

BODISEN BIOTECH, INC
Form 10-Q
May 16, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 000-31539

BODISEN BIOTECH, INC.
(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

98-0381367
(I.R.S. Employer Identification No.)

Room 2001, FanMei Building
No. 1 Naguan Zhengjie
Xi'an, Shaanxi
People's Republic of China
(Address of Principal Executive Offices)

710068

(Zip Code)

852-2482-5168
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer.

Accelerated filer.

Smaller reporting company.

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Non-accelerated filer. (Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares outstanding of each of the issuer's classes of common stock as of May 13, 2011: 21,510,250.

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BODISEN BIOTECH, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	March 31, 2011 (unaudited)	December 31, 2010 (audited)
ASSETS		
CURRENT ASSETS:		
Cash & cash equivalents	\$ 1,739,699	\$ 3,675,209
Accounts receivable and other receivable, net of allowance for doubtful accounts of \$1,015,933 and \$1,005,992	4,413,915	4,499,673
Other receivables	23,151	9,185
Note receivable	1,527,000	1,517,000
Inventory	1,712,321	1,198,134
Advances to suppliers	976,048	665,765
Prepaid expense and other current assets	12,971	8,598
Total current assets	10,405,105	11,573,564
PROPERTY AND EQUIPMENT, net	22,633,610	22,870,340
MARKETABLE SECURITY, AVAILABLE-FOR-SALE	4,037,180	8,780,867
INTANGIBLE ASSETS, net	4,799,535	4,813,409
TOTAL ASSETS	\$41,875,430	\$ 48,038,180
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 1,252,826	\$ 1,256,681
Accrued expenses	164,766	811,181
Deferred revenue	1,255,992	1,615,865
Note payable	1,527,000	-
Total current liabilities	4,200,584	3,683,727
Long-term note payable	-	1,517,000
TOTAL LIABILITIES	4,200,584	5,200,727
STOCKHOLDERS' EQUITY:		
Preferred stock, \$0.0001 per share; authorized 5,000,000 shares; nil issued and outstanding	-	-
Common stock, \$0.0001 per share; authorized 30,000,000 shares; issued and outstanding 21,510,250	2,151	2,151
Additional paid-in capital	35,345,542	35,345,542
Accumulated other comprehensive income	10,704,056	15,225,304
Statutory reserve	4,314,488	4,314,488
Retained Earnings	(12,691,391)	(12,050,032)

Total stockholders' equity	37,674,846	42,837,453
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$41,875,430	\$ 48,038,180

The accompanying notes are an integral part of these consolidated financial statements

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BODISEN BIOTECH, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF OPERATIONS AND
 OTHER COMPREHENSIVE INCOME (LOSS)

Net revenue

Cost of revenue

Gross profit

Operating expenses

Selling expenses

General and administrative expenses

Total operating expenses

Loss from operations

Non-operating income (expense):

Other income (expense)

The persons named below have been nominated for election as directors at the Annual Meeting. The directors who are elected at the Annual Meeting of Stockholders and the election and qualification of their successors. It is intended that the two persons named in the first part of the list will be elected by the holders of Class A Common Stock voting as a separate class with each share of Class A Common Stock entitled to one vote and each share of Class B Common Stock entitled to ten votes. The two persons named in the second part of the list will be elected by the holders of the Class A Common Stock and Class B Common Stock voting as a single class, with each share of Class A Common Stock entitled to one vote and each share of Class B Common Stock entitled to ten votes. Under the General Corporation Law, directors are elected by a plurality of the votes of the shares present in person or represented by proxy. The director nominees receiving the highest number of FOR votes will be elected as directors.

The following nominees are members of the present Board: Clarke R. Brown, Jr.; Timothy J. Clarke; Edward K. Christian; Roy G. Hines; and Gary G. Stevens. Each of the nominees for director has consented to being named a nominee in this proxy statement and has consented to being elected at the Annual Meeting. If, due to circumstances not now foreseen, any of the nominees named below will not be available to serve, the Board may vote for such other person or persons as the Board may select.

The following table provides information as of the date of this proxy statement about each nominee. The information presented below regarding each nominee's specific experience, qualifications, attributes, and skills that led our Board to believe that each nominee can serve as a director, we also believe that all of our director nominees, as required by our Corporate Governance Guidelines, possess the highest professional ethics, integrity and values and are committed to representing the long-term interests of the stockholders as a whole. Each nominee has demonstrated business acumen as well as a commitment of service to our Board.

The Board recommends a vote **FOR** each of the following

Name and Age	Principal Occupation During the Past Five Years	Director Since
Directors to be elected by holders of Class A Common Stock:		
Roy F. Coppedge III, 68	Senior Advisor, BV Investment Partners (formerly Boston Ventures Management) from 2012 to present. From 1983 to 2012, Mr. Coppedge was Managing Director of BV Investment Partners. We believe that Mr. Coppedge's qualifications to sit on our Board include his more than twenty-five years in the private equity investment industry, primarily at a firm that has made investments in seventy-eight private companies that have operated in the specific industries: media, communications, broadcasting, entertainment, and information and business services.	June 2013

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Name and Age	Principal Occupation During the Past Five Years	Director
David B. Stephens, 70	<p>Consultant from November 2010 to present; Senior Strategy Consultant of Northern Trust Bank from November 2009 to November 2010; business consultant primarily to non-profit corporations (June 2008 – November 2009); President and CEO of St. John Hospital and Medical Center (June 2007 – June 2008); Interim President and CEO of St. John Hospital and Medical Center (October 2006 – June 2007); former Chairman of Board of Trustees of St. John Hospital and Medical Center (June 2006 – June 2008); business consultant (March 2004 – October 2006); Executive Vice President of Comerica Inc. and Comerica Bank in charge of private banking division (1994 – 2004).</p> <p>We believe that Mr. Stephens' qualifications to sit on our Board include his lengthy business experience, including ten years as executive officer of a major regional bank, responsible for strategy decisions and complete management of core business units, and his more recent experience as executive officer of one of the largest healthcare organizations in Michigan with similar responsibilities.</p>	May 200
Directors to be elected by holders of Class A and Class B Common Stock, voting together:		
Edward K. Christian, 71	<p>President, CEO and Chairman of Saga Communications, Inc. and its predecessor since 1986.</p> <p>We believe that Mr. Christian's qualifications to sit on our Board include his more than forty years of professional service in the broadcast industry, including his more than twenty-five years as our founder and our Chairman, CEO, and President.</p>	March 1
Timothy J. Clarke, 71	<p>President and Owner, Clarke Company from 1987 to present.</p> <p>We believe that Mr. Clarke's qualifications to sit on our Board include his more than twenty-five years in the advertising and public relations industry, including seventeen as president of a formerly full service advertising and public relations agency servicing markets that included radio and television.</p>	Decemb
Clarke R. Brown, Jr., 75	<p>Retired; President of Jefferson-Pilot Communications Company from 1991 to June 2005.</p> <p>We believe that Mr. Brown's qualifications to sit on our Board include his thirty-eight years in the broadcast industry, including fourteen years as President of the radio division of a then-public company.</p>	July 200
Gary G. Stevens, 76	<p>Managing Director, Gary Stevens & Co. (a media broker) since 1988. From 1977 to 1985, Mr. Stevens was Chief Executive Officer of the broadcast division of Doubleday & Co. From 1986 to 1988, Mr. Stevens was a Managing Director of the then Wall Street investment firm of Wertheim, Schroder & Co.</p>	July 199

The Board recommends a vote FOR each of the following nominees:

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Name and Age	Principal Occupation During the Past Five Years	Director
	We believe that Mr. Stevens' qualifications to sit on our Board include his more than fifty years in the broadcast industry, including eight as chief executive officer of a major broadcast group. In addition, his experience as a managing director of an investment firm and his knowledge of capital and finance are of significant value to the Company.	

CORPORATE GOVERNANCE

We are committed to having sound corporate governance principles. Having such principles is essential to maintaining our integrity and ensuring that we are managed for the long-term benefit of our stockholders. Our business affairs are conducted under the direction of our management for the success and continuity of our business through the selection of a qualified management team. It is also responsible for ensuring that our business is conducted in a responsible and ethical manner.

Our Corporate Governance Guidelines, Code of Business Conduct and Ethics, and charters for both the Finance and Audit Committees are posted on the Investor Relations Corporate Governance page of our website at www.sagacommunications.com any stockholder upon written request to our corporate Secretary at our corporate headquarters.

We are a controlled company under the NYSE MKT's corporate governance listing requirements because more than 50% of our Common Stock (Class A and Class B shares) is held by Mr. Christian, our President, CEO, and Chairman. Mr. Christian owns 63.6% of the voting power of our Class A and Class B Common Stock (63.6% including Class B Common Stock reserved for issuance upon the exercise of options to those matters on which Class B Common Stock is entitled to ten votes per share. As such, we are not required: (i) to have a majority of independent directors, (ii) to have the compensation of our CEO determined or recommended to a board of directors by a compensation committee of independent directors or by a majority of the independent directors on such board of directors, or (iii) to have director nominations either selected or approved by a majority of independent directors. If any of the requirements of independent directors' selection, by either a nominating committee comprised solely of independent directors or by a majority of the independent directors, are required, we have, as disclosed below, adhered to (i) and (ii) above.

Board of Directors

Director Independence

Our Board has determined that Mr. Brown, Mr. Clarke, Mr. Coppedge, Mr. Stephens, and Mr. Stevens are independent directors under the NYSE MKT's listing requirements and based on the Board's application of the standards of independence set forth in our Corporate Governance Guidelines. Following the election of directors, and following the election of directors at the Annual Meeting, independent directors constituted, and will constitute, a majority of the Board.

Board Meetings; Lead Director

Our Board held a total of seven meetings during 2015. Each incumbent director attended at least 75% of the total number of meetings. Each incumbent director also served on one or more committees of the Board on which he served during 2015. Although not required, three of our directors attended the 2015 Annual Meeting. Our Board has designated the longest serving independent member of the Board, Mr. Stevens, as the Lead Director to preside at all executive sessions of the Board.

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Communications with the Board

Stockholders and interested parties may communicate with the Board or any individual director by sending a letter to Saga Corporation, Grosse Pointe Farms, Michigan 48236, Attention: Lead Director (or any individual director or directors). The CFO or the Controller shall receive all correspondence and forward it to the Lead Director or to the individual director or directors to whom the communication is addressed. The Secretary and the Lead Director are authorized to review, sort and summarize all communications received prior to their presentation to the Board or the individual directors to whom the communication is addressed. If such communications are not a proper matter for Board attention, such communications shall be referred to the appropriate department. For example, stockholder requests for materials or information will be referred to the appropriate department.

