

EPPERSON STUART W  
Form SC 13G  
February 14, 2003

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934  
(Amendment No. 2)\***

**Salem Communications Corporation**

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(Name of Issuer)

**Class A Common Stock, \$0.01 par value per share**

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(Title of Class of Securities)

**794093 10 4**

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(CUSIP Number)

**February 14, 2003**

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(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1. NAME OF REPORTING PERSONS:  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Stuart W. Epperson, Sr., individually and as Trustee of (i) the Epperson 1999 Trust No. 1 U/A DTD 3/31/99, a grantor remainder annuity trust ( Epperson GRAT ),\* (ii) Stuart W. Epperson, Trustee, Kathryn Epperson Fonville Trust U/A DTD 3/31/99 ( Kathryn Trust ), (iii) Stuart W. Epperson, Trustee, Stuart W. Epperson, Jr. Trust U/A DTD 3/31/99 ( Stuart Trust ), (iv) Stuart W. Epperson, Trustee, Kristine J. Epperson McBride Trust U/A DTD 3/31/99 ( Kristine Trust ), and (v) Stuart W. Epperson, Trustee, Karen Epperson Deneui Trust U/A DTD 3/31/99 ( Karen Trust ).\*\*

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)

3. SEC USE ONLY:

4. CITIZENSHIP OR PLACE OF ORGANIZATION  
United States of America

NUMBER OF	5.	SOLE VOTING POWER
SHARES		10,500
<hr/>		
BENEFICIALLY	6.	SHARED VOTING POWER
		3,089,509
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OWNED BY	7.	SOLE DISPOSITIVE POWER
EACH		1,238,020
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REPORTING	8.	SHARED DISPOSITIVE POWER
PERSON WITH:		3,089,509

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
4,327,529

10. CHECK BOX IF THE AGGREGATE AMOUNT IN  
ROW (9) EXCLUDES CERTAIN SHARES\*

11. PERCENT OF CLASS REPRESENTED BY  
AMOUNT IN ROW 9  
24.1%

12. TYPE OF REPORTING PERSON\*  
IN, OO (Trustee)

\*On July 8, 2002, 306,880 shares of Common Stock were distributed from the Epperson GRAT into each of the Kathryn Trust, Stuart Trust, Kristine Trust and the Karen Trust (collectively, the Children Trusts ).

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\*\*Stuart W. Epperson, Sr., is Trustee for the Epperson GRAT for all purposes and is also Trustee for each of the Children Trusts for all purposes other than voting matters. Kathryn Epperson Fonville, Stuart W. Epperson, Jr., Kristine J. Epperson McBride and Karen Epperson Deneui must act by a majority vote (i.e., 3 of the 4 individuals must vote in favor of a particular matter) to vote the shares contained in the Children Trusts.

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1. NAME OF REPORTING PERSONS:  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Nancy A. Epperson

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2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)

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3. SEC USE ONLY:

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4. CITIZENSHIP OR PLACE OF ORGANIZATION  
United States of America

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NUMBER OF	5. SOLE VOTING POWER
SHARES	0
BENEFICIALLY	6. SHARED VOTING POWER
	3,089,509
OWNED BY	7. SOLE DISPOSITIVE POWER
EACH	0
REPORTING	8. SHARED DISPOSITIVE POWER
PERSON WITH:	3,089,509

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9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
3,089,509

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10. CHECK BOX IF THE AGGREGATE AMOUNT IN  
ROW (9) EXCLUDES CERTAIN SHARES\*

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11. PERCENT OF CLASS REPRESENTED BY  
AMOUNT IN ROW 9  
17.2%

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12. TYPE OF REPORTING PERSON\*

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**Item 1(a). Name of Issuer**

Salem Communications Corporation

**Item 1(b). Address of Issuer's Principal Executive Offices**

4880 Santa Rosa Road  
Suite 300  
Camarillo, California 93012

**Item 2(a). Name of Person Filing**

- (A) Stuart W. Epperson, Sr.
- (B) Nancy A. Epperson.

