EXHIBIT 1

EB

TRANSCRIPT OF PROCEEDINGS

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of:	
Maritime Communications/Land Mobile, LLC	EB Docket No. 11-71

DATE OF HEARING: October 25, 2011 VOLUME: 2

PLACE OF HEARING: WASHINGTON, D.C. PAGES: 116-296

116
180
+ 1
181

NEAL R. GROSS & CO., INC.
1323 RHODE ISLAND AVENUE, NW
WASHINGTON, D.C. 20005
TELEPHONE (202) 234-4433

1 one, or do you need one? I rather tell them,
2 do you need a subpoena?
3 MS. KANE: Let's go with that.
4 JUDGE SIPPEL: And you'll come to me
5 with an application, and you'll have it the
6 same day.
7 MS. KANE: Thank you, Your Honor.
8 JUDGE SIPPEL: Okay, is there
9 anything else?
10 MR. MCFADDEN: Your Honor, if I may,
11 we spent quite a bit of time on the issue of
12 the spectrum valuation and the goal of that is
13 to determine whether the value of the assets
14 exceeds the value of debt owed to innocent
15 creditors, such that the hearing would have to
16 go forward in any event.
17 If I may, there is another issue
18 designated for hearing that is not affected by
19 the Second Thursday analysis.
20 JUDGE SIPPEL: Well, that's true.
21 MR. MCFADDEN: And that's the
22 question of whether certain of Maritime's site-

1 based licenses terminated automatically for
2 failure to construct.
3 JUDGE SIPPEL: Oh, I'm sorry. I
4 wasn't thinking of that, but, yes, okay. Do
5 you follow that, Ms. Kane?
6 MS. KANE: Absolutely, Your Honor.
7 MR. MCFADDEN: And so, Your Honor,
8 we would suggest that, because that's not
9 impacted by a Second Thursday analysis, the
10 hearing should proceed, at a minimum with
11 respect to that issue.
12 JUDGE SIPPEL: How does that strike
13 you, Mr. Keller?
14 MR. KELLER: Well, Your Honor, I
15 think, again, it is our hope and desire to
16 resolve that issue outside the context of
17 hearing, if possible, after these other Second
18 Thursday issues are dealt with. In other
19 words, if -- first of all, we don't anticipate
20 coming back for a hearing on that at all. I
21 mean --
22 JUDGE SIPPEL: Why?

1 MR. KELLER: We're going to find
2 some way to resolve it through a combination of
3 a summary decision or some sort of -- like,
4 when I say a hearing, actually the litigating.
5 JUDGE SIPPEL: Yes.
6 MR. KELLER: I think we're going to
7 be able to present facts sufficient for a
8 summary decision. Now, granted, there may be
9 arguments about that, on the question of
10 construction. On the question of permanent
11 discontinuance there is not going to be a
12 factual dispute.
13 In other words, there is not going
14 to be a factual dispute about whether a station
15 is or is not off the air. The issue is going
16 to be strictly a legal argument about whether
17 or not the discontinuance of that station
18 constitutes a permanent discontinuance, and
19 that's going to be a legal analysis.
20 MR. MCFADDEN: That, Your Honor --
21 I'm sorry.
22 MR. KELLER: So that's, basically,

1 it. But, all I would say is I would also
2 address this in the comprehensive filing about
3 what our proposal is for dealing with this, and
4 whether it would require any further hearing or
5 not. But we're going to do our very best to
6 make sure that there is no need for further
7 full-blown hearing issues on that question.
8 JUDGE SIPPEL: I understand --
9 MR. KELLER: Your Honor --
10 JUDGE SIPPEL: Well, let me hear
11 from Mr. McFadden.
12 MR. MCFADDEN: Your Honor, if I may,
13 what Mr. Keller has just said suggests that the
14 hearing on the question of the site-based
15 licenses could be very expeditious. You know,
16 I don't think there's any reason to delay it.
17 Just, to take a step back, where we
18 are in this proceeding is that the Commission
19 designated for hearing, among other issues, the
20 question of whether Maritime's licenses
21 terminated automatically, and thus, no longer
22 exist.

1 The Commission designated that as an
2 issue for hearing before Your Honor. Maritime
3 has moved, essentially, to stay the hearing
4 based on the application of the Second Thursday
5 doctrine. That application has nothing to do
6 with the issue of the site-based licenses, and
7 there's no reason to stay the hearing with
8 respect to that issue, Your Honor.
9 JUDGE SIPPEL: Well, I mean, you
10 said you're going to proceed -- you're thinking
11 of a summary decision.
12 MR. KELLER: Well, that's one
13 possible resolution. See, the other --
14 JUDGE SIPPEL: Well, it's got to be
15 resolved some way.
16 MR. KELLER: It's got to be
17 resolved.
18 JUDGE SIPPEL: It's got to be
19 resolved in this forum.
20 MR. KELLER: It's got to be resolved
21 some way in this forum, but also what will
22 happen under Second Thursday is, if the other

