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

In the Matter of	)	
Payson Council for the Musical Arts, Inc.	)	File No.: EB-IHD-20-00031269 CD Acct. No.: 202332080029
Licensee of Noncommercial Educational Station KRIM-LP, Payson, Arizona	) ) )	FRN: 0017011065 Facility ID No. 134059
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Adopted: July 7, 2023 Released: July 7, 2023

By the Chief, Enforcement Bureau:

- 1. The Enforcement Bureau (Bureau) of the Federal Communications Commission (Commission) has entered into a Consent Decree to resolve its investigation into whether Payson Council for the Musical Arts, Inc. (Licensee), licensee of noncommercial educational low power FM (LPFM) radio station, KRIM-LP, Payson, Arizona (Station), violated the Commission's underwriting laws by broadcasting announcements on behalf of for-profit entities in exchange for consideration. The Commission adopted these laws to preserve the unique non-profit and locally oriented nature of LPFM stations. To settle this matter, the Licensee admits that it broadcast prohibited commercial advertisements in exchange for consideration. The Licensee agrees to implement a compliance plan and pay a \$20,000 civil penalty and a suspended civil penalty of \$41,500 in the event of default.
- 2. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and terminating the referenced investigation regarding the Licensee's compliance with section 399B of the Communications Act of 1934, as amended (Act), and sections 73.503(d) and 73.801 of the Commission's rules (collectively, the Commission's underwriting laws).
- 3. In the absence of material new evidence relating to this matter, we do not set for hearing the question of the Licensee's basic qualifications to hold or obtain any Commission license or authorization.<sup>3</sup>
- 4. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Act, 47 U.S.C. § 154(i), and the authority delegated by sections 0.111 and 0.311 of the Commission's rules, 47 CFR §§ 0.111, 0.311, the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.
  - 5. **IT IS FURTHER ORDERED** that the above-captioned matter **IS TERMINATED**.
- 6. **IT IS FURTHER ORDERED** that any third-party complaints and allegations against the Licensee and/or its Station related to the above-captioned investigation that are pending before the Bureau as of the date of this Consent Decree **ARE DISMISSED**.

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<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 399b.

<sup>&</sup>lt;sup>2</sup> See 47 CFR §§ 73.503(d), 73.801 (applying section 73.503 of the Commission's rules to low power FM (LPFM) stations).

<sup>&</sup>lt;sup>3</sup> See id. § 1.93(b).

7. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to Christopher Higgins, President, Payson Council for the Musical Arts, Inc., 215 W. Frontier Street, Payson, Arizona 85541.

FEDERAL COMMUNICATIONS COMMISSION

Loyaan A. Egal Chief Enforcement Bureau

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

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Payson Council for the Musical Arts, Inc.	)	File No.: EB-IHD-20-00031269
	)	CD Acct. No.: 202332080029
Licensee of Noncommercial Educational Station	)	FRN: 0017011065
KRIM-LP, Payson, Arizona	)	Facility ID No. 134059
	)	

## **CONSENT DECREE**

1. The Enforcement Bureau of the Federal Communications Commission and Payson Council for the Musical Arts, Inc. (Licensee), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Enforcement Bureau's investigation into whether the Licensee violated section 399B of the Communications Act of 1934, as amended, and sections 73.503(d) and 73.801 of the Commission's rules in connection with the broadcast by the Licensee of underwriting acknowledgments over its noncommercial educational low power FM radio station, KRIM-LP, Payson, Arizona. To resolve this matter, the Licensee agrees to implement a compliance plan and pay a \$20,000 civil penalty and a suspended civil penalty of \$41,500 in the event of default as defined herein.

# I. **DEFINITIONS**

- 2. For the purposes of this Consent Decree, the following definitions shall apply:
  - (a) "Act" means the Communications Act of 1934, as amended.<sup>3</sup>
  - (b) "Adopting Order" means an order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
  - (c) "Bureau" means the Enforcement Bureau of the Federal Communications Commission.
  - (d) "CD Acct. No." means account number 202332080029, associated with payment obligations described in paragraph 18 of this Consent Decree.
  - (e) "Commission" and "FCC" mean the Federal Communications Commission and all of its bureaus and offices.
  - (f) "Communications Laws" means collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which the Licensee is subject by virtue of its business activities, including but not limited to the Underwriting Laws.
  - (g) "Complaints" means the third-party submissions received by, or in the possession of, the Commission or Bureau, on file in EB-IHD-20-00031269, alleging violations of the Underwriting Laws.

