

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re:)	Case No. 09-10645 (AJG)
)	
YOUNG BROADCASTING INC. et al., ¹)	Jointly Administered
)	
Debtors.)	Chapter 11
)	Hon. Arthur J. Gonzalez
)	

PLAN SUPPORT AGREEMENT

THIS IS NOT A SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THE DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT.

This PLAN SUPPORT AGREEMENT (the “Agreement”) is made and entered into as of August 10, 2009, by and among the following parties:

(a) American Funds Insurance Series – High-Income Bond Fund, American High Income Trust, Evergreen High Income Fund, Evergreen Income Advantage Fund, Evergreen Multi Sector Income Fund, Evergreen VA High Income Fund, GLC Recovery Fund, LLC, The Income Fund of America, Inc., and Lenado Partners, Series A of Lenado Capital Partners, each a “Backstop Party” and each acting in their capacity as such (collectively, the “Backstop Parties”) for the Rights Offering in accordance with the revised Rights Offering Term Sheet attached hereto as Exhibit B (the “Rights Offering Term Sheet”); and

(b) the Official Committee of Unsecured Creditors of Young Broadcasting Inc. *et al.* (together with each Backstop Party, the “Parties”).

¹ The Debtors in these proceedings are: Young Broadcasting Inc.; Young Broadcasting of Lansing, Inc.; Young Broadcasting of Louisiana, Inc.; Young Broadcasting of Nashville, LLC; Young Broadcasting of Albany, Inc.; Young Broadcasting of Richmond, Inc.; Young Broadcasting of Knoxville, Inc.; Young Broadcasting of Green Bay, Inc.; Young Broadcasting of Davenport, Inc.; Young Broadcasting of Sioux Falls, Inc.; Young Broadcasting of Rapid City, Inc.; Young Broadcasting of San Francisco, Inc.; Young Broadcasting of Nashville, Inc.; Young Broadcasting of Los Angeles, Inc.; Young Broadcasting Shared Services, Inc.; Adam Young Inc.; WKRN, G.P.; WATE, G.P.; KLFY, L.P.; YBT, Inc.; YBK, Inc.; LAT, Inc.; Winnebago Television Corporation; Fidelity Television, Inc.; and Honey Bucket Films, Inc.

RECITALS

WHEREAS, on February 13, 2009, Young Broadcasting Inc. and certain of its affiliates (collectively, the “Debtors”) filed a voluntary petition with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”) (collectively, the “Chapter 11 Cases”);

WHEREAS, on February 26, 2009, an Official Committee of Unsecured Creditors (the “Creditors Committee”) was appointed;

WHEREAS, each Backstop Party is a Holder of a Claim, as defined in section 101(5) of the Bankruptcy Code, arising out of, or related to, certain Claims under that certain Fourth Amended and Restated Credit Agreement, dated May 3, 2005 (as amended by that certain First Amendment to Credit Agreement, dated May 30, 2006, and as further amended, restated, supplemented or otherwise modified from time to time) among Young Broadcasting Inc., the lenders party thereto and Wachovia Bank, National Association as Administrative Agent and Collateral Agent (each, a “Prepetition Lender Claim”), that certain Indenture dated December 23, 2003 between Young Broadcasting Inc. (and the Guarantors identified therein) and U.S. Bank National Association, as indenture trustee, (as amended, waived, supplemented, refinanced and as otherwise modified from time to time the “8¾% Senior Subordinated Indenture”) and that certain Indenture dated March 1, 2001 between Young Broadcasting Inc. (and the Guarantors identified therein) and U.S. Bank National Association, as indenture trustee, (as amended, waived, supplemented, refinanced and as otherwise modified from time to time the “10% Senior Subordinated Indenture”) (each, a “Senior Note Claim” and together with the Prepetition Lender Claims, the “Young Broadcasting Claims”);

WHEREAS, the Parties intend to implement the restructuring contemplated by this Agreement through a confirmed plan of reorganization, the form and substance of which shall be consistent in all material respects with, and on terms and conditions no less favorable than, the terms set forth in this Agreement and that certain restructuring term sheet attached hereto as Exhibit A (the “Plan Term Sheet,” and the plan of reorganization contemplated thereby, as the same may be amended from time to time in accordance with the terms of this Agreement, the “Plan”) ² and the Management Term Sheet attached hereto as Exhibit C;

WHEREAS, the Plan Term Sheet provides, among other things, that: (a) the maturity of the Prepetition Lender Claims shall be reinstated as such maturity existed prior to any default by the Debtors, (b) each Backstop Party will backstop its portion of a \$38 million rights offering as set forth on its signature page hereto to be made available pro rata to the Holders of Senior Note Claims (its “Share”), the terms of which backstop commitment are set forth in the Rights Offering Term Sheet;

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan Term Sheet.

WHEREAS, the Creditors' Committee has engaged in good faith negotiations with the Backstop Parties regarding the terms of the Plan;

WHEREAS, each Backstop Party has reviewed, or have had the opportunity to review, the Plan Term Sheet, the Rights Offering Term Sheet, the Management Term Sheet and this Agreement with the assistance of professional legal advisors of its own choosing (collectively, the "Restructuring Agreements"); and

WHEREAS, each Backstop Party has agreed to backstop its Share on the terms and conditions described herein, and to support and facilitate Confirmation and Consummation of the Plan and the transactions contemplated hereby (collectively, the "Restructuring");

WHEREAS, each of the Backstop Party member's obligations to support the Plan is made solely in its individual capacity and not (in cases where a Backstop Party member is also a member of the Creditors' Committee) in its capacity as a member of the Creditors Committee. Nothing contained herein shall limit such Backstop Party's ability to exercise its duties and responsibilities as a member of the Creditors' Committee with respect to the Plan or any alternative thereto.

NOW, THEREFORE, in consideration of the foregoing and the premises, mutual covenants and agreements set forth herein and for other good and valuable consideration, the Parties agree as follows:

Section 1. Means for Implementing the Agreement.

To implement the Plan, the Creditors' Committee and each of the signatories hereto have agreed, on the terms and conditions set forth herein, that the Creditors' Committee shall seek to:

- (a) obtain entry by the Bankruptcy Court of an order approving a disclosure statement relating to the Plan in form and substance reasonably acceptable to the Parties (the "Disclosure Statement Order");
- (b) solicit the requisite acceptances of the Plan in accordance with section 1125 of the Bankruptcy Code after the Bankruptcy Court has approved such disclosure statement;
- (c) move the Bankruptcy Court to confirm the Plan as expeditiously as practicable under the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure as applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075 and the general, local and chambers rules of the Bankruptcy Court (collectively, the "Bankruptcy Rules"); and
- (d) consummate the Plan.

Section 2. Approval of Restructuring Agreements.

2.1 Agreement of the Backstop Parties.

The Plan Term Sheet, the Rights Offering Term Sheet and the Management Term Sheet are incorporated herein by reference and are made part of this Agreement. Each of the Backstop Parties has reviewed, or has had the opportunity to review, the Plan Term Sheet, the Rights Offering Term Sheet and the Management Term Sheet, and by signing below, agrees and acknowledges that those documents, in the forms attached hereto, are acceptable to and are approved by such Backstop Party.

Section 3. Mutual Representations, Warranties and Covenants.

Each Party, severally and not jointly, makes the following representations, warranties and covenants (to the extent applicable in each case) to each of the other Parties, each of which are continuing representations, warranties and covenants:

3.1 Good Faith.

Such Party agrees to negotiate in good faith all of the documents and transactions described in the Plan Term Sheet and in this Agreement.

3.2 Enforceability.

Subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is a legal, valid and binding obligation, enforceable against the Creditors' Committee and each Backstop Party in accordance with its terms, except as enforcement may be limited by applicable laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

3.3 No Consent or Approval.

Except as expressly provided in this Agreement, no consent or approval is required by any other person or Entity in order for it to carry out the provisions of this Agreement.

3.4 Power and Authority.

Each Backstop Party is duly organized, validly existing and in good standing under the laws of its state of organization and it has all requisite corporate, partnership or limited liability company power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement, the Plan Term Sheet and the Rights Offering Term Sheet.

3.5 Authorization.

The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate, partnership or limited liability company action on its part.

3.6 Execution.

This Agreement has been duly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with the terms hereof.

3.7 Governmental Consents.

The execution, delivery and performance by it of this Agreement does not and shall not require any registration or filing with consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body, except such filings as may be necessary and/or required under the federal securities laws or as necessary for the approval of a disclosure statement and confirmation of the Plan by the Bankruptcy Court.

3.8 No Conflicts.

The execution, delivery and performance of this Agreement does not and shall not: (a) violate any provision of law, rule or regulations applicable to it or any of its subsidiaries; (b) violate its certificate of incorporation, bylaws (or other formation documents in the case of a limited liability company) or those of any of its subsidiaries; or (c) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it or any of its subsidiaries is a party.

Section 4. Acknowledgement.

