

October 21, 2005

**RECEIVED**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
455 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

OCT 21 2005 STAMP AND RETURN

Federal Communications Commission  
Office of Secretary

Re: Station KXLA(TV), Rancho Palos Verdes, CA, Facility  
Identification No. 55083: Filing of Agreement Pursuant to  
47 C.F.R. § 73.3613 of the Commission's Rules

Dear Ms. Dortch:

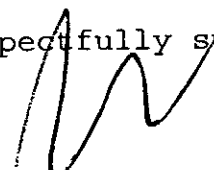
Transmitted herewith, on behalf of Rancho Palos Verdes  
Broadcasters, Inc., the licensee of the above-referenced  
station, is a copy of the following document:

Amended and Restated Security Agreement dated as of  
September 30, 2005 between KXLA TV 44, Inc., Rancho Palos Verdes  
Broadcasters, Inc. and CIT Lending Services Corporation.

This document is being submitted to the Commission in  
response to the provisions of Section 73.3613(b) of the  
Commission's Rules, which calls for the filing of documents  
which deal with the future ownership or control of a licensee or  
permittee.

Should there be any questions concerning this matter,  
please communicate with the undersigned.

Respectfully submitted,

  
Barry A. Friedman

Enclosure

cc: Ronald Ulloa (For Public Inspection File)

Barry.Friedman@ThompsonHine.com Phone 202.973.2789 Fax 202.331.8330

## AMENDED AND RESTATED SECURITY AGREEMENT

THIS AMENDED AND RESTATED SECURITY AGREEMENT (this "Agreement") is made as of the 30<sup>th</sup> day of September, 2005, by and between

KXLA TV 44, INC., a Delaware corporation ("KXLA Inc.") and RANCHO PALOS VERDES BROADCASTERS, INC., a California corporation ("RPVB") (KXLA Inc. and RPVB are herein collectively referred to as the "Debtors" and sometimes herein individually referred to as a "Debtor"), and

CIT LENDING SERVICES CORPORATION, a Delaware corporation, as Agent (in such capacity, together with its successors and assigns in such capacity, the "Agent") for the benefit of the financial institutions and other Persons which are now or hereafter become Lenders under, or as defined in, the Loan Agreement referred to below (the "Lenders").

### WITNESSETH THAT:

WHEREAS, the Debtors, certain Affiliates of the Debtors (the "Co-Borrowers"), the Agent and certain financial institutions described therein (the "Lenders") are parties to an Amended and Restated Loan Agreement of even date herewith (as the same may be amended, restated, renewed, replaced, supplemented, extended or otherwise modified from time to time, the "Loan Agreement") pursuant to which the Lenders may extend credit to the Debtors and the Co-Borrowers from time to time (capitalized terms used herein without definition have the identical meanings assigned to them in the Loan Agreement); and

WHEREAS, pursuant to the Loan Agreement, the Debtors and the Co-Borrowers have issued and may from time to time hereafter issue to the Lenders, their successors and assigns, certain Secured Promissory Notes and certain Secured Revolving Credit Notes as provided in the Loan Agreement (collectively, all such notes so issued to the Lenders, or any of them, as the same may be amended, restated, renewed, replaced, supplemented, extended or otherwise modified from time to time, are herein referred to as the "Notes"); and

WHEREAS, the Debtors have agreed to enter into this Agreement in order to induce the Lenders and the Agent, inter alia, to enter into the Loan Agreement and to make the loans (the "Loans") thereunder; and

WHEREAS, the parties desire to amend and restate in its entirety that certain Security Agreement dated as of June 18, 2003 between the parties (the "Original Security Agreement");

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree, and hereby amend and restate the Original Security Agreement in its entirety (but retaining references to the foregoing Preamble and Recitals) as follows:

## **Section 1. The Security Interests.**

(A) In order to secure the due and punctual payment and performance of (i) all obligations, indebtedness and liabilities of the Debtors and the Co-Borrowers, and each of them (collectively, the "**Obligors**"), under the Loan Agreement and the Notes, and (ii) all other indebtedness, liabilities and obligations of the Obligors, and each of them, to the Lenders and the Agent, and each of them, whether now existing or hereafter arising, whether secured or unsecured and howsoever evidenced, arising or created, including, without limitation, all obligations and indebtedness arising under any and all interest rate hedging agreements, including, without limitation, any so-called "ISDA Master Agreement" by and between any Lender(s) and the Obligors, or any of them, or otherwise, and all obligations and indebtedness arising under any agreements or in connection with any arrangements, devices and instruments designed or intended to protect at least one of the parties thereto from the fluctuations of interest rates, exchange rates or forward rates applicable to such party's assets, liabilities or exchange transactions, including, without limitation, dollar-denominated or cross-currency interest rate exchange agreements, forward rate currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants and so-called "rate swap" agreements, in each case whether now existing or hereafter incurred, in each case including, without limitation, all such indebtedness to the Lenders, or any of them, incurred by the Obligors, or any of them, prior to, during or following any proceeding in respect of a bankruptcy, reorganization or insolvency (a "**Reorganization**") of a Debtor and all interest on such indebtedness according to the terms thereof, regardless of the extent allowed as a claim against a Debtor in any Reorganization (all of the foregoing indebtedness, obligations and liabilities of the Debtors and the other Obligors, whether now existing or hereinafter arising, being herein referred to collectively as the "**Obligations**"), each Debtor hereby grants to the Agent, for the benefit of the Lenders and their respective successors and assigns, a continuing security interest in, and hereby collaterally assigns to the Agent, for the benefit of the Lenders, the following described fixtures and personal property (hereinafter collectively called the "**Collateral**"):

All fixtures and all tangible and intangible personal property of each Debtor, whether now owned or hereafter acquired by such Debtor, or in which such Debtor may now have or hereafter acquire an interest, and wherever located, including, without limitation:

(a) all machinery, equipment, television transmitting towers, broadcasting studio equipment, program and music libraries, transmitters, furnishings, microphones, audio equipment, video equipment, tape recorders, tools, furniture, goods, connectors, and broadcasting and receiving equipment, whether now owned or hereafter acquired by the Debtors, or either of them, or in which the Debtors, or either of them, may now have or hereafter acquire an interest;

(b) all accounts, accounts receivable, payment intangibles, other receivables, rights to proceeds of letters of credit, letter-of-credit rights,

supporting obligations of every type and description, contract rights, contracts (including, without limitation, network affiliation agreements, programming contracts, local marketing agreements, time brokerage agreements and joint sales agreements), leases, chattel paper, electronic chattel paper, and general intangibles (including, without limitation, goodwill, going concern value, patents, trademarks, copyrights, trade names, service marks, blueprints, designs, product lines and research and development), whether now owned or hereafter acquired or in which a Debtor may now have or hereafter acquire an interest, including, without limitation,

(i) all rights under all present and future authorizations, permits, licenses and franchises heretofore or hereafter granted to the Debtors, or either of them, for the operation and ownership of television and other broadcast stations or with respect to any real or personal property with respect thereto (excluding licenses and permits issued by the Federal Communications Commission ("**FCC**") to the extent, and only to the extent, it is unlawful to grant a security interest in such licenses and permits, **but including within the definition of Collateral**, to the maximum extent permitted by law, all rights incident or appurtenant to such licenses and permits, including, without limitation, the right to receive all proceeds derived from or in connection with the sale, assignment or transfer of such authorizations, franchises, licenses and permits), and

