
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2011

Commission File No. 0-25969

RADIO ONE, INC.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

52-1166660
*(I.R.S. Employer
Identification No.)*

5900 Princess Garden Parkway,
7th Floor
Lanham, Maryland 20706
(Address of principal executive offices)

(301) 306-1111
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 9, 2011
Class A Common Stock, \$.001 Par Value	2,787,426
Class B Common Stock, \$.001 Par Value	2,861,843
Class C Common Stock, \$.001 Par Value	3,121,048
Class D Common Stock, \$.001 Par Value	42,830,226

TABLE OF CONTENTS

		<u>Page</u>
PART I. FINANCIAL INFORMATION		
Item 1.	Consolidated Statements of Operations for the Three Months and Six Months Ended June 30, 2011 and 2010 (Unaudited)	4
	Consolidated Balance Sheets as of June 30, 2011 (Unaudited) and December 31, 2010	5
	Consolidated Statement of Changes in Equity for the Six Months Ended June 30, 2011 (Unaudited)	6
	Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2011 and 2010 (Unaudited)	7
	Notes to Consolidated Financial Statements (Unaudited)	8
	Consolidating Financial Statements	38
	Consolidating Statement of Operations for the Three Months Ended June 30, 2011 (Unaudited)	38
	Consolidating Statement of Operations for the Three Months Ended June 30, 2010 (Unaudited)	39
	Consolidating Statement of Operations for the Six Months Ended June 30, 2011 (Unaudited)	40
	Consolidating Statement of Operations for the Six Months Ended June 30, 2010 (Unaudited)	41
	Consolidating Balance Sheet as of June 30, 2011 (Unaudited)	42
	Consolidating Balance Sheet as of December 31, 2010	43
	Consolidating Statement of Cash Flows for the Six Months Ended June 30, 2011 (Unaudited)	44
	Consolidating Statement of Cash Flows for the Six Months Ended June 30, 2010 (Unaudited)	45
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	48
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	79
Item 4.	Controls and Procedures	79
PART II. OTHER INFORMATION		
Item 1.	Legal Proceedings	80
Item 1A.	Risk Factors	81
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	81
Item 3.	Defaults Upon Senior Securities	81
Item 4.	Submission of Matters to a Vote of Security Holders	81
Item 5.	Other Information	81
Item 6.	Exhibits	81
	SIGNATURES	82

CERTAIN DEFINITIONS

Unless otherwise noted, throughout this report, the terms “Radio One,” “the Company,” “we,” “our” and “us” refer to Radio One, Inc. together with its subsidiaries.

Cautionary Note Regarding Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements do not relay historical facts, but rather reflect our current expectations concerning future operations, results and events. All statements other than statements of historical fact are “forward-looking statements” including any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. You can identify some of these forward-looking statements by our use of words such as “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “likely,” “may,” “estimates” and similar expressions. You can also identify a forward-looking statement in that such statements discuss matters in a way that anticipates operations, results or events that have not already occurred but rather will or may occur in future periods. We cannot guarantee that we will achieve any forward-looking plans, intentions, results, operations or expectations. Because these statements apply to future events, they are subject to risks and uncertainties, some of which are beyond our control that could cause actual results to differ materially from those forecasted or anticipated in the forward-looking statements. These risks, uncertainties and factors include (in no particular order), but are not limited to:

- the effects of global financial and economic conditions, credit and equity market volatility and continued fluctuations in the U.S. economy may continue to have on our business and financial condition and the business and financial condition of our advertisers;
- continued fluctuations in the economy could negatively impact our ability to meet our cash needs and our ability to maintain compliance with our debt covenants;
- fluctuations in the demand for advertising across our various media given the current economic environment;
- our relationship with a significant customer has changed and we no longer have a guaranteed level of revenue from that customer;
- risks associated with the implementation and execution of our business diversification strategy including our ownership of a significant interest in TV One, LLC;
- increased competition in our markets and in the radio broadcasting and media industries;
- changes in media audience ratings and measurement technologies and methodologies;
- regulation by the Federal Communications Commission (“FCC”) relative to maintaining our broadcasting licenses, enacting media ownership rules and enforcing of indecency rules;
- changes in our key personnel and on-air talent;
- increases in the costs of our programming, including on-air talent and content acquisitions costs;
- financial losses that may be incurred due to provisioning for income taxes and impairment charges against our broadcasting licenses, goodwill and other intangible assets, particularly in light of the current economic environment;
- increased competition from new media and technologies;
- the impact of our acquisitions, dispositions and similar transactions; and
- other factors mentioned in our filings with the Securities and Exchange Commission (“SEC”) including the factors discussed in detail in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2010.

You should not place undue reliance on these forward-looking statements, which reflect our views as of the date of this report. We undertake no obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(Unaudited)			
	(As Adjusted – See Note 1)		(As Adjusted – See Note 1)	
	(In thousands, except share data)			
NET REVENUE	\$ 97,062	\$ 75,146	\$ 162,070	\$ 134,126
OPERATING EXPENSES:				
Programming and technical	30,718	19,294	49,549	37,829
Selling, general and administrative, including stock-based compensation of \$212 and \$279, and \$376 and \$682, respectively	31,806	27,743	60,301	50,729
Corporate selling, general and administrative, including stock-based compensation of \$987 and \$1,677, and \$1,760 and \$3,287, respectively	8,510	9,441	16,532	18,336
Depreciation and amortization	10,238	4,837	14,321	9,545
Total operating expenses	81,272	61,315	140,703	116,439
Operating income	15,790	13,831	21,367	17,687
INTEREST INCOME	9	43	17	67
INTEREST EXPENSE	22,916	9,703	42,249	18,938
LOSS ON RETIREMENT OF DEBT	—	—	7,743	—
GAIN ON INVESTMENT IN AFFILIATED COMPANY	146,879	—	146,879	—
EQUITY IN INCOME OF AFFILIATED COMPANY	208	1,139	3,287	2,048
OTHER EXPENSE, net	47	2,406	22	2,883
Income (loss) before provision for (benefit from) income taxes, noncontrolling interests in income of subsidiaries and loss from discontinued operations	139,923	2,904	121,536	(2,019)
PROVISION FOR (BENEFIT FROM) INCOME TAXES	38,611	233	84,230	(75)
Net income (loss) from continuing operations	101,312	2,671	37,306	(1,944)
LOSS FROM DISCONTINUED OPERATIONS, net of tax	(45)	(177)	(81)	(159)
CONSOLIDATED NET INCOME (LOSS)	101,267	2,494	37,225	(2,103)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	2,717	446	2,920	417
CONSOLIDATED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 98,550	\$ 2,048	\$ 34,305	\$ (2,520)
BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Continuing operations	\$ 1.94	\$ 0.04	\$ 0.67	\$ (0.05)
Discontinued operations, net of tax	(0.00)	(0.00)	(0.00)	(0.00)
Net income (loss) attributable to common stockholders	\$ 1.94	\$ 0.04	\$ 0.67	\$ (0.05)
DILUTED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Continuing operations	\$ 1.86	\$ 0.04	\$ 0.64	\$ (0.05)
Discontinued operations, net of tax	(0.00)	(0.00)	(0.00)	(0.00)
Net income (loss) attributable to common stockholders	\$ 1.86	\$ 0.04	\$ 0.64	\$ (0.05)
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Basic	50,831,560	51,054,572	51,474,556	50,942,693
Diluted	52,905,060	54,302,885	53,646,473	50,942,693

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of	
	June 30, 2011	December 31, 2010
	(Unaudited)	(As Adjusted – See Note 1)
	(In thousands, except share data)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 29,889	\$ 9,192
Short-term investments	584	—
Trade accounts receivable, net of allowance for doubtful accounts of \$3,323 and \$3,023, respectively	83,181	58,427
Prepaid expenses	4,185	6,809
Current portion of content assets	17,732	—
Other current assets	1,475	1,564
Current assets from discontinued operations	129	159
Total current assets	137,175	76,151
PREPAID PROGRAMMING AND DEPOSITS	5,064	—
CONTENT ASSETS, net	47,322	—
PROPERTY AND EQUIPMENT, net	33,629	33,041
GOODWILL	285,932	121,502
RADIO BROADCASTING LICENSES	677,407	677,407
LAUNCH ASSETS, net	36,941	—
OTHER INTANGIBLE ASSETS, net	289,258	40,036
LONG-TERM INVESTMENTS	6,136	—
INVESTMENT IN AFFILIATED COMPANY	—	47,470
OTHER ASSETS	3,479	1,981
NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS	1,513	1,624
Total assets	\$ 1,523,856	\$ 999,212
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 4,648	\$ 3,009
Accrued interest	6,362	4,558
Accrued compensation and related benefits	10,593	10,721
Current portion of content payables	23,254	—
Income taxes payable	1,914	1,671
Other current liabilities	10,326	11,704
Current portion of long-term debt	4,860	18,402
Current liabilities from discontinued operations	80	34
Total current liabilities	62,037	50,099
LONG-TERM DEBT, net of current portion and original issue discount	792,773	623,820
CONTENT PAYABLES, net of current portion	18,214	—
OTHER LONG-TERM LIABILITIES	16,198	10,894
DEFERRED TAX LIABILITIES	172,536	89,392
NON-CURRENT LIABILITIES FROM DISCONTINUED OPERATIONS	33	37
Total liabilities	1,061,791	774,242
REDEEMABLE NONCONTROLLING INTERESTS	28,736	30,635
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, \$.001 par value, 1,000,000 shares authorized; no shares outstanding at June 30, 2011 and December 31, 2010	—	—
Common stock — Class A, \$.001 par value, 30,000,000 shares authorized; 2,787,426 and 2,863,912 shares issued and outstanding as of June 30, 2011 and December 31, 2010, respectively	3	3
Common stock — Class B, \$.001 par value, 150,000,000 shares authorized; 2,861,843 shares issued and outstanding as of June 30, 2011 and December 31, 2010, respectively	3	3
Common stock — Class C, \$.001 par value, 150,000,000 shares authorized; 3,121,048 shares issued and outstanding as of June 30, 2011 and December 31, 2010, respectively	3	3
Common stock — Class D, \$.001 par value, 150,000,000 shares authorized; 42,830,226 and 45,541,082 shares issued and outstanding as of June 30, 2011 and December 31, 2010, respectively	42	45
Accumulated other comprehensive income (loss)	56	(1,424)
Additional paid-in capital	991,884	994,750
Accumulated deficit	(764,740)	(799,045)
Total stockholders' equity	227,251	194,335
Noncontrolling interest	206,078	—
Total equity	433,329	194,335
Total liabilities, redeemable noncontrolling interests and equity	\$ 1,523,856	\$ 999,212

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2011 (UNAUDITED)

	Radio One, Inc. Stockholders										
	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Comprehensive Income	Accumulated Other Comprehensive (Loss) Income	Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interest	Total Equity
	(In thousands)										
BALANCE, as of December 31, 2010	\$ —	\$ 3	\$ 3	\$ 3	45		\$ (1,424)	\$ 994,750	\$ (799,045)	\$ —	\$194,335
Comprehensive income:											
Consolidated net income	—	—	—	—	—	\$ 37,225	—	—	34,305	2,313	36,618
Conversion of 76,486 shares of Class A common stock to Class D common stock	—	—	—	—	—		—	—	—	—	—
Repurchase of 2,787,342 shares of Class D common stock	—	—	—	—	(3)	—	—	(7,507)	—	—	(7,510)
Recognition of noncontrolling interest in connection with consolidation of TV One	—	—	—	—	—	—	—	—	—	203,765	203,765
Net change in unrealized gain on investment activities	—	—	—	—	—	56	56	—	—	—	56
Change in unrealized loss on derivative and hedging activities, net of taxes	—	—	—	—	—	—	158	—	—	—	158
Termination of interest rate swap	—	—	—	—	—	—	1,266	—	—	—	1,266
Comprehensive income						<u>\$ 37,281</u>					
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—		—	2,505	—	—	2,505
Stock-based compensation expense	—	—	—	—	—		—	2,136	—	—	2,136
BALANCE, as of June 30, 2011	\$ —	\$ 3	\$ 3	\$ 3	42		\$ 56	\$ 991,884	\$ (764,740)	\$ 206,078	\$433,329