This Agreement, the Plan Term Sheet, the Rights Offering Term Sheet, the Management Term Sheet and the transactions contemplated herein and therein are the product of negotiations between the Parties and their respective representatives. Each Party hereby acknowledges that this Agreement is not and shall not be deemed to be a solicitation of votes for the acceptance of a chapter 11 plan for the purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Each Party further acknowledges that no securities of any Debtors are being offered or sold hereby and that this Agreement does not constitute an offer to sell or a solicitation of an offer to buy any securities of any Debtor.

Section 5. Termination.

5.1 Termination Events.

The term “Termination Event,” wherever used in this Agreement, means any of the following events (whatever the reason for such Termination Event and whether it is voluntary or involuntary):

- (a) any modification to the Plan not in a form and substance that is reasonably satisfactory to each of the Backstop Parties;
- (b) the Creditors’ Committee shall not have filed the Plan and a disclosure statement relating to the Plan with the Bankruptcy Court on or before twenty-one (21) days from the date hereof, or such later date as may be mutually agreed upon by the Creditors’ Committee and each of the Backstop Parties;

- (c) a Confirmation Order, in form and substance reasonably satisfactory to the Creditors' Committee and each of the Backstop Parties is not entered on or before one hundred (100) days from the date hereof, or such later date as may be mutually agreed upon by the Creditors' Committee and each of the Backstop Parties;
- (d) the Effective Date shall not have occurred on or before one hundred twenty (120) days from the date hereof, or such later date as may be mutually agreed upon by the Creditors' Committee and each of the Backstop Parties; provided, however, that if the sole remaining condition to the Effective Date (other than the making of closing deliverables) at the expiration of end of such period is receipt of the FCC Consent, such period shall automatically be extended to one hundred eighty (180) days from the date hereof;
- (e) the Chapter 11 Cases of Young Broadcasting Inc.; Young Broadcasting of Lansing, Inc.; Young Broadcasting of Louisiana, Inc.; Young Broadcasting of Nashville, LLC; Young Broadcasting of Albany, Inc.; Young Broadcasting of Richmond, Inc.; Young Broadcasting of Knoxville, Inc.; Young Broadcasting of Green Bay, Inc.; Young Broadcasting of Davenport, Inc.; Young Broadcasting of Sioux Falls, Inc.; Young Broadcasting of Rapid City, Inc.; Young Broadcasting of San Francisco, Inc.; Young Broadcasting of Nashville, Inc. or Young Broadcasting of Los Angeles, Inc. are converted to cases under chapter 7 of the Bankruptcy Code;
- (f) the Bankruptcy Court shall enter an order in any of the Chapter 11 Cases appointing (i) a trustee under chapter 7 or chapter 11 of the Bankruptcy Code, (ii) a responsible officer or (iii) an examiner, in each case with enlarged powers relating to the operation of the business (powers beyond those set forth in subclauses (3) and (4) of section 1106(a) of the Bankruptcy Code) under section 1106(b) of the Bankruptcy Code;
- (g) any of the Chapter 11 Cases of Young Broadcasting Inc.; Young Broadcasting of Lansing, Inc.; Young Broadcasting of Louisiana, Inc.; Young Broadcasting of Nashville, LLC; Young Broadcasting of Albany, Inc.; Young Broadcasting of Richmond, Inc.; Young Broadcasting of Knoxville, Inc.; Young Broadcasting of Green Bay, Inc.; Young Broadcasting of Davenport, Inc.; Young Broadcasting of Sioux Falls, Inc.; Young Broadcasting of Rapid City, Inc.; Young Broadcasting of San Francisco, Inc.; Young Broadcasting of Nashville, Inc. or Young Broadcasting of Los Angeles, Inc. are dismissed;
- (h) the Confirmation Order is reversed on appeal or vacated;
- (i) any Party has breached any material provision of this Agreement, the Plan or the Rights Offering Term Sheet and any such breach has not been duly waived or cured in accordance with the terms hereof after a period of ten (10) days;

- (j) any court shall enter a final, non-appealable judgment or order declaring this Agreement or any material portion hereof to be unenforceable;
- (k) the Creditors' Committee shall withdraw the Plan or publicly announce its intention not to support the Plan;
- (l) any Material Adverse Effect shall have occurred since the date of this Agreement. As used in this Agreement, "Material Adverse Effect" means any occurrence, event or effect which individually or together with other occurrences, events or effects has, or could be reasonably expected to have, a materially adverse effect on the business, assets, operation, condition (financial or otherwise) or prospects of the Debtors, taken as a whole; provided, however, that none of the following shall be deemed to constitute, and none of the following shall be taken into account in determining whether there has been, a Material Adverse Effect: any occurrence, event or effect arising from or relating to (1) any hostilities, acts of war, military actions, sabotage or terrorism; (2) any change in any regional, United States or foreign economies or securities or financial markets in general that do not effect the Business in a disproportionate manner when compared to the effect of such occurrence, event or effect on other Persons engaged in the broadcasting industry; (3) any change in generally accepted accounting principles; (4) acts generally affecting the broadcasting industry; (5) the Chapter 11 Cases or (6) the announcement of the Plan and the transactions contemplated thereby
- (m) the Debtors shall fail to provide the Backstop Parties reasonable access to information regarding the Debtors and fail to make Debtors' senior management reasonably available to the Backstop Parties.

The foregoing Termination Events are intended solely for the benefit of the Backstop Parties; provided, that no Backstop Party may seek to terminate this Agreement based upon a material breach or a failure of a condition (if any) in this Agreement arising out of its own actions or omissions.

5.2 Termination Event Procedures.

- (a) Upon the occurrence of a Termination Event pursuant to Section 5.1(i) hereof due to a material breach of this Agreement by any Backstop Party, then the Creditors' Committee shall have the right to terminate this Agreement, the Plan and the Rights Offering Term Sheet by giving written notice thereof to the other Parties.
- (b) Upon the occurrence of a Termination Event contemplated by clauses (e), (f), (g), (h) or (j) of Section 5.1 hereof, this Agreement, the Plan and the Rights Offering Term Sheet shall automatically terminate without further action unless no later than ten (10) Business Days after the occurrence of any such Termination Event, the occurrence of such Termination Event is waived in writing by the Creditors Committee and each of the Backstop Parties.

- (c) Upon the occurrence of a Termination Event contemplated by clauses (a), (b), (c), (d), (i), (k), (l), or (m) of Section 5.1 hereof, any Backstop Party may terminate this Agreement upon two (2) Business Days written notice to the Creditors' Committee.

5.3 Consent to Termination.

In addition to the Termination Events set forth in Section 5.1 hereof, this Agreement shall be terminable immediately upon written notice to all of the Parties of the written agreement of the Creditors' Committee and each of the Backstop Parties to terminate this Agreement.

Section 6. Miscellaneous Terms.

6.1 Binding Obligation; Assignment.

Binding Obligation. Subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is a legally valid and binding obligation of the Parties and their respective members, officers, directors, agents, financial advisors, attorneys, employees, partners, Affiliates, successors, assigns, heirs, executors, administrators and representatives, enforceable in accordance with its terms, and shall inure to the benefit of the Parties and their respective members, officers, directors, agents, financial advisors, attorneys, employees, partners, Affiliates, successors, assigns, heirs, executors, administrators and representatives. Nothing in this Agreement, express or implied, shall give to any Entity, other than the Parties and their respective members, officers, directors, agents, financial advisors, attorneys, employees, partners, Affiliates, successors, assigns, heirs, executors, administrators and representatives, any benefit or any legal or equitable right, remedy or claim under this Agreement. The agreements, representations, warranties, covenants and obligations of the Parties contained in this Agreement are, in all respects, several and not joint.

Assignment. No rights or obligations of any Party under this Agreement may be assigned or transferred to any other Entity except by written consent of all other Parties under this Agreement, provided that such consent may not be unreasonably withheld.

6.2 Further Assurances.

The Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, from time to time, to effectuate the agreements and understandings of the Parties, whether the same occurs before or after the date of this Agreement.

6.3 Headings.


The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction or interpretation of any term or provision hereof.

IN WITNESS WHEREOF, the Parties have entered into this Agreement on the day and year first above written.

Dated: August 10, 2009

**THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF YOUNG
BROADCASTING INC. ET AL.**

By:
Name:



Andrew Rosenberg
Attorney for the
Unsecured Creditors
Committee

Dated: August 10, 2009

BACKSTOP PARTY

Name of Institution: GLC Recovery Fund, LLC

By: Thomas M. Benninge

Name: THOMAS M. BENNINGE

Address 50 California St. 32nd Fl

Telephone: SAN FRANCISCO, CA 94111

Facsimile: 415 962-8515

Share of Backstop Commitment

\$ 2,500,000

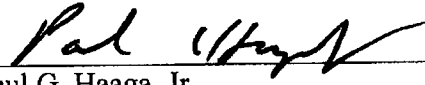
Dated: _____, 2009

BACKSTOP PARTY

Name of Institution: American High-Income Trust

By:

Name:


Paul G. Haaga, Jr.

