

INVESTMENT AGREEMENT

THIS INVESTMENT AGREEMENT (this "*Agreement*") is made as of January 31, 2005 by and among Long Island Radio LLC, a Delaware limited liability company (the "*Company*"), Cherry Creek Radio LLC, a Delaware limited liability company ("*Cherry Creek Radio*" or the "*Cherry Creek Investor*"), Peter H. Ottmar ("*Ottmar*") and John P. Maguire ("*Maguire*" and, together with Ottmar, the "*Management Investors*"). The Cherry Creek Investor and the Management Investors are collectively referred to herein as the "*Investors*." Except as otherwise indicated herein, capitalized terms used herein are defined in Section 8 hereof.

The parties hereto agree as follows:

Section 1. Authorization and Closing.

1.01 Authorization of the Units. The Company shall authorize the issuance and sale to the Investors of up to 35,402.50 of its Class A-1 Units of limited liability company interest (the "*Class A-1 Units*") and up to 72,250.00 of its Class B-1 Units of limited liability company interest (the "*Class B-1 Units*") and up to 72,250.00 of its Class B-2 Units of limited liability company interest (the "*Class B-2 Units*"), each having the rights and preferences set forth in the LLC Agreement (as defined below), *provided, however*, that Class A-1 Units shall be issued only to the Cherry Creek Investor; and, *provided further* that (a) no Class B-1 Units shall be issued prior to FCC Approval and (b) no Class B-2 Units shall be issued subsequent to FCC Approval. The Company shall have authorized the issuance at the Closing, as contemplated by the Acquisition Agreement, of 500.00 of its Class A-3 Units of limited liability company interest (the "*Class A-3 Units*"), and all of the Class A-3 Units shall be outstanding. The Company shall have authorized the issuance upon conversion of the Class A-3 Units, as provided in the LLC Agreement, of 500.00 of its Class A-2 Units of limited liability company interest (the "*Class A-2 Units*"). The Class A-1 Units, Class A-2 Units, Class A-3 Units, Class B-1 Units and Class B-2 Units are collectively referred to herein as the "*Units*."

1.02 Purchase and Sale of the Units.

(a) Purchase and Sale at the Closing. At the Closing (as defined in Section 1.03 below), (i) the Company shall sell to the Cherry Creek Investor and Ottmar and, subject to the terms and conditions set forth herein, the Cherry Creek Investor and Ottmar shall purchase from the Company, the number of Units for the cash payment or other consideration set forth opposite such Investor's name on Schedule 1.02 attached hereto.

(b) Additional Post-Closing Purchases.

(i) Additional Cherry Creek Purchases. The Company has been organized for the purpose of acquiring the assets of, or ownership interests in, broadcast radio stations and related assets by means of first acquiring various operating and license assets from AAA Entertainment, LLC, a Delaware limited liability company ("*AAA*") (such acquisition the "*Initial Acquisition*") and thereafter from time to time making additional acquisitions of broadcast radio stations and related assets (each an "*Additional Acquisition*" and collectively, together with the Initial Acquisition, the "*Acquisitions*"). The Cherry Creek Investor may elect, in its sole discretion, to provide up to \$36,000,000 (including the purchase price for the Units to be acquired by the Cherry Creek Investor pursuant to Section 1.02(a) (the "*Cherry Creek Purchase Price*")) in equity financing to the Company as the equity portion of the debt and equity financing necessary to fund such Acquisitions, in each case as approved by the board of directors of the Company (the "*Board*") and the Cherry Creek Investor (an "*Approved Use*"). The Cherry Creek

Investor's election(s), if any, to purchase additional equity interests of the Company pursuant to this Section 1.02(b) will be conditioned on FCC Approval, the Company's not being in default under any of its material agreements, adequate debt financing being available to fund any proposed Additional Acquisition on terms satisfactory to the Cherry Creek Investor in its sole discretion, and the Company's operations and such Additional Acquisition being satisfactory to the Cherry Creek Investor in its sole discretion. In order to implement the foregoing, the Cherry Creek Investor may purchase from time to time after the Closing (each such purchase, an "Additional Cherry Creek Purchase"), upon the written request of the Board (and otherwise in accordance with, and subject to, the terms of this Agreement (including, but not limited to, the restrictions in Section 1.01) and the LLC Agreement (as defined below)) in connection with an Approved Use, additional Class A-1 Units, Class B-1 Units and Class B-2 Units for a total investment of (A) up to 22,349.93 Class A-1 Units at a price of \$1,000.00 per Class A-1 Unit and (B) up to 57,857.00 Class B-1 Units at a price of \$10.00 per Class B-1 Unit and (C) up to 57,857.00 Class B-2 Units at a price of \$10.00 per Class B-2 Unit (the amounts set forth in each of (A), (B) and (C) immediately above as adjusted from time to time as a result of unit dividends, unit splits, recapitalization and similar events); *provided* that in any such Additional Cherry Creek Purchase, 98% of the purchase price paid by the Cherry Creek Investor shall be allocated to the purchase of Class A-1 Units and 2% of the purchase price paid by the Cherry Creek Investor shall be allocated to the purchase of either Class B-2 Units if prior to FCC Approval or Class B-1 Units if subsequent to FCC Approval, subject to the restrictions in Section 1.01 of this Agreement. At the time of any such purchase, the Cherry Creek Investor shall be entitled to receive, and the Company shall be obligated to deliver, satisfactory representations and warranties and all other information and documentation as the Cherry Creek Investor may reasonably request. The Company agrees that until such time as the Cherry Creek Investor has invested an aggregate of \$36,000,000 in the Company to finance Acquisitions, the Cherry Creek Investor shall have the exclusive right (other than as contemplated by Section 1.02(b)(ii) below) to provide equity financing for Additional Acquisitions, and the Company shall seek to obtain equity financing for any Additional Acquisition by means of an Additional Cherry Creek Purchase; *provided* that if the Cherry Creek Investor declines to provide all of the equity financing necessary for an Additional Acquisition by means of an Additional Cherry Creek Purchase, then the Company may seek equity financing for such an Additional Acquisition on other terms and from other sources (subject to the provisions of Section 5 hereof). After such time as the Cherry Creek Investor has invested an aggregate of \$36,000,000 in the Company, the Cherry Creek Investor shall continue to have the right to make additional equity investments in the Company on a preemptive basis as set forth in Section 5 hereof.

(ii) Additional Management Purchases. The Management Investors shall have the right to participate ratably in any Additional Cherry Creek Purchase based upon a percentage of the aggregate value of each class of Units purchased in such Additional Cherry Creek Purchase, which percentage shall be least 2.0% for Ottmar and Maguire in the aggregate, with the allocation as between Ottmar and Maguire to be as agreed between them and the Cherry Creek Investor; *provided* that any investment by the Management Investors pursuant to this Section 1.02(b)(ii) must be for cash; and *provided further* that a Management Investor's right to participate in an Additional Cherry Creek Purchase pursuant to this Section 1.02(b)(ii) shall expire if not exercised by such Management Investor in each Additional Cherry Creek Purchase. The right of the Management Investors to participate in Additional Cherry Creek Purchases is personal to each Management Investor, may only be exercised by such Management Investor in his individual capacity, and may not be assigned, in whole or in part, to any other Person. Any such assignment will result in immediate termination of such Management Investor's rights under this Section 1.02(b)(ii). In connection with each exercise of his right to participate in an Additional Cherry Creek Purchase, each Management Investor shall execute and deliver to the

Cherry Creek Investor a certificate warranting that the purchase is being made by such Management Investor exclusively for his personal account.