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<sup>&</sup>lt;sup>1</sup> See 47 U.S.C. § 399b.

<sup>&</sup>lt;sup>2</sup> See 47 CFR §§ 73.503(d), 73.801 (applying section 73.503 of the Commission's rules to low power FM (LPFM) stations).

<sup>&</sup>lt;sup>3</sup> 47 U.S.C. § 151 et seq.

- (h) "Compliance Plan" means the compliance obligations, program, and procedures described in this Consent Decree at paragraph 14.
- (i) "Covered Employees" means all employees and agents of the Licensee who perform, supervise, oversee, or manage the performance of, duties that relate to the Licensee's responsibilities under the Communications Laws, including the Underwriting Laws.
- (j) "Effective Date" means the date by which both the Bureau and the Licensee have signed the Consent Decree and the Bureau has released an Adopting Order.
- (k) "Investigation" means the investigation commenced by the Bureau in EB-IHD-20-00031269 regarding whether the Licensee violated the Underwriting Laws during the period from approximately January 2020 through the Effective Date.
- (l) "Licensee" means Payson Council for the Musical Arts, Inc. and its affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest.
- (m) "Operating Procedures" means the standard internal operating procedures and compliance policies established by the Licensee to implement the Compliance Plan.
- (n) "Parties" means the Licensee and the Bureau, each of which is a "Party."
- (o) "Rules" means the Commission's regulations found in Title 47 of the Code of Federal Regulations.
- (p) "Station" means noncommercial educational low power FM radio station, KRIM-LP, Payson, Arizona (Facility ID No. 134059).
- (q) "Underwriting Announcement" means any announcement, message, or other program material, broadcast over a noncommercial station licensed to the Licensee, or by any of its successors, assigns, or transferees, made in exchange for consideration, on behalf of any for-profit entity.
- (r) "Underwriting Compliance Checklist" means the obligation under paragraph 14 that describes the steps that a Covered Employee must follow to ensure that all material approved for broadcast is consistent with relevant past Commission precedent regarding the Underwriting Laws.
- (s) "Underwriting Compliance Plan" means the compliance obligations, program, and procedures described in this Consent Decree at paragraph 14.
- (t) "Underwriting Laws" means, individually or collectively, section 399B of the Act<sup>4</sup> and sections 73.503(d) and 73.801 of the Rules,<sup>5</sup> and the decisions and orders of the Commission interpreting these provisions.

## II. BACKGROUND

3. The Underwriting Laws define an advertisement as programming material broadcast "in exchange for any remuneration" and intended to "promote any service, facility, or product" of for-profit entities.<sup>6</sup> Section 399B(b)(2) of the Act specifically provides that noncommercial educational stations may not broadcast advertisements.<sup>7</sup> Although contributors of funds to such stations may receive on-air

<sup>&</sup>lt;sup>4</sup> See 47 U.S.C. § 399b.

<sup>&</sup>lt;sup>5</sup> See 47 CFR §§ 73.503(d), 73.801 (applying section 73.503 of the Commission's rules to low power FM (LPFM) stations).

<sup>6 47</sup> U.S.C. § 399b(a).

<sup>&</sup>lt;sup>7</sup> *Id.* § 399B(b)(2).

acknowledgements of their support, the Commission has held that such acknowledgements are for identification purposes only and must not promote the contributors' products, services, or businesses.<sup>8</sup> Specifically, such announcements must not contain comparative or qualitative descriptions, price information, calls to action, or inducements to buy, sell, rent, or lease.<sup>9</sup>

4. The Commission received Complaints alleging that the Licensee violated the Underwriting Laws by airing ongoing announcements on the Station that impermissibly promoted their for-profit underwriters' products or services. A complainant also submitted recordings (Recordings) of alleged advertisements broadcast on the Station. The Bureau issued letters of inquiry, which included transcripts of the Recordings, seeking information about the complained-of programming, the Licensee's efforts to comply with the Underwriting Laws, and related issues. The Licensee's responses confirmed that the Licensee broadcast the complained-of Underwriting Announcements over the Station at various times from approximately October 2019 to approximately September 2021. On the basis of the record in this Investigation, the Bureau contends that the Licensee violated the Commission's Underwriting Laws. The Parties engaged in settlement negotiations and agreed to enter into this Consent Decree.