Vice Chairman,
Capital Research and Management
Company

Address

333 South Hope Street, 55th Floor
Los Angeles, CA 90071

Telephone:

213-486-9200

Facsimile:

213-615-0430

Share of Backstop Commitment

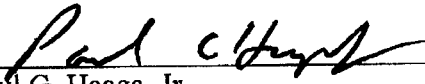
\$ 16,700,000

Dated: _____, 2009

BACKSTOP PARTY

Name of Institution: The Income Fund of
America, Inc.

By:
Name:


Paul G. Haaga, Jr.

Vice Chairman,
Capital Research and Management
Company

Address 333 South Hope Street, 55th Floor
Los Angeles, CA 90071

Telephone: 213-486-9200

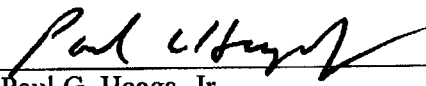
Share of Backstop Commitment

\$ 6,900,000

Dated: _____, 2009

BACKSTOP PARTY

Name of Institution: American Funds Insurance
Series – High-Income Bond
Fund

By: 
Name: Paul G. Haaga, Jr.
Vice Chairman,
Capital Research and Management
Company
Address 333 South Hope Street, 55th Floor
Los Angeles, CA 90071
Telephone: 213-486-9200

Share of Backstop Commitment
\$ 5,920,000

Dated: _____

**PLAN SPONSOR/CONSENTING
PREPETITION HOLDER**

in Its Capacity as a Consenting Holder and the
Backstop Party in Accordance with the Rights
Offering Term Sheet

Name of Institution: Evergreen Funds listed on
Appendix A

By: Evergreen Investment Management Company,
L.L.C., as agent and not in its individual capacity,
By: _____

Name: Andrew P. Cestone
Its: SVP, Head of Global High Yield
Telephone: 215-670-3771
Facsimile: 215-670-3736

Aggregate amount of Prepetition Lender Claims
held by such Consenting Prepetition Holder as of
the date above:

\$ 15,410,000.00

Backstop commitment

\$ 1,000,000.

Description and aggregate amount of any additional
Young Broadcasting Claims other than Prepetition
Lender Claims:

\$ _____
Description: _____

Appendix A

List of Evergreen Funds

Evergreen High Income Fund
Evergreen VA High Income Fund
Evergreen Income Advantage Fund
Evergreen Multi Sector Income Fund

Dated: AUGUST 9, 2009

BACKSTOP PARTY

LENAO PARTNERS, SERIES A

Name of Institution: OF LENA0 CAPITAL PARTNERS LP

By: 

Name:

NIKOS HECHT, SOLE MEMBER OF THE MANAGING MEMBER
OF LENA0 CAPITAL, LLC, ITS GENERAL PARTNER

Address

314 SOUTH GALENA STREET, SUITE 300, ASPEN, CO 81611

Telephone:

970 - 925 - 7620

Facsimile:

970 - 925 - 7804

Share of Backstop Commitment

\$ 5,000,000⁰⁰

EXHIBIT A
PLAN TERM SHEET

YOUNG BROADCASTING INC.

Summary of Reinstatement Plan Terms

THIS TERM SHEET IS NOT AN OFFER OR A SOLICITATION WITH RESPECT TO ANY SECURITIES OF THE COMPANY OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. THIS TERM SHEET CONTAINS MATERIAL NON-PUBLIC INFORMATION ABOUT A PUBLIC COMPANY AND, THEREFORE, IS SUBJECT TO FEDERAL SECURITIES LAWS.

1. Classification and Treatment of Claims and Interests

Classification and treatment of Claims and Interests under the joint plan of reorganization (the “Plan”) of Young Broadcasting Inc. and its debtor subsidiaries (collectively, the “Debtors”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) as proposed by the Official Committee of Unsecured Creditors of Young Broadcasting Inc. et al. (the “Creditors’ Committee”) shall be as follows:

1.1. **Unclassified Claims**

Administrative Claims as provided in sections 503(b) or 507(a)(2) of the Bankruptcy Code, including compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under sections 330(a), 331 or 503 of the Bankruptcy Code (“Fee Claims”); any claims for cure amounts owed under section 365(b); any claims for goods or rendition of services on or after the filing of the Debtors’ voluntary bankruptcy petitions in the ordinary course of the applicable Debtor’s business; and any claims for reclamation in accordance with sections 503(b)(9) and 546(c) of the Bankruptcy Code. Each Holder thereof will receive payment in full in Cash of the unpaid portion of an Allowed Administrative Claim on the latest to occur of (i) the Plan Effective Date, (ii) the date that such Claim becomes an Allowed Claim and (iii) the date that such Claim becomes payable under any agreement between the applicable Debtor and the Holder of such Claim.

Priority Tax Claims which are claims for taxes that are entitled to priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code will be unclassified and treated separately in the Plan. Each Holder thereof will receive payment in full in Cash of the unpaid portion of an Allowed Priority Tax Claim on the latest to occur of (i) the Plan Effective Date, (ii) the date that such Claim becomes an Allowed Claim and (iii) the date that such Claim becomes payable under any agreement between the applicable Debtor and the Holder of such Claim. Alternatively, the Debtor may pay such Allowed Priority Tax Claim over time as permitted by the Bankruptcy Code.

1.2. **Classified Claims and Interests**

There will be five (5) Classes of Claims (as such term is defined in section 101(5) of the Bankruptcy Code) and two (2) Classes of Interests (common stock, preferred stock, membership interests

or partnership interests or similar ownership interests, including options, warrants or rights to acquire or convert any such interests of any Debtor) classified under the Plan.

Class 1—Other Priority Claims

Classification: Class 1 consists of the Other Priority Claims against the Debtors.

Treatment: The legal, equitable and contractual rights of the Holders of Allowed Class 1 Claims will be unaltered by the Plan. Unless otherwise agreed to by the Holders of the Allowed Class 1 Claims and the Debtors, each Holder of an Allowed Class 1 Claim shall receive, in full and final satisfaction of such Allowed Class 1 Claim, payment of the Allowed Class 1 Claim in full in Cash on the later of (i) the Plan Effective Date and (ii) 30 days after the date on which the Claim becomes Allowed.

Voting: Class 1 is an Unimpaired Class, and the Holders of Class 1 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Claims will not be entitled to vote to accept or reject the Plan.

Class 2 —Prepetition Lender Claims

Classification: Class 2 consists of Prepetition Lender Claims against the Debtors arising under the Credit Agreement.

Treatment: Claims arising under the Credit Agreement shall be deemed fully Secured and Allowed in the amount of \$_____. On the Plan Effective Date, the Reorganized Debtors shall cure any monetary default that occurred before or after the Petition Date; the maturity of the Prepetition Lender Claims shall be reinstated as such maturity existed prior to any such default and the legal, equitable and contractual rights of Holders of Class 2 Claims will not otherwise be altered.

Voting: Class 2 is an Unimpaired Class, and the Holders of Class 2 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 2 Claims will not be entitled to vote to accept or reject the Plan.

Class 3—Other Secured Claims

Classification: Class 3 consists of Claims against any Debtor which are claims that are secured by liens on Debtor property or that are subject to setoff under section 553 of the Bankruptcy Code to the extent of the value of the property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code.

Treatment: Each Holder of Allowed Class 3 Claims shall receive, at the applicable Reorganized Debtor's election, in full and final satisfaction of such Allowed Class 3 Claims, one of the following: (i) return of its collateral, (ii) a cash payment equal to the agreed or court determined value of its collateral, (iii) payments over time pursuant to an agreed stipulation or as may be determined by the Court, or (iv) reinstatement of its Allowed Claim.

Voting: To the extent any Allowed Other Secured Claims are treated in the manner set forth in clauses (i), (ii), (iii) or (iv) of the immediately preceding subsection, Class 3, the particular sub-class is unimpaired and such Holders are not entitled to vote to accept or reject the Plan.

Class 4 —Noteholder Claims

Classification: Class 4 consists of 10% Senior Subordinated Note Claims and 8¼% Senior Subordinated Note Claims against the Debtors.

Treatment: The 10% Senior Subordinated Note Claims shall be deemed Allowed in the amount of \$_____. The 8¼% Senior Subordinated Note Claims shall be deemed Allowed in the amount of \$_____. On the Plan Effective Date, the Reorganized Debtors shall issue and deliver to the indenture trustee for each of the notes, for the ultimate distribution to or for the account of each Holder of an Allowed Class 4 Claim in accordance with such Holder's rights and interests under the applicable notes and their respective indentures, in full and final satisfaction of such Allowed Class 4 Claims, a *pro rata* portion of (i) the Class A New Common Stock, which stock, [when combined with the Class A New Common Stock issued to Class 5,]¹ will represent 10% of the outstanding New Common Stock on the Plan Effective Date, and will be subject to dilution by the Management and Director Equity Incentive Plan and (ii) the Rights.

Voting: Class 4 is Impaired, and Holders of Class 4 Claims will be entitled to vote to accept or reject the Plan.

