

## TRUST AGREEMENT

THIS TRUST AGREEMENT (the “Trust Agreement”), dated as of \_\_\_\_\_, 2010 is by and between (a) Townsquare Media Tri-Cities, LLC, Townsquare Media Tri-Cities License, LLC, Townsquare Media Yakima, LLC and Townsquare Media Yakima License, LLC, each a Delaware limited liability company (collectively, the “Townsquare Entities”) and (b) Allen N. Blum, an individual residing in Armonk, New York (the “Trustee”). References in this Trust Agreement to the Trustee shall mean the Trustee in his representative capacity as trustee of the trust established herein and hereby, and not in his individual capacity.

### Recitals

On May 28, 2010, the Federal Communications Commission (the “FCC”) consented to the assignment of the radio station licenses previously held by New Northwest Broadcasting, LLC (“New Northwest”) to Revitalization Partners, LLC “Receiver.”

In order to liquidate New Northwest’s assets for the benefit of its creditors, the Receiver now seeks to sell the assets of certain radio broadcast stations located in the Tri-Cities, Washington Arbitron Metro Market and the Yakima, Washington Arbitron Metro Market (collectively, the “Metros”), including the stations’ FCC authorizations.

On November 17, 2010, the Receiver and a parent entity of the Townsquare Entities (“Parent”) entered into an Asset Purchase Agreement (the “APA”) pursuant to which the Receiver agreed to sell to Parent or its assignee(s) certain assets of the radio stations in the Metros that Receiver currently holds. Parent intends to assign the APA to the Townsquare Entities.

The Townsquare Entities currently own other radio broadcast stations in the Metros. Therefore, the sale of the Receiver’s assets in the Metros to the Townsquare Entities would result in the Townsquare Entities’ ownership of radio stations in excess of the number permitted under the FCC’s local radio ownership rules.

As a condition to approving the sale of the Receiver’s assets in the Metros to Parent or the Townsquare Entities, the FCC may require the Townsquare Entities to divest certain radio stations in each Metro.

The Townsquare Entities and the Receiver are the FCC licensees and owners of the radio stations identified on *Exhibit A* attached hereto (the “Trust Stations”).

The Townsquare Entities desire to engage the Trustee as trustee pursuant to a trust agreement that will conform with applicable FCC rules and policies and thereby reduce the number of radio stations the Townsquare Entities would own in the Metros after the Proposed Assignment.

The Trustee has agreed to serve as a trustee for the purposes of selling the Trust Stations to a third party or third parties and operating the Trust Stations pending the consummation of such sale(s).

Accordingly, the parties agree as follows:

**1. Creation and Purpose of The Tri-Cities/Yakima Divestiture Trust.**

(a) Subject to the terms and conditions hereof, a trust in respect of the Station Assets (as defined below) is hereby created and established (“The Tri-Cities/Yakima Divestiture Trust”), and the Trustee hereby agrees to serve as trustee hereunder.

(b) The purpose of The Tri-Cities/Yakima Divestiture Trust is to vest legal title and control of the Station Assets in the Trustee for the purpose of facilitating a sale or sales of the Trust Stations by the Trustee, and the provisions of this Trust Agreement shall be interpreted to effectuate such purpose.

(c) The Tri-Cities/Yakima Divestiture Trust shall be irrevocable as to each Station held by The Tri-Cities/Yakima Divestiture Trust until:

(i) such time as (x) the Trustee causes the Trust Stations to be sold to a third party buyer or buyers pursuant to a separate written agreement and with the prior approval by the FCC or (y) the Townsquare Entities or any other subsidiary of Townsquare Media, LLC, their indirect parent, divest themselves of sufficient attributable interests in radio stations in the relevant Metros, or there is a change in the number of stations in the relevant Metros, to permit the Townsquare Entities or any other subsidiary of Townsquare Media, LLC to own such Trust Station(s) under the FCC’s rules (and, if either contingency in (y) occurs, the Trustee, on request of the Townsquare Entities and upon FCC approval, ~~will~~may, in his discretion, assign the relevant Station Assets to the Townsquare Entities); and

(ii) all obligations of the Trustee under this Agreement and under any agreement to sell the Station Assets to third party buyers have been fully performed or waived.

