

INTER VIVOS DECLARATION OF TRUST

THIS DECLARATION OF TRUST, made on this ____ day of _____, 2005, by **CAROLYN C. SMITH**, residing at 1343 Ivy Hill Road, Cockeysville, Maryland 21030 (hereinafter called the "Settlor") and **CAROLYN C. SMITH** (hereinafter together with her successors called the "Trustees").

ARTICLE I.

THE CAROLYN C. SMITH CUNNINGHAM TRUST

A. **Creation of Trust.** Settlor has herewith assigned, transferred, conveyed and delivered without consideration to the Trustee and her successors the sum of Ten Dollars (\$10.00), in cash and all of her stock interest in CUNNINGHAM BROADCASTING CORPORATION (formerly known as Glencairn, Ltd.) (the "Cunningham Stock"), receipt of which is hereby acknowledged by the Trustees, in trust. The Trustees are specifically authorized on behalf of Settlor to take any and all action on behalf of the Settlor to effectuate the foregoing transfer. This trust shall be known as the CAROLYN C. SMITH CUNNINGHAM TRUST (hereinafter called the "Trust"), to be administered for the uses and purposes and pursuant to the terms and conditions hereinafter set forth along with the other assets enumerated on Schedule A attached hereto.

Settlor and Trustees understand and agree that the assignment, transfer, conveyance and delivery of the Cunningham Stock to the Trust, as well as any subsequent transfer or assignment of the Cunningham Stock or broadcast stations to a Substitute Trustee, purchaser, or beneficiary, is expressly conditioned on and is subject to the consent and approval of the Federal Communications Commission as required by law. Settlor and Trustees agree to take such actions as may be necessary promptly to obtain such consent as and when necessary, and no assignment, transfer, conveyance or delivery shall be effective in the absence of such consent.

The Settlor reserves the right to transfer additional property to the Trustees during the Settlor's lifetime or under the Settlor's Will, and to amend or revoke the Trust, and any such additions shall be held as part of the Trust Corpus as though originally transferred at the time hereof.

B. **During the Settlor's Lifetime.** During the life of the Settlor, the Trustees shall hold, manage, invest and reinvest the Trust and shall collect the income thereof and after deducting all proper expenses of administration, shall distribute and dispose of the net income and principal as follows:

1. The Trustees shall pay the Settlor the net income quarterly or more often apply the same for the Settlor's use.

2. The Trustees shall pay over to the Settlor, free of trust, any amount of principal which she may from time to time request.

3. In the event of the Incapacity of the Settlor, the Trustees shall pay to or for the benefit of the Settlor such portion of the Trust as the Trustees in their sole and absolute discretion deem necessary and proper.

C. **Successor Trustees.**

1. In the event the Settlor shall die, become incapacitated or is otherwise unable or unwilling to serve as Trustee, then DYSON EARHART shall become successor Trustee.

2. In the event that DYSON EARHART shall die, become incapacitated or is otherwise unable or unwilling to serve as a Trustee, then C. VICTORIA WOODWARD shall become successor Trustee.

3. Any Trustee may resign at any time by giving written notice, specifying the effective date of such resignation, to the remaining Trustees then surviving, if any, but if there are no surviving Trustees, to the successor Trustee or Trustees.

4. No court proceeding shall be necessary for any resignation or appointment of any Trustees named herein. Each successor Trustee is authorized to accept the books and records of any predecessor Trustee and shall be free from liability for doing so. Upon the death, resignation, incapacity or inability to act of the Trustee, all assets of the Trust shall be delivered to the successor Trustee, whose receipt shall be a full and complete release and discharge to the Trustee resigning or dying.

5. If more than one person is serving as Trustee, a majority of the Trustees shall have the authority to exercise all powers conferred upon the Trustees and any actions taken by the majority of Trustees shall bind the trust estate.

D. Upon the Settlor's Death.

1. All debts of the Settlor that are legal obligations of the Settlor and this trust, funeral expenses and administration expenses of the Settlor's estate shall be paid first by the residual estate of the Settlor, then from the Inter Vivos Trust of the Settlor dated April 22, 1998, as amended (the "Carolyn Smith 1998 Trust") and only after the same are exhausted, by the Trustees of this trust.