1 licenses are resolved under Second Thursday,
2 these particular licenses -- that particular
3 issue, excuse me, is not a basic qualifying
4 issue, and so there is, then, the possibility
5 of resolving this during negotiating
6 settlement, as well. It wouldn't exist for a
7 basic qualifying issue.
8 JUDGE SIPPEL: It wouldn't exist for
9 a basic qualifying issue.
10 MR. KELLER: What I'm saying is,
11 we're working hard to come up with a way of
12 resolving these in either some sort of an
13 expedited hearing or a non-hearing process,
14 which, obviously, will have to be agreed to or
15 cooperated with by the other parties, and I
16 will include that in the comprehensive filing
17 that we make.
18 Part of the reason of not going
19 forward right now is, I mean, quite frankly, we
20 don't have -- we're not able to finance the
21 litigation of that issue at the moment.
22 MS. KANE: Well, Your Honor, that

1 shouldn't be an excuse for not --

2 JUDGE SIPPEL: I never --

3 MS. KANE: -- going forward with

4 litigation.

5 JUDGE SIPPEL: -- heard of that

6 basis of defense.

7 MR. KELLER: That's the nature of

8 bankruptcy.

9 JUDGE SIPPEL: Well, I know, but

10 it's the nature of enforcement that -- I just

11 can't, I can't buy that.

12 And, I mean, and also, I mean, the

13 way you described to me what that construction

14 issue is about, and the intent to permanently

15 discontinue as opposed to not permanently

16 discontinue, that leaves a question of fact

17 open right there.

18 MS. KANE: Well, Your Honor, we've

19 served discovery, as has Mr. Havens, directed

20 to these very issues, and none of that

21 discovery has been responded to.

22 So should Your Honor agree that this

1 hearing should proceed with regard to those
2 issues, certainly, both the Bureau and Mr.
3 Havens would be entitled to responses to the
4 discovery that's directed to that issue.
5 JUDGE SIPPEL: Well, I'll tell you
6 what to do. Send me up -- that is, get to me,
7 again, request relief to pursue discovery on
8 that issue and outline what the scope of that
9 discovery would be.
10 MS. KANE: We can do that, Your
11 Honor.
12 JUDGE SIPPEL: That's all. It
13 doesn't have to be a -- I mean, it's up to me.
14 I will make it, it's up to me to decide whether
15 I want to get further pleas, and I might do it
16 right on that or -- in other words, I'm not
17 expecting that it's going to be successfully
18 objective, let me say that, without predicting
19 what the outcome is going to be. I'll figure
20 that one out. That's my problem. Your problem
21 is just getting it in.
22 MS. KANE: We can do that, Your

1 Honor.

2 JUDGE SIPPEL: And my intention on

3 that would be to have a minimum of discovery

4 and get that issue right on the table, while

5 all this other stuff is floating around. I'm

6 not going to hold an issue up until after

7 everything else is done.

8 I mean, how are you going to be any

9 richer after you go through bankruptcy than you

10 are now?

11 MR. KELLER: Understood.

12 JUDGE SIPPEL: Or maybe you can get

13 a local public defender or something, I don't

14 know. For that issue.

15 MR. KELLER: We have those here?

16 JUDGE SIPPEL: For that issue.

17 Well, that'll take care -- well never mind. I

18 know you're not going to go down that road.

19 I'm certainly saying is that that issue has to

20 be litigated, and there's no reason to hold it

21 up.

22 Okay, and also we've got the

CERTIFICATE OF REPORTER, TRANSCRIBER, AND PROOFREADER

Maritime Communications/Land Mobile, LLC

Name of Hearing

EB DOCKET NO. 11-71

Docket No. (if applicable)

445 12th STREET, S.W., WASHINGTON, D.C.

Place of Hearing

October 25, 2011

Date of Hearing

We, the undersigned, do hereby certify that the foregoing pages, numbers 116 through 296, inclusive, are the true, accurate and complete transcript prepared from the reporting by _____Eric Hendrixson_____(Reporter's Name) in attendance at the above identified hearing, in accordance with applicable provisions of the current Federal Communications Commission's professional verbatim reporting and transcription statement of Work and have verified the accuracy of the accuracy of the transcript by (1) comparing the typewritten transcript against the reporting or recording accomplished at the hearings and (2) comparing the final proofed typewritten transcript against the reporting or recording accomplished at the hearing or conference.

October 25, 2011 Eric Hendrixson Eric Hendrixson

Date Legible Name and Signature of Reporter
Name of Company: __Neal Gross Co._____

October 25, 2011 Clark Fork Clark Fork

Date Legible Name and Signature of Transcriber
Name of Company: __Neal Gross Co._____

October 25, 2011 Tracy Cain Tracy Cain

Date Legible Name and Signature of Proofreader
Name of Company: __Neal Gross Co._____