**2. Assignment and Management of Station Assets.**

(a) On the Closing Date (as defined in Section 3(a) herein), the Townsquare Entities and the Receiver shall convey, transfer, assign, and deliver to Trustee, and Trustee shall acquire and assume from the Townsquare Entities and the Receiver, all of their right, title and interest in and to the following assets held by either of them and used in or related to the operation of the Trust Stations (the “Station Assets”):

(i) the licenses, permits and authorizations issued by the FCC pertaining to the Trust Stations (the “FCC Licenses”), including any renewals or modifications thereof issued as of the Closing Date;

(ii) any and all pending applications before the FCC which relate to the Trust Stations;

(iii) the land, buildings, easements, land purchase contracts, tower registrations, and tower permits, including but not limited to all improvements located on, and all rights, title and interest under same (the “Real Property”);

(iv) those existing agreements, contracts, commitments, programming and product contracts and leases (including without limitation, all real estate and office leases) entered into in the ordinary course of the Trust Stations’ business (the “Assumed Contracts”);

(v) the Trust Stations’ call letters and rights in and to the trademarks, trade names, service marks, internet domain names, copyrights, jingles, slogans, logos and other intangible property which are used or held for use solely in the operations of the Trust Stations;

(vi) supplies, equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts, inventories, other property purchased but not installed, and other tangible personal property of every kind and description used or held for use solely in the operation of the Trust Stations (the “Personal Property”);

(vii) any files, documents, records, books of account (or copies thereof) relating to the operation of the Trust Stations, including local public files, programming information and studies, engineering data, advertising studies, marketing and demographic data, sales correspondence, list of advertisers, credit and sales reports, and logs, but excluding records comprising or related to the Excluded Assets; and

(viii) other assets, properties and businesses, real or personal, tangible or intangible, held by the Townsquare Entities or the Receiver and primarily used or otherwise primarily related to the Trust Stations, or located on or at the Real Property, except for the Excluded Assets.

(b) Notwithstanding Section 2(a) hereof, the Townsquare Entities and the Receiver shall not convey, transfer, assign, and deliver, and the Trustee shall not acquire and assume, any right, title or interest to, in and under, the following assets relating to the Townsquare Entities and/or the Receiver, as applicable (the “Excluded Assets”), all of which shall be retained by the Townsquare Entities or the Receiver, as applicable:

(i) cash, cash equivalents, cash items of any kind whatsoever, certificates of deposit, money market instruments, bank balances and rights in and to bank accounts, Treasury bills and marketable securities and other securities existing as of the Closing Date;

(ii) all deposits or prepaid charges of the Townsquare Entities or the Receiver and expenses paid in connection with or relating to any Excluded Assets;

(iii) any claim, right or interest of the Townsquare Entities or the Receiver in or to any refund, rebate, abatement or other recovery for taxes,

together with any interest due thereon or penalty rebate arising therefrom, for any tax period (or portion thereof) ending on or before the Closing Date;

(iv) any rights, claims or causes of action of the Townsquare Entities or the Receiver against third parties relating to assets, properties, business or operations of the Townsquare Entities or the Receiver arising out of events occurring on or prior to the Closing Date;

(v) contracts of insurance and insurance plans and the assets thereof, promissory notes, amounts due from employees, bonds, letters of credit or other similar items and any cash surrender value in regard thereto;

(vi) corporate records and other books and records that pertain to internal corporate matters of any prior licensee or owner of the Trust Stations; and

(vii) any rights of the Townsquare Entities or the Receiver as of the Closing Date to payment for the sale of advertising time and other goods and services by the Trust Stations prior to the Closing Date.

(c) To the extent that any of the Excluded Assets are also used or useful in and necessary to the conduct of the business and operation of the Trust Stations as of the Closing Date (the "Shared Assets"), then the Townsquare Entities shall make such arrangements on or before the Closing as are reasonably necessary to provide for the Trustee's continued use of the Shared Assets by the Trust Stations during the term of this Trust Agreement without any cost to the Trustee.

(d) Subject to the provisions of Section 6(d) hereof, the Trustee shall, after the Closing, assume and solely exercise management responsibility for the payment, performance and discharge of all liabilities, obligations, and duties under or in respect of the FCC Licenses, the Assumed Contracts, and the other Station Assets (the "Station Liabilities"). Except as expressly provided in this Trust Agreement, the Trustee shall not be liable for and shall not assume any liabilities, obligations, or duties of the Townsquare Entities or the Receiver (whether known or unknown, matured or unmatured, or fixed or contingent).

### **3. Closing.**

(a) The consummation of the assignment of the Station Assets to, and the assumption of the Station Liabilities by, the Trustee (the "Closing") shall occur on a date (the "Closing Date") that is the same date for the consummation of the sale of the Receiver's other radio stations in the Metros to the Townsquare Entities pursuant to the APA. Unless the parties otherwise agree, the Closing shall be held at the same location as the consummation of said sale of the Receiver's other radio stations in the Metros to the Townsquare Entities.

