

FACILITIES MODIFICATION AGREEMENT

This Agreement is made and entered into this 22nd day of May, 2006, between American Media Services, LLC, ("Proponent"), and James D. McDaniel ("Permittee"), permittee of a newly issued CP, licensed to Butte Falls, OR and identified as Facility ID# 166023 (the "Permit").

WHEREAS, Proponent desires to invoke the processes of the Federal Communications Commission ("FCC") to modify the facilities of KTL (FM), Tillamook, Oregon to allow its operation from Mt. Hood (the "AMS Proposal"), and may also make changes to the facilities of one or more other FM radio stations, allotments or permits; and

WHEREAS, Permittee agrees to accommodate the AMS Proposal by consenting to and then implementing according to the terms hereunder the following changes relating to the Permit: The Permit's community of license will be changed to Talent, Oregon and its transmitter reference site will be changed to approximate coordinates 42-18-05 N Latitude 122-44-38 W Longitude (the "Permit Change"); and

WHEREAS, together the AMS Proposal and the Permit Change will serve the public interest by providing better service to the public;

NOW THEREFORE, for good and valuable consideration exchanged by the parties and the mutual covenants and agreements set forth herein, Proponent and Permittee hereby agree as follows:

1. Proponent intends to prepare, as appropriate, an application, combination of applications, rule making proposal, counterproposal or combination thereof for changes in the FM Table of Allotments specifying the AMS Proposal and the Permit Change, as well as changes to other stations (the "Implementation Filings"). Proponent in its sole discretion will decide when and if to file the Implementation Filings, provided, however, that if the Implementation Filings are not submitted within 60 days of the execution of this Agreement, Permittee may withdraw from its obligations under this agreement without penalty. Proponent's obligations under Sections 3 and 4 hereof (excepting 3a) are conditioned upon (a) the grant by the FCC of any order or application that enables the filing of a construction permit application or applications to substantially effectuate the AMS Proposal, and that is not subject to material conditions or changes from the AMS Proposal, unless such conditions or changes are accepted by Proponent at its sole discretion (the "FCC Grant"), provided that, if such conditions or changes are not satisfactory to Proponent, it must notify Permittee at least 14 days before the deadline for the filing of a petition for reconsideration of the Permit Change, which Permittee may file seeking the reconsideration of the Permit Change and (b) the FCC Grant becoming final (that is, no longer subject to further administrative or judicial review under applicable law), unless waived by Proponent at its sole discretion. If, for any reason, Permittee fails to file a petition seeking reconsideration of the Permit Change and is required by the FCC to implement the Permit Change even though the AMS Proposal is not granted without condition, or does not become final, then all consideration due to Permittee shall be payable to Permittee notwithstanding any provision herein requiring finality of the grant of the AMS Proposal.

2. Permittee agrees that (a) when and if requested by Proponent, Permittee shall execute for submission to the FCC its written consent to the Permit Change in the form attached hereto as Attachment A; (b) when and if requested by Proponent, Permittee shall file with the

FCC a construction permit application for the Permit Change which specifies facilities consistent with the AMS Proposal (the "Permit Application"); (c) once the FCC issues a construction permit for the Permit Change (the "New Permit"), Permittee shall diligently undertake construction and initiation of operations thereunder, and shall complete such construction and initiation of operations no later than four (4) months from the issuance of the Permit Change Permit; unless such construction is delayed by Acts of God or similar occurrences, in which case construction shall be completed as soon as practical and (d) Permittee shall file with the FCC a license-to-cover application (the "New Permit License Application") no later than 10 days after initiation of operations pursuant to the New Permit.

3. Proponent agrees to pay to Permittee as reimbursement for implementation of the Permit Change according to the terms hereunder the total amount of [REDACTED] (the "Reimbursement Payment") delivered by Proponent as follows: (a) ten (10) business days following the deadline for filing of Reply Comments in FCC Media Bureau Docket 06-72 (unless Proponent shall elect to withdraw the AMS Proposal) the amount of [REDACTED], which shall not be refundable in any circumstances; (b) [REDACTED] no later than five (5) business days after Finality of the FCC Grant; and (c) the remainder of the Reimbursement Payment within five (5) business days after the electronic filing with the FCC of a license application (Form 302) covering the construction of the facilities specified in the New Permit. The payments by Proponent to Permittee are all of the payments that will be made to Permittee hereunder except as may otherwise be specifically stated herein, and from these payments Permittee will cover all of Permittee's costs of the Permit Change, including engineering and legal fees, necessary equipment purchases and promotional costs.

4. At the time that Proponent makes the payment specified in Section 3(b), Proponent shall also deliver the amount of [REDACTED] in cash or letter of credit to a mutually agreeable escrow agent. Said amount, if in cash, is to be held by the escrow agent in an interest-bearing account to be made available according to the terms and conditions hereunder and to the terms and conditions of a mutually agreeable escrow agreement for the payment to be made as specified in Section 3(c).

5. Each party agrees that it will interpose no objection to the filings (including, without limitation, the Implementation Filings and amendments thereto and applications for construction permits and licenses) of the other party to change channel, class, equipment, antenna location and/or community of license consistent with the AMS Proposal and the Permit Change. Each party shall cooperate with the requests of the other party to coordinate the submission of applications or related filings with the FCC and shall take no action inconsistent with the Implementation Filings, the AMS Proposal, or the Permit Change. Permittee shall not enter into any agreement with any third party concerning the Permit Change or similar modification to the facility without express written consent of the Proponent.

