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

In the Matter of)	File No. MB/Pol. 230202
)	Acct. No. MB-202441430002
Townsquare Media, Inc., Parent Company of)	FRN: 0020136958
Licensees of Stations KLIX(AM), Twin Falls, ID)	Facility ID No. 3404
and KIDO(AM), Nampa, ID)	Facility ID No. 17396

ORDER

Adopted: January 17, 2024

Released: January 17, 2024

By the Chief, Media Bureau:

1. In this Order, we adopt the attached Consent Decree entered into by the Media Bureau (Bureau) and Townsquare Media, Inc. (Townsquare), parent company of the licensees of Stations KLIX(AM), Twin Falls, ID, and KIDO(AM), Nampa, ID. The Consent Decree resolves the Bureau's investigation into Townsquare's willful and repeated violations of sections 317(a) of the Communications Act of 1934, as amended, and 73.1212(a) of the Commission's rules, relating to on-air sponsorship identification announcements; and sections 315(e) of the Communications Act of 1934, as amended, and 73.1943 of the Commission's rules, relating to the maintenance of online political files. Pursuant to the Consent Decree, Townsquare agrees, among other things, to implement a comprehensive plan to ensure its future compliance with its sponsorship identification and online political file obligations, submit annual compliance reports to the Bureau through the remainder of the current license terms of the two stations, and pay a Civil Penalty to the United States Treasury in the total amount of \$500,000. This action reinforces the Bureau's commitment to ensuring compliance with sponsorship identification and online political file requirements.

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 Townsquare's compliance with its sponsorship identification and political file obligations.

3. In the absence of material new evidence relating to this matter, we do not set for hearing the question of Townsquare's basic qualifications to hold or obtain any Commission license or authorization.¹

4. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Act² and the authority delegated by sections 0.61(e) and 0.283 of the Commission's rules,³ the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.

5. **IT IS FURTHER ORDERED** that the above-captioned matter **IS TERMINATED.**

¹ See 47 CFR § 1.93(b).

² 47 U.S.C. § 154(i).

³ 47 CFR §§ 0.61(e), 0.283.

6. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent via e-mail to Kathleen A. Kirby, Esq., Wiley Rein LLP, counsel for Townsquare Media, Inc, at <u>kkirby@wiley.law</u>

FEDERAL COMMUNICATIONS COMMISSION

Holly Saurer Chief, Media Bureau

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)	Acct. No. MB-202441430002
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and KIDO(AM), Nampa, ID)	Facility ID No. 17396

CONSENT DECREE

1 The Media Bureau of the Federal Communications Commission and Townsquare Media, Inc. (Townsquare), parent company of the licensees of Stations KLIX(AM), Twin Falls, ID, and KIDO(AM), Nampa, ID (together, the Stations), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Media Bureau's investigation into Townsquare's willful and repeated violations of sections 317(a) of the Communications Act of 1934, as amended,¹ and 73.1212(a) of the Commission's rules,² relating to on-air sponsorship identification announcements; and sections 315(e) of the Communications Act of 1934, as amended,³ and 73.1943 of the Commission's rules,⁴ relating to the maintenance of online political files. The investigation revealed that Townsquare failed to provide on-air sponsorship identification announcements for multiple episodes of, and numerous advertisements promoting, a paid-for political program that Townsquare broadcast over the Stations from October 2021 to March 2023. The investigation further revealed that Townsquare failed over the same period of time to upload records of multiple episodes of the program featuring uses by legally qualified candidates for public office and communicating messages relating to political matters of national importance to the Stations' respective online political files. As set forth herein, to resolve this matter, Townsquare agrees to implement a comprehensive plan to ensure its future compliance with its sponsorship identification and online political file obligations, submit annual compliance reports to the Bureau through the remainder of the current license terms of the Stations, and pay a Civil Penalty to the United States Treasury in the total amount of \$500,000. This action reinforces the Bureau's commitment to ensuring compliance with sponsorship identification and online political file requirements.

