

# **EXHIBIT I**

## **Subordinated Collateral Assignment and Pledge**

THE TERMS AND PROVISIONS OF THIS SUBORDINATED COLLATERAL ASSIGNMENT AND PLEDGE OF MEMBERSHIP INTERESTS ARE ALSO SUBJECT TO THE TERMS AND PROVISIONS OF AN INTERCREDITOR AND SUBORDINATION AGREEMENT, DATED AS OF [\_\_\_\_], 2004, BY AND AMONG [\_\_\_\_], AS SUCH AGREEMENT MAY BE AMENDED, SUPPLEMENTED, RESTATED, OTHERWISE MODIFIED, OR REPLACED FROM TIME TO TIME (THE "INTERCREDITOR AGREEMENT").

**SUBORDINATED COLLATERAL ASSIGNMENT  
AND PLEDGE OF MEMBERSHIP INTERESTS**

**THIS SUBORDINATED COLLATERAL ASSIGNMENT AND PLEDGE OF MEMBERSHIP INTERESTS** (this "Agreement") is made as of the \_\_\_\_ day of January, 2004, by and among **SCOTT MCQUEEN**, a [\_\_\_\_] resident, **RICHARD PESTRICHELLI**, a [\_\_\_\_] resident, **JEFF ROSCHMAN**, a [\_\_\_\_] resident, and **[OTHER PARTIES-ALTA HOLDINGS]** (collectively, "Members" and each individually, a "Member"); **BLUEWATER BROADCASTING COMPANY, L.L.C.**, a Florida limited liability company ("Borrower"); and **DEEP SOUTH BROADCASTING COMPANY**, an Alabama corporation ("Assignee").

**RECITALS**

**WHEREAS**, Borrower and Assignee are parties to a certain Subordinated Secured Promissory Note, dated as of even date herewith (as the same may be amended, extended, restated, renewed, reaffirmed, replaced, supplemented or otherwise modified from time to time, the "Note"), providing for repayment of a certain loan made by Assignee to Borrower (the "Loan"). Except as otherwise specified herein, capitalized terms used in this Agreement which are defined in the Note have the same meanings herein as therein.

**WHEREAS**, as of the date hereof, the Members are the only persons owning or holding the Membership Interests (as defined in Section 1.1 below) in Borrower;

**WHEREAS**, in order to induce Assignee to make the Loan, each Member has agreed to enter into this Agreement; and

**WHEREAS**, it is a condition to Assignee's willingness to enter into the Note and provide the financing contemplated thereby that this Agreement be executed by each Member and Borrower.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto hereby agree as follows:

**A. COLLATERAL ASSIGNMENT AND PLEDGE OF MEMBERSHIP INTERESTS**

**1. Collateral Assignment and Security Interest.**

1.1 For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as security for the payment and performance of (i) the due and punctual payment in full of the Note to the Assignee, including, without limitation, all interest payable thereon at the interest rates provided in the Note, in each case regardless of the extent allowed as a claim in any proceeding in respect of the bankruptcy, reorganization or insolvency of Borrower (a "Reorganization"); (ii) the payment and performance of all indebtedness, liabilities, obligations, terms, covenants and conditions of Borrower under the Subordinated Security Agreement, dated as of even date herewith, by and between Borrower and Assignee (the "Security Agreement"); (iii) the payment and performance of all indebtedness, liabilities, obligations, terms, covenants and conditions of Borrower under the Subordinated Real Estate Mortgage/Subordinated Leasehold Real Estate Mortgage, dated as of even date herewith, by and between Borrower and Assignee (the "Mortgage"); and (iv) the payment and performance of all indebtedness and other obligations of Members, and each of them, to the Assignee and Agent contained herein, and any and all other indebtedness, liabilities and obligations of Borrower and Members, and each of them, to the Assignee of every kind and description, direct, indirect or contingent, now or hereafter existing, due or to become due under the Note (collectively, the "Obligations"), each Member, subject to the terms and conditions contained in the Intercreditor Agreement, does hereby pledge, transfer, collaterally assign for security purposes and deliver unto Assignee, and does hereby grant to Assignee a security interest in:

