

CONVERGENT BROADCASTING, LLC

**Amended and Restated
Operating Agreement**

Dated as of

January 12, 2004

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CONVERGENT BROADCASTING, LLC

Amended and Restated Operating Agreement

This Amended and Restated Operating Agreement (this "Agreement") is made as of January 9, 2004, by and among the persons identified as the Members on Schedule A-1 attached hereto (such persons and their respective successors in interest being hereinafter referred to individually as a "Member" or collectively as the "Members").

WHEREAS, Convergent Broadcasting, LLC (the "LLC") was formed as a limited liability company under the Delaware Limited Liability Company Act (as amended from time to time, the "Act") on April 19, 2002 (initially under the name Perry Acquisition LLC, which name was changed by an amendment filed on July 11, 2002) and was previously subject to an Operating Agreement dated as of November 19, 2002 as amended by a First Amendment to Operating Agreement dated October 31, 2003 (as so amended, the "Original Agreement");

WHEREAS, pursuant to a Securities Purchase Agreement, dated the date hereof (the "BIA Purchase Agreement"), the LLC and certain of its subsidiaries have agreed to issue to BIA Digital Partners, LP ("BIA") certain promissory notes, including a Tranche A Promissory Note in the original principal amount of \$3,500,000 (the "BIA Tranche A Note") and a Tranche B Promissory Note in the original principal amount of \$2,000,000 (the "BIA Tranche B Note") and the LLC has agreed to issue to BIA a warrant (together with any warrants issued in substitution thereof or in replacement therefor, the "BIA Warrants") to purchase Class C Profits Points as defined and more fully set forth herein; and

WHEREAS, the Members desire to enter into this Agreement in order to create the Class C Profits Points, amend and restate the number of Class B Profits Points outstanding, admit BIA as a Member and amend and restate the Original Agreement and govern the operations of the LLC and the rights and obligations of the Members.

NOW, THEREFORE, in consideration of the mutual covenants expressed herein, the parties hereby agree as follows:

ARTICLE I

Organization -and Powers

1.01 Organization. The LLC has been formed by the filing of its Certificate of Formation with the Delaware Secretary of State pursuant to the Act. The registered agent and registered office of the LLC in Delaware shall initially be The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. The Certificate of Formation may be restated by an Executive Officer (as defined in Section 4.03), with the approval of the Board of Directors of the LLC (the "Board"), as provided in the Act or amended by an Executive Officer with respect to the address of the registered office of the LLC in Delaware and the name and address of its registered agent in Delaware or to make corrections required by the Act. Other additions to or amendments of the Certificate of Formation shall be authorized as provided in this Agreement. The Certificate of Formation as so amended from time to time, is referred to herein as the "Certificate." The Executive Officers (as defined in Section 4.03) shall deliver a copy of the Certificate and any amendment thereto to any Member who so requests.

1.02 Purposes and Powers. The principal business activity and purpose of the LLC shall initially be to acquire and operate radio stations (each, an "Investment" and, collectively, "Investments"), either directly or through one or more subsidiary limited liability companies or limited partnerships (each

a “Subsidiary” and collectively, the “Subsidiaries”), and any business related thereto or useful in connection therewith. The LLC shall have authority to engage in any other lawful business, purpose or activity permitted by the Act, and it shall possess and may exercise all of the powers and privileges granted by the Act or which may be exercised by any person, together with any powers incidental thereto, so far as such powers or privileges are necessary or convenient to the conduct, promotion or attainment of the business purposes or activities of the LLC, including without limitation the following powers:

(a) to conduct its business and operations in any state, territory or possession of the United States or in any foreign country or jurisdiction;

(b) to purchase, receive, take, lease or otherwise acquire, own, hold, improve, maintain, use or otherwise deal in and with, sell, convey, lease, exchange, transfer or otherwise dispose of, mortgage, pledge, encumber or create a security interest in all or any of its real or personal property, or any interest therein, wherever situated;

(c) to borrow or lend money or obtain or extend credit and other financial accommodations, to invest and reinvest its funds in any type of security or obligation of or interest in any public, private or governmental entity, and to give and receive interests in real and personal property as security for the payment of funds so borrowed, loaned or invested;

(d) to make contracts, including contracts of insurance, incur liabilities and give guaranties, whether or not such guaranties are in furtherance of the business and purposes of the LLC, including without limitation, guaranties of obligations of other persons who are interested in the LLC or in whom the LLC has an interest;

(e) to appoint one or more managers of the LLC, to employ officers, employees, agents and other persons, to fix the compensation and define the duties and obligations of such personnel, to establish and carry out retirement, incentive and benefit plans for such personnel, and to indemnify such personnel to the extent permitted by this Agreement and the Act;

(f) to institute, prosecute, and defend any legal action or arbitration proceeding involving the LLC, and to pay, adjust, compromise, settle, or refer to arbitration any claim by or against the LLC or any of its assets; and

(g) to act as manager or general partner of its Subsidiaries and to cause any or all of its Subsidiaries to exercise any or all of the foregoing powers.

1.03 *Principal Place of Business.* The principal office and place of business of the LLC shall be 1766 Washington Avenue, Portland, ME 04103-1624. The Board may change the principal office or place of business of the LLC at any time and may cause the LLC to establish other offices or places of business in various jurisdictions and appoint agents for service of process in such jurisdictions.

1.04 *Fiscal Year.* The fiscal year of the LLC shall be the calendar year or such other fiscal year as may be designated by the Board or required under the Internal Revenue Code of 1986, as amended (the “Code”), or the Treasury regulations promulgated thereunder.

1.05 *Qualification in Other Jurisdictions.* The Executive Officers shall cause the LLC to be qualified or registered under applicable laws of any jurisdiction in which the LLC transacts business and shall be authorized to execute, deliver and file any certificates and documents necessary to effect such

qualification or registration, including without limitation, the appointment of agents for service of process in such jurisdictions.

ARTICLE II

Members

2.01 *Members.* The current Members of the LLC and their addresses are listed on Schedule A-1 and said schedule shall be amended from time to time by the Executive Officers to reflect the withdrawal of Members and the admission of additional Members pursuant to this Agreement. The Members shall constitute a single class or group of members of the LLC for all purposes of the Act, unless otherwise explicitly provided herein. The Executive Officers shall notify the Members of changes in Schedule A-1, which shall constitute the record list of the Members for all purposes of this Agreement.

2.02 *Membership Interests.*

(a) In General. Each Member shall have a “Membership Interest” in the LLC, which shall consist of such Member’s entire ownership interest in the LLC, including all preferences, benefits and powers to which the owner of such Membership Interest is entitled relative thereto under this Agreement and applicable law, together with all limitations, duties and obligations of such Member relative thereto under this Agreement and applicable law, which interests are subject to adjustment as new Members are admitted to the LLC, as Members withdraw from the LLC, as Members make additional Capital Contributions (as defined in Section 7.02), and as unvested Profits Points vest in accordance with the terms on which they were issued and as otherwise provided herein. Such Membership Interests shall be deemed to be personal property giving only the rights provided by this Agreement and under applicable law. Every Member by virtue of having become a Member shall be held to have expressly assented and agreed to the terms hereof and to have become a party hereto. Ownership of a Membership Interest shall not entitle a member to any title in or to the whole or any part of the property of the LLC or right to call for a partition or division of the same or for an accounting, except as provided herein.

(b) Classification of Interests. A Member’s Membership Interest shall be comprised of one or more classes of equity, voting or other beneficial ownership interests that may from time to time be issued by the LLC, including securities exercisable for or convertible into any of the foregoing (collectively, “LLC Interests”). As of the date hereof, the LLC shall have the following classes of LLC Interests:

(i) “Preferred Interests” which, for any Member holding a Preferred Interest, shall be comprised of such Member’s Unreturned Contributions (as defined in Section 8.01(d)) and right to receive Unpaid Preferred Returns, if any, and the rights, privileges, preferences, benefits, powers, limitations, duties and obligations provided in this Agreement in respect thereof and under applicable law (including that Member’s Capital Account that relates or is attributable thereto); and

(ii) “Class A Profits Points,” “Class B Profits Points,” and “Class C Profits Points” (collectively, the “Common Profits Points”), which confer the respective rights, privileges, preferences, benefits, powers, limitations, duties and obligations provided in this Agreement in respect thereof (including that Member’s Capital Account that relates or is attributable thereto). The Class A Profits Points, Class B Profits Points and C Profits Points are

intended to be “profits interests” within the meaning of Section 2.02 of Rev. Proc. 93-27 at the time of their issue on the date of this Agreement. The LLC believes that, as of the date of this Agreement, the fair value of the assets and properties of the LLC does not exceed the sum of the outstanding indebtedness of the LLC together with the aggregate Unreturned Contributions and Unpaid Preferred Returns.

(c) Treatment of Notes and Note Holders. The LLC previously issued Convertible Subordinated Promissory Notes of the LLC (each a “Note” and collectively the “Notes”). The holders of the Notes (each a “Note Holder” and collectively the “Note Holders”) are set forth on Schedule A-2. The LLC and each Note Holder have entered into a Note Conversion Agreement, dated the date hereof (the “Note Conversion Agreement”), pursuant to which each Note Holder has agreed to convert all of its Notes into a Membership Interest that include the Preferred Interest and Class A Profits Points set forth opposite such Note Holder’s name on Schedules A-1 and A-2, subject only to approval by the FCC of such conversion. In connection therewith, each Note Holder has executed this Agreement and will be automatically admitted as a Member upon the effectiveness of the conversion of the Notes pursuant to the Note Conversion Agreement. For purposes of Schedule A-1 and the distribution provisions of this Agreement, each Note Holder will be treated as if such Note Holder had made Capital Contributions as of the dates, and in the amounts set forth on Schedule A-2, and received Distributions (as defined in Section 8.01(c)) equal to the amount of any interest or principal repaid on such Note as set forth on Schedule A-2. At any time the vote, approval or consent of the holders of the Preferred Interests, the Class A Profits Points or a Voting Majority is required hereunder and for purposes of Section 7.04, Article IX and Section 11.04, at any time prior to the Conversion Effective Date (as defined in the Note Conversion Agreement), such Note Holder shall be deemed to be a Member holding the Preferred Interest and Class A Profits Points into which such Note Holder’s Notes will be converted on the Conversion Effective Date.

(d) Treatment of Warrants and Warrant Holders. Each holder of any BIA Warrant (each, a “Warrant Holder”) shall be automatically admitted as a Member upon exercise thereof and delivery of an executed joinder or counterpart signature page to this Agreement. At any time the vote, approval or consent of the holders of the Class C Profits Points is required hereunder and for purposes of Section 7.04, Article IX and Section 11.04, at all times prior to exercise in full of all BIA Warrants, each Warrant Holder shall be deemed to be a Member, holding the Membership Interest and the Class C Profits Points for which such Warrant Holder’s BIA Warrant could then be exercised. The holders of the BIA Warrants, and the number of Class C Profits Points into which such BIA Warrants are exercisable, are set forth on Schedule A-2.

2.03 Admission of New Members.

(a) Generally. Subject to Section 7.04, the LLC, at the direction of the Board, is authorized to offer and sell, or cause to be offered and sold, additional LLC Interests and to exchange or cause to be exchanged additional LLC Interests for securities or other property both in accordance with the provisions hereof and to admit additional persons to the LLC as Members who may participate in the profits, losses, Distributions, and allocations of the LLC upon such terms as are reasonably established by the Board, which may include the establishment of classes or groups of one or more Members having different relative rights, powers and duties, including without limitation, rights and powers that are superior to those of existing Members, or the right to vote as a separate class or group on specified matters, by amendment of this Agreement under Section 11.04. The Board may establish eligibility

requirements for admission of a subscriber as a Member and refuse to admit any subscriber that fails to satisfy such eligibility requirements. New Members shall be admitted at the time when all conditions to their admission have been satisfied, as determined by the Board, and their identity and LLC Interests (including their Capital Contributions, if any) have been established by amendment of Schedule A-1.

(b) Admission of BIA Warrant Holders; Class C Transferees.

Notwithstanding anything herein to the contrary, each transferee of Class C Profits Points shall be automatically admitted as a substituted Member upon delivery to the LLC of (A) written notice to the LLC of such transfer and (B) an executed joinder or counterpart signature page to this Agreement.

(c) Valuation. In the event the Board proposes a valuation of the LLC for purposes of admitting new Members, such valuation shall be determined as if the LLC and its Subsidiaries sold all of their assets for cash at current fair market value, as reasonably determined by the Board, in compliance with this Section 2.03(c). If the LLC proposes to issue additional LLC Interests, or any security convertible into or exercisable for LLC Interests, to raise capital in order to (i) complete an acquisition (or to enable a Subsidiary to complete an acquisition) or (ii) to make a capital expenditure that requires at least \$ 100,000 of new capital, such fair market value determination shall be approved by a majority of the Board, which majority must include either Bruce Biette or George Silverman, so long as either of them continues to be a Director. Such fair market value determination in connection with the issuance of additional LLC Interests for any other purpose shall be approved by the Board as provided in Section 3.03(b).