(ii) to the extent and only to the extent that the Debtors are lawfully permitted to grant a security interest therein under applicable law, all rights to broadcast television programs of any kind, whether held under license, lease, agreement, contract or otherwise, including, without limitation, all rights for sports productions, news coverage and other broadcasting products, and the rights to all audio and video tapes, files, recordings and other materials constituting or embodying such programming or rights, whether now owned or hereafter acquired, or in which either Debtor may now have or hereafter acquire an interest;

(c) all instruments, documents of title, policies and certificates of insurance, securities, securities entitlements, investment property, securities accounts, partnership interests, interests in trusts, membership, member or limited liability company interests in limited liability companies (including, without limitation, all right, title and interest in and to all limited liability companies and partnerships and to any successor business entities, and the right to receive all payments and distributions due or to become due under all related partnership agreements, operating agreements, and other constituent documents governing or establishing such business entities [collectively, the "**Constituent Documents**"]), bank deposits, deposit accounts, checking accounts, certificates of deposit, cash and commercial tort claims (including, without limitation, all commercial tort

claims described in Exhibit F attached hereto and made a part hereof), whether now owned or hereafter acquired, or in which a Debtor may now have or hereafter acquire an interest;

(d) all inventory, including all merchandise, raw materials, work in process, finished goods and supplies, whether now owned or hereafter acquired or in which a Debtor may now have or hereafter acquire an interest;

(e) all books, records, documents, software, computer tapes and discs relating to all of the foregoing, whether now owned or hereafter acquired or in which a Debtor may now have or hereafter acquire an interest; and

(f) all other property and assets of every type used or useful in connection with the ownership and operation of television broadcast stations, whether now owned or hereafter acquired by a Debtor, or in which a Debtor may now have or hereafter acquire an interest; and

(g) all accessions, additions or improvements to, and all proceeds and products of, all of the foregoing, including proceeds of insurance, whether now owned or hereafter acquired, or in which either Debtor may now have or hereafter acquire an interest.

(B) All Collateral consisting of accounts, contract rights, chattel paper and general intangibles of the Debtors arising from the sale, delivery or provision of goods and/or services is sometimes hereinafter collectively called the "Customer Receivables." All Collateral consisting of equipment, inventory, fixtures or other tangible property is sometimes hereinafter collectively called the "Tangible Collateral."

(C) The security interests granted pursuant to this Section 1 (the "Security Interests") are granted as security only and shall not subject the Lenders or Agent, or any of them to, or transfer to the Lenders or Agent, or any of them, or in any way affect or modify, any obligation or liability of the Debtors under any of the Collateral or any transaction which gave rise thereto.

(D) The Collateral is intended to consist of all assets of each Debtor, whether or not within the scope of Revised Article 9 of the Uniform Commercial Code ("Revised Article 9"). The Collateral shall include, without limitation, the following categories of assets as defined in Revised Article 9: goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts (including health-care-insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities and all other investment property, general intangibles (including payment intangibles and software), supporting obligations and any and all proceeds of any thereof, wherever located, whether now owned or hereafter acquired. If a Debtor shall at any time, whether or not Revised Article 9 is in effect in any particular jurisdiction, acquire a commercial tort claim, as defined in Revised Article 9, such Debtor shall immediately notify the Agent in writing of the details thereof and shall grant to the Agent in writing a security interest therein and in the proceeds

thereof, all on the terms of this Agreement, and in writing in form and substance satisfactory to the Agent. For avoidance of doubt it is expressly understood and agreed that, to the extent the Uniform Commercial Code is revised subsequent to the date hereof such that the definition of any of the foregoing terms included in the description of Collateral is changed, the parties agree that any property which is included in such changed definitions which would not otherwise be included in the foregoing grant on the date hereof be included in such grant immediately upon the effective date of such revision, it being the intention of the parties hereto that the description of Collateral set forth herein be construed to include the broadest possible range of property and assets and all tangible and intangible personal property and fixtures of the Debtor of every kind and description. Any term used in the Uniform Commercial Code and not defined in this Agreement shall have the meaning given such term in the Uniform Commercial Code.

### **Section 2. Agency.**

The parties hereto, and any person not a party hereto for whose benefit the Agent holds the Collateral or Security Interests hereunder, acknowledge that the Agent has been requested and authorized to act as agent for the Lenders hereunder pursuant to the terms of the Loan Agreement, and that the Agent, to the extent it may so act hereunder, shall exercise all of the rights and remedies hereunder on behalf of, and as agent for the benefit of, the Lenders and each of them. Without limiting the generality of the foregoing, the Agent is authorized to execute and deliver, from time to time, on behalf of the Lenders, any and all amendments and modifications to this Agreement, and any financing statements or other filings or instruments related thereto, and any and all waivers to any conditions herein or any Event of Default hereunder. The parties hereby acknowledge that the Agent and each Lender shall also be deemed to be an agent of the other Lenders for the purpose of perfecting the Security Interests with respect to Collateral at any time in the possession or control of such persons.

### **Section 3. Delivery of Pledged Securities and Chattel Paper.**

(a) All of the Debtors' securities (including, without limitation, all capital stock issued by RPVB to KXLA Inc., whether now existing or hereafter arising), securities entitlements, securities accounts, interests in trusts, investment property, partnership interests and member/membership/limited liability company interests in limited liability companies, whether now owned or hereafter acquired by the Debtors (collectively, the "**Pledged Securities**") shall be promptly delivered to the Agent by the Debtors pursuant hereto, and shall, if certificated, be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignments in blank, with signatures appropriately guaranteed, and accompanied in each case by any required transfer tax stamps, all in form and substance satisfactory to the Agent. **Exhibit A** attached hereto and made a part hereof sets forth a complete description of all Pledged Securities owned by the Debtors on the date hereof, and whether such Pledged Securities are certificated securities. If the Pledged Securities are not certificated, the Debtors shall cause the issuer to register the Agent as the registered collateral assignee thereof and enter into a control agreement with the Agent in such form as the Agent shall reasonably require. The Debtors shall from time to time promptly and in accordance with the foregoing provisions deliver to the Agent any and all Pledged Securities which may hereafter be acquired by the Debtors.

(b) The Agent may at any time or from time to time, in its sole reasonable discretion, require the Debtors to cause any chattel paper included in the Customer Receivables to be delivered to the Agent or any agent or representative designated by it, or to cause a legend referring to the Security Interests to be placed on such chattel paper and upon any ledgers or other records concerning the Customer Receivables.

**Section 4. Filing; Further Assurances.**

Each Debtor will, at its expense, execute, deliver, file and record (in such manner and form as the Agent may reasonably require), or permit the Agent to file and record, any financing statements, any carbon, photographic or other reproduction of a financing statement or this Agreement (which the parties hereto agree shall be sufficient as a financing statement hereunder), any specific assignments or other paper that may be reasonably necessary or desirable, or that the Agent may request, in order to create, confirm, preserve, perfect or validate any Security Interest or to enable the Agent to exercise and enforce its rights and remedies hereunder or under applicable law with respect to any of the Collateral. Each Debtor hereby authorizes the Agent to prepare and file such financing statements and/or other instruments or recordings as the Agent may at any time request or require with respect to the Collateral and the Security Interests, including such financing statements as indicate or describe the Collateral as "all assets" or "all personal property," and each Debtor hereby ratifies any such financing statements filed by the Agent against such Debtor prior to the date hereof.

