

SECURITYHOLDERS' AGREEMENT

THIS SECURITYHOLDERS' AGREEMENT is made as of May __, 2005, by and among Aurora Broadcasting, Inc., a Delaware corporation (the "Company"), the Institutional Investors (as defined herein), and Jeffrey Trumper (the "Securityholder") (as amended from time to time, this "Agreement").

The execution and delivery of this Agreement is a condition to the Institutional Investors' and the Securityholder's purchase of shares of the Company's common stock, par value \$0.01 per share (the "Common Stock") on the date hereof.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement, intending to be legally bound, hereby agree as follows:

Section 1. Certain Definitions.

"Affiliate" means, with respect to any Person, (i) any officer, director, stockholder, or agent of such Person; (ii) any family member of such Person or any Person included within clause (i); and (iii) any affiliate of any Person included within clause (i) or (ii). For purposes of this definition, "affiliate" shall mean, with respect to any Person, any Person controlling, controlled by, or under common control with such Person.

"Board" means the Company's Board of Directors.

"Institutional Investors" means Providence Equity Partners IV L.P. and Providence Equity Operating Partners IV L.P. and their respective successors and assigns.

"Investor Designees" means those member(s) of the Board that have been designated pursuant to Section 2 with Required Investor Approval.

"Investor Securities" means the shares of Common Stock held by the Institutional Investors from time to time.

"Required Investor Approval" means, at any time, the affirmative vote of the holders of more than fifty percent (50%) of the outstanding Investor Securities held by the Institutional Investors at such time.

"Subject Securities" has the meaning given to such term in Section 2 hereof.

Section 2. Board Composition.

(a) The Institutional Investors, acting together, shall have the right to nominate individuals (each, an "Investor Nominee") to hold all but one of the directorships on the Board

(including nominations to fill any vacancy on the Board) which nominations may be accepted or rejected by the remainder of the Board or, if there are no other directors then serving on the Board or if the directors then in office are unable to reach agreement with respect to the appointment, by the holders of at least 51% of the outstanding shares of the Company's Common Stock, in their sole discretion. Any committees of the Board shall be created only upon the approval of a majority of the directors then in office and each committee shall, to the extent that one or more Investor Nominees have been appointed to and continue to serve on the Board, have at least one Investor Nominee serving thereon. A majority of the Board may remove any director who was an Investor Nominee at any time with or without cause.

In the event that the Institutional Investors have nominated three (3) Investor Nominees to hold a vacant directorship, and each of such nominees were not approved for appointment in accordance with the foregoing paragraph, then the holders of at least 51% of the outstanding shares of the Company's Common Stock shall have the right to nominate an individual to hold the vacant directorship, which nomination may be accepted or rejected in accordance with the foregoing paragraph.

(b) From and after the date hereof, and until the provisions of this Section 2 cease to be effective, Securityholder and each Institutional Investor shall each vote all of its Common Stock and other voting securities of the Company over which such holder has voting control ("Subject Securities") and shall take all other necessary or desirable actions within its control (in its capacity as a securityholder or stockholder and, subject to any fiduciary obligation owed by such Securityholder or Institutional Investor to the Company, in its capacity as a director, member of a board committee or officer of the Company or otherwise, and including, without limitation, attendance at meetings in person or by proxy for purposes of obtaining a quorum and execution of written consents in lieu of meetings), and the Company shall take all necessary or desirable actions within its control (including, without limitation, calling special Board and stockholder meetings), so that the following shall occur:

- (i) the number of directors constituting the Board shall be fixed at five (5) and shall in no event be less than three (3); and
- (ii) any nomination, appointment, or removal of a director on the Board shall be conducted in accordance with Section 2(a).

(c) The Company shall pay the reasonable out-of-pocket expenses incurred by each director in connection with attending (i) the meetings of the Board and any committee thereof and (ii) any other meetings at the request of any Company. The Company shall maintain directors and officers indemnity insurance coverage as currently in place or as otherwise approved by Required Investor Approval, and the constituent documents of the Company shall provide for indemnification and exculpation of directors to the fullest extent permitted under applicable law.

(d) The Company shall not take any of the following actions without the unanimous consent of the Board:

- (i) other than as specifically provided for in the Approved Budget (as defined below), the acquisition of assets in excess of an aggregate of \$100,000 during any 12-month period;
- (ii) other than as specifically provided for in the Approved Budget, the disposition of assets in excess of \$100,000; and
- (iii) any change in the Company's senior officers;

(e) For so long as they hold any Common Stock, the Institutional Investors shall be entitled to designate two observers to the Board, which observers shall be entitled to attend all meetings of the Board but shall have no vote. The Company shall provide the designated observers with copies of all notices, minutes, consents, and other materials that it provides to the Board at the same time as such materials are distributed to the Board.