Class 5—General Unsecured Claims

Classification: Class 5 consists of General Unsecured Claims against the Debtors.

Treatment: Holders of Allowed Class 5 Claims shall receive, in full and final satisfaction of such Allowed Class 5 Claims, [a one-time cash distribution of their *pro rata* share of [\$1,000,000] OR[a one-time cash distribution equal to [__%] of the amount of their Allowed Class 5 Claims] [OR [a *pro rata* portion of (i) the Class A New Common Stock, which stock, when combined with the Class A New Common Stock issued to Class 4 ,will represent 10% of the outstanding New Common Stock on the Plan Effective Date, and will be subject to dilution by the Management and Director Equity Incentive Plan]] and (ii) the Rights.]

Voting: Class 5 is Impaired, and Holders of Class 5 Claims will be entitled to vote to accept or reject the Plan.

Class 6—Equity Interests

Classification: Class 6 consists of all Equity Interests in Young.

Treatment: All existing Equity Interests of Young and certain other Equity Interests at other subsidiary levels shall be impaired, with no distribution to be made under the Plan to Holders thereof, and all such existing Equity Interests of Young and all warrants, conversion rights, rights of first refusal and other rights, contractual or otherwise, to acquire or receive any Equity Interests in Young or any other Debtor, if any, shall be deemed cancelled as of the Plan Effective Date.

¹ Participation of Class 5 to be determined based upon number of holders due to desire to prevent the Company from becoming a public reporting company.

Voting: Class 6 is Impaired, and Holders of Class 6 Equity Interests are conclusively deemed to reject the Plan. Holders of Class 6 Equity Interests are therefore not entitled to vote to accept or reject the Plan.

Class 7—Intercompany Interests

Classification: Class 7 consists of all Intercompany Interests in the Debtors.

Treatment: On the Plan Effective Date, Class 7 Intercompany Claims will be (in the sole discretion of the applicable Debtor or Reorganized Debtor holding such Claim) (1) released, waived and discharged as of the Plan Effective Date, (2) contributed to the capital of the obligor corporation, (3) dividended, or (4) remain unimpaired.

Voting: Class 7 is Impaired, and the Holders of Class 7 Claims will be entitled to vote to accept or reject the Plan.

2. Implementation of the Plan

2.1. Vesting of Assets: Except as otherwise provided in the Plan and the Confirmation Order, on the Plan Effective Date, all of the assets of the Debtors shall vest in the Debtors as reorganized pursuant to the Plan (the “Reorganized Debtors”), free and clear of all claims, liens and interests. The Reorganized Debtors, or their designee, shall make all distributions under the Plan.

2.2. Plan Funding. The Backstop Parties together with the participants in the Rights Offering shall contribute \$38 million in cash in the aggregate to the Reorganized Debtors (the “Equity Contribution”) in exchange for 100% of the Preferred Stock on the Plan Effective Date and 80% of the New Common Stock issued and outstanding the Plan Effective Date,² which will be subject to dilution by the Management and Director Equity Incentive Plan.³ For purposes of determining the restructuring fee provided for the financial advisor to the Creditors’ Committee, the amount of new capital raised by Allen & Company LLC shall include any amounts funded by any unsecured creditor, funded by any third party introduced by any unsecured creditor, or funded by any third parties otherwise participating in this plan of reorganization, as supported by the Creditors’ Committee and funded by unsecured creditors and other third parties, who have agreed to invest in concert with members of the group of unsecured creditors; provided, however, that the \$5 million in capital to be contributed by Sopris Capital shall be excluded from the foregoing calculation and that, so long as the total amount to be invested does not exceed \$38 million, the difference between \$35 million and \$38 million will be excluded, such that the fee to the financial advisor will be set at \$3 million under these circumstances.

2.3. Funding of Distributions and Payment of Cure Costs: The Reorganized Debtors will make distributions and pay cure costs required under the Plan from (1) the Equity Contribution, (2) the Reorganized Debtors’ cash balances and cash from operations; (3) the

² The capital stock will be issued so as to conform with the Credit Agreement.

³ The proposed terms and conditions of the Preferred Stock are attached hereto along with a chart, as Exhibit A.

proceeds of tax refunds; and (4) any other means of financing or funding that the Debtors or the Reorganized Debtors determine, with the consent of the Backstop Parties, is necessary or appropriate to fund distributions required under the Plan.

2.4. Corporate Existence: After the Plan Effective Date, the Reorganized Debtors may enter into any restructuring transactions (the “**Restructuring Transactions**”) and take such actions as the Reorganized Debtors may determine to be necessary or appropriate to effect a corporate restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Debtors, all to the extent not inconsistent with any other terms of the Plan. Such Restructuring Transactions may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Reorganized Debtors to be necessary or appropriate without further order of the Bankruptcy Court. Furthermore, after the Plan Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, dispose of property and settle and compromise claims or interests without the supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Rules.

2.5. Corporate Governance: Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code and FCC Approval, on the Plan Effective Date, (i) each director of the Reorganized Debtors (other than Vincent Young) will be deemed to have resigned, (ii) the New Board will be constituted in the manner set forth in Section 6.1 below and, except for the New Board, the officers and directors of the each of the subsidiary Reorganized Debtors will be determined with the consent of the Backstop Parties.

Each such director and officer will serve from and after the Plan Effective Date until his or her successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the terms of the certificate of incorporation and bylaws (or comparable constituent documents) of the respective Reorganized Debtor, as the same may be amended pursuant to the Plan or otherwise from time to time, and applicable state law.

2.6. Employment Contracts and Professional Retentions: Except with respect to those contracts rejected prior to, or pursuant to the Plan upon the Effective Date, the Reorganized Debtors shall have authority, as determined by each Reorganized Debtor’s board of directors, to: (a) maintain, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with their active and retired directors, officers and employees, subject to the terms and conditions of any such agreement; and (b) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees. The Reorganized Debtors shall enter into employment agreements with a term of two years with the existing Chief Executive Officer, President/Chief Operating Officer and Chief Financial Officer at compensation levels consistent with the Debtors’ March 2009 Business Plan, with the base salary as voluntarily modified and in effect as of July 1, 2009. Additionally Vincent Young will receive Class B New Common Stock, which stock shall constitute 40% of the Voting Stock until the obligations in the Credit Agreement are satisfied, and which stock shall represent 10% of the New Common Stock on the Plan Effective Date, and will be subject to dilution by the Management and Director Equity Incentive Plan.

- 2.7. Preservation of Rights of Action:** Except as provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code and to the fullest extent possible under applicable law, the Reorganized Debtors shall retain and may enforce, and shall have the sole right to enforce, any claims, demands, rights and causes of action that any Debtor may hold against any entity. The Reorganized Debtors or their successors may pursue such retained claims, demands, rights or causes of action, as appropriate, in accordance with the best interests of the Reorganized Debtors or their successors holding such claims, demands, rights or causes of action. Further, the Reorganized Debtors retain their right to file and pursue, and shall have the sole right to file and pursue, any adversary proceedings against any trade creditor or vendor related to debit balances or deposits owed to any Debtor.
- 2.8. Claims Procedures:** Objections to Claims must be filed and served on the holders of such Claims by the date that is ninety days after the Plan Effective Date (the “Claims Objection Bar Date”). If an objection has not been filed to a proof of Claim or an amendment has not been made to the Debtors’ schedules with respect to a scheduled Claim by the Claims Objection Bar Date, the Claim to which the proof of Claim or Debtors’ schedules relates shall be treated as an Allowed Claim. No payments or distributions shall be made on account of a Claim until such Claim becomes an Allowed Claim. The Debtors or Reorganized Debtors will have no obligation to review and/or respond to any Claim that is not filed by the applicable bar date unless: (i) the filer has obtained an order from the Bankruptcy Court authorizing it to file such Claim; or (ii) the Reorganized Debtors have consented to the filing of such Claim in writing.
- 2.9. Dissolution of the Creditors’ Committee:** On the Plan Effective Date, the Creditors’ Committee shall be dissolved and its members shall be deemed released of any continuing duties, responsibilities and obligations in connection with the Debtors’ bankruptcy cases or the Plan and its implementation, and the retention and employment of the Creditors’ Committee’s attorneys, accountants and other agents shall terminate.
- 2.10. Assumption or Rejection of Executory Contracts and Unexpired Leases:** On the Plan Effective Date, pursuant to section 365 of the Bankruptcy Code, each Debtor or Reorganized Debtor shall assume all of the executory contracts and unexpired leases (including any and all rights under any contract or agreement) to which it is a party or beneficiary except for those executory contracts and unexpired leases (a) listed on an exhibit to the Plan (which may be amended at any time prior to the Plan Effective Date) or (b) previously assumed or rejected by the Debtors. Contracts or leases entered into after the Petition Date will be performed by the Reorganized Debtors in the ordinary course of their business.