1.03 The Closing. The closing of the purchase and sale of the Units to be purchased pursuant to Section 1.02(a) (the "Closing") shall take place at the offices of Kirkland & Ellis LLP, 655 Fifteenth Street, N.W., Washington, D.C. 20005 at 10:00 a.m. on the date of this Agreement, or at such other place or on such other date as may be mutually agreeable to the Company and the Investors. At the Closing each Investor shall deliver, as consideration for the Units to be purchased hereunder by such Investor, an amount equal to the purchase price set forth opposite such Investor's name on the Schedule I attached hereto in the form of a cashier's or certified check, or by wire transfer of immediately available funds to such account as designated by the Company (except, in the case of the Management Investors, to the extent that such Units are being purchased by the issuance of a promissory note).

Section 2. Conditions of the Investors' Obligations at the Closing. The obligation of each Investor to purchase and pay for the Units to be purchased by it at the Closing is subject to the satisfaction as of the Closing of the following conditions:

2.01 Representations and Warranties; Covenants. The representations and warranties contained in Section 6 hereof shall be true and correct at and as of the Closing as though then made, except to the extent of changes caused by the transactions expressly contemplated herein, and the Company shall have performed in all material respects all of the covenants required to be performed by it hereunder prior to the Closing.

2.02 LLC Agreement and Joinder Agreement. The Company and the Cherry Creek Investor shall have entered into a limited liability company agreement in form and substance substantially similar to Exhibit A attached hereto (the "LLC Agreement"), and the LLC Agreement shall be in full force and effect as of the Closing. A Joinder Agreement, by and among the Company, AAA Entertainment LLC, AAA Entertainment Holdings LLC, and Back Bay Broadcasters, Inc., a Delaware corporation ("Back Bay"), substantially similar to Exhibit B attached hereto (the "Joinder Agreement") shall have been executed, pursuant to which Back Bay shall become a Member of the Company, in accordance with the terms of the LLC Agreement.

2.03 Executive Agreements. The Company and Long Island Radio Broadcasting LLC, a Delaware limited liability company ("Broadcasting"), shall have entered into (i) an independent contractor and employment agreement, substantially in the form attached hereto as Exhibit C with Maguire (the "Maguire Independent Contractor and Employment Agreement") and (ii) a confidentiality and noncompete agreement, substantially in the form attached hereto as Exhibit D, with Ottmar (the "Ottmar Noncompete Agreement" and, together with the Maguire Independent Contractor and Employment Agreement, the "Executive Agreements") and neither of such Executive Agreements shall have been amended or modified and both shall be in full force and effect as of the Closing.

2.04 Professional Services Agreement. The Company, Broadcasting and Arlington Management, L.L.C., a Delaware limited liability company, shall have entered into a professional services agreement substantially in the form attached hereto as Exhibit E (the "Professional Services Agreement"), and the Professional Services Agreement shall be in full force and effect as of the Closing.

2.05 The Acquisition. The Acquisition Documents shall have been duly executed and delivered by the respective parties thereto and shall be in full force and effect, and no material term, condition or provision thereof shall have been supplemented, amended, modified or waived without the prior written consent of the Cherry Creek Investor. All material conditions to the consummation of the Acquisition shall have been satisfied (or waived with the written consent of the Cherry Creek Investor).

2.06 Closing Documents. The Company shall have delivered to the Investors all of the following documents:

(a) a Manager's Certificate, dated the date of the Closing, stating that the conditions specified in Section 2.01 through Section 2.05, inclusive, have been fully satisfied;

(b) certified copies of the resolutions duly adopted by the Sole Member authorizing the execution, delivery and performance of this Agreement, the Executive Agreements, the LLC Agreement and each of the other agreements contemplated hereby (the "*Transaction Documents*"), the issuance and sale of the Units and the consummation of all other transactions contemplated by this Agreement; and

(c) certified copies of the LLC Agreement as in effect at the Closing.

2.07 Expenses. The Company shall have reimbursed the Cherry Creek Investor and Arlington Capital for their fees and expenses as provided in Section 9.01 hereof.

2.08 Compliance with Applicable Laws. The purchase of Units by the Investors hereunder by the Cherry Creek Investor shall not be prohibited by any applicable law or governmental regulation, shall not subject the Investors to any penalty, liability or, in each Investor's sole judgment, other onerous conditions under or pursuant to any applicable law or governmental regulation, and shall be permitted by laws and regulations of the jurisdictions to which the Investors are subject.

2.09 Waiver. Any condition specified in this Section 2 may be waived only if such waiver is set forth in a writing executed by the Investors (or, if a condition is applicable only to one or certain of the Investors, by such Investor(s)).

Section 3. Covenants.

3.01 Pre-FCC Approval Negative Covenants. Prior to FCC Approval, the Company shall not, and Ottmar and Maguire shall not permit Back Bay to cause the Company to, without the prior written consent of the Cherry Creek Investor:

(a) directly or indirectly declare or make, or agree to pay or make any dividend or any other distribution, whether in cash, securities or other property, with respect to any of its equity securities, or incur any obligation (contingent or otherwise) to do so, except in accordance with the provisions of the LLC Agreement, or permit any Subsidiary to directly or indirectly declare or make, or agree to pay or make any dividend or any other distribution, whether in cash, securities or other property, with respect to any of its equity securities, or incur any obligation (contingent or otherwise) to do so, except in accordance with the provisions of the limited liability company agreement of such Subsidiary;

(b) except as expressly contemplated by this Agreement, authorize, issue, sell, modify the vesting schedule of, or enter into any agreement providing for the issuance (contingent or otherwise), or permit any Subsidiary to authorize, issue, sell or enter into any agreement providing for the issuance (contingent or otherwise) of, (i) any notes or debt securities containing equity features (including, without limitation, any notes or debt securities convertible into or exchangeable for equity securities, issued in connection with the issuance of equity securities or containing profit participation features) or (ii) any equity securities (or any securities convertible into or exchangeable for any equity securities) or rights to acquire any equity securities, other than the issuance of equity securities by a Subsidiary to the Company or another Subsidiary;

(c) liquidate, dissolve or effect a recapitalization or reorganization in any form of transaction or permit any Subsidiary to do so;

(d) terminate John P. Maguire from the position of Chief Executive Officer of the Company or from the position of Chief Executive Officer of any of its Subsidiaries;

(e) expand the size of the Board of Directors of the Company;

(f) amend, terminate, modify or waive any provision of the LLC Agreement or amend, terminate modify or waive, or permit any Subsidiary of the Company to amend, terminate, modify or waive, any provision of the limited liability company agreement of any Subsidiary of the Company;

(g) create, incur, assume or permit to exist, or permit any Subsidiary to create, incur, assume or permit to exist, any Lien on any property or asset now owned or hereafter acquired by it, or assign or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except (i) any Lien on any property or asset of the Company or any Subsidiary existing on the date hereof and set forth in Schedule 3.01, provided that such Lien shall secure only those obligations which it secures on the date hereof, (ii) mechanics', workmen's, materialmen's, landlords' or other similar liens arising in the Ordinary Course of Business, (iii) guarantees by the Company of Indebtedness of any Subsidiary and by any Subsidiary of Indebtedness of the Company or any other Subsidiary; (iv) Liens for taxes, assessments, or governmental charges not yet due and payable (or due and payable but not yet delinquent) or which are being contested in compliance with Section 3.02(d); (v) pledges and deposits to secure the performance of bids, trade contracts (other than for Indebtedness) leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the Ordinary Course of Business; (vi) pledges and deposits made in the Ordinary Course of Business in compliance with workmen's compensation, unemployment insurance and other social security laws or regulations; (vii) zoning restrictions, easements, rights-of-way, restrictions on use of real property and other similar encumbrances that do not materially impair the current use or the value of the property subject thereto; and (viii) judgment liens, that do not exceed \$25,000, in respect of judgments;

(h) sell, transfer, lease or otherwise dispose of any asset, including any equity interest owned by it or any sale and lease-back transaction, or permit any Subsidiary to do so, except (i) sales of used or surplus equipment and investments permitted under Section 3.04(d), and (ii) sales, transfers and dispositions to the Company or any Subsidiary;

(i) make or permit any Subsidiary to make, any capital expenditure in an amount in excess of \$100,000 during any one year; or

(j) amend, modify, supplement, restate or replace any employee benefit plan of the Company.

