

## JOSH BROADCASTING L.L.C.

### RESTATED LIMITED LIABILITY COMPANY AGREEMENT

THIS RESTATED LIMITED LIABILITY COMPANY AGREEMENT, dated as of January 5, 2012, is made and entered into by and among those persons who have executed this Agreement and such other persons who hereafter execute this Agreement or an amendment hereto the purpose of which is to add them as parties (individually, a "Member", and collectively, the "Members").

#### ARTICLE I -- FORMATION OF COMPANY

1.1 Formation; Amendment and Restatement. The Members have organized and formed a limited liability company (the "Company"), pursuant to the Washington Limited Liability Company Act, RCW Chapter 25.15, as the same may be amended from time to time (the "Act"). A Certificate of Formation for the Company was filed with the Washington Secretary of State on December 15, 2011. As part of that organization, the Members entered into a certain Limited Liability Company Agreement, dated as of December 15, 2011.

The Members now desire to amend and restate the above-referenced Limited Liability Company Agreement by entering into this Restated Limited Liability Company Agreement (the "Agreement") as of the date set forth above, to govern the operations of the Company. The Company and its operations shall also be governed by the Act and shall be subject to the Internal Revenue Code of 1986, as the same may be amended from time to time (the "Code"), and proposed, temporary, and final regulations promulgated from time to time thereunder (the "Regulations").

1.2 Name. The name of the Company is:

JOSH Broadcasting L.L.C.

1.3 Principal Place of Business. The address of the principal place of business of the Company is as follows:

JOSH Broadcasting L.L.C.  
1520 Simpson Avenue  
Aberdeen, Washington 98520

1.4 Registered Agent(s) and Registered Office(s). The name and address of Company's initial registered agent and its initial registered office in the State of Washington are as follows:

William L. Neal  
601 Union Street, Suite 3100  
Seattle, Washington 98101

The Company shall designate registered agents and registered offices in such other States as necessary or appropriate. The registered agent(s) or registered office(s) may be changed from time to time as provided under the Act or other applicable law.

1.5 Term. The term of the Company shall commence upon the filing of a Certificate of Formation with the Secretary of State of the State of Washington and shall continue until December 31, 2022, which is the latest date on which the Company shall dissolve as stated in the Certificate of Formation (or such later date as may be provided in any amendment to said Certificate) or until the Company is dissolved in accordance with this Statement or the Act.

## ARTICLE II -- BUSINESS OF COMPANY; PRIMARY GOALS; LMA

The business of the Company shall be:

(a) To engage in the ownership, enhancement, and development of radio broadcast stations for investment purposes, with the primary goals of (i) developing further radio broadcast station KANY-FM, facility number 189496 (contributed by Member Jodesha Broadcasting, Inc.), by eliminating a broadcast notch that interferes with reception of its signal in the Seattle market and (ii) obtaining from the Federal Communications Commission (the "FCC") a construction permit for the FM radio broadcast station, facility number 164149 (contributed by Member Sunnylands Broadcasting L.L.C.), to operate from Capital Peak, all as more particularly described in separate writings and communications between the Members; and

(b) To exercise all other powers necessary, incidental, or convenient to carry on the Company's business as stated under (a) to the fullest extent permitted under the Act.

In the event Member Sunnylands Broadcasting L.L.C. reasonably determines that either of the goals set forth herein cannot be attained in a reasonably cost-effective manner, the Members will determine the next best option for the respective radio station as an alternate goal.

As part of its business activities the Company is entering into a separate Local Marketing Agreement (the "LMA") with Member Jodesha Broadcasting, Inc. Among other things, the LMA will permit Jodesha Broadcasting to provide programming for radio station KANY-FM.

## ARTICLE III -- MEMBERS; ADDITIONAL MEMBERS

The names and addresses of the Members are set forth on the signature page of this Agreement or an Amendment hereto. No other person may become a Member except as provided herein.

## ARTICLE IV -- MANAGEMENT

4.1 Member Managed. The management of the business and affairs of the Company shall be vested in the Members. The Members shall devote so much of their time to the business of the Company as in their judgment the conduct of the Company's business reasonably requires.

Any Member may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including but not limited to, the ownership, financing, management, employment by, lending to, or otherwise participating in businesses which are similar to the business of the Company, and neither the Company nor any of the Members shall have any right by virtue of this Agreement in and to such independent ventures or to the income or profits therefrom.

4.2 Day-to-Day Activities. Notwithstanding Section 4.1 above, the Company intends that Gregory J. Smith, who is a Manager of Member Sunnylands Broadcasting L.L.C., will have primary authority and responsibility for the day-to-day business and affairs of the Company and may have such further authority and responsibility as may be determined from time-to-time by the Members. The Members may by their vote change such designation or designate others as replacements or additions to such position. The standard of liability, responsibility, and accountability of any individual serving in such capacity shall be the same as that of a Member, and any such individual shall be entitled to indemnification the same as a Member.

4.3 Execution Of Documents. Any Member may execute and deliver, for and on behalf of the Company, any contract, document, or instrument relating to (a) acquisition, disposition, control, or management of any assets of the business or any interest therein or (b) the Company and its business and affairs, provided that the same relates either to (i) the day-to-day conduct of the business and affairs of the Company or (ii) a matter that has been authorized by the Members as provided in this Agreement or the Act. Any third party shall be entitled to act in good faith and reasonable reliance upon any certification by any Member that the foregoing provision has been met.