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30,	
	2011	2010
		(As Adjusted – See Note 1)
		(Unaudited) (In thousands)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net income (loss)	\$ 37,225	\$ (2,103)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization	14,321	9,545
Amortization of debt financing costs	2,339	1,168
Amortization of content assets	9,406	—
Write off of debt financing costs	—	3,055
Deferred income taxes	84,230	(818)
Gain on investment in affiliated company	(146,879)	—
Equity in income of affiliated company	(3,287)	(2,048)
Stock-based compensation	2,136	3,969
Non-cash interest	12,391	—
Loss on retirement of debt	7,743	—
Effect of change in operating assets and liabilities, net of assets acquired:		
Trade accounts receivable	(24,754)	(12,679)
Prepaid expenses and other assets	2,713	(1,907)
Other assets	1,925	2,600
Accounts payable	1,639	(1,617)
Accrued interest	1,804	2,030
Accrued compensation and related benefits	(128)	2,664
Income taxes payable	243	327
Other liabilities	(1,547)	2,596
Net cash flows provided by operating activities of discontinued operations	616	104
Net cash flows provided by operating activities	<u>2,136</u>	<u>6,886</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(3,610)	(1,989)
Net cash and investments acquired in connection with TV One consolidation	65,245	—
Purchase of content assets	(2,345)	—
Purchase of other intangible assets	—	(268)
Net cash flows provided by (used in) investing activities	<u>59,290</u>	<u>(2,257)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from credit facility	378,280	12,000
Repayment of credit facility	(353,681)	(8,449)
Debt refinancing and modification costs	(5,999)	(7,095)
Repurchase of noncontrolling interest	(54,595)	—
Proceeds from noncontrolling interest member	2,776	—
Repurchase of common stock	(7,510)	—
Net cash flows provided by (used in) financing activities	<u>(40,729)</u>	<u>(3,544)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>20,697</u>	<u>1,085</u>
CASH AND CASH EQUIVALENTS, beginning of period	<u>9,192</u>	<u>19,963</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 29,889</u>	<u>\$ 21,048</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	\$ 14,533	\$ 15,739
Income taxes	<u>\$ 863</u>	<u>\$ 413</u>

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Organization

Radio One, Inc. (a Delaware corporation referred to as “Radio One”) and its subsidiaries (collectively, the “Company”) is an urban-oriented, multi-media company that primarily targets African-American consumers. Our core business is our radio broadcasting franchise that is the largest radio broadcasting operation that primarily targets African-American and urban listeners. We currently own and operate 52 broadcast stations located in 15 urban markets in the United States. While our primary source of revenue is the sale of local and national advertising for broadcast on our radio stations, our operating strategy is to operate the premier multi-media entertainment and information content provider targeting African-American consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our other media interests include our approximately 50.9% (See Note 2 - *Acquisitions*) controlling ownership interest in TV One, LLC (“TV One”), an African-American targeted cable television network that we invested in with an affiliate of Comcast Corporation and other investors; our 53.5% ownership interest in Reach Media, Inc. (“Reach Media”), which operates the Tom Joyner Morning Show; our ownership of Interactive One, LLC (“Interactive One”), an online platform serving the African-American community through social content, news, information, and entertainment, which operates a number of branded sites, including News One, UrbanDaily and HelloBeautiful; and our ownership of Community Connect, LLC (formerly Community Connect Inc.) (“CCT”), an online social networking company, which operates a number of branded websites, including BlackPlanet, MiGente and Asian Avenue. CCT is included within the operations of Interactive One. Through our national multi-media presence, we provide advertisers with a unique and powerful delivery mechanism to the African-American and urban audience.

In December 2009, the Company ceased publication of our urban-themed lifestyle periodical Giant Magazine and as of June 2011, our remaining Boston radio station was made the subject of a local marketing agreement (“LMA”) whereby we have made available, for a fee, air time on this station to another party. The remaining assets and liabilities of Giant Magazine as well as stations sold or the subject of an LMA have been classified as discontinued operations as of June 30, 2011 and December 31, 2010, and Giant Magazine’s and the Boston station’s results from operations for the three months and six months ended June 30, 2011 and 2010, have been classified as discontinued operations in the accompanying consolidated financial statements.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company’s three reportable segments: (i) Radio Broadcasting; (ii) Internet; and (iii) Cable Television (See Note 11 – *Segment Information*.)

(b) Interim Financial Statements

The interim consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). In management’s opinion, the interim financial data presented herein include all adjustments (which include only normal recurring adjustments) necessary for a fair presentation. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) have been condensed or omitted pursuant to such rules and regulations.

Results for interim periods are not necessarily indicative of results to be expected for the full year. This Form 10-Q should be read in conjunction with the financial statements and notes thereto included in the Company’s 2010 Annual Report on Form 10-K.

Certain reclassifications associated with accounting for discontinued operations have been made to the accompanying prior period financial statements to conform to the current period presentation. These reclassifications had no effect on previously reported net income or loss, or any other previously reported statements of operations, balance sheet or cash flow amounts (See Note 3 — *Discontinued Operations*.)

(c) Financial Instruments

Financial instruments as of June 30, 2011 and December 31, 2010 consisted of cash and cash equivalents, investments, trade accounts receivable, accounts payable, accrued expenses, note payable, long-term debt and redeemable noncontrolling interests. The carrying amounts approximated fair value for each of these financial instruments as of June 30, 2011 and December 31, 2010, except for the Company’s outstanding senior subordinated notes. The 6³/₈% Senior Subordinated Notes due February 2013 had a carrying value of \$747,000 and a fair value of approximately \$710,000 as of June 30, 2011, and a carrying value of \$747,000 and a fair value of approximately \$672,000 as of December 31, 2010. The 12¹/₂%/15% Senior Subordinated Notes due May 2016 had a carrying value of \$299.2 million and a fair value of approximately \$303.7 million as of June 30, 2011, and a carrying value of \$286.8 million and a fair value of approximately \$278.2 million as of December 31, 2010. The fair values were determined based on the trading values of these instruments as of the reporting date.

(d) Revenue Recognition

Within our radio broadcasting segment, the Company recognizes revenue for broadcast advertising when a commercial is broadcast and is reported, net of agency and outside sales representative commissions, in accordance with Accounting Standards Codification (“ASC”) 605, “Revenue Recognition.” Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, clients remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to the Company. Agency and outside sales representative commissions were approximately \$8.6 million and \$8.4 million for the three months ended June 30, 2011 and 2010, respectively. Agency and outside sales representative commissions were approximately \$15.4 million and \$15.1 million for the six months ended June 30, 2011 and 2010, respectively.

Interactive One, the primary driver of revenue in our Internet segment, generates the majority of the Company’s internet revenue, and derives such revenue principally from advertising services, including advertising aimed at diversity recruiting. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when “click through” purchases or leads are reported, or ratably over the contract period, where applicable. Interactive One has a diversity recruiting relationship with Monster, Inc. (“Monster”). Monster posts job listings and advertising on Interactive One’s websites and Interactive One earns revenue for displaying the images on its websites.

TV One, the primary driver of revenues in our Cable Television segment, derives advertising revenue from the sale of television air time to advertisers and recognizes revenue when the advertisements are run. TV One also receives affiliate fees and records revenue during the term of various affiliation agreements at levels appropriate for the most recent subscriber counts reported by the applicable affiliate.

(e) Barter Transactions

The Company provides advertising time in exchange for programming content and certain services and accounts for these exchanges in accordance with ASC 605, “Revenue Recognition.” The terms of these exchanges generally permit the Company to preempt such time in favor of advertisers who purchase time in exchange for cash. The Company includes the value of such exchanges in both net revenue and station operating expenses. The valuation of barter time is based upon the fair value of the network advertising time provided for the programming content and services received. For the three months ended June 30, 2011 and 2010, barter transaction revenues were \$761,000 and \$774,000, respectively. For each of the six months ended June 30, 2011 and 2010, barter transaction revenues were \$1.6 million. Additionally, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of \$698,000 and \$695,000 and \$63,000 and \$79,000, for the three months ended June 30, 2011 and 2010, respectively. For the six months ended June 30, 2011 and 2010, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of \$1.5 million and \$1.5 million and \$129,000 and \$131,000, respectively.

(f) Comprehensive Income (Loss)

The Company’s comprehensive income (loss) consists of net income (loss) and other items recorded directly to the equity accounts. The objective is to report a measure of all changes in equity of an enterprise that result from transactions and other economic events during the period, other than transactions with owners. The Company’s other comprehensive income (loss) consists of income on derivative instruments that qualify for cash flow hedge treatment (See Note 7 - *Derivative Instruments and Hedging Activities*) and income on investment activities (See Note 6 - *Investments*).

The following table sets forth the components of comprehensive income (loss):

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
	(Unaudited)			
	(In thousands)			
Consolidated net income (loss)	\$ 101,267	\$ 2,494	\$ 37,225	\$ (2,103)
Other comprehensive income (net of tax benefit of \$0 for all periods):				
Investment activities	56	—	56	—
Derivative and hedging activities	—	262	—	396
Comprehensive income (loss)	101,323	2,756	37,281	(1,707)
Comprehensive income attributable to the noncontrolling interests	2,717	446	2,920	417
Comprehensive income (loss) attributable to common stockholders	<u>\$ 98,606</u>	<u>\$ 2,310</u>	<u>\$ 34,361</u>	<u>\$ (2,124)</u>

(g) Earnings Per Share

Basic earnings per share is computed on the basis of the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. The Company’s potentially dilutive securities include stock options and restricted stock. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a net loss, as the inclusion of the potentially dilutive common shares would have an anti-dilutive effect.

The following table sets forth the calculation of basic and diluted earnings per share (in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(Unaudited) (In thousands)			
Numerator:				
Consolidated net income (loss) attributable to common stockholders	\$ 98,550	\$ 2,048	\$ 34,305	\$ (2,520)
Denominator:				
Denominator for basic net income (loss) per share - weighted average outstanding shares	50,831,560	51,054,572	51,474,556	50,942,693
Effect of dilutive securities:				
Stock options and restricted stock	2,073,500	3,248,313	2,171,917	-
Denominator for diluted net income (loss) per share - weighted-average outstanding shares	52,905,060	54,302,885	53,646,473	50,942,693
Net income (loss) attributable to common stockholders per share - basic	\$ 1.94	\$ 0.04	\$ 0.67	\$ (0.05)
Net income (loss) attributable to common stockholders per share - diluted	\$ 1.86	\$ 0.04	\$ 0.64	\$ (0.05)

All stock options and restricted stock were excluded from the diluted calculation for the six months ended June 30, 2010, as their inclusion would have been anti-dilutive. The following table summarizes the potential common shares excluded from the diluted calculation.

	Six Months Ended June 30, 2010 (Unaudited) (in thousands)
Stock options	5,247
Restricted stock	2,225

(h) Fair Value Measurements

We report our financial and non-financial assets and liabilities measured at fair value on a recurring and non-recurring basis under the provisions of ASC 820, "Fair Value Measurements and Disclosures." ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that can be accessed at measurement date.

Level 2: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

As of June 30, 2011 and December 31, 2010, the fair values of our financial assets and liabilities are categorized as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
		(Unaudited)		
		(In thousands)		
As of June 30, 2011				
Assets subject to fair value:				
Fixed maturity securities - available for sale:				
Corporate debt securities	\$ 5,804	\$ 5,804	\$ —	\$ —
Government sponsored enterprise mortgage-backed securities	916	—	916	—
Total fixed maturity securities(a)	6,720	5,804	916	—
Total	<u>\$ 6,720</u>	<u>\$ 5,804</u>	<u>\$ 916</u>	<u>\$ —</u>
Liabilities subject to fair value measurement:				
Incentive award plan(b)	\$ 6,428	\$ —	\$ —	\$ 6,428
Employment agreement award (c)	7,294	—	—	7,294
	<u>\$ 13,722</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 13,722</u>
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (d)	<u>\$ 28,736</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 28,736</u>
As of December 31, 2010				
Liabilities subject to fair value measurement:				
Interest rate swaps (e)	\$ 1,426	\$ —	\$ 1,426	\$ —
Employment agreement award (b)	6,824	—	—	6,824
Total	<u>\$ 8,250</u>	<u>\$ —</u>	<u>\$ 1,426</u>	<u>\$ 6,824</u>
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (c)	\$ 30,635	\$ —	\$ —	\$ 30,635

(a) Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, fair values are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. In cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

(b) These balances are measured based on the estimated enterprise fair value of TV One. For the period ended June 30, 2011, the Company determined the enterprise fair value of TV One based on the price paid to repurchase interests from certain investors.

