AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF LILLY BROADCASTING HOLDINGS, LLC

THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT is entered into as of the __ day of July, 2001, by and among Kevin T. Lilly, as manager (the "Manager" or the "General Manager") and as a Member, and those additional persons who have made their required subscription payments and whose names and addresses are set forth in Schedule I, as additional Members.

Lilly Broadcasting Holdings, LLC was organized, in accordance with the Delaware Limited Liability Company Law, by the filing of a Certificate of Formation with the office of the Delaware Secretary of State on September 28, 1999. This Agreement amends, restates and supersedes in its entirety the Limited Liability Company Agreement of the Company entered into as of September 28, 1999. The Members and the Manager now wish to fully set forth their agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1

THE COMPANY

1.1 Formation. The Company was formed as a limited liability company pursuant to the Delaware Limited Liability Company Law (the "Law").

1.2 Certificate of Formation. A Certificate of Formation under the Law (the "Certificate") was filed in the office of the Delaware Secretary of State on September 28, 1999. The Company will execute further documents (including amendments to the Certificate) and take further action as is appropriate to comply with all requirements of law for the formation and operation of a limited liability company in the State of Delaware and all other counties and states where the Company may elect to do business. A Member may obtain a copy of the Certificate or any amendments to it, as filed with the Delaware Secretary of State, by written request to the Manager.

1.3 Name. The name of the Company is Lilly Broadcasting Holdings, LLC, but the business of the Company may be conducted under any other name designated by the Manager and, if he does so designate, the Manager will notify the Members of the name change within thirty (30) days after the name change.

1.4 Purposes. The purposes of the Company shall be to acquire, own, hold, manage, invest in, develop, operate, transfer, sell, exchange and otherwise deal in and with all types of broadcast and electronic communication entities, including, without limitation, digital broadcasting and datacasting, radio, television and the internet. The Company may do so

directly or indirectly (such as through the ownership of interests in entities engaging in such activities). The Company may engage in any activities that are reasonable, necessary or appropriate in connection with the foregoing to promote the interests of the Company or enhance the value of its property.

1.5 Principal Place of Business. The principal place of business of the Company and the office of the Manager is 2 Eastleigh Lane, Natick, MA 01760-4275, or at another location as may be selected by the Manager. The Company may maintain such other offices or agents as the Manager deems advisable.

1.6 Registered Agent and Office. The registered office of the Company is 1209 Orange Street, Wilmington, Delaware. The Corporation Trust Company is the registered agent of the Company for service of process. At any time the Manager may change the location of the Company's registered office or registered agent as he may determine by notice of the change to all Members.

1.7 Fiscal Year. The fiscal year of the Company is the calendar year.

1.8 Term. Subject to Section 11.1 and the provisions of the Act, the Company's existence shall continue until June 30, 2010.

ARTICLE 2

DEFINITIONS

The following defined terms used in this Agreement have the respective meanings specified below.

2.1 Additional Economic Interest Percentage. "Additional Economic Interest Percentage" shall have the meaning ascribed thereto in Section 8.1(c).

2.2 Adjusted Book Value. "Adjusted Book Value" with respect to any Company asset means the adjusted basis of such asset for federal income tax purposes, except as follows:

(1) the initial Adjusted Book Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset on the date of its contribution as reasonably determined by the Manager, subject to the voting requirements of Section 6.3(c);

(2) the Adjusted Book Value of all Company assets shall be adjusted to equal their respective fair market values as of the Initial Conversion Date (the aggregate gross fair market value of all of the Company's assets as of the Initial Conversion Date is $10,200,000,

and such gross fair market value shall be allocated to the Company's assets by the Manager, subject to the voting requirements of Section 6.3(c)); and

(3) if the Adjusted Book Value of an asset has been determined or adjusted pursuant to subsections (1) or (2) above, such Adjusted Book Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

2.3 Affiliate. "Affiliate" shall mean (a) any person or entity directly or indirectly controlling, controlled by, or under common control with, another person or entity, (b) a person or entity owning or controlling ten percent (10%) or more of the outstanding voting securities of another entity, (c) any officer, director, partner (including any officer or director of the Manager) or employee of any person or entity and (d) with respect to any officer, director, partner or employee of a person or entity, and any other person or entity for which such person acts in any such capacity.

2.4 Assumed Equity Value. "Assumed Equity Value" means $10,200,000 less all outstanding liabilities and indebtedness of the Company, including all institutional and seller financing and all accrued but unpaid interest thereon, as of the Initial Conversion Date, but excluding the Convertible Notes and accrued interest thereon.

2.5 Assumed Residual Value. "Assumed Residual Value" means the Assumed Equity Value less the sum of (i) the Class E Preference Amount as of the Initial Conversion Date, (ii) the Class D Preference Amount as of the Initial Conversion Date, and (iii) the Class C Preference Amount as of the Initial Conversion Date.

2.6 Assumed Sale Price. "Assumed Sale Price" means $10,200,000.

2.7 Broadcast Cash Flow. "Broadcast Cash Flow" shall mean at any date the Cash Flow from the direct or indirect operation of broadcast properties in the 12 month period ending on the last day of the month preceding such date.

2.8 Capital Account. "Capital Account" means the account to be maintained by the Company for each Member in accordance with the following provisions:

(a) Member's Capital Account will be increased by the Member's Capital Contributions, the amount of any Company liabilities assumed by the Member (or that are secured by Company property distributed to the Member), the Member's share of Profit and any item in the nature of income or gain specially allocated to the Member pursuant to the provisions of Article 5; and

(b) Member's Capital Account will be decreased by the amount of money and the fair market value of any Company property distributed to the Member, the amount of any liabilities of the Member assumed by the Company (or that are secured by

property contributed by the Member to the Company), the Member's share of Loss and any item in the nature of expenses or losses specially allocated to the Member pursuant to the provisions of Article 5.

2.9 Capital Contribution. "Capital Contribution" means the fair market value of any contribution by a Member to the capital of the Company in cash or property, except that the term "property" in this context does not include the value of any promissory note for which the contributing Member also is the maker. If such a promissory note is contributed, the Member's capital account will be increased in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(d)(2).

2.10 Cash Flow. "Cash Flow" means, for the relevant time period, the taxable income of the Company, with the following adjustments (as determined by the Board of Members to be appropriate):

(a) increased to reflect: depreciation for federal income tax purposes (including amortization and program amortization); interest expense; income taxes; management fees; non-cash trade and barter expense; "key man" insurance premiums; loss on sale of equipment; loss on sale of programming; non-operating expense; and any comparable items; and

(b) decreased to reflect: non-operating income (including interest); gain on sale of equipment; gain on sale of programming; program cash payment; non-cash trade or barter income; any extraordinary gain; and any comparable items.

2.11 Class A Members. "Class A Members" means those persons designated on Schedule I and admitted to the Company as Class A Members holding the Class A Units listed in Schedule I and any Person admitted to the Company as a Class A Member and any Person who becomes a substitute Member respecting all or a portion of the Membership Interest of such Class A Member. Class A Members shall serve on the Board of Members and shall be voting members of the Company.

2.12 Class B Members. "Class B Members" means the persons listed on attached Schedule I as Class B Members.

2.13 Class C Members. "Class C Members" means the persons listed on attached Schedule I as Class C Members and any Person who becomes a substitute Member respecting all or a portion of the Membership Interest of such Class C Member.

2.14 Class C Original Capital. "Class C Original Capital" means $985,000, which is the amount contributed to the Company by the Class C Members.

2.15 **Class C Preference Amount**. "Class C Preference Amount" means at any date the Class C Original Capital increased by (x) the excess of the Class C Return over (y) the amounts actually distributed to the Class C Members prior to such date.

2.16 **Class C Return**. "Class C Return" means an amount determined with respect to each Fiscal Year of the Company equal to the Class C Preference Amount as of the beginning of such Fiscal Year, plus 12.5% of such amount and, with respect to any Fiscal Year which contains less than 12 months, a pro rata portion of such amount.

2.17 **Class D Members**. "Class D Members" means the persons listed on attached Schedule I as Class D Members and any Person who becomes a substitute Member respecting all or a portion of the Membership Interest of such Class D Member.

2.18 **Class D Original Capital**. "Class D Original Capital" shall mean $325,000, which is the amount contributed to the Company by the Class D Members.

2.19 **Class D Preference Amount**. "Class D Preference Amount" means at any date the Class D Original Capital increased by (x) the excess of the Class D Return over (y) the amounts actually distributed to the Class D Members prior to such date.

2.20 **Class D Return**. "Class D Return" means an amount determined with respect to each Fiscal Year of the Company equal to the Class D Preference Amount as of the beginning of such Fiscal Year, plus 12.5% of such amount and, with respect to any Fiscal Year which contains less than 12 months, a pro rata portion of such amount.

2.21 **Class E Members**. "Class E Members" means the persons listed on attached Schedule I as Class E Members and any Person who becomes a substitute Member respecting all or a portion of the Membership Interest of such Class E Member.

2.22 **Class E Original Capital**. "Class E Original Capital" shall mean $1,500,000, which is the amount contributed to the Company by the Class E Members.

2.23 **Class E Preference Amount**. "Class E Preference Amount" means at any date the Class E Original Capital increased by (x) the excess of the Class E Return over (y) the amounts actually distributed to the Class E Members prior to such date.

2.24 **Class E Return**. "Class E Return" means an amount determined with respect to each Fiscal Year of the Company equal to the Class E Preference Amount as of the beginning of such Fiscal Year, plus 35% of such amount and, with respect to any Fiscal Year which contains less than 12 months, a pro rata portion of such amount.

2.25 **Code**. "Code" means the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any successor statute.

2.26 **Company**. "Company" means Lilly Broadcasting Holdings, LLC.

2.27 Convertible Notes. "Convertible Notes" means, collectively, the junior subordinated convertible note having a principal amount of $100,000 (the "Initial Note") and the junior subordinated convertible note having a principal amount of $650,000 issued by the Company to Mercury Capital Partners, L.P.

2.28 Depreciation. "Depreciation" means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the fair market value of property contributed to the Company differs from its adjusted basis for federal income tax purposes at the date of contribution, Depreciation shall be an amount which bears the same ratio to such beginning fair market value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other periods bears to such beginning adjusted tax basis.

2.29 Economic Interest Percentage. "Economic Interest Percentage" means, as to a Member, the interest in residual profits and losses expressed as a percentage as set forth on attached Schedule I, as such schedule may be amended from time to time in accordance with the terms of this Agreement.

2.30 Economic Interest. "Economic Interest" means a Person's right to share in the Profits and Losses of, and the right to receive distributions and allocations from, the Company in accordance with this Agreement.

2.31 Fair Market Value. "Fair Market Value" means with respect to the Company, the value determined as follows. First, the Broadcast Cash Flow attributable to any broadcast asset owned directly or indirectly by the Company shall be multiplied by the average multiple of earnings being used by Paul Kagan Associates ("PKA") (or a comparable national organization as selected by the Board of Members if PKA is no longer in existence) in valuing broadcast stations of the type being valued, increased by all working capital attributable to the broadcast assets involved, decreased by any institutional or seller financing attributable to such broadcast assets, and further decreased by (a) any outstanding, Class C, Class D or Class E Preference Amounts, (b) two percent (2%) as an allowance for brokerage and closing costs and (c) in the sole discretion of the Board of Members in consultation with the Special Advisor, a factor for political revenue. To determine the Fair Market Value of a Membership Interest, the amount so determined as the Fair Market Value of the Company shall then be allocated to such Membership Interest by determining the amount such Member would receive in respect of such interest upon a sale of all of the Company for the Fair Market Value and the distribution of the proceeds to the Members in liquidation of the Company.