## III. TERMS OF AGREEMENT

5. <u>Adopting Order</u>. The provisions of this Consent Decree shall be incorporated by the Bureau in an Adopting Order.

<sup>12</sup> See E-mail from Chris Higgins, President, Payson Council for the Musical Arts, Inc., to Melissa Marshall, Attorney Advisor, Investigations and Hearings Division, FCC Enforcement Bureau, et al. (Nov. 5, 2020, 17:18 MST); E-mail from Chris Higgins, President, Payson Council for the Musical Arts, Inc., to Melissa Marshall, Attorney Advisor, Investigations and Hearings Division, FCC Enforcement Bureau, et al. (Nov. 5, 2020, 17:41 MST); E-mail from Chris Higgins, President, Payson Council for the Musical Arts, Inc., to Melissa Marshall, Attorney Advisor, Investigations and Hearings Division, FCC Enforcement Bureau (Nov. 9, 2020, 15:18 MST); E-mail from Chris Higgins, President, Payson Council for the Musical Arts, Inc., to Melissa Marshall, Attorney Advisor, Investigations and Hearings Division, FCC Enforcement Bureau (Nov. 9, 2020, 16:19 MST) (collectively, LOI Response); E-mail from Chris Higgins, President, Payson Council for the Musical Arts, Inc., to Melissa Marshall, Attorney Advisor, Investigations and Hearings Division, FCC Enforcement Bureau, et al. (Sept. 21, 2021, 18:50 MST); E-mail from Chris Higgins, President, Payson Council for the Musical Arts, Inc., to Melissa Marshall, Attorney Advisor, Investigations and Hearings Division, FCC Enforcement Bureau, et al. (Apr. 18, 2022, 15:26 MST).

<sup>&</sup>lt;sup>8</sup> Noncommercial Educational Broadcasting Service; Clarification of Underwriting Guidelines, 51 Fed. Reg. 21800 (June 16, 1986), *republished*, *Commission Policy Concerning the Noncommercial Nature of Educational Broadcasting Stations*, Public Notice, 7 FCC Red 827 (1992).

<sup>&</sup>lt;sup>9</sup> *Id.*; see Xavier University, Memorandum Opinion and Order, 5 FCC Rcd 4920, 4921, para. 6 (1990) (citing Commission Policy Concerning the Noncommercial Nature of Educational Broadcast Stations, BC Docket No. 21136, Memorandum Opinion and Order, 90 FCC 2d 895 (1982) (subsequent history omitted)).

<sup>&</sup>lt;sup>10</sup> See, e.g., Complaint No. 3786882-1 (Jan. 29, 2020) (on file in EB-IHD-20-00031269).

<sup>&</sup>lt;sup>11</sup> Letter of Inquiry from Christopher J. Sova, Deputy Chief, Investigations and Hearings Division, FCC Enforcement Bureau, to Chris Higgins, President, Payson Council for the Musical Arts, Inc. (Oct. 8, 2020) (on file in EB-IHD-20-00031269) (LOI); First Supplemental Letter of Inquiry from Christopher J. Sova, Deputy Chief, Investigations and Hearings Division, FCC Enforcement Bureau, to Chris Higgins, President, Payson Council for the Musical Arts, Inc. (Sept. 2, 2021) (on file in EB-IHD-20-00031269); Second Supplemental Letter of Inquiry from Christopher J. Sova, Deputy Chief, Investigations and Hearings Division, FCC Enforcement Bureau, to Chris Higgins, President, Payson Council for the Musical Arts, Inc. (Mar. 30, 2022) (on file in EB-IHD-20-00031269) (primarily addressing alleged involvement of KRIM LLC in connection with alleged ads on the Station). The LOI also addressed possible technical rule violations of the Commission's rules. After investigation, including reviewing the Licensee's LOI Response addressing these matters, we found no violations of technical rules within our purview on this matter.