Corporate Governance Guidelines

Our Corporate Governance Guidelines, along with certain charters of the Board's committees, provide the framework under which the Board and its committees will operate. The Corporate Governance Guidelines address the functions and responsibilities of our Board and provide a consistent set of principles for the Board to follow while performing their duties. The Corporate Governance Guidelines are consistent with the corporate governance requirements of the Sarbanes-Oxley Act of 2002 and the NYSE MKT's listing requirements. Our Corporate Governance Guidelines address, among other things, the following:

- the director qualification and independence standards;
- the duties and responsibilities of the Board and management;
- the frequency of regular meetings of the independent directors;
- how persons are nominated by the Board for election as directors;
- the limitations on Board service;
- the principles for determining director compensation;
- the organization and basic function of Board committees;
- the annual compensation review of the CEO and other executive officers;
- the Board's responsibility for maintaining a management succession plan;
- director access to senior management and the ability of the Board and its committees to engage independent advisors;
- the annual evaluation of the performance of the Board and its committees.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics applies to all of our directors, officers, and employees, including the CEO, CFO, and Controller. The Code of Business Conduct and Ethics addresses those areas in which we must act in accordance with law or regulation, and also establishes guiding principles that will assist us in our commitment to adhere to the highest ethical standards and to conduct our business in a responsible and ethical manner. Any amendments to the Code of Business Conduct and Ethics applying to, as well as any waivers granted to, the CEO, CFO, Controller, or persons performing similar functions relating to the code of ethics definition enumerated in Item 406(b) of Regulation S-K under the Securities Exchange Act of 1933, will be disclosed on our website.

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Board Committees and Their Functions

Our Board has a Finance and Audit Committee and a Compensation Committee. The charters of the Finance and Audit Committee and the Compensation Committee are available on our website.

Finance and Audit Committee

The members of the Finance and Audit Committee currently consist of Messrs. Coppedge, Stephens, and Clarke. Mr. Stephens is the Chairman of the Finance and Audit Committee. The Board designated Mr. Stephens as an audit committee financial expert as that term is defined in the Securities Exchange Act of 1934. All members of the Finance and Audit Committee are independent as required by the rules of the SEC and the NYSE MKT. The Finance and Audit Committee is responsible for retaining and overseeing our independent registered public accounting firm and approving our financial statements, overseeing our financial reporting process, accounting principles, the integrity of our financial statements, and our system of internal controls. The Finance and Audit Committee is also responsible for overseeing our legal and regulatory compliance. The Finance and Audit Committee operates under a written charter. The Finance and Audit Committee held six meetings in 2014. A copy of the Finance and Audit Committee Report is included in the Compensation Committee Report below.

Compensation Committee

The Compensation Committee consists of Messrs. Brown and Stevens, each of whom is independent under the NYSE MKT. Mr. Brown is the Chairman of the Compensation Committee. The Compensation Committee is responsible for making a recommendation of the compensation of executive officers, and such recommendation will then be presented to the Board for final determination. With respect to the compensation of executive officers, the CEO provides input and makes recommendations to the Compensation Committee, the Compensation Committee makes a recommendation to the Board, and the Board decides the compensation to be paid to such executive officers. The Compensation Committee also reviews and makes recommendations to the Board for the Board's approval with respect to such review.

The Compensation Committee is also responsible for administering our stock plans, our Second Amended and Restated 2005 Incentive Compensation Plan, and the Chief Executive Officer Annual Incentive Plan, as amended (CEO Plan), except that the CEO Plan has not been retained by the Board. The Compensation Committee has delegated to management certain day-to-day operational activities related to the administration of the compensation plans. The Compensation Committee operates pursuant to a written charter. The Compensation Committee Report is included in the Compensation Committee Report below.

Under its charter, the Compensation Committee has the authority to retain and terminate any independent legal, financial, or other consultant to carry out its responsibilities without conferring with or obtaining the approval of management or the Board. This authority includes the authority to terminate any compensation consultant used to assist in evaluation of director, CEO, or executive officer compensation. Under its charter, the Compensation Committee is authorized to provide the Compensation Committee with sufficient funding to exercise its authority.

Director Nomination Process

The Board does not have a nominating committee. Rather, due to the size of the Board and the Board's desire to be involved in the process, the whole identifies and evaluates each candidate for director, and will recommend a slate of director nominees to the stockholders for election. Stockholders may recommend nominees for election as directors by writing to the corporation.

Criteria and Diversity

In considering whether to recommend any candidate for inclusion in the Board's slate of recommended nominees, the Board considers a number of factors, including relevant management and/or industry experience; high personal and professional ethics, integrity and values; a commitment to diversity; and other factors.

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interests of our stockholders as a whole rather than special interest groups or constituencies; independence pursuant to the NYS willingness to devote sufficient time to carrying out his or her duties. The Company's Corporate Governance Guidelines also have a Board representing a diverse experience in areas that are relevant to the Company's activities. All of our directors have experience which they use to provide valuable advice and direction in connection with their oversight of the Company. Every responsible for leading and managing his company's operations. With respect to the nomination of continuing directors for re to the Board are also considered. The Company believes that the backgrounds and qualifications of the directors provide a significant knowledge and abilities that permit the Board to fulfill its oversight responsibilities. Nominees are not selected or discriminated on the basis of national origin, disability, race, religion, sexual orientation, or any other basis proscribed by

Identifying Director Nominees; Consideration of Nominees of the Stockholders

While the Board does not have a charter detailing the director nomination process, the Board may employ a variety of methods to identify and evaluate potential nominees. The Board regularly assesses the size of the Board, the need for particular expertise on the Board, and whether any vacancies are due to retirement or otherwise. In the event that vacancies are anticipated, or otherwise arise, the Board considers various potential sources that may come to the Board's attention through current Board members, professional search firms, stockholders, or other persons. These potential candidates may be considered at special meetings of the Board, and may be considered at any point during the year.

The Board will consider candidates recommended by stockholders when the nominations are properly submitted. The deadlines for the submissions of director nominees are described below under "Stockholder Proposals and Director Nominations for Annual Meetings." In addition to the stockholder status of persons recommending candidates, the Board makes an initial analysis of the qualifications of any candidate and compares them pursuant to the criteria summarized above to determine whether the candidate is qualified for service on the Board before proceeding with the evaluation of the candidate. If any materials are provided by a stockholder or professional search firm in connection with the nomination, such materials are forwarded to the Board as part of its review. Other than the verification of compliance with procedures and stockholder status performed by the Board, a potential candidate nominated by a stockholder is treated like any other potential candidate during the nomination process.

Board Leadership Structure

The Board believes that the Company's CEO is best situated to serve as Chairman because he is the director most familiar with the Company and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. The Chairman oversees the Company's day-to-day operations and is in the best position to bring his ideas to the independent directors. The independent directors bring their experience, oversight, and expertise to bear in determining the strategies and priorities the Company should follow. The Board believes that the Chairman and CEO promotes the best interests of the Company and makes the best use of the expertise of the Chairman/CEO in addressing the challenges facing the Company, the opportunities available to the Company, and the operations of the Company. Together, the independent directors develop the strategic direction of the Company. Once developed, management is accountable for the execution of the Company's strategy. It is the appropriate balance of having a fully informed Chairman and independent oversight. In connection with this, the Company's Corporate Governance Guidelines provide that the independent directors shall meet at least annually in executive session without management or non-independent directors. One independent member of the Board is designated as the "Lead Director" and will preside at such meetings. The Corporate Governance Guidelines provide that if an actual or potential conflict of interest arises for a director, the director shall promptly inform the CEO and the Lead Director. The Corporate Governance Guidelines provide, as set forth in further detail above, that stockholders wishing to contact the Board may address their concerns to the Lead Director (or any individual director).

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The Board's Role in Risk Oversight

The Board's role in the Company's risk oversight process includes receiving regular reports from members of senior management of the Company, including operational, financial, legal, regulatory, and strategic (with respect to the Company as a whole and with respect to each station which each station is located). The Board receives these reports from the appropriate officer within the organization to ensure compliance with the Company's Governance Guidelines, to assess the major risks facing the Company and review options for their mitigation. The Finance and Audit Committee's charter, is required to discuss policies with respect to risk assessment and risk management in the context of the Company's financial statements and financial reporting process. During the meeting of the Board, the Chairman or any other member of the Finance and Audit Committee will lead an applicable discussion relating to risk to the Board.

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FINANCE AND AUDIT COMMITTEE REPORT

The information contained in this report shall not be deemed to be soliciting material or filed with the SEC or subject to the Securities Exchange Act, except to the extent that we specifically incorporate it by reference into a document filed under the Securities Exchange Act or the Exchange Act.

Our management is responsible for the preparation, presentation, and integrity of our financial statements, the accounting and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations, and is responsible for an integrated audit of our financial statements and internal control over financial reporting. The integrated auditors are responsible for our consolidated financial statements and an opinion on the effectiveness of the Company's internal control over financial reporting. The Finance and Audit Committee's responsibility is generally to monitor and oversee these processes.

In performing its oversight function, the Finance and Audit Committee:

Met to review and discuss our audited financial statements for the year ended December 31, 2015 with our management and the independent auditors. Discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (SAS No. 61, *Standards*, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T; and Received the written disclosures and the letter from the independent auditors required by the applicable requirements of the Public Company Accounting Board regarding the independent auditors' communications with the Finance and Audit Committee concerning independence, and the auditors' independence with them.

While the Finance and Audit Committee has the responsibilities and powers set forth in its charter, it is not the duty of the Finance and Audit Committee to conduct audits or to determine that the Company's financial statements are complete and accurate and in accordance with generally accepted accounting principles.

This is the responsibility of management. The independent registered public accounting firm is responsible for planning and performing the audit.

Based upon the reports and discussions described in this report, and subject to the limitations on the role and responsibilities referred to above and in its charter, the Finance and Audit Committee recommended to the Board that the audited financial statements be included in the Company's Report on Form 10-K for the year ended December 31, 2015 for filing with the SEC.

