

## **DESCRIPTION OF THE PROPOSED TRANSACTION**

The instant application seeks the consent of the Federal Communications Commission (“Commission”) to the assignment of the licenses for radio broadcast stations KMCQ(FM), Covington, Washington (Fac. Id. 41861), WAOL(FM), Ripley, Ohio (Fac. Id. 56226) and WOXY, Mason, Ohio (Fac. Id. 3653) (collectively, the “Stations”), from First Broadcasting Capital Partners, LLC (“Assignor”) to Queen Cities Broadcasting LLC (“Assignee”).

CapitalSource Finance LLC serves as agent for various secured creditors of Assignor pursuant to a Revolving Credit and Security Agreement with Assignor dated as of December 19, 2003, as amended (the “Loan Agreement”). Pursuant to the Loan Agreement, CapitalSource, as Agent, holds a security interest in substantially all of Assignor’s assets, including the proceeds derived from the sale or transfer of the FCC licenses for the Stations. Pursuant to its rights under the Loan Agreement and applicable law, on February 23, 2011, CapitalSource conducted a foreclosure sale for the assets of Assignor in which it holds a security interest. Assignee was the successful bidder at the foreclosure sale. Assignee’s successful bid at the foreclosure sale was expressly conditioned on the execution of a Transition Agreement which is attached to this Exhibit. The Transition Agreement sets forth the terms and conditions of the Assignee’s acquisition of the assets of the Stations and assumption of certain liabilities of Assignor and requires Assignor to request the Commission’s consent to the assignment of the FCC licenses for the Stations to Assignee.

In addition, the Transition Agreement provides that pending the consummation of the assignment, Assignee and Assignor shall enter into a Management Agreement pursuant to which assignee shall provide certain management services for the Stations subject to Assignor’s full and complete control of the Stations. A copy of the Management Agreement is attached hereto.