3.02 Pre-FCC Approval Affirmative Covenants. Prior to FCC Approval, the Company shall, and Ottmar and Maguire shall cause Back Bay to cause the Company to:

(a) Existence; Business and Properties.

(i) do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and that of its Subsidiaries;

(ii) do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, licenses, permits, franchises, authorizations,

patents, copyrights, trademarks and trade names material to the conduct of its business, maintain and operate such business substantially in the manner in which the business of the Stations is currently conducted and operated by AAA Entertainment LLC; comply with all applicable laws, rules, regulations and statutes and decrees and orders of any governmental authority, whether now in effect or hereafter enacted, except to the extent that the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect; and at all times maintain and preserve all property material to the conduct of such business and keep such property in good repair, working order (ordinary wear and tear excepted) and condition additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith may be properly conducted at all times; and

(iii) maintain all financial records in accordance with GAAP.

(b) Directors. Vote to elect John P. Maguire, Peter H. Ottmar, Joseph L. Winn and Perry W. Steiner to the board of directors of the Company.

(c) Insurance. Maintain insurance under policies issued by financially sound and reputable insurers in such amounts as are customary with companies similarly situated and in the same or similar business, including but not limited to: (i) coverage on its insurable properties (including all inventory, equipment and real property) against the perils of fire, theft and burglary; (ii) public liability; (iii) workers' compensation; (iv) business interruption; and (v) such other risks as are customary with companies similarly situated and in the same or similar business as that of the Company. The Cherry Creek Investor shall be shown as a loss payee and an additional named insured under all such insurance policies.

(d) Obligations and Taxes. Pay its Indebtedness and other material obligations before the same shall become delinquent or in default and in accordance with their terms, comply with material obligations which it incurs pursuant to any contract or agreement as such obligations become due, and pay and discharge before the same shall become delinquent or in default, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits in respect of its property, before the same shall become delinquent or in default as well as all lawful claims for labor, materials and supplies or otherwise that, if unpaid, might give rise to a Lien upon such properties or any part thereof; provided, however, that such payment and discharge shall not be required with respect to any such obligation, tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings and the Company shall have set aside on its books adequate reserves with respect thereto in accordance with GAAP and such contest operates to suspend collection of the contested obligation, tax, assessment or charge and enforcement of a Lien.

3.03 Post-FCC Approval Negative Covenants. Subsequent to FCC Approval, and for so long as the Cherry Creek Investor continues to hold any Units, the Company shall not, without the prior written consent of the Cherry Creek Investor:

(a) liquidate, dissolve or effect a recapitalization or reorganization in any form of transaction;

(b) directly or indirectly declare or pay any dividends or make any distributions upon any of its equity securities, except in accordance with the provisions of the LLC Agreement; or

(c) except as expressly contemplated by this Agreement, authorize, issue, sell or enter into any agreement providing for the issuance (contingent or otherwise), or permit any Subsidiary to authorize, issue, sell or enter into any agreement providing for the issuance (contingent or otherwise) of,

(i) any notes or debt securities containing equity features (including, without limitation, any notes or debt securities convertible into or exchangeable for equity securities, issued in connection with the issuance of equity securities or containing profit participation features) or (ii) any equity securities (or any securities convertible into or exchangeable for any equity securities) or rights to acquire any equity securities, other than the issuance of equity securities by a Subsidiary to the Company or another Subsidiary, or issuances of Class C-1 Units, Class C-2 Units, Class C-3 Units and Class C-4 Units of the Company pursuant to Section 3.1(c) of the LLC Agreement.

3.04 Negative Covenants. For so long as the Cherry Creek Investor continues to hold any Units, the Company shall not, without the prior written consent of the Cherry Creek Investor:

(a) directly or indirectly declare or make, or agree to pay or make any dividend or any other distribution, whether in cash, securities or other property, with respect to any of its equity securities, or incur any obligation (contingent or otherwise) to do so, except in accordance with the provisions of the LLC Agreement, or permit any Subsidiary to directly or indirectly declare or make, or agree to pay or make any dividend or any other distribution, whether in cash, securities or other property, with respect to any of its equity securities, or incur any obligation (contingent or otherwise) to do so, except in accordance with the provisions of the limited liability company agreement of such Subsidiary;

(b) directly or indirectly redeem, purchase or otherwise acquire, or agree to redeem, purchase or otherwise acquire, whether in cash, securities or other property, or permit any Subsidiary to redeem, purchase or otherwise acquire, or agree to redeem, purchase or otherwise acquire, whether in cash, securities or other property, any of the Company's equity securities (including, without limitation, any warrant, option or other right to acquire such equity securities or incur any obligation (contingent or otherwise) to do so);

(c) except as expressly contemplated by this Agreement, authorize, issue, sell, modify the vesting schedule of, or enter into any agreement providing for the issuance (contingent or otherwise), or permit any Subsidiary to authorize, issue, sell or enter into any agreement providing for the issuance (contingent or otherwise) of, (i) any notes or debt securities containing equity features (including, without limitation, any notes or debt securities convertible into or exchangeable for equity securities, issued in connection with the issuance of equity securities or containing profit participation features) or (ii) any equity securities (or any securities convertible into or exchangeable for any equity securities) or rights to acquire any equity securities, other than the issuance of equity securities by a Subsidiary to the Company or another Subsidiary;

(d) make, or permit any Subsidiary to make, any loans or advances to, guarantees for the benefit of, or Investments in, any Person, except for (i) intercompany transactions between the Company and a Subsidiary or between any Subsidiary and any other Subsidiary, (ii) issuances of Class C-1 Units, Class C-2 Units, Class C-3 Units and Class C-4 Units of the Company pursuant to Section 3.1(c) of the LLC Agreement, (iii) reasonable advances to employees in the Ordinary Course of Business as well as travel advances, (iv) trade credit extended to customers in the Ordinary Course of Business and (v) Investments having a stated maturity no greater than one year from the date the Company makes such Investment in (A) obligations of the United States government or any agency thereof or obligations guaranteed by the United States government, (B) certificates of deposit of commercial banks organized under the laws of the United States having combined capital and surplus of at least \$50 million, (C) commercial paper with a rating of at least "Prime-1" by Moody's Investors Service, Inc., (D) money market accounts investing in any of the foregoing or in substantially similar Investments, (E) guarantees permitted by Section 3.04(n);

(e) Transfer, or permit any Subsidiary to Transfer, any Federal Communications Commission licenses held by the Company or any of its Subsidiaries;

(f) merge or consolidate with any Person, (other than a wholly-owned Subsidiary of the Company, provided that the Company shall be the surviving entity), or permit any Subsidiary to merge or consolidate with any Person (other than a wholly-owned Subsidiary);

(g) acquire, or permit any Subsidiary to acquire, assets outside the Ordinary Course of Business;

(h) sell, lease or otherwise dispose of, or permit any Subsidiary to sell, lease or otherwise dispose of, assets of the Company or its Subsidiaries outside the Ordinary Course of Business;

(i) acquire, or permit any Subsidiary to acquire, any interest in any business (whether by a purchase of assets, purchase of stock, merger or otherwise);

(j) enter into, or permit any Subsidiary to enter into, any joint venture;

(k) engage in, or permit any Subsidiary to engage in, the ownership, active management or operation of any business other than the business of owning and operating broadcast radio stations and related assets;

(l) enter into or otherwise engage in, or permit any Subsidiary to enter into or otherwise engage in, any transaction with any of its or any Subsidiary's, or any of Back Bay's or Back Bay's Affiliates' officers, directors, employees or any individual related by blood, marriage or adoption to any such Person (a "Relative") or any entity in which any such Person or individual owns a beneficial interest (a "Related Entity"), except for normal employment arrangements and benefit programs on reasonable terms, and for leases in the Ordinary Course of Business, and except as otherwise expressly contemplated by this Agreement and the Executive Agreements;