(c) Pursuant to an employment agreement (the "Employment Agreement") executed in April 2008, the Chief Executive Officer ("CEO") is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company reviews the factors underlying this award at the end of each quarter including the valuation of TV One and an assessment of the probability that the employment agreement will be renewed and contain this provision. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses upon expiration of the Employment Agreement, or earlier if the CEO voluntarily left the Company or was terminated for cause. In calculating the fair valuation of the award, the Company utilized the value assessed for TV One in connection with the buyout of financial investors. (See Note 7 – *Derivative Instruments and Hedging Activities*.) The Company is currently in negotiations with the Company's CEO for a new employment agreement. Until such time as his new employment agreement is executed, the terms of his April 2008 employment agreement remain in effect including eligibility for the TV One award.

(d) Redeemable noncontrolling interest in Reach Media is measured at fair value using a discounted cash flow methodology. A third-party valuation firm assisted the Company in calculating the fair value. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value.

(e) Based on London Interbank Offered Rate ("LIBOR").

The following table presents the changes in Level 3 liabilities measured at fair value on a recurring basis for the six months ended June 30, 2011.

	<u>Incentive Award Plan</u>	<u>Employment Agreement Award</u>	<u>Redeemable Noncontrolling Interests</u>
	(In thousands)		
Balance at December 31, 2010	\$ —	\$ 6,824	\$ 30,635
Losses (gains) included in earnings (unrealized)	—	470	—
Net income attributable to noncontrolling interests	—	—	606
Recognition of TV One management incentive award plan in connection with the consolidation of TV One	6,428	—	—
Change in fair value	—	—	(2,505)
Balance at June 30, 2011	<u>\$ 6,428</u>	<u>\$ 7,294</u>	<u>\$ 28,736</u>
The amount of total losses for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at the reporting date	<u>\$ —</u>	<u>\$ (470)</u>	<u>\$ —</u>

Gains (losses) included in earnings were recorded in the consolidated statement of operations as corporate selling, general and administrative expenses for the three and six months ended June 30, 2011.

Certain assets and liabilities are measured at fair value on a non-recurring basis using Level 3 inputs as defined in ASC 820. These assets are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances. Included in this category are goodwill, radio broadcasting licenses and other intangible assets, net, that are written down to fair value when they are determined to be impaired, as well as content assets that are periodically written down to net realizable value. These assets were not impaired during the three and six months ended June 30, 2011, and therefore were not reported at fair value.

(i) Impact of Recently Issued Accounting Pronouncements

In June 2009, the FASB issued ASC 105, “*Generally Accepted Accounting Principles*,” which establishes the ASC as the source of authoritative non-SEC U.S. GAAP for non-governmental entities. ASC 105 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The adoption of ASC 105 did not have a material impact on the Company’s consolidated financial statements.

In May 2009, the FASB issued ASC 855, “*Subsequent Events*,” which addresses accounting and disclosure requirements related to subsequent events. It requires management to evaluate subsequent events through the date the financial statements are either issued or available to be issued. In February 2010, the FASB issued ASU 2010-09, which amends ASC 855 to remove all requirements for SEC filers to disclose the date through which subsequent events are considered. The amendment became effective upon issuance. The Company has provided the required disclosures regarding subsequent events in Note 15 – *Subsequent Events*.

The provisions under ASC 825, “*Financial Instruments*,” requiring disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies, as well as in annual financial statements became effective for the Company during the quarter ended June 30, 2009. The additional disclosures required under ASC 825 are included in Note 1 – *Organization and Summary of Significant Accounting Policies*.

Effective January 1, 2009, the provisions under ASC 350, “*Intangibles - Goodwill and Other*,” related to the determination of the useful life of intangible assets and requiring additional disclosures related to renewing or extending the terms of recognized intangible assets became effective for the Company. The adoption of these provisions did not have a material effect on the Company’s consolidated financial statements.

Effective January 1, 2009, the Company adopted an accounting standard update from the Emerging Issues Task Force consensus regarding the accounting for contingent consideration agreements of an equity method investment and the requirement for the investor to recognize its share of any impairment charges recorded by the investee. This update to ASC 323, “*Investments – Equity Method and Joint Ventures*,” requires the investor to record share issuances by the investee as if it has sold a portion of its investment with any resulting gain or loss being reflected in earnings. The adoption of this update did not have any impact on the Company’s consolidated financial statements.

In December 2010, the FASB issued ASU 2010-29, which specifies that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period. ASU 2010-29 is effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after December 15, 2010.

(j) Liquidity and Uncertainties Related to Going Concern

On March 31, 2011, the Company entered into a new senior credit facility (the “2011 Credit Agreement”). Under the 2011 Credit Agreement, we must maintain compliance with certain financial covenants beginning June 30, 2011. Based on our current projections, we expect to be in compliance with these financial covenants over the next twelve months.

(k) Major Customer

Under agreements between the Company’s owned radio stations and Radio Networks, and in accordance with ASC 605, “*Revenue Recognition*,” the Company generated revenue through barter agreements whereby advertising time was exchanged for programming content.

In November 2009, Reach Media entered into a new sales representation agreement (the “New Sales Representation Agreement”) with Radio Networks whereby Radio Networks serves as the sales representative for the out of show portions of Reach Media’s advertising inventory for the period beginning January 1, 2010 through December 31, 2012. Under the New Sales Representation Agreement, which is now commissioned based, there are no minimum guarantees on revenue. Since January 1, 2010, total revenue generated from Radio Networks has not exceeded 10% of our total revenues and we believe it is unlikely to exceed 10% of our total revenues in future periods.

(l) Redeemable noncontrolling interests

Noncontrolling interests in subsidiaries that are redeemable outside of the Company’s control for cash or other assets are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

(m) Investments

Investment Securities

Investments consist primarily of corporate fixed maturity securities and mortgage-backed securities.

Investments with original maturities in excess of three months and less than one year are classified as short-term investments. Long-term investments have original maturities in excess of one year.

Debt securities are classified as “available-for-sale” and reported at fair value. Investments in available-for-sale fixed maturity securities are classified as either current or noncurrent assets based on their contractual maturities. Fixed maturity securities are carried at estimated fair value based on quoted market prices for the same or similar instruments. Investment income is recognized when earned and reported net of investment expenses. Unrealized holding gains and losses are excluded from earnings and are reported as a separate component of accumulated other comprehensive income (loss) until realized, unless the losses are deemed to be other than temporary. Realized gains or losses, including any provision for other-than-temporary declines in value, are included in the statements of income. For purposes of computing realized gains and losses, the specific-identification method of determining cost was used.

Evaluating Investments for Other than Temporary Impairments

The Company periodically performs evaluations, on a lot-by-lot and security-by-security basis, of its investment holdings in accordance with its impairment policy to evaluate whether any declines in the fair value of investments are other than temporary. This evaluation consists of a review of several factors, including but not limited to: length of time and extent that a security has been in an unrealized loss position, the existence of an event that would impair the issuer’s future earnings potential, and the near-term prospects for recovery of the market value of a security. The FASB has issued guidance for recognition and presentation of other than temporary impairment (“OTTI”), or FASB OTTI guidance. Accordingly, any credit-related impairment of fixed maturity securities that the Company does not intend to sell, and is not likely to be required to sell, is recognized in the consolidated statements of income, with the noncredit-related impairment recognized in other comprehensive income.

For fixed maturity securities where fair value is less than amortized cost, and where the securities are not deemed to be credit-impaired, the Company has asserted that it has no intent to sell and that it believes it is more likely than not that it will not be required to sell the investment before recovery of its amortized cost basis. If such an assertion had not been made, the security’s decline in fair value would be deemed to be other than temporary and the entire difference between fair value and amortized cost would be recognized in the statements of income.

For fixed maturity securities, a critical component of the evaluation for OTTI is the identification of credit-impaired securities, where the Company does not expect to receive cash flows sufficient to recover the entire amortized cost basis of the security. The difference between the present value of projected future cash flows expected to be collected and the amortized cost basis is recognized as credit-related OTTI in the statements of income. If fair value is less than the present value of projected future cash flows expected to be collected, the portion of OTTI related to other than credit factors is reduced in accumulated other comprehensive income.

In order to determine the amount of credit loss for a fixed maturity security, the Company calculates the recovery value by performing a discounted cash flow analysis based on the present value of future cash flows expected to be received. The discount rate is generally the effective interest rate of the fixed maturity security prior to impairment.

When determining the collectability and the period over which the fixed maturity security is expected to recover, the Company considers the same factors utilized in its overall impairment evaluation process described above.

The Company believes that it has adequately reviewed its investment securities for OTTI and that its investment securities are carried at fair value. However, over time, the economic and market environment (including any ratings change for any such securities, including US treasuries and corporate bonds) may provide additional insight regarding the fair value of certain securities, which could change management's judgment regarding OTTI. This could result in realized losses relating to other than temporary declines being charged against future income. Given the judgments involved, there is a continuing risk that further declines in fair value may occur and material OTTI may be recorded in future periods.

(n) Launch Support

TV One has entered into certain affiliate agreements requiring various payments for launch support. Launch assets are assets used to initiate carriage under new affiliation agreements and are amortized over the term of the respective contracts. Amortization is recorded as a reduction to revenue to the extent that revenue is recognized from the vendor, and any excess amortization is recorded as launch support amortization expense. The weighted-average amortization period for launch support is approximately 3.6 years. For the three months ended June 30, 2011, launch asset amortization of approximately \$2.1 million was recorded as a reduction of revenue.

(o) Content Assets

TV One has entered into contracts to acquire entertainment programming rights and programs from distributors and producers. The license periods granted in these contracts generally run from one year to perpetuity. Contract payments are made in installments over terms that are generally shorter than the contract period. In accordance with ASC 920, *Entertainment-Broadcasters*, each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins and the program is available for its first airing.

In accordance with ASC 920, program rights are recorded at the lower of amortized cost or estimated net realizable value. Program rights are amortized based on the greater of the usage of the program or term of license. Estimated net realizable values are based on the estimated revenues directly associated with the program materials and related expenses. The Company recorded an additional \$329,000 of amortization as a result of evaluating its contracts for recoverability at June 30, 2011. All produced and co-produced content is classified as a long-term asset. The portion of the unamortized licensed content balance that will be amortized within one year is classified as a current asset.

(p) Prepaid Programming and Deposits

Prepaid programming and deposits represent deposits made for the acquisition of TV One programming rights that have not been recorded as content assets because they do not meet the criteria as set forth by ASC 920.

2. ACQUISITIONS:

In February 2005, the Company acquired approximately 51% of the common stock of Reach Media for approximately \$55.8 million in a combination of approximately \$30.4 million of cash and 1,809,648 shares of the Company's Class D common stock valued at approximately \$25.4 million. A subsidiary of Citadel, Reach Media's sales representative and an investor in the company, owned a noncontrolling interest in Reach Media. In November 2009, that subsidiary sold its ownership interest to Reach Media in exchange for a \$1.0 million note due in December 2011 (See Note 8 – *Long-Term Debt*) as an inducement for Reach Media to execute a new sales representation agreement. This transaction increased Radio One's common stock interest in Reach Media to 53.5%.

On February 25, 2011, TV One completed a privately placed debt offering of \$119 million (the "Redemption Financing"). The Redemption Financing is structured as senior secured notes bearing a 10% coupon and is due in 2016. Subsequently, on February 28, 2011, TV One utilized \$82.4 million of the Redemption Financing to repurchase 15.4% of its outstanding membership interests from certain financial investors and 2.0% of its outstanding membership interests held by TV One management (representing approximately 50% of interests held by management). Beginning on April 14, 2011, the Company began to account for TV One on a consolidated basis after having executed an amendment to the TV One operating agreement with the remaining members of TV One concerning certain governance issues. The Company's preliminary purchase price allocation consisted of approximately \$61.2 million to current assets, \$39.0 million to launch assets, \$2.4 million to fixed assets, \$204.1 million to indefinite-lived intangibles (goodwill and TV One brand), \$287.3 million to definite-lived intangibles (content assets, acquired advertising contracts, advertiser relationships, affiliation agreements, etc.), \$225.7 million to liabilities (including the \$119.0 million in debt discussed above) and \$203.0 million in noncontrolling interests. Finally, on April 25, 2011, TV One utilized the balance of the Redemption Financing to repurchase 12.4% of its outstanding membership interests from DIRECTV. These redemptions by TV One increased Radio One's ownership interest in TV One from 36.8% to approximately 50.9% as of April 25, 2011.