2.04 Action By Members. No annual meeting of Members is required to be held. Any action required or permitted to be taken at any meeting of Members may be taken without a meeting if one or more written consents to such action shall be signed by the Members holding the amount of Class A Profits Points required in this Agreement or under applicable law to approve the action being taken. Such written consents shall be delivered to the Executive Officers at the principal office of the LLC and, unless otherwise specified, shall be effective on the date when the first consent is so delivered. The Executive Officers shall give prompt notice to all Members who did not consent to any action taken by written consent of Members without a meeting.

2.05 Voting Rights. Unless otherwise required by the Act or specified elsewhere in this Agreement, all actions, approvals and consents to be taken or given by the Members under the Act, this Agreement or otherwise shall require the affirmative vote or the written consent of the Members holding at least fifty-one percent (51%) (a "Majority Vote") of the Class A Profits Points, except that with respect to any action that benefits a particular Member (such as the admission of the transferee of a Member's interest in the LLC as a substituted Member), that Member's Class A Profits Points shall not be included.

2.06 Limitation of Liability of Members. Except as otherwise provided in the Act, no Member of the LLC shall be obligated personally for any debt, obligation or liability of the LLC or of any other Member, whether arising in contract, tort or otherwise, solely by reason of being a Member of the LLC. Except as otherwise provided in the Act, by law or expressly in this Agreement, no Member shall have any fiduciary or other duty to another Member with respect to the business and affairs of the LLC, and no Member shall be liable to the LLC or any other Member for acting in good faith reliance upon the provisions of this Agreement. No Member shall have any responsibility to restore any negative balance in its Capital Account (as defined in Section 7.01) or to contribute to or in respect of the liabilities or obligations of the LLC or Distributions made by the LLC except as required by the Act or other applicable law. The failure of the LLC to observe any formalities or requirements relating to the exercise

of its powers or the management of its business or affairs under this Agreement or the Act shall not be grounds for making its Members, Directors, Manager, or Officers responsible for any liability of the LLC.

2.07 Authority. Unless specifically authorized by the Board, no Member that is not an Executive Officer shall be an agent of the LLC or have any right, power or authority to act for or to bind the LLC or to undertake or assume any obligation or responsibility of the LLC or of any other Member.

2.08 No Right to Withdraw. Except as otherwise expressly set forth in this Agreement, no Member shall have any right to resign or withdraw from the LLC without the consent of the Board and other Members. No Member shall have any right to receive any Distribution or the repayment of its Capital Contribution, except as expressly provided in this Agreement.

2.09 Rights to Information. Members shall have the right to receive from the Executive Officers upon request a copy of the Certificate and of this Agreement, as amended from time to time, and such other information regarding the LLC as is required by the Act, subject to reasonable conditions and standards established by the Board or Executive Officers as permitted by the Act, which may include, without limitation, withholding of, or restrictions on, the use of confidential information; provided, that the foregoing shall not limit the rights of any Member as may be set forth in any contract between such Member and the LLC.

2.10 No Appraisal Rights. No Member shall have any right to have its interest in the LLC appraised and paid out under the circumstances provided in Section 18-210 of the Act, or under any other circumstances.

2.11 Compliance with Securities Laws and Other Laws and Obligations. Each Member hereby represents and warrants to the LLC and acknowledges that (a) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the LLC and making an informed investment decision with respect thereto, (b) it is able to bear the economic and financial risk of an investment in the LLC for an indefinite period of time and understands that it has no right to withdraw and have its interest repurchased by the LLC, (c) it is acquiring an interest in the LLC for investment only and not with a view to, or for resale in connection with, any distribution to the public or public offering thereof, (d) it understands that the equity interests in the LLC have not been registered under the securities laws of any jurisdiction and cannot be disposed of unless they are subsequently registered and/or qualified under applicable securities laws and the provisions of this Agreement have been complied with, and (e) if it is an entity, the execution, delivery and performance of this Agreement do not require it to obtain any consent or approval that has not been obtained and do not contravene or result in a default under any provision of any existing law or regulation applicable to it, any provision of its charter, by-laws or other governing documents (if applicable) or any agreement or instrument to which it is a party or by which it is bound.

2.12 Reports. Within 120 days after the end of each fiscal year of the LLC, the Executive Officers shall cause to be prepared and sent to all Members a financial report of the LLC including a balance sheet, a profit and loss statement and, unless the profit and loss statement is prepared on a cash basis, a statement of changes in financial position, all of which shall be certified by an independent certified public accountant acceptable to the Board. Within 45 days after the end of each fiscal year the Executive Officers shall furnish to all Members such information as may be needed to permit Members to file their federal income tax returns and any required state income tax returns. The cost of such reports shall be an expense of the LLC. Any Member may at any reasonable time after notice to the LLC and at its own expense cause an audit of the books of the LLC to be made by a certified public accountant of its own selection.

ARTICLE III

Board

3.01 Board Composition.

(a) Directors. As of the date hereof, the Board shall consist of five (5) persons, who shall be elected by a Majority Vote (the “Directors”). Each Member agrees that such Member will vote all of its Class A Profits Points in favor of the following persons as directors:

(i) three (3) Directors (the “Housatonic Directors”) nominated by Housatonic Partners, who shall initially be William N. Thorndike, Jr., Joseph M. Niehaus, and James Wilder;

(ii) so long as he is an Officer of the LLC, Bruce Biette; and

(iii) so long as he is an Officer of the LLC, George Silverman.

(b) Observation Rights. Dan Duman shall have observer rights with respect to all meetings of the Board so long as he is an Officer of the LLC. The LLC may grant observer rights to other Members and third parties pursuant to any contract approved by the Board.

(c) Increases to Board. The Directors may elect to increase the size of the Board and fill any vacancies created by such increase.

3.02 Removal; Vacancies.

(a) Each Member agrees to vote all of its Class A Profits Points for the removal of any Director upon the request of the party then entitled to nominate such Director as set forth in Section 3.01 above, and for the election to the Board of a substitute designated by such party in accordance with the provisions hereof. Each Member further agrees to vote all of its Class A Profits Points in such manner as shall be necessary or appropriate to ensure that any vacancy on the Board occurring for any reason shall be filled only in accordance with the provision of this Article III,

(b) Any Director may resign at any time effective upon at least thirty (30) days’ notice to the LLC, which the LLC may elect to make effective prior to the expiration of such thirty-day period by a majority vote of the remaining Directors.

3.03 Board; General.

(a) The Directors are deemed to be the Managers of the LLC; *provided, however*, that any action to be taken by the Directors as Managers of the LLC shall be taken by the Board only as provided herein and the Board itself shall have all of the rights, powers and obligations of a Manager of the LLC as provided in the Act and as otherwise provided by law. The Directors may delegate, and as set forth in this Agreement shall have delegated, any or all of such rights, powers and obligations to the Executive Officers of the LLC.

(b) The Board may adopt such procedures as it may deem appropriate to make decisions regarding investment of the LLC's capital, authorization of capital calls, budget of the LLC, the election of board seats of all portfolio companies in which the LLC invests, financings, dispositions of the LLC's assets and other LLC business. The Executive Officers will meet with the Board at least quarterly, at mutually convenient times, to discuss such matters pertaining to the LLC as the Board may request. All actions taken by the Board shall be taken by majority vote at a meeting of the Board or by written consent of all Directors at that time. Persons other than the Executive Officers and Directors may attend meetings of the Board from time to time in the discretion of the Board on such terms as the Board may require.

3.04 *Limitation of Liability of Board.* Except as otherwise provided in the Act, no Director of the LLC shall be obligated personally for any debt, obligation or liability of the LLC or of any other Member, whether arising in contract, tort or otherwise, solely by reason of being a Director. Subject to Section 6.02 hereof, each Director shall be deemed to have fiduciary duties to the LLC and its Members to the extent that such duties would arise under the Delaware General Corporation Law as if the LLC were a corporation organized under the laws of the State of Delaware and the Directors were members of the corporate board of directors thereof. Except as otherwise provided in the Act, by law or expressly in this Agreement, no Director shall have any further fiduciary or other duty to another Member with respect to the business and affairs of the LLC, and no Director shall be liable to the LLC or any other Member for acting in good faith reliance upon the provisions of this Agreement. No Director shall be personally liable to the LLC or to its Members for acting in good faith reliance upon the provisions of this Agreement, or for breach of any fiduciary or other duty that does not involve (i) a breach of a duty of loyalty to the LLC or its Members; (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or (iii) a transaction from which the Director derived an improper personal benefit. The failure of the LLC to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement or the Act shall not be grounds for making the Directors responsible for any liability of the LLC.

3.05 *Reports.* The Executive Officers will deliver to the Board, within forty-five days of the end of every quarter a written report (the "Quarterly Report") containing a summary of operational activity of the LLC during that prior quarter and a summary of income and expenses and containing such other detail and information as the Board may request. At the request of any Member, the LLC will provide a copy of the Quarterly Report to such Member.

3.06 *Directors Fee; Expenses.* At the discretion of the Board, each non-Officer Director may receive from the LLC a reasonable annual mutually agreed upon Directors' fee. In addition, the LLC shall reimburse all non-Officer Directors for travel and other reasonable expenses associated with attendance at meetings of the Board and the performance of other responsibilities as a Director (such as the conduct of diligence investigations).

ARTICLE IV

Management

4.01 *Officers.* The business of the LLC shall be managed by or under the direction of the Board (and the Board shall be deemed to be the Manager of the LLC as set forth in Section 3.03 hereof) who may exercise all the powers of the LLC, except as otherwise provided by law or this Agreement. The Board shall have the discretion to determine the duties of one or more of the following officers of the LLC: Chairman, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, one or more Vice-Presidents, a Secretary, a Treasurer, one or more Assistant Secretaries and one or more

Assistant Treasurers (each individually an “Officer” and, collectively the “Officers”) and shall have the authority to delegate any or all of its duties as Manager to certain of such Officers (the “Executive Officers”).

4.02 *Qualification.* The Officers may, but are not required to, be Members and shall hold office until their death, resignation or removal.

4.03 *Powers and Duties of the Executive Officers.*

(a) Executive Officers. The following Officers shall initially be the Executive Officers of the LLC: George Silverman, Chairman, Bruce Biette, President and Chief Executive Officer, and Dan Duman, Secretary. The Board shall have the authority to designate any additional Executive Officer. In addition to the duties set forth in this Agreement, the Board shall have the discretion to determine the duties of each Executive Officer; *provided, however*, that the above-named Executive Officers shall not be required to render full-time service to the LLC unless any such Executive Officer subsequently agrees to do so.

(b) Chief Executive Officer. Subject to Section 4.09, the business and affairs of the LLC shall be conducted by or under the direction of the Chief Executive Officer, including without limitation the right and authority:

(i) to manage the business and affairs of the LLC and for this purpose to employ, retain or appoint any employees, consultants, agents, brokers, professionals or other persons in any capacity for such compensation and on such terms as he deems necessary or desirable and to delegate to such persons such of its duties and responsibilities as he shall determine;

(ii) to enter into, execute, deliver, acknowledge, make, modify, supplement or amend any documents or instruments in the name of the LLC;

(iii) to perform or cause to be performed all of the LLC’s obligations in respect of its indebtedness and any mortgage, lien or security interest securing such indebtedness;

(iv) to make elections and prepare and file returns regarding any federal, state or local tax obligations of the LLC, and to designate a Member to serve as the Tax Matters Partner of the LLC for purposes of Section 6231(a)(7) of the Code with power to manage and represent the LLC in any administrative proceeding of the Internal Revenue Service; provided, that from and after the date of this Agreement, no Member may be designated the Tax Matters Partner without the prior written consent of such Member.

4.04 *Reliance by Third Parties.* Any person dealing with the LLC, the Executive Officers or any Member may rely upon a certificate signed by any Executive Officer as to (i) the identity of any Officer or Member; (ii) any factual matters relevant to the affairs of the LLC; (iii) the persons who are authorized to execute and deliver any document on behalf of the LLC; or (iv) any action taken or omitted by the LLC, the Officers or any Member.

4.05 *Resignation and Removal.*

(a) Any Officer may resign upon at least sixty (60) days' notice to the Board and the Executive Officers (unless the Board elects to shorten such required notice period). The Board may remove any Officer at any time with or without Cause (as defined below) upon five (5) days' prior written notice to such Officer. The Board may fill any vacancy left by the resignation or removal of any Officer.

