

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
iHeartMedia, Inc.)	
)	
Petition for Declaratory Ruling Under Section)	MB Docket No. 21-141
310(b)(4) of the Communications Act of 1934, as)	
Amended)	

DECLARATORY RULING

Adopted: December 21, 2021

Released: December 22, 2021

By the Chief, Audio Division, Media Bureau:

I. INTRODUCTION

1. In this Declaratory Ruling, the Media Bureau (Bureau) addresses a remedial petition for declaratory ruling (Petition)¹ filed by iHeartMedia, Inc. (iHeart) on March 8, 2021, pursuant to section 310(b)(4) of the Communications Act of 1934, as amended (Act),² and section 1.5004(f)(3) of the Commission’s rules.³ The Petition asks the Commission to approve the foreign equity and voting interests in iHeart held by Global Media & Entertainment Investments Ltd (GMEI), which are non-compliant with iHeart’s 2020 foreign ownership ruling (*iHeart 2020 Declaratory Ruling*).⁴ Specifically, iHeart seeks specific approval⁵ for the 6.8% equity and 8.0% voting interests in iHeart held by GMEI, a private limited company organized under the laws of the Bahamas, and related foreign entities and individuals (the GMEI Reporting Persons).⁶ The Petition also seeks advance approval for GMEI and the GMEI Reporting Persons to increase their equity and voting interests in iHeart up to a non-controlling

¹ Petition for Declaratory Ruling of iHeartMedia, Inc., MB Docket No. 21-141 (filed March 8, 2021) (Petition); Supplement to Petition for Declaratory Ruling of iHeartMedia, Inc., MB Docket No. 21-141 (filed Nov. 9, 2021) (Supplement).

² 47 U.S.C. § 310(b)(4); *see also Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees*, Declaratory Ruling, 28 FCC Rcd 16244 (2013).

³ 47 CFR § 1.5004(f)(3); *see also Review of Foreign Ownership Policies for Broadcast, Common Carrier, and Aeronautical Radio Licensees Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272 (2016); *pet. for recon. dismissed*, 32 FCC Rcd 4780 (2017) (*2016 Foreign Ownership Order*).

⁴ *See* 47 CFR § 1.5004(f)(3); *iHeart Media, Inc., Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, MB Docket No. 20-51, Declaratory Ruling, 35 FCC Rcd 12770, 12776-78, paras. 17-19 (MB 2020) (*iHeart 2020 Declaratory Ruling*).

⁵ *See* 47 CFR § 1.5001(i)(1)(3).

⁶ iHeart defines the GMEI Reporting Persons as, collectively, (1) GMEI’s sole shareholder, The Global Media & Entertainment Investments Trust (GMEI Trust), a trust organized under the laws of the Bahamas; (2) Michael Tabor, a United Kingdom citizen and beneficiary of the GMEI Trust; and (3) James Hill and Simon Groom, United Kingdom citizens and trustees of the GMEI Trust. *See also infra* note 23.

amount not to exceed 14.99%.⁷ iHeart filed the Petition on behalf of itself and each of its direct and indirect subsidiaries which hold Commission broadcast licenses.⁸ As discussed below, and consistent with the input we received from the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee), we find that it will serve the public interest to grant the Petition, subject to the conditions specified below.

II. BACKGROUND

2. *iHeart 2020 Declaratory Ruling.* On November 5, 2020, the Bureau granted iHeart's 2019 petition for declaratory ruling,⁹ authorizing up to and including 100% aggregate direct and/or indirect foreign investment (equity and voting) in iHeart. In addition, the Bureau specifically approved two groups of foreign entities, not including GMEI or the GMEI Reporting Persons, to hold more than 5% of iHeart's equity and/or voting interests.¹⁰ Specifically, the Bureau granted specific approval for (1) the PIMCO Group¹¹ to hold, in the aggregate, up to 32.99% of the equity and 19.99% of the voting interests in iHeart; and (2) the Invesco Group¹² to hold up to 19.99% of the equity and voting interests in iHeart.¹³ The Commission explained that the ruling is subject to the condition, *inter alia*, that iHeart comply with section 1.5004 of its rules and "obtain Commission approval for any new or additional foreign individual, entity, or group of such individuals or entities to hold, directly and/or indirectly, more than 5% . . . of the equity and/or voting interests, or a controlling interest, in the company."¹⁴