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.⁵
- (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 Media Bureau of the Federal Communications Commission.
- (d) "Commission" and "FCC" mean the Federal Communications Commission and all of its bureaus and offices.

- ³ 47 U.S.C. § 315(e).
- ⁴ 47 CFR § 73.1943.
- ⁵ 47 U.S.C. § 151 et seq.

¹ 47 U.S.C. § 317(a).

² 47 CFR § 73.1212(a).

- (e) "Communications Laws" means collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which Townsquare is subject by virtue of its status as a Commission licensee.
- (f) "Covered Employees" means all managers, supervisors, employees, contractors, and agents of Townsquare at all broadcast stations of which Townsquare is and becomes the licensee who perform, supervise, oversee, or manage the performance of, duties that relate to Townsquare' responsibilities under the Communications Laws, the Sponsorship ID Rules, the Political File Rules, and this Consent Decree.
- (g) "Effective Date" means the date on which the Bureau releases an Adopting Order which adopts and incorporates this Consent Decree after it has been duly executed by the Parties.
- (h) "Investigation" means the investigation which the Bureau commenced on March 2, 2023, in File No. MB/Pol. 230202.
- (i) "Parties" means Townsquare and the Bureau, each of which is a "Party."
- (j) "Political File Rules" means the political file requirements set forth in in sections 315(e) of the Communications Act of 1934, as amended, and 73.1943 of the Commission's rules.
- (k) "Program" means the weekly program initially named "Red Wave Radio" and subsequently renamed "Keep Idaho Red," episodes of which were broadcast over Stations KLIX(AM) and KIDO(AM) between October 2021 and March 2023.
- (l) "Rules" means the Commission's regulations found in Title 47 of the Code of Federal Regulations.
- (m) "Sponsorship ID Rules" means the on-air sponsorship identification requirements set forth in sections 317(a) of the Communications Act of 1934, as amended, and 73.1212(a) of the Commission's rules.
- (n) "Townsquare" means Townsquare Media, Inc., and all of its affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest, including, but not limited to, Townsquare Radio Holdings, LLC; Townsquare Media Licensee of Utica/Rome, Inc.; Townsquare Media of Lafayette, LLC; Townsquare Media Licensee of St. Cloud, Inc.; Townsquare Media of El Paso, Inc.; Townsquare Media of Grand Rapids, Inc.; Townsquare Media of Evansville/Owensboro, Inc.; Townsquare License, LLC; Townsquare Media of Flint, Inc.; Townsquare Media Licensee of Peoria, Inc.; Townsquare Media of Albany, Inc.; Townsquare Media Killeen-Temple License, LLC; Townsquare Media of Fort Collins, Inc.; Townsquare Media of Buffalo, Inc.; and Townsquare Media Presque Isle License, LLC.

II. BACKGROUND

A. Legal Background

3. Sponsorship Identification. Beginning with the Radio Act of 1927, broadcast stations have been required to identify on-air the sponsor of any paid program material that they broadcast.⁶ When Congress adopted the Communications Act of 1934, and created the Federal Communications Commission, it incorporated into section 317 almost verbatim the same requirement that stations provide on-air sponsorship identification announcements.⁷ Since that time, the Commission has continued to underscore the need for transparency and disclosure to the public about the true identity of a program's sponsor. The Commission has explained that its sponsorship identification requirements are "grounded in

⁶ Radio Act of 1927, Pub. L. No. 69-632, 44 Stat. 1162, 1170 § 19 (repealed 1934).