(b) In the event of the voluntary or involuntary termination without Cause (including as a result of death or disability) of any Officer, the terminated Officer shall, subject to Section 4.06, maintain its Membership Interest represented only by those Class B Profits Points that have vested before the date of termination, in accordance with the vesting schedule on Schedule B, and its Preferred Interest and Class A Profits Points, if any. Any other Class B Profits Points which are unvested at the time of termination shall be forfeited and re-allocated or re-issued in accordance with Schedule B to this Agreement.

(c) In the event of termination for "Cause" of any Officer, all of the terminated Officer's vested and unvested Class B Profits Points shall be forfeited and re-allocated or re-issued in accordance with Schedule B, to this Agreement. In this case, the terminated Officer shall retain only the interest in the LLC represented by its Preferred Interests and Class A Profits Points, if any.

(d) The Board may in its discretion waive or modify the provisions of paragraphs (b) and (c) as they apply to a particular terminated Officer with the consent of the terminated Officer.

(e) For purposes of this Agreement, "Cause" shall mean a termination of an Officer following a written finding by the Board and a Majority Vote, excluding the Class A Profits Points held by such Officer, that said Officer has (i) been convicted of a felony in connection with the performance of his or her duties as an Officer, (ii) committed an act of fraud or embezzlement of LLC funds, (iii) materially breached his or her fiduciary duty to the LLC, or (iv) willfully and intentionally failed to perform his or her duties as set forth in this Agreement, which failure shall not have been cured following 30 days notice to such Officer by the Board. For purposes of this Agreement, involuntary termination without Cause of an Officer shall include termination due to the death or disability of said Officer.

4.06 *Repurchase.*

(a) Upon the occurrence of a termination under Section 4.05(b), the LLC or its assigns shall have the right and option to repurchase all or any portion of the vested Class B Profits Points held by the terminated Officer (the "Repurchase"); *provided, however*, that if the LLC or its assigns exercises its right of Repurchase with respect to all or any portion of the vested Class B Profits Points held by such Officer, such Officer may require the LLC or its assigns to repurchase his or her entire Preferred Interest and all Class A Profits Points held by such Officer.

(b) The purchase price of the Preferred Interest, Class A Profits Points and Class B Profits Points subject to the Repurchase (the "Repurchase Price") shall be equal to the amount that would have been distributed under Section 8.03 in respect of such Preferred Interest and Class A Profits Points or Class B Profits Points, as applicable, if the LLC and its Subsidiaries sold all of their assets for cash at current fair market value, as determined by the Board in its sole

discretion; *provided, however*, that either (i) such determination of the fair market value of such assets must be approved by at least one Director who is also an Officer (other than the Officer whose Membership Interests are being repurchased) or (ii) such determination must be made by Media Venture Partners, or if they are unable or unwilling to make such determination, BIA, or any other third party agreed upon by the Board and the Officer whose Membership Interests are being repurchased. The Repurchase right with respect to vested Class B Profits Points shall terminate upon the consummation of a QPO (as defined in Section 7.04(d)).

(c) The LLC or its assigns shall effect the Repurchase (if so elected) by delivering or mailing to the terminated Officer written notice within six (6) months after a termination under Section 4.05(b), specifying a date within such six-month period in which the Repurchase shall be effected and, upon the receipt of such notice, the Officer shall promptly notify the LLC if she or he elects to have the LLC repurchase the Preferred Interests and Class A Profits Points held by such Officer. By such date, the LLC or its assignee or assignees shall deliver to the terminated Officer a check for the Repurchase Price of the Preferred Interest, Class A Profits Points and vested Class B Profits Points being purchased; *provided, however*, that the LLC may pay the Repurchase Price by offsetting and canceling any indebtedness then owed by the terminated Officer to the LLC. At such time, Schedule A-1 and Schedule B, if necessary, to this Agreement shall be revised to reflect the Repurchase.

4.07 Compensation. The Officers shall receive such compensation for their services and benefits as may be approved from time to time by the Board; *provided, however*, that the annual overhead budget for the LLC for 2004 shall not exceed \$350,000, which amount shall not include expenses incurred in identifying and investigating potential acquisitions, up to \$10,000 per acquisition target (unless a greater amount per target is approved by the Board), but shall include all salaries payable to the Officers as well as reimbursement for out-of-pocket expenses incurred in managing and conducting the business and affairs of the LLC subject to proper reporting provided by the Executive Officers to the Board pursuant to Section 3.05 of this Agreement. The salaries to be payable to the Executive Officers for 2004 are set forth on Schedule C.

4.08 Limitation of Liability of Officers. No Officer shall be obligated personally for any debt, obligation or liability of the LLC or of any Member, whether arising in contract, tort or otherwise, solely by reason of being or acting as an Officer of the LLC. No Officer shall be personally liable to the LLC or to its Members for acting in good faith reliance upon the provisions of this Agreement, or for breach of any fiduciary or other duty that does not involve (i) a breach of the duty of loyalty to the LLC or its Members, (ii) acts or omissions not in good faith or which involve gross negligence, intentional misconduct or a knowing violation of law; or (iii) a transaction from which the Officer derived an improper personal benefit.

4.09 Actions requiring Prior Approval by the Board. Notwithstanding anything to the contrary in this Agreement, the LLC shall not take any of the following actions directly or indirectly without the prior approval of the Board:

(a) make any additional capital calls or otherwise issue any additional LLC Interests (other than the issuance of Class B Profits Points to executives and/or management employees of the Company or any Subsidiary) or make any amendments to Schedule B;

(b) make or agree to make any Investments;

(c) enter into any arrangement for the borrowing of money or materially amending the terms and conditions of any financing (except for any equipment or lease financing in the ordinary course of business that does not exceed \$25,000);

(d) enter into or effectuate a sale, merger, consolidation, liquidation, or dissolution of the LLC;

(e) sell, transfer or otherwise dispose of any Investment or all or substantially all of the assets of the LLC or any Subsidiary;

(f) elect or appoint any Officer of the LLC deemed to be serving as the Chief Executive Officer of the LLC;

(g) make any change in the compensation payable or to become payable to any Officers of the LLC;

(h) incur any expenditures that are in the aggregate materially in excess of the aggregate expenditure amounts set forth in the budgets prepared by the Executive Officers and approved by the Board or otherwise materially modify such budgets;

(i) elect any person to the board of directors of a company in which the LLC invests;

(j) enter into any agreement or arrangement with any Officer or Member or family member or affiliate of any Officer or Member (including the repurchase or redemption of all or a portion of any Member's Membership Interest); or

(k) dissolve pursuant to Section 10.01.

ARTICLE V

Indemnification

5.01 Right to Indemnification. Except as limited by law and subject to the provisions of this Article, the LLC shall indemnify each of its Managers (which term shall be defined as set forth Section 5.05 for purposes of this Article V) against all expenses incurred by them in connection with any proceeding in which a Manager is involved as a result of serving in such capacity, except that no indemnification shall be provided for a Manager regarding any matter as to which it shall be finally determined (a) that said Manager (i) did not act in good faith and in the reasonable belief that such Manager's action was in the best interests of the LLC, (ii) breached a duty of loyalty to the LLC or its Members, or (iii) acted with gross negligence; or (b) with respect to a criminal matter, that such Manager had reasonable cause to believe that such Manager's conduct was unlawful. Subject to the foregoing limitations, such indemnification may be provided by the LLC with respect to a proceeding in which it is claimed that a Manager received an improper personal benefit by reason of its position, regardless of whether the claim arises out of the Manager's service in such capacity, except for matters as to which it is finally determined that an improper personal benefit was received by the Manager.

5.02 Award of Indemnification. A Manager may only be determined to be ineligible for indemnification if a determination is made by independent legal counsel appointed by the Board that

indemnification of such Manager would be a violation of law or inconsistent with the provisions of Section 5.01.

5.03 *Successful Defense.* Notwithstanding any contrary provisions of this Article V, including Section 5.02 above, if a Manager has been wholly successful on the merits in the defense of any proceeding in which it was involved by reason of its position as a Manager or as a result of serving in such capacity (including termination of investigative or other proceedings without a finding of fault on the part of the Manager), the Manager shall be indemnified by the LLC against all Expenses (as defined in Section 5.05) incurred by the Manager in connection therewith.

5.04 *Advance Payments.* Except as limited by law or the provisions of this Article V, expenses incurred by a Manager in defending any proceeding, including a proceeding by or in the right of the LLC, may be paid by the LLC to the Manager in advance of final disposition of the proceeding. The LLC may require that such Manager execute a written undertaking to repay the amount of any advance if the Manager is determined pursuant to this Article V or adjudicated to be ineligible for indemnification. Any such undertaking by a Manager shall be an unlimited general obligation of the Manager, need not be secured and may be accepted without regard to the financial ability of the Manager to make repayment. No advance payment of expenses shall be made if it is determined pursuant to Section 5.02 of this Article V on the basis of the circumstances known at the time (without further investigation) that the Manager is ineligible for indemnification.

5.05 *Definitions.* Solely for purposes of this Article V:

“Manager” includes (i) a person serving as an Officer of the LLC or in a similar executive capacity appointed by the Board and exercising rights and duties delegated by the Directors, (ii) a person serving at the request of the LLC as a director, manager, officer, employee or other agent of another organization, (iii) any person who formerly served in any of the foregoing capacities, and (iv) the Directors and their affiliates;

“Expenses” means all expenses, including attorneys’ fees and disbursements, actually and reasonably incurred in defense of a proceeding or in seeking indemnification under this Article V, and except for proceedings by or in the right of the LLC or alleging that a Manager received an improper personal benefit, any judgments, awards, fines, penalties and reasonable amounts paid in settlement of a proceeding; and

“Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and any claim which could be the subject of a proceeding.

5.06 *Insurance.* The LLC shall have power to purchase and maintain insurance on behalf of any Manager, Officer, agent or employee against any liability or cost incurred by such person in any such capacity or arising out of its status as such, whether or not the LLC would have power to indemnify against such liability or cost.

5.07 *Employee Benefit Plan.* If the LLC sponsors or undertakes any responsibility as a fiduciary with respect to an employee benefit plan, then for purposes of this Article V (i) the term Manager shall be deemed to include any Officer of the LLC who serves at its request in any capacity with respect to said plan, (ii) said Manager shall not be deemed to have failed to act in good faith or in the reasonable belief that its action was in the best interests of the LLC if said Manager acted in good faith and in the reasonable belief that its action was in the best interests of the participants or beneficiaries of

said plan, and (iii) expenses shall be deemed to include any taxes or penalties imposed upon said Manager with respect to said plan under applicable law.

5.08 *Heirs and Personal Representatives.* The indemnification provided by this Article V shall inure to the benefit of the heirs and personal representatives of each Manager.

5.09 *Non-Exclusivity.* The provisions of this Article V shall not be construed to limit the power of the LLC to indemnify its Members, Directors, Officers, employees or agents to the fullest extent permitted by law or to enter into specific agreements, commitments or arrangements for indemnification permitted by law. The absence of any express provision for indemnification herein shall not limit any right of indemnification existing independently of this Article V.

5.10 *Amendment.* The provisions of this Article V may be amended or repealed in accordance with Section 11.04; *provided, however*, no amendment or repeal of such provisions that adversely affects the rights of a Manager under this Article V with respect to its acts or omissions at any time prior to such amendment or repeal, shall apply to said Manager without its consent.

ARTICLE VI

Conflicts of Interest

6.01 *Transactions with Interested Persons.* Unless entered into in bad faith, no contract or transaction between the LLC and one or more of its Officers, Directors or Members, or between the LLC and any other corporation, partnership, association or other organization in which one or more of its Officers, Directors or Members have a financial interest or are directors, partners, managers or officers, that satisfies the conditions below shall be voidable solely for this reason or solely because said Officer, Director or Member was present or participated in the authorization of such contract or transaction. No Officer, Director or Member interested in such contract or transaction, because of such interest, shall be considered to be in breach of this Agreement or liable to the LLC, any Officer, Director or Member, or any other person or organization for any loss or expense incurred by reason of such contract or transaction or shall be accountable for any gain or profit realized from such contract or transaction.

A contract or transaction satisfies the provisions of this Section 6.01 if:

(a) the material facts as to the relationship or interest of said Director, Officer or Member and as to the contract or transaction were disclosed or known to the other Directors, Officers (if any) and Members and the contract or transaction was authorized by the disinterested Members or Directors; or

(b) the contract or transaction was fair to the LLC as of the time it was authorized, approved or ratified by the disinterested Members or Directors.