Notwithstanding anything to the contrary in any contract, agreement or lease to which a Debtor or Reorganized Debtor is a party, (i) the transactions contemplated by the Plan and (ii) the consequences of the Plan’s implementation shall not trigger any change in control or similar provisions and shall not be voided by any restraints against assignment in any contract, agreement or lease governed by the Plan. The Confirmation Order shall constitute an order of the Court approving all such assumption and assignments and rejections pursuant to section 365 of the Bankruptcy Code.

The Debtors shall use their commercially reasonable efforts to renew the ABC affiliation agreements prior to the expiration thereof. The Debtors shall decline to renew their lease at 599 Lexington when it expires at the end of 2009 (with respect to both corporate headquarters and AYI).

Additionally, as of the effective time of an applicable Restructuring Transaction, any contract, agreement or lease to be held by any Debtor or another surviving, resulting or acquiring corporation in an applicable Restructuring Transaction, shall be deemed assigned to the applicable entity, pursuant to section 365 of the Bankruptcy Code.

- 2.11. Rights Offering:** The Plan will provide for a Rights Offering of the Class A New Common Stock to all Holders of Class 4 [and Class 5] Claims at the same price paid by the Backstop Parties (each a "Right"). The terms of the Right Offering are set forth on Exhibit B attached hereto.

3. Conditions to Confirmation

Each of the following shall be conditions to confirmation of the Plan unless any such condition shall have been waived by the Creditors' Committee, after consultation with the Backstop Parties:

- 3.1.** The Confirmation Order shall have been entered by the Bankruptcy Court and shall be reasonably acceptable in form and substance to the Creditors' Committee and the Backstop Parties.
- 3.2.** All exhibits to the Plan are in form and substance reasonably satisfactory to the Creditors' Committee and the Backstop Parties.
- 3.3.** The Bankruptcy Court shall have found that adequate and sufficient notice of the disclosure statement to the Plan (the "Disclosure Statement"), the Plan and the Confirmation Hearing, along with all deadlines for voting on or objecting to the Plan has been given to all relevant parties in accordance with the solicitation procedures governing such service and in substantial compliance with the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") 2002(b), 3017 and 3020(b).

4. Conditions to the Plan Effective Date

Each of the following shall be conditions to the occurrence of the Plan Effective Date unless any such condition shall have been waived by the Creditors' Committee and the Backstop Parties:

- 4.1.** The Plan shall contain such additional conditions to Consummation of the Plan customary in plans of reorganization of this type, which shall be in form and substance reasonably satisfactory to the Creditors' Committee and the Backstop Parties.
- 4.2.** The Plan and all Plan Supplement documents, including any amendments, modifications or supplements thereto, shall be reasonably acceptable to the Backstop Parties.

- 4.3. The Confirmation Order shall have approved and authorized the Debtors and the Reorganized Debtors to take all actions necessary or appropriate to implement the Plan, including completion of the transactions contemplated by the Plan and the implementation and consummation of contracts, instruments, releases and other agreements or documents created in connection with the Plan.
- 4.4. The Confirmation Order shall have become a Final Order and is in full force and effect.
- 4.5. Each of the exhibits to the Plan and any other necessary documents shall be fully executed and delivered to the Debtors, shall be in form and substance reasonably acceptable to the Creditors' Committee and the Backstop Parties and shall be fully enforceable in accordance with their terms.
- 4.6. Any agreements, if necessary, with the PBGC concerning the Debtors' treatment of pension benefits shall have been obtained on terms and conditions satisfactory to the Creditors' Committee.
- 4.7. [The FCC Consent shall have been issued by the FCC and have become final without any condition which would have a material adverse effect on the Reorganized Debtor; *provided, however*, that subject to applicable law and at the request of the Backstop Parties, a customary trust may be set up until FCC approval is obtained.]
- 4.8. The terms of the Voting Stock and corporate governance of the Reorganized Company shall be reasonably acceptable to the Creditors' Committee and the Backstop Parties.

5. **Discharge Exculpation and Releases**

- 5.1. **Discharge.** Except as otherwise provided in the Plan, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Equity interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their assets, property or Estates. The Plan shall bind all Holders of Claims and Equity Interests, notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan. Except as provided in the Plan or in the Confirmation Order, Confirmation shall, as of the Plan Effective Date, discharge the Debtors from all Claims or other liabilities that arose on or before the Plan Effective Date and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (a) a proof of Claim based on such debt is filed or deemed filed pursuant to section 501 of the Bankruptcy Code, (b) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (c) the holder of a Claim based on such debt has accepted the Plan. In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination, as of the Plan Effective Date, of a discharge of all Claims and other debts and liabilities against the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against a Debtor at any time, to the extent that such judgment relates to a discharged Claim.

5.2. Exculpation. On the Plan Effective Date, the Exculpated Parties shall neither have, nor incur any liability to any Entity for any prepetition or postpetition act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Company; provided; however, that the foregoing provisions of this release shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan; provided still further, that the foregoing Exculpation shall not be deemed to, release, affect, or limit any of the rights and obligations of the Exculpated Parties from, or exculpate the Exculpated Parties with respect to, any of the Exculpated Parties' obligations or covenants arising pursuant to the Plan or the Confirmation Order; and, provided further, that any party designated as a Non-Released Party in the Plan shall be excluded from the definition of Exculpated Parties.

5.3. Releases by the Debtors. Each of the Debtors shall unconditionally release, and shall be deemed to forever release unconditionally, each of the Exculpated Parties from any and all claims, debts, obligations, demands, liabilities, suits, judgments, damages, rights and causes of action, whatsoever (other than the right to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases and other agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part upon any act or omission, transaction, event or other occurrence taking place on or prior to the Plan Effective Date in any way relating to the Debtors, the Debtors' bankruptcy cases, the Plan, or the Disclosure Statement.

5.4. Releases by Holders of Claims and Equity Interests. On the Plan Effective Date, each Holder of a Claim or Interest shall be deemed to unconditionally release and forever waive all claims, debts, obligations, demands, liabilities, suits, judgments, damages, rights and causes of action, whatsoever (other than the right to enforce the obligations under the Plan and the contracts, instruments, releases and other agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part upon any transactions or matters with the Debtors, their estates or in connection with the Debtors' bankruptcy cases, the Plan, the Disclosure Statement or for any act or omission that occurred or could have occurred on or prior to the Plan Effective Date (collectively "Released Claims") against (i) any Debtor or Reorganized Debtor, (ii) any affiliate or subsidiary of any Debtor or Reorganized Debtor, (iii) the Exculpated Parties, except for any claim or cause of action arising from fraud or willful misconduct.

5.5. Indemnification of Prepetition Officers and Directors. Under the Plan, all indemnification provisions currently in place (whether in the by-laws, certificates of incorporation, articles of limited partnership, board resolutions or employment contracts) for the directors who were in place as of the Petition Date and current officers, employees, attorneys, other professionals and agents of the Debtors shall be assumed, and shall survive

effectiveness of the Plan only to the extent necessary to enforce claims by the Reorganized Debtors under the Tail Policy (as defined in Section 5.6 below). All indemnification provisions in place on and prior to the Plan Effective Date for current directors and officers of the Debtors and their subsidiaries and such current and former directors and officers' respective Affiliates shall survive the Plan Effective Date for Claims related to or in connection with any actions, omissions or transactions occurring prior to the Plan Effective Date only to the extent necessary to enforce claims by the Reorganized Debtors under the Tail Policy.

5.6. Director and Officer Liability Policy. The Reorganized Debtors will obtain reasonably sufficient tail coverage under a directors and officers' liability insurance policy for the current and former directors and officers for a period of six years (the "Tail Policy"). As of the Effective Date, the Debtors shall assume all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan shall not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no proof of claim need be Filed.

5.7. Injunction. Except as provided in the Plan or the Confirmation Order, as of the Plan Effective Date, all entities that have held, currently hold or may hold a Claim or other debt or liability that is discharged pursuant to the terms of the Plan shall be permanently enjoined from taking any of the following actions on account of any such discharged Claims, debts or liabilities: (i) commencing or continuing in any manner any action or other proceeding against the Debtors, the Reorganized Debtors or their respective property, other than to enforce any right pursuant to the Plan to receive a Distribution on account of such Claim; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtors, the Reorganized Debtors or their respective property, other than as permitted pursuant to (i) above; (iii) creating, perfecting or enforcing any lien or encumbrance against the Debtors, the Reorganized Debtors or their respective property; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtors or the Reorganized Debtors; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

As of the Plan Effective Date, all entities that have held, currently hold or may hold any Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that are released pursuant to the Plan shall be permanently enjoined from taking any of the following actions against any released entity or its property on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities: (i) commencing or continuing in any manner any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

