

FIRST AMENDMENT TO OPTION AGREEMENT/**EXERCISE OF OPTION**

This First Amendment to Option Agreement/Exercise of Option ("***First Amendment***"), is entered into as of the 28th day of October, 2003, by and between First Broadcasting Investment Partners, L.L.C., a Delaware limited liability company ("***First Broadcasting***"), and UBC, LLC, a Kansas limited liability company ("***Union***").

Preliminary Statements

- A. First Broadcasting and Union are the only parties to a certain Option Agreement dated May 5, 2003 (the "***Option Agreement***") which Option Agreement was on said date accepted, acknowledged and agreed to by Union First Broadcasting, LLC, f/k/a First Broadcasting Kansas City, LLC.
- B. First Broadcasting and Union wish to amend certain specific terms of the Option Agreement as set forth in this First Amendment, and have all other terms and conditions contained in the Option Agreement remain unchanged and in full force and effect.
- C. Union desires to exercise Union's Option under the Option Agreement, as amended pursuant to this First Amendment.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants, agreements, and conditions hereafter set forth, and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Statement of Amendment

1. Amendment to the Option Agreement. First Broadcasting and Union hereby agree to the following amendments and modifications to the Option Agreement, effective upon execution hereof by both parties:

- (a) Paragraph 3 currently states: "3. Closing. Closing of any Option Purchase hereunder shall be within five (5) business days after the date that the Federal Communications Commission ("***FCC***") approves by initial grant the application to transfer control of the Station. Such filing shall be made within ten (10) days of delivery of the Option Exercise Notice."
- (b) Said Section 3 of the Option Agreement, is hereby amended by this First Amendment by the addition of the following language at the conclusion of the presently existing text: "Notwithstanding the foregoing, following the exercise of said Option by the execution of the First Amendment to this

Option Agreement, an application to transfer control of the Station shall be filed with the FCC on or before November 15, 2003 and the Closing of such Option Purchase shall occur on or before March 1, 2004, provided, however, if FCC initial consent to the transfer of ownership under said application has not been granted before March 1, 2004, the Closing and payment due date will be extended until the business day next after the day on which such initial consent is granted. The parties shall diligently pursue such approval from the FCC.

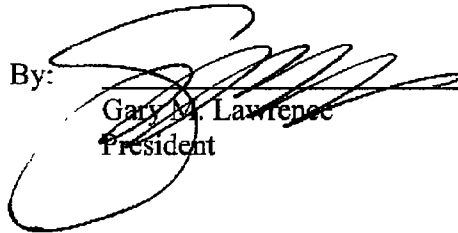
- (c) By execution of this First Amendment, Union is exercising its option to purchase under the Option Agreement as amended by this First Amendment and this First Amendment shall constitute the written notice of exercise of option thereunder.
- (d) The parties further agree that pursuant to Paragraph 2.1 of the Option Agreement, as amended hereunder, the Union Option Purchase Price in connection with the exercise of the option hereunder shall be Ten Million Dollars (\$10,000,000) in cash, payable by Union to First Broadcasting at the Closing called for hereunder.

2. All Other Provisions of Option Agreement Remain the Same. Except as expressly provided above, all other terms, conditions and obligations contained in the Option Agreement shall remain unchanged and in full force and effect as provided for in the Option Agreement, as fully as if they were set forth herein in their entirety.

This Agreement may be executed in multiple counterparts and all such counterparts shall together be deemed to constitute one final agreement, as if one document had been signed by all of the undersigned parties; and each such counterpart shall be deemed to be an original, binding the party subscribed thereto, and multiple signature pages, or copies thereof, affixed to a single copy of this Agreement shall be deemed to be a fully executed original agreement.

IN WITNESS WHEREOF, each party has caused this First Amendment to be duly executed and delivered in its name and on its behalf, all as of the date and year first written above.

FIRST BROADCASTING INVESTMENT PARTNERS, L.L.C.

By:  _____
Gary M. Lawrence
President

UBC, LLC

By: _____
Chad Boeger
Manager

Accepted, Acknowledged and Agreed:

UNION FIRST BROADCASTING, LLC

By: _____
Name: _____
Title: _____

OPTION AGREEMENT**ORIGINAL**

THIS AGREEMENT, made and entered into as of this 5th day of May 2003, (the "**Agreement**") by and between UBC, LLC, a Kansas limited liability company ("**Union**"), and First Broadcasting Investment Partners, L.L.C., a Delaware limited liability company ("**FBIP**").