2.32 Final Conversion Date. "Final Conversion Date" means the first date on which Mercury Capital Partners, L.P. is permitted to increase its Economic Interest Percentage to more than 50% under the applicable rules, regulations and policies of the Federal Communications Commission.

2.33 **Fiscal Year**. "Fiscal Year" means the calendar year.

2.34 **General Manager or Manager**. "General Manager" or "Manager" means Kevin T. Lilly or any other Member or other Person that succeeds him as a manager of the Company pursuant to this Agreement.

2.35 **Initial Conversion Date**. "Initial Conversion Date" means the first date on which Mercury Capital Partners, L.P. is permitted to increase its Economic Interest Percentage to at least 49.9% under the applicable rules, regulations and policies of the Federal Communications Commission.

2.36 **Initial Note**. "Initial Note" shall have the meaning ascribed thereto in the definition of "Convertible Notes".

2.37 **Liquidity Event**. "Liquidity Event" means (i) the Capital Contribution of $1,000,000 or more to the Company as part of one or a series of related investment transactions (which for the purpose of this definition excludes the capital contribution from the issuance of the Convertible Notes) or (ii) the sale of all or substantially all of the assets owned directly or indirectly by the Company.

2.38 **Member**. "Member" means each Person who or which executes a counterpart of this Agreement as a Member and each Person who or which becomes a member of the Company.

2.39 **Membership Interest**. "Membership Interest" means a Member's aggregate rights in the Company.

2.40 **Net Equity Value**. "Net Equity Value" means at any date the value of the assets of the Company less the amount of all outstanding liabilities of the Company, including, without limitation, all institutional and seller financing and all Class C, Class D and Class E Preference Amounts then outstanding, as agreed to by the Board of Members and the Class D or Class E Members, as the case may be, or, if such parties cannot agree on such Net Equity Value, then as determined by a third-party appraiser mutually selected by such parties, or if they cannot agree on such selection by a nationally recognized appraiser selected by the American Arbitration Association.

2.41 **New Class A Original Capital**. "New Class A Original Capital" means (i) the product of the Assumed Residual Value and .526 less (ii) the product of the Special Advisor Amount and .954628.

2.42 **New Class A Preference Amount**. "New Class A Preference Amount" means at any date after the Initial Conversion Date the New Class A Original Capital increased by (x) the excess of the New Class A Return over (y) the amounts actually distributed to the Class A Member prior to such date.

2.43 New Class A Return. "New Class A Return" means an amount determined with respect to each Fiscal Year of the Company equal to the New Class A Preference Amount as the beginning of such fiscal year, plus 1.25% (one and one quarter percent) of such amount and with respect to any Fiscal Year which contains less than 12 months, a pro rata portion of such amount and provided that no New Class A Return shall accrue or be paid in respect of any periods prior to the Initial Conversion Date (so that the New Class A Return for the Fiscal Year in which the Initial Conversion Date occurs shall be based on a pro rata portion of such Fiscal Year starting from the Initial Conversion Date until the end of that Fiscal Year).

2.44 New Class B Original Capital. "New Class B Original Capital" means (i) the product of the Assumed Residual Value and .025 less (ii) the product of the Special Advisor Amount and .045372.

2.45 New Class C Original Capital. "New Class C Original Capital" means the sum of (i) the Class C Preference Amount as of the Initial Conversion Date, and (ii) the product of the Assumed Residual Value and .315.

2.46 New Class C Preference Amount. "New Class C Preference Amount" means at any date after the Initial Conversion Date the New Class C Original Capital increased by (x) the excess of the Class C Return (calculated as starting from the Initial Conversion Date for the Fiscal Year in which the Initial Conversion Date occurs) over (y) the amounts actually distributed to the Class C Members prior to such date.

2.47 New Class D Original Capital. "New Class D Original Capital" means the sum of (i) the Class D Preference Amount as of the Initial Conversion Date, (ii) the Class E Preference Amount as of the Initial Conversion Date, (iii) the Special Advisor Amount, (iv) the product of the Assumed Residual Value and .104, and (v) the principal amount and accrued interest on the Convertible Notes, as and to the extent such principal amount and interest have been converted into Class D Membership Interests in accordance with this Agreement.

2.48 New Class D Preference Amount. "New Class D Preference Amount" means at any date after the Initial Conversion Date the New Class D Original Capital increased by (x) the excess of the Class D Return (calculated as starting from the Initial Conversion Date for the Fiscal Year in which the Initial Conversion Date occurs) over (y) the amounts actually distributed to the Class D Members prior to such date and provided that the Class D Return shall be calculated on that portion of the New Class D Capital attributable to the conversion of any portion of the principal and interest of the Convertible Notes only from the date of conversion of that portion of the Convertible Notes.

2.49 Person. "Person" means any person, corporation, governmental authority, limited liability company, partnership, trust, unincorporated association or other entity.

2.50 Profits and Losses. "Profits" and "Losses" means, for any fiscal period, an amount equal to the Company's taxable income or loss for the year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses will be added to taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits and Losses will be subtracted from taxable income or loss;

(c) If the Adjusted Book Value of any Company asset is adjusted pursuant to subsection (2) of the definition thereof, the amount of such adjustment shall be taken into account as gain or loss for purposes of computing Profits and Losses;

(d) Gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted Book Value of the property disposed of, notwithstanding the fact that the Adjusted Book Value differs from the adjusted basis of the property for federal income tax purposes; and

(e) In lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, there shall be taken into account the Depreciation for such Fiscal Year or other period.

2.51 Schedule I. "Schedule I" means the Schedule I attached hereto as amended from time to time by this Agreement.

2.52 Special Advisor Amount. "Special Advisor Amount" means the product of the Assumed Residual Value and 3% (three percent).

2.53 Special Advisor. "Special Advisor" means Mercury Capital Partners, L.P., as the transferee of all of B/Z Investors LLC's rights, interest and title to and in its Membership Interests of the Company, or any Permitted Transferee (as hereinafter defined).

2.54 Transfer. "Transfer" means, when used as a noun, any gift, sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, give, sell, hypothecate, pledge, assign, or otherwise transfer.

2.55 Treasury Regulations. "Treasury Regulations" means all proposed, temporary and final Treasury Regulations promulgated under the Code as in effect from time to time.

2.56 Voting Interest Percentage. "Voting Interest Percentage" means, with respect to a particular Member, that Member's percentage of the total aggregate Voting Interests in the Company, as set forth after the Member's name on Schedule I, as amended from time to time.

2.57 Voting Interest. "Voting Interest" means a Member's right to vote in matters coming before the Company and to participate (to the extent this Agreement so provides) in the management of the Company.

ARTICLE 3

CAPITAL CONTRIBUTIONS

3.1 The Manager. The Manager, in his capacity as such, is not a Member of the Company, does not have an equity interest in the Company, and shall not make any Capital Contribution to the Company. This provision does not preclude the Manager from being a Member and from having such an equity interest and making such a Capital Contribution in such separate capacity.

3.2 Subscriptions by Members. Each of the Members hereby subscribes as of the date opposite his, her or its signature hereto for a Membership Interest in the Company and hereby commits to pay to the Company the Capital Contribution set forth opposite his, her or its name in Schedule I hereto for said Membership Interest upon execution of this Agreement (or an instrument of joinder of this Agreement pursuant to Section 10.7). Each Member represents and warrants to the Company and each other Member that:

(a) He, she or it is acquiring the Membership Interest as a principal, in good faith and solely for his, her or its own account, for investment purposes only, and not with a view toward the distribution or resale thereof, and that his, her or its financial condition is such that he, she or it is not under any present necessity or constraint and does not foresee in the future any necessity or constraint to dispose of all or any part of any Membership Interest to satisfy any existing or contemplated debt or undertaking.

(b) He, she or it understands that there is no market for the Membership Interest, that it is not likely that a market for the Membership Interest will develop, that the further sale, transfer or other disposition of the Membership Interest is severely restricted under the terms of this Agreement, that he, she or it must hold the Membership Interest indefinitely except as otherwise provided in this Agreement, and that the Company is under no obligation, and has no intention, to either register the Membership Interest under the Securities Act of 1933 or any state "blue sky" law, or attempt to secure an exemption thereunder for any further sale, transfer or other disposition thereof.

(a) He, she or it acknowledges that an investment in the Company involves certain risks, represents and warrants that he, she or it has such knowledge and experience in financial and business matters that he, she or it is capable of evaluating the merits and risks of such investment, and confirms that he, she or it is able to (i) bear the economic risk of this investment, (ii) hold the Membership Interest for an indefinite period of time, and (iii) afford a complete loss of his, her or its investment.

(b) He, she or it has reviewed and understands all restrictions imposed upon further sale, transfer or other disposition of the Membership Interest, including the fact that any certificate representing the Membership Interest will bear legends restricting such resale, transfer or disposition, and he, she or it has reviewed and understands all such restrictions imposed by this Agreement.

(c) He, she or it is not subscribing for the Membership Interest as a result of or subsequent to any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or presented at any seminar or meeting.

(d) He, she or it is aware of the fact that no governmental or other agency has made any finding or determination as to the fairness for public or private investment, or any recommendation or endorsement, of a Membership Interest for investment.

(e) He, she or it has made a thorough investigation of the Company, has independently evaluated the risks and rewards of owning the Membership Interest, has had the opportunity to obtain information about and review the records of the Company, and is aware of what the other Members paid for their Membership Interests and of the book value of his, her or its Membership Interest.

(f) He, she or it is not relying on the Company or the Manager or any of their agents or representatives with respect to any tax considerations relating to his, her or its investment.

(c) He, she or it is aware that Hodgson, Russ, Andrews, Woods & Goodyear, LLP ("HRAWG") represents the Company, the Manager and the Manager's Affiliates, and that such representation may result in conflicts of interest for such counsel. He, she or it is aware and recognizes that, as a purchaser of a Membership Interest, he, she or it may not receive the same protection that he, she or it would otherwise receive if he, she or it, individually, or all the purchasers of Membership Interests, as a group, had counsel separate from the Company, the Manager and the Manager's Affiliates, and by executing this Agreement, he, she or it, as a purchaser of the Membership Interest, hereby (A) consents to the representation by HRAWG of the Company, the Manager and the Manager's Affiliates, (B) specifically disclaims and waives any duty of care that HRAWG may owe to him, her or it, with respect to any matter arising as a result of

HRAWG's representation of the Company or the Manager and/or the Manager's Affiliates and (C) specifically disclaims and waives any duty imposed as a result of any direct or indirect attorney-client relationship which has been established between HRAWG and him, her or it.

3.3 Additional Contributions. Subject to the provisions of Article 12, the Company may accept additional contributions to its capital from any of the Members upon the terms and conditions agreed upon by and with the unanimous consent of the Class A Members.

3.4 Negative Capital Accounts. A Member with a negative balance in his or her Capital Account has no obligation to the Company or the other Members to restore that negative balance, except (a) as may be required by law, or (b) in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

3.5 Withdrawal or Reduction of Capital Contributions. A Member may not receive from the Company any portion of a Capital Contribution (which for the purpose of this Section 3.5 shall not include the Initial Note, if the Convertible Notes would otherwise be affected by this Section 3.5) until all indebtedness, liabilities of the Company, except any indebtedness, liabilities and obligations to Members on account of their Capital Contributions, has been paid or there remains property of the Company, in the sole discretion of the Manager, sufficient to pay them.