(b) The obligations of the Townsquare Entities and the Trustee to consummate the assignment of the Station Assets to the Trustee shall be subject to the prior satisfaction of the following conditions:

(i) there shall not be in effect any statute, government regulation, or order by a court or governmental authority of competent jurisdiction which restrains or prohibits the transactions contemplated hereby;

(ii) the FCC shall have granted its consent to the applications for consent to the assignment of the FCC Licenses (the "Assignment Applications") without imposing any condition materially adverse to the Trustee or the Townsquare Entities or to the operation of the Trust Stations; and

(iii) the Townsquare Entities shall have obtained all material third party consents required by the Assumed Contracts to enable the Trustee to enjoy all of the rights and privileges, and be bound by all of the obligations, under such Assumed Contracts, but, if any required third party consent has not been obtained, this condition shall be satisfied if the Townsquare Entities make other arrangements that would enable the Trustee to obtain the benefits of such Assumed Contract.

#### **4. Disposition of Station Assets by Trustee.**

(a) Except as otherwise expressly set forth in this Trust Agreement, the Trustee shall have the power, authority and obligation to consummate a sale or sales of each of the Trust Stations as soon as reasonably practicable after the Closing pursuant to the conditions contained herein and at prices that render to the Townsquare Entities the maximum consideration reasonably attainable for the Station Assets subject to each such sale, payable in its entirety at the closing of each such sale in cash.

(b) The Trustee shall have the power and authority to hire any attorneys, brokers, or other agents reasonably necessary in the judgment of the Trustee to assist in the sale of the Station Assets. Such professionals or agents shall be accountable solely to the Trustee.

(c) To the extent consistent with the Trustee's obligations hereunder, the Trustee shall use his good faith and commercially reasonable efforts to enter into a binding agreement or agreements (each, a "Sale Agreement") with a buyer or buyers in a form consistent with standard practices in the industry for the purchase and sale of commercial radio stations. The Trustee may request the Townsquare Entities to provide such consents, information, representations, warranties and indemnifications regarding the Station Assets as may be necessary or appropriate to effectuate a sale, and the Townsquare Entities shall provide such consents, information, representations, warranties and indemnifications to the extent commercially reasonable.

(d) Notwithstanding any other provision to the contrary in this Trust Agreement:

(i) the Townsquare Entities shall, within thirty (30) days of the date of this Agreement, establish a minimum purchase price for the sale of each Trust Station as set forth in written notice to the Trustee, which shall be paid by wire transfer of immediately available federal funds at the closing of the sale of such Trust Station, and shall have the rights (x) to require that each third party buyer assume all of the liabilities of the Station Assets associated with the Trust

Station(s) it is purchasing accruing after the consummation of such sale, and (y) to establish a date by which any sale must be consummated; and

(ii) If prior to the execution of a Sale Agreement for a Trust Station the Townsquare Entities notify the Trustee that the Townsquare Entities may hold the FCC Licenses for such Trust Station consistent with FCC rules and policies, then the Trustee may request FCC consent to assign such licenses to the Townsquare Entities or another Townsquare Media, LLC subsidiary and upon the grant of such consent having become a final order, assign and convey to the Townsquare Entities or other Townsquare Media, LLC subsidiary such FCC Licenses and the other Station Assets for such Trust Station.

(e) The Trustee shall submit and diligently prosecute appropriate applications to such governmental authorities as any such Sale Agreement requires, including to the FCC requesting consent to assignment of the FCC Licenses.

(f) In the event that before the Closing Date the Townsquare Entities have entered into an agreement to sell a Trust Station to an unaffiliated third party (an "Existing Sale Contract") but such sale has not been consummated prior to the Closing Date, the Townsquare Entities shall assign their rights under such Existing Sale Contract to the Trustee at the Closing and the Trustee shall assume the obligations of the Townsquare Entities thereunder.

(g) The Trustee shall maintain complete records of all efforts undertaken to sell the Station Assets until it consummates the sale of all of the Station Assets. The Trustee shall file monthly reports with the Townsquare Entities setting forth the Trustee's efforts to sell the Station Assets as contemplated by this Trust Agreement. Such reports shall be designated confidential, shall include the name, address and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Station Assets, and shall describe in detail each contact with any such person during that period. If the Trustee has failed to consummate the sale of all of the Trust Stations within six (6) months from the Closing Date, the Trustee shall promptly provide the Townsquare Entities with a confidential report setting forth in reasonable detail (i) any supplement to the prior reports concerning the Trustee's efforts to sell the Station Assets; (ii) the reasons, in the Trustee's judgment, why the required sales have not been consummated; and (iii) the Trustee's recommendations for consummating the required sales without further delay.