PRELIMINARY STATEMENTS

A. FBIP is a Member of First Broadcasting Kansas City, LLC, a Delaware limited liability company (the "**Company**") and owns 50 ownership units ("**FBIP's Units**") as defined in the Amended and Restated Limited Liability Company Agreement of the Company ("**LLC Agreement**"), such units constituting 50% of the total number of issued and outstanding Units of the Company;

B. Union also is a member of the Company and owns 50 Units, such Units constituting 50% of the total number of issued and outstanding Units of the Company ("**Union's Units**");

C. Company owns certain assets associated with radio station KCSX (FM) Lee's Summit, Missouri (the "**Station**"); and

D. FBIP desires to grant to Union an Option to purchase all of its 50 FBIP's Units on terms and conditions set forth in this Agreement, and Union desires to grant FBIP an Option to purchase all of its 50 Union Units on terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants, warranties, and agreements contained herein, and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

STATEMENT OF AGREEMENT

1. **Grant of Option Rights.** FBIP hereby grants to Union, and its successors and assigns, commencing on the date hereof and continuing through December 31, 2008 (the "**Option Period**") the exclusive right, privilege and option to purchase ("**Union's Option**") on the terms and conditions set forth herein, all of FBIP's Units in the Company. In the event that that Union's Option is not exercised within the Option Period, FBIP shall have the right (i) to purchase Union's Units using the valuation procedures as set forth in Section 2 below ("**FBIP's Option**") or (ii) to require the Company to sell the Station to a third party (and the Company, by signing in the space provided below, hereby agrees to retain a mutually agreeable broker to list the Station for sale to the highest cash bidder or with the approval of FBIP, cash and marketable securities bidder). FBIP and Union each agree that they will not encumber Union's or FBIP's Units or otherwise pledge FBIP's Units or Union's Units during the Option Period without the written consent of the other party, which consent may not be unreasonably withheld or

delayed. Both or either of Union's Option and FBIP's Option are sometimes referred to herein as an "**Option**". Should either party exercise its Option, then the Units shall be assigned, transferred and conveyed at Closing, by reasonable and customary documents of transfer, free and clear of all liens, charges, encumbrances, debts, liabilities and obligations.

2. Exercise of Option.

2.1 Exercise of Union's Option. At any time with within sixty days before or the close of any calendar year during the Option Period, Union may exercise Union's Option by giving written notice thereof to FBIP. In the event that Union exercises its Option, the purchase price ("**Union Option Purchase Price**") payable in cash at Closing shall be determined as follows: If closing shall occur during calendar year 2003 or 2004, the price shall be Ten Million Dollars (\$10,000,000) in cash. If the closing shall occur during calendar year 2005, the price shall be Eleven Million Dollars (\$11,000,000) in cash. If the closing shall occur during calendar year 2006, the price shall be Eleven Million Five Hundred Thousand Dollars (\$11,500,000) in cash. Thereafter the Union Option Purchase Price shall be at appraised value determined as follows:

Each party shall choose an appraiser to determine the fair market value of the Station. The appraisers shall be selected within ten (10) days of the exercise of Union's Option and each appraiser shall be a nationally recognized broker or investment banker with experience in valuing radio stations. Each appraiser shall have thirty (30) days from the date of its selection to complete an independent valuation. The Purchase Price for FBIP's Units shall be the average of the two valuations times FBIP's percentage ownership of the Company; provided, however, that if the higher valuation is 10% greater than the lower valuation, a third appraiser shall be chosen by the first two appraisers who shall determine the value, which valuation shall be either one or the other of two valuations.

Notwithstanding any other provision hereof, if Union shall enter into (or consummate) an agreement that contemplates a sale of the Company, any portion of Union's interest in the Company, or any material interest in the Station or its assets, at any time within eighteen (18) months before or after a closing of the exercise of Union's Option (a "**Union Flip**"), then the Union Option Purchase Price shall for all purposes be the appraised value determined as provided above, and such additional cash amount (if any) shall be paid to FBIP prior to consummation of the transaction constituting the Union Flip.

Notwithstanding any other provision hereof, if FBIP shall enter into (or consummate) an agreement that contemplates a sale of the Company, any portion of FBIP's interest in the Company, or any material interest in the Station or its assets, at any time within eighteen (18) months after a closing of the exercise of FBIP's Option, and the price paid therefore shall be in excess of the price paid to Union pursuant to the exercise of FBIP's Option (an "**FBIP Flip**"), then FBIP shall pay to Union an additional amount equal to one-half of such excess amount prior to consummation of the transaction constituting the FBIP Flip.