ARTICLE 4

COSTS AND EXPENSES

4.1 Operating Costs. The Company will pay or cause to be paid all costs and expenses of the Company incurred by the Company in pursuing and conducting, or otherwise related to, the business of the Company.

4.2 Reimbursement of Manager. The Company will reimburse the Manager for any out-of-pocket costs and expenses incurred by him in pursuing and conducting, or otherwise related to, the business of the Company.

ARTICLE 5

ALLOCATIONS AND DISTRIBUTIONS

5.1 Allocations.

(a) Except as otherwise provided in this Section 5.1, Profits and Losses for each Fiscal Year, or portion thereof, beginning on or after December 31, 2000 shall be allocated among the Members in such manner that if the Company was to liquidate immediately after the end of such period, the balance in each Members' Capital

Account (after crediting or debiting Capital Accounts for Profits or Losses for all periods) would correspond as closely as possible to the distributions that would be made upon such liquidation. In connection with the foregoing deemed liquidation, the Company shall be deemed to have sold all of its assets at their then Adjusted Book Values (i.e., without any Profits or Losses resulting therefrom) and each Member's Capital Account shall be increased by such Member's share of any "partnership minimum gain" and "partner minimum gain," within the meaning of and in accordance with the rules of Treasury Regulations Section 1.704-2. Notwithstanding the foregoing, the gross amount of Company income and gain and the gross amount of Company loss and deduction shall be allocated in accordance with the first sentence of this Section 5.1(a) (rather than Profits or Losses) if such allocations would more closely achieve the result contemplated by the first sentence of this Section 5.1(a).

(b) Special Allocations. All capitalized terms used in this Section not otherwise defined in this Agreement have the meaning set forth in the Treasury Regulations promulgated pursuant to Code Section 704. The following special allocations will be made in the following order:

(i) Property Contributions. In accordance with Code Section 704(c) and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company solely for tax purposes, will be allocated among the Members so as to take account of any variation between the adjusted basis of that property to the Company for federal income tax purposes and its initial fair market value. Any elections or decisions relating to these allocations will be made by the Manager, subject to the voting requirements of Section 6.3(c), in any manner that reasonably reflects the purpose and intention of this Agreement.

(ii) Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulation Section 1.704-2(f), notwithstanding any other provision of this Section 5.1, if there is a net decrease in Partnership Minimum Gain during any period, each Member will be specially allocated items of Company income and gain for the period (and, if necessary, subsequent periods) in an amount equal to that Member's share of the net decrease in Partnership Minimum Gain, determined in accordance with Treasury Regulation Section 1.704-2(g). Allocations pursuant to the previous sentence will be made in proportion to the respective amounts required to be allocated to each Member. The items to be so allocated will be determined in accordance with Treasury Regulation Section 1.704-2(f)(6) and 1.704-2(j)(2). This subsection is intended to comply with the minimum gain chargeback requirement in Treasury Regulation Section 1.704-2(f) and may be interpreted consistently with it.

(iii) Partner Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulation Section 1.704-2(i)(4), notwithstanding any other

provision of this Section, if there is a net decrease in Partner Nonrecourse Debt Minimum Gain attributable to a Partner Nonrecourse Debt during any period, each Member who has a share of the Partner Nonrecourse Debt Minimum Gain attributable to the Partner Nonrecourse Debt, determined in accordance with Treasury Regulation Section 1.704-2(i)(5), will be specially allocated items of Company income and gain for the period (and, if necessary, subsequent periods) in an amount equal to that Member's share of the net decrease in Partner Nonrecourse Debt Minimum Gain attributable to the Partner Nonrecourse Debt, determined in accordance with Treasury Regulation Section 1.704-2(i)(4). Allocations pursuant to the previous sentence will be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated will be determined in accordance with Treasury Regulation Sections 1.704-2(i)(4) and 1.704-2(j)(2). This subsection is intended to comply with the minimum gain chargeback requirement in Treasury Regulation Section 1.704-2(i)(4) and must be interpreted consistently with it.

(iv) Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Company income and gain will be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Capital Account deficit of that Member as quickly as possible, provided that an allocation pursuant to this subsection will be made only if and to the extent that that Member would have a Capital Account deficit requiring elimination pursuant to the Treasury Regulations after all other allocations provided for in this Section 5.1 have been tentatively made as if this subsection were not in the Agreement.

(v) Nonrecourse Deductions. Nonrecourse Deductions for any period will be specially allocated among the Members in proportion to their Economic Interests.

(vi) Partner Nonrecourse Deductions. Any Partner Nonrecourse Deductions for any period will be specially allocated to the Member who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which the Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulation Section 1.704-2(i)(1).

(vii) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(2) or Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of his or her interests, the amount of the adjustment to Capital Accounts will be treated as an item of gain (if the

adjustment increases the basis of the asset) or loss (if the adjustment decreases that basis) and that gain or loss will be specially allocated to the Members in accordance with their Economic Interests in the event that Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom the distribution was made if Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4) applies.

(viii) Compensation Income. If any Member is determined to recognize compensation income upon his or her receipt of an Economic Interest, that Member will be allocated all corresponding items of Company deduction.

(c) Compliance with Treasury Regulations. The provisions of this Agreement, as amended, relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulation Section 1.704-1(b), and must be interpreted and applied in a manner consistent with those Treasury Regulations. If the Manager determines, subject to the voting requirements of Section 6.3(c), that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed to comply with those Treasury Regulations, the Manager may make such modification, if it is not likely to have a material effect on the amounts distributable to any Member upon the dissolution of the Company.

(d) Allocation to Transferred Interests. Profits, gains, losses, deductions and credits allocated to an Economic Interest assigned or reissued during a Fiscal Year of the Company will be allocated to the Person who was the holder of such Economic Interest during the Fiscal Year, in proportion to the number of days that each holder was recognized as the owner of the Economic Interest during such Fiscal Year or in any other proportion permitted by the Code and selected by the Manager, without regard to results of Company operations during the period in which each holder was recognized as the owner of the Economic Interest during the Fiscal Year, and without regard to the date, amount or recipient of any distributions which may have been made with respect to that Economic Interest.

(e) Convertible Notes Interest. Notwithstanding anything provided herein to the contrary, if at any time a Member is a holder of the Convertible Notes, then there shall be allocated to that Member all deductions or expenses attributable to the interest incurred with respect to the Convertible Notes and these deductions or expenses shall be so allocated for federal income tax purposes.

5.2 Distributions.

(a) Distributions for Taxes: From time to time (but at least once each Fiscal Year), the Board of Members will determine in its reasonable judgment to what extent (if any) the Company's cash on hand exceeds its current and anticipated needs, including, without limitation, for operating expenses, debt service and a reasonable

contingency reserve. If an excess exists, such funds will be deemed to be "funds available for distribution" hereunder. The Manager shall make the following cash distributions out of funds available for distribution to the Members, in the following order of priority:

(i) To each Member, at least annually on or before April 1 an amount equal to the product of (x) the Member's allocated share of net income of the Company for the prior Fiscal Year (such amount to be estimated if not finally determined), times (y) the highest effective marginal individual income tax rate which may be imposed under applicable state law but no more than seven percent (7%); and, in addition, a payment equal to the amount of any such payments with respect to the preceding year which have not been distributed; and

(ii) To each Member, at least annually on or before April 1 an amount equal to the product of (x) the Member's allocated share of net income of the Company for the prior Fiscal Year (such amount to be estimated if not finally determined), times (y) the highest effective marginal individual income tax rate which may be imposed under the Code but no more than twenty-eight percent (28%), and, in addition, a payment equal to the amount of any such payments with respect to the preceding year which have not been distributed.

(b) Other Distributions. All other distributions of funds available for distribution shall be made in the following order of priority:

I. If prior to the Initial Conversion Date:

(i) To the Class E Member until the Class E Member has received cumulative distributions pursuant to this Section 5.2(b) equal to the Class E Original Capital;

(ii) To the Class D Member until the Class D Member has received cumulative distributions pursuant to this Section 5.2(b) equal to the Class D Original Capital;

(iii) Pro rata among the Class C Members until the Class C Members have received cumulative distributions pursuant to this Section 5.2(b) equal to the Class C Original Capital;

(iv) To the Class E Member until the Class E Member has received cumulative distributions pursuant to subparagraphs (a) and (b) of this Section 5.2 equal to the Class E Preference Amount;

(v) To the Class D Member until the Class D Member has received cumulative distributions pursuant to subparagraphs (a) and (b) of this Section 5.2 equal to the Class D Preference Amount;

(vi) Pro rata among the Class C Members until the Class C Members have received cumulative distributions pursuant to subparagraphs (a) and (b) of this Section 5.2 equal to the Class C Preference Amount; and

(vii) To the Members in accordance with their Economic Interest Percentages; including the Economic Interest Percentage of the Special Advisor.

II. If after the Initial Conversion Date:

(i) To the Class D Member until the Class D Member has received cumulative distributions pursuant to this Section 5.2(b) equal to the New Class D Original Capital;

(ii) Pro rata among the Class C Members until the Class C Members have received cumulative distributions pursuant to this Section 5.2(b) equal to the New Class C Original Capital;

(iii) To the Class D Member until the Class D Member has received cumulative distributions pursuant to subparagraphs (a) and (b) of this Section 5.2 equal to the New Class D Preference Amount;

(iv) Pro rata among the Class C Members until the Class C Members have received cumulative distributions pursuant to subparagraphs (a) and (b) of this Section 5.2 equal to the New Class C Preference Amount;

(v) Pro rata among the Class A Members and the Class B Members until they have received cumulative distributions pursuant to this Section 5.2(b) equal to the New Class A Original Capital and the New Class B Original Capital, respectively;

(vi) Pro rata among the Class A Members until they have received cumulative distributions pursuant to subparagraphs (a) and (b) of this Section 5.2 equal to the New Class A Preference Amount;

(vii) Pro rata among the Class A Members until they have received cumulative distributions pursuant to this subparagraph (vii) of this Section 5.2 equal to the product of (x) the amount available for distribution prior to the application of subparagraphs (i) – (vi) above less the sum of such amounts to be distributed in (i), (ii), and (v) above, multiplied by (y) the applicable

Additional Economic Interest Percentage (expressed as a decimal) as provided in Section 8.1(c); and

(viii) To the Members in accordance with their Economic Interest Percentages (excluding for this purpose the Additional Economic Interest Percentage and without giving effect to the application of Section 8.1(c)).

(c) Distribution Upon Liquidation. All distributions by the Company upon its final liquidation and dissolution will be made to the Members, in accordance with paragraph (b) for the Fiscal Year in which the liquidation occurs.

5.3 Distributions in Kind. If the Manager or the Board of Members determines that a portion of the Company's assets should be distributed in kind to the Members, the Manager must obtain an independent appraisal of the fair market value of each of those assets as of a date reasonably close to the date of the distribution. Any unrealized appreciation or depreciation with respect to the asset will be allocated among the Members in proportion with each Member's Economic Interest in the Company (assuming that the property is sold for the appraised value) and distribution of any of those assets in kind to a Member will be considered a distribution of an amount equal to the assets' appraised fair market value for purposes of determining the Capital Account of the distributee.

5.4 Credit. For all income tax purposes, credits of the Company claimed for a Fiscal Year will be allocated among the Members in the same manner as Losses are allocated among the Members pursuant to Section 5.1(a).