Subject to the Intercreditor Agreement, all of the rights, title and interests of each Member, whether now existing or hereafter arising, in and to Borrower and as a Member thereof (the "Membership Interests"), including, without limitation, all of its rights, title and interests in and to Borrower and any successor, and all of its rights, title and interests in, under and to, and all rights to receive any distributions or payments due or to become due under the terms of, the Articles of Organization of Borrower filed with the Florida Secretary of State on March 28, 2003 and the Amended and Restated Limited Liability Company Agreement of Borrower, dated as of [\_\_\_\_], as the same may be further amended or restated from time to time (the "Operating Agreement") and any and all other related agreements, accounts and general intangibles, as the same have been and may hereafter be amended from time to time (collectively, the "Constituent Documents"), and all rights and all proceeds of all of the foregoing.

**TO HAVE AND TO HOLD** the same unto Assignee and its successors and assigns, until such time as the Obligations shall have been paid in full.

1.2 The within assignments and security interests are for collateral purposes only, and Assignee shall not, by virtue of this Agreement or its receipt of distributions from Borrower, be deemed to be a Member of Borrower or any other limited liability company or to have any liability for the debts, obligations or liabilities of Borrower or of any of Members, jointly or severally.

1.3 So long as no Event of Default (as defined in Section 2.1) shall exist under or in respect of the Obligations, but only to the extent permitted under the Note or as may otherwise from time to time be consented to in writing by Assignee, each Member shall be entitled to receive and retain for its own account amounts received on account of the Membership Interests held by such Member.

1.4 If the Membership Interests are at any time evidenced by a certificate or instrument of any kind, Members shall promptly pledge and deliver such certificates and instruments to Assignee, accompanied by duly executed instruments of transfer or assignments in blank, and accompanied by any required transfer tax stamps, all in form and substance acceptable to Assignee. To the extent that the Membership Interests are not represented by certificates or instruments, Members shall execute and deliver such control agreements as Assignee shall require and shall take such action as may be requested by Assignee to cause Borrower to register Assignee as the registered collateral assignee of each Member's interest in such uncertificated interests.

1.5 Without in any manner releasing, impairing or otherwise affecting this Agreement, Assignee, by its acceptance of this Agreement, agrees that (a) in enforcing Assignee's rights and remedies hereunder it will not hold any Member personally liable under this Agreement for the payment of the indebtedness evidenced by the Notes or any other indebtedness constituting Obligations of Borrower and (b) the sole recourse of Assignee against any Member under this Agreement for any and all defaults by Borrower in the payment or performance of its Obligations to Assignee, shall be limited to Assignee's security interests in, under and to the Membership Interests and the other collateral granted to Assignee pursuant to Section 1.1 hereof.

## 2. Assignee's Rights in Event of Default.

2.1 Immediately upon the occurrence of any failure by any Member to pay or otherwise perform any of its respective obligations contained herein, and continuance of such default for a period of thirty (30) consecutive days after notice thereof is given by Assignee to each Member and Borrower, or upon the occurrence and during the continuance of an "Event of Default" as defined in the Note (each, an "Event of Default"), the rights of each Member to receive any amounts payable in respect of the Membership Interests shall, at the option of Assignee, cease and terminate, and in such event Assignee is hereby expressly and irrevocably authorized to demand and receive all amounts payable or to become payable on account of each of the Membership Interests, without further authorization, notice or demand.

2.2 Each Member does hereby irrevocably appoint Assignee, upon the occurrence and during the continuance such Event of Default, with full power of substitution and revocation, such Member's true and lawful attorney, for such Member and in such Member's name, place and stead, to do and perform any and all of the following on its or his/her behalf under the Constituent Documents, as fully as such Member could do if personally present, hereby ratifying and confirming all that such Member's said attorney or its substitute shall lawfully do or cause to be done by virtue hereof, including, without limitation, the rights:

(a) to enforce, cancel or modify the Constituent Documents, subject to such prior FCC approval as may be necessary, but only to the extent that Assignee in its sole discretion deems reasonably necessary or advisable to protect or enforce its rights and remedies hereunder; and

(b) to demand, collect, sue for, recover, receive, compromise and adjust, and make, execute and deliver receipts and releases for all amounts that may be or may thereafter become due, owing or payable with respect to the Membership Interests.