2.2 **Exercise of FBIP's Option.** At any time within thirty days after the expiration of Union's Option, FBIP may exercise FBIP's Option by giving written notice thereof to Union. In the event that FBIP exercises its Option, the purchase price ("***FBIP Option Purchase Price***") payable in cash at Closing shall be determined as follows:

Each party shall choose an appraiser to determine the fair market value of the Station. The appraisers shall be selected within ten (10) days of the exercise of FBIP's Option and each appraiser shall be a nationally recognized broker or investment banker with experience in valuing radio stations. Each appraiser shall have thirty (30) days from the date of its selection to complete an independent valuation. The Purchase Price for Union's Units shall be the average of the two valuations times Union's percentage ownership of the Company; provided, however, that if the higher valuation is 10% greater than the lower valuation, a third appraiser shall be chosen by the first two appraisers who shall determine the value, which valuation shall be between the initial two valuations

3. **Closing.** Closing of any Option Purchase hereunder shall be within five (5) business days after the date that the Federal Communications Commission ("***FCC***") approves by initial grant the application to transfer control of the Station. Such filing shall be made within ten (10) days of delivery of the Option exercise notice.

4. **Representations and Warranties of FBIP.** FBIP makes the following representations and warranties which shall be true as of the date hereof and at Closing;

4.1 **Organization and Good Standing.** FBIP is an entity duly organized and validly existing in good standing under the laws of the State of Delaware. FBIP has the corporate power and authority to own, lease and operate its properties in the places where such properties are now located.

4.2 **Authorization and Binding Effect of Agreement.** The execution and delivery of, and the performance of its obligations under this Agreement by FBIP, and the consummation by FBIP of the transactions contemplated hereby, have been duly authorized and approved by all necessary action on the part of FBIP. FBIP has the power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions hereby contemplated. This Agreement constitutes, and each of the other documents to be executed by FBIP, when so executed and delivered, will constitute the legal, binding and valid obligations of FBIP enforceable against it in accordance with its terms.

4.3 **Absence of Conflicts.** The execution and delivery of, and the performance of its obligations under this Agreement by FBIP and the consummation by FBIP of the transactions contemplated hereby: (a) do not require the consent of any third party (other than the FCC); (b) do not conflict with any provision of the organizational documents of FBIP; (c) do not conflict with, result in a breach of, or constitute a default under any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; (d) do not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms

of, any material agreement, instrument, license, or permit to which FBIP is a party or by which FBIP may be bound legally; and (e) do not create any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature.

4.4 Governmental Consents and Consents of Third Parties.

Except for the required consent of the FCC with respect to the transfer of control, the execution and delivery of, and the performance of FBIP's obligations under this Agreement and FBIP's consummation of the transactions contemplated hereby, do not require the consent, waiver, approval, permit, license, clearance or authorization of, or any declaration or filing with, any court or public agency or other authority, or the consent of any person under any agreement, arrangement or commitment of any nature to which FBIP is a party.

4.5 Title to Units. FBIP has good and valid title to FBIP's Units free and clear of all security interests, liens, encumbrances and adverse claims (other than those contained in the LLC Agreement) and except as otherwise provided herein, has complete and unrestricted power to sell, assign, transfer, convey and deliver all of FBIP's Units.

4.6 Litigation. There are no claims, investigations, actions, suits or administrative, arbitration or other proceedings pending or threatened against FBIP which would, individually or in the aggregate if adversely determined, give any third party the right to enjoin the transactions contemplated by this Agreement.

5. Union's Representations and Warranties. Union hereby makes the following representations and warranties which shall be true as of the date hereof and at Closing:

5.1 Organization and Standing. Union is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Kansas and has full and complete authority to enter into and perform this Agreement.

5.2 Authorization and Binding Effect of Agreement The execution and delivery of, and the performance of its obligations under this Agreement by Union, and the consummation by Union of the transactions contemplated hereby, have been duly authorized and approved by all necessary action on the part of Union. Union has the power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions hereby contemplated. This Agreement constitutes, and each of the other documents to be executed by Union, when so executed and delivered, will constitute the legal, binding and valid obligations of Union enforceable against it in accordance with its terms.

5.3 Absence of Conflicts. The execution and delivery of, and the performance of its obligations under this Agreement by Union and the consummation by Union of the transaction contemplated hereby: (a) do not require the consent of any third party; (b) do not conflict with any provision of the organizational documents of Union; (c) do not conflict with, result in a breach of, or constitute a default under any applicable

law, judgment, order, ordinance injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; (d) do not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, instrument, license, or permit to which Union is a party or by which Union may be bound legally; and (e) do not create any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature.