**Section 5. Representations and Warranties of the Debtors.**

Each Debtor hereby represents and warrants to the Agent and each Lender as follows:

(a) Except as described in **Exhibit B** attached hereto and made a part hereof, each Debtor is, or to the extent that certain of the Collateral is to be acquired after the date hereof, will be, the owner of the Collateral free from any adverse lien, security interest or encumbrance.

(b) Except for such financing statements as may be described in **Exhibit B** attached hereto and made a part hereof, no financing statement or other covering the Collateral is on file in any public office, other than the financing statements filed pursuant to this Agreement.

(c) All additional information, representations and warranties contained in **Exhibit C** attached hereto and made a part hereof, and the Schedules attached to said **Exhibit C**, are true, accurate and complete on the date hereof.

(d) There are no restrictions upon the voting rights or the transfer of all or any of the Pledged Securities existing on the date hereof (other than may appear on the face of the certificate thereof or as may be imposed by the Securities Act of 1933, as amended (the "**Securities Act**"), the FCC or any other state or local authorities) and the Debtor has the right to vote, pledge, or grant a security interest in and otherwise transfer the Pledged Securities free of any encumbrances (other

than applicable restrictions imposed by the FCC or any other state or local authorities, or Federal or state securities laws or regulations). Notwithstanding anything to the contrary set forth in the Constituent Documents, each of the Debtors hereby waives 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 the Agent of all of its rights and remedies hereunder.

(e) The execution and delivery of, and performance by Debtors of their 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 or any indenture, agreement or other instrument to which either Debtor is a party, or by which either Debtor 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 the Member pursuant to, any such indenture, agreement or instrument.

#### **Section 6. Covenants of the Debtors.**

Each Debtor hereby covenants and agrees as follows:

(a) It will use all commercially reasonable efforts to defend the Collateral against all claims and demands of all persons at any time claiming any interest therein.

(b) It will provide the Agent, at least thirty (30) business days prior to occurrence, with written notice of (i) any change in the chief executive office of the Debtor or the office where the Debtor maintains its books and records pertaining to the Customer Receivables, or (ii) the movement or location of Collateral to or at any address other than as set forth in said **Exhibit C**.

(c) It will promptly pay any and all taxes, assessments and governmental charges upon the Collateral prior to the date penalties are attached thereto, except to the extent that such taxes, assessments and charges shall be contested in good faith by the Debtor and adequate reserves have been set aside therefor.

(d) It will immediately notify the Agent of any event causing a substantial loss or diminution in the value of all or any material part of the Collateral and the amount or an estimate of the amount of such loss or diminution.

(e) It will have and maintain insurance at all times with respect to the Tangible Collateral as required by the Loan Agreement.

(f) Except as otherwise specifically permitted by the Loan Agreement, it will not sell or offer to sell or otherwise assign, transfer or dispose of the

Collateral or any interest therein, without the prior written consent of the Agent; provided, however, that the Debtors may sell their inventory, if any, in the ordinary course of their business.

(g) Except as otherwise permitted by the Loan Agreement, it will keep the Collateral free from any adverse lien, security interest or encumbrance and in good order and repair, reasonable wear and tear excepted, and will not waste or destroy the Collateral or any part thereof.

(h) It will not knowingly use the Collateral in violation of any statute or ordinance.

(i) It will not change its name, identity or structure, except as may be permitted by the Loan Agreement, without thirty (30) days prior written notice to the Agent and the delivery to the Agent by the Debtors of all documents and instruments necessary for the Agent to continue its perfected security interest in the Collateral, the form and substance of which documents and instruments shall be acceptable to the Agent in the Agent's reasonable discretion.

(j) It will perform and observe, or cause to be performed and observed, all of its material obligations under the Constituent Documents, and will not, without the prior written consent of the Agent, which shall not be unreasonably withheld, conditioned or delayed, amend or modify the Constituent Documents in any material way or permit the admission of additional members or partners except as permitted by the Loan Agreement.

(k) It will keep its records concerning the Collateral, including the Customer Receivables and all chattel paper included in the Customer Receivables, at the Debtor's executive office as shown on Exhibit C hereto, or at such other place or places of business as the Agent may approve in writing. It will hold and preserve such records and chattel paper and will permit representatives of the Agent at any time during normal business hours following reasonable notice to examine and inspect the Collateral and to make abstracts from such records and chattel paper, and will furnish to the Agent such information and reports regarding the Collateral as the Agent may from time to time reasonably request, provided that the Agent, in conducting any such inspection, shall not unreasonably interfere with the operation of the Debtors' business.

(l) It shall at any time and from time to time, whether or not Revised Article 9 is in effect in any particular jurisdiction, take such steps as the Agent may reasonably request for the Lenders (i) to obtain an acknowledgement, in form and substance satisfactory to the Agent, of any bailee having possession of any of the Collateral that the bailee holds such Collateral for the Agent, (ii) to obtain "control" of any investment property, deposit accounts, letter-of-credit rights or electronic chattel paper (as such terms are defined in Revised Article 9) with any agreements establishing control to be in form and substance satisfactory to the

Agent, and (iii) otherwise to insure the continued perfection and priority of the Security Interests in any of the Collateral and of the preservation of the Agent's rights therein.

**Section 7. Collections with Respect to Customer Receivables.**

(a) Each Debtor will, at its expense, and subject at all times to the Agent's right to give reasonable directions and instructions:

(i) endeavor to collect or cause to be collected from customers indebted on Customer Receivables, as and when due, any and all amounts, including interest, owing under or on account of each Customer Receivable; and

(ii) take or cause to be taken such appropriate action to repossess goods, the sale or rental of which gave rise to any Customer Receivable, and to enforce any rights or liens under Customer Receivables, in the name of the Debtor or the Agent, as the Agent may deem proper;

provided, however, that (a) each Debtor will at all times use its best judgment to protect the interests of the Agent (nothing herein being intended to preclude the Debtors from accepting the reasonable equivalent value of goods and services in the ordinary course of business in exchange for a Customer Receivable or writing off unpaid Customer Receivables in the ordinary course of business consistent with past practices), and (b) the Debtors shall not be required under this **Section 7** to take any action which would be contrary to any applicable law or court order. Each Debtor shall, at the request of the Agent following the occurrence and during the continuance of an Event of Default, notify the account debtors of the Security Interests in any of the Customer Receivables and the Agent may itself at any such time so notify account debtors. The Agent shall have full power at any time after such notice and during the continuance of an Event of Default to collect, compromise, endorse, sell or otherwise deal with any or all outstanding Customer Receivables or the proceeds thereof in the name of either the Agent or the Debtors, as the Agent shall reasonably determine. In the event that, after notice to any account debtors to pay the Agent and during the continuance of an Event of Default, a Debtor receives any payment on a Customer Receivable, all such payments shall be held by such Debtor in trust for the Agent and immediately turned over to the Agent.