(m) become subject to, or permit any of its Subsidiaries to become subject to, any agreement or other arrangement that prohibits, restricts or imposes any condition upon (i) the ability of any Subsidiary to make loans or advances or pay dividends or other distributions to, transfer property to, or repay any Indebtedness owed to, the Company or any Subsidiary or (ii) the Company's ability to perform the provisions of the this Agreement, LLC Agreement or the Professional Services Agreement;

(n) create, incur, assume or suffer to exist, or permit any Subsidiary to create, incur, assume or suffer to exist, any Indebtedness at any one time outstanding in excess of \$50,000, except (i) Indebtedness of the Company to any Subsidiary, or (ii) Indebtedness of any Subsidiary to the Company or to any Subsidiary;

(o) directly or indirectly implement or undertake any change in accounting policies or practices (except as required by law or by U.S. generally accepted accounting principles);

(p) adopt an annual operating budget for the Company and its Subsidiaries for any fiscal year, or make material modifications to or deviations from any such budget; or

(q) hire or terminate any of the Company's executive officers.

3.05 Affirmative Covenants. For so long as the Cherry Creek Investor continues to hold any Units, the Company shall:

(a) Financial Statements and Other Information. Deliver to the Cherry Creek Investor:

(i) as soon as available but in any event within 30 days after the end of each monthly accounting period in each fiscal year, (i) unaudited consolidated statements of income and cash flows of the Company and its Subsidiaries for such monthly period and for the period from the beginning of the fiscal year to the end of such month, and consolidated balance sheets of the Company and its Subsidiaries as of the end of such monthly period, and (ii) unaudited separate statements of income and cash flows of each Operating Subsidiary for such monthly period and for the period from the beginning of the fiscal year to the end of such month and unaudited separate balance sheets of each Operating Subsidiary as of the end of such monthly period, all prepared in accordance with U.S. generally accepted accounting principles, consistently applied, subject to the absence of footnote disclosures and to normal year-end adjustments;

(ii) accompanying the financial statements referred to in (a) above, an Officer's Certificate stating that (i) neither the Company nor any of its Subsidiaries is in default under any of its material agreements, including without limitation, material debt financing agreements, or, if any such default exists, specifying the nature and period of existence thereof and what actions the Company and its Subsidiaries have taken and propose to take with respect thereto and (ii) the financial statements of the Company and its Subsidiaries fairly present, in all material respects, the financial condition and results of operations of the Company and its Subsidiaries and were prepared in accordance with U.S. generally accepted accounting principles, consistently applied, subject to the absence of footnote disclosures and to normal year-end adjustments;

(iii) within 120 days after the end of each fiscal year, (i) consolidated statements of income and cash flows of the Company and its Subsidiaries for such fiscal year, and consolidated balance sheets of the Company and its Subsidiaries as of the end of such fiscal year, and (ii) separate statements of income and cash flows of each Operating Subsidiary for such fiscal year and separate balance sheets of each Operating Subsidiary as of the end of such fiscal year setting forth in each case comparisons to the annual budget and to the preceding fiscal year, all prepared in accordance with generally accepted accounting principles, consistently applied, and accompanied by (A) with respect to the consolidated statements (except with respect to budget data), an opinion containing no exceptions or qualifications (except for qualifications regarding specified contingent liabilities) of an independent accounting firm of recognized national standing acceptable to the Cherry Creek Investor, and (B) a copy of such firm's annual management letter to the Board;

(iv) promptly upon receipt thereof, any additional reports, management letters or other detailed information concerning significant aspects of the Company's operations or financial affairs given to the Company by its independent accountants (and not otherwise contained in other materials provided hereunder);

(v) at least 30 days prior to the beginning of each fiscal year, an annual budget prepared on a monthly basis for the Company and its Subsidiaries for such fiscal year (displaying anticipated statements of income and cash flows), and promptly upon preparation thereof any other significant budgets prepared by the Company and any revisions of such annual or other budgets, and within 30 days after any monthly period in which there is a material adverse deviation from the annual budget, an Officer's Certificate explaining the deviation and what actions the Company has taken and proposes to take with respect thereto;

(vi) promptly (but in any event within ten business days) after the discovery or receipt of notice of any default under any material agreement to which it or any of its Subsidiaries is a party or any other event or circumstance affecting the Company or any Subsidiary which is reasonably likely to have a material adverse effect on the financial condition, operating results, assets, operations or business prospects of the Company or any Subsidiary (including the filing of any material litigation against the Company or any Subsidiary or the existence of any material dispute with any Person which involves a reasonable likelihood of such litigation being commenced), an Officer's Certificate specifying the nature and period of existence thereof and what actions the Company and its Subsidiaries have taken and propose to take with respect thereto;

(vii) with reasonable promptness, such other information and financial data concerning the Company and its Subsidiaries as any Person entitled to receive information under this Section 3.05(a) may reasonably request; and

(viii) copies of all financial statements, proxy statements, reports and any other general written communications which the Company sends to the owners of its equity securities, and copies of all registration statements and all regular, special or periodic reports which it files, or any of its officers or directors file with respect to the Company, with the Securities and Exchange Commission or with any securities exchange on which any of its securities are then listed, and copies of all press releases and other statements made available generally by the Company to the public concerning material developments in the Company's and its Subsidiaries' businesses.

(b) Legal Compliance. The Company shall, and shall cause each Subsidiary to, comply with all applicable laws, rules and regulations of all governmental authorities, the violation of which would reasonably be expected to have a material adverse effect upon the financial condition, operating results, assets, operations or business prospects of the Company and its Subsidiaries taken as a whole, and pay and discharge when payable all taxes, assessments and governmental charges (except to the extent the same are being contested in good faith and adequate reserves therefor have been established).

(c) ERISA. Comply in all material respects with the applicable provisions of ERISA and the provisions of the Code relating thereto and furnish to the Cherry Creek Investor, (i) as soon as possible, and in any event within thirty (30) days after the Company or any of its Subsidiaries knows or has reason to know thereof, notice of (A) the establishment by the Company or any of its Subsidiaries of any Plan, (B) the commencement by the Company or any of its Subsidiaries of contributions to a Multiemployer Plan, (C) any failure by the Company, any of its Subsidiaries or any of the Company's or any of its Subsidiaries' Affiliates to make contributions required by Section 302 of ERISA (whether or not such requirement is waived pursuant to Section 303 of ERISA), or (D) the occurrence of any Reportable Event with respect to any Plan or Multiemployer Plan for which the reporting requirement is not waived, together with a statement of an officer setting forth details as to such Reportable Event and the action that the Company or any of its Subsidiaries proposes to take with respect thereto, together with a copy of the notice of such Reportable Event given to the PBGC if any such notice was provided by the Company or any of its Subsidiaries, and (ii) promptly after receipt thereof, a copy of any notice the Company or any of its Subsidiaries may receive from the PBGC relating to the intention of the PBGC to terminate any Plan or Multiemployer Plan, or to appoint a trustee to administer any Plan or Multiemployer Plan, and (iii) promptly after receipt thereof, a copy of any notice of withdrawal liability from any Multiemployer Plan.

(d) Maintaining Records; Access to Properties and Inspection. Permit any representatives designated by the Cherry Creek Investor, upon reasonable notice and during normal

business hours and such other times as the Cherry Creek Investor may reasonably request, to (a) visit and inspect any of the properties of the Company and its Subsidiaries, (b) examine the corporate and financial records of the Company and its Subsidiaries and make copies thereof or extracts therefrom and (c) discuss the affairs, finances and accounts of any such entities with the directors, officers, key employees and independent accountants of the Company and its Subsidiaries.