5.5 Offset. The Company may offset all amounts owing to the Company by a Member against any distribution to be made to the Member.

5.6 Limitation Upon Distributions

(a) No distribution will be declared and paid if there are reasonable grounds for believing that :

(i) the Company is, or after the distribution would be, unable to pay its liabilities as they become due; or

(ii) after the distribution is made, the assets of the Company are not in excess of all liabilities of the Company.

(b) Notwithstanding any provision in this Agreement, no distribution will be declared and paid if such distribution violates the Law.

ARTICLE 6

MANAGEMENT

6.1 Management. The Company is a "manager-managed" limited liability company under the Law. Except as may hereafter be required or permitted by the Law or as specifically provided herein, the Members shall in such capacity take no part whatever in the control, management, direction or operation of the day-to-day affairs of the Company and shall have no power to act for or bind the Company. In addition, and without limiting the generality of the foregoing, and notwithstanding anything to the contrary in this Agreement, no Class C Member shall:

(a) Act as an employee of the Company if his or her functions, directly or indirectly, relate to the media enterprises of the Company;

(b) Serve in any material capacity as an independent contractor or agent with respect to the Company;

(c) Communicate with the Company or the Manager on matters pertaining to the day-to-day operations of the Company's business;

(d) Perform any services to the Company or any Affiliate of the Company materially relating to their media activities, with the exception of making loans to, or acting as surety for, the business; or

(e) Become actively involved in the management or operation of the media businesses of the Company or any Affiliate of the Company.

6.2 Powers of the Manager.

(a) The Manager shall have full and complete charge of all affairs of the Company, and the management and control of the Company's business shall rest exclusively with the Manager, subject to the terms and conditions of this Agreement. The Manager shall be required to devote to the conduct of the business of the Company only such time and attention as shall reasonably be required to accomplish the purposes, and to conduct properly the business, of the Company.

(b) Subject to the limitations set forth in this Agreement, including, but not limited to, those limitations set forth in Section 6.3, the Manager shall perform or cause to be performed, all management and operational functions relating to the business of the Company. Without limiting the generality of the foregoing, the Manager is authorized on behalf of the Company, without the consent of any Member, to:

(i) invest and expend the capital and revenues of the Company in furtherance of the Company's business and pay, in accordance with the

provisions of this Agreement, all expenses, debts and obligations of the Company to the extent that funds of the Company are available therefor;

(ii) make investments in United States government securities, securities of governmental agencies, commercial paper, insured money market funds, bankers' acceptances, certificates of deposit and other securities, pending disbursement of the Company funds or to provide a source from which to meet contingencies;

(iii) enter into agreements and contracts with any person, terminate any such agreements and institute, defend and settle litigation arising therefrom, and give receipts, releases and discharges with respect to all of the foregoing and any matters incident thereto;

(iv) maintain, at the expense of the Company, adequate records and accounts of all operations and expenditures and furnish the Members with the reports referred to in Section 9.3;

(v) purchase, at the expense of the Company, liability, casualty, fire and other insurance and bonds to protect the Company's properties, business, Members and employees and to protect the Manager;

(vi) borrow funds needed for the operations of the Company and the Property, including obtaining loans from the Manager from time to time and, in connection therewith, issue notes, debentures and other debt securities and mortgage, pledge, encumber or hypothecate the assets of the Company;

(vii) obtain replacement of any mortgage, encumbrance, pledge, hypothecation or other security device and prepay, in whole or in part, modify, consolidate or extend any such mortgage, encumbrance, pledge, hypothecation or other security device; provided, however, that no Manager shall be authorized to replace a mortgage on which no Member has personal liability with a mortgage on which a Member does have personal liability;

(viii) sell, lease, trade, exchange or otherwise dispose of all or any portion of the property or assets of the Company;

(ix) employ, at the expense of the Company, employees, consultants, accountants, attorneys, brokers, engineers, escrow agents and others and terminate such employment; provided, however, that, if any Affiliate of the Manager is so employed, such employment will be under the terms and conditions set forth in Sections 6.3(b)(x) and further provided that all salary and bonus arrangements are reasonable based on standards in the broadcast industry; and

provided further that no bonus or other incentive compensation shall be payable to Class A Members in connection with a Liquidity Event;

(x) appoint one or more additional officers of the Company, assign appropriate titles to such appointees, and delegate to such appointees any and all such powers as are ordinarily exercised by the Manager as the Manager shall determine;

(xi) execute and deliver purchase agreements, notes, leases, subleases, applications, transfer documents and other instruments necessary or incidental to the conduct of the business of the Company;

(xii) permit an assignment of a Membership Interest in the Company and admit an assignee of a Membership Interest as a substituted Member in the Company, pursuant to and subject to the limitations of Article 10;

(xiii) determine the accounting methods and conventions to be used in the preparation of all state and federal income tax returns of the Company ("Returns"), and make any and all elections under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of items of income, gain, loss, deduction and credit of the Company, or any other method or procedure related to the preparation of the Returns; and

(xiv) bring, defend and settle claims or litigation in the name of the Company.

By executing this Agreement, each Member shall be deemed to have consented to any exercise by the Manager of any of the foregoing powers. Any third party may rely on the signature of the Manager as a valid exercise or execution of any of the foregoing powers on behalf of the Company.

(c) To the extent the Manager determines that it is required or otherwise in the best interests of the Company, he (or his Affiliate) may acquire, hold and transfer, or cause to be acquired, held and transferred, any property of the Company in the name of the Manager or a nominee, agent or trustee for the Company (including the Manager or his Affiliate acting as such) and enter into, or cause to be entered into, agreements or transactions for, and on behalf of, the Company, in the name of the Manager or such nominee, agent or trustee; provided that the Manager or such nominee, agent or trustee, in so acting, shall act solely as agent for, and on behalf of, the Company and will use its best efforts to conduct the business of the Company so as to insure that each party to any such material agreement or transaction shall be given actual notice that the entire beneficial interest in such agreement or transaction (including, without limitation, any assets covered thereby) is in the Company, rather than the Manager or any such other person. All title to property beneficially owned by the Company and held by

the Manager or such nominee, agent or trustee shall be held in the name of the latter solely as nominee, agent or trustee for, and on behalf of, the Company.

6.3 Restrictions on the Manager's Authority.

(a) Actions Requiring Unanimous Approval, Consent or Ratification of the Board of Members. The Manager may not, without the unanimous approval, written consent or ratification of the specific act by unanimous vote of the Board of Members and the Special Advisor, take any action, expend any sum or incur any obligation by or on behalf of the Company in connection with any of the following:

(i) any act in contravention of this Agreement;

(ii) any act that would make it impossible to carry on the ordinary business of the Company, except as otherwise provided in this Agreement;

(iii) amending, restating, or revoking the Certificate of Formation of the Company; and

(iv) entering into, assuming, or permitting to exist, in the ordinary course of the Company's business or otherwise, any agreement, arrangement, transaction or other dealing (including, but not limited to, the issuance of any equity interests in the Company, the purchase, sale, lease, exchange or other acquisition or disposition of any asset and the rendering of any service) between the Company and any member of a Class A Member's immediate family or otherwise deal with such family member, except for (A) reasonable compensation for services actually performed, (B) advances made in the ordinary course of the Company's business to any family member who is one of the Company's officers, employees or agents for out-of-pocket expenses incurred by such family member on the Company's behalf in the conduct of the Company's business or operations and (C) agreements, arrangements, transactions and other dealings in the ordinary course of the Company's business upon fair and reasonable terms no less favorable than would apply in a comparable arm's-length agreement, arrangement, transaction or other dealing with a person or entity who or that is not a family member.

(b) Actions Requiring Approval, Consent or Ratification by a Majority of the Board of Members. The Manager may not, without the approval, written consent or ratification of the specific act by a majority of the Board of Members, take any action, expend any sum or incur any obligation by or on behalf of the Company in connection with any of the following:

(i) creating, incurring, assuming or having any indebtedness or other obligation in excess of $50,000 (A) arising from the borrowing of any money or the deferral of the payment of the purchase price of any asset or (B) pursuant to any guaranty or other contingent obligation (including, but not limited to, any obligation to (1) maintain the net worth of any other Person or entity, (2) purchase or otherwise acquire or assume any indebtedness or other obligation or (3) provide funds for or otherwise assure the payment of any indebtedness or other obligation whether by means of any investment, by means of any purchase, sale or other acquisition or disposition of any asset or service or otherwise), except for indebtedness and other obligations constituting unsecured normal trade debt incurred upon customary terms in the ordinary course of the Company's business;

(ii) the filing of a voluntary petition or otherwise initiating proceedings to have the Company adjudicated bankrupt or insolvent, or consenting to the institution of bankruptcy or insolvency proceedings against the Company, or the filing of a petition seeking or consenting to reorganization or relief of the Company as debtor under any applicable federal or state law relating to bankruptcy, insolvency, or other relief for debtors with respect to the Company, or the seeking or consenting to the appointment of any trustee, receiver, conservator, assignee, sequestrator, custodian, liquidator (or other similar official) of the Company or of all or any substantial part of the properties and assets of the Company, or the admitting in writing the inability of the Company to pay its debts generally as they become due or declare or effect a moratorium on the Company debt or the taking of any action in furtherance of any such action;

(iii) assigning, selling, exchanging, leasing as a lessor or otherwise transferring or disposing of all or substantially all of the Company's assets, dissolving or participating in any merger, consolidation or other absorption, acquiring all or substantially all of the assets of any other Person or entity, doing business under or otherwise using any name other than Company's true name or making any change in the Company's business structure, any of the Company's business objectives and purposes or the Company's business or operations that would or might have any material adverse effect on the Company's ability to meet its financial obligations;

(iv) making (whether by means of any purchase or other acquisition of any asset, by means of any capital lease or otherwise) any expenditure or incurring any obligation on behalf of the Company involving in the aggregate for each such transaction or group of similar transactions a sum in excess of $500,000, unless such expenditure was approved as part of the annual budget of the Company;

(v) causing or permitting, whether upon the happening of any contingency or otherwise, any of the Company's assets to be subject to any security interest, mortgage or other lien or encumbrance;

(vi) making any loan, advance or other extension of credit, or forgiving any indebtedness or other obligation arising from any loan, advance or other extension of credit made by the Company in excess of $50,000;

(vii) entering into, assuming, or permitting to exist, in the ordinary course of the Company's business or otherwise, any agreement, arrangement, transaction or other dealing (including, but not limited to, the issuance of any equity interest in the Company, the purchase, sale, lease, exchange or other acquisition or disposition of any asset and the rendering of any service) between it and any Member or Affiliate of a Member or otherwise deal with any Member or Affiliate of a Member except for (A) transactions valued at less than $50,000, (B) reasonable compensation for services actually performed, (C) advances made in the ordinary course of the Company's business to any Member or affiliate of a Member who is one of the Company's officers and employees for out-of-pocket expenses incurred by such on the Company's behalf in the conduct of the Company's business or operations and (D) agreements, arrangements, transactions and other dealings in the ordinary course of the Company's business upon fair and reasonable terms no less favorable than would apply in a comparable arm's-length agreement, arrangement, transaction or other dealing with a person or entity who or that is not a Member or Affiliate of a Member; and

(viii) the admission of new Members to the Company, except as provided for in Article 10 of this Agreement.

(c) Actions Requiring Approval, Consent or Ratification by the Class D Member.