(h) At least ten (10) business days prior to the execution of a Sale Agreement, the Trustee shall deliver to the Townsquare Entities a copy of such agreement, together with all attachments thereto. The Trustee shall notify the Townsquare Entities immediately of the parties' execution of the Sale Agreement and shall, within two (2) calendar days after its execution, provide a copy of the executed Sale Agreement and all related agreements (such as an escrow agreement), along with all schedules, exhibits, and other attachments thereto.

## **5. Management and Other Actions by Trustee.**

(a) During the term of this Trust Agreement, the right to manage the business of any Trust Station held in The Tri-Cities/Yakima Divestiture Trust shall be solely vested in the Trustee, subject to the following conditions:

(i) The Trustee shall have absolute and complete control over the operations of each Trust Station pending the sale of the Station Assets relating to such Trust Station or other termination of this Agreement in accordance with its terms, and no person other than the Trustee or managers designated by the Trustee shall have any authority with respect to the management of such Trust Station or the Station Assets relating to such Trust Station for so long as this Trust Agreement is in effect. The Trustee shall have no beneficial interest in the Station Assets.

(ii) The Trustee shall operate the Trust Stations as separate, independent, ongoing, economically viable and active competitors to the Townsquare Entities, and the Trustee shall ensure that the management of the Trust Stations is kept separate and apart from, and not influenced by, the Townsquare Entities. The Trustee shall use all reasonable efforts to maintain and increase sales of advertising time and to maintain promotional advertising, sales, marketing and merchandising support of the Trust Station at levels equal to or greater than those existing during the period prior to Closing.

(iii) The Trustee shall conduct the operations of the Trust Stations in accordance with the Trust's obligations as an FCC licensee. The Trustee shall provide the Townsquare Entities or their designee with budgets for the Trust Stations, which shall be prepared in a manner and within such time periods as are consistent with the Townsquare Entities' practice for their stations in the Metros. Within fifteen (15) days of the end of each calendar month the Trustee shall provide to the Townsquare Entities or their designee monthly financial reports consisting of unaudited balance sheets of the Trust Stations and related statements of operations and cash flows for the month and the three-month period then ended and any other financial information reasonably requested by the Townsquare Entities so that the Townsquare Entities can meet their financial reporting requirements to their accountants, lenders, the Securities and Exchange Commission and any other authorities of competent jurisdiction.

(iv) Any employee hired by the Trustee who is not employed at the Trust Stations as of the Closing Date shall not be a shareholder, member, partner, director, officer, or employee of the Townsquare Entities or any of their affiliates, and may not have any business and familial relationship (as defined the FCC's rules and policies) with the Townsquare Entities or with any member, shareholder, partner, director, officer, or employee of the Townsquare Entities or their affiliates.

(v) The Trustee shall cause any employee hired by the Trust to execute and deliver to the Trustee an agreement, in form and substance acceptable to the Trustee, pursuant to which such employee agrees to comply with the FCC's rules and policies, including without limitation all rules and policies governing communications regarding Trust Station operations among such employee and the Townsquare Entities or their members, shareholders, partners, officers, directors, employees, and affiliates.

(b) After the Closing, the Trustee will be entitled to hire those individuals employed exclusively by the Trust Stations (the "Station Employees") on the same terms and conditions as such employees were employed by the Receiver. In no event shall the Trustee or The Tri-Cities/Yakima Divestiture Trust be responsible for any liabilities or obligations relating to or arising under any of the Receiver's or the Townsquare Entities' employee benefit plans, programs or arrangements, whether such liabilities or obligations arise, or relate to a period, prior or subsequent to the Closing Date of this Trust Agreement, except for liabilities or obligations caused by Trustee's gross negligence, malfeasance, or breach of this Trust Agreement. All liabilities or obligations that relate to or arise under any of the Receiver's or the Townsquare Entities' employee benefit plans, programs or arrangements, except for liabilities or obligations caused by Trustee's gross negligence, malfeasance, or material breach of this Trust Agreement, shall remain the sole and complete responsibility of the Receiver or the Townsquare Entities, as applicable, and shall be subject to the indemnification provided herein or in Section 6(d). The Trustee shall terminate the employment of the Station Employees upon the termination of this Trust Agreement; provided, that the Townsquare Entities shall indemnify the Trustee for any and all expenses and other liabilities incurred thereby, including severance payments, COBRA obligations, and accrued vacations.

(c) The Trustee shall not offer employment to or hire any of the employees of the Townsquare Entities whose employment relates in whole or in part to the business and operations of other stations owned and operated by the Townsquare Entities or their affiliates in either of the Metros (the "Cluster Employees"). To the extent that any Cluster Employees provide services that are reasonably necessary for the conduct of the business and operation of a Trust Station as of the date of this Trust Agreement (such services, the "Shared Employee Services"), then the Townsquare Entities shall make such Shared Employee Services available to the Trustee in conjunction with Trustee's operation of the Trust Station during the term of this Trust Agreement. With respect to those Cluster Employees who perform Shared Employee Services, (i) when performing services for a Trust Station, such employees shall report to and be supervised solely by the Trustee, (ii) when performing services for other radio stations owned by the Townsquare Entities, such employees shall report to and be supervised solely by the Townsquare Entities, and (iii) such employees shall be given instructions by the parties to conduct themselves accordingly. Nothing herein creates an employment relationship between the Trustee and any employees of the Townsquare Entities.