(e) Hart-Scott-Rodino Compliance. In connection with any transaction in which the Company is involved (a "*Transaction*") which is required to be reported under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended from time to time (the "*HSR Act*"), the Company shall prepare and file all documents with the Federal Trade Commission and the United States Department of Justice which may be required to comply with the HSR Act, and shall promptly furnish all materials thereafter requested by any of the regulatory agencies having jurisdiction over such filings, in connection with a Transaction. The Company shall take all reasonable actions and shall file and use reasonable best efforts to have declared effective or approved all documents and notifications with any governmental or regulatory bodies, as may be necessary or may reasonably be requested under federal antitrust laws for the consummation of the Transaction. Notwithstanding the foregoing, if the Cherry Creek Investor or its Affiliates, rather than the Company, is required to make a filing under the HSR Act in connection with a Transaction, the Company will provide to the Cherry Creek Investor or its Affiliates all necessary information for such filing, will facilitate such filing and will pay all fees associated with such filing.

(f) FCC Compliance. In connection with any Transaction that is required to be reported to the Federal Communications Commission or to any other federal, state or local governmental agency exercising regulatory authority over the business of broadcast communications (each a "*Broadcast Regulatory Agency*"), the Company shall prepare and file all documents with the applicable Broadcast Regulatory Agencies which may be required to comply with applicable statutes and regulations, and shall promptly furnish all materials thereafter requested by any of the Broadcast Regulatory Agencies having jurisdiction over such filings, in connection with a Transaction. The Company shall take all reasonable actions and shall file and use reasonable best efforts to have declared effective or approved all documents and notifications with any governmental or regulatory bodies, as may be necessary or may reasonably be requested under applicable federal or state laws for the consummation of the Transaction. Notwithstanding the foregoing, if the Cherry Creek Investor or Arlington Management, L.L.C., a Delaware limited liability company ("*ACP Management*"), rather than the Company, is required to make a filing with a Broadcast Regulatory Agency in connection with a Transaction, the Company will provide to the Cherry Creek Investor or ACP Management, as applicable, all necessary information for such filing, will facilitate such filing and will pay all fees associated with such filing.

3.06 Current Public Information. At all times after the Company has filed a registration statement with the Securities and Exchange Commission pursuant to the requirements of either the Securities Act or the Securities Exchange Act, the Company shall file all reports required to be filed by it under the Securities Act and the Securities Exchange Act and the rules and regulations adopted by the Securities and Exchange Commission thereunder and shall take such further action as any holder or holders of Restricted Securities may reasonably request, all to the extent required to enable such holders to sell Restricted Securities pursuant to (a) Rule 144 adopted by the Securities and Exchange Commission under the Securities Act (as such rule may be amended from time to time) or any similar rule or regulation hereafter adopted by the Securities and Exchange Commission or (b) a registration statement on Form S-2 or S-3 or any similar registration form hereafter adopted by the Securities and Exchange Commission. Upon request, the Company shall deliver to any holder of Restricted Securities a written statement as to whether it has complied with such requirements.

3.07 Public Disclosures. The Company shall not, nor shall it permit any Subsidiary to, disclose any Investor's name or identity as an investor in the Company in any press release or other public

announcement or in any document or material filed with any governmental entity, without the prior written consent of such Investor, unless such disclosure is required by applicable law or governmental regulations or by order of a court of competent jurisdiction, in which case prior to making such disclosure the Company shall give written notice to such Investor describing in reasonable detail the proposed content of such disclosure and shall permit such Investor to review and comment upon the form and substance of such disclosure.

3.08 Unauthorized Action. Notwithstanding anything to the contrary, either herein, in the LLC Agreement or elsewhere, any action taken by the Company that is in breach of Section 3.01 and/or Section 3.02 of this Agreement shall be void and without effect

Section 4. 83(b) Elections. The Management Investors will timely make an election under section 83(b) of the Code with respect to each purchase of Class A-2 Units, Class B-1 Units and Class B-2 Units under this Agreement, in a manner reasonably prescribed by the Company.

Section 5. Cherry Creek Investor Preemptive Rights.

5.01 Except for issuances of equity securities or securities or instruments containing equity-like features (a) pursuant to Section 3.1(c) of the LLC Agreement, (b) upon the conversion, recapitalization or reorganization of any securities of the Company, (c) as consideration for the acquisition of or investment in another company or business (whether through a purchase of securities, a merger, consolidation, purchase of assets or otherwise), (d) in connection with a Qualified Public Offering (as such term is defined in the LLC Agreement), (e) as additional yield or return in respect of institutional indebtedness for borrowed money, (f) as a dividend or distribution in respect of the Company's equity securities or (g) in connection with a split of the Company's equity securities or similar event, if the Company authorizes the issuance or sale of any equity securities or securities or instruments containing equity-like features ("*Additional Securities*"), the Cherry Creek Investor shall be entitled to purchase, subject to the limitations in Section 1.01, a portion of such Additional Securities as provided herein (a "*Preemptive Cherry Creek Purchase*").

5.02 At least 20 days prior to the issuance of any Additional Securities, the Company shall deliver written notice to the Cherry Creek Investor specifying in reasonable detail the number and type of Additional Securities to be issued and the terms and conditions of the issuance (the "*Issuance Notice*"). The Cherry Creek Investor may elect to participate in the contemplated issuance at the same price per Additional Securities and on the same terms by delivering written notice to the Company within 20 days following delivery of the Issuance Notice specifying the maximum amount of Additional Securities which the Cherry Creek Investor desires to purchase; *provided* that if the Cherry Creek Investor purchases Additional Securities it shall pay in cash an amount equal to the fair market value of any non-cash consideration to be received for the Additional Securities (as determined in good faith by the Board).

5.03 If the Cherry Creek Investor has elected to purchase Additional Securities, the Company shall sell, and the Cherry Creek Investor shall purchase, the number of Additional Securities determined pursuant to the procedures provided above at a mutually agreeable time and place, but in no event later than 45 days following delivery of the Issuance Notice (the "*Issuance Closing*"). At the Issuance Closing, the Company shall deliver to the Cherry Creek Investor the certificates or other instruments (if any) representing the issued securities, free and clear of all liens and encumbrances, and the Cherry Creek Investor shall make customary investment representations to the Company and shall deliver to the Company the purchase price therefor by cashier's or certified check payable to the Company or by wire transfer of immediately available funds to an account designated by the Company.

5.04 To the extent that the Cherry Creek Investor has not elected to purchase all of the Additional Securities being offered, the Company may, within 90 days following delivery of the Issuance Notice, sell such Additional Securities to one or more third parties at a price no less than the price per Additional Security and on such other terms and conditions no more favorable to such third party purchaser(s) than offered to the Cherry Creek Investor in the Issuance Notice. Any Additional Securities not sold within such 90-day period shall be reoffered to the Cherry Creek Investor in accordance with the provisions hereof prior to any subsequent sale.

5.05 Additional Management Purchases. The Management Investors shall have the right to participate ratably in any Preemptive Cherry Creek Purchase based upon a percentage of the aggregate value of each class of Units purchased in such Additional Cherry Creek Purchase, which percentage shall be least 2.0% for Ottmar and Maguire in the aggregate, with the allocation as between Ottmar and Maguire to be as agreed between them and the Cherry Creek Investor; *provided* that for the purpose of determining the aggregate value of Class A-2 Units that the Management Investors shall have a right to purchase in an Additional Management Purchase, such percentage shall be applied to the aggregate value of the Class A-1 Units purchased in the corresponding Additional Cherry Creek Purchase; *provided* that any investment by a Management Investor pursuant to this Section 5.05 must be for cash; and *provided further* that each Management Investor's right to participate in an Preemptive Cherry Creek Purchase pursuant to this Section 5.05 shall expire if not exercised by such Management Investor in each Preemptive Cherry Creek Purchase. The right of the Management Investors to participate in Preemptive Cherry Creek Purchases is personal to each Management Investor, may only be exercised by the Management Investor in his individual capacity, and may not be assigned, in whole or in part, to any other Person. Any such assignment will result in immediate termination of the assigning Management Investor's rights under this Section 5.05. In connection with each exercise of his right to participate in a Preemptive Cherry Creek Purchase, each Management Investor shall execute and deliver to the Cherry Creek Investor a certificate warranting that the purchase is being made by such Management Investor is exclusively for his personal account.