2.3 (a) If an Event of Default shall occur and be continuing, then thereupon and at any time or times thereafter, subject to Paragraph 12 of Section D hereof, Assignee shall have all rights and remedies provided to a secured party under the Uniform Commercial Code as in effect in the State of Alabama (the "Uniform Commercial Code") and shall act in accordance with the Uniform Commercial Code in exercising its rights hereunder. More specifically, but in no way in limitation of the rights and remedies of Assignee, Assignee may, upon ten (10) days' written notice (which notice shall be deemed to satisfy any requirement of reasonable notice) to any Member and Borrower, and without liability for any diminution in price which may have occurred, sell or otherwise dispose of all or any part of the Membership Interests of such Member (or any rights comprising the Membership Interests) or other collateral hereunder. Such sale or other disposition may be by public or private arms' length proceedings and may be made by way of one or more contracts, as a unit or in portions, at such time and place, by such method, and in such manner and on such terms, as Assignee may determine. At any public sale, Assignee shall be free to purchase all or any part of such Membership Interests (or any rights comprising the Membership Interests) or other collateral.

(b) Each Member recognizes that Assignee may be unable to effect a public sale of the Membership Interests by the reason of certain prohibitions contained in the Securities Act of 1933, as amended (the "Securities Act") or other applicable state or federal laws, and Assignee may therefore resort to one or more private arms' length sales thereof to a restricted group of purchasers. Each Member agrees that any such private sales may be at prices and on other terms less favorable to the seller than if sold at public sales and that such private sales shall not by reason thereof be deemed not to have been made in a commercially reasonable manner. Assignee shall be under no obligation to delay a sale of any of the Membership Interests for the period of time necessary to permit the issuer of such securities to register such securities for public sale under the Securities Act, or such other applicable laws, even if the issuer would agree to do so and issuer shall have no obligation to register such Securities. Subject to the foregoing, Assignee agrees that any sale of the Membership Interests shall be made in a commercially reasonable manner, and each Member agrees to use commercially reasonable efforts to cause the issuer or issuers of the Membership Interests contemplated to be sold, to execute and deliver all such instruments and documents, and to do or cause to be done all such other acts and things as may be necessary or, in the reasonable opinion of Assignee, advisable to exempt such Membership Interests from registration under the provisions of the Securities Act, and to make all amendments to such instruments and documents which, in the opinion of Assignee, are reasonably necessary or advisable to permit such a private sale, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto, and other applicable law. Each Member further agrees to use

commercially reasonable efforts to cause Borrower to comply with the provisions of the securities or "Blue Sky" laws of any jurisdiction which Assignee shall reasonably designate.

2.4 Assignee shall apply the net amount received by it from the Membership Interests and other collateral, after payment of all proper expenses, costs and charges, first to the payment of the Obligations in full and thereafter to Members in accordance with the terms of the respective Constituent Documents as if the Membership Interests had not been sold or otherwise disposed of, and in accordance with applicable law.

3. **Payment by Members.**

(a) Each Member hereby irrevocably directs Borrower upon demand and notice from Assignee, and without further notice to or consent from Borrower, to pay Assignee all amounts accruing or due under the Constituent Documents on account of each of the Membership Interests.

(b) Assignee hereby agrees with the Members that it shall not deliver any such notice to Borrower under Section 3(a) unless an Event of Default has occurred and is continuing. Borrower shall be under no obligation to inquire into or determine the actual existence of any such Event of Default claimed by Assignee.