In addition to any other consent, approval or ratification required by this Agreement, the Company, the Board of Members or the Manager may not, for so long as the Class D Member owns Membership Interests and/or the Convertible Notes which together represent ownership on an as converted basis of an Economic Interest Percentage of at least 50% (before giving effect to the Additional Economic Interest Percentage granted to the Class A Members pursuant to Section 8.1(c)), without the prior approval, written consent or ratification of the specific act by the Class D Member, take any action, expend any sum or incur any obligation by or on behalf of the Company in connection with any of the actions specified in Sections 2.1, 5.1(b)(i), 5.1(c), 6.3(a), 6.3(b), 6.5, 6.12, 10.1, and 10.6, Article 12 or any of the following:

(i) Except as otherwise expressly provided for this LLC Agreement, admit any Person to the Company as an additional Member or substitute Member, issue any additional Membership Interests or rights to acquire Membership Interests, or change the Voting Interest Percentage or Economic Interest Percentage of the Members;

(ii) Amend this Agreement;

(iii) Merge, consolidate, or enter into a business combination with any Person;

(iv) Elect to dissolve or liquidate the Company;

(v) Sell, lease, license or otherwise dispose of all or substantially all of the assets or any material assets of the Company;

(vi) Acquire any radio or television stations or enter into local marketing agreements;

(vii) Sell, lease, license or otherwise dispose of any radio or television stations or related assets or substantial rights related thereto;

(viii) Declare any distributions on, or redemptions of, equity held by a Member or an Affiliate of a Member, or make any prepayment with respect to any debt instrument held by a Member or an Affiliate of a Member.

6.4 Board of Members and Officers. In exercising their authority arising under this Section 6.4 or elsewhere in this Agreement, or in consulting with and advising the Manager at the Manager's request, the Class A Members shall constitute and act as a Board of Members (the "Board"). The Manager may appoint to the Board up to five additional individuals who are not holders of a Voting Interest. In addition, the Class D Member (or, if such Member ceases to be a Member, so long as any Affiliate of such Member has a Membership Interest in the Company of any type, such Affiliate) shall be entitled to designate a non-voting representative to attend all meetings of the Board of Members.

The Board of Members may designate one or more individuals as officers of the Company, who shall have such titles and exercise and perform such powers and duties as shall be assigned to them from time to time by the Board of Members. Any officer may be removed by the Board of Members at any time, with or without cause. Each officer shall hold office until his or her successor shall be duly designated and shall qualify or until the earlier of the officer's death, resignation or removal. Any number of offices may be held by the same person.

6.5 Issuance of Other Membership Interests and Debt Obligations.

(a) In order to raise additional capital funds to acquire interests in other broadcast and electronic communication entities or related business opportunities or for any other purpose related to the operation of the Company, the Board of Members, subject to the voting requirements of Section 6.3(b) and (c) is authorized to cause other Membership Interests in the Company, or warrants, options or other rights to acquire such, to be issued from time to time to Members or other Persons, and to admit such other Persons as additional Members with respect to the issuance of any Membership Interest in the Company. Except as otherwise provided herein, the Board of Members shall have sole and complete discretion in determining the consideration and terms and conditions with respect to any such issuance, provided, however, as long as any Class D or Class E Membership Interest is outstanding, no additional Membership Interests having a Preferred Return or priority on distribution to that of the Class D or Class E Members, as applicable, shall be issued without the consent of such Class D or Class E Members, as applicable.

(b) Additional Membership Interests in the Company may be issued in one or more classes or series with such designations and preferences and relative, participating, optional or other special rights as, to the fullest extent permitted by law, may be fixed by the Board of Members in their sole discretion, subject to the provisions of this Agreement and the voting requirements of Section 6.3(a), (b) and (c), including variations among classes of Membership Interests in the Company in the following relative rights and preferences:

(i) the right to dividends;

(ii) the rights upon dissolution and liquidation of the Company;

(iii) if redeemable, the price at, and the terms and conditions on which, they are redeemable;

(iv) if convertible, the rate at, and the terms and conditions on which, they may be converted into any class of Membership Interest in the Company;

(v) the issuance thereof and matters relating to the assignment thereof; and

(vi) the rights of holders to vote on matters relating to the Company and this Agreement; provided that a class or series of Membership Interests shall provide the same designations, preferences and rights including voting rights, for each Membership Interest within such class or series.

(c) All additional Membership Interests will be issued subject to the requirement that the Member agree to be bound by the terms of this Agreement and grant

a power of attorney to the Manager of the Company to execute this Agreement on his, her or its behalf.

(d) Upon the issuance of any additional Membership Interests in the Company, including any new class of Membership Interests, or upon the issuance of any option, warrant or other right to acquire a Membership Interest in the Company, the Board of Members, without the consent of any Member, may amend any provision of this Agreement and execute, prepare and record such other documents as may be required in connection therewith or as may be necessary or desirable to reflect such issuance. In connection with any such issuance, the Board of Members shall do all things necessary to comply with the Act and may take such other actions deemed to be necessary or advisable.

(e) The Board of Members is also authorized, subject to the voting requirements of Section 6.3(a), (b) and (c) to cause the issuance of unsecured and secured debt obligations of the Company and debt obligations of the Company convertible into Membership Interests in the Company from time to time to Members or other Persons on terms and conditions established by the Board of Members in its sole discretion.

6.6 Preemptive Rights. Except as specifically provided herein, no Member shall have any preemptive right to purchase or subscribe for any new or additional Membership Interests in the Company by reason of the issuance of any new or additional Membership Interests in the Company, including the issuance of any new class of Membership Interests, any options, warrants or rights to acquire any new or additional Membership Interests in the Company or any debt obligations of the Company, whether convertible into Membership Interests in the Company or otherwise. The Class D Member shall have the right to participate in any such issuance on the same terms and conditions on which such interests are issued to such other persons, to the extent necessary to prevent the Membership Interest of the Class D Member from being reduced below the Membership Interest the Class D Member has as of the date of such issuance.

In addition to the foregoing preemptive right, if the Company proposes to issue any new or additional Membership Interests on any security or instrument convertible or exchangeable or otherwise representing a right to acquire Membership Interests (or an interest in the profits of the Company), then the Class D Member shall be given a right of first refusal to purchase all or a portion of such issuance on the same terms and conditions as the proposed issuance. The procedures governing this right of first refusal shall be in accordance with Section 10.4(b) hereof (with the Company being deemed to be the selling Member).

6.7 Binding Authority. Unless authorized to do so by this Agreement or the Manager, no Person has any power or authority to bind the Company.

6.8 Limitation on Authority of Member. No Member is an agent of the Company solely by virtue of being a Member, and no Member has authority to act for the Company solely by virtue of being a Member.

6.9 Liability for Certain Acts. Neither a Manager nor an agent (including a person having more than one capacity) is liable for any debts, obligations or liabilities of the Company or each other, whether arising in tort, contract or otherwise, solely by reason of being a Manager or agent or acting (or omitting to act) in those capacities or participating (as an employee, consultant, contractor or otherwise) in the conduct of the business of the Company. Without limiting the generality of the preceding sentence, a Manager does not in any way guaranty the return of any Capital Contribution to a Member or a profit for the Members from the operations of the Company.

6.10 Indemnification. Neither the Manager nor his Affiliates, nor any of their respective directors, officers or employees shall be liable, in damages or otherwise, to the Company or to any of the Members for any act or omission performed or omitted by the Manager pursuant to the authority granted by this Agreement, except if such act or omission results from gross negligence, willful misconduct or bad faith. The Company shall indemnify, defend and hold harmless the Manager and his respective Affiliates, directors, officers and employees, from and against any and all claims or liabilities of any nature whatsoever, including reasonable attorneys' fees, arising out of or in connection with any action taken or omitted by the Manager pursuant to the authority granted by this Agreement, except where attributable to the gross negligence, willful misconduct or bad faith of the Manager or his respective Affiliates, directors, officers or employees. The Manager shall be entitled to rely on the advice of counsel, accountants or other independent experts experienced in the matter at issue, and any act or omission of the Manager pursuant to such advice shall in no event subject the Manager to liability to the Company or any Member. The Company shall advance funds to the Manager for the costs of defending any claim upon receipt of an undertaking from the Manager to repay such amounts to the Company upon any judicial determination that the Manager is not entitled to indemnification under this Section 6.10.

The Company shall indemnify, defend and hold harmless the Special Advisor and its Affiliates, directors, officers and employees for and against any and all claims or liabilities of any nature whatsoever, including reasonable attorneys' fees, arising out of or in connection with any action taken or omitted by the Special Advisor in connection with this Agreement, or its provision of advice to the Manager or Board of Members

6.11 Resignation. The Manager may resign at any time by giving at least thirty (30) days' written notice to the Members of the Company. The resignation of the Manager will take effect upon receipt of the notice or at any later time specified in the notice. Unless otherwise specified in the notice, the acceptance of the resignation is not necessary to make it effective. The resignation of the Manager does not affect the Manager's rights as a Member and does not constitute a withdrawal of a Member.

6.12 Removal of Manager. The Manager may be removed from such position only for cause and only by action of the Class A Members whose Voting Interest Percentages aggregate at least sixty-four percent (64%), and subject to the voting requirements of Section 6.3(c). "Cause" shall mean any action by such Manager constituting fraud against the Company, the conviction of such Manager of a felony, or any reckless or willful violation by such Manager of the specific terms of this Agreement. "Action of the Members" shall mean action by written instrument signed by the requisite number of Members specifically setting forth the cause for removal. The removal of the Manager shall not constitute a waiver or exculpation by the Company or any Member of any liability which the Manager may have to the Company or any Member in respect of the cause for its removal, and the Manager, even though removed, shall remain entitled to exculpation and indemnification from the Company pursuant to Sections 6.9 and 6.10 with respect to any matter arising prior to its removal; and provided, further, that in the event of the removal of the Manager, the Company shall be dissolved, unless reconstituted by the selection of a substitute Manager as provided in Section 11.1(c).

6.13 Additional Provision Regarding Removal of Manager. If the Manager is removed with cause, the Manager shall receive payment in cash of all amounts accrued and owing to him as of the date of removal including all loans made by him to the Company.

6.14 Taxable Year of Manager. The Manager covenants and agrees to elect (if not an individual) the calendar year as its taxable year for federal income tax purposes.

6.15 Tax Status of the Company. The Manager covenants and agrees to use his, her or its best efforts to establish and maintain the classification of the Company as a partnership for federal income tax purposes and not as an association taxable as a corporation.

6.16 Other Activities. The Manager, any Member and the Special Advisor or his, her or its Affiliates, except to the extent provided otherwise in any agreement to which the Manager, any Member or the Special Advisor, as the case may be, and the Company are parties, may engage in or possess an interest in other business ventures of any nature or description, independently or with others, whether presently existing or hereafter created, including the acquisition, operation and sale of real estate and any type of broadcast or electronic communication entity, and neither the Company, any Member nor the Special Advisor or its Affiliates shall have any rights in or to such independent ventures or the income or profits derived therefrom. The Company and its Members agree that the Special Advisor does not owe any fiduciary duties to the Company or its Members. The Special Advisor and its Affiliates are expressly permitted to engage in activities directly competitive with the Company and are under no obligation, by reason of corporate opportunity, conflict of interest, or otherwise, to advise the Company or its Members of any business opportunities or competing activities.

ARTICLE 7

TAXES

7.1 Tax Returns. The Manager will cause to be prepared and filed all necessary federal and state income tax returns for the Company.