(b) The Debtors hereby represent and warrant that each deposit account ("**Collection Account**") now maintained by the Debtors or either of them at any bank ("**Depository Bank**") is identified on **Exhibit D** attached hereto and made a part hereof. With respect to each Collection Account containing \$25,000 or more in funds, if requested by the Agent, the Debtor shall deliver to the Agent a Control Agreement (each a "**Control Agreement**") in the form of **Exhibit E** or in such other form as may be acceptable to the Agent, duly executed and delivered by the Debtors and the applicable Depository Bank, authorizing and directing such Depository Bank, upon receipt of written notice from the Agent, to comply solely with instructions originated by the Agent and to take such further action as the Agent may reasonably deem desirable to effect the transfer of exclusive ownership and disposition of the funds in such Collection Account, without further consent by or notice to the Debtors. The Agent agrees that it will not deliver any such

written notice to the Depository Bank unless an Event of Default shall have occurred. Until all of the Debtors' Obligations have been indefeasibly paid in full, the Debtors agree not to enter into any agreement or execute and deliver any direction which would modify, impair or adversely affect the rights and benefits of the Agent under any Control Agreement. The Debtors shall notify the Agent in writing not less than five (5) days prior to the date it shall open or establish any Collection Account other than an account described on Exhibit D hereto. The Debtors shall not open, establish or maintain any Collection Account containing \$25,000 or more in funds without first having delivered to the Agent a duly executed Control Agreement with respect to such Collection Account. In addition, in the event the funds in any Collection Account not subject to a Control Agreement equal or exceed \$25,000, then the Debtor shall, within five (5) days of the date thereof, notify the Agent of such and deliver to the Agent a duly executed Control Agreement with respect to any such Collection Account.

**Section 8. Record Ownership of Pledged Securities.**

Upon the occurrence and during the continuance of an Event of Default, the Agent, subject to **Section 18** hereof, may upon written notice to the Debtor cause any or all of the Pledged Securities to be transferred of record into the Agent's name. Each Debtor will promptly give to the Agent copies of any notices or other communications received by such Debtor with respect to Pledged Securities registered in the name of a Debtor and the Agent will promptly give to the Debtors copies of any notices and communications received by the Agent with respect to Pledged Securities registered in the name of the Agent.

**Section 9. Right to Receive Distributions on Pledged Securities.**

Unless an Event of Default shall have occurred and be continuing, each Debtor shall, except to the extent otherwise provided in the Loan Agreement, be entitled, from time to time, to collect and receive for its own use all dividends, interest and other payments and distributions made upon or with respect to the Pledged Securities, except:

- (i) stock dividends,
- (ii) dividends payable in securities or other property, and cash dividends (unless otherwise provided in the Loan Agreement),
- (iii) dividends or distributions on dissolution, or on partial or total liquidation, or in connection with a reduction of capital, capital surplus or paid-in surplus, and
- (iv) other securities issued with respect to or in lieu of, or upon conversion of, the Pledged Securities (whether upon conversion of the convertible securities included therein or through stock split, spin-off, split-off, reclassification, merger, consolidation, sale of assets, combination of shares or otherwise).

The Agent shall have the right to receive and retain all dividends, interest and other payments and distributions made upon or with respect to the Pledged Securities, except those which the Debtors are specifically authorized to receive as provided above, and the Debtors shall take all such action as may be necessary or appropriate to give effect to such right. From time to time upon receiving a written request from the Debtors accompanied by a certificate signed by their chief financial officer stating that no Event of Default has occurred and is continuing, the Agent shall deliver to the Debtors suitable assignments and orders for the payment to the Debtors or upon their order of all dividends, interest and other payments and distributions to which the Debtors are entitled as aforesaid, upon or with respect to any Pledged Securities which are registered in the Agent's name.

**Section 10. Right to Vote Pledged Securities.**

(a) Unless an Event of Default shall have occurred and be continuing, each Debtor shall have the right, from time to time, to vote and to give consents, ratifications and waivers with respect to the Pledged Securities and to exercise conversion rights with respect to the convertible securities included therein, and the Agent shall, upon receiving a written request from the Debtors accompanied by a certificate signed by their chief financial officer stating that no Event of Default has occurred and is continuing, deliver to the Debtor or as specified in such request such proxies, powers of attorney, consents, ratifications and waivers as Agent shall reasonably approve in respect of any Pledged Securities which are registered in the Agent's name, and make such arrangements with respect to the conversion of convertible securities as shall be specified in the Debtor's request and be in form and substance satisfactory to the Agent.

(b) If an Event of Default shall have occurred and be continuing, and provided the Agent elects to exercise the rights hereinafter set forth by notice to the Debtors of such election, the Agent, subject to **Section 10(c)** and **Section 18** hereof, shall have the right to the extent permitted by law, and the Debtors shall take all such action as may be necessary or appropriate to give effect to such right, to vote and to give consents, ratifications and waivers and take any other action with respect to all the Pledged Securities with the same force and effect as if the Agent were the absolute and sole owner thereof.

(c) Notwithstanding any provision contained herein to the contrary, to the extent the Pledged Securities consist of capital stock or other securities issued by the holder, or issued by an entity controlling the holder, of one or more FCC Licenses, voting rights in such Pledged Securities shall remain with the Debtors notwithstanding the occurrence of an Event of Default until and unless all necessary consents and approvals of the FCC shall have been obtained for the transfer of control of any FCC Licenses, permits or other authorizations that would be affected thereby.

**Section 11. General Authority.**

Each Debtor hereby irrevocably appoints the Agent such Debtor's true and lawful attorney, with full power of substitution, in the name of such Debtor, the Agent or otherwise, for the sole use and benefit of the Agent, but at the Debtors' expense, to the extent permitted by law to exercise, at any time and from time to time after any Event of Default has occurred (or

otherwise to the extent the Agent determines in its discretion that the exercise of such powers is necessary to protect the Agent's interests in such Collateral or its rights thereunder), all or any of the following powers with respect to all or any of the Collateral (which power shall be in addition and supplemental to any powers, rights and remedies of the Agent described herein or otherwise available to the Agent under applicable law):

(i) to demand, sue for, collect, receive and give acquaintance for any and all moneys due or to become due upon or by virtue thereof,

(ii) to receive, take, endorse, assign and deliver any and all checks, notes, drafts, documents and other negotiable and non-negotiable instruments and chattel paper taken or received by the Agent in connection therewith,

(iii) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,

(iv) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof or any related goods securing the Customer Receivables, as fully and effectually as if the Agent were the absolute owner thereof,

(v) to extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto,

(vi) to discharge any taxes, liens, security interests or other encumbrances at any time placed thereon, and

(vii) to the extent permitted by law, including without limitation, FCC, state and local rules, regulations and policies and Federal and state securities laws, to execute any document or form, in the name of each Debtor, which may be necessary or desirable in connection with any sale of the Pledged Securities by the Agent, including without limitation Form 144 (or any successor form) promulgated by the Securities and Exchange Commission; provided that the Agent shall give the Debtors not less than ten (10) days' prior written notice of the time and place of any sale or other intended disposition of any of the Collateral. Such appointment as attorney is irrevocable and coupled with an interest.

#### **Section 12. Events of Default.**

The Debtors shall be in default under this Agreement upon the occurrence of any one or more of the following events (each such event is herein being referred to as an "**Event of Default**"):

(a) default by a Debtor in the observance or performance of any covenant or agreement contained in **Section 6(b), 6(f), 6(g), 6(i), 6(j), 6(k) or 6(l)** hereof; or default by a Debtor in the observance or performance of any other covenant or agreement herein contained and continuation thereof for a period of

ten (10) business days after the date the Agent gives the Debtors written notice thereof; or breach by a Debtor of any representation or warranty herein contained or any such representation or warranty shall prove to be false or misleading in any material respect when made or deemed to be made; or

(b) the occurrence of any "Event of Default" as defined in the Loan Agreement, under the Notes, or under the provisions of any agreement now or hereafter securing any of the Notes, or of any agreement now or hereafter evidencing or securing any of the Obligations.