6.02 *Outside Businesses and Investments.*

(a) Any Member or Director, unless also an Officer, may engage or have an interest in other business ventures which are similar to or competitive with the business of the LLC, and the pursuit of such ventures, even if competitive, shall not be deemed wrongful or improper or give the LLC, its Officers or other Members any rights with respect thereto. Any Officer may engage in other business ventures (which may or may not be similar to or competitive with the business of the LLC) or have an interest in other business ventures which are

similar to or competitive with the business of the LLC, and the pursuit of such ventures or interests, even if competitive, shall not be deemed wrongful or improper or give the LLC, its Officers or other Members any rights with respect thereto, *provided*, that any such engagement or interest is either (i) described in 6.02(b), or (ii) is otherwise approved by the Board and, with respect to any such engagement or interest by or of Bruce Biette, the holders of a majority of the outstanding Class C Profits Points. No Member or Director, unless also an Officer, shall be obligated to present an investment opportunity to the LLC even if it is similar to or competitive with the business of the LLC, and such Member or Director shall have a right to take for its own account or recommend to others any such investment opportunity.

(b) Notwithstanding the provisions of Section 6.02(a), the following Officers may engage in or have an interest in, as applicable, the following: (i) with respect to Bruce Biette, he may engage in any business venture that is not competitive with the business of the LLC so long as he is at all times devoting all of his working hours (and in no case, fewer than 40 hours per week) to the business of the LLC, (ii) with respect to George Silverman, he may engage in the brokerage of broadcast businesses (provided that any opportunities shall first be provided to the LLC) and may provide consulting services, consistent with consulting services provided by Mr. Silverman prior to the date of this Agreement, to broadcast businesses that do not compete with the business of the LLC, (iii) with respect to Dan Duman, he may provide investment banking services, consistent with investment banking services provided by Mr. Duman prior to the date of this Agreement, to broadcast business that do not compete with the business of the LLC, (iv) any Officer may make personal investments in securities that are unrelated to any business that constitutes or is affiliated with a business venture that competes with the business of the LLC, *provided, however*, if any such investment is deemed by the Board to be competitive with the business of the LLC, such investment will, unless it satisfies the requirements of clause (v), require the consent of the Board and, with respect to any investment by Bruce Biette, the consent of the holders of a majority of the outstanding Class C Profits Points, and (v) any Officer may own up to one percent (1%) of the outstanding stock of a publicly held corporation which constitutes or is affiliated with a business venture that competes with the business of the LLC.

(c) The provisions of this Section 6.02 shall apply at all times to any Officer then in office and to any Director then in office who was an Officer as of the date of this Agreement.

(d) For purposes of this Section 6.02, at all times prior to exercise of the BIA Warrant (or any portion thereof), each Warrant Holder shall be deemed to be a Member holding the Class C Profits Points for which its BIA Warrant (or portion thereof) could then be exercised

ARTICLE VII

Capital Accounts and Capital Contributions

7.01 Capital Accounts. A separate capital account (a “Capital Account”) shall be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the U.S. Treasury Regulations (the “Regulations”), and this Section 7.01 shall be interpreted and applied in a manner consistent with said Section of the Regulations. The LLC may adjust the Capital Accounts of its Members to reflect revaluations of the LLC property whenever the adjustment would be permitted under Regulations Section 1.704-1(b)(2)(iv)(f). In the event that the Capital Accounts of the Members are so adjusted, (i) the Capital Accounts of the Members shall be adjusted in accordance with Regulations Section 1.704-1(b)(2)(iv)(g)

for allocations of depreciation, depletion, amortization and gain or loss, as computed for book purposes, with respect to such property and (ii) the Members' distributive shares of depreciation, depletion, amortization and gain or loss, as computed for tax purposes, with respect to such property shall be determined so as to take account of the variation between the adjusted tax basis and book value of such property in the same manner as under Section 704(c) of the Code. In the event that Code Section 704(c) applies to LLC property, the Capital Accounts of the Members shall be adjusted in accordance with Regulations Section 1.704-1(b)(2)(iv)(g) for allocations of depreciation, depletion, amortization and gain and loss, as computed for book purposes, with respect to such property. The Capital Accounts shall be maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any Distributions to any Members in liquidation or otherwise. The amount of all Distributions to Members shall be determined pursuant to Article VIII.

7.02 Capital Contributions by Members. Each Member has made the contributions to the capital of the LLC specified on Schedule A-1 (together with any future capital contributed by such Member to the LLC in accordance with this Agreement, such Member's "Capital Contribution"). No Member shall be entitled or required to make any future Capital Contribution to the LLC; however, the LLC may borrow from its Members as well as from banks or other lending institutions to finance its working capital or the acquisition of assets upon such terms and conditions as shall be approved by the Board, and any borrowing from Members shall not be considered a Capital Contribution or reflected in any such Member's Capital Account. In the event of additional Capital Contributions, Schedule A-1 shall be amended to reflect such additional Capital Contributions. No Member shall be entitled to any interest or compensation with respect to his Capital Contribution or any services rendered on behalf of the LLC except as specifically provided in this Agreement, or with respect to compensation for services provided by an Executive Officer, as approved by the Board. No Member shall have any liability for the repayment of the Capital Contribution of any other Member and each Member shall look only to the assets to the LLC for return of his Capital Contribution.

7.03 Reserved.

7.04 Other Capital Contributions.

(a) In the event the LLC proposes to receive any future Capital Contributions or otherwise undertake an issuance of any LLC Interests not currently outstanding on the date hereof (and other than the issuance of Membership Interests upon the conversion of the Notes or the exercise of the BIA Warrant or the issuance of additional Class B Profits Points to executives and/or management employees of the Company or any Subsidiary), it shall give written notice of its intention to each Member holding Class A Profits Points or Class C Profits Points, describing the terms on which the proposed LLC Interests will be issued. Each such Member shall have thirty (30) days from the date of such notice to agree to purchase its pro rata share, based upon each Member's respective Adjusted Profits Percentage divided by the aggregate Adjusted Profits Percentage of all such Members, of such proposed LLC Interests on the terms specified by the LLC and stating in such Member's notice to the LLC the quantity of such proposed issuance to be purchased by the Member (the "Purchase Notice").

(b) Each such Member may also indicate in its Purchase Notice, if it so elects, its desire to participate in the purchase of the LLC Interests in excess of its pro rata share if any other Member or Members declines to purchase its pro rata share. Each such Member who so indicates shall be deemed to have agreed to purchase the LLC Interests not purchased by other Members in proportion to their pro rata share.

(c) In the event such Members do not exercise the right of first refusal with respect to the entire proposed offering, the LLC shall have ninety (90) days thereafter to sell or enter into agreement (pursuant to which the sale of the LLC Interest covered thereby shall be closed, if at all, within thirty (30) days from the date of said agreement) to sell the LLC Interests respecting the portion not purchased by the Members under the right of first refusal on the terms no more favorable to the purchasers of such LLC Interests than specified in the notice. In the event the LLC has not sold the LLC Interests or entered into an agreement to sell the LLC Interests within said ninety (90) day period (or sold and issued LLC Interests in accordance with the foregoing within thirty (30) days from the date of said agreement), the LLC shall not thereafter issue any LLC Interests (other than those outstanding on the date of this Agreement), without first offering such securities in the manner provided above.

(d) This right of first refusal shall terminate upon the closing of the LLC's first underwritten public offering (an "IPO") on a firm commitment basis by a nationally recognized investment banking organization or organizations pursuant to an effective registration statement under the Securities Act of 1933, as amended, (i) at a price per Common Profits Point (or security into or for which the Common Profits Points are converted or exchanged in connection with the IPO) of not less than \$5.00 (appropriately adjusted for stock or interest splits, stock or interest dividends, combinations, recapitalizations and the like), (ii) with respect to which the LLC or its successor receives aggregate net proceeds attributable to sales for the account of the LLC or its successor (after deduction of underwriting discounts and commissions) of not less than \$50,000,000, and (iii) with respect to which such Common Profits Points (or security into or for which the Common Profits Points are converted or exchanged in connection with the IPO) are listed for trading on either the New York Stock Exchange or the NASDAQ National Market (a "QPO").

7.05 Issuance of Future Membership Interests. Unless otherwise approved by the Board in compliance with Section 2.03(c) hereof, with respect to any Capital Contribution received by the LLC after the date hereof, for each dollar (\$1.00) invested by a Member as a Capital Contribution to the LLC, such Member shall be issued the following LLC Interests: (a) a Preferred Interest initially representing one dollar (\$1.00) of Unreturned Contributions (and the right to receive Unpaid Preferred Returns thereon) and (b) no more than .8974 Class A Profits Points.

ARTICLE VIII

Distributions and Allocations

8.01 Definitions. For purposes of this Article VIII and the other provisions of this Agreement:

(a) "Adjusted Profits Percentage" of any Member holding Class A Profits Points, Class B Profits Points or Class C Profits Points shall be equal to the sum of such Member's Individual Class A Share plus such Member's Individual Class B Share plus such Member's Individual Class C Share, in each case determined as follows:

(i) Aggregate Class A Share. For purposes of this Agreement, the "Aggregate Class A Share" shall be equal to (A) 100% minus (B) the Aggregate Class B Share (as defined below) minus (C) the Aggregate Class C Share (as defined below).

(ii) Individual Class A Share. Each Member holding Class A Profits Points shall have an "Individual Class A Share" equal to the Aggregate Class A Share multiplied by a fraction the

numerator of which is the number of Class A Profits Points held by such Member and the denominator of which is the total number of Class A Profits Points then outstanding.

(iii) Aggregate Class B Share. For purposes of this Agreement, the “Aggregate Class B Share” shall be equal to 25% multiplied by a fraction the numerator of which is the aggregate number of Class B Profits Points then outstanding and vested and the denominator of which is the aggregate number of Class B Profits Points authorized for issuance (as set forth on Schedule A).

(iv) Individual Class B Share. Each Member holding Class B Profits Points shall have an “Individual Class B Share” equal to the Aggregate Class B Share multiplied by a fraction the numerator of which is the number of outstanding and vested Class B Profits Points then held by such Member and the denominator of which is the total number of Class B Profits Points then outstanding and vested.

(v) Aggregate Class C Share. For purposes of this Agreement, the “Aggregate Class C Share” shall initially be 22.00%, and shall be adjusted as follows:

(A) Following Repayment of BIA Tranche B Note. If all outstanding principal of the BIA Tranche B Note is repaid in full together with all accrued interest thereon on or prior to the Tranche B Conversion Date (as defined in the BIA Purchase Agreement), then, from and after the date of such repayment in full, the Aggregate Class C Share in effect immediately prior to such repayment shall be reduced to an amount equal to such Aggregate Class C Share multiplied by 0.6364 (*i.e.*, 14.00/22.00) (such reduced amount, the “Interim Class C Share”), until:

the BIA IRR is greater than 18.00% (the intent being that after repayment of the Tranche B Note, the Class C Profits Points participate in all Distributions at the Interim Class C Share until the 18% BIA IRR hurdle is hit), at which point and provided that neither the Parent nor any of its Subsidiaries have made any voluntary prepayment of the BIA Tranche A Note, the Aggregate Class C Share shall be reduced to zero (0.0%) for purposes of computing each Member’s Adjusted Profits Percentage until;

the aggregate amount of all Distributions to Common Profits Points equals (I) the aggregate amount of all Distributions in respect of the Class C Profits Points divided by (II) the product of the Interim Class C Share multiplied by 0.6664 (*i.e.*, 9.33/14.00) (such product, for purposes of this Section 8.01(a)(v)(A), the “Minimum Class C Share”) (the intent being that the Class C Profits Points do not participate in future Distributions until the Class A Profits Points and Class B Profits Points “catch up” such that the Distributions made to the Class C Profits Points equal the Minimum Class C Share of all amounts Distributed to the Common Profits Points), at which point, the Aggregate Class C Share shall be increased from zero to the Minimum Class C Share for purposes of thereafter computing each Member’s Adjusted Profits Percentage (the intent being that for all remaining Distributions, the Class C Profits Points participate at the Minimum Class C Share);

(B) Absent Repayment of BIA Tranche B Note. Unless and until the BIA Tranche B Note is repaid in full as set forth in the preceding clause (A) the Aggregate Class C Share shall not be adjusted except as set forth in clause (C) below), until:

the BIA IRR is greater than 18.00% (the intent being that the Class C Profits Points participate in all Distributions at the maximum percentage until the 18% BIA IRR hurdle is hit), at which point and provided that neither the Parent nor any of its Subsidiaries have made any voluntary prepayment of the BIA Tranche A Note, the Aggregate Class C Share shall be reduced to zero (0.0%) for purposes of computing each Member's Adjusted Profits Percentage until:

the aggregate amount of all Distributions to Common Profits Points equals (I) the aggregate amount of all Distributions in respect of the Class C Profits Points divided by (II) the product of the Aggregate Class C Share as in effect immediately prior to the foregoing reduction to zero multiplied by .6668 (i.e., 14.67/22.00) (such product, for purposes of this Section 8.01(a)(v)(B), the "Minimum Class C Share") (the intent being that the Class C Profits Points do not participate in future Distributions until the Class A Profits Points and Class B Profits Points "catch up" such that the Distributions made to the Class C Profits Points equal the Minimum Class C Share of all amounts Distributed to the Common Profits Points), at which point, the Aggregate Class C Share shall be increased from zero to the Minimum Class C Share for purposes of thereafter computing each Member's Adjusted Profits Percentage (the intent being that for all remaining Distributions, the Class C Profits Points participate at the Minimum Class C Share); and

(C) Adjustments for Changes to the Number of Outstanding Class A Profits Points. If the Company shall issue any additional Class A Profits Points after the date hereof (other than the issuance of the Class A Profits Points set forth on Schedule A-1 upon conversion of the Notes, including up to 1,009,500 additional Class A Profits Points issuable upon conversion of the Note issued on the date hereof) then the Aggregate Class C Share in effect immediately prior to such issuance shall be adjusted by multiplying the Aggregate Class C Share in effect immediately prior to such issuance by the following fraction:

(I) the numerator of such fraction shall be (x) the number of Class A Profits Points outstanding immediately prior to such issuance divided by (y) 0.75 minus the Aggregate Class C Share in effect immediately prior to such issuance (such numerator, the "Base Amount"); and

(II) the denominator of which fraction shall be the Base Amount plus the number of Class A Profits Points issued.