6. Governance of Reorganized Debtors

- 6.1. Board of Directors.** The board of directors of the Reorganized Company shall consist of seven (7) board members (one of whom shall be Vincent Young as the Reorganized Company's Chief Executive Officer). At least three of the board members shall be independent. Five (5) members of the New Board shall be designated by the existing board, subject to the approval of the Backstop Parties, one (1) member of the New Board shall be designated by the Creditors Committee (which member shall be independent), each of whom shall be approved by the existing board members so as to conform to the requirements of the Credit Agreement. The organizational documents will provide for a staggered board under §141(d) of the Delaware General Corporation Law whereby there will be three classes of directors. The first class would include the CEO and have a one year term; the second class would include the Creditors Committee board nominee and have a two-year term; and the third class would include the five remaining board members and have a three year term.
- 6.2. Organizational Documents.** The Reorganized Debtors will adopt revised by-laws and a revised certificate of incorporation, subject to the consent of the Backstop Parties.⁴
- 6.3. Stockholders' Agreement.** At the request of each Backstop Party, Vincent Young and the Backstop Parties will enter into a stockholders' agreement pursuant to which, among other things, Vincent Young will agree to vote in favor of the board nominees of the Backstop Parties.
- 6.4. Management Incentive Plan.**⁵ The Plan will provide for 10% of the Class A New Common Stock of the Reorganized Company, on a fully-diluted basis, to be reserved for issuance as grants of equity, restricted stock or options in connection with the Reorganized Debtors' Management and Director Equity Incentive Plan, which plan shall be administered by the board of directors of the Reorganized Company. In addition to the Reorganized Debtors' Management and Director Equity Incentive Plan, the new board of directors may consider, in conjunction with the new money investors, additional equity and cash incentives based on significant value creation, with value targets and specified timelines to be agreed.

7. Miscellaneous

The Plan shall contain other terms and conditions as included in similar plans filed with the Bankruptcy Court. Such provisions shall include, but not be limited to tax issues, additional corporate governance provisions, additional claims and actions provisions, effects of confirmation, retention of jurisdiction, payment of the reasonable fees and expenses of the Indenture Trustee (not to exceed \$100,000 in the aggregate), and other administrative provisions.

⁴ The certificate of designations for the Preferred Stock would include customary negative covenant protections.

⁵ Proper incentives for management team to be discussed by the parties in light of the terms of the Preferred Stock.

SELECTED DEFINITIONS

Term	Definition
8¾% Senior Subordinated Note Claims	Claims of Holders of 8¾% Senior Subordinated Notes.
8¾% Senior Subordinated Notes	The \$140 million 8¾% Senior Subordinated Notes due 2014, issued by Young Broadcasting Inc. pursuant to that certain Indenture dated December 23, 2003 between Young Broadcasting Inc. (and the Guarantors identified therein) and U.S. Bank National Association, as indenture trustee.
10% Senior Subordinated Note Claims	Claims of Holders of 10% Senior Subordinated Notes.
10% Senior Subordinated Notes	The \$500 million 10% Senior Subordinated Notes due 2011, issued by Young broadcasting Inc. pursuant to that certain Indenture dated March 1, 2001 between Young Broadcasting Inc. (and the Guarantors identified therein) and U.S. Bank National Association, as indenture trustee.
Act	The Communications Act of 1934, as amended and the rules and regulations of the FCC thereunder.
Administrative Claim	A Claim for costs and expenses of administration of the Estates under sections 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation, for: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the respective Estates and operating the businesses of the Debtors; (b) Allowed Claims of Retained Professionals in the Chapter 11 Cases; and (c) all fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930.
Affiliate	As defined in section 101(2) of the Bankruptcy Code.

Term	Definition
Allowed	With respect to any Claim, except as otherwise provided herein: (a) a Claim that is scheduled by the Debtors in their Schedules as neither disputed, contingent nor unliquidated and for which the claim amount has not been identified as unknown and as to which Debtors or other party in interest has not filed an objection by the Claims Objection Bar Date; (b) a Claim that either is not a Disputed Claim or has been allowed by a Final Order; (c) a Claim that is allowed: (i) pursuant to the Plan; (ii) in any stipulation of amount and nature of Claim executed prior to the Confirmation Date and approved by the Bankruptcy Court; (iii) in any stipulation with the Debtors of amount and nature of Claim executed on or after the Confirmation Date and approved by the Bankruptcy Court; or (iv) in or pursuant to any contract, instrument, indenture or other agreement entered into or assumed in connection herewith; (d) a Claim relating to a rejected Executory Contract or Unexpired Lease that either (i) is not a Disputed Claim or (ii) has been allowed by a Final Order, in either case only if a proof of Claim has been Filed by the applicable bar date or has otherwise been deemed timely filed under applicable law; (e) a Claim that is allowed pursuant to the terms of the Plan; or (f) a Disputed Claim as to which a proof of Claim has been timely filed and as to which no objection has been filed by the Claims Objection Bar Date.
Bankruptcy Court	The United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of any reference under section 157 of title 28 of the United States Code and/or the General Order of the District Court pursuant to section 151 of title 28 of the United States Code, the United States District Court for the Southern District of New York.
Bankruptcy Rules	The Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075 and the general, local and chambers rules of the Bankruptcy Court.
Business Day	Any day, other than a Saturday, Sunday or “[bank/] legal holiday” (as defined in Bankruptcy Rule 9006(a)).
Cash	The legal tender of the United States of America or the equivalent thereof, including bank deposits, checks and Cash Equivalents.
Cash Collateral	Shall have the meaning given such term in section 363(a) of the Bankruptcy Code.
Causes of Action	All actions, causes of action, Claims, liabilities, obligations, rights, suits, debts, damages, judgments, remedies, demands, setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims, contribution claims or any other claims disputed or undisputed, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in law, equity or otherwise, based on whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Plan Effective Date.

Term	Definition
Chapter 11 Cases	(a) When used with reference to a particular Debtor, the chapter 11 case to be filed for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases for all of the Debtors.
Claim	Any claim against a Debtor as defined in section 101(5) of the Bankruptcy Code.
Claims Objection Bar Date	The date that is six months after the Plan Effective Date.
Class	A category of Holders of Claims or Equity Interests pursuant to section 1122(a) of the Bankruptcy Code as set forth in Section 1 of the Term Sheet.
Class A New Common Stock	_____ shares of common stock in the Reorganized Company, par value [\$.01] per share, to be authorized pursuant to the Reorganized Company charter, of which up to _____ shares shall be initially issued on the Effective Date pursuant to the Plan to Holders of Allowed Class 4 [and Class 5 Claims]. Holders of Class A shares shall be entitled to receive their <i>pro rata</i> share of dividends when and if declared by the board of directors of the Reorganized Company. Holders of Class A shares shall be entitled to one vote per share on all matters submitted to shareholders.
Class B New Common Stock	_____ shares of common stock in the Reorganized Company, par value [\$.01] per share, to be authorized pursuant to the Reorganized Company charter, which shares shall be issued on the Effective Date pursuant to the Plan to Vincent Young and which shall be subject to restrictions on transfer so as to avoid triggering a default under the Credit Agreement. Holders of Class B shares shall constitute 40% of the Voting Stock. The Class B shares shall automatically convert into Class A New Common Stock upon the earlier of (i) an amendment to the Credit Agreement that no longer requires (a) 40% of the Voting Stock to be held by Vincent Young or (b) Vincent Young to have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the board of directors if a Person shall be deemed to have beneficial ownership more than 30% (by number of votes) of the total outstanding Voting Stock, (ii) the expiration of the Credit Agreement, or (iii) satisfaction of all obligations under the Credit Agreement. Upon conversion, such shares shall be apportioned to senior management existing as of the Effective Date (unless any of them voluntarily left the employment of the Reorganized Company prior to such conversion) as they have agreed.
Confirmation	The entry of the Confirmation Order on the docket of the Chapter 11 Cases, subject to all conditions specified having been: (a) satisfied; or (b) waived.
Confirmation Date	The date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.
Confirmation Order	The order of the Bankruptcy Court confirming the Plan pursuant to, among others, section 1129 of the Bankruptcy Code.
Consummation	The occurrence of the Plan Effective Date.