The following unaudited pro forma summary presents consolidated information of the Company as if the consolidation of TV One had occurred on January 1, 2010. The pro forma financial information gives effect to the Company's consolidation of TV One by the application of the pro forma adjustments to the historical consolidated financial statements of the Company. Such unaudited pro forma financial information is based on the historical financial statements of the Company and TV One and certain adjustments, which the Company believes to be reasonable based on current available information, to give effect to these transactions. Pro forma adjustments were made from January 1, 2010 up to the date of the consolidation with the actual results reflected thereafter in the pro forma financial information.

The unaudited pro forma condensed consolidated financial data does not purport to represent what the Company's results of operations actually would have been if the consolidation of TV One had occurred on January 1, 2010, or what such results will be for any future periods. The actual results in the periods following the consolidation date may differ significantly from that reflected in the unaudited pro forma condensed consolidated financial data for a number of reasons including, but not limited to, differences between the assumptions used to prepare the unaudited pro forma condensed consolidated financial data and the actual amounts.

The financial information of TV One has been extracted from the historical financial statements of TV One, which were prepared in accordance with US GAAP.

Unaudited adjustments have been made to adjust the results of TV One to reflect additional amortization expense that would have been incurred assuming the fair value adjustments to intangible assets as well as additional interest expense on the debt assumed had been applied from January 1, 2010, as well as additional pro forma adjustments, to give effect to these transactions occurring on January 1, 2010.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(Unaudited)			
	(In thousands)			
Net revenue	\$ 101,515	\$ 101,677	\$ 197,355	\$ 186,409
Costs and expenses, net	92,929	108,008	256,167	99,775
Net income (loss)	8,586	(6,331)	(58,812)	86,634

3. DISCONTINUED OPERATIONS:

In December 2009, the Company ceased publication of Giant Magazine and as of June 2011, our remaining Boston radio station was made the subject of an LMA whereby we have made available, for a fee, air time on this station to another party. The remaining assets and liabilities of Giant Magazine as well as stations sold or made subject to an LMA have been classified as discontinued operations as of June 30, 2011 and December 31, 2010, and Giant Magazine and stations sold or made subject to an LMA results from operations for the three months and six months ended June 30, 2011 and 2010, have been classified as discontinued operations in the accompanying consolidated financial statements.

The following table summarizes the operating results for Giant Magazine and all of the stations sold or made subject to a LMA and classified as discontinued operations for all periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(Unaudited) (In thousands)			
Net revenue	\$ 22	\$ 48	\$ 59	\$ 83
Station operating expenses	48	212	125	213
Depreciation and amortization	19	13	35	27
Loss (gain) on sale of assets	—	—	(20)	2
Loss before income taxes	(45)	(177)	(81)	(159)
Loss from discontinued operations, net of tax	<u>\$ (45)</u>	<u>\$ (177)</u>	<u>\$ (81)</u>	<u>\$ (159)</u>

The assets and liabilities of these stations classified as discontinued operations in the accompanying consolidated balance sheets consisted of the following:

	As of	
	June 30, 2011	December 31, 2010
	(Unaudited)	(As Adjusted – See Note 1)
	(In thousands)	
Currents assets:		
Accounts receivable, net of allowance for doubtful accounts	\$ 129	\$ 159
Total current assets	129	159
Intangible assets, net	1,202	1,202
Property and equipment, net	311	422
Total assets	<u>\$ 1,642</u>	<u>\$ 1,783</u>
Current liabilities:		
Other current liabilities	\$ 80	\$ 34
Total current liabilities	80	34
Long-term liabilities	33	37
Total liabilities	<u>\$ 113</u>	<u>\$ 71</u>

4. GOODWILL, RADIO BROADCASTING LICENSES AND OTHER INTANGIBLE ASSETS

Impairment Testing

In the past, we have made acquisitions whereby a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. Effective January 1, 2002, in accordance with ASC 350, “*Intangibles - Goodwill and Other*,” we do not amortize our radio broadcasting licenses and goodwill. Instead, we perform a test for impairment annually or on an interim basis when events or changes in circumstances or other conditions suggest impairment may have occurred. Other intangible assets continue to be amortized on a straight-line basis over their useful lives. We perform our annual impairment test as of October 1 of each year.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to provide independent analysis when evaluating the fair value of our radio broadcasting licenses and reporting units, including goodwill. Fair value is estimated to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Effective January 1, 2002, we began using the income approach to test for impairment of radio broadcasting licenses. We believe this method of valuation to be consistent with ASC 805-20-S-99-3, “*Use of the Residual Method to Value Acquired Assets Other Than Goodwill*.” A projection period of 10 years is used, as that is the time horizon in which operators and investors generally expect to recover their investments. When evaluating our radio broadcasting licenses for impairment, the testing is done at the unit of accounting level as determined by ASC 350, “*Intangibles - Goodwill and Other*.” In our case, each unit of accounting is a clustering of radio stations into one of our 15 geographical radio markets. Broadcasting license fair values are based on the estimated after-tax discounted future cash flows of the applicable unit of accounting assuming an initial hypothetical start-up operation which possesses FCC licenses as the only asset. Over time, it is assumed the operation acquires other tangible assets such as advertising and programming contracts, employment agreements and going concern value, and matures into an average performing operation in a specific radio market. The income approach model incorporates several variables, including, but not limited to: (i) radio market revenue estimates and growth projections; (ii) estimated market share and revenue for the hypothetical participant; (iii) likely media competition within the market; (iv) estimated start-up costs and losses incurred in the early years; (v) estimated profit margins and cash flows based on market size and station type; (vi) anticipated capital expenditures; (vii) probable future terminal values; (viii) an effective tax rate assumption; and (ix) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures. Since our annual October 2010 assessment, we have not made any changes to the methodology for valuing broadcasting licenses.

During the second quarter of 2011, the total market revenue growth for specific markets was below that used in our 2010 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain of our radio broadcasting licenses, which we performed as of May 31, 2011. The Company concluded that our radio broadcasting licenses were not impaired during the second quarter of 2011. Below are some of the key assumptions used in the income approach model for estimating broadcasting licenses fair values for all annual and interim impairment assessments performed since January 2010.

Radio Broadcasting Licenses	October 1, 2010	May 31, 2011 (a)
	(In millions)	
Pre-tax impairment charge	\$ 19.9	\$ —
Discount Rate	10.0%	10.0%
Year 1 Market Revenue Growth or Decline Rate or Range	1.0% - 3.0%	1.3% - 2.8%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.0% - 2.5%	1.5% - 2.0%
Mature Market Share Range	0.8% - 28.3%	9.0% - 22.5%
Operating Profit Margin Range	19.0% - 47.3%	32.7% - 40.8%

(a) Reflects changes only to the key assumptions used in the May 2011 interim testing for certain reporting units.

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. We had 19 reporting units as of our October 2010 annual impairment assessment. For the purpose of valuing goodwill, the 19 reporting units consisted of the 16 radio markets and three other business divisions. Due to the consolidation of TV One and with the transition of our Boston station into discontinued operations during the 3 months ended June 30, 2011, the Company now has 19 reporting units, consisting of the 15 radio markets and four business divisions. In testing for the impairment of goodwill, with the assistance of a third-party valuation firm, we primarily rely on the income approach. The approach involves a 10-year model with similar variables as described above for broadcasting licenses, except that the discounted cash flows are generally based on the Company's estimated and projected market revenue, market share and operating performance for its reporting units, instead of those for a hypothetical participant. We follow a two-step process to evaluate if a potential impairment exists for goodwill. The first step of the process involves estimating the fair value of each reporting unit. If the reporting unit's fair value is less than its carrying value, a second step is performed as per the guidance of ASC 805-10, "*Business Combinations*," to allocate the fair value of the reporting unit to the individual assets and liabilities of the reporting unit in order to determine the implied fair value of the reporting unit's goodwill as of the impairment assessment date. Any excess of the carrying value of the goodwill over the implied fair value of the goodwill is written off as a charge to operations. We have not made any changes to the methodology for determining the fair value of our reporting units.

In February, May and August of 2010, the Company performed interim impairment testing on the valuation of goodwill associated with Reach Media. Reach Media net revenues and cash flows declined for 2010 and full year internal projections were revised. The revenues declined following the December 31, 2009 expiration of a sales representation agreement with Citadel Broadcasting Corporation ("Citadel") whereby a minimum level of revenue was guaranteed over the term of the agreement. Effective January 1, 2010, Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission-based sales representation agreement with Citadel, which sells certain inventory owned by Reach Media in connection with its 108 radio station affiliate agreements. Management revised its internal projections for Reach Media by lowering the Year 1 revenue growth rate to 2.5% in May and August 2010, versus 16.5% assumed in the previous annual assessment. Given the relative improvement in the credit markets since late 2009, the discount rate was lowered to 13.5% for both the February and May 2010 assessments and again lowered to 13.0% for the August 2010 assessment. As part of the year end impairment testing, the discount rate was increased to 13.5% and we reduced our operating cash flow projections and assumptions compared to the interim assessments based on declining revenue projections and actual results which did not meet budget. The Company recorded an impairment charge of \$16.1 million for Reach Media for the quarter ended December 31, 2010.

Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for all interim, annual and year end assessments since January 2010. When compared to the discount rates used for assessing radio market reporting units, the higher discount rates used in these assessments reflect a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner. As a result of the February, May and August 2010 interim assessments, the Company concluded no impairment to the carrying value of Reach Media had occurred. During the fourth quarter of 2010, Reach Media's operating performance continued to decline, but at a decreasing rate. We believe this represented an impairment indicator and as a result, we performed a year end impairment assessment at December 31, 2010. We performed interim impairment assessments at March 31, 2011 and June 30, 2011 as Reach Media did not meet its budgeted operating cash flow for the first and second quarters. However, upon review of the results of the March 2011 and June 2011 interim impairment tests, the Company concluded that the carrying value of goodwill attributable to Reach Media had not been impaired.

Reach Media Goodwill (Reporting Unit Within the Radio Broadcasting Segment)

	February 28, 2010	May 31, 2010	August 31, 2010	December 31, 2010	March 31, 2011	June 30, 2011
Pre-tax impairment charge	\$ —	\$ —	\$ —	\$ 16.1	\$ —	\$ —
Discount Rate	13.5 %	13.5%	13.0%	13.5%	13.5%	13.0%
Year 1 Revenue Growth Rate	8.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Long-term Revenue Growth Rate Range	2.5% – 3.0%	2.5% – 2.9%	2.5% – 3.3%	(2.6)% - 4.4%	(1.3)% - 4.9%	(0.2)% - 3.9%
Operating Profit Margin Range	22.7% - 31.4%	23.3% - 31.5%	25.5% - 31.2%	15.5% - 25.9%	16.2% - 27.4%	17.6% - 22.6%

During the second quarter of 2011, the operating performance and current projections for the remainder of the year for specific radio markets were below that used in our 2010 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of goodwill associated with specific radio markets, which we performed as of May 31, 2011. The Company concluded that goodwill had not been impaired during the second quarter of 2011. Below are some of the key assumptions used in the income approach model for estimating goodwill fair values for the annual and interim impairments assessments performed since October 1, 2010.

Goodwill (Radio Market Reporting Units)	October 1, 2010	May 31, 2011 (a)
	(In millions)	
Pre-tax impairment charge	\$ —	\$ —
Discount Rate	10.0%	10.0%
Year 1 Market Revenue Growth or Decline Rate or Range	1.5% - 3.0%	1.5% - 3.0%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.5% - 2.5%	1.5% - 2.0%
Mature Market Share Range	7.0% - 23.0%	7.0% - 23.0%
Operating Profit Margin Range	27.5% - 58.0%	30.0% - 56.0%

(a) Reflects changes only to the key assumptions used in the May 2011 interim testing for certain reporting units.

Goodwill Valuation Results

The table below presents the changes in the carrying amount of goodwill by segment during the six month period ended June 30, 2011. The goodwill balances for each reporting unit are not disclosed so as to not make publicly available sensitive information that could potentially be competitively harmful to the Company.