7.2 Elections. The Company will make the following elections on the appropriate tax returns:

(a) To adopt the calendar year as the Fiscal Year;

(b) To adopt the accrual method of accounting and keep the Company's books and records on the income tax method;

(c) If a distribution as described in Code Section 734 occurs or if a transfer of a Membership Interest described in Code Section 743 occurs, upon the written request of any Member, to elect to adjust the basis of the property of the Company pursuant to Code Section 754;

(d) To elect to amortize the organizational expenses of the Company and the start-up expenditures of the Company under Code Section 195 ratably over a period of sixty months as permitted by Code Section 709(b);

(e) To elect as a domestic eligible entity to be treated as a partnership under the federal entity classification election rules; and

(f) Any other election that the Manager may deem appropriate and in the best interests of the Members.

Neither the Company nor any Member may make an election for the Company to be excluded from the application of Subchapter K of Chapter 1 of Subtitle A of the Code or any similar provisions of applicable state law, and no provisions of this Agreement will be interpreted to authorize any such election.

7.3 Tax Matters Partners. The Manager is hereby designed the "Tax Matters Partner" of the Company pursuant to Code Section 6231(a)(7), and such designation shall continue in force until such time, if ever, that the Manager is not a Member of the Company. In that event, the Member who's Voting Interest Percentage is the highest shall be the Tax Matters Partner.

ARTICLE 8

SPECIAL ADVISOR

8.1 **Special Advisor**. The Special Advisor shall provide such advice to the Manager and the Board of Members as is mutually agreed and shall receive the following:

(a) As long as Mercury Capital Partners, L.P. or its Affiliates(s) or Permitted Transferee(s) holds any Membership Interest in the Company, for each full Fiscal Year, $25,000 payable on or before the 30th day following the end of such Fiscal Year (and a pro rata portion of such amount for fiscal years containing less than 12 months); and

(b) Upon the execution of this Agreement, an Economic Interest Percentage of 3% shall be granted to the Special Advisor.

Upon the grant of such additional Membership Interest, the Economic Interest Percentage of the Class A and Class B Members shall be reduced proportionately by the amount granted to the Special Advisor. The provisions of this paragraph (b) shall be of no further force and effect on and after the Initial Conversation Date.

(c) Upon execution of this Agreement, the Class A Members shall be entitled to a grant of an additional Economic Interest Percentage ("Additional Economic Interest Percentage") equal to the applicable corresponding Additional Economic Interest Percentage if a certain IRR is achieved after the date hereof, each as set forth immediately below:

IRR	Additional Economic Interest Percentage
less than or equal to 25%	0
greater than 25% but less than or equal to 35%	7.5%
greater than 35% but less than or equal to 49%	15%
greater than 49%	22.5%

where IRR refers to the internal rate of return on the Assumed Equity Value plus the aggregate principal amounts of the Convertible Notes ($750,000) that would be achieved from the date of this Agreement through the determination date. IRR shall be determined at the time distributions are made to Members and shall be based on amounts available for distribution. The Additional Economic Interest Percentage granted pursuant to this paragraph shall be allocated 33.334% to Kevin T. Lilly, 33.333% to Nicholas B. White, and 33.333% to Brian M. Lilly, shall be non-transferable, and shall be forfeited by any

such individual (with such individual's share then reverting pro rata to the other Class A Members) if such individual is no longer employed by the Company at the date of the distribution.

At such time as the Additional Economic Interest Percentage is determined pursuant to this paragraph, then the Economic Interest Percentages of all Members (including the Class A Members) in effect immediately prior to the determination shall be reduced proportionately to reflect the Additional Economic Interest Percentage determined pursuant to this paragraph. (For example, if a Member's Economic Interest Percentage was 20% before taking into account this paragraph, and the IRR was 49%, then that Member's Economic Interest Percentage giving effect to this paragraph will be 17%.)

ARTICLE 9

ACCOUNTS

9.1 **Books**. The Manager will maintain complete and accurate books of account of the Company's affairs at the Company's principal offices, including a list of the names and addresses of all Members and Members and the interest held by each Member or Member. Each Member and its accountants, lawyers and agents has the right to inspect the Company's books and records (including the list of the names and addresses of Members and Members) at the offices of the Manager.

9.2 **Members' Accounts**. Separate Capital Accounts will be maintained for each Member.

9.3 **Reports, Returns and Audits**. The books and records of the Company shall be kept on the accrual method of accounting. The accounts of the Company shall be audited annually by a "Big 5" accounting firm selected by the Manager or such other national firm of independent certified public accountants chosen by the Manager with the consent of the Special Advisor which shall not be unreasonably withheld (the "Accountants"). Within ninety (90) days of the end of each Fiscal Year, each Member will be provided with an information letter containing (1) all information concerning the Company necessary for the preparation of the Member's income tax return(s) and (2) a copy of the audited financial statements of the Company.

ARTICLE 10

TRANSFERS

10.1 **General Restriction**. No Member will gift, sell, assign, pledge, hypothecate, exchange or otherwise transfer to another Person any portion of such Member's

Membership Interests hereunder, except as set forth in this Agreement, except with the unanimous consent of the Class A Members; provided, however, that Mercury Capital Partners, L.P. and its Permitted Transferee(s) may transfer its Membership Interests without consent to any of its Affiliates (including any partnership or fund managed by an Affiliate of Charles Banta (the "Permitted Transferee(s)")) and upon dissolution of a Permitted Transferee such Membership Interests may be transferred to the members or partners of such Permitted Transferee(s) and each such Permitted Transferee shall be admitted as a Member of the Company subject to the provisions of Section 10.6. Any attempt to otherwise gift, sell, assign, transfer, pledge, hypothecate, exchange or otherwise transfer any portion of a Membership Interest will be void and of no effect, except to the extent such gift, sale, assignment, pledge, hypothecation, exchange, or other transfer is expressly permitted pursuant to this Article.

10.2 Death of a Member. Subject to the remaining provisions of this Section 10.2, upon the death of any Member, the Membership Interest of such individual may be transferred by will or testamentary substitute to the spouse, any ancestor, or any descendant of such individual, or to any trust created exclusively for the benefit of any one or more of such persons, or to any one or more charitable organizations. However, upon the death of any Member, the Company shall have the option, but not the obligation, to purchase all of the Membership Interest held by the deceased Member for its Fair Market Value. If the Company chooses to purchase the Membership Interest, it will either pay the full Fair Market Value to the estate of the Member or, at its option, will pay ten percent (10%) at the closing of the purchase and sale (the "Closing") and the balance in five (5) equal consecutive annual payments beginning on the first anniversary of the Closing together with annual interest at the lowest applicable federal rate then in effect, all as evidenced by the execution and delivery to the deceased Member's estate of a promissory note substantially consistent with this Section 10.2.

10.3 Bona Fide Offer. If a Member desires to sell all or a portion of a Membership Interest to another Person except to a Permitted Transferee, such Member shall obtain from such Person a bona fide written offer stating the terms and conditions upon which such sale is to be made. Such Member shall give written notice to the Members and the Company of his or her intention to sell such Membership Interest and a copy of such bona fide written offer.

10.4 Right of First Refusal.

(a) Each Member may exercise a right of first refusal to purchase a portion of any Membership Interest proposed to be sold (other than to a Permitted Transferee) upon the same terms and conditions contained in the bona fide written offer referred to in Section 10.3. Such portion will be a fraction, the numerator of which is equal to the Economic Interest Percentage of the Member exercising such right of first refusal and the denominator of which is equal to the Economic Interest Percentages of all Members, in the aggregate, exercising such right of first refusal.

(b) Any right of first refusal may be elected pursuant to this Section 10.4 by a Member only by giving written notice to the selling Member of his or her decision to do so within thirty (30) days after such Member receives a copy of the bona fide written offer pursuant to Section 10.3. Upon the failure of each Member to so notify such selling Member of a desire to exercise such right of first refusal prior to the expiration of such thirty (30) days, then the remaining Members may purchase their proportionate share of any Membership Interest remaining for sale. If the Members do not purchase all of the Membership Interest proposed to be sold then the Company shall have the option to purchase the Membership Interest remaining for sale. If the Member and the Company do not purchase all of the Membership Interest offered for sale, then such right of first refusal will immediately terminate and such selling Member may then sell his or her Membership Interest to the Person offering to purchase such Membership Interest pursuant to the bona fide written offer referred to in Section 10.4. If such selling Member does not sell his or her Membership Interest within thirty (30) days after receiving the right to do so, his or her right to do so terminates and the terms and conditions of this Article 10 will again be in effect.

10.5 Closing. If any Member or the Company pursuant to this Section gives written notice to a selling Party of his, her or its desire to exercise any right of first refusal and to purchase any portion of the Membership Interest of such selling party upon the same terms and conditions contained in the bona fide written offer referred to in Section 10.3, such Member or the Company will immediately designate the time, date and place of closing of such purchase; provided, however, that the closing of such purchase must occur within ninety (90) days after such Member and the Company receives from the selling party such bona fide written offer. Such Member and/or the Company and the selling party must then cooperate with each other in good faith to close such purchase.

10.6 Transferee Not a Member. No Person (other than a Member) acquiring a Membership Interest pursuant to this Section will become a Member unless such person is approved by unanimous vote or written consent of all the Class A Members and subject to the voting requirements of Section 6.3(c); provided, however, that any transferee of Mercury Capital Partners, L.P. or its Affiliates will become a Member without such consent. If approval is required but not obtained, such Person's Membership Interest will be deemed to be only an Economic Interest which will only entitle such Person to receive the distributions and allocations of profits and losses to which the Member from whom or which such Person received such Membership Interest would be entitled. No person may become a Member without the execution of an instrument of joinder through which such party becomes a party to this Agreement.

10.7 Effective Date. Any sale of a Membership Interest or admission of a Member pursuant to this Article will be deemed effective as of the last day of the calendar month in which such sale or admission occurs.

10.8 Redemption of Membership Interest.

Class C, Class D and Class E Members. At any time after September 30, 2007, Class C, Class D and Class E Members may request in writing that all, but not less than all, of his, her or its Membership Interest in the Company be redeemed, and the Company shall be obligated to redeem such Membership Interest so long as in the case of a redemption of a Class C Membership Interest such purchase does not violate any existing financing agreement to which the Company is a party and provided further that so long as any Class D or Class E Membership Interests are outstanding, no Class C Membership Interest may be redeemed without the consent of the Class D and E Membership Interests. The purchase price shall be the Fair Market Value (or in the case of a Class D or Class E Membership Interest, the Class E Redemption Price or Class D Redemption Price, as applicable) of such Membership Interest as of the date the redemption request is received. The Closing of the purchase of the Membership Interest shall take place on a date specified by the Company which is within ninety (90) days (ten (10) days in the case of a Class E Membership Interest) after the date the redemption request is received. At the Closing, the Company shall pay up to ten percent (10%) (as determined in the sole discretion of the Board of Members) of the purchase price in cash with the balance to be paid by the execution and delivery of a promissory note payable in five (5) equal annual installments of principal plus interest at the lowest applicable federal rate then in effect, all as evidenced by the execution and delivery of a promissory note substantially consistent with this Section 10.8; provided, however, that the Purchase Price for any Class D or Class E Membership Interest shall be paid all in cash at the Closing.

Class E Redemption Price means the Class E Original Capital amount plus the Class E Return (but only to the extent of all Profits and unrealized appreciation of the Company's assets, as determined in good faith by the Class E Members) less any amounts actually distributed to the Class E members prior to such date.