Section 3. Required Approval. Notwithstanding anything to the contrary contained in the Articles of Incorporation or other constituent documents of the Company, the Company shall not take, and shall cause its officers and employees not to take, and the Securityholder shall vote its Subject Shares and take all other reasonably necessary or desirable actions within its control so that the Company shall not take any of the following actions without Required Investor Approval:

- (a) the approval of the Company's annual operating and capital expenditure budgets (as so approved, the "Approved Budget") or any amendment to or any non-de minimus deviation therefrom, provided, however, that in the event that the parties hereto are not able to agree on a budget, then the Approved Budget for the previous year, as adjusted for inflation, shall automatically take effect;
- (b) a fundamental change in the Company's business;
- (c) the incurrence of any debt, including capital leases, in excess of \$50,000 other than pursuant to the Company's Loan Agreement with the several lenders from time to time parties thereto and Bank of America, as agent, (as amended, supplemented, replaced, refinanced, or otherwise modified from time to time);
- (d) any decision to convert to a partnership or other entity;
- (e) any transfer (whether voluntary or involuntary, and including sale, gift, exchange, assignment, pledge, or the creation of any lien on or other disposition) of the Common Stock or other capital securities of the Company that requires Board approval under this or any other agreement, provided, however, that each Institutional Investor and the Securityholder may transfer the Common Stock held by it or him to Bank of America, as agent for senior lenders, pursuant to a pledge

as collateral in connection with credit facilities provided to the Company or in respect of which the Company has guaranteed indebtedness, and assignment thereunder to such lenders (or Bank of America as Agent thereof) or to transferees of such lenders (or Bank of America as agent thereof) pursuant to the exercise of rights and remedies under such pledge as collateral so long as each agreement governing the pledge as collateral requires the lenders to obtain any requisite FCC consent or approval prior to the exercise of rights and remedies thereunder;

- (f) a merger or consolidation of the Company with any other entity or any recapitalization;
- (g) the settlement of any material litigation or dispute;
- (h) investments in any Person that is not a wholly owned subsidiary of the Company;
- (i) a change of the Company's independent auditor;
- (j) other than as specifically provided for in the Approved Budget, entering into, amending, assigning, or terminating any lease, license (including any license issued by the Federal Communications Commission, without regard to the value thereof), contract, or other agreement entered into by or on behalf of the Company obligating or committing the Company to (a) expend or otherwise pay in any twelve-month period in excess of \$100,000, (b) receive in cash or the value of goods and services an amount in any twelve-month period in excess of \$100,000, (c) restrict its line of business or limit or prevent its competition with any Person, (d) share profits, revenue or cash flows, (e) indemnify any Person other than in the ordinary course of business or (f) enter into, modify, or amend any agreement between the Company and any affiliate of the Company;
- (k) the issuance of equity, or the declaration or payment of any dividends or the making of any distributions upon or in respect of, or the redemption, purchase or acquisition of, any Common Stock or other capital securities of the Company (including warrants, options and other rights directly or indirectly to acquire, and securities convertible into or exercisable or exchangeable for, any such capital securities);
- (l) becoming subject to (including, by way of amendment to or modification of), any agreement or instrument which by its terms would (under any circumstances) restrict the ability of the Company to perform the provisions of, or performance of which would otherwise conflict with, any provisions of this Agreement, or the Joint Sales and Shared Services Agreement between the Company and Appalachian Broadcasting Corporation (the "Services Agreement");
- (m) any amendment or other modification to this Agreement, the Services Agreement, the Company's Articles of Incorporation (attached hereto as Exhibit A), the

Company's Bylaws (attached hereto as Exhibit B) or any other of the Company's constituent documents, or which could materially adversely affect or otherwise impair the rights or the relative rights, preferences and priorities of the Institutional Investors or the Securityholder under this Agreement;

- (n) creating, incurring, assuming or suffering to exist any liens on any of its properties or assets; other than immaterial liens in the ordinary course of business;
- (o) any change in the state or country of formation of the Company or any change in the headquarters, chief executive office or principal place of business of the Company;
- (p) any change in the Company's fiscal year;
- (q) any cash disbursements in any given month in excess of \$10,000 other than in accordance with the Approved Budget, provided, however, that the aggregate amount of any such excess cash disbursements shall not exceed \$50,000 in any one fiscal year and that all such excess cash disbursements shall be for expenses of the Company incurred in the ordinary course of business;
- (r) the retention or engagement of (or entering into or amending any retention or engagement arrangement with) any auditor, financial advisor or underwriter;
- (s) an initial public offering of its capital securities or any other registration of the Company's capital securities pursuant to the Securities Act of 1933, as amended (including all rules and regulations promulgated thereunder) or similar regulation governing any foreign jurisdiction;
- (t) the filing of any tax returns for the Company with any governmental entity, seeking an extension of any filing deadline therefor or contesting any determination or settling any claim made by a governmental entity with respect to any such tax matters;
- (u) approval of the annual and quarterly financial statements of the Company;
- (v) directly or indirectly, entering into, amending, modifying or supplementing any agreement, transaction, commitment or arrangement between the Company and the Securityholder or any other Affiliate of the Company or the Securityholder with any entity of which any such Affiliate beneficially owns at least 5% of the outstanding securities; and
- (w) any agreement to do any of the foregoing prohibited acts.