4. **Covenants of Member.**

Each Member hereby severally covenants, agrees and warrants as follows:

(a) Such Member is the sole owner of such Member's respective Membership Interests as set forth in the respective Constituent Documents and as described on Exhibit A attached hereto and made a part hereof, and such Member has not sold, assigned, transferred, mortgaged, encumbered or pledged the Membership Interests or any part thereof other than to the Senior Lenders (as defined in the Intercreditor Agreement) pursuant to the Senior Collateral Assignment and Pledge of Membership Interests, dated [\_\_\_\_\_] , by and among the Members, the Borrower and the Senior Lenders (the "Senior Pledge").

(b) Except pursuant to this Agreement and the Senior Pledge, such Member will not transfer, assign, pledge or otherwise encumber such Membership Interests or any part thereof.

(c) Such Member will perform and observe, or cause to be performed and observed, all of such Member's obligations under the Constituent Documents.

(d) Except as specifically set forth in the Constituent Documents and the Senior Pledge, none of such Member's Membership Interests is subject to any restriction which would prohibit or restrict the security interest, pledge and assignment hereunder or the exercise of Assignee's remedies hereunder. Notwithstanding anything to the contrary set forth in the Constituent Documents, each of Borrower and Members hereby waive compliance with all such restrictions or prohibitions set forth in the Constituent Documents in order to permit the collateral assignment, security interest and pledge hereunder and the exercise by Assignee of all

of its rights and remedies hereunder, including, without limitation, any reassignment of any Membership Interests by Assignee upon the exercise of Assignee's rights hereunder and any request or demand by the transferee to become a substitute Member in Borrower.

(e) Subject to compliance with Paragraph 12 of Section D hereof, the Senior Pledge and the Intercreditor Agreement, the execution and delivery of, and performance by such Member of its or his respective obligations under, this Agreement will not violate any provision of law, any order, judgment or decree of any court or other agency of government, the Constituent Documents (except for such restrictions or prohibitions waived as set forth in Section 4(d) above) or any indenture, agreement or other instrument to which such Member is a party, or by which such Member is bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of such Member pursuant to, any such indenture, agreement or instrument.

(f) Such Member is not suffering from any legal disability and this Agreement constitutes the valid and binding obligation of such Member, enforceable against such Member in accordance with its terms, subject, however to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the rights and remedies of creditors generally or the application of principles of equity, whether in any action in law or proceeding in equity, and subject to the availability of the remedy of specific performance or of any other equitable remedy or relief to enforce any right hereunder.

(g) Except as set forth in Exhibit B hereto, such Member is not required to obtain any consent, approval or authorization from, or to file any declaration or statement with, any governmental instrumentality or other agency or any other Person in connection with or as a condition to the execution, delivery or performance hereof; but a copy of this Agreement may be required to be filed by Borrower with the Federal Communications Commission (the "FCC") and the prior consent of the FCC is required as a condition to any assignment or transfer of control of Borrower as a result of foreclosure, or otherwise, while Borrower is a FCC licensee.

(h) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency, now pending or to such Member's knowledge threatened (nor is any basis therefor known) against or affecting such Member which, if adversely determined, either in any case or in the aggregate, would have a material adverse effect on the business, operations, properties, assets or condition, financial or otherwise, of such Member.

(i) Such Member is not in violation of any material indenture, agreement or instrument to which it is a party or by which it is bound or of any provision of law the violation of which could have a material adverse effect upon such Member, or any order, judgment or decree of any court or other agency of government.

(j) Such Member has filed all federal, state and local tax and information returns required to be filed, or has made timely requests for extensions with respect thereto, and

has paid or made adequate provision for the payment of all material federal, state and local taxes and charges and assessments shown thereon.

(k) The principal address or chief executive office of such Member is set forth in Section D, Paragraph 9. Such Member will not change the address or location of its chief executive office unless it has given Assignee thirty (30) days' prior written notice thereof.