4.4 Compensation; Expenses. The Company does not intend to provide any salary, wage, or other compensation to any Member or to any member, manager, director, officer, employee, or other representative or agent of a Member, but will pay or reimburse such Member for reasonable out-of-pocket expenses incurred by that Member or any member, manager, director, officer, employee, or other representative or agent of that Member in connection with the Company's business, upon presentation of appropriate documentation.

4.5 Buy-Sell Agreement. Each Member hereby irrevocably grants to the other Members an option to purchase its Units and all membership right, title, and interest associated therewith (for purposes of this Section, its "Membership Interest") on the following terms and conditions and agrees that the provisions of this Section 4.5 shall be deemed to be a term of each such option to purchase. Any Member (the "Offeror") who is not in default within the meaning of Article XV may, at any time with or without a reason, give Notice (the "Initial Notice") to the other Member (the "Offeree"), specifying a per-Unit purchase price to be paid for a Member's Membership Interest, whereupon the following provisions, including the terms of such purchase, shall apply:

(a) The Offeree shall, by written notice given to the Offeror within 30 days following receipt of the Initial Notice, elect either: (i) to purchase the entire Membership Interest of the Offeror, at the per-Unit purchase price specified in the Initial Notice; or (ii) to sell its entire Membership Interest to the Offeror, at the per-Unit purchase price specified in the Initial

Notice. If an Offeree fails to timely give the foregoing notice, the Offeree shall thereupon be conclusively deemed to have agreed to sell its entire Membership Interest to the Offeror, and the Offeror shall be obligated to purchase it.

(b) Any purchase pursuant to this Section 4.5 shall occur on the 60<sup>th</sup> day, or if such day is a weekend day or legal holiday, then on the next business day, after expiration of the 30-day period described in Section 4.4(a). The purchase price for the Units shall be paid at the option of the purchaser (i) in cash or (ii) 20% down in cash and the balance in 60 equal monthly installments, including interest on the unpaid principal balance at a rate equal to the prime rate of interest in effect for the date of closing of the purchase as published in the Money Rates section of *The Wall Street Journal*, plus 2%, but not to exceed the maximum rate permitted by law. Any installment payment obligation shall be memorialized in a commercially reasonable promissory note permitting prepayment without penalty, providing for acceleration upon default, and providing an increase in interest of five percent (5%) per annum during any period of default and shall be secured by a grant of a security interest in the Membership Interest being purchased created in accordance with a commercially reasonable security agreement. The Offeror and the Offeree shall take all action, and execute all documents, reasonably necessary to consummate the transfer of the Membership interest.

(c) Upon a purchase pursuant to this Section 4.5, if the selling Member was a guarantor or was similarly liable on any debt of the Company as of the date of closing of the purchase, then the purchasing Member shall either obtain a release of the selling Member from such liability or shall indemnify and hold the selling Member harmless from and against such liability

## ARTICLE V -- LIABILITY OF MEMBERS

5.1 Limitation of Liability. Each Member's liability shall be limited as set forth in this Agreement and the Act.

5.2 Liability for Company Obligations. Members shall not be personally liable for any debts, obligations, or liabilities of the Company beyond their respective Capital Contributions, except as otherwise provided by law.

5.3 Liability for Actions. No Member shall be liable, responsible, or accountable in damages or otherwise to the Company or to any other Member for any action taken or failure to act on behalf of the Company; provided that such act or omission did not constitute fraud, misconduct, bad faith, gross negligence, or a breach of this Agreement.

5.4 Indemnification; Advances. The Company shall indemnify and hold harmless any Member or representative of any Member against any liability, loss, damage, cost, or expense incurred on behalf of the Company or in furtherance of the Company's interests other than that incurred for fraud, misconduct, bad faith, gross negligence, or a breach of this Agreement. Any indemnification required to be made by the Company shall be made promptly following the fixing of the liability, loss, damage, cost, or expense incurred or suffered by a final judgment of any court, settlement, contract or otherwise. The Company may advance funds to a Member or representative claiming indemnification for legal expenses and other costs incurred

as a result of a legal action if (i) the legal action relates to the performance of duties or services on behalf of the Company, (ii) the legal action is initiated by a party other than another Member, and (iii) the Member or representative receiving the advance undertakes to repay the advanced funds to the Company if it is determined that such Member is not entitled to indemnification. No Member shall have any personal liability with respect to the satisfaction of any required indemnification of any other Member.

## ARTICLE VI -- UNITS

Each Member shall initially own the number of Units in the Company specified in Exhibit A, attached hereto, or in any amendment or replacement thereto. Additional Units may be issued based upon the then per Unit value as determined by the Company. On any matter requiring the vote, approval, or other action of the Members, each Member shall have one vote for each Unit owned.