Segment	Goodwill Carrying Balances		
	As of December 31, 2010	Change (In millions)	As of June 30, 2011
Radio Broadcasting Segment	\$ 99.7	\$ —	\$ 99.7
Internet Segment	21.8	—	21.8
Cable Television Segment	—	164.4	164.4
Total	<u>\$ 121.5</u>	<u>\$ 164.4</u>	<u>\$ 285.9</u>

Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses

Other intangible assets, excluding goodwill and radio broadcasting licenses, are amortized on a straight-line basis over various periods. Other intangible assets consist of the following:

	As of		Period of Amortization
	June 30, 2011 (Unaudited)	December 31, 2010	
	(In thousands)		
Trade names	\$ 17,141	\$ 17,138	2-5 Years
Talent agreement	19,549	19,549	10 Years
Debt financing and modification costs	15,861	19,374	Term of debt
Intellectual property	14,151	14,151	4-10 Years
Affiliate agreements	186,755	7,769	1-10 Years
Acquired income leases	1,282	1,282	3-9 Years
Non-compete agreements	1,260	1,260	1-3 Years
Advertiser agreements	47,688	6,613	2-12 Years
Favorable office and transmitter leases	3,358	3,358	2-60 Years
Brand names	2,539	2,539	2.5 Years
Brand name - unamortized	39,688	—	Indefinite
Acquired advertising contracts	2,391	—	< 1 Year
Other intangibles	1,270	1,258	1-5 Years
	352,933	94,291	
Less: Accumulated amortization	(63,675)	(54,255)	
Other intangible assets, net	<u>\$ 289,258</u>	<u>\$ 40,036</u>	

Amortization expense of intangible assets for the three months ended June 30, 2011 and 2010 was approximately \$7.5 million and \$1.9 million, respectively, and for the six months ended June 30, 2011 and 2010 was approximately \$8.9 million and \$3.6 million, respectively. The amortization of deferred financing costs was charged to interest expense for all periods presented. The amount of deferred financing costs included in interest expense for the three months ended June 30, 2011 and 2010 was approximately \$1.1 million and \$556,000, respectively, and for the six month periods ended June 30, 2011 and 2010 was approximately \$2.7 million and \$1.6 million, respectively.

The following table presents the Company's estimate of amortization expense for the remainder of 2011 and years 2012 through 2016 for intangible assets, excluding deferred financing costs:

	(In thousands)
2011 (July through December)	\$ 17,292
2012	\$ 31,072
2013	\$ 30,519
2014	\$ 29,922
2015	\$ 26,044
2016	\$ 25,885

Actual amortization expense may vary as a result of future acquisitions and dispositions.

The gross value and accumulated amortization of the launch assets is as follows:

	June 30, 2011 (Unaudited) (In thousands)	Weighted Average Period of Amortization
Launch assets	\$ 39,013	3.6 Years
Less: Accumulated amortization	(2,072)	
Launch assets, net	<u>\$ 36,941</u>	

Future estimated launch support amortization expense or revenue reduction related to launch assets for the remainder of 2011 and years 2012 through 2015 is as follows:

	(In thousands)
2011 (July through December)	\$ 4,915
2012	\$ 9,824
2013	\$ 9,824
2014	\$ 9,780
2015	\$ 2,598

The gross value and accumulated amortization of the content assets is as follows:

	June 30, 2011 (Unaudited) (In thousands)	Period of Amortization
Content assets	\$ 74,460	1-8 Years
Less: Accumulated amortization	(9,406)	
Content assets, net	<u>\$ 65,054</u>	

Future estimated content amortization expense related to agreements entered into as of June 30, 2011 for the remainder of 2011 and years 2012 through 2016 is as follows:

	(In thousands)
2011 (July through December)	\$ 17,732
2012	\$ 26,269
2013	\$ 14,655
2014	\$ 5,100
2015	\$ 817
2016	\$ 481

5. INVESTMENT IN AFFILIATED COMPANY:

In January 2004, the Company, together with an affiliate of Comcast Corporation and other investors, launched TV One, an entity formed to operate a cable television network featuring lifestyle, entertainment and news-related programming targeted primarily towards African-American viewers. At that time, we committed to make a cumulative cash investment of \$74.0 million in TV One, of which \$60.3 million had been funded as of April 30, 2007. Since December 31, 2006, the initial four year commitment period for funding the capital had been extended on a quarterly basis due in part to TV One's lower than anticipated capital needs. In connection with the redemption financing (as defined below), together with the remaining portion of the members outstanding capital contribution, we funded our remaining capital commitment amount of approximately \$13.7 million on April 19, 2011 and currently anticipate no further capital commitment. In December 2004, TV One entered into a distribution agreement with DIRECTV and certain affiliates of DIRECTV became investors in TV One.

On February 25, 2011, TV One completed a privately placed debt offering of \$119 million (the "Redemption Financing"). The Redemption Financing is structured as senior secured notes bearing a 10% coupon and is due in 2016. Subsequently, on February 28, 2011, TV One utilized \$82.4 million of the Redemption Financing to repurchase 15.4% of its outstanding membership interests from certain financial investors and 2.0% of its outstanding membership interests held by TV One management (representing approximately 50% of interests held by management). Beginning on April 14, 2011, the Company began to account for TV One on a consolidated basis after having executed an amendment to the TV One operating agreement with the remaining members of TV One concerning certain governance issues. Finally, on April 25, 2011, TV One utilized the balance of the Redemption Financing to repurchase 12.4% of its outstanding membership interests from DIRECTV. These redemptions by TV One, increased Radio One's holding in TV One from 36.8% to approximately 50.9% as of April 25, 2011.

Prior to April 14, 2011, when the Company began to account for TV One on a consolidated basis, the Company had recorded its investment at cost and had adjusted its carrying amount of the investment to recognize the change in the Company's claim on the net assets of TV One resulting from operating income or losses of TV One as well as other capital transactions of TV One using a hypothetical liquidation at book value approach. At December 31, 2010, the carrying value of the Company's investment in TV One was approximately \$47.5 million and is presented on the consolidated balance sheet as investment in affiliated company. On April 14, 2011, the Company began to account for TV One on a consolidated basis and the basis of the assets and liabilities of TV One at that date were recorded at fair market value. For the three months ended June 30, 2011 and 2010, the Company's allocable share of TV One's operating income was \$208,000 and approximately \$1.1 million, respectively. For the six months ended June 30, 2011 and 2010, the Company's allocable share of TV One's operating income was approximately \$3.3 million and \$2.0 million, respectively.

We entered into separate network services and advertising services agreements with TV One in 2003. Under the network services agreement, we provided TV One with administrative and operational support services and access to Radio One personalities. In consideration of providing these services, we received equity in TV One, and received an annual cash fee of \$500,000 for providing services under the network services agreement. The network services agreement, originally scheduled to expire in January 2009 was extended to January 2011, at which time it expired.

Under the advertising services agreement, we provided a specified amount of advertising to TV One. Prior to the consolidation date, the Company was accounting for the services provided to TV One under the advertising services agreement in accordance with ASC 505-50-30, "Equity." As services were provided to TV One, the Company recorded revenue based on the fair value of the most reliable unit of measurement in these transactions. The most reliable unit of measurement had been determined to be the value of underlying advertising time that was provided to TV One. The Company recognized \$501,000 and \$540,000 in revenue relating to this agreement for the three months ended June 30, 2011 and 2010, respectively. The Company recognized \$874,000 and \$997,000 in revenue relating to this agreement for the six months ended June 30, 2011 and 2010, respectively. This agreement was also originally scheduled to expire in January 2009 and was extended to January 2011, at which time it expired. We recently entered into a new advertising services agreement with TV One, effective January 2011. Under the new advertising services agreement, we (i) provide advertising services to TV One on certain of our media properties and (ii) act as media placement agent for TV One in certain instances. In return for such services, TV One pays us for such advertising time and, where we act as media placement agent, pays us a media placement fee equal to the lesser of 15% of media placement costs or a market rate, in addition to reimbursing us (or paying in advance) for all actual costs associated with the media placement services.

6. INVESTMENTS

The Company's investments (short-term and long-term) consist of the following:

	<u>Amortized Cost Basis</u>	<u>Gross Unrealized Losses</u>	<u>Gross Unrealized Gains</u>	<u>Fair Value</u>
June 30, 2011				
Corporate debt securities	\$ 5,737	\$ (52)	\$ 119	\$ 5,804
Government sponsored enterprise mortgage-backed securities	927	(12)	1	916
Total investments	<u>\$ 6,664</u>	<u>\$ (64)</u>	<u>\$ 120</u>	<u>\$ 6,720</u>

The following tables show the gross unrealized losses and fair value of the Company's investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position:

	<u>Fair Value < 1 Year</u>	<u>Unrealized Losses < 1 Year</u>	<u>Fair Value > 1 Year</u>	<u>Unrealized Losses > 1 Year</u>	<u>Total Unrealized Losses</u>
June 30, 2011					
Corporate debt securities	\$ 2,224	\$ (28)	\$ 1,082	\$ (24)	\$ (52)
Government sponsored enterprise mortgage-backed securities	615	(11)	99	(1)	(12)
Total investments	<u>\$ 2,839</u>	<u>\$ (39)</u>	<u>\$ 1,181</u>	<u>\$ (25)</u>	<u>\$ (64)</u>

The Company's investments in debt securities are sensitive to interest rate fluctuations, which impact the fair value of individual securities. Unrealized losses on the Company's investments in debt securities have occurred due to volatility and liquidity concerns within the capital markets during the quarter ended June 30, 2011.

The amortized cost and estimated fair value of debt securities at June 30, 2011, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities of mortgage-backed securities because borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

	<u>Amortized Cost Basis</u>	<u>Fair Value</u>
Within 1 year	\$ 596	\$ 584
After 1 year through 5 years	3,263	3,325
After 5 years through 10 years	1,403	1,422
After 10 years	475	473
Mortgage-backed securities	927	916
Total	<u>\$ 6,664</u>	<u>\$ 6,720</u>

A primary objective in the management of the fixed maturity portfolios is to maximize total return relative to underlying liabilities and respective liquidity needs. In achieving this goal, assets may be sold to take advantage of market conditions or other investment opportunities, as well as tax considerations. Sales will generally produce realized gains or losses. In the ordinary course of business, the Company may sell securities for a number of reasons, including, but not limited to: (i) changes to the investment environment; (ii) expectation that the fair value could deteriorate further; (iii) desire to reduce exposure to an issuer or an industry; (iv) changes in credit quality; and (v) changes in expected cash flow. Available-for-sale securities were sold as follows:

	<u>Quarter Ended June 30, 2011</u>
Proceeds from sales	\$ 2,530
Gross realized gains	6
Gross realized losses	(65)

7. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

ASC 815, “*Derivatives and Hedging*,” establishes disclosure requirements related to derivative instruments and hedging activities with the intent to provide users of financial statements with an enhanced understanding of: (i) how and why an entity uses derivative instruments; (ii) how derivative instruments and related hedged items are accounted for and its related interpretations; and (iii) how derivative instruments and related hedged items affect an entity’s financial position, financial performance, and cash flows. ASC 815 requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about the fair value of gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative instruments.

The fair values and the presentation of the Company’s derivative instruments in the consolidated balance sheets are as follows:

		Liability Derivatives	
		As of June 30, 2011	As of December 31, 2010
		(Unaudited)	
(In thousands)			
	Balance Sheet Location	Fair Value	Balance Sheet Location
Derivatives designated as hedging instruments:			Fair Value
Interest rate swaps	Other Long-Term Liabilities	—	Other Long-Term Liabilities 1,426
Derivatives not designated as hedging instruments:			
Employment agreement award	Other Long-Term Liabilities	7,294	Other Long-Term Liabilities 6,824
Total derivatives		<u>\$ 7,294</u>	<u>\$ 8,250</u>

The effect and the presentation of the Company’s derivative instruments on the consolidated statements of operations are as follows:

Derivatives in Cash Flow Hedging Relationships	Amount of Gain in Other Comprehensive Loss on Derivative (Effective Portion)		Loss Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)		Gain (Loss) in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)			
	Amount		Location	Amount	Location	Amount		
	Three Months Ended June 30, (Unaudited) (In thousands)							
	2011	2010		2011	2010		2011	2010
Interest rate swaps	\$—	\$262	Interest expense	\$—	\$(475)	Interest expense	\$—	\$—

Derivatives in Cash Flow Hedging Relationships	Amount of Gain in Other Comprehensive Loss on Derivative (Effective Portion)		Loss Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)		Gain (Loss) in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)			
	Amount		Location	Amount	Location	Amount		
	Six Months Ended June 30, (Unaudited) (In thousands)							
	2011	2010		2011	2010		2011	2010
Interest rate swap	\$—	\$396	Interest expense	\$(258)	\$(989)	Interest expense	\$—	\$—

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) in Income of Derivative	Amount of Gain (Loss) in Income of Derivative	
		Three Months Ended June 30,	
		2011	2010
		(Unaudited) (In thousands)	
Employment agreement award	Corporate selling, general and administrative expense	\$(510)	\$(484)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) in Income on Derivative	Amount of Gain (Loss) in Income of Derivative	
		Six Months Ended June 30,	
		2011	2010
		(Unaudited) (In thousands)	
Employment agreement award	Corporate selling, general and administrative expense	\$(470)	\$(945)

Hedging Activities

In June 2005, pursuant to our previous Credit Agreement (as defined in Note 8 — *Long-Term Debt*), the Company entered into four fixed rate swap agreements to reduce interest rate fluctuations on certain floating rate debt commitments. One of the four \$25.0 million swap agreements expired in each of June 2007 and 2008, and 2010, respectively. The remaining \$25.0 million swap agreement was terminated on March 31, 2011 in conjunction with the March 31, 2011 retirement of our previous Credit Agreement. We have no swap agreements in connection with our current credit facilities.