- 6. **Jurisdiction**. The Licensee agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.
- 7. <u>Effective Date; Violations</u>. The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Parties agree that this Consent Decree shall have the same force and effect as any other order of the Commission.
- 8. <u>Termination of Investigation</u>. In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation and dismiss the Complaints. In consideration for the termination of the Investigation and dismissal of the Complaints, the Licensee agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute any new proceeding on its own motion against the Licensee concerning the matters that were the subject of the Investigation, or to set for hearing the question of the Licensee's basic qualifications to be a Commission licensee or hold Commission licenses or authorizations based on the matters that were the subject of the Investigation.<sup>13</sup>
- 9. <u>Subsequent Complaints; Subsequent Investigations</u>. Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints filed pursuant to the Underwriting Laws, against the Licensee or its affiliates for alleged violations of the Act or the Rules or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaints will be based solely on the record developed in that proceeding. Except as expressly provided in this Consent Decree, this Consent Decree shall not prevent the Commission from investigating new evidence of noncompliance by the Licensee with the Act or the Rules.
- 10. <u>Admission of Liability</u>. The Licensee admits for the purpose of this Consent Decree and for Commission civil enforcement purposes, and in express reliance on the provisions of paragraph 8 herein, that its actions with respect to the broadcast of the material referenced in paragraph 4 of this Consent Decree violated the Commission's Underwriting Laws.
- 11. Reporting Obligation with Respect to Any Discontinuance of Station Operation. In the event the Licensee discontinues Station operation, the Licensee agrees to notify the Bureau accordingly. Such notification to the Bureau must take place within seven (7) calendar days of the Licensee discontinuing Station operation and must be sent electronically to the Bureau at Pamela.Gallant@fcc.gov, Frederick.Giroux@fcc.gov, and Melissa.Marshall@fcc.gov. Such notification to the Bureau should include copies of any notices or requests to cancel the Station's license and any other instruments of authorization submitted to the Commission's Audio Division or the Commission's online Licensing and Management System (LMS).
- 12. **Station License Cancellation**. In the event the Commission cancels the Station's license, after forty (40) calendar days of the Commission's Public Notice specifying that the Station's license is cancelled, the requirements set forth in paragraphs 13 through 16 and paragraph 19 of this Consent Decree shall expire.
- 13. <u>Compliance Officer</u>. Within thirty (30) calendar days after the Effective Date, the Licensee shall designate a senior corporate manager with the requisite corporate and organizational authority to serve as a Compliance Officer and to discharge the duties set forth below. The person designated as the Compliance Officer shall be responsible for developing, implementing, and administering the Compliance Plan and ensuring that the Licensee complies with the terms and conditions of the Compliance Plan and this Consent Decree. In addition to the general knowledge of the Communications Laws necessary to discharge his or her duties under this Consent Decree, the

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<sup>&</sup>lt;sup>13</sup> See 47 CFR § 1.93(b).

Compliance Officer shall have specific knowledge of the Underwriting Laws prior to assuming his/her duties.