Finance and Audit Committee

David B. Stephens (Chair), Roy F. Coppedge III, and Timothy J. Clarke

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PROPOSAL 2 TO RATIFY APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Finance and Audit Committee has appointed UHY LLP ("UHY") to be our independent registered public accounting firm for 2016. In December 2011, the Finance and Audit Committee entered into an engagement agreement with Ernst & Young LLP ("E&Y") to audit our financial statements and internal controls over financial reporting for the years ending December 31, 2012, 2013, 2014, 2015, and 2016. The Company, after completing a competitive process to determine what audit firm would serve as the Company's independent registered public accounting firm for the year ended December 31, 2015, the Finance and Audit Committee determined to dismiss E&Y as its independent registered public accounting firm immediately following the Company's filing of its Quarterly Report on Form 10-Q for the quarter ending June 30, 2015. On August 7, 2015, the Company filed its Second Quarter 10-Q and dismissed E&Y as its independent registered public accounting firm.

The reports of E&Y on the Company's consolidated financial statements as of and for the years ended December 31, 2014 and 2013, did not include an opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the years ended December 31, 2014 and 2013, and through August 7, 2015, there were no (a) disagreements with E&Y on accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to E&Y's satisfaction, would have caused the subject matter thereof in connection with its reports for such years; or (b) reportable events, as described under Item 304(a)(2) of Regulation S-K.

Also as previously disclosed, contemporaneous with the determination to dismiss E&Y, the Finance and Audit Committee determined to appoint UHY as an independent registered public accounting firm for the year ended December 31, 2015, also to be effective immediately following the filing of the Company's Second Quarter 10-Q. On August 7, 2015, the Company filed its Second Quarter 10-Q and its engagement of UHY as the Company's independent registered public accounting firm became effective. During the years ended December 31, 2014 and 2013 and the subsequent interim period through August 7, 2015, the Company has not consulted UHY regarding any of the matters or events set forth in Item 304(a)(2) of Regulation S-K.

Pursuant to the Finance and Audit Committee's charter, each year the Finance and Audit Committee appoints the Company's independent registered public accounting firm. Among other things, the independent auditor's independence, its services, and its fees for audit and non-audit services. As part of its duties, the Finance and Audit Committee appointed UHY to be our independent registered public accounting firm for the fiscal year ending December 31, 2015.

The Board is asking the stockholders to ratify the appointment of UHY. The holders of the Common Stock will vote together as a single class. Class A Common Stock entitled to one vote and each share of Class B Common Stock entitled to ten votes. In accordance with the Company's charter, the appointment will be ratified by a majority vote of the shares entitled to vote thereon present in person or represented by proxy. If stockholder ratification of the appointment is not required, if the stockholders do not ratify the appointment, the Finance and Audit Committee will proceed in its decision to appoint the independent registered public accounting firm for 2017.

The Finance and Audit Committee and the Company's Board believe that the retention of UHY as the Company's independent registered public accounting firm is in the best interest of the Company and its shareholders. Representatives of UHY are expected to be present at the Annual Meeting of the Company on August 11, 2015, to make a statement if they desire to do so and will respond to appropriate questions of stockholders.

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The following table presents the fees paid by us for professional services rendered by our former independent registered public accountants for the fiscal years ended December 31, 2015 and 2014.

Fee Category	2015 Fees	2014 Fees
Audit fees	\$ 81,500	\$ 30,000
Audit-related fees	\$	\$ 1,000
Tax fees	\$	\$ 6,000
All other fees	\$ 2,000	\$ 3,000
Total fees	\$ 83,500	\$ 40,000

The following table presents the fees paid by us for professional services rendered by our current independent registered public accountants for the fiscal year ended December 31, 2015.

Fee Category	2015 Fees	2014 Fees
Audit fees	\$ 284,644	\$
Audit-related fees	\$ 15,000	\$
Tax fees	\$ 45,669	\$ 2,000
All other fees	\$	\$
Total fees	\$ 345,313	\$ 2,000

Audit Fees

Audit fees were for professional services rendered and expenses related to the audit of our consolidated financial statements, and the interim consolidated financial statements included in quarterly reports.

Audit-Related Fees

Audit-related fees were for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under audit fees. These services include employee benefit plan audits, accounting consultations concerning financial accounting and reporting standards.

Tax Fees

Tax fees were for professional services for federal, state and local tax compliance for the Company's income tax returns.

All Other Fees

All other fees were support fees for on-line research and information tools.

Policy for Pre-Approval of Audit and Non-Audit Services

The Finance and Audit Committee's policy is to pre-approve all audit services and all non-audit services that our independent auditor provides under applicable federal securities regulations. As permitted by the applicable regulations, the Finance and Audit Committee's policy is to require pre-approval on a case-by-case basis of individual engagements of the independent auditor and pre-approval of certain categories of non-audit services.

dollar thresholds that are reviewed by the Finance and Audit Committee. Specific pre-approval is mandatory for the annual f
among others. The Finance and Audit Committee has delegated to the Chair of the Finance and Audit Committee the authority
that the Chair reports any decisions to the Finance and Audit Committee at its next scheduled m

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The pre-approval policy was implemented effective as of May 6, 2003, as required by the applicable regulations. All engagements to perform any audit services and non-audit services since that date have been pre-approved by the Finance and Audit Committee under the policy. The policy has not been waived in any instance.

The Board recommends a vote FOR ratification of the appointment of UHY LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016.

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis outlines our compensation objectives and policies for our executive officers. It also describes our compensation decisions, the data we use, and the reasoning behind the decisions that we make.

Following the Compensation Discussion and Analysis are tables and other information that explain the compensation for our executive officers and of the potential compensation of our executive officers following termination of employment under different circumstances.

These tables and narratives assist us in communicating our compensation plans to our stockholders.

Administration and Oversight

The Compensation Committee (under this heading, the "Committee") is comprised solely of independent directors. The responsibility for the management compensation programs and the compensation of our executive officers. In 2015, the Committee was responsible for the compensation of the CEO without management present. With respect to the compensation of the other executive officers, the Committee receives recommendations to the Committee, and the Committee then made a recommendation to the Board. The Board decides the compensation of executive officers; however, bonuses and performance criteria with respect to the CEO under the CEO Plan are determined by the Board. The Committee is responsible for administering the 2005 Incentive Compensation Plan and the CEO Plan.

Executive Compensation Objectives and Policies

The Committee believes that in order to maximize stockholder value, we must have a compensation program designed to attract and retain executive officers at levels in the organization. The objective of the management program is to both reward short-term performance and motivate long-term performance. Management's incentives are aligned with the interests of the stockholders. The Committee believes that management at all levels should have a meaningful participation in the ownership of our Company, although no specific target level of equity holdings has been established for management. In the past, the Committee has awarded both restricted stock and options in the past, since the downturn in the economy in 2009, the Company has not awarded restricted stock or options in 2009, 2010, 2011, and 2012. In March 2013, we engaged Towers Watson Pennsylvania Inc., a subsidiary of Towers Watson, a professional services company (Towers Watson) to advise us with respect to possible grants of stock options and/or restricted stock under the Compensation Plan. In November 2013, we awarded our named executive officers 30,859 shares of restricted stock (which amount includes 19,636 shares of Class A Common Restricted Stock and 19,636 shares of Class B Common Restricted Stock), and in December 2014, we awarded our named executive officers 30,113 shares of restricted stock (which amount includes 9,854 shares of Class A Common Restricted Stock and 30,113 shares of Class B Common Restricted Stock). In 2015, we awarded our named executive officers 40,508 shares of restricted stock (which amount includes 11,024 shares of Class A Common Restricted Stock and 29,484 shares of Class B Common Restricted Stock).

We attempt to achieve our objectives through compensation plans that tie a portion of our executives' overall compensation to the performance of our Company, which is competitive with the marketplace. To that end, the Committee reviews the proxy statements of other public companies in the same industry. The compensation of its executive officers is generally in line, and with respect to the executive officers other than the CEO, the Committee also compares the compensation of the CEO. However, the Committee does not benchmark compensation of our executive officers to the compensation paid to the CEO of other public companies in the same industry. Other public companies that the Committee has looked at in past years for comparison include American Express Company; Group, Inc.; CBS Corporation; CC Media Holdings, Inc.; Cumulus Media Inc.; Dial Global Inc.; Emmis Communications Company; Fisher Communications, Inc.; Journal Communications, Inc.; Radio One, Inc.; Sirius XM Radio Inc.; and Spanish Broadcasting System, Inc.

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The Committee's current policy is that the various elements of the compensation package are not interrelated in that gains or losses are factored into the determination of other compensation. For instance, if options that are granted in a previous year become unexercised, the Committee does not take that into consideration in determining the amount of the bonus, options or restricted stock to be granted the next year. Similarly, if restricted shares granted in a previous year become extremely valuable, the Committee does not take that into consideration in determining the amount of restricted stock to be awarded for the next year. In addition, the amount of a cash bonus does not affect the number of options or restricted stock to be awarded in a particular year.

We have certain rights with regard to the adjustment or recovery of certain incentive-based compensation awards or payments if the relevant performance measures upon which they are based are restated or otherwise adjusted in a manner that would affect the payment.

Consideration of 2014's Say On Pay Vote

Following our Annual Meeting of Stockholders in May 2014, the Committee reviewed the results of the stockholder advisory vote on the 2014 Say On Pay. The vote was held at the meeting with respect to the 2013 compensation of the named executive officers (2014 Say On Pay). More than 90% of the stockholders (including broker non-votes) were voted in support of the compensation of our named executive officers set forth in the Compensation Discussion and Analysis, Compensation Table and the related compensation tables and narratives in the 2014 proxy statement. After considering the results of the vote, which indicate that our stockholders overwhelmingly approve of our methodology for establishing compensation, as well as the results of the 2013 Compensation Discussion and Analysis, the Committee was encouraged in determining executive compensation as described in this Compensation Discussion and Analysis, the Committee was encouraged in determining executive compensation.

Compensation Components

The key components of our executive compensation program generally consist of a base salary and a cash bonus and participation in our Incentive Compensation Plan (pursuant to which stock options, restricted stock, and restricted stock units may be awarded). Our executives also participate in our 401(k) Plan and a deferred compensation plan. Our executives can invest in our Class A Common Stock through our 401(k) Plan, if applicable, through the award of grants of stock options and/or restricted stock under the 2005 Incentive Compensation Plan. From 2010, 2011, and 2012, there were no awards of stock options and/or restricted stock, while in 2013, 2014, and 2015, certain awards of stock options and/or restricted stock were made. In addition, our executive officers also receive certain health benefits and perquisites. In addition, pursuant to our employment agreement with our CEO, our CEO is eligible for severance following a sale or change-in-control. Our other executive officers also receive severance in connection with their employment.