**Section 13. Remedies Upon Event of Default.**

If an Event of Default shall have occurred and be continuing, the Agent on behalf of the Lenders may take any of the following actions, subject to **Section 18** hereof:

(a) The Agent on behalf of the Lenders may exercise all the rights and remedies of a secured party under the Uniform Commercial Code ("**UCC**") (whether or not the UCC is in effect in the jurisdiction where such rights and remedies are exercised) and, in addition, the Agent may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, including provisions that require a secured party to act in a commercially reasonable manner, (i) apply the cash, if any, then held by it as Collateral hereunder, for the purposes and in the manner specified in **Section 15** hereof, and (ii) if there shall be no such cash or if such cash shall be insufficient to pay all the Obligations in full, sell the Collateral, or any part or component thereof, at one or more public or private sales for cash, upon credit or for future delivery, and at such price or prices as the Agent may deem satisfactory.

(b) The Agent may require the Debtors to assemble all or any part of the Collateral and make it available to the Agent at a place to be designated by the Agent which is reasonably convenient. Any holder of an Obligation may be the purchaser of any or all of the Collateral so sold at any public sale (and, if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, at any private sale) and thereafter hold the same absolutely, free from any right or claim of whatsoever kind. Upon any such sale, the Agent shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the Collateral so sold absolutely, free from any claim or right of whatsoever kind, including any equity or right of redemption of the Debtors.

(c) Unless the Collateral to be sold is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Agent shall give the Debtors at least ten (10) business days' prior written notice of its intention to make any such public or private sale. The Lenders and the Debtors agree that such notice constitutes "reasonable notification" within the meaning of

the UCC. Such notice in the case of a public sale shall state the time and place fixed for such sale. Such notice in the case of a private sale or disposition shall state the time after which any private sale or other intended disposition is to be made.

(d) Any such public sale shall be held at such time or times within ordinary business hours and at public or private place or places as the Agent may fix in the notice of such sale. At any public or private sale, the Collateral may be sold in one lot as an entirety or in separate parcels, as the Agent may determine. Neither the Agent nor the Lenders shall be obligated to make such sale pursuant to any such notice. The Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be adjourned. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by the Agent until the selling price is paid by the purchaser thereof, but the Agent and the Lenders shall not incur any liability in case of the failure of such purchaser to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may again be sold upon like notice.

(e) The Lenders, instead of exercising the power of sale herein conferred upon them, may proceed by a suit or suits at law or in equity to foreclose the Security Interests and sell the Collateral, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction.

(f) If an Event of Default shall have occurred and be continuing, and subject to Section 18 hereof, each Debtor shall take any action which the Agent may reasonably request in order to transfer and assign all FCC licenses, permits and authorizations for operation of the Stations (as defined in the Loan Agreement) and all radio and television broadcast stations acquired by Debtor after the date hereof (all of the foregoing, collectively, the "Stations") or relating to the Stations (the "Licenses") to the Agent or to such one or more third parties as the Agent may designate, or to a combination of the foregoing. To enforce the provisions of this Section, the Agent is empowered to request the appointment of a receiver from any court of competent jurisdiction. Such receiver shall be instructed to seek from the FCC consent to an involuntary transfer of control of the Licenses for the purposes of seeking a bona fide purchaser to whom control will ultimately be transferred. Each Debtor hereby agrees to authorize such involuntary transfer of control upon the request of the receiver so appointed and, if the Debtors shall refuse to authorize the transfer, the Debtors' approval may be ordered or required by the court. Upon the occurrence and continuance of an Event of Default, each Debtor shall further use its best efforts to assist in obtaining approval of the FCC, if required, for any actions or transactions contemplated by this Agreement and any related agreements, including, without limitation, the preparation, execution and filing with the FCC of the assignor's or

transferor's portion of any application or applications for consent to the assignment of the Licenses, or transfer of control necessary or appropriate under the FCC's Rules and Regulations to obtain approval of the transfer or assignment of any portion of the Collateral, together with the Licenses; provided, however, that the Debtors shall not be required to sign any instrument or application that is blank in whole or in part or that contains any material misstatement or inaccuracy or which omits any information which is needed to make such instrument or application complete and not misleading.

(g) The receiver shall in addition have the power to dispose of the Licenses and the Collateral in any manner lawful in the jurisdiction in which his appointment is confirmed, including the power to conduct a public or private sale of the Licenses and Collateral; provided, however, that the successful bidder at any such public or private arm's-length sale shall not acquire any License unless and until the FCC shall first have granted its consent to such acquisition (or such consent shall, for any other reason, no longer be required under applicable law or regulation). The Lenders may bid at any such public or private sale.

(h) EACH DEBTOR ACKNOWLEDGES THAT THE ASSIGNMENT OR TRANSFER OF THE LICENSES IS INTEGRAL TO THE LENDERS' AND AGENT'S REALIZATION OF THE VALUE OF THE COLLATERAL, THAT THERE IS NO ADEQUATE REMEDY AT LAW FOR FAILURE BY THE DEBTORS TO COMPLY WITH THE PROVISIONS OF THIS SECTION AND THAT SUCH FAILURE WOULD NOT BE ADEQUATELY COMPENSABLE IN DAMAGES, AND THEREFORE AGREES THAT THE AGREEMENTS CONTAINED IN THIS SECTION MAY BE SPECIFICALLY ENFORCED.

(i) Notwithstanding anything herein contained to the contrary, the Debtors' execution and delivery of this Agreement and any related agreements, prior to the Agent's exercise of its remedies hereunder and the granting of FCC approval therefor to the extent such consent is required by law, (i) do not and will not constitute, create, or have the effect of constituting or creating, directly or indirectly, actual or practical ownership of the Debtors by the Lenders or the Agent, or control, affirmative or negative, direct or indirect, by the Lenders or the Agent over the programming, management, or any other aspect of the operation of the Debtors or any of their broadcast properties, which ownership and control shall remain exclusively and at all times in the Debtors; and (ii) do not and shall not constitute the transfer, assignment, or disposition in any manner, voluntarily or involuntarily, directly or indirectly, of any License or any other license, permit or authorization at any time issued by the FCC to the Debtors or the transfer of control of the Debtors within the meaning of Section 310(d) of the Communications Act of 1934, as amended, in any of the foregoing cases, unless and until the provisions of this Agreement which are conditions to such transfer, assignment or disposition of control of the Debtors or the Licenses or other licenses, permits or authorizations are met.

(j) Notwithstanding any other provision of this Agreement or any related agreements to the contrary, any foreclosure on, sale, transfer or other disposition of, or the exercise of any right to vote or consent with respect to the Licenses or any of the Collateral as provided herein or therein or any other action taken or proposed to be taken by the Lenders hereunder or thereunder which would affect the operational, voting, or other control of the Debtors, shall be pursuant to the Communications Act of 1934, as amended, and to the applicable Rules and Regulations thereunder and, if and to the extent required thereby, subject to the prior approval of the FCC.

(k) All rights and remedies contained herein shall be separate and cumulative and in addition to all other rights and remedies available to a secured party under applicable law, and the exercise of one shall not in any way limit or prejudice the exercise of any other such rights or remedies.

