

## Bay Area Station Operations

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Following are guidelines for the respective Bay Area stations owned and operated by the University of Southern California (“USC”) and Classical Public Radio Network LLC (“CPRN”). USC holds a 90% interest in CPRN and Classical SF LLC holds a 10% interest in CPRN.

1. USC owns and operates, or will own and operate, the following Bay Area noncommercial radio stations (the “USC Stations”):
  - KCNL(FM), Sunnyvale, California
  - K212AA, Los Gatos, California (The parties acknowledge that this translator is currently licensed to CPRN, but was paid for and will be transferred to USC (subject to FCC approval).)
2. CPRN owns and operates, or will own and operate, the following Bay Area noncommercial radio stations (the “CPRN Stations”):
  - KUSF(FM), San Francisco, California
  - KDFC(FM), Angwin, California
3. The USC Stations and the CPRN Stations (collectively, the “Bay Area Stations”) may:
  - simulcast the same programming,
  - conduct joint fundraising campaigns, and
  - share operating expenses.
4. USC and CPRN each hereby consent to such simulcasts. Such simulcasts are non-exclusive and non-transferable. Either party may revoke such consent at any time by written notice to the other. Such consent does not convey any right, title or interest in or to any program.
5. Collections from joint fundraising shall be applied as follows:
  - first to shared operating expenses
  - any shortfall or excess will be allocated to USC and CPRN as set forth below.
6. Shared operating expenses (*i.e.*, expenses that are not exclusive to a single station) include both:

- internal costs such as the cost of compensation and benefits for employees who perform services for the Bay Area Stations, and

- external costs such as the cost of shared studio operations and engineering.

7. Any shortfall or excess shall be allocated as follows:

- the allocation will be expressed as two percentages, one for USC and one for CPRN, that equal 100%

- the allocation will be based upon the relative share of donations attributable to the stations owned by each party

- such attribution will take into account both membership and underwriting donations

- membership donations will be attributed based upon member zip code and station coverage area

- underwriting donations will be attributed based upon relative populations of the station coverage areas

- overlapping coverage areas and coverage areas of any shared facilities will be shared equally

- membership and underwriting will be weighted (*e.g.*, 70% membership and 30% underwriting) to set a single blended rate

- allocations may be adjusted as reasonably necessary to take into account station ratings, donor directions and other relevant matters.

8. Any excess allocated to CPRN will be applied:

- first to pay expenses exclusive to the CPRN Stations (*e.g.*, transmitter site expenses),

- then for any other CPRN Station purpose.

9. Any excess allocated to USC will be applied:

- first to pay expenses exclusive to the USC Stations (*e.g.*, transmitter site expenses),

- then for any other USC Station purpose.

May \_\_\_\_\_, 2012

University of Southern California  
3716 S. Hope Street  
Los Angeles, California 90007

Classical Public Radio Network LLC  
5277 Manhattan Circle, Suite 210  
Boulder, CO 80303

*Re: Classical Public Radio Network LLC*

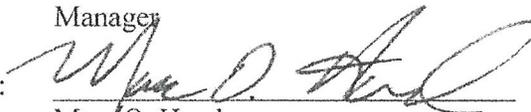
This letter agreement confirms the parties' understanding with respect to certain matters related to the operation of certain radio stations as set forth on the operating guidelines attached hereto.

This letter agreement may be signed in multiple counterparts.

Very truly yours,

CLASSICAL PUBLIC RADIO NETWORK LLC

By:   
Brenda Barnes  
Manager

By:   
Marc O. Hand  
Manager

Please sign below to confirm our understanding.

UNIVERSITY OF SOUTHERN CALIFORNIA

By:   
Robert Abeles  
Senior Vice President, Finance and CFO