3. *GMEI.* iHeart states that it learned in February 2021, that changes in its ownership,

⁷ Initially, iHeart requested advance approval for GMEI and the GMEI Reporting Persons to hold up to a non-controlling 9.99% interest in the company. iHeart subsequently amended that request to seek advance approval for GMEI and the GMEI Reporting Persons to hold up to a non-controlling 14.99% interest in iHeart. See iHeart Reply to Comments of GMEI, MB Docket No. 21-141, at 3 (rec. May 24, 2021) (iHeart Reply).

⁸ See Petition at 2 & Exh. A, Subsidiaries and Licensees. iHeart, a Delaware publicly traded corporation, owns 858 full power radio stations through two wholly owned subsidiaries: (1) iHM Licenses, LLC, a Delaware limited liability company, and (2) Los Angeles Broadcasting Partners, LLC, a Delaware limited liability company.

⁹ See Petition for Declaratory Ruling of iHeartMedia, Inc., MB Docket No. 20-51 (filed July 25, 2019). iHeart sought the declaratory ruling due to changes in its ownership structure, which were an outgrowth of bankruptcy reorganization, and in order to obtain flexibility to take on additional foreign investment and maximize its access to capital and promote the free transferability of its Class A Stock. See Petition at 2.

¹⁰ See *iHeart 2020 Declaratory Ruling*, 35 FCC Rcd 12770.

¹¹ The PIMCO Group consists of PIMCO Global Investors Series plc, Income Fund (PIMCO Global), an Irish private limited company, and other funds and accounts managed by Pacific Investment Management Company LLC (PIMCO LLC), a Delaware limited liability company. The PIMCO Group also includes the following four foreign-organized entities in PIMCO LLC's vertical chain of control: (1) Allianz SE (Allianz), a European public company organized in Germany; (2) Allianz Asset Management GmbH (AAM GmbH), a German limited liability company; (3) Allianz Europe B.V. (AEBV), a Netherlands non-public limited liability company; and (iv) Allianz Finanzbeteiligungs GmbH (AF GmbH), a German limited liability company. PIMCO Global and the other PIMCO funds own stock in iHeart on behalf of individual investors in those funds. PIMCO LLC is the investment advisor and controls the voting in iHeart for PIMCO Global and the other PIMCO funds. *Id.* at 12772, paras. 3-4.

¹² The Invesco Group consists of a series of Invesco funds, a separate set of Oppenheimer funds, and two foreign-organized entities within the funds' vertical chain of control: (i) Invesco Ltd., a Bermuda limited company with exempt status, and (ii) Invesco Holding Company Limited (IHC), a United Kingdom private limited company. The Invesco and Oppenheimer funds hold stock in iHeart on behalf of individual investors in the funds. Two indirect, wholly owned U.S. subsidiaries of IHC and Invesco Ltd.—Invesco Senior Secured Management, Inc. and Invesco Advisors, Inc., each a Delaware corporation—serve as investment advisor and control the voting in iHeart for the Invesco funds and the Oppenheimer funds, respectively. *Id.* at 12772-73, paras. 7-8.

¹³ *Id.*

¹⁴ *Id.* at 12777, para. 19.

outside its control, had impacted its foreign ownership.¹⁵ Specifically, on February 5, 2021, GMEI,¹⁶ a company organized under the laws of the Bahamas, filed a Schedule 13D with the United States Securities and Exchange Commission (SEC) to report its acquisition of 9,631,329 shares of iHeart's Class A Common Stock (Class A Stock),¹⁷ then representing approximately 6.6% of the equity and 8.7% of the voting interests in iHeart.¹⁸ iHeart explains that GMEI's acquisition of Class A Stock "was an independent investment decision by GMEI and was wholly outside of iHeart's control, was not reasonably foreseeable to iHeart, and was not known to iHeart before or at the time it occurred."¹⁹ iHeart informed the Bureau of GMEI's acquisition by letter on February 16, 2021,²⁰ and filed the present remedial Petition within thirty days of that letter, as required by section 1.5004(f)(3) of the rules.²¹

4. *Petition.* iHeart seeks specific approval²² for the existing 6.8% equity interest and 8.0% voting interest that GMEI and the GMEI Reporting Persons hold in iHeart,²³ and pursuant to section 1.5001(k) of the rules,²⁴ iHeart also seeks advance approval for GMEI and the GMEI Reporting Persons to hold up to a non-controlling equity and voting interest in iHeart not to exceed 14.99%.²⁵ GMEI is a

¹⁵ See Petition at 4.