The provisions of this Section 5 shall terminate upon the consummation of a Qualified Public Offering.

Section 6. Representations and Warranties of the Company. As a material inducement to the Investors to enter into this Agreement and purchase the Units, the Company hereby represents and warrants to the Investors, subject to the limitations set forth in Section 6.08 of this Agreement, that:

6.01 Organization and Corporate Power. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware and is qualified to do business in every jurisdiction in which the failure to so qualify might reasonably be expected to have a material adverse effect on the financial condition, operating results, assets, operations or business prospects of the Company and its Subsidiaries taken as a whole. The Company has all requisite company power and authority and all material licenses, permits and authorizations necessary to own and operate its properties, to carry on its businesses as now conducted and presently proposed to be conducted and to carry out the transactions contemplated by this Agreement.

6.02 Units and Related Matters.

(a) As of the Closing and immediately thereafter, the authorized capitalization of the Company shall consist of 123,829.97 units of limited liability company interest, of which (i) 35,402.50 shall be designated as Class A-1 Units (13,052.57 of which shall be outstanding immediately after the Closing, and 22,349.93 shall be reserved for issuance to the Cherry Creek Investor pursuant to Section 1.02(b)(i)), (ii) 500.00 shall be designated as Class A-2 Units, all of which shall be reserved for issuance upon conversion of the Class A-3 Units, as contemplated by the LLC Agreement, (iii) 500.00 shall be

designated as Class A-3 Units (all of which shall be outstanding after the issuance to AAA, and which shall be immediately transferred to Back Bay, as contemplated by the Acquisition Agreement), (iv) 72,250.00 shall be designated as Class B-1 Units (none of which shall be outstanding immediately after the Closing and 57,857.00 of which shall be reserved for issuance to the Investors pursuant to Section 1.02(b) hereof), and 14,393.00 of which shall be reserved for issuance upon conversion of Class B-2 Units, as contemplated by the LLC Agreement, (v) 72,250.00 shall be designated Class B-2 Units (of which 14,393.00 shall be outstanding after the issuance to the Investors contemplated by Section 1.02(a) hereof and 57,857.00 shall be reserved for issuance to the Investors pursuant to Section 1.02(b) hereof), (vi) 6093.37 shall be designated as Class C-1 Units, (vii) 6093.37 shall be designated as Class C-2 Units, (viii) 2,611.45 shall be designated as Class C-3 Units and (ix) 879.27 shall be designated as Class C-4 Units. As of the Closing, the Company shall not have outstanding any securities convertible or exchangeable for any units of membership interest or containing any profit participation features, nor shall it have outstanding any rights or options to subscribe for or to purchase its capital stock or any securities convertible into or exchangeable for its capital stock or any unit appreciation rights or phantom stock plans other than pursuant to and as contemplated by this Agreement or the LLC Agreement. As of the Closing, the Company shall not be subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any of its equity interests or any warrants, options or other rights to acquire its equity interests, except pursuant to this Agreement and the LLC Agreement. As of the Closing, all of the Company's outstanding equity securities shall be validly issued.

(b) There are no statutory or, to the best of the Company's knowledge, contractual equityholders preemptive rights or rights of refusal with respect to the issuance of the Units hereunder or the issuance of the Units pursuant to Section 1.02(b), except as expressly contemplated in the LLC Agreement or provided herein. Based in part on the investment representations of the Investors in Section 9.03 hereof, the Company has not violated any applicable federal or state securities laws in connection with the offer, sale or issuance of any of its capital stock, and the offer, sale and issuance of the Units hereunder and pursuant to Section 1.02(b) or Section 5 hereof do not and will not require registration under the Securities Act or any applicable state securities laws. To the best of the Company's knowledge, there are no agreements between the Company's members with respect to the voting or transfer of the Company's capital stock or with respect to any other aspect of the Company's affairs, except for the LLC Agreement and this Agreement.

6.03 Subsidiaries; Investments: Except for the Subsidiaries listed on Schedule 6.03 attached hereto, the Company (a) has no Subsidiaries and (b) does not own or hold any shares of stock or any other security or interest in any other Person or any rights to acquire any such security or interest. Each of the Subsidiaries listed on Schedule 6.03 is, directly or indirectly, a wholly owned subsidiary of the Company.

6.04 Authorization; No Breach. The execution, delivery and performance of this Agreement, the LLC Agreement, and all other agreements contemplated hereby to which the Company is a party have been duly authorized by the Company. This Agreement, the LLC Agreement, and all other agreements contemplated hereby to which the Company is a party each constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms. The execution and delivery by the Company of this Agreement, the LLC Agreement, and all other agreements contemplated hereby to which the Company is a party, the offering, sale and issuance of the Units hereunder and pursuant to Section 1.02(b), and Section 5 and the fulfillment of and compliance with the respective terms hereof and thereof by the Company do not and will not (a) conflict with or result in a breach of the terms, conditions or provisions of, (b) constitute a default under, (c) result in the creation of any lien, security interest, charge or encumbrance upon the Company's equity capital or assets pursuant to, (d) give any third party the right to modify, terminate or accelerate any obligation under, (e) result in a violation of, or (f) require any authorization, consent, approval, exemption or other action by or notice to any court or administrative or governmental body pursuant to, the LLC Agreement, or any law, statute, rule or regulation to which the

Company is subject, or any agreement, instrument, order, judgment or decree to which the Company is a party or by which it is bound.

6.05 Litigation, etc. There are no actions, suits, proceedings, orders, investigations or claims pending or, to the best of the Company's knowledge, threatened against or affecting the Company (or to the best of the Company's knowledge, pending or threatened against or affecting any of the officers, directors or employees of the Company with respect to their businesses or proposed business activities) at law or in equity, or before or by any governmental department, commission, board, bureau, agency or instrumentality with respect to the transactions contemplated by this Agreement.

6.06 Brokerage. There are no claims for brokerage commissions, finders fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement binding upon the Company. The Company shall pay, and hold the Investors harmless against, any liability, loss or expense (including, without limitation, attorneys, fees and out-of-pocket expenses) arising in connection with any such claim.

6.07 Governmental Consent, etc. Except as contemplated by the Acquisition Agreement, no permit, consent, approval or authorization of, or declaration to or filing with, any governmental authority is required in connection with the execution, delivery and performance by the Company of this Agreement or the other agreements contemplated hereby, or the consummation by the Company of any other transactions contemplated hereby or thereby.

6.08 Limitation on Representations and Warranties. The representations and warranties of this Section 6 shall be made by the Company solely to those Investors that have made an Investment in the Company pursuant to Sections 1.02(a) or 1.02(b).

Section 7. Appointment of Special Attorney-in-Fact. For purposes of performing the obligations of the Company under this Agreement, the Company hereby irrevocably constitutes and appoints the Cherry Creek Investor and any officer or agent thereof (the "*Attorney-in-Fact*"), for the period from the date hereof until FCC Approval, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Company and in the name of the Company or in its own name, upon the occurrence of a breach of any of the covenants in Section 3 above, for the purpose of taking all appropriate action that would be taken by a reasonably prudent person in such circumstances to cure such breach; *provided*, however, that if taking any such action requires the approval of the FCC, then the Cherry Creek Investor will not undertake such action without first obtaining the approval of the FCC; *provided further* that this appointment, and all the power and authority granted pursuant to this Section 7, shall expire upon FCC Approval. The Cherry Creek Investor hereby accepts such appointment.