(d) Except as expressly provided in this Trust Agreement, the Trustee shall not, in his capacity as trustee of The Tri-Cities/Yakima Divestiture Trust, incur any debt or guaranty obligation in favor of any other person.



(e) The Trustee shall have exclusive control over the operation and management of the Trust Stations, shall conduct the operations of the Trust Stations in the ordinary course of business consistent with past operations of the Trust Stations, and, to the extent possible, shall maintain the status quo of such operations as currently conducted with a view to maximizing the value to be received by the Townsquare Entities consistent with the Trustee's duties as an FCC licensee and as a fiduciary of the Townsquare Entities. Without limiting the generality of the foregoing, during the term of this Trust Agreement, except as contemplated by this Trust Agreement, the Trustee shall not:

(i) fail to use all commercially reasonable efforts to preserve intact the present business organization of the Trust Stations and each Trust Station's relationships with its customers, suppliers and others having business dealings with it;

(ii) fail to use commercially reasonable efforts to maintain the Station Assets in their current condition, except for ordinary wear and tear;

~~(iii) change the format of the Trust Stations;~~

~~(iv)(iii)~~ except for amendments of employment agreements in the ordinary course of business consistent with past practices of the Trust Stations, materially amend any material contract or default in any material respect (or take or omit to take any action that, with or without the giving of notice or passage of time, would constitute a material default) under any material contract or, except in the ordinary course of business consistent with past practices of the Trust Stations, enter into any new material contract;

~~(v)(iv)~~ sell (whether by restructuring, consolidation, or the sale of an equity interest or assets), lease, or dispose of the Station Assets except pursuant to a Sale Agreement or an Existing Sale Contract;

~~(vi)(v)~~ allow the imposition of any security interest, mortgage, easement, right of way, covenant, restriction, right of first refusal, or other encumbrance of any kind or nature on the Station Assets;

~~(vii)(vi)~~ enter into, or enter into negotiations or discussions with any person other than a purchaser under a Sale Agreement with respect to, any local marketing agreement, time brokerage agreement, joint sales agreement, or any other similar agreement;

~~(viii)(vii)~~ fail to use commercially reasonable efforts to maintain the ability of the Trust Stations to operate at maximum power and full coverage at all times; nor

~~(ix)(viii)~~ agree to or make any commitment, orally or in writing, to do any of the foregoing or to take any actions prohibited by this Trust Agreement.

(f) The Trustee shall have any and all such further powers and shall take such further actions (including, but not limited to, taking legal action) as may be necessary to fulfill the Trustee's obligations under this Trust Agreement.

(g) The Trustee shall be free from liability in acting upon any paper, document or signature believed by the Trustee to be genuine and to have been signed by the proper party. The Trustee shall not be liable for any error of judgment in any act done or omitted, nor for any mistake of fact or law, nor for anything else which the Trustee may do or refrain from doing in good faith. The Trustee may consult with legal counsel of his own choosing, and, without limiting the generality of the prior sentence, the Trustee shall not be liable for any action taken (or omitted to be taken) in good faith by the Trustee and in accordance with such advice of Trustee's counsel. The Trustee shall not be personally liable for any indebtedness or other liability or obligation of the Trust.

## **6. Financial Matters.**

(a) In consideration of his services hereunder, the Trustee shall be entitled to the compensation set forth in the Engagement Agreement dated [DATE], 2010 between the Townsquare Entities and the Trustee.

(b) To the extent that the Trust Stations generate cash accumulations in excess of the Trust Stations' actual and projected expenses as determined by the Trustee in his sole discretion ("Excess Cash Flow"), such Excess Cash Flow shall be remitted to the Townsquare Entities from time to time as the Trustee shall determine.

(c) To the extent that the Trustee determines in his sole discretion that the operation of the Trust Stations consistent with past practice, or that payment of charges and other expenses under this Trust Agreement, requires funds in excess of the actual or expected cash flow of the Trust Stations (as diminished by any prior remittances of Excess Cash Flow pursuant to Section 6(b)), the Townsquare Entities shall provide to the Trustee a line of credit in an amount reasonably sufficient to cover all such expenses, which line of credit shall be repayable only from Excess Cash Flow. The Townsquare Entities shall not communicate directly or indirectly with the Trustee about, or participate with the Trustee in making, any decision to draw on the line of credit or as to when or how the funds will be used. The Trustee may draw on the line of credit by making a written draft for a specific amount of funds or may make a request for checks to cover expenses incurred with respect to the operation of the Trust Stations. The Townsquare Entities shall, within ten (10) calendar days of receipt of such draft or request, provide such funds or checks to the Trustee in the amounts requested.