(vi) Individual Class C Share. Each Member holding Class C Profits Points shall have an "Individual Class C Share" equal to the Aggregate Class C Share then in effect multiplied by a fraction the numerator of which is the number of Class C Profits Points held by such Member and the denominator of which is the total number of Class C Profits Points then outstanding.

(b) "BIA IRR". For purposes of this Section 8.04, "BIA IRR" shall mean the discount rate that causes the net present value of the Purchase Price (as defined in the BIA Purchase Agreement) to be equal to the net present value of all cash payments and Distributions (other than Tax Distributions) made by the LLC and its subsidiaries with respect to the Purchased Securities (as defined in the BIA Purchase Agreement); provided, that any fees or expenses paid or reimbursed to BIA by the LLC or any of its Subsidiaries shall not be included as a payment or Distribution for purposes of this clause (b). Computations shall assume, for convenience, that all payments and Distributions were made on the 15th day of the calendar month in which such cash flows occur, except that the Distribution of the proceeds of

a Liquidation Event shall be deemed to occur on the actual date of Distribution. Computation of the IRR shall be made using the algorithm incorporated in the "XIRR" function of Microsoft Excel 2000 (SR-1).

(c) "Distributions" means, with respect to any Member, distributions to a Member by the LLC on account of that Member's Membership Interest as provided in Section 8.02, 8.03 or 8.05 or in redemption of all or any portion of such Members' Membership Interest and shall not include any payments to such Member (i) pursuant to a loan by such Member to the LLC or any other transaction in which such Member is acting in a capacity other than its capacity as a Member within the meaning of Section 707(a) of the Code or (ii) which are "guaranteed payments" within the meaning of Section 707(c) of the Code.

(d) "Unpaid Preferred Return" shall mean an amount equal to a return of 10% per annum, compounded annually, on the After-Tax Unreturned Contributions of each Member outstanding from time to time, beginning on the date hereof less aggregate Distributions to the Member pursuant to Section 8.02(a)(ii). As of the date of this Agreement, the "After-Tax Unreturned Contributions" of each Member shall be equal to its Capital Contributions as set forth in Schedule A-1 and shall be increased from time to time by the amount of any future Capital Contributions by such Member and by the amount of any Unpaid Preferred Return computed for prior periods (without reduction for prior Distributions pursuant to Section 8.02(a)(ii)). The After-Tax Unreturned Contributions of each Member shall be reduced by Distributions to the Member pursuant to Sections 8.02(a)(i) and (a)(ii) (including Tax Distributions treated as made under Sections 8.02(a)(i) and (a)(ii)) as follows:

- (1) Distributions to the Member that, when added to prior Distributions to the Member, are no more than the Member's cumulative Tax Liability (as defined in Section 8.02(b) below) through the date of the Distribution, calculated using an assumed Tax Rate of 40% and disregarding any allocations of net income not attributable to the accrual of the 10% preferred return ("Tax-Equivalent Distributions"), shall be disregarded;
- (2) Distributions to the Member in excess of the Tax-Equivalent Distributions shall reduce After-Tax Unreturned Contributions by an amount equal to the excess Distributions multiplied by 1.666667 (put another way, the amount of the after-tax Distributions divided by (one minus the assumed Tax Rate)); and
- (3) Once the Member has received cumulative Distributions equal to the Member's cumulative distributive share of the LLC's net taxable income through the date of the Distribution (computed as described in Section 8.02(b) but again disregarding any allocations of net income not attributable to the accrual of the 10% preferred return), further Distributions to the Member shall reduce After-Tax Unreturned Contributions on a one-for-one basis.

The Members acknowledge that this definition of Unpaid Preferred Return is intended (a) to defer any reduction in the balance on which their 10% preferred return compounds until such time as the Members receive Distributions that exceed an estimate of their tax obligations with respect to the LLC's income, and then (b) to compensate for the deferral so that, ultimately, their Capital Contributions and 10% preferred return have been repaid dollar-for-dollar. The Members further acknowledge that the LLC will be required to estimate the amount of any Member's share of the LLC's net taxable income as of the date of any Distribution, that the LLC may use reasonable simplifying conventions for purposes of making estimates and computations and that any estimate made in good faith shall be binding and conclusive on the Members for purposes of determining the amount of any Distributions to which they are entitled hereunder.

“Unreturned Contributions” means the excess, if any, of (i) the aggregate Capital Contributions made by of a Member over (ii) the aggregate Distributions made by the LLC to such Member pursuant to, or in accordance with, Section 8.02(a)(i).

8.02 *Distribution of LLC Funds.*

(a) Distributions. Except as otherwise limited by the Act, all amounts which are determined by the Board to be available for Distribution shall be distributed to the Members in the following order and priority:

(i) First, to the Members holding Preferred Interests in proportion to their Unreturned Contributions until their Unreturned Contributions have been reduced to zero;

(ii) Second, to the Members holding Preferred Interests in proportion to their Unpaid Preferred Returns until their Unpaid Preferred Returns have been reduced to zero;

(iii) Thereafter, any remaining amounts to be distributed shall be distributed to the Members pro rata in accordance with their respective Adjusted Profits Percentages.

(b) Tax Distributions. Within 90 days following the end of each calendar year (or such shorter period as is determined at any time by the Board in its sole discretion), the LLC shall distribute to each Member an amount (a “Tax Distribution”) equal to the amount by which the Member’s Tax Liability (as defined below) exceeds the aggregate distributions made to such Member since the last date on which a Tax Distribution was made. A Member’s “Tax Liability” shall be equal to the product of (x) the Tax Rate (as defined below) times (y) the Member’s distributive share of the LLC’s net taxable income, if any, for the period since the last period for which a Tax Distribution was made (as determined under Code Section 703(a) but including separately stated items described in Code Section 702(a)); *provided*, that items of income, gain, loss and deduction attributable to the sale or exchange of all or substantially all of the assets of the LLC shall be excluded from such calculation. Tax Rate means, for any period, forty-five percent (45%). The Tax Rate applicable to any period may be equitably adjusted in the reasonable discretion of the Board to account for periods during which the applicable federal or state tax rate changes. In the event a Member’s distributive share of LLC net taxable income for any period is negative, such negative amount shall be carried forward and taken into account for all purposes of this Section 8.02(b) (including application of this sentence) in determining such Member’s distributive share of LLC net taxable income in each subsequent period (whether or not in the same fiscal year) until such negative amount is offset in full by positive net taxable income. Distributions to a Member under this Section 8.02(b) shall reduce future distributions to that Member under Section 8.02(a) by a like amount. For purposes of maintaining the priorities of distribution set forth in Section 8.02(a) distributions under this Section 8.02(b) shall be treated as having been distributed under the appropriate clause of Section 8.02(a).

(c) Distributions Limited. No Member shall be entitled to any distribution or payment with respect to its interest in the LLC upon the resignation or withdrawal of such Member except to the extent that the LLC exercises its option to purchase the interest of such Member under Section 10.05 hereof or as otherwise expressly provided herein. Distributions may be limited and repayable as provided in the Act.

8.03 *Distribution Upon Dissolution.* Proceeds from a sale or liquidation of all or substantially all of the assets of the LLC and amounts available upon dissolution, after payment of, or adequate provision for, the debts and obligations of the LLC, including the expenses of its liquidation and dissolution, and liabilities to its Officers or Members, if any, other than liabilities to Members for distributions shall be distributed and applied in the following priorities:

(a) First, to fund reserves to the extent deemed appropriate by the Board for contingent, conditional, unmatured or other liabilities of the LLC not otherwise paid or provided for; *provided that*, upon the expiration of such period of time as the Board shall deem advisable, the balance of such reserves remaining after payment of such liabilities shall be distributed in the manner hereinafter set forth; and

(b) Second, as provided in Section 8.02(a).

8.04 *Vesting of Common Profits Points.* All Class A Profits Points and Class C Profits Points shall be 100% vested upon issuance. Unvested Class B Profits Points shall vest as provided in Schedule B.

8.05 *Distribution of Assets in Kind.* No Member shall have the right to require any distribution of any assets of the LLC to be made in cash or in kind. If any assets of the LLC are distributed in kind, such assets shall be distributed on the basis of their fair market value as determined by the Board in good faith. Any Member entitled to any interest in such assets shall, unless otherwise determined by the Board, receive separate assets of the LLC, and not an interest as tenant-in-common with other Members so entitled in each asset being distributed.

8.06 *Allocations.* All items of LLC income, gain, loss and deduction as determined for book purposes shall be allocated among the Members and credited or debited to their respective Capital Accounts in accordance with Regulations Section 1.704-1(b)(2)(iv), so as to ensure to the maximum extent possible (i) that such allocations satisfy the economic effect equivalence test of Regulations Section 1.704-1(b)(2)(ii)(i) (as provided hereinafter) and (ii) that all allocations of items that cannot have economic effect (including credits and nonrecourse deductions) are allocated to the Members in accordance with the Members' interests in the LLC, which, unless otherwise required by Code Section 704(b) and the Regulations promulgated thereunder, shall be allocated to the holders of the Class A Profits Points and Class C Profits Points in proportion to their respective Adjusted Profits Percentages. To the extent possible, items that can have economic effect shall be allocated in such a manner that the balance of each Member's Capital Account at the end of any taxable year (increased by the sum of (a) such Member's share of partnership minimum gain as defined in Regulations Section 1.704-2(g)(1) and (b) such Member's share of partner nonrecourse debt minimum gain as defined in Regulations Section 1.704-2(i)(5)) would be positive to the extent of the amount of cash that such Member would receive (or would be negative to the extent of the amount of cash that such Member would be required to contribute to the LLC) if the LLC sold all of its property for an amount of cash equal to the book value (as determined pursuant to Regulations Section 1.704-1(b)(2)(iv)) of such property (reduced, but not below zero, by the amount of nonrecourse debt to which such property is subject) and all of the cash of the LLC remaining after payment of all liabilities (other than nonrecourse liabilities) of the LLC were distributed in liquidation immediately following the end of such taxable year in accordance with Section 8.03.

ARTICLE IX

Transfers of Interests

9.01 General Restrictions on Transfer. No Member may assign, transfer, pledge or grant a security interest in all or any part of its interest in the LLC without the prior written consent of the Board, and, with respect to an assignment or transfer of any Class B Profits Points to any Person who is not an executive or management employee of the Company or any Subsidiary or any pledge or grant of a security interest in any Class B Profits Points, the prior written consent of the holders of a majority of the outstanding Class C Profits Points.

9.02 Permitted Transfers. Notwithstanding the provisions of Section 9.01 hereof, a Member may transfer all or a portion of such Member's Membership Interests, without the prior written consent of the Board or the holders of the Class C Profits Points, to any of the following persons:

(a) With respect to a Member that is a natural person, a trust or other entity established for the primary benefit of that Member, or such Member's immediate family, and controlled by such Member;

(b) With respect to a Member that is not a natural person, another entity that is an Affiliate (as defined below) of such Member; and

(c) Any Member holding a BIA Warrant or any Class C Profits Points may freely transfer all or any portion of its BIA Warrant and Class C Profits Points to third parties (including its Affiliates and equity owners and other Members of the LLC) and have such third-party transferees admitted, at its direction, as substituted Members in respect of such transferred Class C Profits Points, without the consent of the Board or any other Member and without complying with the requirements of Section 9.04, (i) during the first five (5) years following the date of this Agreement, unless there is then in existence a continuing Event of Default under the BIA Purchase Agreement, only in connection with, and in an amount not exceeding the amount that is in proportion to, the assignment of portions of the BIA Tranche A Note and/or BIA Tranche B Note, and (ii) after the five (5) year anniversary of the date of this Agreement, or at anytime at which there is in existence a continuing Event of Default under the BIA Purchase Agreement, without regard to whether or not such transfer is in connection with, or in proportion to, the assignment of the BIA Tranche A Note or BIA Tranche B Note or portions thereof.

