

**MINUTES OF THE ANNUAL MEETING  
OF GOLDEN ORANGE BROADCASTING COMPANY, INC.**

**CERTIFICATE OF SECRETARY  
OF  
GOLDEN ORANGE BROADCASTING COMPANY, INC.  
a California corporation**

I hereby certify that I am the duly elected and acting Secretary of said Corporation and that the **Minutes of the Annual Meeting of the Board of Directors of Golden Orange Broadcasting Company, Inc.**, in the form attached hereto, constitutes and evidences the action of said Corporation as duly adopted by the Board of Directors thereof, effective as of **June 27, 2005**.



\_\_\_\_\_  
CALVIN C. BRACK, as Secretary of  
Golden Orange Broadcasting Company, Inc.,  
a California corporation

**MINUTES OF THE ANNUAL MEETING  
OF BOARD OF DIRECTORS OF  
GOLDEN ORANGE BROADCASTING COMPANY, INC.  
a California corporation  
(Reorganization)**

The Annual Meeting for the Board of Directors (the “**Board**”) of GOLDEN ORANGE BROADCASTING COMPANY, INC., a California corporation (the “**Corporation**”) was held at approximately 10:00 a.m. PST, on June 27, 2005, at the Corporation’s principal executive office in Irvine, California upon notice duly given.

Call to Order

The directors consented to the holding of a meeting via conference call at approximately 10:00 a.m. PST on June 27, 2005. An agenda outline follows:

Roll Call of Directors

- |                     |                      |
|---------------------|----------------------|
| 1. Gregory M. Simon | Present in Person    |
| 2. Patrick Boone    | Present on Telephone |
| 3. Dick Shepherd    | Present on Telephone |
| 4. Stephen Brack    | Present on Telephone |
| 5. Calvin C. Brack  | Present in Person    |

As noted above, five of the directors were present at the meeting either in person or by conference telephone and all members participating in the meeting were able to hear one another.

Calvin C. Brack acted at Secretary of the meeting.

A quorum was present at the meeting, and having been duly convened, was ready to proceed with business.

Reorganization

Upon motion duly made, seconded and unanimously carried, the following resolutions were ratified, adopted and approved by the Board:

**WHEREAS**, the shareholders of the Corporation have communicated a desire to gift or otherwise transfer their stock in the Corporation for estate planning purposes in a manner that may terminate the Corporation’s election to be taxed under Subchapter S of the Internal Revenue Code.

**WHEREAS**, for the reasons set forth on Exhibit “A” attached hereto, including without limitation to permit more flexibility to the Corporation’s shareholders in accomplishing their estate planning objectives without causing adverse tax consequences to the Corporation and to separate the liability associated with the ownership of real property and with the operation of the media business, the Directors previously determined that it was in the best interest of the Corporation and its shareholders to reorganize the business of the Corporation into two separate limited partnerships, one to own and operate the Corporation’s personal property and one to own and operate the Corporation’s real property.

**WHEREAS**, to further the foregoing goals, the Corporation formed the following two limited partnerships: (a) Golden Broadcasting, L.P., a California limited partnership (the “**Media L.P.**”), and (b) Golden Real Estate Holdings, L.P., a California limited partnership (the “**Real Property L.P.**”).

**WHEREAS**, to further the foregoing goals, the Directors believe it is in the best interest of the Corporation and its shareholders, for the Corporation to execute and deliver the Limited Partnership Agreement of Golden Broadcasting, L.P., in the form attached hereto as Exhibit “B” (“**Media L.P. Agreement**”) and the Limited Partnership Agreement of Golden Real Estate Holdings, L.P., in the form attached hereto as Exhibit “C” (the “**Real Property L.P. Agreement**”).

**WHEREAS**, to further the foregoing goals, the Directors believe it is in the best interest of the Corporation and its shareholders, for the Corporation to contribute its personal property to the Media L.P. in consideration of all of the class A limited partnership interests of Media L.P. and to contribute its real property to the Real Property L.P. in consideration of all of the class A limited partnership interests of Real Property L.P.

**WHEREAS**, the Directors believe it is in the best interest of the Corporation and its shareholders for the Corporation (a) to act as the General Partner of Media L.P. and the Class A Limited Partner of Media L.P., in accordance with the Media L.P. Agreement, (b) to enter into Media L.P. Agreement, (c) to act as the General Partner of Real Property L.P. and the Class A Limited Partner of Real Property L.P., in accordance with the Real Property L.P. Agreement, and (d) to enter into the Real Property L.P. Agreement .

#### **EXECUTION OF LIMITED PARTNERSHIP AGREEMENTS**

**NOW, THEREFORE, BE IT RESOLVED**, that the following named officer of this Corporation:

Mr. Calvin C. Brack

Chief Executive Officer

acting for and on behalf of this Corporation and as its act and deed be, and he hereby is, authorized and empowered in the name of the Corporation (a) to execute and deliver the Media L.P. Agreement, as both General Partner and Class A Limited Partner thereof, in the form attached hereto as Exhibit “B”, and (b) to execute and deliver the Real Property L.P. Agreement, as both General Partner and Class A Limited Partner thereof, in the form attached hereto as Exhibit “C”, each with such changes therein and additions thereto as may be approved by such officer, the execution thereof by such officer to be conclusive evidence of approval of any such changes or additions.