(d) The Townsquare Entities shall reimburse and indemnify the Trustee against all claims, costs of defense of claims (including reasonable attorneys' fees) and disbursements and taxes related to The Tri-Cities/Yakima Divestiture Trust, the operation of the Trust Stations, or the Station Assets, and all expenses and liabilities incurred by the Trustee, in connection with the performance of his duties and the enforcement of his rights under this Trust Agreement, except those incurred as a result of the Trustee's gross negligence, intentional wrongful action, willful misconduct, or material breach of this Trust Agreement. The Trustee shall give prompt written notice to the Townsquare Entities of any demand, suit, claim or assertion of liability by

third parties or other circumstances that could give rise to an indemnification obligation hereunder against the Trustee, but a failure to give or a delay in giving such notice shall not affect Trustee's right to indemnification and the Townsquare Entities' obligation to indemnify as set forth in this Trust Agreement, except to the extent the Townsquare Entities' ability to remedy, contest, defend or settle with respect to such claim is thereby prejudiced. The Townsquare Entities shall have the right to undertake, by counsel or other representatives of their own choosing, the defense or opposition to any such claim. The Trustee shall not settle or compromise any such claim or consent to entry of any judgment without the Townsquare Entities' written consent. Payments to the Trustee pursuant to this Section 6(d) shall be made within twenty (20) days of receipt of an invoice or bill from the Trustee together with appropriate supporting documentation. The obligations of the Townsquare Entities to the Trustee under this Section 6(d) shall survive the resignation, death or incapacity of the Trustee and the termination of this Trust Agreement.

(e) Prior to the Closing Date, the Townsquare Entities shall obtain policies of insurance, or procure the amendment of or riders to existing policies of insurance, to provide insurance coverage related to the Station Assets under the umbrella policies currently held by the Townsquare Entities. All such policies shall name the Trustee as an additional insured and shall not be canceled or amended without thirty (30) days prior written notice to the Trustee. The Trustee is hereby authorized to make payment of all premiums, and pay all deductibles and excesses, related such policies of insurance in the same manner as any other expense in the ordinary course of business of the Trust Stations.

**7. Limitations on the Townsquare Entities.** The Townsquare Entities shall not take any action to jeopardize the Trustee's sale of the Station Assets but shall use commercially reasonable efforts to assist the Trustee in accomplishing the required sales, including their full cooperation in obtaining all regulatory approvals. The Trustee and the Townsquare Entities shall permit prospective purchasers of the Station Assets to have access to personnel of the Trust Stations, to make such inspection of the Trust Stations' physical facilities as may be reasonable, and to inspect any and all financial, operational and other documents and information as may be customary and relevant to the sales of the Station Assets. To facilitate the sales of the Station Assets, the Trustee may request in writing from the Townsquare Entities such reasonable and customary representations and warranties, consents, information, covenants and indemnities (which may be directly provided by the Townsquare Entities to a buyer, as negotiated and determined by the Trustee) regarding such sales, and such requests shall not be unreasonably denied.

## **8. Trustee Responsibilities.**

(a) The Trustee shall devote such time to the operation of the Trust Stations and The Tri-Cities/Yakima Divestiture Trust as is necessary, appropriate, or advisable in the fulfillment of his obligations and the exercise of his fiduciary duties hereunder.

(b) The Trustee is expressly authorized to incur and pay from the Station Assets held in trust all reasonable expenses, disbursements, and advances incurred or made by the Trustee in the performance of his duties hereunder (including reasonable fees, expenses and disbursements of his counsel), which the Trustee in good faith deems necessary, proper, or advisable in the performance of his duties under this Trust Agreement.

(c) The Trustee shall be entitled to rely in good faith upon any order, judgment, certification, demand, notice, instrument or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity or the service thereof. The Trustee may act in reliance upon any instrument or signature he believes in good faith to be genuine, and may assume that any person purporting to give receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so. The Trustee may act pursuant to the advice of counsel with respect to any matter relating to this Trust Agreement and shall not be liable for any action taken or omitted in good faith in accordance with such advice.