For the purposes of this Article IX, an "Affiliate" of any person means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the first mentioned person. An Affiliate of a collective investment vehicle shall also include any other collective investment vehicle that is managed or advised by the same person or by an Affiliate of said person, and any members or partners of such investment vehicle. A person shall be deemed to control another person if such first person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second person, whether through the ownership of voting securities, by contract or otherwise.

9.03 Effect of Transfer. If the transferee is admitted as a Member or is already a Member, the Member transferring its interest shall be relieved of liability with respect to the transferred interest arising or accruing under this Agreement on or after the effective date of the transfer, unless the transferor affirmatively assumes such liability; provided, however, that the transferor shall not be relieved of any liability for prior Distributions unless the transferee affirmatively assumes such liabilities.

(a) Any person who acquires in any manner an interest or any part thereof in the LLC, whether or not such person has accepted and assumed in writing the terms and provisions of this Agreement or been admitted as a Member, shall be deemed by the acquisition of such interests to have agreed to be subject to and bound by all of the provisions of this Agreement with respect to such interest, including without limitation, the provisions hereof with respect to any subsequent transfer of such interest.

(b) The LLC, its Officers and Members shall be entitled to treat the record owner of an interest in the LLC as the absolute owner thereof in all respects, and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as a written assignment of such interest has been received and accepted by the Board and recorded on the books of the LLC. The Board may refuse to accept and record an assignment until the end of the next successive quarterly accounting period of the LLC.

(c) Any transfer in violation of any provisions of this Agreement shall be null and void and ineffective to transfer any interest in the LLC and shall not be binding upon or be recognized by the LLC, and any such transferee shall not be treated as or deemed to be a Member for any purpose. In the event that any Member shall at any time transfer its interest in violation of any of the provisions of this Agreement, the LLC and the other Members, in addition to all rights and remedies at law and equity, shall have and be entitled to an order restraining or enjoining such transaction, it being expressly acknowledged and agreed that damages at law would be an inadequate remedy for a transfer in violation of this Agreement.

9.04 *Third Party Offers.*

(a) Third Party Offer; Statement from Offeror.

(i) If at any time, and from time to time, any Member of the LLC (the "Member Offeree") desires to transfer any Common Profits Points to or from a potential transferee (an "Offeror") or receives a bona fide written offer (an "Offer") from an Offeror to purchase any or all of the Membership Interests owned by the Member Offeree and the Member Offeree proposes to accept the Offer, except for transfers made pursuant to Section 9.02 hereof and transfers of Class B Profits Points to executive officers and/or management employees of the Company or any Subsidiary, the Member Offeree must comply with the provisions of this Section 9.04.

(ii) Prior to effecting any such transfer and within 10 days of the receipt of any such Offer, the Member Offeree shall obtain from the Offeror a statement in writing addressed to the Member Offeree and signed by the Offeror (collectively, the "Statement") setting forth (i) the date of the Statement (the "Statement Date"); (ii) the class and number of Membership Interests covered by the Offer (for purposes of this Section 9.04 the "Subject Interests"), (iii) the price to be paid by the Offeror (the "Third Party Price") and the terms of payment; (iv) the Offeror's willingness to be bound by the terms of this Agreement if the offer is accepted; (v) the Offeror's name, address and telephone number, and (vi) the Offeror's willingness to supply any additional information about himself, herself or itself as may be reasonably requested by any of the other Members.

(b) Notice to LLC and Members. Within 7 days following the Statement Date, the Member Offeree shall give notice (the “Offer Notice”) to the LLC and the Members stating that it proposes to accept the Offer. The Member Offeree shall deliver with the Offer Notice (i) the Statement, (ii) evidence reasonably satisfactory to the LLC as to the Offeror’s financial ability to consummate the proposed purchase; and (iii) an opinion of counsel reasonably satisfactory to the LLC that the proposed transaction would be in compliance with all applicable securities laws.

(c) Notice by the LLC to the Members. The LLC shall promptly notify the Members following the Board’s approval, or failure to approve, the Member Offeree’s proposed transfer to the Offeror.

(d) Tag-Along. In the event the Board approves the Member Offeree’s proposed transfer to the Offeror, then each other Member shall have the right (but not the obligation), without obtaining further approval of the Board, to require the Offeror to purchase a pro rata portion of such Member’s Membership Interests on the same terms and conditions as set forth in the Offer, with such adjustments as necessary to properly reflect the relative value of Preferred Interests, Class A Profits Points, Class B Profits Points and Class C Profits Points (based upon a hypothetical liquidation of the assets and properties of the LLC at a value that would yield Distributions pursuant to Article VIII solely to the Membership Interests included in such sale equal to the price offered to the Member Offeree for the Subject Interests in the Offer) (the “Tag Along Right”).

(e) Any Member may exercise its Tag Along Right by giving notice of the exercise of its Tag Along Right to the Member Offeree, the LLC and the Offeror within 30 days from the later of (i) the date of the Offer Notice and (ii) the date the Board notifies the Members of its approval of the transfer by the Member Offeree. In the event that a Member chooses to exercise its Tag Along Right, the purchase by the Offeror of such Member’s Membership Interests shall be a condition precedent to the purchase by the Offeror of the Membership Interests of the Member Offeree.

9.05 *Transfers of Interests by Officers.* A transfer of an interest in the LLC by a Member who is also an Officer shall transfer only the economic interests, rights, duties and obligations of the transferor in its capacity as a Member, and no transferee shall obtain as a result of any such assignment any rights as an Officer.

9.06 *Drag Along Right.* In the event the Members holding at least 51% of the Class A Profits Points (the “Majority Members”) determine to sell or otherwise dispose of all or substantially all of the assets of the LLC or all of the Membership Interest of the LLC, in each case in a transaction constituting a change in control of the LLC (a “Sale”), to any non-Affiliate(s) of the LLC or any of the Majority Members, or to cause the LLC to merge with or into or consolidate with any non-Affiliate(s) of the LLC or any of the Majority Members (in each case, the “Buyer”) in a bona fide negotiated transaction (an “Approved Sale”), each of the Members, including any of its successors as contemplated herein, shall be obligated to and shall upon the written request of the Majority Members: (a) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Buyer, its Membership Interest on substantially the same terms applicable to the Majority Members; and (b) execute and deliver such instruments of conveyance and transfer and take such other action, including voting all of its Class A Profits Points in favor of any Approved Sale proposed by the Majority Members and executing any purchase agreements, merger agreements, indemnity agreements, escrow agreements or related documents, as the Majority Members or the Buyer may reasonably require in order to carry out the terms and provisions of this

Section 9.06; provided, that (i) all proceeds from such Approved Sale shall be distributed in accordance with the Distribution provisions of Article VIII and no Member shall receive any consideration in respect of its Preferred Interest in connection with such Approved Sale in excess of the aggregate Unreturned Contributions and Unpaid Preferred Return which such Member is then entitled to receive under Sections 8.01(a)(i) and 8.01(a)(ii) and (ii) no holder of Class C Profits Points shall (A) be required to make any representations or warranties other than as to its ownership of such Class C Profits Points and its authority to enter into the Sale (except to the extent that such holder's liability for breaches of other representations and warranties is limited to such holder's pro-rata share of any resulting indemnification liability, subject to the aggregate limitation set forth in the following clause (B)) or (B) have any indemnity or other liability in excess of the amount received by such holder in respect of its Class C Profits Points in such Sale. The obligations under this Section 9.06 shall terminate upon the occurrence of a QPO.

ARTICLE X

Dissolution, Liquidation, and Termination

10.01 *Dissolution.* The LLC shall dissolve and its affairs shall be wound up upon the first to occur of the following:

- (a) The approval of the Board and a Majority Vote.
- (b) the entry of a decree of judicial dissolution under Section 18-802 of the Act; or
- (c) the consolidation or merger of the LLC in which it is not the resulting or surviving entity.

10.02 *Notice of Dissolution.* The Executive Officers shall promptly notify the Members of the dissolution of the LLC.

10.03 *Liquidation.* Upon dissolution of the LLC, the Board shall act as its liquidating trustee or the Board may appoint one or more persons (who may or may not be Members) as liquidating trustee. The liquidating trustee shall proceed diligently to liquidate the LLC, to wind up its affairs and to make final distributions as provided in Section 8.02 and in the Act. The costs of dissolution and liquidation shall be an expense of the LLC. Until final distribution, the liquidating trustee may continue to operate the business and properties of the LLC with all of the power and authority of the Officers. As promptly as possible after dissolution and again after final liquidation, the liquidating trustee shall cause an accounting to be made by a firm of independent public accountants of the LLC's assets, liabilities, operations and liquidating distributions to be given to the Members.

10.04 *Certificate of Cancellation.* Upon completion of the distribution of LLC assets as provided herein, the LLC shall be terminated, and an Executive Officer (or such other person or persons as the Act may require or permit) shall file a Certificate of Cancellation with the Secretary of State of Delaware under the Act, cancel any other filings made pursuant to Sections 1.01, 1.03 and 1.05, and take such other actions as may be necessary to terminate the existence of the LLC.

10.05 *Payments to Terminating Member.*

- (a) In the event that a Member withdraws from the LLC in violation of this Agreement (a "Terminating Member"), the LLC shall have the option to purchase all or any part

of the interest of the Terminating Member at a purchase price determined pursuant to paragraph (b) of this Section and upon the terms and conditions set forth below (unless otherwise agreed). The Terminating Member must give the LLC prompt notice of its withdrawal, and the option shall be exercisable in the LLC's sole discretion by giving notice to the Terminating Member or its legal representative, at any time within ninety (90) days thereafter. Such notice shall state the price and terms of the LLC's election to repurchase the interest of the Terminating Member, and the date set for the closing of the repurchase.

(b) Unless the parties otherwise agree, the purchase price (the "Purchase Price") to be paid to the Terminating Member shall be an amount equal to the amount such Terminating Member would receive with respect to the portion of the interest of the Terminating Member that the LLC has elected to repurchase if the LLC sold all of its assets for cash at current fair market value, as determined by the Board (other than any Terminating Member) in their sole discretion, and applied the proceeds as provided in Section 8.03(b). The Purchase Price may be reduced by such damages as the Board (other than any Terminating Member) determine in their sole discretion have been or will be suffered by the LLC as a result of a termination due to the resignation of the Terminating Member. The parties to this Agreement agree that such determination of damages is final, conclusive and binding and such determination is not subject to appeal.

(c) Payment of the Purchase Price may be made in the Board's sole discretion (i) by check or by wire transfer to a bank account designated in writing by the Terminating Member, (ii) by delivery of a promissory note under which payments shall be made in equal annual installments over a period of five (5) years with interest at the applicable federal rate established by the Internal Revenue Service for the month in which the repurchase by the LLC is closed, which note shall be unsecured and subordinated to all debts and liabilities of the LLC, or (iii) by any combination of (i) and (ii). Amounts due shall be subject to offset as provided in Section 11.01.

(d) The LLC shall have the right (to be exercised in the discretion of the Board) to assign all or part of its rights under an option which it has elected to exercise to another Member or a third party to be admitted as a new Member, provided that the assigned portion of the Purchase Price shall be payable by check or wire transfer and not by delivery of a note under paragraph (c).

(e) Failure of the LLC to elect to purchase any interests of a Terminating Member under this Section 10.05 shall not affect the rights of the LLC to purchase the same interests under any other provision of this Agreement or any other agreement, and any Membership Interests not repurchased hereunder shall continue to be subject to all of the provisions of this Agreement.

(f) Upon payment of the Purchase Price at the closing of a repurchase as provided above, (i) the Terminating Member shall cease to have any rights with respect to the Membership Interest being repurchased and (ii) if all of its Membership Interests are repurchased from a Terminating Member, such Terminating Member shall cease to be a Member of the LLC.

ARTICLE XI

General Provisions

11.01 *Offset.* Whenever the LLC is obligated to make a distribution or payment to any Member, any amounts that Member owes the LLC may be deducted from said distribution or before payment by the LLC.