2. a. Subject to ARTICLE I.D.2.b. below, the federal and state estate and inheritance taxes (including all interest and penalties thereon) due and payable by the Settlor's estate or due and payable by reason of her death on assets included in the gross estate of the Settlor (including, without limitation, any assets included in her estate pursuant to §2044 of the Internal Revenue Code of 1986 (the "Code") (or any successor thereto)), whether passing under this Trust, by Will or otherwise, and all other taxes due as a result of the death of the Settlor shall be charged against the assets to be distributed hereunder in accordance with the Maryland Uniform Estate Tax Apportionment Act as same shall be amended from time to time.

b. Notwithstanding the foregoing provisions of ARTICLE I.D.2.a., any tax payment made as a result of the inclusion of any trust in the estate of the Settlor which, if made by the residuary estate of the Settlor or from the residue of this Trust would not be deemed to be a constructive addition to the trust or which would not change the inclusion ratio, as defined in §2642 of the Code (or any successor provision thereto) for purposes of the Federal Generation Skipping Transfer ("GST") tax, shall not be apportioned among such assets but rather such incremental tax shall be borne and paid by the rest and residue of this trust estate or the residuary estate of the Settlor (it being the intent of the Settlor, to the extent possible without incurring a GST tax, to provide for the payment of taxes owed on bequests for the benefit of her grandchildren). The determination of

the Trustees, in regard to whether such payment shall constitute a constructive addition or change the inclusion ratio of any trust, shall be conclusive on all parties and without liability to the Trustees.

3. Anything herein to the contrary notwithstanding, the Trustees, in their sole discretion, shall have the right to purchase assets from the estate of the Settlor. Such transactions shall be made at arm's length and at fair market value.

4. The remainder of the Trust shall be administered in accordance with the remaining Articles herein.

ARTICLE II.

DEFINITION OF INCAPACITY

Throughout this Trust Agreement where there may be references to incapacity and rehabilitation, those two terms shall have the following meanings:

A. **Incapacity.** If the Settlor or any Trustee is under a legal disability or by reason of illness or mental or physical disability is, in the written opinion of two doctors currently practicing medicine, unable to properly manage his or her affairs, he or she shall be deemed incapacitated for the purposes of this Trust Agreement.

B. **Rehabilitation.** The Settlor or Trustee deemed incapacitated under paragraph A. of this Article shall be deemed rehabilitated when he or she is no longer under a legal disability or when, in the written opinion of any two doctors currently practicing medicine, he or she is able to properly manage his or her affairs. Upon rehabilitation, that individual shall resume the duties and powers they had prior to incapacity and the successors shall relinquish all powers and be relieved of all duties.

ARTICLE III.

DISTRIBUTION AT SETTLOR'S DEATH

At the death of the Settlor, all of the Settlor's Cunningham Stock and all other assets made a part hereof shall be distributed unto the children of the Settlor then living and/or with descendants then living, in equal shares, as hereinafter set forth.

A. If a child survives the Settlor, his share shall be distributed to him absolutely.

B. The Settlor has established four separate trusts for the benefit of the Settlor's grandchildren by Trust Agreements dated on or about August 10, 1993 designated as the Carolyn Smith's Grandchildren's Trust I, II, III and IV, respectively. If any child predeceases the Settlor and is survived by descendants surviving the Settlor, such deceased child's share of the Cunningham Stock (and other assets, if any) shall be distributed unto the applicable "Carolyn Smith's Grandchildren's Trust" established for the benefit of such deceased child's descendants to be held and/or distributed in accordance with the provisions thereof.

C. If any child of the Settlor survives the Settlor, but disclaims (as provided in Section 2518 of the Code, the regulations thereunder or any successor provision thereto) all or some portion of his interest in the Cunningham Stock (and/or other assets hereunder), such disclaimed stock interest shall be distributed as follows:

1. An amount equal to the generation skipping transfer tax exemption ("GST Exemption") remaining to the Settlor at the time of her death and allocated to this bequest by her Personal Representatives and/or Trustees shall be divided among the descendants then living of such disclaiming child, per stirpes, and added to the shares of the Carolyn Smith Grandchildren's Trust for such descendants.