- 14. <u>Compliance Plan</u>. For purposes of settling the matters set forth herein, the Licensee agrees that it shall, within sixty (60) calendar days after the Effective Date, develop and implement a Compliance Plan designed to ensure future compliance with the Communications Laws and with the terms and conditions of this Consent Decree. With respect to the Underwriting Laws, the Licensee will implement, at a minimum, the following procedures:
  - (a) Operating Procedures. Within thirty (30) calendar days after the Effective Date, the Licensee shall establish Operating Procedures that all Covered Employees must follow to help ensure the Licensee's compliance with the Underwriting Laws. The Licensee's Operating Procedures shall include internal procedures and policies specifically designed to ensure that the Licensee complies with the Underwriting Laws. The Licensee shall also develop a Compliance Checklist that describes the steps that a Covered Employee must follow to ensure compliance with the Underwriting Laws.
  - (b) <u>Compliance Manual</u>. Within sixty (60) calendar days after the Effective Date, the Compliance Officer shall develop and distribute a Compliance Manual to all Covered Employees. The Compliance Manual shall explain the Underwriting Laws and set forth the Operating Procedures that Covered Employees shall follow to help ensure the Licensee's compliance with the Underwriting Laws. The Licensee shall periodically review and revise the Compliance Manual as necessary to ensure that the information set forth therein remains current and accurate. The Licensee shall distribute any revisions to the Compliance Manual promptly to all Covered Employees.
  - (c) Compliance Training Program. The Licensee shall establish and implement a Compliance Training Program on compliance with the Underwriting Laws and the Operating Procedures. As part of the Compliance Training Program, Covered Employees shall be advised of the Licensee's obligation to report any noncompliance with the Underwriting Laws under paragraph 15 of this Consent Decree and shall be instructed on how to disclose noncompliance to the Compliance Officer. All Covered Employees shall be trained pursuant to the Compliance Training Program within sixty (60) calendar days after the Effective Date, except that any person who becomes a Covered Employee at any time after the initial Compliance Training Program shall be trained within thirty (30) calendar days after the date such person becomes a Covered Employee. The Licensee shall repeat compliance training on an annual basis, and shall periodically review and revise the Compliance Training Program as necessary to ensure that it remains current and complete and to enhance its effectiveness.
- 15. **Reporting Noncompliance**. The Licensee shall report any noncompliance with the Underwriting Laws and with the terms and conditions of this Consent Decree within fifteen (15) calendar days after discovery of such noncompliance. Such reports shall include a detailed explanation of: (i) each instance of noncompliance; (ii) the steps that the Licensee has taken or will take to remedy such noncompliance; (iii) the schedule on which such remedial actions will be taken; and (iv) the steps that the Licensee has taken or will take to prevent the recurrence of any such noncompliance. All reports of noncompliance shall be submitted to the Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 45 L Street, N.E., Washington, D.C. 20554, with a copy submitted electronically to Pamela Gallant at <a href="mailto:Pamela.Gallant@fcc.gov">Pamela.Gallant@fcc.gov</a>, Frederick Giroux at <a href="mailto:Frederick.Giroux@fcc.gov">Frederick.Giroux@fcc.gov</a>, and Melissa A. Marshall at <a href="mailto:Melissa.Marshall@fcc.gov">Melissa.Marshall@fcc.gov</a>.