## ARTICLE VII -- CAPITAL CONTRIBUTIONS; ACCOUNTS; LOANS

### 7.1 Members' Capital Contributions.

(a) Each Member shall make the contribution as set forth in Exhibit A attached hereto, as such Member's initial Capital Contribution, in return for the respective number of Units as stated therein; provided, however, that the contributions of the KANY assets and license and the construction permit for the new FM station for Ilwaco, Washington, are contingent upon the FCC granting its consent to the assignment of KANY to the Company and to the FCC issuing the construction permit for the Ilwaco station and granting its consent to the permit being assigned to the Company. The contribution of KANY to the Company will be made on or before the 10<sup>th</sup> business day after the FCC grants its consent to the assignment of the KANY license to the Company, and the contribution of the Ilwaco construction permit to the Company will be made on or before the 10<sup>th</sup> business day after the FCC grants its consent to the assignment of the permit to the Company.

(b) The cash or property contribution by Member Sunnylands Broadcasting L.L.C. (other than the assets of the FM radio broadcast station facility number 164149) shall be made when and as determined by it to be reasonably necessary for the accomplishment of the Company's primary goals as referenced in Article II above (or any alternate goal determined by the Members in the manner provided herein) and in a manner determined by it to be reasonably cost effective.

(c) The contributions of the assets of the respective FM radio broadcast stations by the Members, as set forth in Exhibit A, shall convey good title to the assets and shall be made free and clear of all liens and other liabilities, including, but not limited to, day-to-day operating liabilities, the payment or other satisfaction of which shall remain the responsibility of the respective contributing Member. At the time of contribution, all locations used by the respective stations shall be free of any dangerous or extremely dangerous, hazardous, toxic, or like character substances, wastes, pollutants, contaminants, or similar such materials regulated by any federal or state law enacted for the protection of human health and the environment, and the

responsibility for such condition and for all remediation and other liability if the property is not free of such materials at the time of contribution shall remain with the respective contributing Member.

(d) The Members shall not be required to make additional Capital Contributions.

## 7.2 Capital Accounts.

(a) A separate Capital Account shall be established and maintained for each Member. Each Member's Capital Account will be increased by such Member's additional contributions, if any, and allocations to that Member of profits, income, and gain of the Company. Each Member's Capital Account will be decreased by any distributions to that Member from the Company, and allocations to that Member of expenses and losses of the Company.

(b) The manner in which Capital Accounts are to be maintained under this Agreement is intended to comply with the requirements of the Code and applicable Regulations thereunder, including without limitation Treasury Regulation 1.704-1(b). If in the opinion of the Company's legal counsel or accountants the manner in which Capital Accounts are being maintained should be modified in order to so comply, then the manner shall be so modified; provided, however, that such modification shall not materially alter the economic agreement between or among the Members.

7.3 Payment for Contributions to Capital. A Member shall not receive out of the Company's property any part of that Member's Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them. Irrespective of the nature of any Capital Contribution, a Member has only the right to receive cash in return for any Capital Contribution.

7.4 No Interest. No Member shall be entitled to receive interest on any Capital Contribution.

7.5 Optional Loans. Should the Members determine that the Company requires additional funds that are not available on acceptable terms from a commercial lender, any Member may advance to the Company monies in excess of such Member's required Capital Contributions as an Optional Loan. No Optional Loan will result in an increase in the number of Units owned by the lending Member, nor will the amount of any Optional Loan be credited to the lending Member's Capital Account. An Optional Loan will be an obligation of the Company to the lending Member and will be repaid to the lending Member with the same priority of any other indebtedness of the Company and before any amount may be distributed to Members with respect to their Units. Each Optional Loan shall be upon terms, including the rate of interest, comparable to what a commercial lender would require, as the Members may approve. An Optional Loan shall be payable without regard to the profits or losses of the Company and will be treated as a transaction with a Member other than in its capacity as a member of the Company pursuant to Section 707 of the Code.

## ARTICLE VIII -- PROFITS AND LOSSES; ALLOCATIONS

8.1 Computation. The net profit or loss of the Company, for each fiscal year or other period, shall be an amount equal to the Company's taxable income or loss for such period, determined in accordance with Code §703(a) (and, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code §703(a)(1), including income and gain exempt from federal income tax, shall be included in taxable income or loss). Any items that are allocated pursuant to Sections 8.3 and 8.4 shall not be taken into account in computing the Company's net profit or loss.

8.2 Adjustments to Net Profit or Loss. For purposes of computing taxable income or loss on the disposition of an item of Company property or for purposes of determining the cost recovery, depreciation, or amortization deduction with respect to any property, the Company shall use such property's book value determined in accordance with Regulation §1.704-1(b).

8.3 Allocations Generally. All profits, income, gain, losses, and deductions of the Company for any fiscal year shall be allocated among the Members as follows:

(a) Losses shall be allocated in the following priority:

(i) First, to the Members in proportion to their respective Percentage Interests, provided, however, that the loss allocated to any Member for any Company fiscal year shall not exceed the maximum amount of loss that can be so allocated without causing that Member to have a deficit Capital Account at the end of the fiscal year;

(ii) Then, to those Members with positive Capital Account balances all losses in excess of the limitation under Subsection (i) above, in proportion to such positive Capital Account balances; and

(iii) Thereafter, any remaining losses to the Members in proportion to their respective Percentage Interests.

(b) Profits shall be allocated in the following priority:

(i) First, to the Members in the reverse chronological order to the extent that losses have previously been allocated, that is, allocated first to those with the oldest loss allocation; and

(ii) Thereafter, to the Members in proportion to their respective Percentage Interests.