2. The balance of such share of a disclaiming child shall be distributed as follows:

a. The share of FREDERICK G. SMITH shall be distributed unto the FREVEN FOUNDATION, provided, however, that the disclaimer by FREDERICK G. SMITH to the FREVEN FOUNDATION results in a corresponding charitable deduction, described in Section 2055 of the Code, as determined in the sole and absolute discretion of the Trustees (a "Charitable Deduction"); otherwise, such distribution shall lapse and such share shall be distributed under the GERSTELL ACADEMY, provided however, that the disclaimer by FREDERICK G. SMITH to the GERSTELL ACADEMY results in a corresponding Charitable Deduction (as determined in the sole

and absolute discretion of the Trustees); otherwise, such distribution shall lapse and such share shall be distributed equally to the JOHNS HOPKINS UNIVERSITY and WEST VIRGINIA UNIVERSITY.

b. The share of DAVID G. SMITH shall be distributed unto such organization(s) as shall be designated by DAVID D. SMITH within six months after the date of the Settlor's death, provided that the distribution to such organization(s) qualifies the Settlor's estate for a corresponding Charitable Deduction. Without limitation, such share may be distributed to private foundations established by the children or other members of the family of DAVID D. SMITH. If DAVID D. SMITH does not exercise this option, the share shall pass to such charitable organizations as may be selected by the Settlor's then living children by majority vote, provided that the distributions qualify the Settlor's estate for a corresponding Charitable Deduction.

c. The share of ROBERT E. SMITH shall be distributed unto NEXT GEN FOUNDATION ("NEXT GEN"); provided, however, that such distribution results in a corresponding Charitable Deduction (as determined in the sole and absolute discretion of the Trustees); otherwise, such distribution shall lapse and such share shall be divided equally between the BOYS' LATIN SCHOOL, Baltimore, Maryland and GARRISON FOREST SCHOOL, Garrison, Maryland, or to only one of such organizations if the gift to only such one organization will qualify for a corresponding Charitable Deduction in the sole and absolute discretion of the Trustees.

d. The share of J. DUNCAN SMITH shall be distributed unto the HIGH ROCK FOUNDATION, INC.; provided, however, that the distribution to the HIGH ROCK FOUNDATION, INC. results in a corresponding Charitable Deduction (as determined in the sole and absolute discretion of the Trustees); otherwise, such distribution shall lapse and such share shall be distributed unto BOYS' LATIN SCHOOL, Baltimore, Maryland.

D. Notwithstanding the provisions of ARTICLE III.B. of the Carolyn Smith 1998 Trust (or other provisions of such Trust) the Personal Representatives of the Settlor are authorized, in their discretion, to allocate the Settlor's GST Exemption to this distribution rather than to the Carolyn Smith 1998 Trust.

ARTICLE IV

LAPSE

Any property maturing for distribution in respect to which there be no person then living and qualified to take under the foregoing provisions shall be divided into the number of equal shares required for distribution hereunder and distributed as follows:

A. One share unto the JOHNS HOPKINS UNIVERSITY-ENGINEERING DEPARTMENT, or its successor, if then in existence.

B. One share unto the NATIONAL PARKINSON'S FOUNDATION, Staten Island, New York, or its successor, if then in existence.

C. One share unto the BROWN MEMORIAL CHURCH, Park Avenue, Maryland, or its successor, if then in existence.

ARTICLE V.

RULE AGAINST PERPETUITIES

In accordance with the provisions of Section 11-102(e) of the Estates and Trusts Article of the Annotated Code of Maryland, the Settlor hereby direct that: (i) the rule against perpetuities shall not apply to any trust or trust share created hereunder; and (ii) specifically state that the Trustees shall have the power to sell, lease, or mortgage (or otherwise encumber or dispose of) property for any period of time required under such Section, specifically including for periods beyond the duration of any trust created hereunder.