⁷ See 47 U.S.C. § 317.

the principle that listeners and viewers are entitled to know who seeks to persuade them \dots .^{'8} When broadcasters air paid-for programming without disclosing the program's sponsor, they can mislead the public.⁹

4. The Commission's sponsorship identification requirements are set forth in sections 317(a)(1) of the Act and 73.1212(a) of the Commission's rules. Specifically, section 317(a)(1) of the Act provides in part:

All matter broadcast by any radio station for which any money, service or other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person¹⁰

Section 73.1212(a) of the Commission's rules, which implements section 317(a)(1), further provides in part:

When a broadcast station transmits any matter for which money, service, or other valuable consideration is either directly or indirectly paid or promised to, or charged or accepted by such station, the station, at the time of the broadcast, shall announce: (1) That such matter is sponsored, paid for, or furnished, either in whole or in part, and (2) By whom or on whose behalf such consideration was supplied¹¹

5. In the case of any political matter that is broadcast for which a station receives or is promised valuable consideration, an on-air sponsorship identification announcement must be provided at the beginning and end of the broadcast if the program is more than five minutes in duration.¹² However, if the program is five minutes or less in duration, only one such on-air sponsorship identification announcement need be made at the beginning or end of the broadcast.¹³

6. *Political Files.* More than 80 years ago the Commission promulgated its first political file rule requiring stations to maintain and make available for public inspection information about political advertising.¹⁴ Such disclosure was – and is – intended to further the First Amendment's goal of fostering an informed electorate that is able to evaluate the validity of messages and hold accountable the interests that disseminate political advocacy.¹⁵

7. The Bipartisan Campaign Reform Act of 2002 (BCRA)¹⁶ amended section 315 of the Act by codifying the Commission's long-established record-keeping requirement¹⁷ for each request for the purchase political advertising time that "is made by or behalf of a legally qualified candidate for public office."¹⁸ The BCRA further amended section 315 of the Act by expanding record-keeping requirements

¹⁰ 47 U.S.C. § 317(a).

¹¹ 47 CFR § 73.1212(a).

12 47 CFR § 73.1212(d).

¹³ Id.

¹⁴ In the Matter of Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations, Second Report and Order, 27 FCC Rcd 4535, 4537 (2012), citing 3 Fed. Reg. 1691 (1938).

¹⁵ 27 FCC Rcd at 4543.

¹⁶ Pub. L. No. 107-155, 116 Stat. 81 (2002) (BCRA).

¹⁷ See 47 CFR § 73.1943(a).

¹⁸ 47 U.S.C. § 315(e)(1)(A).

⁸ See, e.g., Commission Reminds Broadcast Licensees, Cable Operators and Others of Requirements Applicable to Video News Releases and Seeks Comment on the Use of Video News Releases by Broadcast Licensees and Cable Operators, Public Notice, 20 FCC Rcd 8593, 8593-94 (2005).

⁹ Cumulus Radio LLC, et. al, Forfeiture Order, 36 FCC Rcd 738 (2021).

to include each request for the purchase of political advertising time that "communicates a message relating to any political matter of national importance, including (i) a legally qualified candidate; (ii) any election to Federal office; or (iii) a national legislative issue of public importance."¹⁹ This latter category of requests are commonly referred to as "issue ads." In 2022, the Commission amended its rules consistent with the Bipartisan Campaign Reform Act of 2002.²⁰

8. Section 315(e)(3) of the Act requires broadcast stations to place information about each request for the purchase of political broadcast time into their political files "as soon as possible."²¹ In addition, section 73.1943(d) of the rules expressly states that the phrase "as soon as possible" means "immediately, absent unusual circumstances."²² The timeliness of placing information into political files (particularly, records about candidate-requests for the purchase of broadcast time) is *critical* because, among other things, it directly affects the statutory rights of opposing candidates to request equal opportunities and present their positions to the public prior to an election.²³

9. For decades, broadcast stations were required to maintain physical copies of their public inspection files – of which political files are a part – at a location in their community of license.²⁴ However, in 2012 the Commission adopted rules requiring television stations to transition their public and political inspection files to an online, Commission-hosted database,²⁵ and in 2016 the Commission did likewise for radio stations and other licensees.²⁶

10. In adopting online disclosure rules for TV, the Commission emphasized the importance of maintaining online political files:

[P]lacing the political file online will enable candidates, as well as the public, journalists, educators, and the research community, to identify and investigate those sponsoring political advertisements. Under current rules, the political file must contain, among other things, all specific requests for broadcast time made by or on behalf of a candidate and the disposition of those requests. It must also contain information regarding other appearances by candidates (excluding those in certain news programming exempt from the equal opportunities provision), and information about issue advertising that "communicates a message relating to any political matter of national importance." As noted by some commenters, political ad spending is rapidly increasing, and often the only way to track such expenditures is through stations' political files. . . As the Supreme Court stated in *Citizens United v. FEC*, "transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages" and that, "[w]ith the advent of the Internet, prompt disclosure of expenditures can provide shareholders and citizens with the information needed to hold corporations and elected officials accountable for

²¹ 47 U.S.C. § 315(e)(3).

²² 47 CFR § 73.1943(d). Bureau staff has informally interpreted the term, "immediately, absent unusual circumstances" to mean "within one business day" after a request for the purchase of broadcast time is made.

²³ Pursuant to section 73.1941(c) of the rules, candidates have one week from an opponent's initial "use" to request equal opportunities. 47 CFR § 73.1941(c). The failure by a station to promptly upload information about each "use" denies requesting candidates the notice they need to assert their statutory rights to equal opportunities in a timely manner.

²⁴ See 47 CFR § 73.3526.

²⁵ See Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations, Second Report and Order, 27 FCC Rcd 4535 (2012).

²⁶ See Expansion of Online Public File Obligations to Cable and Satellite TV Operators and Broadcast and Satellite Radio Licensees, Report and Order, 31 FCC Rcd 526 (2016).

¹⁹ 47 U.S.C. § 315(e)(1)(B).

²⁰ *Revisions to Political Programming and Record Keeping Rules*, Report and Order, 87 FR 7748 (published Feb. 10, 2022).

their positions and supporters."27

11. Furthermore, when the Commission extended the online political file requirement to radio stations and other licensees, it took the opportunity to remind them about the importance of uploading records of requests for the purchase of broadcast time in an expeditious manner, stating that the "contents of the political file are time-sensitive. Therefore, it is essential that there be no delay in posting political file materials to the online file."²⁸

B. Factual Background

12. Townsquare is a publicly-traded media company (NYSE: TSQ) with principal offices in Purchase, NY.²⁹ Through its wholly-owned subsidiaries, it is the licensee of more than 350 commercial radio stations across the United States.³⁰ In the third quarter of 2023, Townsquare reported net revenues of \$115.1 million.³¹

13. The Investigation revealed that for nearly one and a half years (from early October 2021 to late March 2023), the Stations broadcast a one-hour episode of, and 30-second advertisements promoting, the Program. The format of each episode nominally resembled a news interview/public affairs program produced and presented by the Stations. In fact, however, all episodes of the Program were paid political presentations. Townsquare was paid to broadcast episodes of the Program and related advertisements initially by and on behalf of the Idaho Republican Party, and later by Tom Luna on behalf of a company doing business as Tom Luna and Associates. The hosts of each episode (Tom Luna and Victor Miller, chairman of the Ada County (Idaho) Republican Party) were solely responsible for producing the Program, including selecting guests and determining program content. Neither station provided any on-air Sponsorship ID announcements for the vast majority of the episodes or promotional advertisements that they aired revealing to listeners the true nature of the broadcasts and the identity of those who paid for them. In addition, multiple episodes of the Program contained appearances that constituted uses by legally qualified candidates for public office and communicated messages relating to political matters of national importance. Neither station uploaded records of any such candidate uses or messages to their respective online political files.

14. To resolve the Bureau's Investigation, the Parties now enter into this Consent Decree under the terms and conditions specified below.

III. TERMS OF AGREEMENT

15. <u>Adopting Order</u>. This Consent Decree shall be incorporated by the Bureau in an Adopting Order.