Section 8. Definitions. For the purposes of this Agreement, the following terms have the meanings set forth below:

"AAA" means AAA Entertainment, LLC, a Delaware limited liability company.

"Acquisition" means the acquisition of radio station assets owned by AAA by the Company or its designee pursuant to the terms of the Acquisition Agreement.

"Acquisition Agreement" means the Asset Purchase Agreement, dated as of January 14, 2005, by and among Back Bay, AAA, AAA Entertainment Holdings LLC, AAA Entertainment Licensing LLC, AAA Sub LLC, AAA Licensing LLC and the Company.

"Acquisition Documents" means, collectively, the Acquisition Agreement and all other agreements, side letters, documents and instruments governing or relating to the Acquisition or affecting the terms of the foregoing agreements (in each case, as amended, modified or supplemented from time to time in accordance with the terms thereof).

"Affiliate" of any particular person or entity means any other person or entity controlling, controlled by or under common control with such particular person or entity. For purposes of this Agreement, all holdings of Class A-1 Units, Class A-2 Units, Class A-3 Units, Class B-1 Units and Class B-2 Units by Persons who are Affiliates of each other shall be aggregated for purposes of meeting any threshold tests under this Agreement.

"Arlington Capital" means, collectively, Arlington Capital Partners, L.P., a Delaware limited partnership, Arlington Capital Partners Offshore, L.P., a Delaware limited partnership, or entities controlled by them or by the members of the general partner of Arlington Capital Partners, L.P. or Arlington Capital Partners Offshore, L.P. (including the Cherry Creek Investor but excluding the Company and its Subsidiaries).

"Back Bay" means Back Bay Broadcasters, Inc., a Delaware corporation.

"Code" means the Internal Revenue Code of 1986, as amended.

"ERISA" means the Employee Retirement Income Security Act of 1974, as the same may from time to time be amended, and the rules and regulations of any governmental agency or authority, as from time to time in effect, promulgated thereunder.

"FCC Approval" means the consummation of a transaction arising from the final, non-appealable order of the Federal Communications Commission approving the application pursuant to Section 310 of the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission adopted thereunder, to transfer the ultimate, indirect control of the Stations from Back Bay to the Cherry Creek Investor or any other Affiliate of Arlington Capital (as defined in the LLC Agreement), as shall be determined by Arlington Capital; provided, that the terms and conditions of such order shall be acceptable in all respects to Arlington Capital; provided, further, that if no petition for reconsideration or appeal has then been filed, Arlington Capital may, in its discretion, waive the running of any unexpired period for either reconsideration or appeal (as applicable) of the Federal Communications Commission order and consummate the transaction, in which case "FCC Approval" will be deemed received on the date of such waiver by Arlington Capital.

"GAAP" means generally accepted accounting principles in the United States.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent, in respect of: (i) borrowed money; (ii) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof); (iii) banker's acceptances; (iv) capital lease obligations; or (v) the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the preceding items would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien or encumbrance of any kind or nature on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the guarantee by the specified Person of any Indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be: (i) the accreted value thereof, in the case of any Indebtedness issued with original issue discount; and (ii) the principal amount thereof,

together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

“Investment” as applied to any Person means (a) any direct or indirect purchase or other acquisition by such Person of any notes, obligations, instruments, stock, securities or ownership interest (including partnership interests and joint venture interests) of any other Person and (b) any capital contribution by such Person to any other Person.

“Lien” means any security interest, lien, pledge, bailment, mortgage, hypothecation, deed of trust, conditional sales and title retention agreement (including any lease in the nature thereof), charge, encumbrance or other similar arrangement or interest in real or personal property, now owned or hereafter acquired, whether such interest is based on common law, statute or contract.

“LLC Agreement” means the limited liability company agreement of Long Island Radio LLC, as amended from time to time.

“Material Adverse Effect” means (a) a materially adverse effect on the business, assets, operations, prospects or condition, financial or otherwise, of the Company and its subsidiaries, taken as a whole, or (b) a material impairment of the rights of or benefits available hereunder to the Cherry Creek Investor.

“Multiemployer Plan” shall mean a multiemployer plan (within the meaning of Section 3(37) of ERISA) that is maintained for the benefit of the employees of the Company or any of its Subsidiaries.

“Manager’s Certificate” means a certificate signed by the Company’s Manager, in such capacity, stating that (a) the Manager signing such certificate has made or has caused to be made such investigations as are necessary in order to permit him to verify the accuracy of the information set forth in such certificate and (b) to the best of such Manager’s knowledge, such certificate does not misstate any material fact and does not omit to state any fact necessary to make the certificate not misleading.

“Operating Subsidiary” means a Subsidiary of the Company that owns and operates one or more broadcast radio stations.

“Ordinary Course of Business” means the ordinary course of business of the Company and its Subsidiaries; it being understood that notwithstanding the Company’s business strategy to expand by acquisition, acquisitions and dispositions of Subsidiaries or broadcast radio stations shall not be considered as part of the ordinary course of business of the Company and its Subsidiaries.

“PBGC” shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA, or any other governmental agency, department or instrumentality succeeding to the functions thereof.

“Person” means an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“Plan” shall mean any employee benefit plan (within the meaning of Section 3(3) of ERISA), other than a Multiemployer Plan, established or maintained by the Company or any of its Subsidiaries.

“Professional Services Agreement” means the Professional Services Agreement, dated as of the date hereof, by and among the Company, Arlington Management, L.L.C. and the other parties thereto, as amended from time to time.

“Reportable Event” mean any of the events that are reportable under Section 4043 of ERISA and the regulations promulgated thereunder, other than an occurrence for which the thirty (30) day notice contained in 29 C.F.R. § 2615.3(a) is waived.

“Restricted Securities” means (a) the Units issued hereunder and pursuant to Section 1.02(b) hereof and (b) any securities issued with respect to the securities referred to in clause (a) above by way of a unit dividend or unit split or in connection with a combination of units, recapitalization, merger, consolidation or other reorganization. As to any particular Restricted Securities, such securities shall cease to be Restricted Securities when they have (i) been effectively registered under the Securities Act and disposed of in accordance with the registration statement covering them, (ii) become eligible for sale pursuant to Rule 144(k) (or any similar provision then in force) under the Securities Act or (iii) been otherwise transferred and, if the Restricted Securities are certificated, new certificates for them not bearing the Securities Act legend set forth in Section 9.03 have been delivered by the Company. Whenever any particular securities cease to be Restricted Securities, the holder thereof shall be entitled to receive from the Company, without expense, new securities of like tenor not bearing a Securities Act legend of the character set forth in Section 9.03.

“Securities Act” means the Securities Act of 1933, as amended, or any similar federal law then in force.

“Securities Exchange Act” means the Securities Exchange Act of 1934, as amended, or any similar federal law then in force.

“Securities and Exchange Commission” includes any governmental body or agency succeeding to the functions thereof.

“Sole Member” means Arlington Capital Partners, L.P., a Delaware limited partnership.

“Stations” means WBAZ-FM, WEHM-FM, WBEA-FM and WHBE-FM, collectively.

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of partnership or other similar ownership interests thereof are at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity (other than a corporation) if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing director or general partner of such limited liability company, partnership, association or other business entity. For purposes hereof, references to a “Subsidiary” of any Person shall be given effect only at such times that such Person has one or more Subsidiaries, and, unless otherwise indicated, the term “Subsidiary” refers to a Subsidiary of the Company.

“*Transfer*” means any sale, lease, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest in, or other direct or indirect disposition or encumbrance of an interest (whether with or without consideration).

Section 9. Miscellaneous.