ARTICLE VI.

PROTECTION OF BENEFICIARIES

Except as herein otherwise provided, all payments hereunder (whether of income or principal) are to be made into the hands of the respective beneficiaries directly and not into the hands of any other, whether claiming by their authority or otherwise, without power of anticipation and without being subject to execution or attachment; this provision, however, is not to prevent the deposit or funds payable to beneficiaries to their credit in any bank or other financial institution nor

to prevent the exercise by the Trustees of any discretionary powers conferred upon them nor to prevent payment by the Trustees to the guardian of any infants under eighteen (18) years of age or for the benefit of any such beneficiaries who shall be of unsound mind or be suffering from physical or mental disorders which renders him or her incapable of the management of the payments to which he or she may be entitled hereunder.

ARTICLE VII.

TRUSTEES' POWERS

In addition to any other powers granted by law now in effect or as amended from time to time or provided in other Articles of this Declaration of Trust, all of the Trustees and their successors under all of the trusts created under this Trust Agreement shall have the following powers to be exercised as the Trustees or their successors, in their discretion, determine to be for the best interest of the beneficiaries:

A. To retain as an investment any and all of the securities and other property originally assigned, transferred or delivered to the Trustees hereunder or any time forming a part of the trust estate or to reinvest in any property or any investment of trust funds and the Trustees shall not be liable for any loss or damage resulting from the retention of any property or resulting from any investment which they may make or which they are authorized to or advised to make; such investments shall include bonds, notes secured or unsecured, stock of corporation, including stock of any corporate trustee, real estate or any interest therein and interest in trusts, including common trust funds, and life insurance. Such investments and reinvestments need not be of the character or class prescribed by law for the investment of trust assets and may be selected without regard to their proportion of the entire trust estate;

B. To buy, sell or transfer options, warrants, puts, calls and commodity accounts, and to maintain brokerage margin accounts;

C. To sell at public or private sale, and exchange, lease or loan for any term or terms, all or any part of the property at any time held hereunder for such consideration in cash or on credit

and upon such terms and conditions as they shall deem expedient; to hold, retain and continue to operate or dissolve any business in any form that the Settlor may own at death;

D. To borrow any amount of money for any purpose in connection with the administration of the Trust herein and to execute promissory notes or other obligations for the amounts so borrowed and to secure the payment of any and all amounts so borrowed by mortgage or by pledge of any property at any time held hereunder;

E. To register any securities from time to time held hereunder in their names as Trustees or in their individual names or in the name of any one of them or in the name or names of one or more of their nominees with or without indicating the trust character of the securities so registered or to hold any securities in bearer form so as to be transferable by delivery. Any issuer or transfer agent shall rely upon the oral or written directions of any of the Trustees of any of the trusts hereunder, as to the name under which said securities are to be listed or registered, without requiring the consent of the Settlor or any beneficiary hereunder;

F. To vote or consent in person or by proxy the securities at any time held by them hereunder, to enter into any voting trust or any other similar agreement in respect thereof, to deposit any and all securities thereof under similar agreement or with any committee, depository or trustee, to accept hereunder any new securities, cash or other property issuable in exchange for or in respect to securities so deposited, to exercise or sell any rights of subscription or any other rights accruing on or in respect thereof, and generally to take any and all action in respect thereof, which they might or could take as an absolute owner thereof, and to pay out of the funds held hereunder any and all fees, assessments, or expenses incurred in connection therewith;

G. To employ investment counsel, attorneys, accountants, and agents and to pay all costs, commissions and/or fees arising therefrom;

H. To hold property in custodial accounts (including fully discretionary custodial accounts);

I. To execute such tax returns and pay taxes as they shall deem necessary;

J. To be reimbursed for necessary expenses from the trust and receive such compensation for their services as shall be reasonable;