Section 4. Restrictions on Transfer. No holder of Common Stock shall sell, transfer, assign, pledge or otherwise dispose of (whether with or without consideration and whether voluntarily or involuntarily or by operation of law) any direct or indirect interest in such shares of

Common Stock without Required Investor Approval; provided, however, such restrictions shall not apply to (i) any transfer of Investor Securities to one or more affiliates of Providence Equity Partners Inc., (ii) transfers made pursuant to that certain Purchase Option Agreement dated as of the date hereof among BlueStone TV Holdings Inc., the Securityholder, the Institutional Investors, and the Company, or (iii) any pledge to Bank of America, as agent for senior lenders, as collateral in connection with credit facilities provided to the Company or in respect of which the Company has guaranteed indebtedness, and any assignment thereunder to such lenders (or Bank of America or agent thereof) and to transferees of such lenders (or Bank of America as agent thereof) pursuant to the exercise of rights and remedies under such pledge as collateral, so long as each agreement governing the pledge as collateral requires the lenders to obtain any requisite FCC consent or approval prior to the exercise of rights and remedies thereunder, or (iv) any transfer by the Securityholder to a transferee approved by the Institutional Investors in the event the Securityholder acquires an attributable interest in a radio station in the Tricities TN/VA DMA and is required under FCC rules to divest his Common Stock in the Company.

Section 5. Approval of Transaction. In the event a meeting of the Company's stockholders is required under the General Corporation Law of the State of Delaware or otherwise, for the approval of any aspect of the transactions contemplated by the Facilities Lease Agreement or the Services Agreement (the "Stockholder Approval"), (i) the Company shall promptly take all action necessary to convene a meeting of its stockholders in accordance with the Delaware General Corporation Law and the Company's Articles of Incorporation and Bylaws, and shall provide to its stockholders any materials required by the regulations under the Securities Exchange Act of 1934, as amended, in connection with obtaining the Stockholder Approval and (ii) each Securityholder shall promptly take all necessary or desirable action within such Securityholder's control (including, without limitation, attendance at stockholders' meetings in person or by proxy for the purposes of obtaining a quorum and the execution of written consents in lieu of meetings) to ensure that all voting securities of the Company (including the Common Stock) over which such Securityholder has control shall be voted in favor of the Stockholder Approval.

Section 6. Amendment and Waiver. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement shall be effective against the Company, the Securityholder or any of the Institutional Investors unless such modification, amendment or waiver is approved in writing by the Company with the Required Investor Approval. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

Section 7. Representations and Warranties of the Securityholder. The Securityholder represents and warrants to each Institutional Investor as follows:

(a) Authorization; No Breach. This Agreement constitutes a valid and binding obligation of Securityholder, enforceable in accordance with its terms. The execution and delivery by Securityholder of this Agreement, and the fulfillment of and compliance with the terms hereof by Securityholder, do not and will not (a) conflict with or result in a breach of the

terms, conditions or provisions of, (b) result in a violation of, or (c) require any consent that has not been obtained or made of, from, with or to, any Person pursuant to any material agreement, instrument or other documents, or any applicable material requirement of law to which Securityholder or any affiliate thereof is bound or to which any of such Persons or their respective assets is subject. As used herein, the term "Person" shall be broadly construed to include any individual, firm, corporation, partnership, joint venture, trust, estate, limited liability company, association, or other legal entity or organization or any government, governmental department or agency or political subdivision thereof.

(b) Record Owner; Proxy. Securityholder (i) is the record and beneficial owner of the number of Subject Securities set forth opposite its name on Schedule A attached to this Agreement and (ii) is not a party to any proxy, voting trust or other agreement which is inconsistent with, conflicts with or violates any provision of this Agreement. Securityholder shall not grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with or violates any provision of this Agreement.

Section 8. Representations and Warranties of the Institutional Investors. Each Institutional Investor represents and warrants to Securityholder (as to itself but not as to any other party hereto) as follows:

(a) Authorization; No Breach. The execution, delivery and performance by such Institutional Investor of this Agreement has been duly authorized by or on behalf of such Institutional Investor. This Agreement constitutes a valid and binding obligation of such Institutional Investor, enforceable in accordance with its terms. The execution and delivery by such Institutional Investor of this Agreement, and the fulfillment of and compliance with the terms hereof by such Institutional Investor, do not and will not (a) conflict with or result in a breach of the terms, conditions or provisions of, (b) result in a violation of, or (c) require any consent that has not been obtained or made of, from, with or to, any Person pursuant to, the constituent documents of such Institutional Investor, or any material agreement, instrument or other documents, or any applicable material requirement of law to which such Institutional Investor or any affiliate thereof is bound or to which any of such Persons or their respective assets is subject.