¹⁶ GMEI was previously named Honeycomb Investments Limited. *Id.* at 5 (citing Schedule 13D, Amendment No. 1, of Global Media & Entertainment Investments Ltd (filed Mar. 8, 2021)), https://www.sec.gov/Archives/edgar/data/1400891/000092189521000654/sc13da112641002_03052021.htm.

¹⁷ iHeart states that the Class A Stock is voting stock that is publicly traded on the NASDAQ Stock Exchange. *Id.* at 2.

¹⁸ See *id.* at 3. iHeart explains that the Securities Exchange Act of 1934, as amended, 15 U.S.C. 78a *et seq.*, requires beneficial owners of more than 5% of iHeart's Class A Stock to report their holdings on Schedules 13D or 13G within the time periods established by the SEC. *Id.*

¹⁹ *Id.* at 4. iHeart states that it first became aware that GMEI had become a holder of greater than 5% of its equity and voting on February 5, 2021, through GMEI's Schedule 13D filing and an oral notification to iHeart's FCC counsel from GMEI's FCC counsel. *Id.* at 3-4.

²⁰ Letter from Eve Klindera Reed, Counsel to iHeart, to Albert Shuldiner, Chief, Audio Div., Media Bureau, FCC (Feb. 16, 2021). The Bureau responded to iHeart's letter on February 19, 2021. Letter from Albert Shuldiner, Chief, Audio Div., Media Bureau, FCC, to Eve Klindera Reed, Counsel to iHeart (Feb. 19, 2021).

²¹ 47 CFR § 1.5004(f)(3).

²² Under section 1.5001(i)(1) of the Commission's rules, petitioners for a declaratory ruling are required to identify and seek specific approval for any foreign individual, entity, or group that holds or would hold, directly and/or indirectly, more than 5% of equity and/or voting interests, or a controlling interest, in the petitioner's controlling U.S. parent, subject to certain exemptions including an exemption that increases the specific approval threshold to 10% for certain institutional investors. 47 CFR § 1.5001(i)(1)(3).

²³ Specifically, according to Revised Exhibits B and C-1 of the Supplement, two entities and three individuals hold the following approximate equity and voting interests in iHeart: (1) GMEI – 6.8% equity interest and 8.0% voting interest; (2) GMEI Trust – 6.8% equity interest and 8.0% voting interest; (3) Michael Tabor – 6.8% equity interest and 0% voting interest; (4) James Hill – 0% equity interest and 8.0% voting interest; and (5) Simon Groom – 0% equity interest and 8.0% voting interest. See Supplement at Exhibit B – Attributable Interest Holders of iHeartMedia, Inc. and iHM Licenses, LLC, and Revised Exhibit C-1 - iHeartMedia, Inc. Ownership and Control Structure.

²⁴ 47 CFR § 1.5001(k).

²⁵ See *supra* note 7. Although the Petition initially sought advance approval for GMEI and GMEI Reporting Persons to hold up to a non-controlling 9.99% interest, iHeart amended that request to seek advance approval for GMEI and the GMEI Reporting Persons to hold up to a non-controlling 14.99% interest. iHeart explains that at the time it filed the Petition, "the company had in place a shareholder rights plan under which iHeart's shareholders received certain rights that would have become exercisable in the event that a shareholder in GMEI's position acquired 10% or more of iHeart's common stock without approval of its board of directors." iHeart Reply at 3. The shareholder rights

(continued....)

private limited company organized under the laws of the Bahamas.²⁶ GMEI's sole shareholder is the Global Media & Entertainment Investments Trust (GMEI Trust), also organized under the laws of the Bahamas.²⁷ Michael Tabor, a citizen of the United Kingdom, is the sole beneficiary of the GMEI Trust.²⁸ Simon Groom and James Hill, both citizens of the United Kingdom, are the trustees of the GMEI Trust.²⁹