For purposes of this Agreement, "Percentage Interest" means, with respect to any Member as of any date, each Member's Units when compared to the total Units of all Members.

8.4 Special Allocations. As applicable, the following special allocations shall be made in the following order:

(a) If the Company has any net decrease in “partnership minimum gain”, as defined in Regulations §§1.704-2(b)(2) and (d), then items of the Company’s income and gain shall be specially allocated to the Members in amounts equal to their respective Units of the net decrease, determined in accordance with Regulations §§1.704-2(f) and (g)(2). The items to be allocated and the manner of allocation shall be determined in accordance with Regulations §§1.704-2(f) and (j)(2).

(b) If there is any net decrease in “partner nonrecourse debt minimum gain”, as defined in Regulations §§1.704-2(i)(1) and (2), then items of the Company’s income and gain shall be specially allocated to each Member who has a share of such gain, determined in accordance with Regulation §1.704-2(i)(5), in an amount equal to such Member’s share of the net decrease, determined in accordance with Regulations §§1.704-2(i)(4) and (5). The items to be allocated and the manner of allocation shall be determined in accordance with Regulations §§1.704-2(h)(4) and (j)(2).

(c) If any Member receives any adjustments, allocations, or distributions described in Regulations §§1.704-1(b)(2)(ii)(d)(4), (5), or (6), items of the Company’s income and gain shall be specially allocated to such Member in an amount and in a manner sufficient to eliminate as quickly as possible, as required by Regulation §1.704-1(b)(2)(ii)(d), any deficit balance in the Member’s Capital Account.

(d) Any “nonrecourse deductions”, as defined in Regulation §1.704-2(b)(1), shall be allocated to the Members in accordance with their respective Units.

(e) Any “partner nonrecourse deductions”, as defined in Regulation §1.704-2(i)(1) and (2), shall be allocated to the Members in accordance with Regulation §1.704-2(i).

8.5 Corrective Allocations. The Members shall have the authority to make off-setting allocations of the Company’s income, gain, loss, or deductions, in addition to any under Section 8.4 above, in amounts determined to be appropriate to make the Capital Accounts of the Members to the extent possible equal to the accounts each would have if the provisions of Section 8.2 were not contained in this Agreement. The Member(s) may request from the Commissioner of the Internal Revenue Service a waiver of the minimum gain chargeback requirements of Regulation §1.704-2(f) if the application of such chargeback requirement would cause a permanent distortion of the economic arrangement of the Members.

8.6 Mandatory Tax Allocations Under Code §704(c). In accordance with Code § 704(c) and Regulation §1.704-3, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial book value computed in accordance with Section 8.2. Prior to the contribution of any property to the Company that has a fair market value that differs from its adjusted tax basis in the hands of the contributing Member

on the date of contribution, the contributing Member and the other Members shall agree upon the allocation method to be applied with respect to that property under Regulation §1.704-3. Unless otherwise agreed in writing, the Company shall use the so-called traditional method described in Regulation §1.704-3(b). The same procedure shall apply to any revaluation of any Company property as permitted under Regulation §1.704-2(b)(iv)(f); provided, however, that all decisions regarding valuation of Company property and allocation methods under Regulation §1.704-3 shall be made by the Members. Allocations pursuant to this Section are solely for purposes of federal, state, and local taxes, and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of net profit, net loss, or other items as computed for book purposes, or distributions pursuant to any provision of this Agreement.

## ARTICLE IX -- DISTRIBUTIONS

9.1 Cash Allocation and Distributions. Distributions to Members, other than at liquidation, shall be as follows:

(a) Cash flow from operations, after the establishment of reserves for the anticipated needs of the Company, shall be distributed to and among the Members as follows:

- (i) First, the minimum distributions under Section 9.2 below; and
- (ii) Thereafter, in proportion to their respective Percentage Interests.

(b) Cash flow from Capital Transactions (as defined below) shall be distributed to and among the Members as follows:

(i) First, the minimum distributions under Section 9.2 below to the extent, if any, that any Capital Transaction results in the inclusion of the Company's tax items related to such Transaction in determining the Member's personal income tax liability, and no other cash has been distributed with respect to such Transaction; and

(ii) Thereafter, to the Members in proportion to their respective Percentage Interests.

For purposes of this Agreement, a "Capital Transaction" means a refinancing of the Company, or a sale of all or a portion of the Company or its assets that is not part of a liquidation and dissolution of the Company, and "Unreturned Capital" means, on any date, the excess, if any, of (a) the Capital Contribution of the Member (commencing on the date such Capital Contribution was accepted by the Company), over (b) the aggregate distributions to such Member pursuant to Section 9.1 as of such date.

9.2 Minimum Distributions. The Members agree to take all reasonable steps to cause the Company to pay to the Members a "Minimum Cash Distribution" to provide for the payment of income tax owed by the Members or their respective Members that is solely attributable to the inclusion of the Company's tax items in determining personal income tax liability. Minimum Cash Distributions shall be made at such times as the Members shall determine, but in no event

later than the date or dates on which the quarterly, semiannual, or annual income tax payments are due for each calendar year. The amount of the Minimum Cash Distribution for any tax period shall be determined by the accountant then retained by the Company. Such amount for any tax period shall be determined on a per Unit basis, applied to all Members, and shall be based on the highest marginal tax rate then applicable.