Base Salary

On February 12, 2016, we entered into an amendment (the 2016 amendment) to the employment agreement with our CEO (the 2011 employment agreement), and together with the 2016 amendment, the amended 2011 employment agreement. The terms and conditions of the 2016 amendment are disclosed below under Compensation of Executive Officers Employment Agreement and Potential Payments. The Committee reviewed a January 2016 commissioned study by Equilar Inc., a provider of executive compensation data, comparing the compensation paid to the Chief Executive Officers of other public companies in the broadcast industry based on publicly available information. The study generally determining whether Mr. Christian's total compensation is in line with the marketplace. The Committee entered into the 2016 amendment, effective as of February 12, 2016, waiting until closer to the expiration of the CEO's 2011 employment agreement in order to provide stability to the Company and to provide certainty to Mr. Christian as to the future management of the Company during the next important period of Company operations. Pursuant to the 2016 amendment, the CEO's base salary to \$860,000 per year from \$750,000 per year. From this amount Mr. Christian agreed to a reduction of \$100,000 per year.

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salary taken by all of our employees, which reduction was reinstated for all employees, and Mr. Christian, in 2011 and 2012 below. Under the 2011 employment agreement, beginning on June 1, 2012, on each anniversary of the 2011 employment agreement, the Committee is to determine, in its discretion, the amount of any increase to the CEO's then existing annual salary provided that such increase shall not be less than the greater of 3% or the cost of living increase based on the consumer price index. Accordingly, based on the consumer price index, the CEO's 2012 base salary by 3.1% to \$886,660 effective June 1, 2012, and then increased the CEO's 2013 base salary by 3% to \$913,200 effective June 1, 2014, the Committee then increased the CEO's 2014 base salary by 3% to \$940,658. Pursuant to the 2011 employment agreement, on each anniversary date, the Committee is to determine, in its discretion, the amount of any increase to the CEO's then existing annual salary provided that such increase shall not be less than the greater of 4% or the cost of living increase based on the consumer price index.

In 2015, the CEO provided input and made recommendations to the Committee as to the base salaries of the other executive officers. The Committee then made its recommendation to the Board, which approved the recommendation. Following Board approval, salaries were increased on June 1, 2015 to \$380,000, \$340,000, \$205,000 and \$180,000 for Mr. Lada, Mr. Bobinski, respectively. In 2014, the CEO provided input and made recommendations to the Committee as to the base salaries of the other executive officers. The CEO recommended that base salaries in 2014 remain flat to those paid in 2013, and the Committee agreed. The Committee then made its recommendation to the Board, which agreed with the recommendation. In 2013, the CEO provided input and made recommendations to the Committee as to the base salaries of the other executive officers. The CEO recommended that base salaries in 2013 increase, and the Committee agreed. The Committee then made its recommendation to the Board, which agreed with the recommendation. Following Board approval, salaries were increased on June 1, 2013 to \$410,000, \$165,000 for Mr. Goldstein, who separated from employment with the Company effective March 24, 2015, Mr. Lada, Mr. Bobinski, respectively. Ms. Lobaito's salary was further increased to \$195,000 effective October 1, 2013. As noted above, effective February 1, 2012, the Company implemented a cost-cutting measure, implemented a 5% reduction in base salaries, including the base salaries of the executive officers. During the 5% reduction. Effective April 1, 2012, the Company restored the remaining 1.25%. See Compensation of Executive Officers Compensation below.

Bonuses

The Company entered into the CEO Plan effective as of January 1, 2000, which was approved by stockholders at the 2000 Annual Meeting and re-approved by stockholders at the 2005, 2010, and 2015 Annual Meetings of Stockholders. The CEO's amended 2011 employment agreement shall have the opportunity to earn an annual performance bonus pursuant to the terms of the CEO Plan and is also eligible for a bonus as determined by the Committee. Among other reasons, the use of performance driven requirements is designed to permit the bonus payments to be tax deductible under Section 162(m), which generally disallows a tax deduction to public corporations for compensation over \$1 million paid for any executive officers in the 2015 Summary Compensation Table. Under the CEO Plan, within ninety days after the beginning of the fiscal year, the CEO establishes the bonus opportunity for the CEO. The bonus opportunity is based on the achievement of one or more performance objectives, business strategies, and, if realized, provides for a total compensation generally in line with the total compensation paid to the CEO.

In March 2015, the Committee approved a broadcast cash flow (BCF) goal with four different BCF targets of \$42 million, \$45 million, \$48 million, and \$51 million, allowing for a possible award of \$500,000, \$600,000, \$700,000, and \$800,000, respectively, payable in cash and/or restricted stock. The Committee also approved Grants of Plan-Based Awards. The Committee determined that the CEO achieved the \$42 million target under the BCF goal, and the CEO received an aggregate cash bonus of \$500,000.

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\$500,000. The BCF target levels are selected to reward improvements in BCF. It is believed that the initial target level will be while the other targets will be more difficult to achieve.

The CEO provides input and makes recommendations to the Committee as to the bonuses to be paid to the other executive officers. In light of the 2015 performance of the executive officers, he recommended that 2015 bonuses remain flat to those paid in 2013 and 2014 whose 2015 bonuses were \$5,000 more than the bonuses they received in 2014 and 2013, and the Committee agreed. Mr. Goldstein, with the Company effective March 24, 2015, was not awarded a 2015 or 2014 bonus. The Committee then made such recommendations for final approval, and the Board agreed. See Compensation of Executive Officers 2015 CEO and Executive Officers.

Long Term Incentives

In 2005, we engaged Towers Watson (then Towers Perrin) to conduct a review of our long-term incentive plan and provide recommendations for redesigning our plan. We did not request, and Towers Watson did not conduct, a review of our long-term incentive award opportunities. The purpose of the review was to determine a long-term strategy for providing an effective equity incentive package which would attract and retain executive officers. Based on Towers Watson's recommendations, we developed a new strategy to award a combination of stock options and restricted stock. We adopted the 2005 Incentive Compensation Plan, subject to stockholder approval. Stockholders approved this Plan at the 2005 Annual Meeting of Stockholders and re-approved it at the 2010 Annual Meeting of Stockholders and by written consent in 2011.

In June 2008, the Committee determined that it would only award restricted stock pursuant to the 2005 Incentive Compensation Plan. It had not been an effective strategy, as previously granted options were generally underwater, and stock options had the potential to dilute the number of shares than by granting only restricted stock. In 2009, 2010, 2011, and again in 2012, the Committee initially, because of the economy and broadcast industry in 2009, and subsequently because of the uneven strength of the recovery, decided to not award stock options.

In March 2013, we engaged Towers Watson to again advise us with respect to possible grants of stock options and/or restricted stock pursuant to the 2005 Incentive Compensation Plan, and in November 2013 and December 2014, we awarded our named executive officers certain shares of restricted stock. We awarded 40,508 total shares of restricted stock to certain named executive officers as follows: Ms. Bobinski, 1,796 shares; Mr. Goldstein, 1,796 shares; Ms. Lobaito, 2,045 shares; and Mr. Christian, 29,484 shares (all awards comprise Class A Common Stock, except that Mr. Christian's award is Class B Common Stock). The shares vest in one-third increments on November 6, 2016, 2017, and 2018, if the named executive officer is employed on the occurrence of the date. All such awards of restricted stock, however, shall vest if the named executive officer is an employee on the occurrence of a change-in-control.

Stock options have been granted with exercise prices equal to the closing price on the NYSE MKT of a share of Class A Common Stock. Stock options have pro-rata vesting at the end of each of the following five years from the date of grant. Restricted stock has been granted with pro-rata vesting at the end of each of the following five years from the date of grant, and with pro-rata vesting at the end of each of the following three years from the date of grant. Stock options and restricted stock relate to Class B Common Stock and the other executive officers awards of stock options and restricted stock relate to Class A Common Stock.

Only Mr. Christian or an affiliate of Mr. Christian holds Class B Common Stock. An affiliate includes (i) any person who controls or is under common control with Mr. Christian, (ii) any corporation or organization in which Mr. Christian is an officer or director, (iii) 10% of more of the voting securities (other than the Company or a majority-owned subsidiary of the Company), (iii) a trust or other entity in which Mr. Christian has a substantial beneficial interest or as to which he serves as trustee or in a similar fiduciary capacity, or (iv) any relative or spouse of Mr. Christian, or such spouse, who has the same home as Mr. Christian or who is a director or officer of the Company or any of its subsidiaries. Any unvested stock option and restricted stock award upon ceasing employment.

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401(k) Plan

Our 401(k) Plan is available to substantially all of our full-time employees, including our executive officers. Under the 401(k) Plan, at the beginning of each quarter a fixed percentage of their base salary to be deferred and included in their 401(k) accounts. We make matching contributions to all participants' accounts, up to a maximum of \$1,000. The matching portion of the Company's contributions is made in our Class A Common Stock, with the participant having the option to transfer the investment to another investment option. However, we determined that a discretionary match would not be made for the 2010 or 2011 plan years. Discretionary matches were made for the 2009 plan years. All participants have the opportunity to invest their deferred amounts in our Class A Common Stock. The feature that allows executives to purchase our Class A Common Stock is designed to align their interests with stockholders.

Deferred Compensation Plans

In 1999 and 2005, we established nonqualified deferred compensation plans which allow executive officers and certain employees to defer up to 15% (but not less than \$2,500) of their base salary for each calendar year in which the base salary or bonus is earned, to defer up to 15% (but not less than \$2,500) of their base salary on a pre-tax basis, until their retirement or termination. The deferred amounts are periodically credited with investment returns by the Company. We do not have any obligations to participants in the plans, although we are not obligated to reserve funds to pay deferred amounts or, if we do so, to invest the funds. We may, in our discretion, purchase policies of life insurance on the lives of the participants to assist us in paying the deferred amounts. The retirement or termination benefit to be paid by us to a participant is the cumulative amount of compensation deferred by the participant plus investment returns thereon. The 2005 deferred compensation plan is substantially identical to the 1999 plan except for certain modifications.

The 2005 deferred compensation plan is Code. Any contributions made after 2004 are made pursuant to the 2005 deferred compensation plan. We have created grantor trusts to hold the assets of the plans. All assets of the trusts are dedicated to the payment of deferred compensation under the respective plans. In each case the assets are available to our creditors.