Each swap agreement had been accounted for as a qualifying cash flow hedge of the Company's senior bank debt, in accordance with ASC 815, "*Derivatives and Hedging*," whereby changes in the fair market value are reflected as adjustments to the fair value of the derivative instruments as reflected on the accompanying consolidated financial statements.

The Company's objectives in using interest rate swaps were to manage interest rate risk associated with the Company's floating rate debt commitments and to add stability to future cash flows. To accomplish this objective, the Company used interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedges was recorded in Accumulated Other Comprehensive Loss and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. During the three months ended March 31, 2011, such derivatives were used to hedge the variable cash flows associated with existing floating rate debt commitments. The ineffective portion of the change in fair value of the derivatives, if any, was recognized directly in earnings.

Amounts reported in Accumulated Other Comprehensive Loss related to derivatives were reclassified to interest expense as interest payments were made on the Company's floating rate debt.

Under the swap agreements, the Company paid a fixed rate. The counterparties to the agreements paid the Company a floating interest rate based on the three month LIBOR, for which measurement and settlement is performed quarterly. The counterparties to these agreements were international financial institutions.

Other Derivative Instruments

The Company recognizes all derivatives at fair value, whether designated in hedging relationships or not, on the balance sheet as either an asset or liability. The accounting for changes in the fair value of a derivative, including certain derivative instruments embedded in other contracts, depends on the intended use of the derivative and the resulting designation. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged item are recognized in the statement of operations. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in other comprehensive income and are recognized in the statement of operations when the hedged item affects net income. If a derivative does not qualify as a hedge, it is marked to fair value through the statement of operations. Any fees associated with these derivatives are amortized over their term.

As of June 30, 2011, the Company was party to an Employment Agreement executed in April 2008 with the CEO, which called for an award that has been accounted for as a derivative instrument without a hedging relationship in accordance with the guidance under ASC 815, “*Derivatives and Hedging*.” Pursuant to the Employment Agreement, the CEO is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company’s aggregate investment in TV One. The Company reassessed the estimated fair value of the award at June 30, 2011 to be approximately \$7.3 million, and accordingly, adjusted its liability to this amount. The Company’s obligation to pay the award will be triggered only after the Company’s recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company’s membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses upon expiration of the Employment Agreement, or earlier if the CEO voluntarily left the Company, or was terminated for cause. The Company is currently in negotiations with the Company’s CEO for a new employment agreement. Until such time as his new employment agreement is executed, the terms of his April 2008 employment agreement remain in effect including eligibility for the TV One award.

8. LONG-TERM DEBT:

Long-term debt consists of the following:

	As of	
	June 30, 2011	December 31, 2010
	(Unaudited)	
	(In thousands)	
Senior bank term debt	\$ 385,035	\$ 346,681
Senior bank revolving debt	—	7,000
6 ³ / ₈ % Senior Subordinated Notes due February 2013	747	747
12 ¹ / ₂ %/15% Senior Subordinated Notes due May 2016	299,185	286,794
10% Senior Secured Notes due March 2016	119,000	—
Note payable	1,000	1,000
Total debt	804,967	642,222
Less: current portion	4,860	18,402
Less: original issue discount	7,334	—
Long-term debt, net	\$ 792,773	\$ 623,820

Credit Facilities

March 2011 Refinancing Transaction

On March 31, 2011, the Company entered into a new senior secured credit facility (the “2011 Credit Agreement”) with a syndicate of banks, and simultaneously borrowed \$386.0 million to retire all outstanding obligations under the Company’s previous amended and restated credit agreement and to fund our obligation with respect to the TV One capital call. The total amount available under the 2011 Credit Agreement is \$411.0 million, consisting of a \$386.0 term loan facility that matures on March 31, 2016 and a \$25.0 million revolving loan facility that matures on March 31, 2015. Borrowings under the credit facilities are subject to compliance with certain covenants including, but not limited to, certain financial covenants. Proceeds from the credit facilities can be used for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

The 2011 Credit Agreement contains affirmative and negative covenants that the Company is required to comply with, including:

(a) maintaining an interest coverage ratio of no less than:

- 1.25 to 1.00 on June 30, 2011 and the last day of each fiscal quarter through September 30, 2015; and
- 1.50 to 1.00 on December 31, 2015 and the last day of each fiscal quarter thereafter.

(b) maintaining a senior secured leverage ratio of no greater than:

- 5.25 to 1.00 on June 30, 2011; and
- 5.00 to 1.00 on September 30, 2011 and December 31, 2011; and
- 4.75 to 1.00 on March 31, 2012; and
- 4.50 to 1.00 on June 30, 2012, September 30, 2012 and December 31, 2012; and
- 4.00 to 1.00 on March 31, 2013 and the last day of each fiscal quarter through September 30, 2013; and
- 3.75 to 1.00 on December 31, 2013 and the last day of each fiscal quarter through September 30, 2014; and
- 3.25 to 1.00 on December 31, 2014 and the last day of each fiscal quarter through September 30, 2015; and
- 2.75 to 1.00 on December 31, 2015 and the last day of each fiscal quarter thereafter.

(c) maintaining a total leverage ratio of no greater than:

- 9.25 to 1.00 on June 30, 2011 and the last day of each fiscal quarter through December 31, 2011; and
- 9.00 to 1.00 on March 31, 2012; and
- 8.75 to 1.00 on June 30, 2012; and
- 8.50 to 1.00 on September 30, 2012 and December 31, 2012; and
- 8.00 to 1.00 on March 31, 2013 and the last day of each fiscal quarter through September 30, 2013; and
- 7.50 to 1.00 on December 31, 2013 and the last day of each fiscal quarter through September 30, 2014; and
- 6.50 to 1.00 on December 31, 2014 and the last day of each fiscal quarter through September 30, 2015; and
- 6.00 to 1.00 on December 31, 2015 and the last day of each fiscal quarter thereafter.

(d) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of June 30, 2011, approximate ratios calculated in accordance with the 2011 Credit Agreement, are as follows:

	<u>As of June 30,</u> <u>2011</u>	<u>Covenant Limit</u>	<u>Excess Coverage</u>
Pro Forma Last Twelve Months Covenant EBITDA (In millions)	\$ 82.0		
Pro Forma Last Twelve Months Interest Expense (In millions)	\$ 47.4		
Senior Debt (In millions)	\$ 376.8		
Total Debt (In millions)	\$ 676.7		
Senior Secured Leverage			
Senior Secured Debt / Covenant EBITDA	4.60x	5.25x	0.65x
Total Leverage			
Total Debt / Covenant EBITDA	8.25x	9.25x	1.00x
Interest Coverage			
Covenant EBITDA / Interest Expense	1.73x	1.25x	0.48x
EBITDA - Earnings before interest, taxes, depreciation and amortization			

In accordance with the 2011 Credit Agreement, the calculations for the ratios above do not include the operating results and related debt of Reach and TV One.

As of June 30, 2011, the Company was in compliance with all of its financial covenants under the 2011 Credit Agreement. As noted in the previous table, measurement of interest coverage, senior secured leverage, and total leverage ratios began on June 30, 2011.

Under the terms of the 2011 Credit Agreement, interest on base rate loans is payable quarterly and interest on LIBOR loans is payable monthly or quarterly. The base rate is equal to the greater of the prime rate, the Federal Funds Effective Rate plus 0.50% and the LIBOR Rate for a one-month period plus 1.00%. The applicable margin on the 2011 Credit Agreement is between (i) 4.50% and 5.50% on the revolving portion of the facility and (ii) 5.00% (with a base rate floor of 2.5% per annum) and 6.00% (with a LIBOR floor of 1.5% per annum) on the term portion of the facility. Commencing on June 30, 2011, quarterly installments of 0.25%, or \$965,000, of the principal balance on the \$386.0 million term loan are payable on the last day of each March, June, September and December.

As of June 30, 2011, the Company had approximately \$24.0 million of borrowing capacity under its revolving credit facility. Taking into consideration the financial covenants under the 2011 Credit Agreement, approximately \$24.0 million of the revolving credit facility was available to be borrowed.

As of June 30, 2011, the Company had outstanding approximately \$385.0 million on its term credit facility. During the quarter ended June 30, 2011, the Company repaid approximately \$1.0 million under the 2011 Credit Agreement. Proceeds from the 2011 Credit Agreement of approximately \$378.3 million, net of original issue discount, were used to repay the Amended and Restated Credit Agreement and pay other fees and expenses, with the balance of the proceeds to be used to fund the TV One capital call. The original issue discount is being reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the credit facility.

Period between and including the November 2010 Refinancing Transactions and entry into the 2011 Credit Agreement

On November 24, 2010, the Company entered into a Credit Agreement amendment with its prior syndicate of banks. The Credit Agreement amendment, which amended and restated our prior credit agreement (as so amended and restated, the "Amended and Restated Credit Agreement"), among other things, replaced the existing amount of outstanding revolving loans with a \$323.0 million term loan and provided for three tranches of revolving loans, including a \$20.0 million revolver to be used for working capital, capital expenditures, investments, and other lawful corporate purposes, a \$5.1 million revolver to be used solely to redeem and retire the 2011 Notes, and a \$13.7 million revolver to be used solely to fund a capital call with respect to TV One (the "November 2010 Refinancing Transaction").

The Amended and Restated Credit Agreement provided for maintenance of the following maximum fixed charge coverage ratio as of the last day of each fiscal quarter:

Effective Period	Ratio
November 24, 2010 to December 30, 2010	1.05 to 1.00
December 31, 2010 to June 30, 2012	1.07 to 1.00

The Amended and Restated Credit Agreement also provided for maintenance of the following maximum total leverage ratios (subject to certain adjustments if subordinated debt is issued or any portion of the \$13.7 million revolver was used to fund a TV One capital call):

Effective Period	Ratio
November 24, 2010 to December 30, 2010	9.35 to 1.00
December 31, 2010 to December 30, 2011	9.00 to 1.00
December 31, 2011 and thereafter	9.25 to 1.00

The Amended and Restated Credit Agreement also provided for maintenance of the following maximum senior leverage ratios (subject to certain adjustments if any portion of the \$13.7 million revolver was used to fund a TV One capital call):

Beginning	No greater than
November 24, 2010 to December 30, 2010	5.25 to 1.00
December 31, 2010 to March 30, 2011	5.00 to 1.00
March 31, 2011 to September 29, 2011	4.75 to 1.00
September 30, 2011 to December 30, 2011	4.50 to 1.00
December 31, 2011 and thereafter	4.75 to 1.00

The Amended and Restated Credit Agreement provided for maintenance of average weekly availability at any time during any period set forth below:

Beginning	Average weekly availability no less than
November 24, 2010 through and including June 30, 2011	\$10,000,000
July 1, 2011 and thereafter	\$15,000,000

During the period between November 24, 2010, and as of March 31, 2011, the Company was in compliance with all of its financial covenants under the Amended and Restated Credit Agreement.

Under the terms of the Amended and Restated Credit Agreement, interest on both alternate base rate loans and LIBOR loans was payable monthly. The LIBOR interest rate floor was 1.00% and the alternate base rate was equal to the greater of the prime rate, the Federal Funds Effective Rate plus 0.50% and the LIBOR Rate for a one-month period plus 1.00%. Interest payable on (i) LIBOR loans were at LIBOR plus 6.25% and (ii) alternate base rate loans was at an alternate base rate plus 5.25% (and, in each case, could have been permanently increased if the Company exceeded certain senior leverage ratio levels, tested quarterly beginning June 30, 2011). The interest rate paid in excess of LIBOR could have been as high as 7.25% during the last quarter prior to maturity if the Company exceeded the senior leverage ratio levels on each test date. Commencing on September 30, 2011, quarterly installments of 0.25%, or \$807,500, of the principal balance on the \$323.0 million term loan were payable on the last day of each March, June, September and December.