11.02 *Notices.* Except as expressly set forth to the contrary in this Agreement, all notices, requests, or consents required or permitted to be given under this Agreement must be in writing and shall be deemed to have been given (i) three days after the date mailed by registered or certified mail, addressed to the recipient, with return receipt requested, (ii) upon delivery to the recipient in person or by courier, (iii) upon receipt of a facsimile transmission by the recipient, or (iv) upon receipt of electronic mail by the recipient. Such notices, requests and consents shall be given (x) to Members at their addresses on Schedule A-1, or such other address as a Member may specify by notice to the Executive Officers or to all of the other Members, (y) to the Note Holders at their addresses on Schedule A-2, or such other address as the Note Holder may specify by notice to the Executive Officers or to all of the other Members, and (z) to the LLC or the Executive Officers at the address of the principal office of LLC specified in Section 1.03. Whenever any notice is required to be given by law, the Certificate or this Agreement, a written waiver thereof, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

11.03 *Entire Agreement.* This Agreement constitutes the entire agreement of the Members, the Directors and the Executive Officers relating to the LLC and supersedes all prior contracts or agreements with respect to the LLC, whether oral or written, including the Original Agreement which is hereby amended and restated in its entirety.

11.04 *Amendment or Modification.*

(a) This Agreement may be amended or modified from time to time only by a written instrument signed by Members holding not less than fifty-one percent (51%) of the Class A Profits Points.

(b) Notwithstanding the provisions of Section 11.04(a), the following amendments or modifications to this Agreement shall require the approval(s) indicated:

(i) an amendment or modification to reflect the issuance of additional LLC Interests and the admission of new Members shall be subject only to the requirements of Article II and Section 7.04;

(ii) the Executive Officers may amend or modify the Schedules to this Agreement to reflect the admission of new Members, the withdrawal of any Member, or any Repurchase;

(iii) an amendment or modification that adversely affects a Member's Membership Interest when such adverse effect is not applied proportionally to all other Members holding the same class of LLC Interests (other than to reflect the admission of new Members as permitted by this Agreement) shall require the prior written approval of such Member;

(iv) an amendment or modification increasing any liability of a Member to the LLC or its Officers, Directors or Members, or adversely affecting the limitation of the liability of a Member with respect to the LLC, shall be effective only with such Member's consent;

(v) an amendment or modification to the terms of any consent or vote requirement in this Agreement shall be effective only with the consent or vote theretofore required;

(vi) an amendment or modification to the provisions of Sections 2.03(c), 4.05, 4.06, 8.01(a)(ii), 9.04, to Schedule B (other than as provided in clause (ii) above), or to this Section 11.04(b)(vi) shall, in addition to the approval required by Section 11.04(a), require the prior written consent of the holders of a majority of the vested Class B Profits Points;

(vii) amendment or modification to any provision of this Agreement expressly requiring the approval of the holders of a majority of the Class C Profits Points or to Sections 2.02, 2.03(b), 3.04, 6.01, 6.02, 7.04, 7.05, 8.01, 8.02, 8.03, 8.04 (excluding the second sentence thereof), 9.01, 9.02(c), 9.04, 9.06, 11.04(b)(viii), 11.05, 11.06 or to this Section 11.04(b)(vii) shall, in addition to the approval required by Section 11.04(a), require the prior written consent of the holders of a majority of the Class C Profits Points;

(viii) any other amendment adversely affecting the rights of the holders of the Class C Profits Points that does not also affect the holders of the Class A Profits Points in an adverse manner in proportion to the Adjusted Profits Percentages of the Class A Profits Points and Class C Profits Points shall require the prior written consent of the holders of a majority of the Class C Profits Points;

(ix) an amendment or modification to the provisions of Section 6.02, as such provisions relate to a particular Officer, shall require the consent of such Officer;

(x) an amendment or modification to the provisions of Section 3.01 (a) to remove Bruce Biette as a Director of the LLC, so long as he is an Officer of the LLC, shall require the consent of Bruce Biette; and

(xi) an amendment or modification to the provisions of Section 3.01(a) to remove George Silverman as a Director of the LLC, so long as he is an Officer of the LLC, shall require the consent of George Silverman.

11.05 Conversion to Corporation for IPO. In the event that an IPO is approved by the Board, the Members will take all necessary or desirable actions in their capacities as Members that are reasonably requested by the Board in connection with the consummation of such IPO. If the Board determines in good faith that the limited liability company form and/or the capital structure of the LLC may adversely affect the marketability of an IPO, then each Member will consent to and vote for a recapitalization, reorganization, incorporation and/or exchange of its Membership Interests into securities that the Board and Members holding a majority of the outstanding Class A Profits Points, reasonably determine to be appropriate and will take all necessary or desirable actions that are reasonably requested by the Board in connection with the consummation of any such recapitalization, reorganization, incorporation and/or exchange; *provided*, that (a) the resulting securities, to the extent possible, reflect and are consistent with the Members' respective economic interests as in effect immediately prior to such

IPO, determined without regard to any change in economic position attributable to the fact that such securities may represent an interest in a corporation or other non-partnership entity rather than an interest in a partnership, and (b) if such Public Offering is an offering of common stock, then the outstanding Class A Profits Points, Class B Profits Points and Class C Profits Points will be exchanged for or otherwise become shares of common stock of the class so offered.

11.06 *FCC Non-Attribution Provisions.* The LLC and the Members acknowledge that certain holders of Class C Profits Points may desire to maintain and hold a non-attributable interest with respect to the LLC pursuant to applicable rules and policies of the Federal Communications Commission. Thus, notwithstanding anything to the contrary contained in this Agreement the following provisions shall apply to each holder of Class C Profits Points (each a “Restricted Holder”) unless such holder has elected in writing not to be treated as a Restricted Holder, solely in its capacity as such a holder:

(a) the Restricted Holder (if not a natural person, its directors, officers, partners, etc.) cannot act as an employee of the LLC or any of its Subsidiaries if his or her functions, directly or indirectly, relate to the media enterprises of LLC or any of its subsidiaries;

(b) the Restricted Holder may not serve, in any material capacity, as an independent contractor or agent with respect to the LLC or any of its Subsidiaries’ media enterprises;

(c) the Restricted Holder may not communicate with the LLC or any of its subsidiaries on matters pertaining to the day-to-day operations of the LLC or any of its subsidiaries;

(d) the Restricted Holder may not vote on the admission of additional Members;

(e) the Restricted Holder may not vote on the removal of any Manager;

(f) the Restricted Holder may not perform any services for the LLC or any of its Subsidiaries materially relating to its media activities; and

(g) the Restricted Holder is prohibited from becoming actively involved in the management or operation of the media businesses of LLC or any of its subsidiaries;

provided, that the provisions of this Section 11.06 (i) shall not prohibit employees and officers of BIA from serving as board observers pursuant to the BIA Purchase Agreement and (ii) shall not prohibit or limit BIA from exercising any rights as a holder of the promissory notes issued pursuant to the BIA Purchase Agreement.

11.07 *Binding Effect.* Subject to the restrictions on transfers set forth in this Agreement, this Agreement is binding on and inures to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

11.08 *Governing Law; Severability.* This Agreement is governed by and shall be construed in accordance with the law of the State of Delaware, exclusive of its conflict-of-laws principles. In the event of a conflict between the provisions of this Agreement and any provision of the Certificate or the Act, the applicable provision of this Agreement shall control, to the extent permitted by law. If any provision of this Agreement or the application thereof to any person or circumstance is held invalid or unenforceable

to any extent, the remainder of this Agreement and the application of that provision shall be enforced to the fullest extent permitted by law.

11.09 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Member shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and those transactions, as requested by the Executive Officers or Directors.

11.10 Waiver of Certain Rights. Each Member irrevocably waives any right it may have to maintain any action for dissolution of the LLC or for partition of the property of the LLC. The failure of any Member to insist upon strict performance of a covenant hereunder or of any obligation hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of such Member's right to demand strict compliance herewith in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation hereunder, shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation hereunder.

11.11 Notice to Members of Provisions of this Agreement. By executing this Agreement, each Member acknowledges that such Member has actual notice of (a) all of the provisions of this Agreement, including, without limitation, the restrictions on the transfer of Membership Interests set forth in Article IX, and (b) all of the provisions of the Certificate. Each Member hereby agrees that this Agreement constitutes adequate notice of all such provisions, and each Member hereby waives any requirement that any further notice thereunder be given.

11.12 Interpretation. For the purposes of this Agreement, terms not defined in this Agreement shall be defined as provided in the Act; and all nouns, pronouns and verbs used in this Agreement shall be construed as masculine, feminine, neuter, singular, or plural, whichever shall be applicable. Titles or captions of Articles and Sections contained in this Agreement are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

11.13 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document, and all counterparts shall be construed together and shall constitute the same instrument.

11.14 Third Party Beneficiaries. The provisions of this Agreement are not intended to be for the benefit of any creditor or other person to whom any debts or obligations are owed by, or who may have any claim against, the LLC or any of its Members, Directors or Officers, except for Members, Directors or Officers in their capacities as such and each of the Note Holders and Warrant Holders. Notwithstanding any contrary provision of this Agreement, and except for rights granted to the Note Holders and Warrant Holders, no such creditor or person shall obtain any rights under this Agreement or shall, by reason of this Agreement, be permitted to make any claim against the LLC or any Member, Director or Officer; *provided*, that the foregoing shall not in any way limit BIA's rights under the BIA Purchase Agreement or the notes issued thereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the date set forth above.

MEMBERS:



Bruce Biette

Daniel J. Duman

George Silverman

HOUSATONIC EQUITY INVESTORS SBIC, L.P.
by: Housatonic Equity Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

HOUSATONIC MICRO FUND SBIC, L.P.
by: Housatonic Micro Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

BIA DIGITAL PARTNERS LP
by: BIA Digital Partners LLC
Its: General Partner

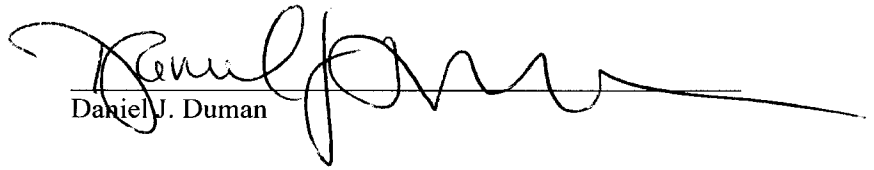
Gregg E. Johnson,
Member

[Signature Pages to Operating Agreement]

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MEMBERS:

Bruce Biette



Daniel J. Duman

George Silverman

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by: Housatonic Equity Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

HOUSATONIC MICRO FUND SBIC, L.P.
by: Housatonic Micro Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

BIA DIGITAL PARTNERS LP
by: BIA Digital Partners LLC
Its: General Partner

Gregg E. Johnson,
Member

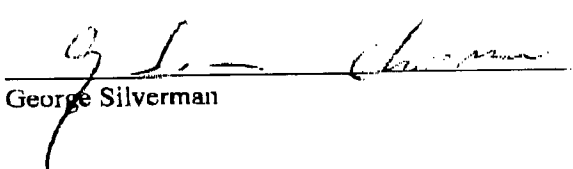
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Daniel J. Duman



George Silverman

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by: Housatonic Equity Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

HOUSATONIC MICRO FUND SBIC, L.P.
by: Housatonic Micro Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

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by: BIA Digital Partners LLC
Its: General Partner

Gregg E. Johnson,
Member

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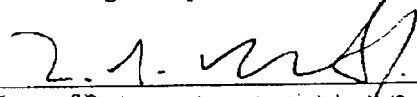
MEMBERS:

Bruce Biette

Daniel J. Duman

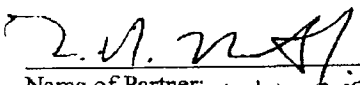
George Silverman

HOUSATONIC EQUITY INVESTORS SBIC, L.P.
by: Housatonic Equity Partners SBIC, L.L.C.,
its general partner



Name of Partner: William N. Thomdike Jr.
Title: Managing General Partner

HOUSATONIC MICRO FUND SBIC, L.P.
by: Housatonic Micro Partners SBIC, L.L.C.,
its general partner



Name of Partner: William N. Thomdike Jr.
Title: Managing General Partner

BIA DIGITAL PARTNERS LP
by: BIA Digital Partners LLC
Its: General Partner

Gregg E. Johnson,
Member

[Signature Pages to Operating Agreement]

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MEMBERS:

Bruce Biette

Daniel J. Duman

George Silverman

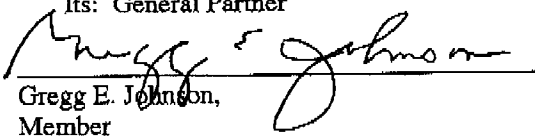
HOUSATONIC EQUITY INVESTORS SBIC, L.P.
by: Housatonic Equity Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

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by: Housatonic Micro Partners SBIC, L.L.C.,
its general partner

Name of Partner:
Title:

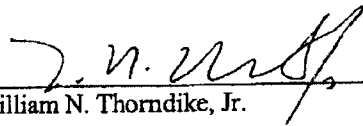
BIA DIGITAL PARTNERS LP
by: BIA Digital Partners LLC
Its: General Partner



Gregg E. Johnson,
Member

[Signature Pages to Operating Agreement]

DIRECTORS AND
EXECUTIVE OFFICERS:



William N. Thorndike, Jr.