16. **Jurisdiction**. Townsquare agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree. Townsquare further agrees that the Bureau has the authority to enter into and adopt this Consent Decree.

17. <u>Effective Date</u>. The Parties agree that this Consent Decree shall become effective on the Effective Date, as defined herein. The Parties further agree that, as of the Effective Date, this Consent

²⁹ <u>https://otp.tools.investis.com/clients/us/tsm/SEC/sec-</u> show.aspx?FilingId=16647381&Cik=0001499832&Type=PDF&hasPdf=1

²⁷ Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations, Second Report and Order, 27 FCC Rcd 4535, 4543-4544 (2021) (footnotes omitted).

²⁸ Expansion of Online Public File Obligations to Cable and Satellite TV Operators and Broadcast and Satellite Radio Licensees, Report and Order, 31 FCC Rcd 526, para. 27 (2016).

³⁰ <u>https://www.townsquaremedia.com/equity-investors</u>

³¹ https://otp.tools.investis.com/clients/us/tsm/SEC/secshow.aspx?FilingId=17042623&Cik=0001499832&Type=PDF&hasPdf=1

Decree shall have the same force and effect as any other order of the Commission.

18. **Termination of Investigation**. 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. In consideration for the termination of the Investigation, Townsquare 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 Townsquare concerning the matters that were the subject of the Investigation, or to set for hearing the question of Townsquare' basic qualifications to be a Commission licensee or hold Commission licenses or authorizations based on the matters that were the subject of the Investigation.³² Townsquare acknowledges and agrees that nothing herein prevents the Bureau or Commission from instituting any new proceedings against Townsquare during the term of this Consent Decree concerning any matters that were not the subject of the Investigation.

19. <u>Admission of Liability</u>. Townsquare admits that its conduct described above in Paragraph 13 of this Consent Decree constituted willful and repeated violations of sections 315(e) and 317(a) of the Communications Act of 1934, as amended; and sections 73.1212(a) and 73.1943 of the Commission's rules.

20. <u>Compliance Officer</u>. Townsquare agrees that, within 30 calendar days after the Effective Date, it shall retain the services of an independent corporate governance, consulting, law or accounting firm to serve as a Compliance Officer that will fully and completely discharge the duties set forth below, provided that no such firm shall have had any professional relationship with Townsquare during any time between August 26, 2020, and August 15, 2023. The firm retained as the Compliance Officer shall, on behalf of Townsquare, be responsible for developing, implementing, and administering the Compliance Plan and ensuring that Townsquare 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 all duties under this Consent Decree, the Compliance Officer shall have specific knowledge of the Sponsorship ID Rules and Political File Rules prior to assuming such duties.

21. <u>Compliance Plan</u>. Townsquare agrees that, within 60 calendar days after the Effective Date, the Compliance Officer shall, on behalf of Townsquare, develop, implement, and administer a Compliance Plan designed to ensure Townsquare's future compliance with the Communications Laws, the Sponsorship ID Rules, Political File Rules and with the terms and conditions of this Consent Decree. The Compliance Plan shall be applicable to all broadcast stations of which Townsquare is and becomes the licensee during the term of this Consent Decree.

- 1. The Compliance Plan shall contain, at a minimum, the following components:
- (a) <u>Operating Procedures</u>. The Compliance Plan shall contain Operating Procedures that all Covered Employees must follow to ensure Townsquare' compliance with the Sponsorship ID Rules and the Political File Rules. The Operating Procedures shall include internal procedures and policies specifically designed to ensure that Townsquare complies with the Sponsorship ID Rules and the Political File Rules.
- (b) <u>Compliance Manual</u>. The Compliance Plan shall include a Compliance Manual that the Compliance Officer has distributed to all Covered Employees. The Compliance Manual shall explain fully and completely the Sponsorship ID Rules and the Political File Rules and include the Operating Procedures that Covered Employees shall follow. The Compliance Officer shall periodically review and revise the Compliance Manual as necessary to ensure that the information set forth therein remains current and accurate. The Compliance Officer shall distribute any revisions to the Compliance Manual promptly to all Covered Employees.