9.3 Distributions in Kind. Non-cash assets, if any, shall be distributed consistent with the allocations of the same, as made by the accountants for the Company as required by applicable provisions of the Tax Code, in a manner that reflects how cash proceeds from the sale of such assets for fair market value would have been distributed after any unrealized gain or loss has been allocated among the Members.

9.4 Limitation Upon Distributions. No distribution shall be made unless, after the distribution, the assets of the Company are in excess of all liabilities of the Company, except liabilities to the Members on account of their Capital Contributions.

#### ARTICLE X -- ACCOUNTING; BOOKS AND RECORDS

10.1 Accounting Principles. The Company's books and records shall be kept, and its income tax returns prepared, under such permissible method of accounting, consistently applied, as the Company determines to be in the best interest of the Company and the Members.

10.2 Accounting Period. The Company's accounting period shall be the calendar year.

10.3 Records, Audits and Reports. At a minimum, the Company shall keep at its principal place of business the following records:

- (a) A current list and past list, setting forth the full name and last known mailing address of each Member;
- (b) A copy of the Certificate of Formation and all amendments thereto;
- (c) A copy of this Agreement and all amendments hereto and of any prior agreement no longer in effect;
- (d) A copy of the Company's federal, state, and local tax returns and reports, if any, for the three most recent years;
- (e) A copy of any minutes of any meeting of the Members and any written consents obtained from the Members for actions taken without a meeting; and
- (f) A copy of the Company's financial statements for the three most recent years.

#### 10.4 Tax Matters Partner.

(a) Designation. The Company shall designate an eligible person as the "tax matters partner" of the Company for purposes of the Tax Code and corresponding provisions of any applicable state or local tax law. That person currently designated is David E. Hartman, a Manager of Sunnylands Broadcasting L.L.C.

(b) Expenses of Tax Matters Partner; Indemnification. The Company shall indemnify and reimburse the tax matters partner for all reasonable expenses, including legal and accounting fees, claims, liabilities, losses, and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members attributable to the Company.

(c) Returns and Other Elections. Except as otherwise expressly provided in this Agreement, all elections permitted to be made by the Company under federal, state or local tax laws shall be made by the tax matters partner.

### ARTICLE XI – TRANSFERABILITY; PURCHASE EVENTS

11.1 General Transfer Restriction. No Member may transfer all, or any portion of, that Member's interest in the Company without the prior written consent of all other Members, except as permitted by this Agreement. Each Member hereby acknowledges and agrees with the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The transfer or attempted transfer of any interest or any portion thereof in violation of this Agreement shall be invalid, null and void, and of no force or effect. If, notwithstanding the foregoing, any person becomes a transferee other than as provided in this Agreement, such person shall have no right to participate in the management or administration of the business and affairs of the Company, to require any information or account of the Company's transactions or inspect the Company's books, or to become a Member and shall at most merely own an economic interest in the profits, income, gain, losses, and expenses of the Company.

11.2 Related Person Transfers. The Units may be transferred to one or more members or one or more shareholders of a Member that is a limited liability company or corporation, respectively, or to another limited liability company or corporation that is affiliated with and controlled by a Member or by the persons who control such Member (any such recipient, a "Permitted Transferee").

11.3 Transferee Not Member in Absence of Consent. Notwithstanding any other provisions of this Agreement, if any transferee of a Member's interest is not a Member immediately prior to the transfer, then such transferee may become a Member only if approved in writing by all then existing Members, in their sole discretion; provided, however, that a Permitted Transferee shall become a Member without approval upon executing this Agreement or an amendment hereto whose purpose is to confirm such status. Any transferee not so approved shall have no right to participate in the management or administration of the business and affairs of the Company, to require any information or account of Company transactions or

inspect the Company books, or to become a Member. Such transferee shall merely own an economic interest in the profits, income, gain, losses, and expenses of the Company.

11.5 Transferor's Indemnity. Any Member making or attempting to make any sale or other transfer, whether or not in compliance with this Agreement, shall indemnify the Company and all other Members against any loss, damage, or expense (including, without limitation, tax liabilities or loss of tax benefits) arising directly or indirectly as a result of any transfer or attempted transfer,.

11.6 Purchase of Units upon Certain Events.

(a) The occurrence of any of the following events (a "Purchase Event") with respect to a Member (the "Affected Member") shall create certain purchase options, which options shall be in addition to any remedies that might be available under Section 15.2 below, or obligations with respect to all Units owned by the Affected Member (the "Subject Units"):

(i) Any transfer or attempted transfer of the Units by a Member in violation of Section 11.1 of this Agreement, whether or not the same is null, void, or of no legal effect;

(ii) An assignment by a Member for the benefit of creditors or application by a Member for the appointment of a trustee, liquidator, or receiver of any part of that Member's assets or the commencement by a Member of any proceedings relating to that Member under any federal or state law relating to bankruptcy, insolvency, reorganization, or similar laws;

(iii) The commencement of any proceeding against a Member relating to the appointment of a trustee, liquidator, or receiver or pursuant to any proceedings under any federal or state law relating to bankruptcy, insolvency, reorganization, or similar laws, which proceeding is not dismissed within 90 days after the filing of such proceeding;

(iv) The interest of a Member becoming subject to any attachment, levy, execution, or other judicial seizure that continues in effect for a period of 30 days; or

(v) An award, confirmation, or other transfer of any such Units to a Member's spouse pursuant to a decree of divorce, dissolution, or separate maintenance, or pursuant to a property settlement or separation agreement, provided that the option shall only apply with respect to the Units so transferred.