**Item 2(b). Address of Principal Business Office, or, if None, Residence**

(A) and (B):

4880 Santa Rosa Road  
Suite 300  
Camarillo, California 93012

**Item 2(c). Citizenship**

- (A) United States of America
- (B) United States of America

**Item 2(d). Title of Class of Securities**

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This Amendment No. 2 to the Statement on Schedule 13G (this Statement ) relates to the Issuer's Class A Common Stock, \$0.01 par value per share ( Common Stock ).

**Item 2(e). Cusip Number**

794093 10 4

**Item 3.**

Not applicable.

**Item 4. Ownership**

(a) Amount Beneficially Owned:

(A) 4,327,529

Stuart W. Epperson, Sr., is deemed to beneficially own: (i) 10,500 shares subject to currently exercisable options, (ii) 3,089,509 shares, for which he shares voting and dispositive power with his wife, Nancy A. Epperson, and (iii) 1,227,520 shares held in the Children Trusts for which he has sole dispositive power.

(B) 3,089,509

Nancy A. Epperson is deemed to beneficially own 3,089,509 shares, for which she shares voting and dispositive power with her husband, Stuart W. Epperson, Sr.

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(b) Percent of Class:

(A) 24.1%

(B) 17.2%

The percentages in (A) and (B) have been calculated based on 17,929,967 shares of Common Stock issued and outstanding as of November 13, 2002, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2002, filed with the Securities and Exchange Commission on November 14, 2002 (File No. 0-26497).

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote:

(A) 10,500

(B) 0

(ii) shared power to vote or to direct the vote:

(A) 3,089,509

(B) 3,089,509

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(iii) sole power to dispose or to direct the disposition of:

(A) 1,238,020

(B) 0

(iv) shared power to dispose or to direct the disposition of:

(A) 3,089,509

(B) 3,089,509

**Item 5. Ownership of Five Percent or Less of a Class**

Not applicable.

**Item 6. Ownership of More Than Five Percent on Behalf of Another Person**

Not applicable.

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person**

Not applicable.

**Item 8. Identification and Classification of Members of the Group**

Not applicable.

**Item 9. Notice of Dissolution of Group**

Not applicable.

**Item 10. Certification**

Not applicable.

**Exhibit No. Description**

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1 Joint Filing Agreement, dated February 14, 2003 (filed herewith).

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**SIGNATURE**

After reasonable inquiry and to the best of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this Amendment No. 2 to Schedule 13G is true, complete and correct.

Dated as of February 14, 2003

/s/ STUART W. EPPERSON, SR.

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Stuart W. Epperson, Sr.

/s/ NANCY A. EPPERSON

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Nancy A. Epperson

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**Exhibit 1**

**JOINT FILING AGREEMENT**

This Agreement is made and entered into as of February 14, 2003, between Stuart W. Epperson, Sr. and Nancy A. Epperson.

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Stuart W. Epperson, Sr. and Nancy A. Epperson each hereby agree that: (i) only one statement will be filed on behalf of each of them pursuant to Schedule 13G containing the information required to be disclosed by Section 13(d) of the Securities Exchange Act of 1934, as amended, and rules thereunder with respect to the shares of Class A Common Stock of Salem Communications Corporation that are beneficially owned by Stuart W. Epperson, Sr. and Nancy A. Epperson; and (ii) they consent to the use of this Joint Filing Agreement in all subsequent amendments to this Statement on Schedule 13G until such time as either party no longer is required to file a Statement containing the information required by Schedule 13G, either party determines that a new Joint Filing Agreement is required to be filed or otherwise.

Witness the due execution hereof by the undersigned as of the date first above written.

/s/ STUART W. EPPERSON, SR.

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Stuart W. Epperson, Sr.

/s/ NANCY A. EPPERSON

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Nancy A. Epperson