Under the terms of the Amended and Restated Credit Agreement, quarterly installments of principal on the term loan facility were payable on the last day of each March, June, September and December commencing on September 30, 2007 in a percentage amount of the principal balance of the term loan facility outstanding on September 30, 2007, net of loan repayments, of 1.25% between September 30, 2007 and June 30, 2008, 5.0% between September 30, 2008 and June 30, 2009, and 6.25% between September 30, 2009 and June 30, 2012. Based on the (i) \$174.4 million net principal balance of the term loan facility outstanding on September 30, 2008, (ii) a \$70.0 million prepayment in March 2009, (iii) a \$31.5 million prepayment in May 2009 and (iv) a \$5.0 million prepayment in May 2010, quarterly payments of \$4.0 million are payable between June 30, 2010 and June 30, 2012.

On December 24, 2010, all remaining outstanding 2011 Notes were repurchased pursuant to the indenture governing the 2011 Notes. We incurred approximately \$4.5 million in borrowings under the Amended and Restated Credit Agreement in connection with such repurchase.

As a result of our repurchase and refinancing of the 2011 Notes, the expiration of the Amended and Restated Credit Agreement was June 30, 2012.

On March 31, 2011, the Company repaid all obligations under, and terminated, the Amended and Restated Credit Agreement. During the quarter ended March 31, 2011 the Company did not borrow from the Amended and Restated Credit Agreement and repaid approximately \$353.7 million.

Pre November 2010 Refinancing Transactions

In June 2005, the Company entered into the Credit Agreement with a syndicate of banks (the "Pre-Refinancing Credit Agreement"), and simultaneously borrowed \$437.5 million to retire all outstanding obligations under its previous credit agreement. The Pre-Refinancing Credit Agreement was amended in April 2006 and September 2007 to modify certain financial covenants and other provisions. Prior to the November 2010 Refinancing Transaction, the Pre-Refinancing Credit Agreement was to expire the earlier of (a) six months prior to the scheduled maturity date of the 8⁷/₈% Senior Subordinated Notes due July 1, 2011 (January 1, 2011) (unless the 8⁷/₈% Senior Subordinated Notes have been repurchased or refinanced prior to such date) or (b) June 30, 2012. The total amount available under the Credit Agreement was \$800.0 million, consisting of a \$500.0 million revolving facility and a \$300.0 million term loan facility. Borrowings under the credit facilities were subject to compliance with certain provisions including, but not limited to, financial covenants. The Company could use proceeds from the credit facilities for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

During the quarter ended March 31, 2010, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures governing the 6³/₈% Senior Subordinated Notes due 2013 (the "2013 Notes") and 2011 Notes (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Pre-Refinancing Credit Agreement. On March 30, 2010, we joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). Further, on March 30, 2010, we entered into a third amendment (the "Third Amendment") to the Pre-Refinancing Credit Agreement. The Third Amendment provided for, among other things: (i) a \$100.0 million revolver commitment reduction (from \$500.0 million to \$400.0 million) under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Pre-Refinancing Credit Agreement and under the notes governed by the Company's 2011 Notes and 2013 Notes; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence work on the amendment.

Under the terms of the Pre-Refinancing Credit Agreement, upon any breach or default under either the 8⁷/₈% Senior Subordinated Notes due July 2011 or the 6³/₈% Senior Subordinated Notes due February 2013, the lenders could among other actions immediately terminate the Pre-Refinancing Credit Agreement and declare the loans then outstanding under the Pre-Refinancing Credit Agreement to be due and payable in whole immediately. Similarly, under the 8⁷/₈% Senior Subordinated Notes and the 6³/₈% Senior Subordinated Notes, a default under the terms of the Pre-Refinancing Credit Agreement would constitute an event of default, and the trustees or the holders of at least 25% in principal amount of the then outstanding notes (under either class) may declare the principal of such class of note and interest to be due and payable immediately.

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of the Pre-Refinancing Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a total leverage ratio of 7.25 to 1.00 (ii) as of each of July 1, 2010 and September 30, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we also failed to maintain the requisite total leverage ratio and (iii) as of September 30, 2010, we failed to maintain a senior leverage ratio of 4.00 to 1.00. On July 15, 2010, the Company and its subsidiaries entered into a forbearance agreement (the "Forbearance Agreement") with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as administrative agent (the "Agent"), and financial institutions constituting the majority of outstanding loans and commitments (the "Required Lenders") under the Pre-Refinancing Credit Agreement, relating to the defaults and events of default existing as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement (the "Forbearance Agreement Amendment") that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company's ability to continue as a going concern as issued in connection with the restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver "payment blockage notices" to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries could make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could have declared the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, no such remedies were exercised as we continued to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 Notes and 2013 Notes. The event of default under the 2013 Notes Indenture also constituted an event of default under the Pre-Refinancing Credit Agreement. While the Forbearance Agreement Amendment expired by its terms on September 10, 2010, we and the Agent continued to negotiate the terms of a credit facility amendment and the Agent and the lenders did not exercise additional remedies under the Pre-Refinancing Credit Agreement. The Amended and Restated Credit Agreement cured all of these issues.

Senior Subordinated Notes

Period between and including the November 2010 Refinancing Transactions and March 2011 Refinancing Transaction

On November 24, 2010, we issued \$286.8 million of our 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes due May 2016 in a private placement and exchanged and then cancelled approximately \$97.0 million of \$101.5 million in aggregate principal amount outstanding of our 2011 Notes and approximately \$199.3 million of \$200.0 million in aggregate principal amount outstanding of our 2013 Notes (the 2013 Notes together with the 2011 Notes, the "Prior Notes"). We entered into supplemental indentures in respect of each of the Prior Notes which waived any and all existing defaults and events of default that had arisen or may have arisen that may be waived and eliminated substantially all of the covenants in each indenture governing the Prior Notes, other than the covenants to pay principal and interest on the Prior Notes when due, and eliminated or modified the related events of default. Subsequently, all remaining outstanding 2011 Notes were repurchased pursuant to the indenture governing the 2011 Notes, effective as of December 24, 2010.

As of June 30, 2011, the Company had outstanding \$747,000 of its 6 $\frac{3}{8}$ % Senior Subordinated Notes due February 2013 and \$299.2 million of our 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes due May 2016. During the year ended December 31, 2010, pursuant to the debt exchange, the Company repurchased \$101.5 million of the 8 $\frac{7}{8}$ % Senior Subordinated Notes at par and \$199.3 million of the 6 $\frac{3}{8}$ % Senior Subordinated Notes at an average discount of 5.0%, and recorded a gain on the retirement of debt of approximately \$6.6 million, net of the write-off of deferred financing costs of approximately \$3.3 million. The 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes due May 2016 had a carrying value of \$299.2 million and a fair value of approximately \$303.7 million as of June 30, 2011, and the 6 $\frac{3}{8}$ % Senior Subordinated Notes due February 2013 had a carrying value of \$747,000 and a fair value of approximately \$710,000 as of June 30, 2011. The fair values were determined based on the trading value of the instruments as of the reporting date.

Interest payments under the terms of the 6 $\frac{3}{8}$ % Senior Subordinated Notes are due in February and August. Based on the \$747,000 principal balance of the 6 $\frac{3}{8}$ % Senior Subordinated Notes outstanding on June 30, 2011, interest payments of \$24,000 are payable each February and August through February 2013.

Interest on the 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes will be payable in cash, or at our election, partially in cash and partially through the issuance of additional 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes (a "PIK Election") on a quarterly basis in arrears on February 15, May 15, August 15 and November 15, commencing on February 15, 2011. We may make a PIK Election only with respect to interest accruing up to but not including May 15, 2012, and with respect to interest accruing from and after May 15, 2012 such interest shall accrue at a rate of 12.5% per annum and shall be payable in cash.

Interest on the Exchange Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will accrue for each quarterly period at a rate of 12.5% per annum if the interest for such quarterly period is paid fully in cash. In the event of a PIK Election, including the PIK Election currently in effect, the interest paid in cash and the interest paid-in-kind by issuance of additional Exchange Notes ("PIK Notes") will accrue for such quarterly period at 6.0% per annum and 9.0% per annum, respectively.

In the absence of an election for any interest period, interest on the Exchange Notes shall be payable according to the election for the previous interest period, provided that interest accruing from and after May 15, 2012 shall accrue at a rate of 12.5% per annum and shall be payable in cash. A PIK Election is currently in effect.

During the quarter ended June 30, 2011, the Company paid cash interest in the amount of approximately \$4.4 million and issued approximately \$6.6 million of additional 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes in accordance with the PIK Election that is currently in effect. During the six months ended June 30, 2011, the Company paid cash interest in the amount of approximately \$8.3 million and issued approximately \$12.4 million of additional 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes in accordance with the PIK Election that is currently in effect.

The indentures governing the Company's 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes also contained covenants that restrict, among other things, the ability of the Company to incur additional debt, purchase common stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with related parties, secure non-senior debt with assets, or merge, consolidate or sell all or substantially all of its assets.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes, the 6 $\frac{3}{8}$ % Senior Subordinated Notes and the Company's obligations under the 2011 Credit Agreement.

Period prior to November 2010 Refinancing Transactions

Subsequent to December 31, 2009, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement dated as of June 13, 2005. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). Further, on March 30, 2010, we entered into a third amendment (the "Third Amendment") to the Credit Agreement. The Third Amendment provides for, among other things: (i) a \$100.0 million revolver commitment reduction under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR; (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Credit Agreement and under the notes governed by the Company's 2001 and 2005 senior subordinated debt documents; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence in connection with the amendment.

On August 5, 2010, the Agent under our Pre-Refinancing Credit Agreement delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could have declared the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, no such remedies were exercised as we continued to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constituted an event of default under the Pre-Refinancing Credit Agreement. As of November 24, 2010, any and all existing defaults and events of default that had arisen or may have arisen were cured.

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of our Pre-Refinancing Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a total leverage ratio of 7.25 to 1.00 (ii) as of each of July 1, 2010 and September 30, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we also failed to maintain the requisite total leverage ratio and (iii) as of September 30, 2010, we failed to maintain a senior leverage ratio of 4.00 to 1.00. On July 15, 2010, the Company and its subsidiaries entered into the Forbearance Agreement with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as Agent, and the Required Lenders under our Pre-Refinancing Credit Agreement, relating to the defaults and events of default existing as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement Amendment that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company's ability to continue as a going concern as issued in connection with the restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver "payment blockage notices" to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent under our Pre-Refinancing Credit Agreement delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries could make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could declare the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, as of the date of this filing, no such remedies were exercised as we continued to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constituted an event of default under the Pre-Refinancing Credit Agreement. As of November 24, 2010, as a result of the November 2010 Refinancing Transactions, any and all existing defaults and events of default that had arisen or may have arisen were cured.

Senior Secured Notes

TV One issued \$119.0 million in senior secured notes on February 25, 2011. The notes were issued in connection with the repurchase of its equity interest from certain financial investors and TV One management. The notes bear interest at 10.0% per annum, which is payable monthly, and the entire principal amount is due on March 15, 2016.

Note Payable

Reach Media issued a \$1.0 million promissory note payable in November 2009 to a subsidiary of Citadel. The note was issued in connection with Reach Media reacquiring Citadel's noncontrolling stock ownership in Reach Media as well as entering into a new sales representation agreement with Radio Networks, a subsidiary of Citadel. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011.

Future scheduled minimum principal payments of debt as of June 30, 2011 are as follows:

	Senior Subordinated Notes	Credit Facilities	Senior Secured Notes	Note Payable
	(Unaudited) (In thousands)			
July – December 2011	\$ —	\$ 1,930	\$ —	\$ 1,000
2012	—	3,860	—	—
2013	747	3,860	—	—
2014	—	3,860	—	—
2015	—	3,860	—	—
2016 and thereafter	299,185	367,665	119,000	—
Total Debt	\$ 299,932	\$ 385,035	\$ 119,000	\$ 1,000

9. INCOME TAXES:

The effective tax rate from continuing operations for the six month period ended June 30, 2011 was 69.3%, when combined with the recognition of approximately \$810,000 of tax expense for certain discrete items. This rate is principally due to an estimated annual effective tax rate of 68.7% for Radio One, which has a full valuation allowance for its deferred tax assets ("DTAs"). This rate is blended with an estimated annual effective tax rate of 34.9% for Reach Media, which does not have a valuation allowance.

