptcy Court has authorized the sale of WPGA to a yet-to-be-determined "permanent" owner pursuant to Section 363 of the Bankruptcy Code (and the FCC has approved the same). For these reasons, as was the case in the past, the use of FCC Form 316 is appropriate for the instant Transaction.

### **III. GRANT OF THE SHORT-FORM APPLICATION IS IN THE PUBLIC INTEREST**

Grant of the instant application is in the public interest. The proposed Transaction is being undertaken in order for Green Bull to exercise its rights under Georgia law as a secured creditor of WPGA and thus is consistent with the FCC's long-standing policy of protecting innocent creditors.<sup>11</sup> Indeed, the Transaction proposed herein will enable Green Bull to effectuate its rights under the Settlement Agreement approved by the Bankruptcy Court, thereby moving the long-pending bankruptcy proceeding involving WPGA closer to an end in accordance the objectives of the Bankruptcy Code. To this end, the proposed acquisition of the stock of Radio Perry DIP by Green Bull is the first step necessary to facilitate the Section 363 sale of WPGA to a third party unbridled by the burdens associated with operating under bankruptcy protections. Upon completion of the Section 363 sale – which cannot be undertaken until Green Bull acquires the Stock Collateral from Register pursuant to the proposed Transaction– WPGA should be better positioned to serve its community than presently is the case given the disruptions to WPGA's operations caused by the uncertainty of the bankruptcy process. Moreover and importantly, until such time as both the Bankruptcy Court and the FCC have approved a Section 363 sale of WPGA to a third party, Green Bull's control of Radio Perry DIP will continue to be subject to oversight of both the Bankruptcy Court, such that the public will not be harmed by the Transaction proposed herein. For these reasons, FCC approval of the instant application is in the public interest.

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<sup>11</sup> See, e.g., *LaRose v. FCC*, 494 F.2d 1145, 1148, 161 U.S. App. D.C. 226 (D.C. Cir. 1974).

#### IV. CHANGES IN INTERESTS

**Current Ownership Structure.**<sup>12</sup> Radio Perry, Inc., Debtor-in-Possession presently is a wholly-owned subsidiary of Register Communications, Inc., the stock of which is owned by Lowell L. Register (51%) and Janice J. Register (49%).

**Proposed Ownership Structure.**<sup>13</sup> Upon consummation of the Transaction, Radio Perry, Inc., Debtor-in-Possession will be a wholly-owned subsidiary of Green Bull Georgia Partners, LLC, a Delaware limited liability company. The managers, attributable members,<sup>14</sup> and officers of Green Bull Georgia Partners, LLC are as follows:

<i>Name &amp; Address</i>	<i>Citizenship</i>	<i>Percentage of Votes</i>	<i>Percentage of Total Assets (Equity plus Debt) in Radio Perry, Inc. DIP</i>
Green Bull Georgia Investors, LLC 600 Superior Ave. East, Suite 1800 Cleveland, Ohio 44114	US	100% <sup>15</sup>	N/A
Stephen J. Latkovic <sup>16</sup> 600 Superior Ave. East, Suite 1800 Cleveland, Ohio 44114	US	100%	N/A
Glenn C. Pollack <sup>17</sup> 600 Superior Ave. East, Suite 1800 Cleveland, Ohio 44114	US	100%	N/A

<sup>12</sup> See Exhibit A for organizational chart depicting the current ownership structure of Radio Perry, Inc., Debtor-in-Possession.

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<sup>14</sup> The remaining members of Green Bull Georgia Partners, LLC are insulated in accordance with the FCC's media insulation criteria.

<sup>15</sup> Green Bull Georgia Investors, LLC, a Delaware limited liability company, is the manager and sole attributable member of Green Bull Georgia Partners, LLC. The remaining members of Green Bull Georgia Investors, LLC are insulated in accordance with the FCC's media insulation criteria. By resolution, Green Bull Georgia Investors, LLC has delegated to Stephen J. Latkovic and Glenn C. Pollack all powers and authority over the management, control, and operation of Green Bull Georgia Partners, LLC. Stephen J. Latkovic and Glenn C. Pollack also are the managers and sole attributable members of Green Bull Georgia Investors, LLC.

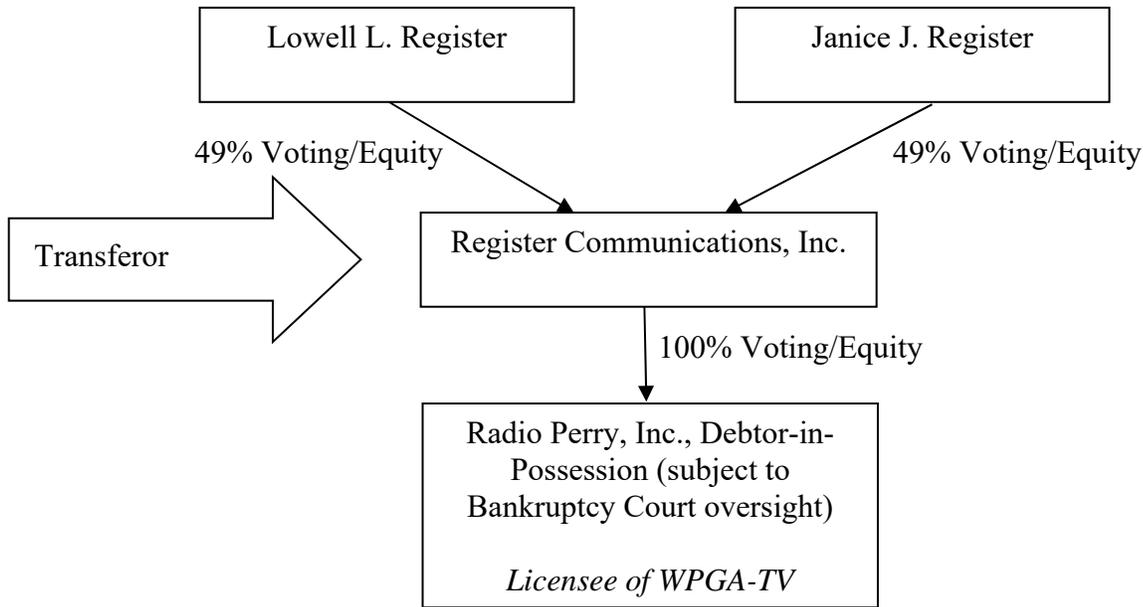
<sup>16</sup> Mr. Latkovic is the Chief Financial Officer and Treasure of Green Bull Georgia Partners, LLC.

<sup>17</sup> Mr. Pollack is the President of Green Bull Georgia Partners, LLC.

Except as set forth herein, no other individual or entity holds an attributable interest in Green Bull Georgia Partners, LLC or Green Bull Georgia Investors, LLC.

**Exhibit A**

**Current Ownership Structure**



**Proposed Ownership Structure**