(b) For any Purchase Event under Subsection (a)(i) through (v) above, the Company or the non-affected Members shall have purchase options as follows:

(i) For a period of 90 days following the Purchase Event the Company shall have an option to purchase all or any portion of the Subject Units for the price and upon the terms and conditions set forth in this Agreement. On or before the expiration of this 90-day period,

the Company shall give written notice to all Members of its exercise or non-exercise of its option and, if the option is exercised, the number of the Subject Units to be purchased by the Company.

(ii) With respect to any of the Subject Units for which the Company does not exercise its option under Subsection (i) above, the non-affected Members shall have an option identical to that of the Company to purchase all or any portion of such Units, except that the period for exercise shall be extended to 30 days past the date on which the Company gave its notice of its exercise or non-exercise. On or before the expiration of this additional 30-day period, the non-affected Members shall give written notice to all Members and the Company of the exercise or non-exercise of the option stating the number of the Subject Units, if any, for which the option is exercised. Each non-affected Member shall have the right to purchase a number of those Subject Units available for purchase by the non-affected Members that is in the same proportion to all such available Subject Units as the number of Units then owned by that non-affected Member bears to the total number of Units then owned by all non-affected Members who exercise their options.

(iii) If the Company and the non-affected Members do not timely exercise their options to purchase all the Subject Units, the Affected Member may continue to own the Subject Units with the same rights and privileges as any other Member as if the Purchase Event had never occurred, provided that such Units shall remain subject to this Agreement.

(iv) If the Company or the non-affected Members timely exercise their options to purchase all the Subject Units, then it or they, as the case may be, shall be obligated to purchase the number of Subject Units for which each has exercised the option upon the price, terms, and conditions set forth in this Agreement, and the Affected Member shall be required to sell the same. Notwithstanding the foregoing, the purchase price for any Units and any payment obligations to the owner thereof shall be subject to offset for any claims against the Affected Member for any damages, costs, and expenses, including attorneys' fees, suffered or incurred as a result of any breach of this Agreement by the Affected Member or for any indebtedness or other liability owing to the Company.

(c) The price per share for any Subject Units purchased pursuant to a Purchase Event shall be the book value thereof, as of the last day of the calendar month ending just prior to the Purchase Event.

(d) Unless otherwise agreed, the purchase of Units pursuant to this Section 11.4 shall occur on the 30<sup>th</sup> day, or if a weekend day or legal holiday, then on the next business day, after the last notice from the Company or the non-affected Members stating that all the Subject Units would be purchased. The purchase price for such Units shall be paid in cash unless the amount of the purchase price exceeds \$25,000, in which event the Company or the purchasing Member(s), as the case may be, may elect to pay the purchase price 20% down in cash and the balance in 60 equal monthly installments, including interest on the unpaid principal balance at the prime rate of interest in effect for the date of closing of the purchase as published in the Money Rates section of *The Wall Street Journal*, but not to exceed the maximum rate permitted by law.

(e) Simultaneously with the receipt of the cash for the purchase price for the Subject Units by the Affected Member shall transfer such Units, delivering such assignments or other documentation as may be necessary or appropriate, to the purchaser(s) in accordance with the number of the Subject Units purchased by each.

(d) All Subject Units to be sold in accordance with this Section 11.3 shall be transferred free and clear of all claims, restrictions, or other matters, other than this Agreement.

## ARTICLE XII -WITHDRAWAL; DISSOCIATION

12.1 Voluntary Withdrawal. A Member shall not have the right to withdraw voluntarily from the Company without the prior written consent of all other Members.

12.2 Dissociation. The occurrence of any event of dissociation, as defined under the Act, with respect to any Member, shall not result in the dissolution of the Company, except as provided under Section 16.1 below. Such Member or such Member's successor, as the case may be, shall only have the rights of a transferee who has not become a Member, as provided under Article IX above.

## ARTICLE XIII -- MAJOR ACTS

Neither the Company nor any Member shall do any of the following except upon the affirmative vote of all the Members:

(a) Sell, transfer, encumber, or otherwise dispose of or transfer any interest in any major asset of the Company;

(b) Incur or pay any debt, obligation, or contract, including any under Section 7.5 above, except in the ordinary day-to-day course of business of the Company;

(c) Dissolve the Company;

(d) Do any act in contravention of this Agreement where a unanimous consent or a vote or other approval is required;

(e) Amend Article V or Section 7.1 of this Agreement;

(f) Determine an alternate goal to replace any of the primary goals identified in Article II above; or

(g) Admit any person as a Member.

## ARTICLE XIV -- MEETINGS; FORMALITIES

14.1 Failure to Hold Meetings, Observe Formalities. The Company is not required to hold any meetings of Members or observe formalities pertaining to the calling or conduct of

meetings. Any provisions of this Agreement pertaining to such matters are intended solely as a suggestion or expression of intent. The failure to hold any such meetings or to observe formalities shall not be considered a factor tending to establish that the Members have any personal liability for any act, debt, obligation, or liability of the Company.