9.01 Expenses. The Company agrees to pay, and hold the Cherry Creek Investor and Arlington Capital harmless against liability for the payment of, (a) the reasonable fees and expenses of their counsel arising in connection with the negotiation and execution of this Agreement and the consummation of the transactions contemplated by this Agreement (including, without limitation, fees and expenses arising with respect to any subsequent purchase of Units pursuant to Section 1.02(b) hereof), (b) the fees and expenses incurred with respect to any amendments or waivers (whether or not the same become effective) under or in respect of this Agreement, the LLC Agreement, the other agreements contemplated hereby, (c) stamp and other taxes which may be payable in respect of the execution and delivery of this Agreement or the issuance, delivery or acquisition of any shares of Units purchased hereunder or in accordance with Section 1.02(b) hereof, (d) the fees and expenses incurred with respect to the interpretation or enforcement of the rights granted under this Agreement, the LLC Agreement, and the other agreements contemplated hereby and (e) such reasonable travel expenses, legal fees and other out-of-pocket fees and expenses as have been or may be incurred by the Cherry Creek Investor and Arlington Capital, their respective Affiliates and such Affiliates’ directors, officers and employees in connection with any Company-related financing and in connection with the rendering of any other services by the Cherry Creek Investor, Arlington Capital or their respective Affiliates (including, but not limited to, fees and expenses incurred in attending Board or other Company-related meetings).

9.02 Remedies. The Investors shall have all rights and remedies set forth in this Agreement and the LLC Agreement and all rights and remedies which such holders have been granted at any time under any other agreement or contract and all of the rights which such holders have under any law. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law.

9.03 Investors’ Investment Representations. Each Investor hereby represents (on its own behalf and not on behalf of any other Person) (a) that it is acquiring the Units purchased hereunder or acquired pursuant hereto for its own account with the present intention of holding such securities for purposes of investment, and that it has no intention of selling such securities in a public distribution in violation of the federal securities laws or any applicable state securities laws, (b) that it is an “accredited investor” and a sophisticated investor for purposes of applicable U.S. federal and state securities laws and regulations, (c) that this Agreement and each of the other agreements contemplated hereby constitutes (or will constitute) the legal, valid and binding obligation of such Investor, enforceable in accordance with its terms, (d) that the execution, delivery and performance of this Agreement and such other agreements by such Investor does not and will not conflict with, violate or cause a breach of any agreement, contract or instrument to which such Investor is subject, and (e) except as set forth on Schedule 9.03 attached hereto, there are no claims for brokerage commissions, finders fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement binding upon such Investor. Notwithstanding the foregoing, nothing contained herein shall prevent the Investors and subsequent holders of Units from transferring such Units in compliance with the provisions of the LLC Agreement.

9.04 Consent to Amendments. Except as otherwise expressly provided herein, the provisions of this Agreement may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written

consent of the Cherry Creek Investor; *provided*, however that no amendment to this Agreement that adversely affects Maguire and Ottmar disproportionately as compared to the Cherry Creek Investor shall be effective without the prior written consent of Ottmar and Maguire. No other course of dealing between the Company and the holder of any Units or any delay in exercising any rights hereunder or under the LLC Agreement shall operate as a waiver of any rights of any such holders.

9.05 Survival of Representations and Warranties. All representations and warranties contained herein or made in writing by any party in connection herewith shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, regardless of any investigation made by the Investors or on their behalf.

9.06 Successors and Assigns. Except as otherwise expressly provided herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not. The rights and obligations of the Cherry Creek Investor under this Agreement and the agreements contemplated hereby may be assigned in whole or in part, at any time and from time to time, by the Cherry Creek Investor to any investment fund managed by Arlington Capital or to any entity owned or controlled by Arlington Capital, or any successor thereto, without the consent of any of the other parties to this Agreement.

9.07 Generally Accepted Accounting Principles. Where any accounting determination or calculation is required to be made under this Agreement or the exhibits hereto, such determination or calculation (unless otherwise provided) shall be made in accordance with U.S. generally accepted accounting principles, consistently applied, except that if because of a change in U.S. generally accepted accounting principles the Company would have to alter a previously utilized accounting method or policy in order to remain in compliance with U.S. generally accepted accounting principles, such determination or calculation shall continue to be made in accordance with the Company's previous accounting methods and policies.

9.08 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

9.09 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement.

9.10 Entire Agreement. This Agreement, those documents expressly referred to herein and other documents of even date herewith embody the complete agreement among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

9.11 Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a Section of this Agreement. The use of the word "including" in this Agreement shall be by way of example rather than by limitation.

9.12 Governing Law and Jurisdiction. The construction, validity and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the

application of the laws of any jurisdiction other than the State of Delaware. Any dispute relating hereto shall be heard in the United States District Court for the District of Columbia or any other District of Columbia court.

9.13 Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when delivered personally to the recipient, sent to the recipient by reputable express courier service (charges prepaid) or mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands and other communications shall be sent to the Investors and to the Company at the address indicated below:

If to the Company:

Long Island Radio LLC
c/o AAA Entertainment LLC
110 Central Avenue
Pawtucket, RI 02861
Attention: John P. Maguire
Facsimile: (401) 728-1865

with copies (which shall not constitute notice) to:

Arlington Capital Partners, L.P.
600 New Hampshire Avenue, N.W.
Suite 660
Washington, D.C. 20037
Attention: Perry W. Steiner
Facsimile: (202) 337-7525

and

Kirkland & Ellis LLP
655 Fifteenth Street, N.W.
Washington, D.C. 20005
Attention: Mark D. Director, Esq.
Facsimile: (202) 879-5200

If to the Cherry Creek Investor:

c/o Arlington Capital Partners, L.P.
600 New Hampshire Avenue, N.W.
Suite 660
Washington, D.C. 20037
Attention: Perry W. Steiner
Facsimile: (202) 337-7525

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
655 Fifteenth Street, N.W.
Washington, D.C. 20005

Attention: Mark D. Director, Esq.
Facsimile: (202) 879-5200

If to Maguire to:

John P. Maguire
c/o AAA Entertainment LLC
110 Central Avenue
Pawtucket, RI 02861
Facsimile: (401) 728-1865

with a copy (which shall not constitute notice) to:

Edward Casey, Esq.
Casey & Thompson
8 N. Main St. Suite 204
Attleboro, MA 02703
Facsimile: (508) 226-3632

If to Ottmar to:

Peter H. Ottmar
c/o AAA Entertainment LLC
110 Central Avenue
Pawtucket, RI 02861
Facsimile: (401) 728-1865

with a copy (which shall not constitute notice) to:

Edward Casey, Esq.
Casey & Thompson
8 N. Main St. Suite 204
Attleboro, MA 02703
Facsimile: (508) 226-3632

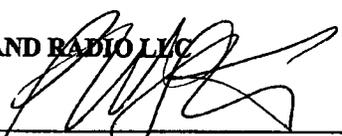
or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

[END OF PAGE]
[SIGNATURE PAGE FOLLOWS]

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

LONG ISLAND RADIO LLC

By: _____


Name: Perry W. Steiner
Its: Manager

CHERRY CREEK RADIO LLC

By: _____

Joseph D. Schwartz
Chief Executive Officer

JOHN P. MAGUIRE

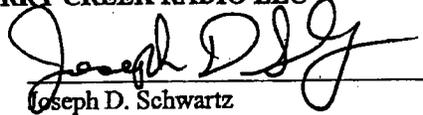
PETER H. OTTMAR

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

LONG ISLAND RADIO LLC

By: _____
Name: Perry W. Steiner
Its: Manager

CHERRY CREEK RADIO LLC

By: 
Joseph D. Schwartz
Chief Executive Officer

JOHN P. MAGUIRE

PETER H. OTTMAR

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LONG ISLAND RADIO LLC

By: _____
Name: Perry W. Steiner
Its: Manager

CHERRY CREEK RADIO LLC

By: _____
Joseph D. Schwartz
Chief Executive Officer

JOHN P. MAGUIRE

PETER H. OTTMAR