## EXHIBIT "A"

### Advantages of Separating Real Estate from Media Business

1. Creditor/Asset Protection. Holding title to the real estate holdings (the "Real Estate") and the operating media business (the "Media Business") in separate entities should protect the Real Estate (or Media Business, as applicable) from future claims against the Media Business (or Real Estate, as applicable). Specifically, if the Real Estate is no longer held in the same entity as the Media Business, the Real Property should not be subject to the reach of Media Business creditors. Additionally, if a creditor of any of the limited partners desires to foreclose on the limited partner's limited partnership interest, such creditor generally will not be able to foreclose on such interest but instead be limited to an interest in the cash (if any) distributed to the limited partner under the provisions of the partnership agreement pursuant to a charging order.

2. Estate Planning. If any of the current shareholders would like to gift or otherwise dispose of their interests in the Real Estate but keep his or her interest in the Media Business (or any combination thereof) they may do so by gifting or otherwise disposing of interests in the proposed separate entities. If the Real Estate and the Media Business were continued in the present corporate entity, a gift of stock in KDOC would result in a transfer of an interest in both the Real Estate and the Media Business.

### Advantages of Owning the Real Estate and Media Business in a Limited Partnership Over a Subchapter S Corporation.

1. Type of Owners. S corporations are subject to certain restrictions on the type of shareholders they may have. S corporation shareholders may not include corporations, partnerships, pension plans, certain trusts and non-resident alien individuals. Limited Partnerships are not subject to such restrictions. Accordingly, by holding the Real Estate and the Media Business in limited partnerships, the present shareholders will have more freedom and flexibility in accomplishing their estate planning objectives as well as other potential transfer opportunities without causing the S Corporation from losing its favorable tax status.

2. Single Class of Stock. S corporations may not have more than one class of stock outstanding. Limited partnerships may have any number or variety of classes or series of interests. Accordingly, limited partnerships may provide for preferred returns, subordinated capital interests and special allocations of income or loss which are critically important in many economic enterprises and the estate planning objectives of the present shareholders.

3. Special Allocations. S corporations are not permitted to specially allocate income, gain, deduction or loss among their shareholders or to make disproportionate distributions to their shareholders. In contrast, limited partnerships are permitted to specially allocate income, deduction, gain or loss among members (subject, of course, to the confines of the Internal Revenue Code ("IRC")) and make disproportionate distributions to their partners.

4. Annual Tax/Fee. S corporations incorporated or doing business in California are subject to an annual franchise tax equal to the greater of \$800 or 1.5% of its taxable income. Limited partnerships are subject to an annual franchise tax of \$800. Accordingly, the limited partnership's annual tax should be less than the franchise tax paid by an S corporation.

5. Capital Contributions. Generally, the contribution of appreciated property to an S corporation will trigger gain to the contributing shareholder. Conversely, a limited partner will not recognize taxable gain on the contribution of property unless the property is encumbered in excess of its basis (the

contributing partner's recognized gain is reduced by his or her share of the limited partnership's total liabilities following the contribution, including a share of the debt encumbering the contributed property. Accordingly, if you anticipate future partners that may contribute appreciated assets to the Media Business, the limited partnership solution will be more economically viable to such contributing partner.

6. Tax basis of Interest in Entity. In the case of both S corporations and limited partnerships, shareholders or partners may only use operating losses to the extent of their respective tax bases in their shares of stock or partnership interests. The rules for calculating basis are more favorable for partners, however. Specifically, an S corporation shareholder's basis in his or her stock is not increased by his or her share of the S corporation's debts for purposes of deducting S corporation losses. Conversely, a partner can include partnership debt in the basis of his or her partnership interest even though that debt will be nonrecourse to the partner. Although S corporation shareholders may accomplish the same thing by borrowing personally from a third-party lender and then lending the loan proceeds to the S corporation, the two-step loan structure may not be practical under many circumstances.

7. Inside Basis Adjustments. On the death of a shareholder or the sale of a shareholder's stock, an S corporation cannot adjust the basis of its assets to include the appreciated value of such assets. An increase in basis will decrease or avoid taxes on the subsequent sale of the assets. In contrast, a partnership may elect to increase the basis of its assets on the death of a member or on the sale of a partnership interest.

8. Distribution of Appreciated Property. The distribution of appreciated property to S corporation shareholders is a taxable event. By comparison, a partnership may distribute appreciated property (other than publicly traded securities) to its partners without triggering the recognition of gain in many circumstances.

9. Inadvertent Termination. It is very easy for an S corporation to forfeit inadvertently its status as an S corporation, thereby exposing it to the double taxation regime of the C corporation. Such terminations may occur on the inadvertent creation of more than one class of stock or the acquisition of S corporation stock by a non-eligible person or entity. Such an inadvertent termination is not present with a partnership.

EXHIBIT "B"

Media L.P. Agreement

(please attach)

EXHIBIT "C"

Real Property L.P. Agreement

(please attach)