Term	Definition
Credit Agreement	That certain Fourth Amended and Restated Credit Agreement, dated May 3, 2005, (as amended by that certain First Amendment to Credit Agreement, dated May 30, 2006, and as further amended, restated, supplemented or otherwise modified from time to time) among Young Broadcasting Inc., the Prepetition Lenders and Prepetition Agent
Creditor	Any Holder of a Claim.
Debtor	One of the Debtors, in its individual capacity as a debtor in the Chapter 11 Cases.
Debtors	Collectively, Young Broadcasting Inc.; Young Broadcasting of Lansing, Inc.; Young Broadcasting of Louisiana, Inc.; Young Broadcasting of Nashville, LLC; Young Broadcasting of Albany, Inc.; Young Broadcasting of Richmond, Inc.; Young Broadcasting of Knoxville, Inc.; Young Broadcasting of Green Bay, Inc.; Young Broadcasting of Davenport, Inc.; Young Broadcasting of Sioux Falls, Inc.; Young Broadcasting of Rapid City, Inc.; Young Broadcasting of San Francisco, Inc.; Young Broadcasting of Nashville, Inc.; Young Broadcasting of Los Angeles, Inc.; Young Broadcasting Shared Services, Inc.; Adam Young Inc.; WKRN, G.P.; WATE, G.P.; KLFY, L.P.; YBT, Inc.; YBK, Inc.; LAT, Inc.; Winnebago Television Corporation; Fidelity Television, Inc.; and Honey Bucket Films, Inc.
Disclosure Statement	The disclosure statement for the Plan, as amended, supplemented or modified from time to time, describing the Plan, that is prepared and distributed in accordance with, among others, sections 1125, 1126(b) and 1145 of the Bankruptcy Code, Bankruptcy Rule 3018 and other applicable law.
Disputed Claim	(a) If no proof of Claim has been filed by the applicable Claims Objection Bar Date or has otherwise been deemed timely filed under applicable law: (i) a Claim that is listed on a Debtor's Schedules as other than disputed, contingent or unliquidated, but as to which the applicable Debtor or Reorganized Debtor or, prior to the Confirmation Date, any other party in interest, has filed an objection by the Claims Objection Bar Date, and such objection has not been withdrawn or denied by a Final Order; or (ii) a Claim that is listed on a Debtor's Schedules as disputed, contingent or unliquidated; or (b) if a proof of Claim or request for payment of an Administrative Claim has been filed by the applicable Bar Date or has otherwise been deemed timely filed under applicable law: (i) a Claim for which no corresponding Claim is listed on a Debtor's Schedules; (ii) a Claim for which a corresponding Claim is listed on a Debtor's Schedules as other than disputed, contingent or unliquidated, but the nature or amount of the Claim as asserted in the proof of Claim varies from the nature and amount of such Claim as it is listed on the Schedules; (iii) a Claim for which a corresponding Claim is listed on a Debtor's Schedules as disputed, contingent or unliquidated; (iv) a Claim for which an objection has been filed by the applicable Debtor or Reorganized Debtor or, prior to the Confirmation Date, any other party in interest, by the Claims Objection Bar Date, and such objection has not been withdrawn or denied by a Final Order; or (v) a Tort Claim.

Term	Definition
Entity	An entity as defined in section 101(15) of the Bankruptcy Code.
Equity Interest	Any share of common stock, preferred stock or other instrument evidencing an ownership interest in a Debtor, whether or not transferable, and any option, warrant or right, contractual or otherwise, to acquire any such interest in a Debtor that existed immediately prior to the Plan Effective Date; <u>provided; however</u> , that Equity Interest does not include any Intercompany Interest.
Estate	As to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.
Exculpated Parties	(a) The Debtors; (b) Reorganized Debtors; (c) the Backstop Parties (d) the Prepetition Lenders, (e) the Prepetition Agent, (f) the Creditors Committee, and (g) all of the officers, directors, employees, members, attorneys, actuaries, financial advisors, accountants, investment bankers, agents, professionals and representatives of each of the foregoing Entities (in each case in his, her or its capacity as such); <u>provided; however</u> , that no Non-Released Party will be an Exculpated Party.
Executory Contract	A contract to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.
FCC Consent	An order or decision of the Federal Communications Commission granting its consent to the transfer or control of the FCC Licenses to the holders of the New Common Stock, as determined by Section 1.2 of this Term Sheet.
Final Order	An order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, as entered on the docket in any Chapter 11 Case or the docket of any court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing will have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.
General Unsecured Claim	Any unsecured Claim against any Debtor that is not an Other Priority Claim, 8¾% Senior Subordinated Note Claim, 10% Senior Subordinated Note Claim or Intercompany Claim.
Guarantees	Any and all guarantees issued by Young or any of its subsidiaries in favor of the 8¾% Indenture Trustee, 10% Indenture Trustee, Holders of 8¾% Senior Subordinated Notes and/or Holders of 10% Senior Subordinated Notes.
Guarantors	Debtor and non-debtor Affiliates of Young that have guaranteed the obligations under and in connection with the Credit Agreement, the 8¾% Senior Subordinated Notes and/or the 10% Senior Subordinated Notes.
Holder	An Entity holding an Equity Interest or Claim.
Impaired	Claims in an Impaired Class.

Term	Definition
Impaired Class	An impaired Class within the meaning of section 1124 of the Bankruptcy Code.
8¾% Indenture Trustee	U.S. Bank National Association, and any successor, as indenture trustee under that certain Indenture dated December 23, 2003 with Young Broadcasting Inc. (and the Guarantors identified therein).
10% Indenture Trustee	U.S. Bank National Association, and any successor, as indenture trustee under that certain Indenture dated March 1, 2001 with Young Broadcasting Inc. (and the Guarantors identified therein).
Intercompany Claims	Any and all Claims of a Debtor against and in another Debtor.
Intercompany Interest	An Interest in a Debtor held by another Debtor or an Interest in a Debtor held by an Affiliate of the Debtors.
Issuer	Shall have that meaning given in the Credit Agreement.
Management and Director Equity Incentive Plan	A director and officer compensation incentive plan, administered by the Reorganized Debtors' board of directors, providing for New Common Stock equal to 10%, on a fully-diluted basis, to be reserved for issuance as grants of equity, restricted stock or options.
New Board	The initial board of directors of Reorganized Company.
New Common Stock	Class A and Class B New Common Stock
Other Priority Claims	Any and all Claims accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim.
Other Secured Claims	Any secured Claim, other than a Prepetition Lender Claim.
Pension Plan(s)	To be identified.
Person	A person as defined in section 101(41) of the Bankruptcy Code.
Petition Date	The date on which the Debtors commenced the Chapter 11 Cases, February 13, 2009.
Plan	The Debtors' joint plan of reorganization under chapter 11 of the Bankruptcy Code, as it may be altered, amended, modified or supplemented from time to time in accordance with this Term Sheet, the Plan Supplement and the Bankruptcy Code or the Bankruptcy Rules.
Plan Effective Date	The day that is the first Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect; and (b) all conditions precedent to the Plan Effective Date have been satisfied or waived.
Backstop Parties	American Funds Insurance Series – High-Income Bond Fund; American High Income Trust; Evergreen High Income Fund; Evergreen Income Advantage Fund; Evergreen Multi Sector Income Fund; Evergreen VA High Income Fund; GLC Recovery Fund, LLC; The Income Fund of America, Inc.; Lenado Partners, Series A of Lenado Capital Partners, or the designee(s) of any of the foregoing.

Term	Definition
Plan Supplement	The compilation of documents and forms of documents, schedules and exhibits to be filed no later than 5 Business Days prior to the hearing at which the Bankruptcy Court considers whether to confirm the Plan, as may thereafter be altered, amended, modified or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and the Bankruptcy Rules, comprising, without limitation, the following documents: (a) new organizational documents; (b) to the extent known, the identity of New Board members and the nature of any compensation for any member of the New Board who is an “insider” under the Bankruptcy Code; (c) the list of Executory Contracts and Unexpired Leases to be assumed; and (d) the list of Executory Contracts and Unexpired Leases to be rejected.
Prepetition Agent	Wachovia Bank, National Association as Administrative Agent and Collateral Agent on behalf of each Prepetition Lender.
Prepetition Lender	Those parties that are lenders under the Credit Agreement.
Prepetition Lender Claim	Claim of Prepetition Lenders under the Credit Agreement.
Priority Tax Claim	Any and all Claims of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
Reorganized Company	Young Broadcasting Inc., a Delaware corporation, or any successor thereto, by merger, consolidation or otherwise, on or after the Plan Effective Date.
Retained Professional	An Entity: (a) employed in these Chapter 11 Cases pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Plan Effective Date, pursuant to sections 327, 328, 329, 330 and 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.
Rights Offering	That certain \$38 million Class A New Common Stock rights offering backstopped by the Backstop Parties, the terms of which are set forth in the Rights Offering Term Sheet.
Rights Offering Term Sheet	That certain Rights Offering Term Sheet attached as <u>Exhibit B</u> .
Schedules	The schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, modified or supplemented from time to time.
Unexpired Lease	A lease of non-residential real property to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.
Unimpaired	Claims in an Unimpaired Class.
Unimpaired Class	An unimpaired Class within the meaning of section 1124 of the Bankruptcy Code.
Voting Classes	Classes 4, 5 and 7.
Voting Stock	Shall have the meaning ascribed to it in the Credit Agreement.

EXHIBIT A

SUMMARY OF PROPOSED TERMS AND CONDITIONS FOR PROPOSED FULLY-PARTICIPATING PREFERRED STOCK IN REORGANIZED YOUNG BROADCASTING INC.

Issuer: Reorganized Company.

Holders: [_____], the "Backstop Parties," or their permitted assigns.]

Security: [] shares of Series [A] fully-Participating Preferred Stock (the "Series A Preferred").

Purchase Price
: \$38,000,000 [at \$[] per share], representing 80% of the New Common Stock of the Reorganized Company subject to dilution by the Management and Director Equity Incentive Plan.

Dividends: 15% [cumulative dividend, which dividend will cumulate on an annual basis.] Dividends shall be payable in kind. Payment of any Series A Preferred dividend is senior to any dividends on any other class of equity securities. No cash dividends will be paid on any junior security without the consent of holders of the Series A Preferred.