(l) If at any time when the Agent shall determine to exercise its right to sell all or any part of the Pledged Securities pursuant to subsection (a)(ii) of this Section 13, the Debtors recognize that the Agent may be unable to effect a public sale of the Pledged Securities by the reason of certain prohibitions contained in the Securities Act, or other applicable state or federal laws, and the Agent may therefore resort to one or more private arm's-length sales thereof to a restricted group of purchasers. The Debtors agree 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 arm's-length sales shall not by reason thereof be deemed not to have been made in a commercially reasonable manner. The Agent shall sell all or any part of the Pledged Securities at a price which it deems commercially reasonable under the circumstances. The Agent shall be under no obligation to delay a sale of any of the Pledged Securities 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. Subject to the foregoing, the Agent agrees that any sale of the Pledged Securities shall be made in a commercially reasonable manner, and the Debtors agree to use commercially reasonable efforts to cause the issuer or issuers of the Pledged Securities contemplated to be sold, to execute and deliver, all at the Debtors' expense, 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 the Agent, advisable to exempt the Pledged Securities from registration under the provisions of the Securities Act, and to make all amendments to such instruments and documents which, in the opinion of the Agent, are necessary or advisable, 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. The Debtors further agree to use commercially reasonable efforts to cause the issuer of the Pledged Securities to comply with the provisions of the securities or "Blue Sky" laws of any jurisdiction which the Agent shall reasonably designate.

(m) Subject to **Section 18** hereof and any applicable rules of the FCC, the Agent as attorney-in-fact pursuant to **Section 11** hereof may, in the name and stead of the Debtors, make and execute all conveyances, assignments and transfers of any Collateral sold in accordance with this Agreement. The Debtors shall, if so reasonably requested by the Agent, ratify and confirm any sale or sales by executing and delivering to the Agent, or to such purchaser or purchasers, all such instruments as may, in the reasonable judgment of the Agent, be advisable for such purpose.

(n) The receipt by the Agent of the purchase money paid at any such sale made by it shall be a sufficient discharge therefor to any purchaser (other than the Agent) of the Collateral, or any portion thereof, sold as aforesaid; and no such purchaser, or his or its representatives or assigns (other than the Agent), after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money or any part thereof or in any manner whatsoever be answerable for any loss, misapplication or nonapplication of any such purchase money, or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

**Section 14. Right of Lenders to Use and Operate Tangible Collateral, Etc.**

Upon the occurrence and during the continuance of an Event of Default, to the extent permitted by law and subject to **Section 18** hereof, (a) the Agent shall have the right and power to take possession of all or any part of the Tangible Collateral, and to exclude the Debtors and all persons claiming under the Debtors wholly or partly therefrom, and thereafter to hold, store, and/or use, operate, manage and control the same, (b) the Agent may, from time to time, at the expense of the Debtors, make all such repairs, replacements, and alterations to and of the Tangible Collateral as the Agent may deem proper, subject to **Section 18** hereof, and (c) the Agent shall have the right to manage and control the Tangible Collateral and to exercise all rights and powers of the Debtors in respect to the Tangible Collateral as the Agent shall deem best, including the right to enter into any and all such agreements with respect to the leasing and/or operation of the Tangible Collateral or any part thereof as the Agent may deem fit and, subject to **Section 18** hereof, to carry on the business in respect to the Tangible Collateral; and the Agent shall be entitled to collect and receive all rents, issues, profits, fees, revenues and other income of the same and every part thereof. Such rents, issues, profits, fees, revenues and other income shall be applied to pay the expenses of holding and operating the Tangible Collateral and of conducting the business thereof, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which the Agent may be required or may elect to make, if any, for taxes, assessments, insurance and other charges upon the Tangible Collateral or any part thereof, and all other payments which the Agent may be required or authorized to make under any provision of this Agreement (including legal costs and attorney's fees). The remainder of such rents, issues, profits, fees, revenues and other income shall be applied to the payment of the Obligations in such order or priority as the Agent shall determine (subject to the provisions of **Section 15** hereof) and, unless otherwise provided by law or by a court of competent jurisdiction, any surplus shall be paid over to the Debtors.

**Section 15. Application of Collateral and Proceeds.**

The proceeds of any sale of, or other realization upon, all or any part of the Collateral shall be applied in the following order of priorities:

(a) first, to pay the reasonable expenses of such sale or other realization, including reasonable commission to the Agent's agent, and all reasonable expenses, liabilities and advances incurred or made by the Agent in connection therewith, and any other unreimbursed expenses for which the Lenders are to be reimbursed pursuant to Section 16;

(b) second, to the payment of all amounts due under the Notes and all indebtedness, obligations and liabilities of the Debtors and other Obligors under the Loan Agreement, in accordance with the terms thereof;

(c) third, to the payment of the remaining Obligations in such order and manner as the Lenders, in their sole discretion, shall determine; and

(d) finally, unless applicable law otherwise provides, to pay to the Debtor, or its successors or assigns, or as a court of competent jurisdiction may direct, any surplus then remaining from such proceeds.

**Section 16. Expenses; Lenders' Lien.**

The Debtors will forthwith upon demand pay to the Lenders:

(i) the amount of any taxes which the Lenders may at any time be required to pay by reason of the Security Interests (including any applicable transfer taxes) or to free any of the Collateral from any lien thereon, and

(ii) the amount of any and all reasonable out-of-pocket expenses, including the reasonable fees and disbursements of its counsel and of any agents not regularly in its employ, which the Lenders may incur in connection with (a) the preparation and administration of this Agreement, (b) the collection, sale or other disposition of any of the Collateral, (c) the exercise by the Agent and the Lenders of any of the powers, rights or remedies conferred upon it or them hereunder, or (d) any default on the Debtor's part hereunder.

**Section 17. Termination of Security Interests; Release of Collateral.**

Upon the indefeasible repayment and performance in full of all the Obligations, the Security Interests shall terminate and all rights to the Collateral shall revert to the Debtors. Upon any such termination of the Security Interests or release of Collateral in accordance with the terms of the Loan Agreement, the Agent will, at the Debtors' expense to the extent permitted by law, execute and deliver to the Debtors such documents as the Debtors shall reasonably request to evidence the termination of the Security Interests or the release of such Collateral, as the case may be. In the event that all or any part of the payments described in this Section 17 are

rescinded or recovered directly or indirectly from any Lender 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 Debtors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be.

#### **Section 18. FCC Approval.**

Notwithstanding anything to the contrary contained herein, the Lenders shall not take any action pursuant to this Agreement which would constitute or result in any assignment of an FCC License or any change of control of a Debtor if such assignment of FCC License or change of control would require under then existing law (including the written rules and regulations promulgated by the FCC), the prior approval of the FCC, without first obtaining such approval of the FCC. The Debtors agree to take any action which the Agent may reasonably request in order to obtain and enjoy the full rights and benefits granted to the Lenders or the Agent by this Agreement and each other agreement, instrument and document delivered to the Lenders or the Agent in connection herewith or in any document evidencing or securing the Collateral, including specifically, at the Debtors' own cost and expense, the use of their best efforts to assist in obtaining approval of the FCC 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 with the FCC the assignor's or transferor's portion of any application or applications for consent to the assignment of license or transfer of control necessary or appropriate under the FCC's rules and regulations for approval of (a) any sale or sales of property constituting the Collateral by or on behalf of the Agent, the Lenders or the holder(s) of the Obligations secured hereby, or (b) any assumption by the Agent or the Lenders of voting rights or management rights in property constituting the Collateral effected in accordance with the terms of this Agreement; provided, however, that the Debtors shall not be required to sign any instrument or application that is blank in whole or in part or that contains any material misstatement or inaccuracy or which omits any information which is needed to make such instrument or application complete and not misleading.