5. iHeart states that grant of the Petition will serve the public interest by “curing the inconsistency with the FCC’s [foreign] ownership rules that was caused by GMEI’s independent investment decision to acquire more than 5% of iHeart’s voting and equity.”³⁰ iHeart asserts that grant will also “incentivize foreign investment and advance U.S. trade policy by encouraging reciprocal investment opportunities for U.S. companies in foreign markets.”³¹ Finally, iHeart highlights the fact that GMEI and the GMEI Reporting Persons consist of a company and trust organized under the laws of the Bahamas and three citizens of the United Kingdom, countries which “engage in robust reciprocal trade with the United States.”³² Accordingly, iHeart states that the proposed foreign ownership “does not appear to create any national security or law enforcement concerns.”³³

6. *Comments.* On May 10, 2021, GMEI filed comments in response to the Bureau’s Public Notice seeking comment on the Petition.³⁴ In the comments, GMEI supports the grant of specific approval for GMEI and the GMEI Reporting Persons, but requests advance approval for these parties to increase their investment in iHeart up to a non-controlling amount not to exceed 49.99%.³⁵ On November 3, 2021, GMEI withdrew its request that the Commission grant GMEI and the GMEI Reporting Persons advance approval to increase their investment in iHeart up to a non-controlling 49.99% interest and expressed its support for iHeart’s request that the Commission limit such advance approval to 14.99% equity and voting interests in iHeart.³⁶ Thus, iHeart’s request to limit advance approval to 14.99% for GMEI and the GMEI Reporting Persons is now unopposed.

7. *National Security, Law Enforcement, Foreign Policy and Trade Policy Review.* Pursuant to Commission practice, we referred the Petition to the relevant Executive Branch agencies for their reviews on any national security, law enforcement, foreign policy, or trade policy concerns related to the

plan expired on May 5, 2021, and “to provide additional flexibility to GMEI and the GMEI Reporting Persons to increase their ownership stake in iHeart,” iHeart amended the Petition to seek advance approval for GMEI and the GMEI Reporting Persons to hold up to a 14.99% non-controlling interest.

²⁶ Petition at 5.

²⁷ *Id.*

²⁸ iHeart notes that Mr. Tabor and his family own Global Media & Entertainment Ltd (Global), the largest commercial radio company in the United Kingdom. *See* Petition at 6. iHeart states that, to its knowledge, “Global does not hold any interest in GMEI, and this Petition does not seek specific approval for Global or any other entity or individual aside from GMEI and GMEI Reporting Persons to hold voting or equity interest in iHeart.” *Id.*

²⁹ iHeart refers to the GMEI Trust and Messrs. Tabor, Hill, and Groom, collectively, as the GMEI Reporting Persons. *See* Exhibit D to Petition, Specific Approval Parties and Their Attributable Interest Holders (detailing information regarding the individuals or entities directly holding an attributable interest in GMEI).

³⁰ Petition at 2. *See also* Petition at 7.

³¹ *Id.* at 2.

³² *Id.* at 7.

³³ *Id.*

³⁴ *See iHeartMedia, Inc. Seeks Foreign Ownership Ruling Pursuant to Section 310(b)(4) of the Communications Act of 1934, as Amended*, Public Notice, MB Docket No. 21-141, DA No. 21-406 (April 9, 2021).

³⁵ *See* Comments of GMEI, MB Docket No. 21-141 (filed May 10, 2021).

³⁶ *See* Letter from Matthew S. DelNero, Counsel for GMEI, to Marlene H. Dortch, Secretary, FCC (Nov. 3, 2021).

foreign ownership of iHeart.³⁷ On April 23, 2021, the Committee notified the Commission that it was reviewing the Petition for any national security and law enforcement concerns that may be raised by foreign participation in the United States telecommunications services sector and requested that the Commission defer action on the Petition.³⁸ Subsequently, on July 8, 2021, the Committee notified the Commission that iHeart provided complete responses to the Committee's initial questions and that it was conducting its review to assess whether granting the Petition will pose a risk to the national security or law enforcement interests of the United States.³⁹ On October 27, 2021, the National Telecommunications and Information Administration (NTIA) submitted a Petition to Adopt Conditions on behalf of the Committee.⁴⁰ In this filing the Committee advised the Commission that it has no objection to grant of the Petition, provided that the Commission condition its approval on the assurance of iHeart to abide by the commitments and undertakings set forth in the June 29, 2020, Letter of Agreement (LOA) between iHeart and the DOJ.⁴¹