6. Proponent shall be entitled to assign its interest in this Agreement to any person or entity, provided that Proponent shall remain liable for its obligations hereunder. Permittee agrees that it will not assign or transfer the Permit unless it causes the assignee or transferee

thereof to assume Permittee's obligations under this Agreement in a manner reasonably satisfactory to Proponent. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the parties hereto.

7. If any term or provision of this Agreement is determined to be void, unenforceable or contrary to law, the remainder of this Agreement shall continue in full force and effect provided that such continuation would not materially diminish the benefits of this Agreement for either party.

8. This Agreement sets forth the entire understanding of the parties hereto at the time of execution and delivery hereof with respect to the subject matter hereof and may not be amended except by written amendment signed by both parties. All prior agreements between the parties with respect to the subject matter hereof shall be of no further force or effect. The undersigned each represent and warrant that each has the requisite authority to bind their respective parties to the terms and obligations of this Agreement.

9. If either party breaches its obligations under this Agreement, the other party shall each have the right to seek injunctive relief and/or specific performance. The breaching party agrees to waive any defense as to the adequacy of the other party's remedies at law and to interpose no opposition, legal or otherwise, to the propriety of injunctive relief or specific performance as a remedy. In any action seeking to enforce any provision of this Agreement, the prevailing party shall be entitled, in addition to any other relief which it may seek, to recover reasonable attorneys fees and costs incurred in connection with such action.

10. This agreement may be signed in counterparts with the same effect as if the signature on each counterpart were on the same instrument.

11. Except to the extent required by law, neither Permittee nor Proponent shall disclose the existence of this Agreement or make known any of its terms to any person other than its attorneys, engineers, and representatives to whom disclosure is necessary to effectuate the purposes of this Agreement and who are similarly bound to hold the existence of this Agreement and its terms in confidence.

12. Proponent acknowledges that a new tower and associated site will be required for the construction and operation of Permittee's facility if reallocated as described in Paragraphs 1 and 2 above. Proponent agrees to undertake at its own expense the acquisition of suitable land and to secure any permits or authorizations (whether required by Federal, State or local authorities) required for construction of a suitable tower. Proponent agrees to provide periodic assessments ("Status Reports"), in writing, of progress towards the foregoing at intervals of 6, 9 and 12 months following the filing of the AMS Proposal. In the event Proponent is unsuccessful at acquiring land and permits within this time under terms reasonably acceptable to the Permittee then Permittee may, at Permittee's option and upon written notice to the Proponent sent by electronic communications within thirty days of the receipt of any Status Report, elect to withdraw from the AMS Proposal. Upon such withdrawal, Permittee shall refund to proponent

any payments made to Permittee except for Permittee's actual out-of-pocket costs incurred in evaluation and cooperation with the AMS Proposal.

Notice Addresses for AMS:

Ed Seeger, President
American Media Services
1311 Chuck Dawley Boulevard
Suite 202
Mount Pleasant, SC 29464

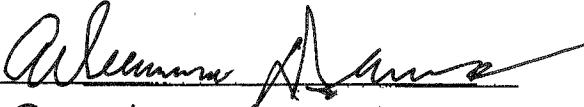
with a copy to:
David Collins, General Counsel
American Media Services
1311 Chuck Dawley Boulevard
Mount Pleasant, SC 29464

13. This Agreement shall be governed and construed according to the substantive law of the State of Oregon, without regard to choice of laws principles.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Proponent:

AMERICAN MEDIA SERVICES, LLC

By:  Edward Seeger
Its: President / CEO

Permittee:

JAMES D. MCDANIEL

By: 

Its:

**New CP
Butte Falls, OR**

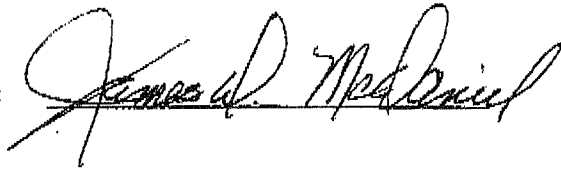
James D. McDaniel ("Permittee"), Successful bidder, applicant for and eventual Permittee of a new FM station at Butte Falls, OR hereby agrees to have its transmitter site reference point relocated and community changed from Butte Falls, OR to Talent, OR. Permittee will apply to implement the changes should the Commission approve the amendment to the FM Table of Allotments. Permittee understands that this statement may be used in a filing with the Commission and hereby authorizes its use for that purpose.

I verify that this statement is true, complete and correct to the best of my knowledge and belief and is made in good faith.

JAMES D. MCDANIEL

By:

Its:

A handwritten signature in black ink, appearing to read "James D. McDaniel", is written over a horizontal line.

ASSIGNMENT OF CONTRACT

WHEREAS, American Media Services, LLC (hereinafter referred to as "Assignor") and James D. McDaniel entered into a Facilities Modification Agreement dated May 27, 2006; and,

WHEREAS, Assignor wishes to assign the Facilities Modification Agreement to its affiliate Oregon Radio Partners, LLC and Oregon Eagle, Inc. (hereinafter referred to as "Assignees"); and,

WHEREAS, the parties wish to memorialize their agreements by this writing;

IT IS HEREBY AGREED

1. For valuable consideration, the receipt of which is hereby acknowledged, Assignor hereby assigns to the Assignee that certain Facilities Modification Agreement with James D. McDaniel dated May 27, 2006.
2. The Assignees agree to accept such assignment.
3. The Assignor shall remain liable for the responsibilities outlined in the Facilities Modification Agreement in the event that the Assignees cannot or will not perform their assigned responsibilities.
4. This agreement shall inure to the benefit of the party's assigns and successors and shall be construed pursuant to the laws of the State of South Carolina.

American Media Services, LLC

By: 

Its: President / CEO

Oregon Radio Partners, LLC

By: 

Its: Managing Member