³² See 47 CFR § 1.93(b).

(c) <u>Compliance Training Program</u>. The Compliance Plan shall contain a comprehensive Compliance Training Program for all Covered Employees regarding compliance with the Sponsorship ID Rules and the Political File Rules. As part of the Compliance Training Program, the Compliance Officer shall advise all Covered Employees of Townsquare's obligation to report any noncompliance with the Sponsorship ID Rules and the Political File Rules under Paragraph 22 of this Consent Decree and shall instruct Covered Employees on how to disclose noncompliance to the Compliance Officer and Townsquare. The Compliance Officer shall train all Covered Employees pursuant to the Compliance Training Program within 75 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 30 calendar days after the date such person becomes a Covered Employee. The Compliance Officer 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.

22. <u>**Reporting Noncompliance</u>**. Townsquare agrees that it shall report any noncompliance with the Sponsorship ID Rules and the Political File Rules and with the terms and conditions of this Consent Decree within 15 calendar days after discovery of such noncompliance at all stations of which Townsquare is and becomes the licensee. Such reports shall include a detailed explanation of: (i) each instance of noncompliance; (ii) the steps that Townsquare 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 Townsquare has taken or will take to prevent the recurrence of any such noncompliance. All reports of noncompliance shall be submitted to Robert Baker, Policy Division, Media Bureau, Federal Communications Commission, at <u>Gary.Schonman@fcc.gov</u>; and Sima Nilsson, Policy Division, Media Bureau, Federal Communications Commission, at <u>Sima.Nilsson@fcc.gov</u>.</u>

23. <u>Compliance Reports</u>. Townsquare agrees that it shall submit Compliance Reports to the Commission 90 calendar days after the Effective Date and thereafter annually on the anniversary of the Effective Date up to and including the Termination Date, as that term is defined below.

- (a) Each Compliance Report shall include a detailed description of Townsquare's efforts during the preceding period to comply with the terms and conditions of this Consent Decree and the Sponsorship ID Rules and the Political File Rules. In addition, each Compliance Report shall include a certification by the Compliance Officer, as an agent of and on behalf of Townsquare, stating that the Compliance Officer has personal knowledge that Townsquare:
 (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 22 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.³³
- (c) If the Compliance Officer is unable to provide the requisite certification, the Compliance Officer, as an agent of and on behalf of Townsquare, 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 Townsquare 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 Townsquare has taken or will take to prevent the recurrence of any such noncompliance, including the schedule on which such preventive action will be taken.

³³ 47 CFR § 1.16.

(d) All Compliance Reports shall be submitted via email to: Robert Baker, Policy Division, Media Bureau, Federal Communications Commission, at <u>Robert.Baker@fcc.gov</u>; Gary Schonman, Policy Division, Media Bureau, Federal Communications Commission, at <u>Gary.Schonman@fcc.gov</u>; and Sima Nilsson, Policy Division, Media Bureau, Federal Communications Commission, at <u>Sima.Nilsson@fcc.gov</u>.

24. <u>Termination Date</u>. The Parties agree that this Consent Decree and the requirements herein shall expire on the date that the grant of the next license renewal application for Station KLIX(AM) or for Station KIDO(AM) becomes final, whichever is later.