Class D Redemption Price is the greater of (i) New Class D Original Capital amount plus the Class D Return (calculated by using the New Class D Original Amount after the Initial Conversion Date) (but only to the extent of all Profits and unrealized appreciation of the Company's assets, after allocation to the Class E Return, as determined in good faith by the Class D Members) less any amounts which would be distributed to the Class D Members prior to such date and (ii) such amounts which would be distributed in respect of such Membership Interest assuming the Company had available an amount equal to the Assumed Residual Value plus all New Class A, C, D and E Preference Amounts then outstanding (assuming a distribution of such amount to all Members in accordance with Section 5.2(b) and/or (c) hereof).

10.9 Termination of Marriage. Each of the Members agree that if a final order, judgment, or decree of a domestic or foreign court of competent jurisdiction, (an "Order") is entered in connection with or arises out of any action for the annulment of, dissolution of, declaration of nullity of, or separation or divorce with respect to, the marriage of such Member of any division of the property between such Member and their spouse then such Member shall offer to sell to the Company, within five (5) days of the entry of the Order, all of the Membership Interest in the Company so directed to be transferred, and the Company shall have the option but, not the obligation, to purchase all of such Membership Interest in the Company for its full Fair Market Value (or in the case of a Class D or E Membership Interest, for its full Net Equity Value) or, at the Company's option, will pay ten percent (10%) at the Closing and the balance in five (5) equal consecutive annual payments beginning on the first anniversary of the closing together with annual interest at the lowest applicable federal rate then in effect, all as evidenced by the execution and delivery to the former spouse of a promissory note substantially consistent with this Section 10.10. Each such offer shall include a copy of the Order as entered together with any findings or stipulations relating thereto.

10.10 Sale Upon Insolvency. Each Member agrees that upon the occurrence of any of the following events: (a) such Member's adjudication as a bankrupt, (b) institution by or against such Member of a petition for arrangement or any other type of insolvency proceeding under any bankruptcy law or otherwise, (c) such Member's making of a general assignment for the benefit of such Member's creditors, (d) the appointment of a receiver or trustee in bankruptcy of such Member for any of such Member's assets or (e) the taking, making or institution of any like or similar act or proceeding involving such Member; and in the event such adjudication, institution, making, appointment or like or similar act or proceeding shall not be cured or rescinded within sixty (60) days, then, at the end of such sixty (60) day period, such Member or such Member's successor or successors in interest shall offer to sell to the Company, and the Company shall have the option but, not the obligation to purchase all, but not less than all, of such Member's Membership Interest for its full fair Market Value (or in the case of a Class D or E Membership Interest, for its full Net Equity Value) or, at the Company's option, will pay ten percent (10%) at the closing and the balance in five (5) equal consecutive annual payments beginning on the first anniversary of the closing together with annual interest at the lowest applicable federal rate then in effect, all as evidenced by the execution and delivery to the insolvent Member of a promissory note substantially consistent with this Section 10.10.

10.11 Special Provisions Relating to Class E Members.

Conversion. The Class E Member shall have the right, at any time to convert its interest in the Company to a Class D Membership Interest by delivery of a Conversion Notice to the Company. In the event of delivery of such Conversion Notice, the Class E Original Capital shall become Class D Original Capital and shall thereafter receive allocations and distributions as a Class D Member. In addition, the Class E Member shall receive an Economic Interest Percentage, which shall be computed as follows:

(i) The excess of the Class E Preference Amount as of the date of delivery of the Notice of Conversion over the Class E Original Capital shall be divided by the Net Equity Value of the Company as of the date of delivery of the Notice of Conversion.

(ii) The result computed in (i) shall be compared to the total Economic Interest Percentage of the Class A and Class B Members and the lesser of (x) the amount computed in (i) or (y) the total Economic Interest Percentage of the Class A and Class B Members as of the delivery of the Conversion Notice, shall be the Economic Interest Percentage assigned to the Class E Member with respect to its converted interest.

In the event of conversion, the Economic Interest Percentage of the Class A and Class B Members shall be reduced proportionately by the amount assigned to the converted interest of the Class E Member. The provisions of this Section 10.11 shall be of no further force and effect on and after the Initial Conversion Date.

10.12 Tag Along.

(a) If those Members holding a majority of the Economic Interest Percentages of all Members propose to sell their entire Membership Interests in the Company (or if the Class A Members propose to sell a majority of their Membership Interests) to an unrelated third party, and such sale is otherwise permitted under the terms of this Agreement, they shall so notify the Manager and the other Members (specifying the identity of the prospective purchaser, the proposed purchase price, the date of the closing, and all other relevant information) and each of the other Members may elect, by notice to the Manager given within 10 days from the date of the notice from the selling Member(s), to sell their entire Membership Interests in the Company, and if any other Member so elects, the Manager shall cause the proposed purchaser to purchase the Interest from that Member, simultaneously with the sale by the selling Members, at the same price and on the same terms.

(b) If any Member proposes to sell any portion of their Membership Interests in the Company to an unrelated third party, and such sale is otherwise permitted under the terms of this Agreement, it shall notify the Manager and the other Members as provided in (a) above, and the Class D Members may elect, by notice as provided in (a) above, to sell a proportionate amount of their Membership Interests in the Company, and if any such Class D Member so elects, the Manager shall cause the proposed purchaser to purchase the Interest from that Class D Member, simultaneously with the sale of the Selling Member, at the same price and on the same terms.

No sale with the prospective purchaser may be consummated by any Member unless the provisions of this Section are complied with.

10.13 Conversion.

(a) Initial Conversion Date. On the Initial Conversion Date, without any action by any Member or holder of the Convertible Notes, the following shall occur:

(i) all Class E Membership Interests shall convert into Class D Membership Interests (but such conversion shall not be pursuant to Section 10.11) and the New Class D Original Capital shall be determined in accordance with its definition; and

(ii) to the extent the Economic Interest Percentage of Mercury Capital Partners, L.P. would not exceed 49.9% as a result of such conversion (and after taking into account the conversion of the Class E Membership Interests and the Special Advisor Amount as well as the Class D Membership Interests), the Convertible Notes shall be converted on a dollar for dollar basis into New Class D Original Capital, with accrued interest on the Convertible Notes being converted first and then principal (to the extent conversion of any interest or principal would result in an Economic Interest Percentage in excess of 49.9%, then such interest or principal shall not be converted into Class D Membership Interests and shall remain as an unconverted portion of the Convertible Notes).

(b) Final Conversion Date. On the Final Conversion Date, without any action by the holder of the Convertible Notes, any portion of the Convertible Notes which was not converted on the Initial Conversion Date and accrued interest thereon shall be converted on a dollar for dollar basis into New Class D Original Capital.

(c) Calculation of Economic Interest Percentages. On each of the Initial Conversion Date and the Final Conversion Date, the Manager and Mercury Capital Partners, L.P. shall agree upon the new Economic Interest Percentages for each of the Members based upon the new original capital of each such Member divided by the aggregate new original capital for all Class A, Class B, Class C, and Class D Members, and new Economic Interest Percentages shall be reflected in Schedule I.

10.14 Mandatory Sale. At any time that Mercury Capital Partners, L.P. owns Membership Interests and/or the Convertible Notes which together represent ownership on an as converted basis of an Economic Interest Percentage of at least 50% (before giving effect to the Additional Economic Interest Percentage granted to the Class A Members pursuant to Section 8.1(c)), Mercury Capital Partners, L.P. can require (i) the Company to accept a bona fide offer from a third party to purchase any or all of the assets of the Company and (ii) the Members to accept the sale of all or a majority of their Membership Interests pursuant to a bona fide offer from a third party. In the event of any such proposed sale, the Company, its subsidiaries, each member of the Board of Members and each Member shall be obligated to promptly take or cause to be taken all such reasonable actions as may be necessary or desirable in order to expeditiously consummate each such transaction and any related transactions, including, without limitation:

executing, acknowledging and delivering consents, agreements, assignments, waivers and other documents or instruments; furnishing information and copies of documents; filing applications, reports, returns, filings and other documents or instruments with governmental authorities; and otherwise cooperating with the Company, its subsidiaries, the Board of Members, the Manager, the Members and the prospective buyer(s). In any sale involving Membership Interests, the aggregate purchase price for such Membership Interests shall be allocated among the Members based on a calculation of what such price would be for 100% of the Economic Interest Percentage and treating such amount as an amount available for distribution to Members pursuant to Section 5.2(b) and each Member shall receive for his Membership Interests the amount he would have received in such distribution (as reduced pro rata in the case of a sale of less than 100% of the Membership Interests).

10.15 Transfer between Members.

(a) Initial Conversion Date. On the Initial Conversion Date, the following shall occur without any action by the Class A Members or the Class B Members:

(i) each Class A Member shall have an equal Economic Interest Percentage with the aggregate of such Economic Interest Percentage being equal to the aggregate Economic Interest Percentage of all Class A Members as of the date hereof (prior to the application of Section 10.13(c)); and

(ii) Jason H. Arnold shall be the sole Class B Member with an Economic Interest Percentage equal to the aggregate Economic Interest Percentage of all Class B Members as of the date hereof (prior to the application of Section 10.13(c)).

(b) Calculation of Economic Interest Percentages. On the Initial Conversion Date, the Manager and Mercury Capital Partners, L.P. shall agree upon the new Economic Interest Percentages for each of the Members consistent with Section 10.13 and this Section 10.15, and the new Economic Interest Percentages shall be reflected in Schedule I.

ARTICLE 11

DISSOLUTION

11.1 Events of Dissolution. The Company shall dissolve and its affairs shall be wound up upon the first to occur of the following (provided, however, that the Company cannot be dissolved until the Class E and Class D Preferred Amounts, if any, has been paid):

(a) the removal, withdrawal, resignation, liquidation, dissolution, Bankruptcy, death or incapacity (an "Event of Withdrawal") of the Manager (subject to the right to continue the Company pursuant to this Section 11.1);

(b) the sale, exchange or other disposition by the Company of all or substantially all of the Company's assets; or

(c) at any time, with the approval or written consent of the Class A Members whose Voting Interest Percentages aggregate at least sixty-four percent (64%);

(d) provided, however, that upon the occurrence of an Event of Withdrawal of the Manager, the Company shall not be dissolved if (1) at the time of such Event of Withdrawal there is at least one remaining Manager and such Manager continues to carry on the business of the Company, or (2) within ninety (90) days after such Event of Withdrawal, Class A Members whose Voting Interest Percentages aggregate at least sixty-four percent (64%) agree in writing to continue the Company and to elect one or more successor Managers, effective as of the occurrence of such Event of Withdrawal (the "Continuation").

11.2 Final Accounting. Upon the dissolution of the Company and the failure to continue or reconstitute the Company as provided in Section 11.1, a proper accounting shall be made from the date of the last previous accounting to the date of dissolution.

11.3 Liquidation. Upon the dissolution of the Company and the failure to continue or reconstitute the Company as provided in Section 11.1, the Manager or, if there is no Manager, a person selected by the Class A Members whose Voting Interest Percentages aggregate more than sixty-four percent (64%), shall act as liquidator to wind up the affairs of the Company. The liquidator shall have full power and authority to sell, assign and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner. All proceeds from liquidation shall be distributed in the following order of priority: (a) to the payment of the debts and liabilities of the Company and expenses of liquidation, (b) to the setting up of such reserves as the liquidator may reasonably deem necessary for any contingent liability of the Company, and (c) the balance to the Members in accordance with Section 5.2(c).