#### **Section 19. Right of Set-Off.**

In furtherance and not in limitation of any provisions herein contained, the Debtors hereby agree that any and all deposits or other sums at any time claimed by or due from the Lenders to the Debtors shall at all times constitute security for the Obligations and the Lenders may, following the occurrence and during the continuance of an Event of Default, exercise any right of set-off against such deposits or other sums as may accrue or exist under applicable law.

#### **Section 20. Notices.**

All notices, requests, demands and other communications provided for hereunder shall be in writing and either mailed, sent by nationally recognized overnight courier service, or delivered to the applicable party at the addresses indicated in the Loan Agreement.

**Section 21. Waivers; Non-Exclusive Remedies; Consent to Jurisdiction; Service of Process.**

No failure on the part of the Lenders or the Agent to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or remedy under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by the Agent of any right, power or remedy under this Agreement preclude any other right, power or remedy. The remedies in this Agreement are cumulative and are not exclusive of any other remedies provided by law. **ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE STATE OF NEW JERSEY, OR, AT THE AGENT'S SOLE OPTION, IN SUCH OTHER COURT IN WHICH THE AGENT SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. EACH DEBTOR, TO THE EXTENT THAT IT MAY LAWFULLY DO SO, HEREBY CONSENTS TO THE JURISDICTION OF ALL SUCH COURTS, 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 NOTES OR THE LOAN DOCUMENTS OR WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY, AND EXPRESSLY WAIVES 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, EACH DEBTOR CONSENTS TO THE SERVICE OF PROCESS BY PERSONAL SERVICE OR U.S. CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO THE DEBTORS AT THE ADDRESS PROVIDED HEREIN. TO THE EXTENT THAT A DEBTOR HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, SUCH DEBTOR HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS TO THE MAXIMUM EXTENT PERMITTED BY LAW.**

**Section 22. Waiver of Jury Trial.**

**TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH DEBTOR HEREBY WAIVES TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, THE LOAN AGREEMENT, THE NOTES, THE SECURITY DOCUMENTS OR ANY OTHER AGREEMENTS EXECUTED IN CONNECTION HERewith. NEITHER THE DEBTORS NOR ANY ASSIGNEE OF OR SUCCESSOR TO THE DEBTORS, SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM, OR ANY OTHER LITIGATION OR PROCEDURE BASED UPON, OR ARISING OUT OF, THIS AGREEMENT, THE**

**LOAN AGREEMENT, THE NOTES, THE SECURITY DOCUMENTS OR ANY OF THE OTHER LOAN DOCUMENTS ENTERED INTO IN CONNECTION HERewith OR THEREWITH OR THE DEALINGS OR THE RELATIONSHIP BETWEEN OR AMONG THE PARTIES HERETO, OR ANY OF THEM. NO PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION, IN WHICH A JURY TRIAL HAS BEEN WAIVED, WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS SECTION 22 HAVE BEEN FULLY DISCUSSED BY THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NO PARTY HAS IN ANY WAY AGREED WITH OR REPRESENTED TO ANY OTHER PARTY THAT THE PROVISIONS OF THIS SECTION 22 WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.**

**Section 22A. Judicial Reference.**

The parties to this Agreement prefer that any dispute between or among them be resolved in litigation subject to a jury trial waiver as set forth in Section 22. If, however, under then applicable law, a pre-dispute jury trial waiver of the type provided for in Section 22 is unenforceable in litigation to resolve any dispute, claim, cause of action or controversy under this Agreement or any other Loan Document (each, a "**Claim**"), then, upon the written request of any party to such litigation, such Claim, including any and all questions of law or fact relating thereto, shall be determined exclusively by a judicial reference proceeding. Except as otherwise provided in Section 22, venue for any such reference proceeding shall be in the state or federal court in the County or District where venue is appropriate under applicable law (the "**Court**"). The parties shall select a single neutral referee, who shall be a retired state or federal judge. If the parties cannot agree upon a referee, the Court shall appoint the referee. The referee shall report a statement of decision to the Court. Nothing in this Section 22A, however, shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral or obtain provisional remedies (including, without limitation, replevin, injunctive relief, attachment or the appointment of a receiver). The parties shall bear the fees and expenses of the referee equally unless the referee orders otherwise. The referee also shall determine all issues relating to the applicability, interpretation, and enforceability of this Section 22A. The parties acknowledge that any Claim determined by reference pursuant to this Section 22A shall not be adjudicated by a jury.

**Section 23. Changes 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.

**Section 24. New Jersey Law; Meaning of Terms.**

**THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SAID STATE, except to the extent that remedies provided by the laws of any state other than New Jersey are governed by the laws of**

said state. Unless otherwise defined herein, or unless the context otherwise requires, all terms used herein which are defined in the New Jersey Uniform Commercial Code, as amended from time to time, have the meanings therein stated.

**Section 25. Separability.**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

**Section 26. Successors and Assigns.**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, any subsequent holders of the Notes or any of the Obligations, each of whom shall, without further act, become a party hereto by becoming a holder of a Note or such Obligations, provided that, the Debtors may not assign their obligations hereunder or otherwise sell, transfer, encumber or otherwise dispose of the Collateral except as expressly permitted by the terms hereof and of the Loan Agreement.

**Section 27. Headings.**

The headings in this Agreement are for the purposes of reference only and shall not limit or otherwise affect the meaning hereof.

**Section 28. Counterparts.**

This Agreement may be executed by the parties hereto in several counterparts hereof and by different parties hereto on separate counterparts hereof, each of which shall be an original and all of which counterparts shall together constitute one and the same agreement. Delivery of an executed signature page of this Agreement by facsimile transmission shall be effective as an in-hand delivery of an original executed counterpart thereof.

**Section 29. Acknowledgments.**


RPVB hereby acknowledges receipt of notice of the pledge and collateral assignment of its capital stock held by KXLA Inc. effected hereby and hereby agrees to register the security interests and collateral assignments effected hereby on its books and records. KXLA Inc. hereby irrevocably authorizes RPVB to accept and act upon, and RPVB hereby agrees to accept and act upon, all instructions and directions given by the Agent to RPVB with respect to the Pledged Securities, without the necessity of further authorization or consent from, or notice to, KXLA Inc.

**Section 30. Amendment and Restatement.** This Agreement amends and restates the Original Security Agreement and shall govern all security interests granted by the Debtors under this Agreement and pursuant to the Original Security Agreement.


[The next page is the signature page]

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto all as of the day and year first above written.

**KXLA TV 44, INC.**

By:   
\_\_\_\_\_  
Ronald L. Ulloa, President

**RANCHO PALOS VERDES  
BROADCASTERS, INC.**

By:   
\_\_\_\_\_  
Ronald L. Ulloa, President

**CIT LENDING SERVICES CORPORATION,  
AS AGENT**

By: \_\_\_\_\_  
Donald J. Oberg, Jr., Vice President

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto all as of the day and year first above written.