14.2 Meetings. If the Company has any meeting of the Members, the same may be called for any purpose or purposes specified in the notice of such meeting by those Members owning 15% or more of the Units. The Member(s) calling the meeting will designate the time and place, which shall be within Thurston County, Washington, unless otherwise agreed.

14.3 Notice of Meetings. Written notice stating the time, place, and purpose or purposes for which the meeting is called will be delivered not less than five nor more than 20 days before the date of the meeting, either personally or by mail.

14.5 Quorum. Those Members owning a majority of the Units represented in person or by proxy will constitute a quorum at any meeting. The Members present at any meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of any Members holding a number of Units whose absence would cause less than a quorum.

14.6 Voting. If a quorum is present, the affirmative vote of Members owning a majority of the Units represented at the meeting in person or by proxy will be the act of the Members, unless the vote of a greater percentage is required by this Agreement or the Act.

14.7 Proxies. At all meetings a Member may vote in person or by written proxy. Any proxy will be filed with the Company before or at the time of the meeting. No proxy will be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

14.8 Conference Call. Members may participate in a meeting by telephone conference call or other means of communication by which all Members participating in the meeting can at all times hear each other. A Member participating by such means will be deemed to be present in person at the meeting.

14.9 Action By Members Without a Meeting. Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, executed by all Members of the Company. Any such action by consent will be effective when all required Members have signed, unless such consent specifies a different effective date.

14.10 Waiver. A Member's attendance at a meeting is a waiver of any objection to lack or inadequacy of notice, unless at the beginning of the meeting the Member objects to holding the meeting or transacting any business.

## ARTICLE XV -- DEFAULT

15.1 Events of Default. A Member shall be in default upon the occurrence of any of the following events:

(a) An assignment by that Member for the benefit of creditors or application by that Member for the appointment of a trustee, liquidator, or receiver of any part of that Member's assets or the commencement by that Member of any proceedings relating to that Member under any federal or state law relating to bankruptcy, insolvency, reorganization, or similar laws;

(b) The commencement of any proceeding against that Member relating to the appointment of a trustee, liquidator, or receiver or pursuant to any proceedings under any federal or state law relating to bankruptcy, insolvency, reorganization, or similar laws, which proceeding is not dismissed within 90 days after the filing of such proceeding;

(c) The interest of that Member becoming subject to any attachment, levy, execution, or other judicial seizure;

(d) That Member failing to make a Capital Contribution to the Company, if any may be required by this Agreement;

(e) That Member transfers an interest in the Company in violation of this Agreement; or

(f) That Member breaches or fails to perform any other provision of this Agreement, and such breach or failure is not cured within 30 days after written notice to the Member.

15.2 Remedies. In addition to any purchase options under Section 11.6(a) above, upon any Member becoming a defaulting Member, the following remedies shall be available:

(a) The Company, as determined by those remaining Member(s) owning 2/3rds or more of the remaining Units then outstanding, may pursue against the defaulting Member any remedy provided under this Agreement or any other remedy at law or in equity; or

(b) The remaining Member(s) may vote to dissolve the Company as provided under Section 13.1 (c) above, provided that the required vote shall be the unanimous vote of the remaining Units and, upon such vote, may offset against any amount to otherwise be distributed to the defaulting Member an amount equal to the damages caused by the default.

A defaulting Member shall have no right to vote upon or otherwise participate in management of the Company, regardless of whether the remaining Members have commenced to exercise any available remedies.

## ARTICLE XVI -- DISSOLUTION

16.1 Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:

- (a) The expiration of the term of this Agreement;
- (b) The affirmative vote or other approval of those Members owning all the Units, except as provided in Section 15.2 above;
- (c) Ninety days following the occurrence of any event of dissociation, as defined in the Act, with respect to the last remaining Member of the Company, unless those persons having rights of assignees in the Company, as provided under the Act and this Agreement, have by the 90<sup>th</sup> day voted to admit one or more Members, voting as though such persons were Members and in the manner set forth in the Act; or
- (d) A judicial or administrative dissolution of the Company as provided in the Act.

The occurrence of any event of dissociation, as defined in the Act, shall not result in dissolution of the Company, except as provided in Subsection (c) above.

16.2 Allocation of Profits and Losses in Liquidation. All profits, income, gain, losses, and expenses of the Company following the date of dissolution, including but not limited to gain or loss upon the sale of the Company's assets, shall be allocated among the Members and credited or charged to their respective Capital Accounts as follows:

- (a) Gain will be allocated (i) to those Members who have negative capital account balances, and then (ii) to the Members in proportionate to their respective Percentage Interests.
- (b) Losses will be allocated (i) to those Members having positive capital account balances, and then (ii) to the Members in proportionate to their respective Percentage Interests.

16.3 Winding Up, Liquidation, and Distribution of Assets. Upon dissolution, the Members or other persons designated by the Company shall immediately proceed to wind up the affairs of the Company, unless the business of the Company is continued as provided in Section 16.1 above. The Company or such persons shall sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Company or such persons may determine to distribute any assets to the Members in kind) and shall apply the proceeds of such sale and the remaining Company assets in the following order of priority:

- (a) Payment of creditors, including any Members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company, other than liabilities for distributions to Members;

(b) Establishment of any reserves reasonably necessary for contingent or unforeseen obligations of the Company and, when no longer reasonably necessary, payment of the balance then remaining in the manner provided in Subsection (c) below;

(c) Distributions to Members to adjust for any non-pro rata distributions made during the term unless permitted under the provisions of this Agreement; and

(d) Then, to the Members in proportionate to their respective Percentage Interests.