11.4 Distribution in Kind. If the liquidator shall determine that a portion of the Company's assets should be distributed in kind to the Members, such distribution shall be made pursuant to Section 5.3 of this Agreement.

11.5 Cancellation of Articles. Upon the completion of the distribution of Company assets as provided in Section 11.3 and 11.4, the Company shall be terminated and the person acting as liquidator shall cause the cancellation of the Certificate and shall take such other actions as may be necessary or appropriate to terminate the Company.

ARTICLE 12

AMENDMENTS TO AGREEMENTS

Amendments to this Agreement that are of an inconsequential nature (as reasonably determined by the Board of Members) and do not affect the rights of the Members in any material respect, or that are contemplated by this Agreement (including, without limitation, those contemplated by Article 10) may be made by the Board of Members. Any other amendments must be made only upon the unanimous approval or written consent of the Class A Members. Notwithstanding anything to the contrary and except where approval of the Members is specifically provided for elsewhere in this Agreement (including, without limitation, in Sections 6.3 and 11.1), without the approval or written consent of each of the Members, no amendment will cause the Company to become a general partnership, alter the liability of any Member, change the Fiscal Year of the Company or alter any Member's Economic Interest in profits and losses or distributions or alter the provisions of this Article. The Manager will give written notice, in accordance with Section 14.1, to all Members promptly after any amendment has become effective, other than amendments solely for the purposes of the admission of substitute Members.

ARTICLE 13

MEETINGS OF MEMBERS AND OF THE BOARD OF MEMBERS

13.1 **Meetings**. Meetings of the Members or of the Board of Members, for any purpose, may be called by the Manager and must be called by the Manager upon receipt of a request in writing signed by any Member. The request shall state the purpose or purposes of the proposed meeting and the business to be transacted. The meetings will be held at the principal office of the Company, or at another place as may be designated by the Manager. Notice of any meeting will be delivered to all Members or the Board of Members, as applicable, in the manner prescribed in Article 14 within ten (10) days after receipt of the request and not fewer than fifteen (15) days nor more than sixty (60) days before the date of the meeting. The notice will state the place, date, hour and purpose or purposes of the meeting. At each meeting of the Members or the Board of Members, the Members present or represented by proxy will adopt such rules for the conduct of such meeting as they deem appropriate. The expenses of any meeting, including the cost of providing notice thereof, will be borne by the Company. The Special Advisor shall receive notice delivered in accordance with the terms of this section 13.1 of all meetings of the Board of Members.

13.2 **Proxy**. Each Member may authorize any person or persons to act for him or her by proxy in all matters in which a Member is entitled to participate, including at meetings of the Board of Members. Every proxy must be signed by the Member or his or her attorney in fact. No proxy will be valid after the expiration of six (6) months from its date. Every proxy will be revocable by the Member executing it.

13.3 Written Consents. Whenever Members are required or permitted to take any action by vote or at a meeting, including at meetings of the Board of Members, that action may be taken without a meeting, without prior notice and without a vote, if a written consent setting forth the action so taken is signed by the Members whose Voting Interest Percentages aggregate at least the minimum level that would be necessary to authorize or take the action by vote or at a meeting. Notice of any action so taken by written consent will be given by the Manager to all Members or the Members of the Board of Members who have not so consented, in the manner prescribed in Article 14, promptly after the taking of the action.

13.4 Manner of Acting. The vote or written consent of Members whose Voting Interest Percentages aggregate more than fifty percent (50%) (whether or not such Members are acting in the context of a meeting of the Board of Members) will be the act of the Members, unless the vote of a greater or lesser proportion or number of the Members or a class of Members is otherwise required by the Delaware Limited Liability Company Law, the Certificate of Formation or this Agreement.

ARTICLE 14

NOTICES

14.1 Method for Notices. Unless otherwise provided in this Agreement, any notice to be given hereunder shall be in writing and (a) delivered personally (to be effective when so delivered), (b) mailed by Registered or Certified mail, return receipt requested (to be effective four (4) days after the date it is mailed), (c) sent by Federal Express or other overnight courier service (to be effective when received by the addressee) or (d) sent by facsimile transmission (to be effective upon receipt by the sender of electronic confirmation of the delivery of the facsimile provided that a copy is mailed by way of one of the above methods), to the following addresses and telecopy numbers (or to such other addresses or telecopy numbers which any party shall designate in writing to the other parties):

If to the Company:

Kevin T. Lilly
Lilly Broadcasting Holdings, LLC
2 Eastleigh Lane
Natick, MA 0160-4275

With a copy to:

Pamela Davis Heilman, Esq.
Hodgson, Russ, Andrews, Woods & Goodyear, LLP
One M&T Plaza, Suite 2000
Buffalo, New York 14203-2391
Telecopier: (716) 849-0349

If to the Members:

To the address set forth for each of them on Schedule I.

14.2 Routine Communications. Notwithstanding the provisions of Section 14.1, routine communications, such as distribution of checks or financial statements of the Company, may be sent by first-class mail, postage prepaid.

14.3 Computation of Time. In computing any period under this Agreement, the day of the act, event or default from which the designated period begins to run is not included. The last day of the period so computed is included, unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day that is not a Saturday, Sunday or legal holiday.

ARTICLE 15

GENERAL PROVISIONS

15.1 Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter, and supersedes any prior agreement or understanding among the parties with respect to the subject matter.

15.2 Waiver. Except as provided otherwise in this Agreement, no rights of any Member hereunder may be waived except by an instrument in writing signed by the party sought to be charged with such waiver.

15.3 Governing Law. This Agreement must be construed in accordance with and governed by the laws of the State of Delaware, without giving effect to the provisions, policies or principles of those laws relating to choice or conflict of laws.

15.4 Binding Effect. Except as provided otherwise in this Agreement, this Agreement is binding upon and inures to the benefit of the parties to it and to their respective legal representatives, heirs, successors and assigns.

15.5 Counterparts. This Agreement may be executed either directly or by an attorney-in-fact, in any number of counterparts of the signature pages, each of which will be considered an original.

15.6 Separability. Any provision that is prohibited or unenforceable in any jurisdiction, as to such jurisdiction, will be ineffective to the extent of the prohibition or unenforceability, without invalidating the remaining portions or affecting the validity or enforceability of the provision in any other jurisdiction.

15.7 Headings. The section and other headings in this Agreement are for reference purposes only and do not affect the meaning or interpretation.

15.8 Waiver of Partition. Each Member irrevocably waives, during the term of the Company, any right that he or she may have to maintain any action for partition with respect to any Company property.

15.9 Taxable Year. The Company elects the calendar year as its taxable year for federal income tax purposes. Each Member acquiring an interest of five percent (5%) or more in Company capital or Profits must have elected properly to use the calendar year as his or her taxable year for federal income tax purposes unless this requirement is waived by the Manager in his sole discretion. The Manager will not waive this requirement without first obtaining an opinion of counsel that the admission of that Member would not jeopardize the Company's ability to use the calendar year as its taxable year for federal income tax purposes.

IN WITNESS WHEREOF the parties have executed this Agreement, to be effective as of the day and year first above written.

Manager:

Dated:_____ _____
Kevin T. Lilly

Class A Members:

Dated:_____ _____
Kevin T. Lilly

Dated:_____ _____
Nicholas B. White

Dated:_____ _____
Brian M. Lilly

Class B Members:

Dated:_____ _____
Jason H. Arnold

Dated:_____ _____
Beverly Myer

Class C Members:

Dated:_____ _____
Kevin T. Lilly

Dated:_____ _____
Nicholas B. White

Dated:_____ _____
Brian M. Lilly

Dated:_____ _____
David Laub

Dated:_____ _____
John S. Khodarahmi

Prescient Trust

Dated:_____ By:_____
Eric Mathewson,
Trustee

Dated:_____ _____
Alf Nucifora

Dated:_____ _____
Cynthia F. McVay

Dated:_____ _____
William M. Spell

Estate of Ruth W. Shaughnessy

Dated:_____ By:_____
Richard Shaughnessy,
Executor

Class C Members continued:

Dated:_____ _____
Daniel K. Shaughnessy

Dated:_____ _____
Susan K. Shaughnessy

Class D Members:

Mercury Capital Partners, L.P.

By: Mercury Capital GP, L.P.
its General Partner

Dated:_____ By:_____
Charles W. Banta,
President
Mercury GP, Inc.
its General Partner

Class E Members:

Mercury Capital Partners, L.P.

By: Mercury Capital GP, L.P.
its General Partner

Dated:_____ By:_____
Charles W. Banta,
President
Mercury GP, Inc.
its General Partner

Special Advisor:

Mercury Capital Partners, L.P.

By: Mercury Capital GP, L.P.
its General Partner

Dated:_____ By:_____
Charles W. Banta,
President
Mercury GP, Inc.
its General Partner

LILLY BROADCASTING HOLDINGS, LLC August 8, 2001
SCHEDULE I

MEMBERS NAME AND ADDRESS	CAPITAL CONTRIBUTION	VOTING INTEREST PERCENTAGE	ECONOMIC INTEREST PERCENTAGE
Class A Members:			
Kevin T. Lilly 2 Eastleigh Lane Natick, MA 01760-4275	$0	35%	20.2296%
Nicholas B. White 153 17th Street Atlanta, GA 30309	$0	35%	20.2296%
Brian M. Lilly 633 Picacho Lane Monticeto, CA 93108	$0	30%	12.1408%
		100%	*Total A:52.6%*
Class B Members:			
Jason H. Arnold 113 Homestead Road Ithaca, NY 14850	$0	0%	2%
Beverly Myer 474 Old Ithaca Road Horseheads, NY 14845	$0	0%	0.5%
			Total B: 2.5%
Class C Members:			
Kevin T. Lilly 2 Eastleigh Lane Natick, MA 01760-4275	$100,000	0%	3.2%
Nicholas B. White 153 17th Street Atlanta, GA 30309	$100,000	0%	3.2%
Brian M. Lilly 633 Picacho Lane Monticeto, CA 93108	$60,000	0%	1.92%

David Laub 60 East 8th Street Apt 12E New York City, NY 14845	$50,000	0%	1.6%
John S. Khodarahmi 1901 Chestnut Street, Apt. 1 San Francisco, CA 94123	$75,000	0%	2.4%
Prescient Capital 535 Pacific Avenue, 4th Floor San Francisco, CA 94133	$250,000	0%	8.0%
Alf Nucifora 6520 Powers Ferry Road Suite 300 Atlanta, GA 30339	$50,000	0%	1.6%
Cynthia F. McVay 3041 Brightwood Lane Marietta, GA 30067	$50,000	0%	1.6%
William M. Spell 892 Fox Hollow Parkway Marietta, GA 30068	$50,000	0%	1.6%
Estate of Ruth W. Shaughnessy 203 Portside Buffalo, NY 14202	$100,000	0%	3.2%
Daniel K. Shaughnessy 3320 Winsor Lake Drive Atlanta, GA 30319	$50,000	0%	1.6%
Susan K. Shaughnessy 88 Lexington Ave., #15e New York City, NY 10010	$50,000	0%	1.6%
			Total C: 31.5%
Class D			
Mercury Capital Partners, L.P. 220 Northpointe Parkway Suite D Amherst, New York 14228	$325,000	0%	10.4%
			Total D: 10.4%

Class E			
Mercury Capital Partners, L.P. 220 Northpointe Parkway Suite D Amherst, New York 14228	$1,500,000	0%	0%
Special Advisor 220 Northpointe Parkway Suite D Amherst, New York 14228	$0	0%	3%
Total	$2,810,000	100%	100%