8. *Section 310(b)(4) Foreign Ownership Review.* We review the proposed foreign investment in iHeart under section 310(b)(4) of the Act, which states that “[n]o broadcast . . . license shall be granted to or held by . . . any corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country, if the Commission finds that the public interest will be served by the refusal or revocation of such license.”⁴² This section of the Act also grants the Commission discretion to allow higher levels of foreign investment in a licensee's controlling U.S.-organized parent unless the Commission finds that the public interest would be served by refusing to permit such foreign investment.⁴³ In evaluating petitions relating to foreign ownership, the Commission affords appropriate deference to the expertise of the Executive Branch agencies on issues related to national security, law enforcement, foreign policy, and trade policy.⁴⁴

9. The *2016 Foreign Ownership Order* expressly provides for processing of petitions requesting advance approval for up to and including 100% aggregate foreign voting and/or equity investment by unnamed and future foreign investors in the controlling U.S. parent of a broadcast licensee.⁴⁵ It also requires that broadcasters obtain specific approval for foreign investors that, “hold or would hold, directly or indirectly, more than 5 percent, and in certain circumstances, more than 10 percent of the U.S. parent's voting and/or equity interests, or a controlling interest in the U.S. parent.”⁴⁶ To

³⁷ See *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020) (setting rules and procedures for referring applications for Executive Branch review consistent with Executive Order No. 13913).

³⁸ Letter from Christine M. Quinn and Lee Licata, Attorney Advisors, National Security Division, DOJ, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 21-141 (April 23, 2021).

³⁹ Letter from Lee Licata, Attorney Advisor, National Security Division, DOJ, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 21-141 (July 8, 2021).

⁴⁰ Petition to Adopt Conditions to Authorizations and Licenses, MB Docket No. 21-141 (Oct. 27, 2021).

⁴¹ Letter from Paul McNicol, Executive Director and General Counsel, iHeart, to John Demers, Assistant Attorney General for National Security, DOJ (June 29, 2020) (LOA). Compliance with the LOA was also a condition of the grant of the initial *iHeart 2020 Declaratory Ruling*.

⁴² 47 U.S.C. § 310(b)(4).

⁴³ *Id.*

⁴⁴ *2016 Foreign Ownership Order*, 31 FCC Rcd at 11277, para. 6.

⁴⁵ *Id.* at 11282, para. 15.

⁴⁶ *Id.* at 11282, para. 16.

exercise in a meaningful way the discretion conferred by statute, the Commission must receive detailed information from the applicant sufficient for the Commission to make the public interest finding the statute requires.⁴⁷

III. DISCUSSION

10. We find that grant of this Petition is in the public interest, subject to the conditions discussed below. Specifically, we find that grant of the Petition is likely to: (1) enable iHeart greater flexibility to access foreign investment capital, thereby allowing iHeart to better compete with other media companies, enhance its programming, and better serve the public interest; and (2) potentially encourage reciprocal investment opportunities for U.S. companies in foreign markets.⁴⁸ We agree with iHeart that its Petition demonstrates that this grant will provide public interest benefits and that the Act and the Commission's rules specifically authorize the Commission to grant the relief sought in the Petition.⁴⁹ With respect to issues related to national security, the Petition has been reviewed by the Committee for any national security and law enforcement concerns, and it has no objection to the Commission approving the Petition, provided it conditions the grant on compliance with the LOA, as discussed below.