25. **Civil Penalty**. Townsquare agrees that it shall pay a Civil Penalty to the United States Treasury in the total amount of \$500,000. The Parties acknowledge that the amount of this Civil Penalty payment takes into consideration the factors set forth in section 503(b)(2)(E) of the Act.³⁴ including Townsquare's ability to pay. Townsquare agrees to pay the Civil Penalty in consecutive quarterly installments (each an Installment Payment) of \$30,000 each, until the Civil Penalty is paid in full. Townsquare agrees that each Installment Payment shall be due and received by the United States Treasury on or before the first day of each calendar quarter (Due Date), with the first such Installment Payment due and received by the United States Treasury on or before the first day of the first full month after the Effective Date. Townsquare acknowledges and agrees that upon execution of this Consent Decree, the Civil Penalty and each Installment Payment shall become a "Claim" or "Debt" as defined in 31 U.S.C. § 3701(b)(1).³⁵ Upon an Event of Default, as defined below, all procedures for collection as permitted by law may, at the Commission's discretion, be initiated. On the date each Installment Payment is made, Townsquare shall send notification of the payment via email to: Robert Baker, Assistant Chief, Policy Division, Media Bureau, Federal Communications Commission, at Robert.Baker@fcc.gov; Gary Schonman, Special Counsel, Policy Division, Media Bureau, Federal Communications Commission, at Gary, Schonman@fcc.gov; and Sima Nilsson, Attorney-Advisor, Policy Division, Media Bureau, Federal Communications Commission, at Sima.Nilsson@fcc.gov.

26. Below are payment instructions that Townsquare shall follow based on the form of payment it has selected:³⁶

- 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 159³⁷ or printed Commission Registration System (CORES) form³⁸ must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to <u>RROGWireFaxes@fcc.gov</u> 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).³⁹ 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 <u>https://apps.fcc.gov/cores/userLogin.do</u>. To pay by credit card, log-in using the FCC

³⁶ For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #1).

³⁷ FCC Form 159 is accessible at <u>https://www.fcc.gov/licensing-databases/fees/fcc-remittance-advice-form-159.</u>

³⁸ Information completed using the Commission's Registration System (CORES) does not require the submission of an FCC Form 159. CORES is accessible at <u>https://apps.fcc.gov/cores/userLogin.do</u>.

³⁹ Instructions for completing the form may be obtained at <u>http://www.fcc.gov/Forms/Form159/159.pdf</u>.

³⁴ 47 U.S.C. § 503(b)(2)(E).

³⁵ Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (Apr. 26, 1996).

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 https://apps.fcc.gov/cores/userLogin.do. 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 be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.

27. **Event of Default**. Townsquare agrees that an Event of Default shall occur upon the failure by Townsquare to pay the full amount of any Installment Payment by the Due Date specified in this Consent Decree.

28. Interest, Charges for Collection, and Acceleration of Maturity Date. Townsquare agrees that after an Event of Default has occurred under this Consent Decree, the then unpaid amount of the Civil 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, 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 Townsquare.

29. <u>Waivers</u>. Townsquare agrees that, as of the Effective Date, it waives any and all rights it may otherwise 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 Parties agree that Townsquare shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. The Parties further agree that 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 Townsquare nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and Townsquare shall waive any statutory right to a trial *de novo*. Townsquare agrees to waive any claims it may otherwise have under the Equal Access to Justice Act⁴⁰ relating to the matters addressed in this Consent Decree.

30. <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.

31. <u>Invalidity</u>. The Parties agree that 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

⁴⁰ See 5 U.S.C. § 504; 47 CFR §§ 1.1501–1.1530.

used in any manner in any legal proceeding.

32. <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 Townsquare does not expressly consent) that provision will be superseded by such Rule or order.

33. **Successors and Assigns**. Townsquare acknowledges and agrees that this Consent Decree and all of the obligations, terms and conditions herein shall be binding on its successors, assigns, and transferees, and on the successors, assigns, and transferees of all broadcast stations of which it is and becomes the licensee.

34. **<u>Final Settlement</u>**. The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between them with respect to the Investigation.

35. <u>Modifications</u>. The Parties agree that this Consent Decree may not be modified without the advance written consent of both Parties.

36. **<u>Paragraph Headings</u>**. The Parties agree that 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.

37. <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.

38. <u>Counterparts</u>. The Parties agree that 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.

Holly Saurer Chief, Media Bureau

Date

Townsquare Media, Inc.

Date