5.4 **Title to Units.** Union has good and valid title to Union's Units free and clear of all security interests, liens, encumbrances and adverse claims (other than those contained in the LLC Agreement) and has unrestricted power to sell, assign, transfer, convey and deliver all of Union's Units.

5.5 **Litigation.** There are no claims, investigations, actions, suits or administrative, arbitration or other proceedings pending or threatened against Union which would, individually or in the aggregate if adversely determined, give any third party the right to enjoin the transactions contemplated by this Agreement.

6. **Joint Covenants of FBIP and Union.** Between the date of exercise of the Option and Closing, each of FBIP and Union covenants that it will :

(a) Not encumber or mortgage its Units or permit any lien or encumbrance to attach to such Units;

(b) Proceed diligently to prepare and file with the FCC within five (5) business days after the exercise of either Option their respective portions of the FCC applications and other necessary instruments required to obtain the FCC's consent and thereafter, to cooperate with each other and use commercially reasonable efforts to obtain the requisite FCC consent. Union and FBIP shall each bear its own legal and other fees and expenses involved in the preparation of this Agreement and the preparation and prosecution of the FCC and other applications except for the FCC application-filing fee, which they shall pay in equal shares;

(c) If any event should occur, either within or without the knowledge or control of Union or FBIP, that would prevent fulfillment of the conditions upon the obligations of any party hereto to consummate the transactions contemplated by this Agreement, Union and FBIP shall use commercially reasonable efforts to cure the same as expeditiously as possible; and

(d) After the Closing of this Agreement, Union and FBIP shall take such actions and properly execute and deliver such further instruments as, in the reasonable opinion of counsel for Union or FBIP, as the case may be, may be necessary or desirable to assure, complete and evidence the transactions provided for in this Agreement.

7. **Conditions Precedent to an Option Closing.** The closing of any Option exercise hereunder shall be subject to satisfaction, on or before the Closing Date, of each of the following conditions:

7.1 **Representations and Warranties True.** All representations and warranties of the optionor shall be true and correct in all material respects on and as of the Closing Date.

7.2 **Covenants and Conditions Satisfied.** All of the terms, covenants and conditions of this Agreement to be complied with, performed or satisfied by the optionor on or before the Closing Date shall have been complied with, performed or satisfied in all material respects.

7.3 **Certificate.** The optionee shall have received a Certificate dated as of the Closing Date, executed by an officer of the optionor stating that (a) the representations and warranties of optionor contained in this Agreement are true and complete in all material respects on and as of the Closing Date as though made on and as of the Closing Date; (b) the optionor has complied with or performed all covenants in all material respects contained in this Agreement required to be complied with or performed by optionor; and (c) all conditions precedent to optionee's obligations to close this Agreement have been fulfilled and satisfied.

7.4 **FCC Consent.** The FCC shall have approved the transfer pursuant to the Option exercise.

7.5 **Actions or Proceedings.** No action, suit, proceeding or investigation by or before any court, administrative agency or other government authority shall have been instituted or threatened to restrain, prohibit or invalidate any of the transactions contemplated by this Agreement.

8. Indemnification.

8.1 **Survival of Representations and Warranties.** All representations, warranties, covenants and agreements contained in this Agreement or in any other document shall survive the Closing, for a period of twelve (12) months after the Closing Date (the "***Survival Period***") except that the representations and warranties with respect to title to the Units shall continue until the expiration of the relevant statute of limitations. No claim may be brought under this Agreement or any other document unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable Survival Period. In the event such notice is so given, the right to indemnification with respect thereto under this Article shall survive the applicable Survival Period until such claim is finally resolved and any obligations with respect thereto are fully satisfied.

8.2 **Indemnification in General.** Union and FBIP agree that the rights to indemnification and to be held harmless set forth in this Agreement shall, as between the parties hereto and their successors and assigns, be exclusive of all rights to indemnification and to be held harmless that such party (or its successors or assigns) would otherwise have by statute, common law or otherwise.

8.3 **Indemnification By FBIP.** FBIP shall indemnify and hold harmless Union and any officer, director and affiliate thereof with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses,

damages, liabilities and expenses (including reasonable attorneys' fees) relating to or arising out of any breach or non-performance by FBIP of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other document.

8.4 **Indemnification by Union.** Union shall indemnify and hold harmless FBIP and any officer, director and affiliate thereof with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including reasonable attorneys' fees) relating to or arising out of any breach or non-performance by Union of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other document.