Health Plans and Perquisites

We provide our executive officers with certain benefits and perquisites. These benefits and perquisites are designed to attract and retain executive officers and include basic life insurance and medical and dental insurance equal to that provided to other employees. In addition, executive officers are eligible for a split dollar life insurance plan and a long term care plan. Executive officers are also eligible for car allowances and medical reimbursement. The CEO receives personal use of our private airplane, personal tax consulting and tax return preparation fees, and country club dues. We provide a total compensation package which is competitive with the marketplace for executive officers. Under the amended employment agreement, the CEO's employment is terminated for any reason, other than for cause, we have agreed to continue to provide health insurance commensurate with all health insurance and medical reimbursement programs that are maintained by us for current employees. We will maintain in force all existing life insurance policies for a period of ten years.

Severance Arrangements

As discussed in more detail in the section below entitled "Compensation of Executive Officers - Employment Agreement and Change-in-Control," the CEO's amended 2011 employment agreement has change-in-control severance arrangements. In addition, we have determined to enter into change-in-control agreements with its executive officers. The agreements are intended to help retain executive officers during consolidation and are designed to attract and retain senior managers and to provide for continuity of management in the event of a change in control.

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Our CEO's amended 2011 employment agreement provides that following the sale or transfer of control of all or substantial consummation of a merger or consolidation in which we are not the surviving corporation, the CEO shall have the right to terminate his employment upon a change-in-control, he will be paid an amount equal to 2.99 times the average of his total annual compensation for each of the twelve consecutive months, plus an additional amount as is necessary for applicable tax liabilities related to the payment. See **Payments Upon Termination or Change-in-Control**.

With respect to the other executive officers, the change-in-control agreements provide that we shall pay a lump sum payment upon a change-in-control of 1.5 times the average of the executive's last three full calendar years of such executive's base salary. The surviving entity may require as a condition to receipt of payment that the executive continue in employment for a period of up to six months following the change-in-control. During such six months, the executive will continue to earn his pre-existing salary.

Compensation Committee Report

We have reviewed and discussed the foregoing Compensation Discussion and Analysis with management. Based on our review, the Compensation Committee has recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and in our annual report for the year ended December 31, 2015.

Compensation Committee

Gary G. Stevens, Chairman
Clarke R. Brown, Jr.

Notwithstanding anything to the contrary set forth in any of the Company's previous filings under the Securities Act or the Securities Exchange Act of 1934, including this proxy statement in whole or in part, the foregoing Compensation Committee Report shall not be incorporated by reference into the Company's annual report for the year ended December 31, 2015.

Compensation Committee Interlocks and Insider Participation

The members of the Compensation Committee during the 2015 fiscal year included Mr. Stevens (Chairman) and Mr. Brown. Neither Mr. Stevens nor Mr. Brown was an officer or employee of the Company at any time during the 2015 fiscal year or at any other time an officer or employee of the Company, and no member of this Compensation Committee was an officer or employee of the Company requiring disclosure under Item 404 of Regulation S-K. No executive officer of the Company has served on the compensation committee of any other entity that has or has had one or more executive officers who served as a member of the Board or the Compensation Committee of the Company during the 2015 fiscal year.

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The following table sets forth the total compensation awarded to, earned by, or paid during 2015, 2014, and 2013 to our compensated executive officers other than the CEO and CFO as of December 31, 2015 whose total compensation for 2015 was less than \$1,000,000:

2015 Summary Compensation Table

Name and Principal Position	Year	Salary ⁽¹⁾ \$	Bonus ⁽¹⁾ \$	Stock Awards ⁽³⁾ \$	Non-Equity Incentive Awards ⁽⁴⁾ \$	All Other Compensation \$	Total Compensation \$
Edward K. Christian President and CEO	2015	\$956,938	\$ (2)	\$1,182,014	\$ 500,000 (2)	\$134,947	\$2,673,901
	2014	\$929,066	\$ (2)	\$1,147,606	\$ 450,000 (2)	\$142,808	\$2,570,480
	2013	\$902,006	\$ (2)	\$913,270	\$ 650,000 (2)	\$127,694	\$2,593,070
Samuel D. Bush, Senior Vice President and CFO	2015	\$335,769	\$35,000	\$135,985	\$	\$36,604	\$546,358
	2014	\$330,000	\$35,000	\$132,013	\$	\$40,370	\$537,383
	2013	\$327,095	\$35,000	\$131,995	\$	\$36,025	\$530,115
Steven J. Goldstein, ⁽⁶⁾ Former Executive Vice President and Group Program Director	2015	\$97,769	\$	\$	\$	\$321,473	\$419,242
	2014	\$410,000	\$	\$	\$	\$46,144	\$456,144
	2013	\$403,371	\$65,000	\$163,994	\$	\$43,991	\$616,356
Warren S. Lada, Executive Vice President of Operations	2015	\$375,769	\$50,000	\$151,981	\$	\$36,626	\$613,376
	2014	\$370,000	\$45,000	\$147,981	\$	\$40,170	\$603,151
	2013	\$350,171	\$45,000	\$147,995	\$	\$40,301	\$583,467
Marcia K. Lobaito, Senior Vice President, Corporate Secretary and Director of Business Affairs	2015	\$200,769	\$35,000	\$81,984	\$	\$44,069	\$361,822
	2014	\$195,000	\$30,000	\$95,542	\$	\$44,127	\$364,669
	2013	\$172,168	\$30,000	\$77,997	\$	\$40,742	\$320,907
Catherine A. Bobinski, Senior Vice President Finance, Chief Accounting Officer and Corp. Controller	2015	\$173,654	\$30,000	\$72,002	\$	\$34,985	\$310,641
	2014	\$165,000	\$30,000	\$66,007	\$	\$30,723	\$291,730
	2013	\$159,145	\$30,000	\$65,998	\$	\$35,474	\$290,617

- Includes amounts deferred under the Company's 401(k) Plan, the 2005 deferred compensation plan, and the CEO's amended 401(k) Plan, all of the matching funds were used to purchase 22 shares of Class A Common Stock in 2013 for each named executive officer. In 2014, all of the matching funds were used to purchase 23 shares of Class A Common Stock in 2014 for each named executive officer. In 2015, all of the matching funds were used to purchase 24 shares of Class A Common Stock in 2015 for each named executive officer.
- (1) The entire bonus awarded to Mr. Christian in 2015, 2014 and 2013 was based on his having satisfied the BCF performance goals as disclosed under the column entitled "Non-Equity Incentive Plan Comp."
- (2) Includes restricted stock awarded on November 13, 2015, December 4, 2014, and November 6, 2013, respectively. See "Liquidity and Capital Resources" above.
- (3) Discussion and Analysis

(4)

No options were awarded in 2015, 2014 or 2013.

- With respect to Mr. Christian, perquisites include personal use of Company provided automobile, country club dues, medical insurance in an executive medical plan, personal tax consulting and tax return preparation fees, and personal use of a private airplane in 2015 and 2013, Mr. Bush, Ms. Lobaito and Ms. Bobinski received perquisites for personal use of Company provided automobile, and expense reimbursements. In 2015, until his separation from employment with the Company effective March 24, 2015, and 2014, Mr. Christian received perquisites for personal use of Company provided automobile and related reimbursements for automobile insurance, housing expense reimbursements. Perquisites are valued based on the aggregate incremental costs to the Company. In addition, in each of 2015, 2014 and 2013, Mr. Christian received life insurance (including split dollar) premiums for
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Mr. Christian, Mr. Bush, Mr. Goldstein, Mr. Lada, Ms. Lobaito and Ms. Bobinski in the amounts of \$51,806, \$11,806, \$452, \$12,694, \$3,031, \$13,846, \$17,518 and \$11,974, respectively. In 2015, Mr. Goldstein received \$307,503 pursuant to a consulting connection with his separation from employment with the Company effective March 24, 2015.

(6) Mr. Goldstein's employment with the Company as Executive Vice President and Group Program Director terminated effective March 24, 2015. The information included in this proxy statement with respect to Mr. Goldstein is based solely on the Company's records and Forms 3, 4 and 8.

2015 CEO and Executive Officer Compensation

In 2015, our most highly compensated executive officer was Mr. Christian, Chairman, President, and CEO. Mr. Christian received a bonus of \$956,938 in 2015 that was determined based on his 2011 employment agreement. Mr. Christian earned the bonus of \$500,000 in 2014.

BCF performance goals established by the Compensation Committee pursuant to the 2011 employment agreement and CEO's 2011 employment agreement constitute qualified, performance-based compensation under Section 162(m). See Base Salary and Bonuses under Compensation Discussion and Analysis.

Based on the CEO's subjective review of the 2015 performance of the other executive officers, the CEO recommended that 2015 bonuses be paid to Mr. Bush, Mr. Goldstein, Mr. Lada, Ms. Lobaito and Ms. Bobinski for 2013 and 2014, except for Mr. Lada and Ms. Lobaito whose 2015 bonuses were \$5,000 more than the bonuses they received in 2014. Mr. Goldstein, who separated from employment with the Company on March 24, 2015, was not awarded a 2015 or 2014 bonus. See Base Salary and Bonuses under Compensation Discussion and Analysis.

Grants of Plan-Based Awards

The following table sets forth information concerning equity and non-equity incentive plan awards made to each of the named executive officers during 2015.

2015 Grants of Plan-Based Awards

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾		
		Threshold (\$)	Target 1 (\$)	Target 2 (\$)	Maximum Awards (\$)	Threshold (#)	Maximum (#)
Edward K. Christian	March 2, 2015	500,000	600,000	700,000	800,000		
	November 13, 2015					29,484	29,484
Samuel D. Bush	November 13, 2015					3,392	3,392
Steven J. Goldstein ⁽³⁾							
Warren S. Lada	November 13, 2015					3,791	3,791
Marcia K. Lobaito	November 13, 2015					2,045	2,045

Catherine A. Bobinski	November 13, 2015	1,796	1,796
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The table shows the potential amounts which could have been earned in 2015 if the performance goals were achieved at the (1) 100% of target 2, and at maximum bonus. Mr. Christian satisfied the threshold award. See Bonuses under Compensation CEO and Executive Officer Compensation sections of this proxy statement.

The table shows the potential number of shares which could be earned on the grant of restricted stock which vest in one-third 2017, and 2018, if the reporting person is an employee on the applicable date. All such restricted stock, however, shall vest (2) on the occurrence or deemed occurrence of a change-in-control. All restricted stock awards comprise Class A Common Stock awarded to Mr. Christian comprises Class B Common Stock. See Long Term Incentives under Compensation Discussion Executive Officer Compensation sections of this proxy statement. There were no grants of options in 2015.