K. To receive additional property from any source and add it to and commingle it with the trust corpus;

L. To make any division or distribution, whether of principal where authorized herein, or of income required or permitted under the terms of the trusts hereby created, in kind or in money, or partly in each, and their judgment as to the value of such stock, securities or other properties so allotted shall be conclusive on all parties, provided, however, that when the market value of a security is readily available because it is regularly traded, the ascertainable value of that security shall determine its value instead of the Trustees' judgment;

M. To make loans out of the trust property to the Settlor's Personal Representatives or administrators in their capacity as such, provided that such loans are made on adequate security and for adequate interest;

N. To consent to and participate in any plan of reorganization, consolidation, merger, combination, or other similar plan, and to consent to any contract, lease, mortgage, purchase, sale or other action by any corporation; pursuant to such plan deposit any such interest with any protective organization or similar committee; to delegate discretionary powers thereto; and to pay part of its expenses and compensation and any assessments levied with respect to such interest;

O. To extend the time of payment of any obligation held by the trust, and to release, compromise, settle or submit to arbitration any claim upon such terms as to them may seem proper.

ARTICLE VIII.

MISCELLANEOUS

A. The written approval of an account by a beneficiary, or by his or her parent or guardian if such beneficiary is a minor or otherwise incompetent, shall be final and binding upon that beneficiary and upon all persons then or thereafter claiming any interest through or under him or her as to all matters stated therein or shown thereby. Failure of such beneficiary, or of his or her parent or guardian if such beneficiary is a minor or otherwise incompetent, to deliver to the Trustees written

objection to an account within thirty (30) days after receipt thereof shall constitute the final and binding approval thereof by the beneficiary.

B. Income from any trust created hereunder shall not be apportioned between successive beneficiaries. All income not actually paid to a beneficiary before termination of his or her interest shall be treated as though it had accrued and become payable thereafter; likewise, no credit or accrual shall be made for taxes, commissions, or other charges thereto made against income.

C. In case the income or any discretionary payments or principal become payable to a person under legal disability or to a person not adjudicated incompetent, but who, by reason of illness or mental or physical disability is, in the opinion of the Trustees, unable properly to administer such amounts, then such amounts shall be paid out by the Trustees in such of the following ways as they deem best: (1) directly to such beneficiary; (2) to the legally appointed guardian or conservator of such beneficiary; (3) to a relative or friend for the health, education, maintenance and support of such beneficiary; or (4) by the Trustees, using such amounts directly for such beneficiary's health, education, maintenance and support.

D. This Trust is a Maryland trust, made in that State, and is to be so governed, construed, and administered according to its laws, and shall continue to be so governed, construed, and administered even though administered elsewhere in the United States or abroad, if the Trustees elect, in their sole and absolute discretion, to do so.

E. To the same effect as if it were the original, anyone may rely upon a copy certified by a notary public to be a counterpart of this instrument (and of the writings, if any, endorsed thereon or attached thereto). Anyone may rely upon a statement of fact certified by anyone who appears from the original or a certified copy to be a Trustees hereunder.

F. No bond shall be required of the original Trustees hereunder or of any successor Trustees, or if a bond is required by law, no surety on such bond shall be required.

G. All powers vested in the Trustees shall be vested in and exercisable by any successor Trustees.

H. No one dealing with any Trustee hereunder need inquire concerning the validity of anything the Trustees or Trustees propose to do or need see to the application of any money paid or transferred to, or upon the order of, the Trustees.

I. No Trustees shall be responsible for the acts or omissions of a Co-Trustees or for allowing a Co-Trustees to have custody or control of funds, securities or property. Each Trustees shall be responsible only for his or her own acts or omissions.

J. An additional or successor Trustees shall not be liable for any action taken by the Trustees prior to the time such additional or successor Trustees becomes a Trustees.

K. A Trustees hereunder may, by an instrument in writing, delegate all or any part of his or her powers and discretions to a Co-Trustees whenever this instrument provides that there shall be Co-Trustees.

L. If, at any time, any trust property is situated in a jurisdiction in which the fiduciary is unable or unwilling to act, such person or corporation, as may be appointed by the fiduciary or fiduciaries, shall act as fiduciary with respect to such property, and such person or corporation, and every successor fiduciary so appointed, shall have all the title, powers and discretion with respect to such property as are herein given to the Trustees. The net income from such property and any proceeds of its sale shall be paid over to the Trustees.