**KXLA TV 44, INC.**

By: \_\_\_\_\_  
Ronald L. Ulloa, President

**RANCHO PALOS VERDES  
BROADCASTERS, INC.**

By: \_\_\_\_\_  
Ronald L. Ulloa, President

**CIT LENDING SERVICES CORPORATION,  
AS AGENT**

By:  \_\_\_\_\_  
Donald J. Oberg, Jr., Vice President

**EXHIBIT A**

**Pledged Securities Existing on Date Hereof**

**Debtor: KXLA TV 44, Inc.**

**Issuer**

**Pledged Securities**

**Certificated or  
Uncertificated**

Rancho Palos Verdes Broadcasters, Inc.

8,793,734 Class A  
Common Shares

Certificated

Rancho Palos Verdes Broadcasters, Inc.

407,000 Class B  
Common Shares

Certificated

**Debtor: Rancho Palos Verdes Broadcasters, Inc.**

**Issuer**

**Pledged Securities**

**Certificated or  
Uncertificated**

None.

**EXHIBIT B**

**Financing Statements on File on Date Hereof**

Financing Statements in favor of Lenders.

**EXHIBIT E**

**CONTROL AGREEMENT**

TO: **CIT Lending Services Corporation, as Agent** (the "**Agent**"), under that certain Amended and Restated Loan Agreement, dated as of September \_\_, 2005 (the "**Loan Agreement**"), among the Agent, the Lenders who are now or hereafter become parties thereto ("**Lenders**") and [ ] (the "**Debtor**") and certain Affiliates of the Debtor.

RE: Account No. \_\_\_\_\_ of the Debtor maintained with \_\_\_\_\_ (the "**Bank**").

This will confirm that the Debtor and the Bank have agreed as follows with respect to the above-referenced account (the "**Account**"):

1. The Debtor and the Bank acknowledge and confirm that all funds, items, instruments, investments, securities, investment property and other things of value at any time paid, deposited, credited or held (whether for collection, provisionally or otherwise) now or at any time hereafter in the Account (collectively, the "**Account Property**") and all of the Debtor's rights regarding the Account and such Account Property constitute part of the collateral in which the Debtor has granted a security interest to the Agent, to secure the Debtor's obligations under the Loan Agreement and the other "Loan Documents" (as defined in the Loan Agreement), and that the Agent holds a security interest therein.

2. The Bank shall not assert, claim or endeavor to exercise any existing and future rights of set off and banker's liens against the Account, the Account Property and all items and proceeds thereof that come into the Bank's possession in connection with the Account and the Account Property, provided, however, that the Bank shall retain its right to charge the Account (a) subject to Paragraph 4 below, for all items deposited in and credited to the Account which are subsequently returned to the Bank, and (b) for any and all compensation and expenses and other sums owing by Debtor to the Bank with respect to the Account or the provision of balance reporting and other similar services related to the Account.

3. The Bank will, without the necessity of further consent by or notice to the Debtor, take the following actions upon its receipt of a written control notice ("**Control Notice**") from the Agent that the Agent intends to exercise exclusive control of the Account, the Account Property and proceeds thereof:

A. Until the Bank shall have received a "Clearance" (as defined below), the Bank will (and, in the event of such a Control Notice, the Debtor hereby irrevocably authorizes and instructs the Bank to) cease honoring all drafts, demands, withdrawal requests or remittance instructions by the Debtor, whether made before or after the Control Notice.

B. Until the Bank shall have received a Clearance, the Bank will hold solely for the account of the Agent all funds and other Account Property which may be on deposit in (or credited to) the Account at the time of the Control Notice and all funds and other Account Property thereafter deposited in or credited to such Account, and the Bank will remit and dispose of all such funds and other Account Property (subject to Paragraph 2 above) solely in accordance with the Agent's instructions without further consent by, or notice to, the Debtor. After such a Control Notice is made, and until a Clearance is received by the Bank, the Agent shall have sole control over the Account, all Account Property and all proceeds of the foregoing, and the sole right to exercise and enforce all rights and remedies with respect thereto. For the purposes of this Agreement, a "Clearance" shall be a written notice from the Agent to the Bank that the Agent's exclusive control of the Account no longer exists. Each Control Notice and Clearance shall be effective when it is received by the Bank in writing at the address and to the attention of the person as set forth below (or at such other address or to the attention of such other person as the Bank may specify by written notice received by the Agent and the Debtor) and when the Bank has had a reasonable time, based on the same standards as those applicable to payment and stop payment instructions generally, to act thereon.

C. In all cases where the Bank receives instructions from the Agent as described herein, the Bank must be given a reasonable period of time after receipt of notification to inform Bank employees of the instructions. For purposes of this provision, a reasonable period will be no longer than the next business day following the business day the Bank received notice.

4. Checks returned unpaid because of uncollected or insufficient funds shall be handled in accordance with the Bank's customary policies and procedures. The Bank shall be entitled to charge the amount of any check returned unpaid because of uncollected or insufficient funds against the Account. The Bank will notify the Agent and the Debtor of all items deposited which are returned a second time for any reason. If there are insufficient funds in the Account to cover said checks, the Bank shall make demand directly upon the Debtor for reimbursement. If, at any time after the Bank has received a Control Notice and prior to any time the Bank has received a Clearance with respect to such Control Notice, (i) the Debtor fails to reimburse the Bank for the amount of any such returned check within three (3) days of the Bank's demand therefor and (ii) the Bank has remitted the funds in the Account to the Agent in accordance with the provisions of Paragraph 3B above, then the Bank shall make demand on the Agent for reimbursement for the amount of any such returned check, and the Agent agrees to reimburse the Bank for the amount of such check upon demand, provided that funds representing the amount of such returned check were included in the Bank's remittance to the Agent. The provisions of this Paragraph shall survive the termination of this Agreement.

5. The Bank will send to the Agent, at the address set forth below, a copy of each periodic statement for the Account, as and when the statement is sent to the Debtor.

6. This Agreement is binding upon the Bank and the Debtor and their respective successors and assigns and is enforceable by the Agent and its successors and assigns. It supersedes all prior agreements relating to the Account, and it may not be modified or terminated except with the Agent's written consent. The Bank and the Debtor waive notice of acceptance hereof and of any action taken or omitted in reliance hereon.

7. The Debtor hereby agrees to indemnify and save the Bank harmless from and against any and all losses and liabilities (including actual attorneys' fees) arising out of the compliance by the Bank with the terms of this Agreement and with any instructions received by the Bank from the Agent and/or the Lender with respect hereto.

8. This Agreement shall be governed by and construed in accordance with the laws (other than the conflict of laws rules) of the state where the Account is located.

9. This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, and each such counterpart shall be deemed an original, but all such counterparts when taken together shall constitute but one and the same agreement.

DATED: \_\_\_\_\_, 200[ ]

[ ]

By: \_\_\_\_\_  
Name:  
Title:  
Address:  
Attn.:  
Telecopier No.:

\_\_\_\_\_ **BANK**

By: \_\_\_\_\_  
Title:  
Address:  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
Attn.: \_\_\_\_\_

Telecopier No.: \_\_\_\_\_

**CIT LENDING SERVICES CORPORATION,  
AS AGENT**

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

Title: \_\_\_\_\_

Address: 1 CIT Drive  
Livingston, New Jersey 07039

Attn.: Vice President – Credit, Communications, Media and  
Entertainment Finance Group  
Telecopier No.: (973) 535-1816

**EXHIBIT F**

**Description of Existing Commercial Tort Claims**

None.