11. As explained above, iHeart requests (1) specific approval for GMEI and GMEI Reporting Persons to hold more than 5% of iHeart's equity and/or voting interests, and (2) advance approval for GMEI and GMEI Reporting Persons to increase their equity and/or voting interests in iHeart up to a non-controlling amount not to exceed 14.99%.⁵⁰ Following the procedures outlined in the *2016 Foreign Ownership Order*, we have consulted with the relevant Executive Branch agencies with expertise on issues related to national security, law enforcement, foreign policy, and trade policy.⁵¹ The Committee has notified the Commission that it has no objection to grant of the Petition, provided that the Commission condition its approval on the compliance by iHeart with the commitments and undertakings set forth in the LOA.⁵²

12. Accordingly, upon review of the facts and circumstances set out in the Petition, this declaratory ruling grants, pursuant to section 1.5001(i) of the rules,⁵³ (1) specific approval for GMEI and the GMEI Reporting Persons⁵⁴ to hold more than 5% of iHeart's equity and/or voting interests, and (2) advance approval for GMEI and the GMEI Reporting Persons to increase their equity and/or voting interests in iHeart up to a non-controlling amount not to exceed 14.99%. This declaratory ruling also

⁴⁷ Most recently, the Bureau granted iHeart's petition for declaratory ruling, permitting up to and including 100% aggregate direct and/or indirect foreign investment (equity and voting) in iHeart and specifically approving two groups of foreign entities to hold more than 5% of iHeart's equity and/or voting interests. *See iHeart 2020 Declaratory Ruling*, *supra* note 4.

⁴⁸ *See* Petition at 2, 7.

⁴⁹ *Id.*

⁵⁰ iHeart estimates that direct and/or indirect foreign ownership of its capital stock following grant of the Petition would be "at a minimum, approximately 30% as to voting and 40% as to equity." *See* iHeart Supplement at Supplemental Exhibit F – Estimate of Aggregate Foreign Ownership. iHeart states that "[g]iven the FCC's previous grant of a declaratory ruling permitting iHeart to have aggregate foreign ownership of up to 100%, iHeart's aggregate foreign ownership is currently and will remain compliant with the FCC's foreign ownership rules." *Id.*

⁵¹ *See 2016 Foreign Ownership Order*, 31 FCC Rcd at 11277, 11289, paras. 6, 34.

⁵² *See* LOA, *supra* note 41.

⁵³ 47 CFR § 1.5001(i).

⁵⁴ As discussed above, the GMEI Reporting Persons are (1) GMEI's sole shareholder, the GMEI Trust; (2) Michael Tabor, the sole beneficiary of the GMEI Trust; and (3) James Hill and Simon Groom, the two trustees of the GMEI Trust. *See supra* note 6.

incorporates the approvals granted previously in the *iHeart 2020 Declaratory Ruling*: (1) aggregate direct and/or indirect foreign ownership (equity and voting) of iHeart above the 25% benchmark, up to and including 100%;⁵⁵ (2) specific approval for the PIMCO Group to hold, in the aggregate, up to 32.99% of the equity and 19.99% of the voting interests in iHeart;⁵⁶ and (3) specific approval for the Invesco Group to hold, in the aggregate, up to 19.99% of the equity and voting interests in iHeart.⁵⁷ We emphasize that iHeart must obtain Commission approval for any new or additional foreign individual, entity, or group of such individuals or entities to hold, directly and/or indirectly, more than 5% (or more than 10% for certain institutional investors) of the equity and/or voting interests, or a controlling interest, in the company.

13. We grant the Petition to Adopt Conditions filed by NTIA on October 27, 2021. We also condition grant of this Petition on continued compliance by iHeart with the commitments and undertakings set forth in the LOA.⁵⁸ A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of this ruling and the underlying licenses and thus grounds for declaring them terminated without further action on the part of the Commission.⁵⁹ Failure to meet a condition of this ruling may also result in monetary sanctions or other enforcement action by the Commission.

14. In addition to compliance with the terms of the LOA, this ruling is also subject to the terms and conditions set forth in section 1.5004 of the Commission's rules,⁶⁰ including the requirement to obtain Commission approval before foreign ownership of iHeart exceeds the terms and conditions of this ruling. Further, as noted previously, the ruling is subject to the requirement that iHeart obtain Commission approval for any new or additional foreign individual, entity, or group of such individuals or entities to hold, directly and/or indirectly, more than 5% (or more than 10% for certain institutional investors) of the equity and/or voting interests, or a controlling interest, in the company. If, at any time, iHeart, or any of its direct or indirect subsidiaries, knows, or has reason to know, that iHeart and/or the subsidiary is no longer in compliance with this Declaratory Ruling, the terms of the LOA, section 310(b) of the Act, or the Commission's foreign ownership rules, iHeart and/or the subsidiary shall file a statement with the Commission explaining the circumstances within 30 days of the date that iHeart and/or the subsidiary knew, or had reason to know, that it was no longer in compliance.⁶¹ iHeart and its direct and indirect subsidiaries will be subject to enforcement action by the Commission for such non-