- **Compliance Reports**. The Licensee shall file compliance reports with the Commission 16. ninety (90) calendar days after the Effective Date, twelve (12) months after the Effective Date, twentyfour (24) months after the Effective Date, and thirty-six (36) months after the Effective Date.
  - (a) Each Compliance Report shall include a detailed description of the Licensee's efforts during the relevant period to comply with the terms and conditions of this Consent Decree and the Underwriting Laws. In addition, each Compliance Report shall include a certification by the Compliance Officer, as an agent of and on behalf of the Licensee, stating that the Compliance Officer has personal knowledge that the Licensee: (i) has established and implemented the Compliance Plan; (ii) has utilized the Operating Procedures since the implementation of the Compliance Plan; and (iii) is not aware of any instances of noncompliance with the terms and conditions of this Consent Decree, including the reporting obligations set forth in paragraph 15 of this Consent Decree.
  - (b) The Compliance Officer's certification shall be accompanied by a statement explaining the basis for such certification and shall comply with section 1.16 of the Rules and be subscribed to as true under penalty of perjury in substantially the form set forth therein.14
  - (c) If the Compliance Officer cannot provide the requisite certification, the Compliance Officer, as an agent of and on behalf of the Licensee, shall provide the Commission with a detailed explanation of the reason(s) why and describe fully: (i) each instance of noncompliance; (ii) the steps that the Licensee has taken or will take to remedy such noncompliance, including the schedule on which proposed remedial actions will be taken; and (iii) the steps that the Licensee has taken or will take to prevent the recurrence of any such noncompliance, including the schedule on which such preventive action will be taken.
  - (d) All Compliance Reports shall be submitted to the Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 45 L Street, N.E., Washington, D.C. 20554, with a copy submitted electronically to Pamela Gallant at Pamela. Gallant@fcc.gov, Frederick Giroux at Frederick. Giroux@fcc.gov, and Melissa Marshall at Melissa.Marshall@fcc.gov.
- 17. **Termination Date.** Unless stated otherwise including above in paragraph 12, the requirements set forth in paragraphs 13 through 16 shall expire thirty-six (36) months after the Effective Date.
- 18. **Civil Penalty.** The Licensee will pay a civil penalty to the United States Treasury in the amount of twenty thousand dollars (\$20,000) within thirty (30) calendar days of the Effective Date (Civil Penalty). The Licensee acknowledges and agrees that upon execution of this Consent Decree, the Civil Penalty shall become a "Claim" or "Debt" as defined in 31 U.S.C. § 3701(b)(1).15 Upon an Event of Default, as described below in paragraph 21, all procedures for collection as permitted by law may, at the Commission's discretion, be initiated.
- 19. **Suspended Penalty**. The Licensee further agrees that, upon an Event of Default, as described below in paragraph 21, the Licensee will pay a further civil penalty to the United States Treasury in the amount of forty-one thousand, five hundred dollars (\$41,500) within thirty (30) calendar days of such Event of Default (Suspended Penalty). Upon an Event of Default, as described below in paragraph 21, the Suspended Penalty shall also become a "Claim" or "Debt" as defined in 31 U.S.C.

<sup>14 47</sup> CFR § 1.16.

<sup>&</sup>lt;sup>15</sup> Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (Apr. 26, 1996).

§ 3701(b)(1).16 All procedures for collection as permitted by law may, at the Commission's discretion, be initiated.

- 20. Payment. The Licensee shall send electronic notification of payment to Pamela Gallant at Pamela.Gallant@fcc.gov, Frederick Giroux at Frederick.Giroux@fcc.gov, and Melissa Marshall at Melissa.Marshall@fcc.gov on the date said payment is made. Payment of the Civil Penalty must be made by credit card using the Commission's Registration System (CORES) at <a href="https://apps.fcc.gov/cores/userLogin.do">https://apps.fcc.gov/cores/userLogin.do</a>, ACH (Automated Clearing House) debit from a bank account, or by wire transfer from a bank account. The Commission no longer accepts Civil Penalty payments by check or money order. Below are instructions that payors should follow based on the form of payment selected:17
  - Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. In the OBI field, enter the FRN(s) captioned above and the letters "FORF". In addition, a completed Form 159<sup>18</sup> or printed CORES form<sup>19</sup> must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to RROGWireFaxes@fcc.gov on the same business day the wire transfer is initiated. Failure to provide all required information in Form 159 or CORES may result in payment not being recognized as having been received. When completing FCC Form 159 or CORES, enter the Account Number in block number 23A (call sign/other ID), enter the letters "FORF" in block number 24A (payment type code), and enter in block number 11 the FRN(s) captioned above (Payor FRN).<sup>20</sup> For additional detail and wire transfer instructions, go to https://www.fcc.gov/licensing-databases/fees/wire-transfer.
  - Payment by credit card must be made by using CORES at <a href="https://apps.fcc.gov/cores/userLogin.do">https://apps.fcc.gov/cores/userLogin.do</a>. To pay by credit card, log-in using the FCC Username associated to the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Manage Existing FRNs | FRN Financial | Bills & Fees" from the CORES Menu, then select FRN Financial and the view/make payments option next to the FRN. Select the "Open Bills" tab and find the bill number associated with the CD Acct. No. The bill number is the CD Acct. No. with the first two digits excluded (e.g., CD 1912345678 would be associated with FCC Bill Number 12345678). After selecting the bill for payment, choose the "Pay by Credit Card" option. Please note that there is a \$24,999.99 limit on credit card transactions.
  - Payment by ACH must be made by using CORES at <a href="https://apps.fcc.gov/cores/userLogin.do">https://apps.fcc.gov/cores/userLogin.do</a>. To pay by ACH, log in using the FCC Username associated to the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Manage Existing FRNs | FRN Financial | Bills & Fees" on the CORES Menu, then select FRN Financial and the view/make payments option next to the FRN. Select the "Open Bills" tab and find the bill number associated with the CD Acct. No. The bill number is the CD Acct. No. with the first two digits excluded (e.g., CD 1912345678 would be associated with FCC Bill Number 12345678). Finally, choose the "Pay from Bank Account" option. Please contact the appropriate financial institution to confirm the correct Routing Number and the correct account number from which payment will

