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B/C Lic.

September 20, 1974

8932

Back Porch Radio Broadcasting Inc.  
RR 2, Midtown Road  
Madison, Wisconsin 53711

1816

Gentlemen:

Further reference is made to your application (File No. EPED-1816) for a construction permit for a new noncommercial educational FM broadcast station in Madison, Wisconsin.

Analysis of the financial portion of your application indicates that you will require \$10,000 to construct and operate your proposed facility for a period of one year. To meet this requirement, you rely on a personal loan from Mr. Michael O'Connor of \$10,000, as well as individual donations of \$8,000, and \$3,000 from various benefits to be sponsored by the corporation. However, you have failed to substantiate the availability of any of these funds.

The letter dated February 7, 1974, expressing Mr. O'Connor's willingness to loan up to \$3,200 to cover construction costs and up to \$6,800 to cover first-year operating costs of the proposed broadcast station, fails to state the following: (1) the rate of interest, (2) the terms of repayment, and (3) any collateral requirement.

With regard to anticipated donations, any entity which has promised to furnish funds of \$100 or more per month must submit a balance sheet or financial statement which shows sufficient liquid assets in excess of current liabilities to fulfill the relevant commitment. If you intend to rely on relatively small amounts of money to be supplied by a number of sources, it would be sufficient to file a statement as to the amounts which have been promised and to retain the written commitment for these amounts in your files.

Further action on your application will be withheld for thirty (30) days pending receipt of the requested information, which should be submitted in amendment form, in triplicate, and signed in the same manner as the original application.

MAIL & FILES

Sincerely yours,

SEP 20 1974

Martin I. Levy, Chief  
Broadcast Facilities Division  
Broadcast Bureau

cc: Mr. Robert Jay ~~Steph~~ SIGNED BY ABOVE  
MAILED BY

CAEstep:JKurtz:reb/bf:B