(l) Such Member's liability hereunder is absolute and unconditional, irrespective of: (i) the genuineness, legality, validity or enforceability of the Obligations; (ii) the legality, validity, priority or enforceability of any security interest, mortgage or pledge granted by Borrower or any other person as collateral for the Obligations, any guarantee, suretyship, letter of credit or reimbursement agreement issued by any person secondarily or otherwise liable for any of the Obligations, any right of set-off against any deposit account or credit on Assignees' books in favor of Borrower or any person secondarily or otherwise liable for any of the Obligations, or any other device providing collateral security for payment of the Obligations (all of the above referenced devices being referred to herein as the "Collateral Security"); (iii) the failure by Assignee for any reason to resort to, enforce or exhaust its remedies under or against the Obligations or the Collateral Security; (iv) the waiver or consent by Assignee with respect to any term or condition of the Obligations or the Collateral Security; (v) the recovery of any judgment against Borrower or any action to enforce such judgment; or (vi) any other circumstance which might, absent the unconditional nature of this Agreement, constitute a legal or equitable discharge or defense of a guarantor, a pledgor or a debtor.

(m) Such Member will not cause or allow additional membership interests in Borrower to be issued unless such interests are pledged to Assignee in accordance with the terms of this Agreement.

(n) It is anticipated that Borrower will only make distributions to the Members in an amount sufficient to pay the federal and state income taxes attributable to the Borrower's income. However, in no event shall such Member cause or allow Borrower to make distributions to its members that may reasonably be expected to impair Borrower's ability to punctually and fully satisfy the Obligations or otherwise result in any breach or default under the Obligations.

## **5. Consents.**

Borrower and each Member hereby consent to the execution of this Agreement by the other Members and hereby consent to the assignment and pledge of the Membership Interests hereby. Borrower and Members hereby waive all provisions of the Constituent Documents and applicable law to the extent such provisions impose any restrictions, limitations or prohibitions on the rights or remedies intended to be granted to Assignee by this Agreement, or upon the exercise of any rights by Assignee hereunder, and hereby covenant and agree to execute contemporaneously herewith, at Assignee's request, amendments to the Constituent Documents in form and substance reasonably acceptable to Assignee, pursuant to which any provisions thereof prohibiting or impeding the rights and remedies of Assignee hereunder shall be amended to permit the full enjoyment of such rights and remedies, including, without limitation, transfers and assignments contemplated by this Agreement. Borrower hereby acknowledges receipt of

notice of the pledge and collateral assignment of the Membership Interests effected hereby. Each Member hereby irrevocably authorizes Borrower to accept and act upon, and Borrower hereby agrees to accept and act upon, all instructions and directions given by Assignee to Borrower with respect to the Membership Interests in accordance with the terms of this Agreement, without the necessity of further authorization or consent from, or notice to, the Members.

**6. Subordination by Borrower.**

Borrower hereby agrees that any and all security interests heretofore or hereafter granted to Borrower by Members in the Membership Interests shall be junior and subordinate to the collateral assignments and security interests in favor of Assignee hereunder; provided, however, that the collateral assignments and security interests granted to Assignee hereunder shall be subordinate to the security interests and collateral assignments granted to the Senior Lenders pursuant to (i) that certain Senior Secured Promissory Note, by and among the Senior lenders and the Borrower, dated as of [\_\_\_\_], (ii) the Senior Pledge, (iii) the Senior Security Agreement, by and among the Borrower and the Senior Lenders, dated as of [\_\_\_\_]; and (vi) the Intercreditor Agreement.

**7. Further Assurances.**

Borrower and each Member, at their own expense, shall do, make, execute and deliver all such additional and further acts, things, deeds, assurances and instruments as the Assignee may reasonably require more completely to vest in and assure to the Assignee its rights hereunder, including, without limitation, (i) executing, delivering and, where appropriate, filing financing statements and continuation statements under the UCC, (ii) using commercially reasonable efforts to obtain governmental and other third party consents and approvals, (iii) to obtain "control" of any the Membership Interests, with any agreements establishing control to be in form and substance satisfactory to the Assignee, and (iv) otherwise to insure the continued perfection and priority of the Assignee's security interest in the Membership Interests and of the preservation of their rights therein. Each Member further agrees to comply with the provisions of Section 8.4 of the Subordination Agreement.