M. The guardian or conservator of the estate of a beneficiary under legal disability, or the parents or surviving parent of a minor beneficiary for whose estate no guardian has been appointed, may act for such beneficiary in signing any instrument.

N. No fiduciary hereunder shall ever be accountable for any loss sustained through any error in judgment, or in any manner, except as a result of such fiduciary's own breach of good faith.

O. Except with respect to the Settlor, payments made hereunder to or for any other beneficiary who is also a Co-Trustees shall be made solely in the discretion of the other Trustees, and no individual Trustees shall have the right to participate in the decision to make or withhold

payments hereunder for his or her benefit or for the benefit of persons he or she has a legal liability to support.

P. The trust estates shall not be administered under Court jurisdiction and in the event that application is made to any Court for any purpose in connection with the trust estates or the provisions of this Agreement, such Court shall have jurisdiction of the specific matter at issue and shall not retain jurisdiction over the trust estates unless requested to do so by the Trustees.

ARTICLE IX.

GENERATION SKIPPING TRANSFERS

In funding trusts hereunder, the Trustees are directed, in addition to the authority granted to the Settlor's fiduciaries in other provisions of the Settlor's Will and this Trust:

A. To divide the trusts and allocate credits directed by the Settlor's Personal Representatives and the Trustees of the Carolyn Smith 1998 Trust:

1. In addition to any division of trusts required, to divide any trust created hereunder (the "original trust"), into two separate trusts with identical dispositive provisions (the "derivative" trusts), and to fund the first derivative trust with property which is exempt from GST tax, and the second derivative trust with property which is not so exempt, pursuant to an allocation to such property of Settlor's GST exemption; said division shall ordinarily (but not necessarily) be made prior to any funding of the original trust, and shall be signified by a written irrevocable instrument signed by the Trustees, and deposited with the records of the Trust.

B. To merge any trust held hereunder with any other trust which has the same inclusion ratio if the terms of such other trust are substantially similar and if they are for the primary benefit of the same persons.

C. In funding all trusts which have an inclusion ratio of zero (0), the following provisions shall apply:

1. In addition to the full pecuniary value of such trust, the Trustees shall distribute to the trust appropriate interest (as that term is defined in Reg. §26.2642-2(b)(4) of the

Code). In the alternative, the Trustees may fund such trust or permanently set aside assets to fund such trust fund within 15 months of the date of death of the Settlor.

2. The value of the property other than cash used to fund such trust shall be valued as of the date of distribution or segregation of such asset by the Trustees as a separate trust.

3. The Trustees are directed to take all other actions required pursuant to §2601 et. seq. of the Code, and the regulations promulgated thereunder (whether currently existing or issued in the future) in order to qualify such trust as a separate and independent trust share.

4. It is the intent of the Settlor that the foregoing provisions qualify such trusts as separate and independent trust shares, and all provisions of this Trust Agreement, and all amendments hereto shall be interpreted consistently therewith.

IN WITNESS WHEREOF, the Settlor has hereunto affixed her signature and seal, this _____ day of _____, 2005.

WITNESS:

CAROLYN C. SMITH (SEAL)

Acceptance by Trustee:

WITNESS:

CAROLYN C. SMITH, Trustee

STATE OF MARYLAND)
) SS:
COUNTY OF)

BEFORE ME, the undersigned authority, personally appeared, **CAROLYN C. SMITH**, to be well known and known to me to be the Settlor and Trustee described herein, who after being duly cautioned and sworn, under oath, acknowledged before me that she executed the foregoing instrument for the purposes therein expressed.

WITNESS MY HAND AND NOTARIAL SEAL this _____ day of _____, 2005.

Notary Public

My Commission expires:

SCHEDULE A

**ASSETS OF THE
CAROLYN C. SMITH CUNNINGHAM TRUST**

All of her voting and nonvoting shares of Cunningham Broadcasting Corporation (subject to the terms of the Trust).