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(3) Mr. Goldstein separated from employment with the Company as Executive Vice President and Group Program Director effective December 31, 2015. The information included in this proxy statement with respect to Mr. Goldstein is based solely on the Company's records and Forms 3, 4 and 5.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information as of December 31, 2015 regarding unexercised options and restricted stock that have been granted to the named officer outstanding as of December 31, 2015:

Outstanding Equity Awards at Fiscal Year-End

Name	Option Awards ⁽¹⁾				Stock Awards ⁽²⁾	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Stock Units (\$) ⁽³⁾
Edward K. Christian						
5/18/2007	8,226		\$ 28.47	5/18/2017		\$
11/6/2013			\$		6,546	\$ 25
12/4/2014			\$		20,075	\$ 77
11/13/2015			\$		29,484	\$ 1,1
Samuel D. Bush						
5/18/2007	4,610		\$ 28.47	5/18/2017		\$
11/6/2013			\$		946	\$ 36
12/4/2014			\$		2,309	\$ 88
11/13/2015			\$		3,392	\$ 13
Warren S. Lada						
5/18/2007	4,610		\$ 28.47	5/18/2017		\$
11/6/2013			\$		1,061	\$ 40
12/4/2014			\$		2,588	\$ 99
11/13/2015			\$		3,791	\$ 14
Marcia K. Lobaito						
5/18/2007	2,246		\$ 28.47	5/18/2017		\$
11/6/2013			\$		559	\$ 21
12/4/2014			\$		1,671	\$ 64
11/13/2015			\$		2,045	\$ 78
Catherine A. Bobinski						
5/18/2007	2,157		\$ 28.47	5/18/2017		\$
11/6/2013			\$		473	\$ 18
12/4/2014			\$		1,154	\$ 44
11/13/2015			\$		1,796	\$ 69

- (1) Option awards vest March 1 of each year for the five years following the date of the award, 20% per year. All stock option awards vest on the applicable date. All stock options awarded to Mr. Christian comprise Class B Common Stock, except that the stock options awarded to Mr. Christian comprise Class B Common Stock.
- (2) Restricted stock awarded on November 6, 2013 vest in one-third increments on November 6, 2014, 2015, and 2016, if the reporting person is an employee on the applicable date. Restricted stock awarded on December 4, 2014 vest in one-third increments on November 6, 2015, 2016, and 2017, if the reporting person is an employee on the applicable date. Restricted stock awarded on November 13, 2015 vest in one-third increments on November 13, 2016, 2017, and 2018, if the reporting person is an employee on the applicable date. All such restricted stock, however, shall vest if the reporting person is an employee on the applicable date.

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on the occurrence or deemed occurrence of a change-in-control. All restricted stock awards comprise Class A Common Stock, awarded to Mr. Christian comprises Class B Common Stock.

(3) The closing price of our Class A Common Stock on the NYSE MKT on December 31, 2015 was

Option Exercises and Stock Vested

The following table sets forth the options exercised by the named executive officers listed below in 2015 and the restricted stock which vested during the year ended December 31, 2015.

2015 Option Exercises and Stock Vested Table

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) ⁽¹⁾	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$) ⁽²⁾
Edward K. Christian	31,848	\$ 257,013	16,583	\$ 70,000
Samuel D. Bush	17,613	\$ 142,137	2,101	\$ 85,000
Steven J. Goldstein ⁽³⁾	27,119	\$ 325,293	2,351	\$ 98,000
Warren S. Lada	17,613	\$ 142,137	2,356	\$ 100,000
Marcia K. Lobaito	8,580	\$ 69,241	1,395	\$ 55,000
Catherine A. Bobinski	8,240	\$ 66,497	1,051	\$ 44,000

(1) The value realized on exercise is obtained by determining the difference between the market price of the Class A Common Stock on the date of exercise, minus the exercise price of the stock option, times the number of shares acquired on exercise. Upon exercise, Mr. Christian receives Class A Common Stock.

(2) The value realized on vesting is obtained by multiplying the number of shares of restricted stock which have vested during the year ended December 31, 2015, by the closing price of the Class A Common Stock on the vesting date. Mr. Christian receives restricted shares of Class B Common Stock.

(3) Mr. Goldstein separated from employment with the Company as Executive Vice President and Group Program Director on March 24, 2015. Pursuant to the terms of Mr. Goldstein's separation from the Company, all of the unvested Class A Common Restricted Stock awards held by Mr. Goldstein became fully vested as of March 24, 2015. The information included in this proxy statement with respect to Mr. Goldstein's restricted stock awards is based on the Company's records and Forms 3, 4 and 5 filed with the SEC.

Nonqualified Deferred Compensation

In 1999 and 2005, we established nonqualified deferred compensation plans which allow executive officers and certain employees to defer a portion of their base salary or bonus, on a pre-tax basis, until their retirement. The deferred amounts are invested in investment options offered under the plan. The 1999 plan also provides for the purchase policies of life insurance on the lives of the participants to assist the Company in paying the deferred compensation. The 2005 plan created model trusts to assist it in meeting its obligations under the plans. All investment assets under the plans are the property of the Company. The retirement benefit to be provided is based on the amount of compensation deferred and any earnings thereon. The 2005 plan is subject to the Employee Retirement Income Security Act of 1974, except for certain modifications to comply with Section 409A of the Code. Any contributions made after 2004 are made pursuant to the 2005 plan.

Under the plans, upon termination of the executive officer's employment with the Company, he or she will be entitled to receive the deferred compensation, in one lump sum. For amounts deferred prior to January 1, 2005, under the 1999 deferred compensation plan, upon a termination of employment, the executive officer will be entitled to receive the deferred compensation, in one lump sum.

purchased life insurance, the benefit payable shall equal the value of the participant's account multiplied by 1.5. Under the 20
participant's death, if the Company has

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purchased a life insurance policy on the life of a participant, the benefit payable shall equal the value of the participant's account increase to such account shall not exceed \$150,000. Upon a change-in-control of the Company, each participant shall be distributed their account in a lump sum. Mr. Christian does not participate in the plans.

Nonqualified Deferred Compensation Table

Name	Executive Contributions in Last FY (\$)	Registrant Contributions in Last FY (\$)	Aggregate Earnings (Loss) in Last FY (\$)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance in Last FY (\$)
Edward K. Christian	\$	\$	\$	\$	\$
Samuel D. Bush	\$ 16,789	\$	\$ (11,028)	\$	\$ 2
Steven J. Goldstein ⁽¹⁾	\$	\$	\$ (9)	\$ (5,647)	\$
Warren S. Lada	\$ 15,031	\$	\$ (7,601)	\$	\$ 5
Marcia K. Lobaito	\$ 31,615	\$	\$ (5,050)	\$	\$ 2
Catherine A. Bobinski	\$	\$	\$ (5,983)	\$	\$ 2

⁽¹⁾ Mr. Goldstein separated from employment with the Company as Executive Vice President and Group Program Director effective March 31, 2018. The information included in this proxy statement with respect to Mr. Goldstein is based solely on the Company's records and Forms 3, 4 and 5.

Employment Agreement and Potential Payments Upon Termination of Employment

CEO's Employment Agreement

On February 12, 2016, we entered into the 2016 amendment which amended certain terms in the 2011 employment agreement. The 2016 amendment extends Mr. Christian's employment with the Company to March 31, 2021. The 2011 employment agreement extends Mr. Christian's employment with the Company to March 31, 2018. Pursuant to the amended 2011 employment agreement, we pay Mr. Christian a salary at the rate of \$860,000 per year, as set forth in the next paragraph below. The amended 2011 employment agreement permits Mr. Christian to defer any or all of his annual salary. Pursuant to the amended 2011 employment agreement authorizes the Company to pay for Mr. Christian's tax preparation services on an annual basis, the amount of which shall be the amount of tax as additional compensation.

Pursuant to the 2011 employment agreement, commencing on June 1, 2012, and each anniversary thereafter, the Compensation Committee, in its discretion the amount of any increase in Mr. Christian's then existing annual salary provided, however, that such increase shall be a cost of living increase based on the consumer price index. Pursuant to the amended 2011 employment agreement, however, the amount of any increase in Mr. Christian's existing salary shall not be less than the greater of 4% or a cost of living increase based on the consumer price index. The amended 2011 employment agreement includes a provision providing for a bonus to be awarded to Mr. Christian at the discretion of the Compensation Committee.

The amended 2011 employment agreement also provides that Mr. Christian is eligible for stock options as shall be approved by the Compensation Committee. Mr. Christian is also eligible for bonuses in such amounts as shall be determined pursuant to the terms of the CEO Plan or as otherwise determined by the Compensation Committee based on the performance of the Company and the accomplishments of objectives established by the Compensation Committee.

Under the amended 2011 employment agreement, Mr. Christian is eligible to participate, in accordance with their terms, in the Company's life insurance, profit sharing, 401(k) Plan, pension, and such other employment benefits as are maintained by the Company or its subsidiaries while performing services. During the term of the employment agreement, the Company is required to maintain all existing policies, including the existing split dollar policy. The Company is also required to pay for Mr. Christian to participate in an executive non-qualified deferred compensation plan.

medical reimbursement policy. Under the amended 2011 employment agreement, Mr. Christian is also furnished with an automatic termination clause that has not been afforded him in the past or as were

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consistent with his position. In addition, under the amended 2011 employment agreement, the Company has agreed to maintain in Brevard County, Florida. The 2016 amendment increases the paid vacation time awarded to Mr. Christian on the anniversary date of the terms of the 2011 employment agreement, Mr. Christian had been entitled to four weeks of paid vacation. The amended 2011 employment agreement increases the paid vacation time awarded to Mr. Christian to six weeks of paid vacation.

The amended 2011 employment agreement terminates upon Mr. Christian's death and can be terminated by either party in the event of a continuous period of eight months, or an aggregate period of twelve months within any eighteen month period. The amended 2011 employment agreement provides for certain payments to Mr. Christian in the event of his death or disability. Under the amended 2011 employment agreement, upon death, his estate receives his then current base salary and any previously granted award becomes immediately vested. In the event of death under the 2011 employment agreement, Mr. Christian receives the accrued portion of any salary and bonus, and severance pay equal to twenty-four months. Whereas, in the event of disability under the 2011 employment agreement, Mr. Christian was entitled to six months. In addition, under the amended 2011 employment agreement, after the date of termination in the event of disability, any unvested awards granted to Mr. Christian by the Company become immediately 100% vested to the extent permitted by the agreement.