**B. EXERCISE OF REMEDIES**

Failure of Assignee to avail itself of any of the terms, covenants and conditions of this Agreement for any period of time, or at any time or times, shall not be construed or deemed to be a waiver of any of its rights hereunder. The rights and remedies of Assignee under this Agreement are cumulative and are not in lieu of, but are in addition to any other rights and remedies which Assignee shall have under or by virtue of any other of the Obligations. The rights and remedies of Assignee hereunder may be exercised from time to time and as often as such exercise is deemed by Assignee to be expedient.

**C. TERMINATION OF THIS AGREEMENT**

When all of the Obligations shall have been paid and discharged in full, then this Agreement shall terminate. Assignee shall thereupon forthwith execute and deliver to Members

instruments effective to evidence the termination of this instrument or the reassignment to Members of the rights, power and authority granted herein. In the event that all or any part of such payments are rescinded or recovered directly or indirectly from any Assignee as a preference, fraudulent transfer or otherwise (whether by demand, settlement, litigation or otherwise), such rescinded or recovered payments shall constitute Obligations for all purposes hereunder and the obligations of the Members hereunder shall continue and remain in full force and effect or be reinstated, as the case may be.

**D. MISCELLANEOUS PROVISIONS**

1. No change, amendment, modification, cancellation or discharge hereof, or of any part hereof, shall be valid unless each party hereto shall have consented thereto in writing. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally but only by a statement in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

2. The terms, covenants, and conditions contained herein shall inure to the benefit of, and bind Assignee, Borrower and Members and their respective successors and assigns or legatees, heirs, executors, and administrators, as the case may be.

3. The captions of this Agreement are for convenience and reference only and neither in any way define, limit, or describe the scope or interest herein nor in any way affect this instrument.

4. Assignee shall be under no duty or liability with respect to the Membership Interests or other collateral granted hereby other than to use reasonable care in the custody of any instrument representing the Membership Interests or of other collateral granted hereunder while in its possession.

5. Each Member hereby authorizes Assignee to file financing statements pursuant to the UCC without the signature of any Member, and each Member hereby agrees to make, execute, deliver, and perform such further instruments, acts, and assurances as Assignee may reasonably request from time to time, to maintain the priority of the lien hereunder, to confirm or more fully perfect the rights hereunder, or in any way to assure to Assignee all of its rights hereunder, and all financing statements heretofore filed in connection with the transactions evidenced hereby are hereby ratified and affirmed as authorized by such Member. In addition, each Member shall, from time to time upon the reasonable request of Assignee, make, execute and deliver such further instruments and take such further acts as Assignee may reasonably deem necessary or appropriate to enable Assignee to realize upon the Membership Interests and other collateral granted hereby, to exercise fully the rights hereunder, and to ratify and confirm any sale hereunder. Each Member hereby consents to Assignee notifying any and all Members hereafter in Borrower of the lien granted hereby and the Obligations secured hereby.

6. No delay or omission of Assignee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or of any other right or remedy. A waiver on any one occasion shall not be construed as a bar to or a waiver of any right or remedy on any

future occasion. All Assignee 's rights and remedies, whether evidenced hereby or by any other agreement or instrument, or whether otherwise available, shall be cumulative.

7. All costs and expenses, including, without limitation, reasonable legal costs and reasonable attorneys' fees, incurred by Assignee in enforcing this Agreement (including, without limitation, all such costs, charges and expenses incurred by Assignee in connection with any Reorganization), shall be chargeable to and secured by the Membership Interests and other collateral hereunder.

8. The rights of Assignee hereunder shall not be affected by any extensions, renewals, indulgences, settlements, or compromises respecting any Obligations; by the release of any party primarily or secondarily liable respecting any Obligations; or by the taking or release by Assignee of any security for any Obligations or for the performance by any party primarily or secondarily liable respecting any Obligations.

9. All notices, requests, demands and other communications provided for hereunder shall be in writing (including telecopied communication) and mailed or telecopied or delivered to the applicable party at the addresses indicated below.