(d) Neither the Trustee nor any successor trustee designated pursuant to Section 9 shall be a cognizable stockholder, member, partner, officer, employee, or director, of the Townsquare Entities or their affiliates, and may not have any business or familial relationship (as defined in the FCC's rules and published policies) with any officer, employee, director, member, cognizable stockholder, partner or affiliate of the Townsquare Entities. The Trustee shall not serve as an officer, employee, or director of any Townsquare Entities or any of their affiliates.

## **9. Replacement of Trustee.**

(a) The rights and duties of the Trustee hereunder shall terminate upon his death or incapacity, and no interest in a Sale Agreement or the Station Assets directly or indirectly held by the Trustee nor any of his rights and duties hereunder may be transferred by will, devise, succession or in any manner except as provided in this Trust Agreement. Notwithstanding the foregoing, the heirs, administrators, executors or other representatives of the Trustee shall have the obligation to assign the Trustee's rights and obligations under a Sale Agreement or any Existing Sale Contract to one or more successor trustees designated by the Townsquare Entities pursuant to this Section 9.

(b) The Trustee may resign by giving not less than sixty (60) days prior written notice of resignation to the Townsquare Entities; provided, that no such resignation shall become effective unless and until a successor trustee has been appointed, such appointment has received all necessary approval from the FCC, and any order granting such approval has become a final order with respect to which no action, request for stay, petition for hearing or reconsideration, or appeal has expired. The Townsquare Entities shall cooperate fully in the prompt appointment of a successor trustee and shall not unreasonably interfere with or delay the effectiveness of such resignation.

(c) In the event of the Trustee's resignation or upon his death or incapacity, he shall be succeeded, subject to all necessary approval from the FCC, by a successor trustee chosen by the Townsquare Entities. Any successor trustee shall succeed to all of the rights and obligations of the Trustee replaced hereunder and shall be deemed the Trustee for purposes of this Trust Agreement upon execution by such successor Trustee of a counterpart of this Trust Agreement (with such modifications as are necessary to effect such succession).

## **10. Termination and Distribution of Proceeds from Sale of Station Assets.**

(a) This Trust Agreement and The Tri-Cities/Yakima Divestiture Trust created hereby shall terminate automatically, and be of no further force and effect, upon the consummation of the sale(s) of the Trust Stations to third parties and/or assignment of the Trust Stations to the Townsquare Entities, in each case as contemplated by this Trust Agreement.

(b) Upon such termination resulting from the consummation of a sale of the Station Assets, the Trustee shall receive the cash paid/received in respect of such Station Assets, and, after paying (or reserving for payment thereof) any reasonable expenses or liabilities incurred pursuant to this Trust Agreement, shall promptly remit or cause the remittance of such cash and distribution of any remaining Station Assets relating to such Trust Station (such as Accounts Receivable) to the Townsquare Entities or their designee.

## **11. Communications.**

(a) Except as otherwise expressly provided in this Trust Agreement, during the term of this Trust Agreement, neither the Townsquare Entities nor any of their officers, directors, employees, stockholders, members, partners or affiliates shall communicate with the Trustee regarding the operation or management of the Trust Stations.

(b) The Townsquare Entities and the Trustee may communicate with each other (i) concerning the mechanics of implementing any sale of Station Assets (but not concerning the management and operation of the Trust Stations) and (ii) to provide reports to the Townsquare Entities concerning the implementation of The Tri-Cities/Yakima Divestiture Trust.

(c) Any communications permitted by this section shall be evidenced in writing and shall be retained by the Trustee for inspection upon request by the FCC.

(d) All notices and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (i) if transmitted by facsimile (with written confirmation of receipt), (ii) if personally delivered, upon delivery or refusal of delivery, or (iii) if sent by overnight courier, upon delivery or refusal of delivery. All notices or other communications required or permitted hereunder shall be addressed to the respective party to whom such notice, consent, waiver, or other communication relates at the following addresses:

If to the Townsquare Entities:      Townsquare Media, LLC  
240 Greenwich Avenue  
Greenwich, Connecticut 06830  
Attn: Alex Berkett  
Facsimile:

If to the Trustee:                      Mr. Allen N. Blum  
14 Wind Mill Place  
Armonk, NY 10504  
Facsimile:

Any party by written notice to the other parties pursuant to this section may change the address or the persons to whom notices or copies thereof shall be directed.

## **12. Miscellaneous.**

(a) This Trust Agreement (which term shall be deemed to include the annexes, exhibits, and schedules hereto and the other certificates, documents, and instruments delivered hereunder), constitutes the entire agreement among the parties hereto and supersedes all prior and contemporaneous agreements, or understandings with respect to the subject matter hereof. This Trust Agreement may not be amended except by an instrument in writing executed by each of the parties hereto.

(b) This Trust Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns, and nothing in this Trust Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Trust Agreement. Except as otherwise expressly permitted herein, no party may assign its rights or obligations hereunder without the prior written consent of the other parties.