In addition, under the amended 2011 employment agreement, by a majority vote of the independent directors, we could terminate Mr. Christian's employment if he is convicted of a felony, willful misconduct, gross neglect of duty, material breach of fiduciary duty to the Company, or a breach of the amended 2011 employment agreement. The amended 2011 employment agreement also provides that upon our sale, or transfer of control of, all or substantial part of the Company or the consummation of a merger or consolidation involving the Company in which the Company is not the surviving entity, Mr. Christian shall be paid an amount equal to 2.99 times the average of his total annual salary and bonus for the three immediately preceding periods plus an additional amount as is necessary for applicable income taxes related to the payment under Code sections 280 and 4999 and a reasonable amount of attorney's fees. Mr. Christian has the right to terminate at any time following a change-in-control. The amended 2011 employment agreement also provides that any payments under the amended 2011 employment agreement would be subject to the excise tax imposed by Section 4999 and interest. Mr. Christian shall be entitled to an additional payment to cover such excise tax, interest or penalties. Also, pursuant to the amended 2011 employment agreement, if Mr. Christian's employment is terminated for any reason, including death or voluntary resignation but not a termination for cause, we will provide life, disability, health, dental, vision, insurance and medical reimbursement to Mr. Christian and his spouse and to maintain and enforce all existing life insurance policies owned by Mr. Christian.

The amended 2011 employment agreement also contains a covenant not to compete pursuant to which Mr. Christian agrees that if his employment with the Company or is terminated for cause, for a three year period, he will not, directly or indirectly, own, manage, operate, or have any financial interest in, by any radio or television station the primary transmitter of which is located within sixty-five miles of the community license area of any radio or television station operated by the Company or any of its subsidiaries, or (ii) then subject to a sale or purchase contract to which the Company is a party.

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Change-in-Control Agreements

As of December 28, 2007, Mr. Bush, Mr. Goldstein, Mr. Lada, Ms. Lobaito, and Ms. Bobinski entered into change-in-control agreements defined to mean the occurrence of: (a) any person or group becoming the beneficial owner, directly or indirectly, of more than 10% of the Company's then outstanding securities and Mr. Christian ceasing to be Chairman and CEO of the Company; (b) the consummation of a merger of the Company with any other corporation, other than a merger or consolidation which results in the voting securities of the Company thereto continuing to represent more than 50% of the combined voting securities of the Company or such surviving entity; or (c) the adoption of the Company of a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of

If there is a change-in-control, the Company shall pay a lump sum payment within forty-five days thereof of 1.5 times the average annual calendar years of such executive's base salary and any annual cash bonus paid. In the event that such payment constitutes a "qualified plan" under Section 280G subject to an excise tax imposed by Section 4999 of the Code, the Company shall pay the executive an additional amount so that he or she will receive the entire amount of the lump sum payment before deduction for federal, state and local income tax and payroll tax. In the event of a change-in-control (other than the approval of a plan of liquidation), the Company or the surviving entity may require as a condition to receipt of payment that the executive remain employed for a period of up to six months after consummation of the change-in-control. During such six months, the executive shall receive his or her pre-existing salary and benefits. In such case, the executive shall be paid the lump sum payment upon completion of the continued employment. If the executive fails to remain employed during this period of continued employment for any reason other than (a) termination without cause by the surviving entity, (b) death, (c) disability, or (d) breach of the agreement by the Company or the surviving entity, then the executive shall receive the lump sum payment. In addition, if the executive's employment is terminated by the Company without cause within six months prior to the change-in-control, then the executive shall be paid the lump sum payment within forty-five days of such change-in-control. Termination for cause shall include, but not be limited to, (a) involving the Company, excluding good faith expense account disputes; (b) conviction of or entering of a no contest plea to a felony involving dishonesty or moral turpitude; (c) material failure or refusal to perform the executive's duties or other lawful directive from the Company or the surviving entity within ten days after receipt by executive of a written notice from the Company specifying the details thereof; (d) violation of the Company's lawful policies or of the executive's fiduciary duties, which violation is not cured by the executive within ten days after receipt of a written notice from the Company specifying the details thereof; (e) the executive's willful violation of the Company's public policy, including but not limited to ethics, conflict of interest, or similar policies; or (f) illegal drug or substance abuse or addiction by the executive which renders the executive incapable of performing his or her duties.

Under the form of stock option agreement made and entered into pursuant to the 2005 Incentive Compensation Plan, all options shall vest in full upon the occurrence of a change-in-control as defined in the 2005 Incentive Compensation Plan or if the Compensation Committee determines that a change-in-control has occurred, if the optionee is an employee at the time of such occurrence. Similarly, under the form of restricted stock agreement made pursuant to the 2005 Incentive Compensation Plan, the vesting or restricting period shall lapse with respect to all restricted stock upon the occurrence of a change-in-control as defined in the 2005 Incentive Compensation Plan, or if the Compensation Committee determines that a change-in-control has occurred, if the optionee is an employee at the time of such occurrence.

Under the Company's 1999 and 2005 deferred compensation plans, in which Mr. Christian does not participate, upon a change-in-control as defined in such plans, each participant shall be distributed all amounts credited to the account of the participant at the time of such occurrence.

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The following tables show the estimated payments and benefits to the CEO (under the terms of the amended 2011 employment agreement) and other executive officers in the event of a change-in-control, upon retirement, upon termination other than retirement or death, and upon resignation, which occurred on December 31, 2015, and the number of options and shares of restricted stock and the price per share, as applicable, as of December 31, 2015:

- (1) 2.99 times three year average annual salary and bonus, grossed up for applicable taxes
- (2) 1.5 times three year average annual salary and bonus, grossed up for applicable taxes
- (3) \$50,000 annual premium for split dollar life insurance policy under the CEO's amended 2011 employment agreement
- (4) \$750,000 life insurance policy for CEO under the CEO's amended 2011 employment agreement for ten years
- (5) Health insurance premiums for CEO and spouse under the CEO's amended 2011 employment agreement for ten years
- (6) Medical reimbursement for CEO and spouse under the CEO's amended 2011 employment agreement for ten years
- (7) Participant distributed account balance in a lump sum
- (8) All unvested units of restricted stock become fully vested
- (9) All vested stock options that are in the money are valued at their closing price less their exercise price
- (10) All rights in the policy are assigned to the insured upon change-in-control (cash surrender value)
- (11) Unused vacation accrues and rolls over to successive years

	Retirement upon age 65						
	Health Insurance Premiums ⁽¹⁾	Medical Reimbursement ⁽²⁾	Account Balance Non-Qualified Plan ⁽³⁾	Stock Options ⁽⁴⁾	CSV of Split Dollar Policy ⁽⁵⁾	Accrued Vacation ⁽⁶⁾	Total Restricted Payments
Edward K. Christian	\$81,000	\$123,273	\$	\$82,095	\$625,927	\$178,870	\$1,361,165
Samuel D. Bush	\$	\$	\$210,243	\$46,008	\$156,825	\$	\$413,076
Warren S. Lada	\$	\$	\$553,010	\$46,008	\$173,998	\$	\$772,016
Marcia K. Lobaito	\$	\$	\$283,812	\$22,415	\$162,534	\$	\$468,761
Catherine A. Bobinski	\$	\$	\$288,711	\$21,527	\$120,835	\$	\$431,073
Total	\$81,000	\$123,273	\$1,335,776	\$218,053	\$1,240,119	\$178,870	\$3,387,997

- (1) Health insurance premiums for CEO and spouse under the CEO's amended 2011 employment agreement for ten years
- (2) Medical reimbursement for CEO and spouse under the CEO's amended 2011 employment agreement for ten years
- (3) Participant distributed account balance in a lump sum
- (4) All vested stock options that are in the money are valued at their closing price less their exercise price

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- (5) All rights in the policy are assigned to the insured upon change-in-control or separation from retirement at age 65 (or earlier if the insured is disabled).
 (6) Unused vacation accrues and rolls over to successive years.

Termination other Than Retirement, Death or Disability

	Health Insurance Premiums ⁽¹⁾	Medical Reimbursement ⁽²⁾	Account Balance (Non-Qualified Plan) ⁽³⁾	Stock Options ⁽⁴⁾	Accrued Vacation ⁽⁵⁾	Total Termination Payment
Edward K. Christian	\$ 81,000	\$ 123,273	\$	\$82,095	\$ 178,870	\$463,238
Samuel D. Bush	\$	\$	\$ 210,243	\$46,008	\$	\$256,251
Steven J. Goldstein ⁽⁶⁾	\$	\$	\$	\$	\$	\$
Warren S. Lada	\$	\$	\$ 553,010	\$46,008	\$	\$599,018
Marcia K. Lobaito	\$	\$	\$ 283,812	\$22,415	\$	\$306,227
Catherine A. Bobinski	\$	\$	\$ 288,711	\$21,527	\$	\$310,238
Total	\$ 81,000	\$ 123,273	\$ 1,335,776	\$ 218,053	\$ 178,870	\$1,837,776

- (1) Health insurance premiums for CEO and spouse under the CEO's amended 2011 employment agreement for ten years.
 (2) Medical reimbursement for CEO and spouse under the CEO's amended 2011 employment agreement for ten years.
 (3) Participant distributed account balance in a lump sum payment.
 (4) All vested stock options that are in the money are valued at their closing price less their exercise price.
 (5) Unused vacation accrues and rolls over to successive years.

⁽⁶⁾ Mr. Goldstein separated from employment with the Company as Executive Vice President and Group Program Director effective August 1, 2012. The termination payments reflected are for illustrative purposes only.

Termination Due to Death

	CEO Employment Agreement Salary & Bonus ⁽¹⁾	Health Insurance Premiums ⁽²⁾	Medical Reimbursement ⁽³⁾	150% of Account Balance (Non-Qualified Plan) ⁽⁴⁾	Restricted Stock ⁽⁵⁾	Stock Options ⁽⁶⁾	Split Dollar Policy ⁽⁷⁾	Accrued Vacation
Edward K. Christian	\$968,877	\$40,500	\$61,637	\$	\$2,157,237	\$82,095	\$7,000,000	\$178,870
Samuel D. Bush	\$	\$	\$	\$315,365	\$	\$46,008	\$500,000	\$
Warren S. Lada	\$	\$	\$	\$781,002	\$	\$46,008	\$500,000	\$
Marcia K. Lobaito	\$	\$	\$	\$425,718	\$	\$22,415	\$250,000	\$
Catherine A. Bobinski	\$	\$	\$	\$433,067	\$	\$21,527	\$250,000	\$
Total	\$968,877	\$40,500	\$61,637	\$1,955,151	\$2,157,237	\$218,053	\$8,500,000	\$178,870

- (1) The Company shall pay to the legal representative of Mr. Christian's estate a lump sum payment equal to Mr. Christian's salary and bonus for the last full year of service.
 (2) Health insurance premiums for CEO's spouse under the CEO's amended 2011 employment agreement for ten years.
 (3) Medical reimbursement for CEO's spouse under the CEO's amended 2011 employment agreement for ten years.