10. **Miscellaneous.**

10.1 **Further Actions.** From time to time before, at and after the Closing, each party, at its expense and without further consideration, will execute and deliver such documents to the other party as the other party may reasonably request in order more effectively to consummate the transactions contemplated hereby.

10.2 **Access After the Closing Date.** After the Closing, each party shall provide the other with reasonable access during normal business hours to any of its non-confidential books and records relating to the Station.

10.3 **Specific Performance and Other Remedies.**

(a) **Specific Performance.** FBIP and Union acknowledge that the Units are of a special, unique, and extraordinary character, and that any breach of this Agreement by FBIP or Union could not be compensated for by damages. Accordingly, if FBIP or Union shall breach its obligations under this Agreement, the party who has exercised its option shall be entitled, in addition to any other remedies that it may have, to enforcement of this Agreement (subject to obtaining any required approval of the FCC) by a decree of specific performance or injunctive relief requiring FBIP or Union to fulfill its obligations under this Agreement. In any action to specifically enforce FBIP's or Union's obligation to close the transaction contemplated by this Agreement, FBIP and Union each shall waive the defense that there is an adequate remedy at law or in equity and agrees that Union or FBIP, as the case may be, shall be entitled to obtain specific performance of FBIP's or Union's obligation to close hereunder without being required to prove actual damages as a condition to seeking specific performance, neither Union or FBIP shall be required to tender the Purchase Price prior to obtaining specific performance, but such party shall be required to demonstrate that it is ready, willing and able to tender the Purchase Price as contemplated by such Section.

10.4 **Notices.** All notices, demands or other communications given hereunder shall be in writing and shall be sufficiently given if delivered by overnight delivery service or sent by registered or certified mail, first class, postage prepaid, or by telegram, telecopy or similar written means of communication, addressed as follows:

If to Union: c/o Union Broadcasting, Inc
6721 W. 121st Street
Overland Park, KS 66209
Attn: Chad Boeger, Manager
Phone: 913-344-1500
Fax: 913-344-1595

With Copy to: McDowell, Rice, Smith & Gaar, P.C.
605 W. 47th Street, Suite 350
Kansas City, MO 64112
Attention: Phillip A. Kusnetzky
Telephone: 816-753-5400
Fax: 816-753-9996

If to FBIP: First Broadcasting Investment Partners, L.L.C.
750 N. St. Paul
Tenth Floor
Dallas, TX 75201
Facsimile No.: (214) 855-5145
Attention: President
Phone: 214-855-0002
Fax: 214-855-4927

or such other address with respect to any party hereto as such party may from time to time notify (as provided above) to the other party hereto. Any such notice, demand or communication shall be deemed to have been given (i) if so mailed, as of the close of the third business day following the date so mailed, and (ii) if personally delivered or otherwise sent as provided above, on the date received.

10.5 **Entire Agreement.** This Agreement, the other agreements contemplated hereby, constitute the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede any prior negotiations, agreements, understandings or arrangements between the parties hereto with respect to the subject matter hereof.

10.6 **Binding Effect; Benefits.** Except as otherwise provided herein, this Agreement and all other documents to be executed in connection herewith shall inure to the benefit of and be binding upon the parties hereto and their respective successors or assigns. Except to the extent specified herein, nothing in this Agreement, express or implied, shall confer on any person other than the parties hereto and their respective successors or assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

10.7 **Assignment.** This Agreement and any rights hereunder shall not be assignable by either party hereto without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, except that either party may

transfer its rights hereunder to an affiliate without consent, provided such affiliate is the transferee of such party's Units.

10.8 **Governing Law.** This Agreement shall in all respects be governed by and construed in accordance with the laws of the state of Delaware, including all matters of construction, validity and performance.

10.9 **Amendments and Waivers.** No term or provision of this Agreement may be amended, waived, discharged or terminated orally but only by an instrument in writing signed by the party against whom the enforcement of such amendment, waiver, discharge or termination is sought. Any waiver shall be effective only in accordance with its express terms and conditions.

10.10 **Severability.** Any provision of this Agreement which is unenforceable shall be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability shall not invalidate or render unenforceable such provisions. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect which renders any provision hereof unenforceable in any respect.

10.11 **Headings.** The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

10.12 **Counterparts.** This Agreement may be executed in any number of counterparts, and by either party on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed as of the date first written above.

First Broadcasting Investment Partners, L.L.C.

By: 

Name: Gary M. Lawrence, President

UBC, L.L.C.

By: 

Name: Chad Boeger, Manager

Accepted, Acknowledged and Agreed:

First Broadcasting Kansas City, LLC

By: CLB
Name: Chad Baeger
Title: Manager