16.4 No Obligation to Restore Negative Capital Account Balance on Liquidation. Notwithstanding anything to the contrary in this Agreement, upon a liquidation of the Company, if any Member has a negative Capital Account balance (after giving effect to all contributions, distributions, allocations, and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Member shall have no obligation to make any capital contribution to the Company, and the negative balance of such Member's Capital Account shall not be considered a debt to the Company or to any other person for any purpose whatsoever.

16.5 Return of Capital, Other Payments. Each Member shall look solely to the assets of the Company for return of capital contributions, payment of profits, income, or gain, or other distributions and shall have no recourse, upon dissolution or otherwise, against any of the other Members.

16.6 Termination. Upon completion of the winding up, liquidation, and distribution of the assets, the Company shall be deemed terminated.

16.7 Certificate of Cancellation. When all debts, liabilities, and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed to the Members, the person(s) winding up the affairs of the Company shall file a Certificate of Cancellation as required by the Act. Upon filing the Certificate of Cancellation, the existence of the Company' shall cease, except as otherwise provided in the Act.

## ARTICLE XVII -- MISCELLANEOUS PROVISIONS

17.1 Notices. All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing, which shall include notice by facsimile transmission, but not transmission by e-mail or like means, directed to the Company at its principal address or to any Member at the address set forth after that Member's name on the signature page of this Agreement, as the same may updated by that party from time to time in the manner for giving notice as provided herein. Any party shall have the right to rely upon the contact information last furnished by another party. Any such notice or other communication shall be deemed to have been received by a party, if it is directed to that party in the manner provided herein with any applicable postage or other delivery charges prepaid, (a) on the date delivered, if the notice is

personally delivered, (b) on the delivery date in the records of a nationally recognized courier guaranteeing delivery, if the notice is sent by such means, (c) on the third regular business day in the State in which the addressee resides after deposit into the United States mail, if the notice is sent by such means, or (d) on the initial message transmission date if shown on a response message from that recipient, if the notice sent by e-mail or like electronic transmission. The parties may also communicate with each other informally by e-mail or like electronic transmission, but any such communication that does not meet the requirements of clause (d) above shall not have legal significance or consequences.

17.2 Rights and Remedies; Attorneys' Fees. The rights and remedies provided in this Agreement are cumulative and the use of any one right or remedy shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise. In the event of any litigation by or between the parties arising under or related to this Agreement, the party most prevailing shall be entitled, in addition to any other remedy or relief, to an award of its costs and expenses, including reasonable attorneys' fees, including any incurred on appeal.

17.3 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

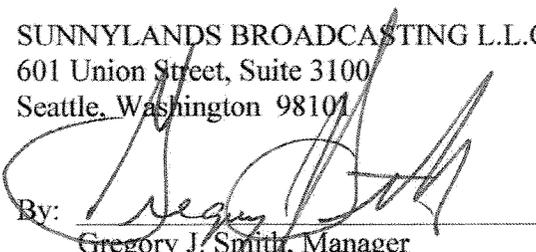
17.4 Heirs, Successors, and Assigns. Each of the covenants, terms, provisions, and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors, and assigns.

17.5 Creditors. None of the provisions of this Agreement shall be for the benefit of, or enforceable by, any creditors of the Company.

17.6 Amendments. This Agreement may not be amended except by the affirmative vote or other approval of those Members owning all of the Units.

As evidence of their agreement, the Members have affixed their signatures below.

SUNNYLANDS BROADCASTING L.L.C.  
601 Union Street, Suite 3100  
Seattle, Washington 98101

By: 

Gregory J. Smith, Manager

JODESHA BROADCASTING, INC.  
1520 Simpson Avenue  
Aberdeen, Washington 98520

By: \_\_\_\_\_

William J. Wolfenbarger, President

By: 

David E. Hartman, Manager

**JOSH BROADCASTING L.L.C.**

**RESTATED LIMITED LIABILITY COMPANY AGREEMENT**

**EXHIBIT A**

Members and Contributions

January 5, 2012

| <i>Name of Member</i>          | <i>Capital Contribution</i>  | <i>Units</i> |
|--------------------------------|--|--------------|
| Sunnylands Broadcasting L.L.C. | All assets of an FM radio broadcast station at 98.5 MHz, with facility number 189496, licensed to Ilwaco, Washington, including all FCC authorizations, and other tangible and intangible assets of the station, real and personal, wherever located, including its business and goodwill, per Restated Limited Liability Company Agreement<br><br>Plus cash or property (at mutually agreed upon fair market value) in total amount of up to \$500,000.00 aggregate cash and property, per Restated Limited Liability Company Agreement | 10,000       |
| Jodesha Broadcasting, Inc.     | All assets of radio broadcast station KANY-FM at 93.7 MHz facility number 164149, licensed to Montesano, Washington, including all FCC authorizations, and other tangible and intangible assets of the station, real and personal, wherever located, including its business and goodwill, per Restated Limited Liability Company Agreement   | 10,000       |