If to Assignee:

Deep South Broadcasting Company  
Post Office Box 11411  
Montgomery, Alabama 36111  
Attention: William J. Brennan, president  
Telecopy No.: ( ) \_\_\_\_\_

with copies (which shall not constitute notice) to:

S. White Rhyne, Esq.

\_\_\_\_\_  
\_\_\_\_\_  
Telecopy No.: ( ) \_\_\_\_\_

Henry H. Hutchinson, Esq.  
Capell & Howard, P. C.  
Post Office Box 2069  
Montgomery, Alabama 36102-2069  
Telecopy No.: (334) 241-8270

If to Members or Borrower, to:

Bluewater Broadcasting, L.L.C.  
6300 NE 1st Avenue  
Suite 202  
Fort Lauderdale, Florida 33334  
Attention: [\_\_\_\_\_] , Manager  
Telecopy No.: (\_\_\_\_) \_\_\_\_\_

with a copy (which shall not constitute notice) to:

Matthew L. Leibowitz, Esq.  
Leibowitz & Associates, P.A.  
One SE Third Avenue, Suite 1450  
Miami, FL 33131  
Telecopy No.: (305) 530-1322

or, as to each party, at such other address as shall be designated by such parties in a written notice to the other parties complying as to delivery with the terms of this Section. All such notices, requests, demands and other communication shall be deemed given upon receipt by the party to whom such notice is directed.

10. If, at any time or times, by assignment or otherwise, any Assignee transfers any Obligations and interest in the Membership Interests or other collateral therefor, such transfer shall carry with it such Assignee's powers and rights under this Agreement with respect to the Obligations and interest in the Membership Interests or other collateral so transferred, and the transferee shall become vested with said powers and rights whether or not they are specifically referred to in any instrument of transfer. If and to the extent that any Assignee retains any portion of the Obligations, or interest in the Membership Interests or other collateral, Assignee will continue to have the rights and powers herein set forth with respect thereto.

11. If any provision hereof shall be invalid or unenforceable in any respect or in any jurisdiction, the remaining provisions hereof shall remain in full force and effect and shall be enforceable to the maximum extent permitted by law.

12. Notwithstanding anything in this Agreement to the contrary, (a) no party hereto will take any action pursuant to this Agreement which would constitute or result in any assignment of a license or any transfer of control of any licensee if such assignment of license or such transfer of control would require under then existing law (including without limitation the Communications Act of 1934, 47 U.S.C. §151 et. seq., as amended (the "Communications Act")) the prior approval of the FCC or any nation or government, any court, any foreign, federal, state, municipal or other governmental or self-regulatory agency, organization, board, commission, bureau, instrumentality or department or other political subdivision thereof and any entity exercising any executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government (collectively, a "Governmental Authority") without first obtaining such approval of the FCC or such Governmental Authority, and (b)(i) voting rights in any

pledged securities, securities entitlements or equity interests in entities directly or indirectly holding or controlling licenses, permits or other authorizations issued by the FCC shall remain with the holder thereof even if an Event of Default has occurred and is continuing unless and until all necessary consent shall have been received from the FCC, (ii) if an Event of Default occurred and is continuing, there will either be a public or private arms' length sale of the Membership Interests, and (iii) prior to the exercise of voting rights by the purchaser at any public or private arms' length sale of the Membership Interests in accordance with the terms of this Agreement, consent of the FCC pursuant to 47 U.S.C. Section 310(d) shall have been obtained. Assignee's rights hereunder and under the Security Agreement are subject to all applicable rules and regulations of all Governmental Authorities, including, without limitation, the Communications Act. Each of Members and Borrower agree to take any action which Assignee may reasonably request in order to obtain and enjoy the full rights and benefits granted to Assignee by this Agreement, including specifically, following the occurrence and during the continuance of an Event of Default, the use of commercially reasonable efforts to assist in obtaining approval of the FCC or any other Governmental Authority for any action or transaction contemplated by this Agreement which is then required by law, and specifically, without limitation, upon request, to prepare, sign and file (or cause to be filed) with the FCC or any other Governmental Authority each Member's or transferor's portion of any application or applications for consent to the assignment of any license or transfer of control, necessary or appropriate under the FCC's or any other Governmental Authority's rules and regulations for approval of (a) any sale or sales of property constituting the Membership Interests by or on behalf of Assignee or the holders of any Obligations secured hereby, or (b) any assumption by Assignee of voting rights in property constituting the Membership Interests effected in accordance with the terms of this Agreement.

14. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ALABAMA APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SAID STATE.** BORROWER, MEMBERS AND ASSIGNEE, TO THE EXTENT THAT EACH MAY LAWFULLY DO SO, HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE CIRCUIT COURT OF MONTGOMERY COUNTY, ALABAMA, AND THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF ALABAMA, AS WELL AS TO THE JURISDICTION OF ALL COURTS TO WHICH AN APPEAL MAY BE TAKEN FROM SUCH COURTS, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF ANY OF ITS OBLIGATIONS ARISING HEREUNDER OR UNDER THE NOTE, AND EXPRESSLY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY, WAIVE ANY AND ALL OBJECTIONS IT MAY HAVE AS TO VENUE, INCLUDING, WITHOUT LIMITATION, THE INCONVENIENCE OF SUCH FORUM, IN ANY OF SUCH COURTS. IN ADDITION, TO THE EXTENT THAT IT MAY LAWFULLY DO SO, BORROWER AND MEMBERS CONSENT TO THE SERVICE OF PROCESS BY PERSONAL SERVICE OR U.S. CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO THE PARTIES AT THE ADDRESSES PROVIDED HEREIN.

**BORROWER, MEMBERS AND ASSIGNEE HEREBY VOLUNTARILY, KNOWINGLY, INTENTIONALLY AND IRREVOCABLY WAIVE TRIAL BY JURY IN RESPECT OF ANY ACTION BROUGHT ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE NOTE, THE SECURITY AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS OR ACTIONS OF ASSIGNEE RELATING TO THE ADMINISTRATION OF THE FINANCING HEREUNDER OR THE ENFORCEMENT OF THE NOTE, AND AGREES THAT NONE OF THE PARTIES WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.**

15. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of the counterparts shall together constitute one and the same instrument.

16. Borrower agrees to all of the provisions of this Agreement and agrees to make all appropriate notations in its records referred to the security interests granted hereby. Borrower further agrees to observe and comply with all of the provisions hereof which require action or the withholding of action by Borrower, including, but not limited to, Sections 4(m) and 4(n).

17. If, at any time after an Event of Default has occurred and Assignee has provided notice thereof to any party other than Borrower pursuant to this Agreement, either (i) Assignee in its sole discretion have determined that such Event of Default no longer exists or (ii) Assignee in its sole discretion have waived such Event of Default, Assignee shall send a subsequent notice to such party rescinding the notice of Event of Default.

(The next page is a signature page)

IN WITNESS WHEREOF, the parties have executed this Subordinated Collateral Assignment and Pledge of Membership Interests as of the day and year first above written.

**DEEP SOUTH BROADCASTING COMPANY**

By \_\_\_\_\_  
William J. Brennan, President

**BLUEWATER BROADCASTING, L.L.C.**

By \_\_\_\_\_  
[\_\_\_\_\_] , Manager

\_\_\_\_\_  
**Scott McQueen, individually**

\_\_\_\_\_  
**Richard Pestrighelli, individually**

\_\_\_\_\_  
**Jeff Roschman, individually**

\_\_\_\_\_  
**[OTHERS]**

**EXHIBIT A**

**Description of the Membership Interests**

<b><u>Member Name</u></b>	<b><u>Description</u></b>	<b><u>Percentage of Ownership</u></b>
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**EXHIBIT B**

**Required Consents**

**EXHIBIT C**

**Description of Subordinated Indebtedness Existing on Date of Agreement**