(c) If any term or provision of this Trust Agreement is held to be invalid, illegal, or unenforceable by any court or governmental authority of competent jurisdiction, all other provisions of this Trust Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated herein are not affected in any manner materially adverse to any party. Upon such determination that any term or provision is invalid, illegal, or unenforceable, the parties shall negotiate in good faith to modify this Trust Agreement to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated herein are consummated as originally contemplated to the fullest extent possible.

(d) The headings of the sections of this Trust Agreement are solely for convenience of reference and shall not affect the construction or interpretation of this Trust Agreement. Unless otherwise stated, references in this Trust Agreement to sections, subsections, annexes, exhibits, schedules, and other subdivisions refer to the corresponding sections, subsections, annexes, exhibits, schedules, and other subdivisions of this Trust Agreement. The words "this Trust Agreement," "herein," "hereby," "hereunder," "hereof," and words of similar import, refer to this Trust Agreement as a whole and not to any particular subdivision unless expressly so limited. The word "or" is not exclusive, and the word "including" (in its various forms) means "including without limitation." Pronouns in the masculine, feminine, or neuter genders shall be construed to state and include any other gender.

(e) This Trust Agreement, the rights and obligations of the parties hereto, and any claims and disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of Delaware (not including the choice of law rules thereof). The exclusive forum for the resolution of any disputes arising hereunder shall be the state and federal courts of Delaware and each party irrevocably waives the reference of an inconvenient forum to the maintenance of any such action or proceeding. TRUSTEE AND THE COMPANIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL

ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS TRUST AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE.

(f) This Trust Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute a single instrument, and shall become effective when one or more counterparts have been signed and delivered by each of the parties hereto, it being understood that all parties need not sign the same counterpart. Facsimile signatures are sufficient to make this Trust Agreement effective.

(g) The Tri-Cities/Yakima Divestiture Trust shall be a “grantor trust” pursuant to Sections 671 through 678 of the United States Internal Revenue Code. The parties hereto acknowledge and agree that:

(i) the assets held by this Tri-Cities/Yakima Divestiture Trust shall be included as assets of the Townsquare Entities for federal, state and local tax purposes and accounting purposes; and

(ii) income and losses of The Tri-Cities/Yakima Divestiture Trust will be treated as income and losses of the Townsquare Entities for federal, state and local tax purposes and accounting purposes.

(h) The Trustee hereby represents and warrants to the Townsquare Entities that he is and shall continue to be during the term of this Trust Agreement legally qualified to serve as trustee of The Tri-Cities/Yakima Divestiture Trust, which shall be the FCC licensee of the Trust Stations and owner of the Station Assets.

*[remainder of page intentionally left blank; signature page follows]*

**IN WITNESS WHEREOF**, the parties hereto have executed this Trust Agreement, on the date first written above.

**TRUSTEE**

\_\_\_\_\_  
**Allen N. Blum**

**TOWNSQUARE MEDIA TRI-CITIES,  
LLC**

By: \_\_\_\_\_  
Name:  
Title:

**TOWNSQUARE MEDIA TRI-CITIES  
LICENSE, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**TOWNSQUARE MEDIA YAKIMA,  
LLC**

By: \_\_\_\_\_  
Name:  
Title:

**TOWNSQUARE MEDIA YAKIMA  
LICENSE, LLC**

By: \_\_\_\_\_  
Name:  
Title:



## **EXHIBIT A**

### **Trust Stations**

#### **Tri-Cities, WA Arbitron Metro:**

##### **Stations Currently Licensed to Townsquare Entities:**

KEYW(FM), Pasco, WA, 98.3 kHz, Facility No. 68846

KOLW(FM), Basin City, WA, 97.5 MHz, Facility No. 51128

##### **Stations Currently Licensed to Receiver:**

KKSR(FM), Walla Walla, WA, 95.7 MHz, Facility No. 35717

KIOK(FM), Richland, WA, 94.9 MHz, Facility No. 12455

KALE(AM), Richland, WA, 960 kHz, Facility No. 63359

#### **Yakima, WA Arbitron Metro:**

##### **Stations Currently Licensed to Townsquare Entities:**

KDBL(FM), Toppenish, WA, 92.9 MHz, Facility No. 64507

KQMY(FM), Naches, WA 99.3 MHz, Facility No. 88006

##### **Stations Currently Licensed to Receiver:**

KARY-FM, Grandview, WA, 100.9 MHz, Facility No. 53674

KHHK(FM), Yakima, WA, 99.7 MHz, Facility No. 36031

KBBO(AM), Selah, WA, 980 kHz, Facility No. 7918

KJOX(AM), Yakima, WA, 1390 kHz, Facility No. 49875