<sup>&</sup>lt;sup>16</sup> *Id* 

 $<sup>^{17}</sup>$  For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #1).

<sup>&</sup>lt;sup>18</sup> FCC Form 159 is accessible at https://www.fcc.gov/licensing-databases/fees/fcc-remittance-advice-form-159.

<sup>&</sup>lt;sup>19</sup> Information completed using the Commission's Registration System (CORES) does not require the submission of an FCC Form 159. CORES is accessible at https://apps.fcc.gov/cores/userLogin.do.

<sup>&</sup>lt;sup>20</sup> Instructions for completing the form may be obtained at http://www.fcc.gov/Forms/Form159/159.pdf.

be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.

- 21. Event of Default. The Licensee agrees that an Event of Default shall occur upon: (a) the failure by the Licensee to pay the full amount of the Civil Penalty to the U.S. Treasury on or before the due date specified in paragraph 18 of this Consent Decree; or (b) the release of an order within thirty-six (36) months of the Effective Date by the Commission or Bureau, such as a Notice of Apparent Liability for Forfeiture that is uncontested or a Forfeiture Order, finding that the Licensee or any other entity owned, operated, or controlled by, or under common control with the Licensee violated the Commission's Underwriting Laws and/or the terms of this Consent Decree.
- 22. Interest, Charges for Collection, and Acceleration of Maturity Date. After an Event of Default has occurred under this Consent Decree, the then unpaid amount of the Civil Penalty and the Suspended Penalty shall accrue interest, computed using the U.S. Prime Rate in effect on the date of the Event of Default plus 4.75%, from the date of the Event of Default until payment in full. Upon an Event of Default, the then unpaid amount of the Civil Penalty and the Suspended Penalty, together with interest, any penalties permitted and/or required by the law, including but not limited to 31 U.S.C. § 3717 and administrative charges, plus the costs of collection, litigation, and attorneys' fees, shall become immediately due and payable, without notice, presentment, demand, protest, or notice of protest of any kind, all of which are waived by the Licensee.
- 23. <u>Waivers</u>. As of the Effective Date, the Licensee waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order. The Licensee shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or the Adopting Order, neither the Licensee nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and the Licensee shall waive any statutory right to a trial *de novo*. The Licensee hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act<sup>21</sup> relating to the matters addressed in this Consent Decree.
- 24. <u>Severability</u>. The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.
- 25. <u>Invalidity</u>. In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.
- 26. <u>Subsequent Rule or Order</u>. The Parties agree that if any provision of the Consent Decree conflicts with any subsequent Rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which the Licensee does not expressly consent) that provision will be superseded by such Rule or order.
- 27. <u>Successors and Assigns</u>. The Licensee agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.
- 28. <u>Final Settlement</u>. The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation.
- 29. <u>Modifications</u>. This Consent Decree cannot be modified without the advance written consent of both Parties.

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<sup>&</sup>lt;sup>21</sup> See 5 U.S.C. § 504; 47 CFR §§ 1.1501–1.1530.

- 30. **Paragraph Headings**. The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.
- 31. <u>Authorized Representative</u>. Each Party represents and warrants to the other that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.
- 32. <u>Counterparts</u>. This Consent Decree may be signed in counterpart (including electronically or by facsimile). Each counterpart, when executed and delivered, shall be an original, and all of the counterparts together shall constitute one and the same fully executed instrument.

Loyaan A. Egal
Chief
Enforcement Bureau
Date
Christopher Higgins
President
Payson Council for the Musical Arts, Inc
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