⁵⁵ *iHeart 2020 Declaratory Ruling*, 35 FCC Rcd at 12776, para. 17 (“[T]his Declaratory Ruling permits the aggregate direct and/or indirect foreign equity and voting interests in iHeart to exceed 25%, and to increase up to and including 100%.”).

⁵⁶ *Id.* (granting specific approval for PIMCO Global and the other PIMCO funds to hold collectively up to 32.99% of the equity and 19.99% of the voting interests in iHeart, including the 19.99% voting interest that would be deemed held, under the rules, by Allianz, AAM GmbH, AEBV, and AF GmbH). *See supra* note 11.

⁵⁷ *iHeart 2020 Declaratory Ruling*, 35 FCC Rcd at 12776, para. 17 (granting specific approval for the Invesco and Oppenheimer Funds to hold collectively up to 19.99% of the equity and voting interests in iHeart, including the 19.99% voting interest that would be deemed held, under the rules, by Invesco Ltd. and IHC). *See supra* note 12.

⁵⁸ *See* LOA, *supra* note 41. Pursuant to the LOA, iHeart agrees, *inter alia*, to (1) designate and maintain a Security Officer who is a United States citizen residing in the United States; (2) abide by the terms in the LOA regarding the protection of personally identifiable information and geolocation data; (3) provide DOJ notice of any material changes to its business; and (4) provide an annual report to DOJ regarding the company's compliance with the LOA. The LOA contains the specific terms of these commitments and undertakings.

⁵⁹ A copy of the Petition to Adopt Conditions and the LOA are publicly available in MB Docket No. 21-141.

⁶⁰ 47 CFR § 1.5004.

⁶¹ 47 CFR. § 1.5004(f). Subsequent actions taken by or on behalf of iHeart, and/or its direct and indirect subsidiaries, to remedy non-compliance shall not relieve them of the obligation to notify the Commission of the circumstances (including duration) of non-compliance. *Id.*

compliance, including an order requiring divestiture of the foreign investment.⁶²

IV. ORDERING CLAUSES

15. Accordingly, IT IS ORDERED that, pursuant to section 310(b)(4) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(b)(4), and sections 1.5001-04 of the Commission's rules, 47 C.F.R. §§ 1.5001-04, and pursuant to authority delegated to the Media Bureau in section 0.283 of the Commission's rules, 47 CFR § 0.283, the Petition for Declaratory Ruling filed by iHeartMedia, Inc. on March 8, 2021, IS GRANTED subject to the conditions specified herein.

16. IT IS FURTHER ORDERED that, pursuant to sections 4(i)-(j) and 310(b) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 310(b), and sections 1.40001-04 of the Commission's rules, 47 C.F.R. §§ 1.40001-04, the Petition to Adopt Conditions filed by the National Telecommunications and Information Administration on October 27, 2021, IS GRANTED.

17. IT IS FURTHER ORDERED that, pursuant to sections 4(i)-(j), 303(r), 309, 310(b), and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 303(r), 309, 310(b), and 310(d), and sections 1.40001-04 of the Commission's rules, 47 C.F.R. §§ 1.40001-04, grant of the Petition for Declaratory Ruling is CONDITIONED UPON compliance by iHeartMedia, Inc. with the commitments and undertakings set forth in the June 29, 2020, Letter of Agreement between iHeartMedia, Inc. and the U.S. Department of Justice. Any failure to comply and/or remain in compliance with any of the commitments and undertakings shall constitute a failure to meet a condition of the underlying authorizations and licenses and thus grounds for declaring the authorizations and licenses terminated without any further action on the part of the Commission. Failure to meet a condition on the licenses may also result in monetary sanctions or other enforcement actions by the Commission.

18. IT IS FURTHER ORDERED that this Declaratory Ruling SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Albert Shuldiner
Chief, Audio Division
Media Bureau

⁶² *Id.*