Joseph M. Niehaus

James Wilder

Bruce Biette

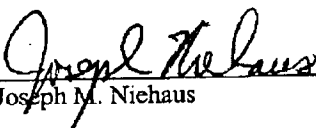
Daniel J. Duman

George Silverman

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Joseph M. Niehaus

James Wilder

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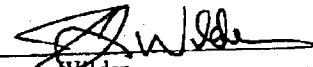
George Silverman

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**DIRECTORS AND
EXECUTIVE OFFICERS:**

William N. Thorndike, Jr.

Joseph M. Niehaus



James Wilder

Bruce Biette

Daniel J. Duman

George Silverman


[Signature Pages to Operating Agreement]

DIRECTORS AND
EXECUTIVE OFFICERS:

William N. Thorndike, Jr.

Joseph M. Niehaus

James Wilder



Bruce Biette

Daniel J. Duman

George Silverman

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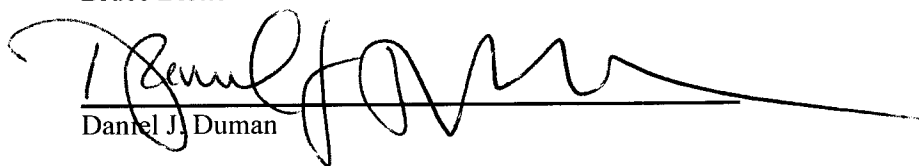
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James Wilder

Bruce Biette



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EXECUTIVE OFFICERS:

William N. Thorndike, Jr.

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James Wilder

Bruce Biette

Daniel J. Duman



George Silverman

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CONVERGENT BROADCASTING, LLC

Schedule A-1

Name and Address of Member or Note Holder	Capital Contributions to Date	Preferred Interests	Class A Profits Points
Bruce Biette* 1766 Washington Avenue Portland, ME 04103-1624	\$50,000	\$50,000	50,000
Dan Duman 701 Kersey Road Silver Spring, Maryland 20902	\$89,607 cash \$10,393 in expense reimbursement	\$100,000	100,000
George Silverman 98 Carroll Street Portland, Maine 04102	\$88,070 cash \$11,930 in expense reimbursement	\$100,000	100,000
Housatonic Equity Investors SBIC, L.P.** 44 Montgomery Street, Suite 4010 San Francisco, CA 94104 Attention: Joseph Niehaus jniehaus@housatonicpartners.com	See Schedule A-2	\$1,537,500	1,537,500
Housatonic Micro Fund SBIC, L.P.** 44 Montgomery Street, Suite 4010 San Francisco, CA 94104 Attention: Joseph Niehaus jniehaus@housatonicpartners.com	See Schedule A-2	\$3,412,500	3,220,000
Total:	\$250,000 plus amount shown on Schedule A-2		5,007,500

* The Capital Contribution of Bruce Biette has been funded through a full recourse promissory note bearing interest at the applicable federal rate made by Bruce Biette in favor of the LLC.

** Assumes conversion of Notes.

Holders of Class B Profits Points:

Name and Address of Member	Class B Profits Points
Bruce Biette 1766 Washington Avenue Portland, ME 04103-1624	370,000
Dan Duman 701 Kersey Road Silver Spring, Maryland 20902	370,000
George Silverman 98 Carroll Street Portland, Maine 04102	370,000
Total Class B Profits Points granted:	1,110,000
Total Class B Profits Points authorized:	1,110,000

Holders of Class C Profits Points:

Name and Address of Member	Class C Profits Points
BIA Digital Partners* 15120 Enterprise Court Suite 200 Chantilly, Virginia 20151 Telecopier No.: 703-227-9645 Attention: Mr. Gregg E. Johnson	1,000,000

* Assumes exercise of BIA Warrant

CONVERGENT BROADCASTING, LLC

Schedule A-2

Schedule A-2 to Amended and Restated Operating Agreement

Note Holders:

Name and Address of Note Holder	Total Note Amount 11/19/02	Loan Amount	Total Note Amount 9/3/03	Loan Amount	Total Note Amount 1/9/04	Loan Amount	Total Loans and Preferred Interests*	Class A Profits Points*
Housatonic Equity Investors SBIC, L.P. 44 Montgomery Street, Suite 4010 San Francisco, CA 94104 Attention: Joseph Niehaus jniehaus@housatonicpartners.com	\$1,537,500	9/16/02: \$ 58,687 10/15/02: \$ 23,500 10/25/02: \$ 23,313 12/26/02: \$1,000,000 1/3/03: \$ 432,000 TOTAL: \$1,537,500					\$1,537,500	1,537,500
Housatonic Micro Fund SBIC, L.P. 44 Montgomery Street, Suite 4010 San Francisco, CA 94104 Attention: Joseph Niehaus jniehaus@housatonicpartners.com	\$1,537,500	9/16/02: \$ 58,687 10/15/02: \$ 23,500 10/25/02: \$ 23,313 12/26/02: \$1,000,000 1/3/03: \$ 432,000 TOTAL: \$1,537,500	\$750,000	05/16/03: \$ 100,000 06/25/03: \$ 300,000 07/08/03: \$ 100,000 07/11/03: \$ 100,000 08/11/03: \$ 50,000 09/3/03: \$ 100,000 TOTAL: \$ 750,000	\$1,125,000	10/8/03: \$500,000 11/6/03: \$100,000 1/12/04: \$975,000	\$3,412,500	3,220,000
	\$3,075,000	\$3,075,000	\$750,000	\$750,000			\$4,950,000	4,757,500

* Issuable upon conversion of the Notes.

CONVERGENT BROADCASTING, LLC

Schedule B

Vesting Schedule and Determination of Class B Profits Points

I. Initial Allocation. On November 19, 2002, each Executive Officer was granted the number of Class B Profits Points set forth opposite his name on Schedule A-1.

II. Vesting.

A. Vesting Upon Grant.

8% of the Class B Profits Points granted to an Officer were vested upon grant.

B. Time-Based Vesting.

1. 32% of the Class B Profits Points issued to an Officer will vest in four (4) equal annual installments (i.e., 8% per year) beginning on the first anniversary of the grant and each of the next three (3) anniversaries thereafter; *provided, however*, that if an Officer is terminated without Cause prior to the first anniversary of the grant, 8% of the Class B Profits Points granted to such Officer will vest upon such termination.

2. Upon a Liquidation Event (as defined below), all Class B Profits Points subject to time-based vesting shall vest in full.

C. Performance-Based Vesting.

60% of the Class B Profits Points granted to an Officer shall vest upon a Liquidation Event (as defined below) in accordance with the following schedule:

If the IRR to the holders of the Class A Profits Points is	Then	the additional percentage of Class B Profits Points that will vest is (which amounts are cumulative)
Less than 15%		0%
15% to 19.99%		6%
20% to 24.99%		10%
25% to 29.99%		10%
30% to 34.99%		10%
35% to 39.99%		10%
40% to 44.99%		10%
greater than 44.99%		4%
TOTAL:		60%

D. Definitions.

“IRR” means the discount rate that causes the net present value of the Capital Contributions of the holders of Preferred Interests and Class A Profits Points with respect to their Preferred Interests and Class A Profits Points to be equal to the net present value of all distributions made with respect to the Preferred Interests and Class A Profits Points, including proceeds they receive in connection with the relevant Liquidation Event. For purposes of this computation, amounts borrowed by the Company under any Notes shall be treated as if they were Capital Contributions with respect to Preferred Interests, and payments of interest under the Notes shall be treated as distributions with respect to Preferred Interests and/or Class A Profits Points. Computations shall assume, for convenience, that all Capital Contributions and distributions were made on the 15th day of the calendar month in which such cash flows occur, except that the distribution of the proceeds of a Liquidation Event shall be deemed to occur on the actual date of distribution. Computation of the IRR shall be made using the algorithm incorporated in the “XIRR” function of Microsoft Excel 2000 (SR-1). Several examples of allocations upon an Liquidation Event (based upon a range of valuations at the time of such Liquidation Event), for illustration purposes only, are set forth below. Such examples were prepared prior to issuance of any Class C Profits Points, do not take into account any Class C Profits Points and are not accurate to the extent any Class C Profits Points would participate in the allocations and distributions upon such Liquidation Event.

(All Dollar Figures in Millions)

Assumptions:

1. \$3.325 of capital is contributed upon the formation of the LLC;
2. the LLC is liquidated exactly five years after its formation;
3. there are no interim Distributions or Capital Contributions prior to the Liquidation Event at the end of year five;
4. all of the initial Executive Officers of the LLC (Silverman, Biette, and Duman) remain with the LLC at the time of the Liquidation Event;
5. any outstanding Notes are converted into Preferred Interests and Class A Profits Points; and
6. any promissory notes used to fund a Member's Capital Contribution are repaid prior to the Liquidation Event.

Example 1 - \$ 10.000 of Liquidation Proceeds would be allocated:

- (i) \$3.325 to holders of Preferred Interests to reduce Unreturned Contributions to zero;
- (ii) \$2.030 to holders of Preferred Interests to reduce Unpaid Preferred Returns to zero; and
- (iii) \$3.995 to Class A Members representing 86% Class A Share (23.0% IRR), and \$0.650 to Class B Members representing 14% Class B Share (56% vested).

Example 2 - \$12.500 of Liquidation Proceeds would be allocated:

- (i) \$3.325 to holders of Preferred Interests to reduce Unreturned Contributions to zero;
- (ii) \$2.030 to holders of Preferred Interests to reduce Unpaid Preferred Returns to zero;
- (iii) \$5.966 to Class A Members representing 83.5% Class A Share (27.8% IRR), and \$1.179 to Class B Members representing 16.5% Class B Share (66% vested).

Example 3 - \$15.000 of Liquidation Proceeds would be allocated:

- (i) \$3.325 to holders of Preferred Interests to reduce Unreturned Contributions to zero;

- (ii) \$2.030 to holders of Preferred Interests to reduce Unpaid Preferred Returns to zero;
- (iii) \$7.812 to Class A Members representing 81.0% Class A Share (31.7% 1RR), and \$1.833 to Class B Members representing 19.0% Class B Share (76% vested).

“Liquidation Event” means the sale of substantially all of the assets of the LLC, or a transfer of more than 50% of the Class A Profits Points in any single transaction or series of transactions (other than a reorganization of the business of the LLC when the ultimate owners of more than 50% of the Class A Profits Points continue to own more than 50% of the equity interests for which Class A Profits Points are exchanged), where the Members holding Class A Profits Points receive in exchange for their Membership Interests either (i) cash or (ii) securities that are immediately saleable by such Members pursuant to an effective registration statement or under Rule 144 under the Securities Act (or any successor rule or similar provision then in effect, but not Rule 144A), in either case in one transaction not subject to any volume limitations.

III. Resignation and Removal.

If a holder of Class B Profits Points ceases to provide services to the LLC for any reason (or for no reason), that holder's Class B Profits Points are subject to the provisions of Section 4.05 and 4.06. The Board shall have the right to re-issue, in amounts and on terms established in its sole discretion, any Class B Profits Points forfeited by an Officer or repurchased by the LLC; *provided, however*, that any unvested Class B Profits Points forfeited by Messrs. Biette, Silverman or Duman pursuant to Section 4.05 shall be reallocated proportionately to whomever of Messrs. Biette, Silverman and Duman is still an Officer, unless it is necessary in the determination of the Board to replace the terminated Officer, in which case the forfeited Class B Profits Points may be allocated to the replacement Officer to the extent deemed necessary by the Board. Any increase in the number of Class B Profits Points to be issued shall require the approval of either George Silverman or Bruce Biette so long as he is a Director.

IV. Amendments; Waivers.

The Board may modify or amend this Schedule B provided that such modification or amendment does not adversely affect the then existing holders of Class B Profits Points as a class without the consent of the holders of two-thirds of the outstanding Class B Profits Points. The Board, at its sole discretion, may waive some or all of the vesting requirements set forth in this Schedule B, with the consent of the holder affected.

CONVERGENT BROADCASTING, LLC

Schedule C

2004 Executive Officer Salaries

George Silverman, Chairman:	No salary
Bruce Biette, President and Chief Executive Officer:	\$150,000 per year
Dan Duman, Secretary:	No salary