(b) Record Owner; Proxy. Such Institutional Investor (i) is the record and beneficial owner of the number of Subject Securities set forth opposite its name on Schedule A attached to this Agreement and (ii) is not a party to any proxy, voting trust or other agreement which is inconsistent with, conflicts with or violates any provision of this Agreement. No Institutional Investor shall grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with or violates any provision of this Agreement.

Section 9. Representations and Warranties of the Company. The Company represents and warrants to each Institutional Investor and Securityholder as follows:

(a) Authorization; No Breach. The execution, delivery and performance of this Agreement has been duly authorized by or on behalf of the Company. This Agreement

constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms. The execution and delivery by the Company of this Agreement, and the fulfillment of and compliance with the terms hereof by the Company, does not and will not (a) conflict with or result in a breach of the terms, conditions or provisions of, (b) result in a violation of, or (c) require any consent that has not been obtained or made of, from, with or to, any Person pursuant to, the constituent documents of the Company or any agreement, instrument or other document, or any applicable material requirement of law to which the Company or any of its affiliates is bound or to which any of such Persons or their respective assets is subject.

Section 10. 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 invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement in such jurisdiction or affect the validity, legality or enforceability of any provision in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had not been contained herein.

Section 11. Successors and Assigns. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Company, the Securityholder, and the Institutional Investors and their respective successors and assigns; provided, that no party may assign any of its obligations under this Agreement without Required Investor Approval. This Agreement shall be binding upon the Securityholder and Institutional Investors and their respective successors and assigns so long as they hold Subject Securities.

Section 12. Counterparts; Fax Signatures. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement. Signatures sent by telecopy shall be deemed to constitute original signatures.

Section 13. Remedies. Each party to this Agreement shall be entitled to enforce its rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights existing in its favor. The parties hereto agree and acknowledge that money damages would not be an adequate remedy for any breach of the provisions of the Agreement and that the Company, the Securityholder or any Institutional Investor may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting a bond or other security) in order to enforce or prevent any violation of the provisions of this Agreement.

Section 14. Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, or mailed first class mail (postage prepaid) or sent by reputable overnight courier service (charges prepaid) or sent by telecopy to the Company at the address set forth below and to any other recipient at the address indicated on the Schedule attached hereto or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Notices shall be deemed to have been

given hereunder when delivered personally, when delivery is confirmed by telecopy, three days after deposit in the U.S. mail and one day after deposit with a national overnight courier service.

Aurora Broadcasting, Inc.
900 Oakmont Lane
Suite 210
Westmont, IL 60559-1297
Attention: Jeffrey Trumper
Phone: (630) 789-0090 ext. 18
Facsimile: _____

Section 15. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (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.

Section 16. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof and, if applicable, hereof. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise specified herein, the term "or" has the inclusive meaning represented by the term "and/or" and the term "including" is not limiting. All references as to "Sections", "Subsections", "Articles", "Schedules" and "Exhibits" shall be to Section, Subsections, Articles, Schedules and Exhibits, respectively, of this Agreement unless otherwise specifically provided.

Section 17. No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

Section 18. No Third Party Beneficiaries. This Agreement is not intended to confer any rights or remedies upon any Person other than the parties hereto and their successors and permitted assigns.

Section 19. Complete Agreement. This Agreement embodies the complete agreement and understanding among the parties and supersedes and preempts 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.

Section 20. Termination. This Agreement shall terminate upon the earlier to occur of (i) ten (10) years from the date hereof or (ii) the date upon which BlueStone TV Holdings Inc. (or

any nominee or assignee thereof) has fully acquired the outstanding shares of Common Stock pursuant to that certain Purchase Option Agreement dated as of the date hereof among BlueStone TV Holdings Inc., the Securityholder, the Institutional Investors, and the Company.

[The remainder of this page is left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

AURORA BROADCASTING, INC.

By: _____
Name: _____
Title: _____

PROVIDENCE EQUITY PARTNERS IV L.P.

By: Providence Equity GP IV LP,
its general partner
By: Providence Equity Partners IV L.L.C.,
its general partner

By: _____
Name: _____
Title: Managing Director

PROVIDENCE EQUITY OPERATING
PARTNERS IV L.P.

By: Providence Equity GP IV LP,
its general partner
By: Providence Equity Partners IV L.L.C.,
its general partner

By: _____
Name: _____
Title: Managing Director

Jeffrey Trumper

[Signature page to Securityholders' Agreement]