Preferred Stock: The Series A Preferred (including accumulated dividends) shall also have attached to it shares of Class A New Common Stock representing 80% of the New Common Stock, subject to dilution for the Management and Director Equity Incentive Plan.

EXHIBIT B
RIGHTS OFFERING TERM SHEET

YOUNG BROADCASTING INC. ET AL.
RIGHTS OFFERING TERM SHEET¹

Term	Description
Backstop Parties	The Backstop Parties shall fund the Rights Offering Amount to the extent the Rights Offering is not fully subscribed on the terms set forth in this rights offering term sheet (this “ <u>Rights Offering Term Sheet</u> ”). One hundred percent (100%) of the Backstop Commitment shall be undertaken by the Backstop Parties.
Rights Offering	<p>A Rights Offering shall be made pursuant to, and in accordance with the terms set forth in this Rights Offering Term Sheet, the <i>Joint Plan of Reorganization of Young Broadcasting, Inc. and Its Debtor Subsidiaries Under Chapter 11 of the Bankruptcy Code</i> (the “<u>Plan</u>”) as proposed by the Official Committee of Unsecured Creditors and the Plan Support Agreement dated as of August 10, 2009, by and among the Creditors’ Committee and each of the Backstop Parties (together with the Exhibits thereto, the “<u>Plan Support Agreement</u>”).</p> <p>“<u>Rights Offering</u>” means the equity rights offering for the Rights Offering Amount backstopped by the Backstop Parties as contemplated by this Rights Offering Term Sheet and the Plan Support Agreement, and on terms reasonably acceptable to the Backstop Parties.</p>
Rights Offering Amount	The amount of the Rights Offering shall be \$38 ² million (the “ <u>Rights Offering Amount</u> ”) as set forth in the Plan. The number of shares of Class A New Common Stock to be sold pursuant to the Rights Offering (the “ <u>Rights Offering Shares</u> ”) shall be calculated according to the Rights Offering Equity Allocation to be set forth in the Plan.
Participation in Rights Offering	Each eligible Holder of 8¾% Senior Subordinated Notes and 10% Senior Subordinated Notes (each, a “ <u>Rights Offering Participant</u> ”)³ may participate in the Rights Offering by purchasing that number of Rights Offering Shares equal to (a) its proportionate ownership of the 8¾% Senior Subordinated Notes and 10% Senior Subordinated Notes, as the case may be, multiplied by (b) [\$___ million]. Each of the Backstop Parties irrevocably commit to participate in the Rights Offering by purchasing that number of Rights

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Plan Support Agreement. In the event of any contradiction, the Plan shall apply.

² This shall be \$35 million net of the fee to the financial adviser to the Official Committee of Unsecured Creditors.

³ The Creditors’ Committee and Backstop Parties are considering whether to include a provision whereby all general unsecured creditors would be eligible to participate.

Term	Description
	Offering Shares equal to: ⁴ _____ (the “ <u>Backstop Party Subscriptions</u> ”) to the amount set forth on its signature page to the Plan Support Agreement.
Exercise Price	The purchase price per share of the Rights Offering Shares will be determined by dividing the Rights Offering Amount by the number of Rights Offering Shares (the “ <u>Exercise Price</u> ”).
Dilution	All shares of New Common Stock issued as of the Effective Date shall be subject to dilution by the Management and Director Equity Incentive Program and any other subsequent issuances of shares of New Common Stock as set forth in the Plan Term Sheet.
Transferability	The right to participate in the Rights Offering shall be non-detachable from the 8¼% Senior Subordinated Notes and 10% Senior Subordinated Notes. Accordingly, Rights Offering Participants may not separately transfer their right to participate in the Rights Offering. A Backstop Party may only transfer all or part of its commitment hereunder to a party reasonably acceptable to the Creditors Committee and the other Backstop Parties.
Backstop Commitment	<p>The Backstop Parties will purchase, pro rata in accordance with their respective Backstop Party Subscription amounts, all Rights Offering Shares in excess of the Backstop Party Subscriptions, at the Exercise Price, that are not purchased by the Rights Offering Participants as part of the Rights Offering (the “<u>Backstop Commitment</u>”).</p> <p>The “<u>Backstop Rights Purchase Agreement</u>” means an agreement setting forth the terms and conditions of the Rights Offering and the Backstop Commitments of the Backstop Parties, reasonably acceptable to the Backstop Parties and consistent with the terms set forth in this Rights Offering Term Sheet. The form of the Backstop Rights Purchase Agreement shall be filed in advance of the deadline for filing objections to the Disclosure Statement for the Plan.</p>
Registration Rights	<p>On the Plan Effective Date, the Debtors will provide demand and piggy-back registration rights (together, the “<u>Registration Rights</u>”) with respect to the Rights Offering Shares.</p> <p>The “<u>Registration Rights Agreement</u>” means an agreement setting forth the terms and conditions of the Registration Rights, acceptable to the Backstop Parties and consistent with the terms set forth in this Rights Offering Term Sheet. The form of the Registration Rights Agreement shall be filed in advance of the deadline for filing objections to the approval of the Disclosure Statement for the Plan.</p>

⁴ Each Backstop Party may subscribe for and retain for their own account a minimum amount to be mutually agreed by each of the Backstop Parties and the Official Committee of Unsecured Creditors in advance of the deadline for filing objections to the Disclosure Statement for the Plan.

Term	Description
Treatment Under Section 1145	Rights Offering Shares will be exempt from registration under the Securities Act of 1933 by virtue of Section 4(2) thereof or Regulation D promulgated thereunder. Those shares will be exempted under section 1145 of the Bankruptcy Code to the extent applicable.
Commitment Fee	The Debtors will pay each Backstop Party a commitment fee equal to its pro rata share of 10% of the New Common Stock (<i>i.e.</i> , at most 70% of the New Common Stock will be subject to the Rights Offering or subscription by the Backstop Parties and 10% will be payable as a commitment fee) based on such party's Backstop Commitment on the Effective Date.
Backstop Parties' Representations and Warranties	<p>The Backstop Rights Purchase Agreement shall contain the following representations and warranties of each Backstop Party:</p> <ul style="list-style-type: none"> • corporate good standing; • requisite corporate power and authority; • acknowledgement of obligations under the Backstop Rights Purchase Agreement; • acknowledgement of no registration under the Securities Act of 1933; • acquiring Rights Offering Shares for investment purposes, and not with a view to distribution in violation of the Securities Act of 1933; • delivery of documents; • accredited investor; • due diligence has been performed; and • other customary representations and warranties.
Expense Reimbursements	The " <u>Expense Reimbursements</u> " means all reasonable and documented fees and expenses (not to exceed \$200,000 in the aggregate) of one counsel to the Backstop Parties associated with the Rights Offering and the transactions contemplated by the Plan and shall not include any amounts incurred after termination of the Backstop Rights Purchase Agreement or the Plan Support Agreement. The Expense Reimbursement shall be paid on the Plan Effective Date.
Conditions to Backstop Commitment	<p>The Backstop Commitments will be subject to the following conditions precedent (the "<u>Conditions Precedent</u>"): </p> <ul style="list-style-type: none"> • the Disclosure Statement accompanying the Plan and the Plan shall be materially consistent with the terms of the Backstop Rights Purchase Agreement, and must be reasonably acceptable to the Backstop Parties;

Term	Description
	<ul style="list-style-type: none"> • an order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code (the “<u>Confirmation Order</u>”) that is reasonably acceptable to the Backstop Parties must have been entered by the Bankruptcy Court and no order staying the Confirmation Order may be in effect; • the waiting period (and any extension thereof) applicable to the Plan under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “<u>HSR Act</u>”) shall have been terminated or shall have expired; • the FCC Consent shall have been issued by the FCC and shall have become final;⁵ • execution of all documents arising from or related to the Rights Offering and the Plan which documents must be reasonably satisfactory to the Backstop Parties; • the Rights Offering Amount shall have been raised pursuant to the Rights Offering; • an MAE, as defined in the Plan Support Agreement, shall not have occurred; • the Backstop Rights Purchase Agreement must include business restrictions and affirmative covenants customary for a transaction of this type (including: (a) a minimum cash on hand on the closing date equal to at least 80% of the forecasted cash for such week in the “YBI Cash Runway Analysis” dated July 21, 2009, (b) payment of payables and collection of receivables shall be consistent with ordinary course practices employed in 2007 and 2008 by the Company, and (c) collection and disbursement of funds and management of Company accounts shall be consistent with ordinary course and past practices); and • the Plan Support Agreement has not been terminated, whether by occurrence of a Termination Event (as defined in the Plan Support Agreement) or otherwise.

The Backstop Commitment will not be conditioned on due diligence.

⁵ The Backstop Parties and the Creditors’ Committee shall work in good faith to devise a structure to close prior to receiving final FCC approval.

EXHIBIT C
MANAGEMENT TERM SHEET