- (4) Participant distributed 1.5 times account balance of amounts deferred prior to 2005 and up to a limit of \$150,000 of
- (5) All unvested units of restricted stock become fully vested
- (6) All vested stock options that are in the money are valued at their closing price less their

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- (7) Beneficiary receives face value of policy plus accumulation value (cash surrender value less premiums paid by employer). At December 31, 2015. The CEO policy insures CEO and spouse for \$7,000,000 and is paid out upon death of both spouses.
 (8) Unused vacation accrues and rolls over to successive years.

	Termination Due to Disability						
	CEO Employment Agreement Salary & Bonus ⁽¹⁾	Health Insurance Premiums ⁽²⁾	Medical Reim- bursement ⁽³⁾	Account Balance Non-Qualified Plan ⁽⁴⁾	Restricted Stock ⁽⁵⁾	Stock Options ⁽⁶⁾	Accrued Vacation
Edward K. Christian	\$1,937,754	\$81,000	\$123,273	\$	\$2,157,237	\$82,095	\$178,870
Samuel D. Bush	\$	\$	\$	\$210,243	\$	\$46,008	\$
Warren S. Lada	\$	\$	\$	\$553,010	\$	\$46,008	\$
Marcia K. Lobaito	\$	\$	\$	\$283,812	\$	\$22,415	\$
Catherine A. Bobinski	\$	\$	\$	\$288,711	\$	\$21,527	\$
Total	\$1,937,754	\$81,000	\$123,273	\$1,335,776	\$2,157,237	\$218,053	\$178,870

- (1) In the event CEO suffers a disability, upon termination, CEO shall receive 100% of his then base salary.
 (2) Health insurance premiums for CEO and spouse under the CEO's amended 2011 employment agreement for ten years.
 (3) Medical reimbursement for CEO and spouse under the CEO's amended 2011 employment agreement for ten years.
 (4) Participant distributed account balance in a lump sum.
 (5) All unvested units of restricted stock become fully vested.
 (6) All vested stock options that are in the money are valued at their closing price less their exercise price.
 (7) Unused vacation accrues and rolls over to successive years.

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COMPENSATION OF DIRECTORS

Each director who is not an employee receives an annual cash retainer of \$34,000. Chairpersons of each committee who are not employees receive an annual cash retainer of \$9,500. The Lead Director receives an additional annual cash retainer of \$25,000. The retainers are payable in cash. All directors who are not employees are required to hold and maintain 1,250 shares of the Company's Class A Common Stock. Such directors are required to hold the shares for a period of five years from the date of joining the Board, or in the case of such directors serving at the time the guidelines were adopted, within five years of the date of adoption of the guidelines. This requirement is subject to the following guideline.

Directors may elect to pay out-of-pocket for health insurance benefits currently offered by the Company to its employees. As an alternative, directors may elect to have part of their annual retainer used to pay for such benefits. Directors are also permitted to elect to have the Company pay for health insurance benefits on their behalf. Directors are also permitted to elect to have the Company pay for health insurance benefits on their behalf.

2015 Director Compensation Table

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) ⁽¹⁾	All Other Compensation (\$)	Total Compensation (\$)
Clarke R. Brown, Jr.	\$ 34,000	\$ 21,087	\$	\$ 55,087
Timothy J. Clarke	\$ 34,000	\$ 21,087	\$	\$ 55,087
Roy F. Coppedge III	\$ 34,000	\$ 21,087	\$	\$ 55,087
David B. Stephens ⁽²⁾	\$ 43,500	\$ 26,981	\$ 396 ⁽³⁾	\$ 70,877
Gary G. Stevens ⁽⁴⁾	\$ 68,500	\$ 42,455	\$ 8,987 ⁽³⁾	\$ 119,942

All stock awards comprise grants of Class A Common Restricted Stock which vest in one-third increments on November 6, 2015, November 6, 2016, and November 6, 2017. If the reporting person is a director on the applicable date. All such restricted stock, however, shall vest if the reporting person is a director on the date of the occurrence of a change-in-control. Stock award values are calculated based on the closing price of our Class A Common Stock on November 6, 2015 (\$40.09 per share).

(2)

Chairman of Finance and Audit Committee.

(3)

Value of health insurance provided to Messrs. Stephens and Stevens.

(4)

Chairman of Compensation Committee, Lead Director.

CERTAIN BUSINESS RELATIONSHIPS AND TRANSACTIONS WITH DIRECTORS AND MANAGEMENT

Policy

Pursuant to our written Corporate Governance Guidelines, the Finance and Audit Committee is required to conduct a review of potential conflicts of interest. All such transactions must be approved by the Finance and Audit Committee. To the extent such relationships with the Company, such transactions are reviewed annually and such relationships shall be on terms not materially different from and customary in similar transactions between unrelated persons dealing at arm's-length.

Related Party Transactions

Surtsey Media, LLC (Surtsey Media), a wholly-owned subsidiary of Surtsey Productions, Inc. (Surtsey Productions), of Victoria, Texas. Surtsey Productions is a multi-media company 100%-owned by the daughter of Mr. Christian, our President, C under a Time Brokerage Agreement (TBA) with Surtsey Media which we entered into in May 1999 with Surtsey Production Commission s (FCC) ownership rules, we are prohibited from owning or having an attributable or cognizable interest in t amended (amended TBA). Pursuant to the amendment, (i) the term was extended nine years commencing from June 1, 201 eight year terms, (ii) we paid Surtsey Productions an extension fee of \$27,950 upon execution of the ame

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monthly fees payable to Surtsey Media were increased for each extension period, and (iv) we have an exclusive option, while the assets of station KVCT, subject to certain conditions, based on a formula. Under the amended TBA, during 2015, 2014 and 2013, we paid Surtsey Media fees of approximately \$3,800, \$3,600 and \$3,400 per month, respectively, plus accounting fees and reimbursement of expenses actually

In March 2002, we entered into an agreement of understanding with Surtsey Productions pursuant to which, in March 2003, we assumed the debt incurred by Surtsey Productions in closing the acquisition of a construction permit for KFJX-TV station in Pittsburg, Kansas, Joplin, Missouri. The debt was taken over by Surtsey Media in March 2004. At December 31, 2015, there was \$1,078,000 of debt recorded on our balance sheet.

We do not have any recourse provision in connection with our guarantee that would enable us to recover any amounts paid to Surtsey Media. At December 31, 2015, we have recorded \$1,078,000 in debt and \$1,000,000 in intangible assets, primarily broadcast licenses. In 2003, we entered into various agreements relating to the station, including a shared services agreement, technical services agreement, a time and broker agreement (the "Station Agreements"). The station went on the air for the first time on October 18, 2003. Under the Station Agreements, we are prohibited from owning or having an attributable or cognizable interest in this station. In January 2012, the Station Agreements were amended (the "Amended Station Agreements"). Pursuant to the amended Station Agreements, (i) the Broker Agreement and the Technical Services Agreement were amended, (ii) the continuing Station Agreements were extended nine years commencing from June 1, 2013, with rights to extend for two additional years, (iii) Surtsey Productions \$37,050 upon execution of the amendment, (iv) the monthly fees payable to Surtsey Media were increased to \$3,800, \$3,600 and \$3,400 per month, respectively, plus accounting fees and reimbursement of expenses actually incurred. We have an exclusive option, while the agreement for the sale of commercial time and shared services agreement are in effect, to acquire the station. KFJX subject to certain conditions, based on a formula, together with a payment of \$1.2 million. Under the amended Station Agreements, during 2015, 2014, and 2013, we paid Surtsey Media fees of approximately \$5,000, \$4,800 and \$4,500 per month, respectively, plus accounting fees and reimbursement of expenses actually incurred in operating the station. We generally prepay Surtsey Media quarterly for its estimated quarterly

Surtsey Productions leases office space in a building owned by us and paid us rent of approximately \$6,000, \$6,000, and \$6,000 per month during 2015, 2014, and 2013, respectively. In January 2012, the lease was amended primarily to extend the term nine years commencing from January 1, 2012, with rights to extend for two additional eight year terms.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING

Section 16(a) of the Exchange Act requires certain of our officers, our directors, and persons who own more than 10% of a registered security ("insiders"), to file reports of ownership and changes in ownership with the SEC. Insiders are required by SEC regulation to file such reports on the forms they file. Based solely on our review of the copies of such reports received by us, or written representations from certain insiders, we believe that all Form 5 were required for those persons for the year 2015, we believe that our officers and directors complied with all applicable requirements for 2015.

OTHER MATTERS

Management does not know of any matters which will be brought before the Annual Meeting other than those specified in the proxy statement. If other matters properly come before the Annual Meeting, it is intended that the persons named in the form of proxy, or their substitutes, will vote in accordance with their best judgment.

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STOCKHOLDER PROPOSALS AND DIRECTOR NOMINATION MEETINGS

Stockholder proposals that are intended to be presented at our 2017 Annual Meeting of Stockholders must be received at our Grosse Pointe Farms, Michigan 48236, no later than December 19, 2016, to be considered for inclusion in our proxy statement and our 2017 Annual Meeting of Stockholders. Stockholder proposals which are not to be included in our proxy statement for the 2017 Annual Meeting of Stockholders and stockholder election to the Board must be submitted in accordance with our bylaws, which set forth the information that must be received (with respect to proposals) and February 7, 2017 (with respect to nominations). All proposals and nominations should be directed to our Secretary and sent by certified mail, return receipt requested in order to avoid confusion regarding dates of receipt. We expect the persons making such proposals to use their discretionary voting authority, to the extent permitted by law, with respect to any proposal presented at the 2016 Annual Meeting of Stockholders.

EXPENSE OF SOLICITING PROXIES

All the expenses of preparing, assembling, printing, and mailing the material used in the solicitation of proxies by the Board of Directors, including the solicitation of proxies by use of the mails, our officers and regular employees may solicit proxies on behalf of the Board of Directors by interview, the expenses of which will be borne by us. Arrangements may also be made with brokerage houses and other custodians to forward soliciting materials to the beneficial owners of stock held of record by such persons at our expense.

By Order of the Board of Directors

MARCIA LOBAITO
Secretary

Grosse Pointe Farms, Michigan
April 18, 2016

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