For the six month period ended June 30, 2010, the effective tax rate for Radio One was zero percent and a provision of \$66,000 related to discrete items was reported. A rate of zero percent was used for Radio One for the three and six month periods ended June 30, 2010 since the application of an effective tax rate to the pre-tax book loss would have resulted in the recording of a tax benefit. Management believed it was more likely than not that the benefit would not be realized by Radio One and accordingly reduced the estimated annual tax rate to zero percent. A tax benefit of approximately \$141,000 was recognized for Reach Media, which resulted in a consolidated net tax benefit of \$75,000 for the six month period ended June 30, 2010.

The Company maintains a full valuation allowance on its deferred tax assets, except as it relates to the deferred tax assets attributable to Reach Media. As part of its assessment of realizability, the Company also determined that it was not appropriate under generally accepted accounting principles to benefit its DTAs based on DTLs related to indefinite-lived intangibles, consisting principally of certain of the Company's radio broadcasting licenses, which cannot be scheduled to reverse in the same period. Because the DTL in this case would not reverse until some future indefinite period when the intangibles are either sold or impaired, any resulting temporary differences cannot be considered a source of future taxable income to support realization of the DTAs. For the six month period ended June 30, 2011, an additional valuation allowance for the current year anticipated increase to DTAs related to net operating loss carryforwards from the amortization of indefinite-lived intangibles was included in the annual effective tax rate calculation.

The Company recorded a non-cash pre-tax gain of approximately \$146.9 million resulting from its increased ownership and controlling interest in TV One for the three months ended June 30, 2011. The consolidation of TV One included an adjustment to the DTL related to the partnership investment in TV One. The Company evaluated the DTL and determined that a portion will not reverse within the requisite period and cannot be offset against the DTAs. This item generated a tax expense of \$44.5 million for the six month period ended June 30, 2011 and resulted in a 36.6% effective tax rate. The remaining portion of the tax expense of \$1.2 million for the six months ended June 30, 2011 consisted principally of discrete items and certain state taxes for Radio One which are based on gross receipts.

On January 1, 2007, the Company adopted the provisions of ASC 740, "*Income Taxes*," related to accounting for uncertainty in income taxes, which recognizes the impact of a tax position in the financial statements if it is more likely than not that the position would be sustained on audit based on the technical merits of the position. The nature of the uncertainties pertaining to our income tax position is primarily due to various state tax positions. As of June 30, 2011, we had approximately \$5.8 million in unrecognized tax benefits. Accrued interest and penalties related to unrecognized tax benefits is recognized as a component of tax expense. During the six months ended June 30, 2011, the Company recorded an expense for interest and penalties of \$26,000. As of June 30, 2011, the Company had a liability of \$291,000 for unrecognized tax benefits for interest and penalties. The Company estimates the possible change in unrecognized tax benefits prior to June 30, 2011 which could range from \$0 to a reduction of \$16,000, due to expiring statutes.

10. STOCKHOLDERS' EQUITY:

Common Stock

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

Stock Repurchase Program

In April 2011, the Company's board of directors authorized a repurchase of shares of the Company's Class A and Class D common stock (the "2011 Repurchase Authorization"). Under the 2011 Repurchase Authorization, the Company is authorized, but is not obligated, to repurchase up to \$15 million worth of its Class A and/or Class D common stock prior to April 13, 2013. Repurchases will be made from time to time in the open market or in privately negotiated transactions in accordance with applicable laws and regulations. The timing and extent of any repurchases will depend upon prevailing market conditions, the trading price of the Company's Class A and/or Class D common stock and other factors, and subject to restrictions under applicable law. The Company expects to implement this stock repurchase program in a manner consistent with market conditions and the interests of the stockholders, including maximizing stockholder value. For the three months ended June 30, 2011, the Company repurchased 2,787,342 shares of Class D common stock in the amount of approximately \$7.5 million at an average price of \$2.69 per share. The Company continues to have an open stock repurchase authorization with respect to its Class A and D stock and continued to make purchases subsequent to June 30, 2011 (See Note 15 – *Subsequent Events*).

Stock Option and Restricted Stock Grant Plan

Under the Company's 1999 Stock Option and Restricted Stock Grant Plan ("Plan"), the Company had the authority to issue up to 10,816,198 shares of Class D common stock and 1,408,099 shares of Class A common stock. The Plan expired March 10, 2009. The options previously issued under this plan are exercisable in installments determined by the compensation committee of the Company's board of directors at the time of grant. These options expire as determined by the compensation committee, but no later than ten years from the date of the grant. The Company uses an average life for all option awards. The Company settles stock options upon exercise by issuing stock.

A new stock option and restricted stock plan (the "2009 Stock Plan") was approved by the stockholders at the Company's annual meeting on December 16, 2009. The terms of the 2009 Stock Plan are substantially similar to the prior Plan. The Company has the authority to issue up to 8,250,000 shares of Class D common stock under the 2009 Stock Plan. As of June 30, 2011, 4,869,050 shares of Class D common stock were available for grant under the 2009 Stock Plan.

The compensation committee and the non-executive members of the Board of Directors have approved a long-term incentive plan (the "2009 LTIP") for certain "key" employees of the Company. The purpose of the 2009 LTIP is to retain and incent these "key" employees in light of sacrifices they have made as a result of the cost savings initiatives in response to economic conditions. These sacrifices included not receiving performance-based bonuses in 2008 and salary reductions and shorter work weeks in 2009 in order to provide expense savings and financial flexibility to the Company. The 2009 LTIP is comprised of 3,250,000 shares (the "LTIP Shares") of the 2009 Stock Plan's 8,250,000 shares of Class D common stock. Awards of the LTIP Shares were granted in the form of restricted stock and allocated among 31 employees of the Company, including the named executive officers. The named executive officers were allocated LTIP Shares as follows: (i) Chief Executive Officer ("CEO") (1.0 million shares); (ii) the Chairperson (300,000 shares); (iii) the Chief Financial Officer ("CFO") (225,000 shares); (iv) the Chief Administrative Officer ("CAO") (225,000 shares); and (v) the President of the Radio Division ("PRD") (130,000 shares). The remaining 1,370,000 shares were allocated among 26 other "key" employees. All awards will vest in three installments. The awards were granted effective January 5, 2010, the first installment of 33% vested on June 5, 2010 and the second installment vested on June 5, 2011. The remaining installment will vest on June 5, 2012. Pursuant to the terms of the 2009 Stock Plan, subject to the Company's insider trading policy, a portion of each recipient's vested shares may be sold into the open market for tax purposes on or about the vesting dates.

The Company follows the provisions under ASC 718, “*Compensation - Stock Compensation*,” using the modified prospective method, which requires measurement of compensation cost for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. These stock-based awards do not participate in dividends until fully vested. The fair value of stock options is determined using the Black-Scholes (“BSM”) valuation model. Such fair value is recognized as an expense over the service period, net of estimated forfeitures, using the straight-line method. Estimating the number of stock awards that will ultimately vest requires judgment, and to the extent actual forfeitures differ substantially from our current estimates, amounts will be recorded as a cumulative adjustment in the period the estimated number of stock awards are revised. We consider many factors when estimating expected forfeitures, including the types of awards, employee classification and historical experience. Actual forfeitures may differ substantially from our current estimate.

The Company also uses the BSM valuation model to calculate the fair value of stock-based awards. The BSM incorporates various assumptions including volatility, expected life, and interest rates. For options granted, the Company uses the BSM option-pricing model and determines: (i) the term by using the simplified “plain-vanilla” method as allowed under SAB No. 110; (ii) a historical volatility over a period commensurate with the expected term, with the observation of the volatility on a daily basis; and (iii) a risk-free interest rate that was consistent with the expected term of the stock options and based on the U.S. Treasury yield curve in effect at the time of the grant.

Stock-based compensation expense for the three months ended June 30, 2011 and 2010 was approximately \$1.2 million and \$1.9 million respectively and for the six months ended June 30, 2011 and 2010 was approximately \$2.1 million and \$3.9 million, respectively.

The Company granted 181,520 and 39,430 stock options during the six months ended June 30, 2011 and 2010, respectively and granted 66,845 stock options during the three months ended June 30, 2011. There were no stock options granted during the three months ended June 30, 2010.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Average risk-free interest rate	1.60%	—	2.23%	3.28%
Expected dividend yield	0.00%	—	0.00%	0.00%
Expected lives	5.75 Years	—	6.00 Years	6.25 Years
Expected volatility	124.3%	—	120.7%	111.3%

Transactions and other information relating to stock options for the six months ended June 30, 2011 are summarized below:

	Number of Options	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2010	4,999,000	\$ 9.40	—	—
Grants	182,000	\$ 1.38	—	—
Exercised	—	—	—	—
Forfeited/cancelled/expired	(32,000)	15.41	—	—
Balance as of June 30, 2011	<u>5,149,000</u>	\$ 9.08	4.74	767,000
Vested and expected to vest at June 30, 2011	5,136,000	\$ 9.10	4.73	764,000
Unvested at June 30, 2011	128,000	\$ 1.75	9.61	31,000
Exercisable at June 30, 2011	5,021,000	\$ 9.26	4.62	736,000

The aggregate intrinsic value in the table above represents the difference between the Company's stock closing price on the last day of trading during the six months ended June 30, 2011 and the exercise price, multiplied by the number of shares that would have been received by the holders of in-the-money options had all the option holders exercised their options on June 30, 2011. This amount changes based on the fair market value of the Company's stock. There were no options exercised during the three and six months ended June 30, 2011 and 2010. The number of options that vested during the three and six months ended June 30, 2011 and 2010 were 656,079 and 725,794 and 53,124 and 640,032 respectively.

As of June 30, 2011, approximately \$170,000 of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 13.5 months. The stock option weighted-average fair value per share was \$3.98 at June 30, 2011.

Transactions and other information relating to restricted stock grants for the six months ended June 30, 2011 are summarized below:

	Shares	Average Fair Value at Grant Date
Unvested at December 31, 2010	2,310,000	\$ 2.92
Grants	—	\$ —
Vested	(1,205,000)	\$ 2.87
Forfeited/cancelled/expired	—	\$ —
Unvested at June 30, 2011	<u>1,105,000</u>	<u>\$ 2.98</u>

The restricted stock grants were included in the Company's outstanding share numbers on the effective date of grant. As of June 30, 2011, approximately \$3.1 million of total unrecognized compensation cost related to restricted stock grants is expected to be recognized over the next 11.5 months.

11. SEGMENT INFORMATION:

The Company has three reportable segments: (i) Radio Broadcasting; (ii) Internet; and (iii) Cable Television. These segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The Radio Broadcasting segment consists of all broadcast and Reach Media results of operations. The Internet segment includes the results of our online business, including the operations of CCI. The Cable Television segment consists of TV One results of operations. Corporate/Eliminations/Other represents financial activity associated with our corporate staff and offices, intercompany activity between the three segments and activity associated with a small film venture.

Operating income or loss represents total revenues less operating expenses, depreciation and amortization, and impairment of long-lived assets. Intercompany revenue earned and expenses charged between segments are recorded at fair value and eliminated in consolidation.

The accounting policies described in the summary of significant accounting policies in Note 1 – *Organization and Summary of Significant Accounting Policies* are applied consistently across the three segments.

Detailed segment data for the three and six month periods ended June 30, 2011 and 2010 is presented in the following tables:

	Three Months Ended June 30,	
	2011	2010
	(Unaudited) (In thousands)	
Net Revenue:		
Radio Broadcasting	\$ 69,936	\$ 72,760
Internet	4,307	4,469
Cable Television	25,166	—
Corporate/Eliminations/Other	(2,347)	(2,083)
Consolidated	<u>\$ 97,062</u>	<u>\$ 75,146</u>
Operating Expenses (excluding depreciation, amortization and impairment charges and including stock-based compensation):		
Radio Broadcasting	\$ 44,581	\$ 44,798
Internet	4,826	6,516
Cable Television	17,502	—
Corporate/Eliminations/Other	4,125	5,164
Consolidated	<u>\$ 71,034</u>	<u>\$ 56,478</u>
Depreciation and Amortization:		
Radio Broadcasting	\$ 2,671	\$ 3,196
Internet	919	1,360
Cable Television	6,429	—
Corporate/Eliminations/Other	219	281
Consolidated	<u>\$ 10,238</u>	<u>\$ 4,837</u>
Operating income (loss):		
Radio Broadcasting	\$ 22,684	\$ 24,766
Internet	(1,438)	(3,407)
Cable Television	1,235	—
Corporate/Eliminations/Other	(6,691)	(7,528)
Consolidated	<u>\$ 15,790</u>	<u>\$ 13,831</u>
	June 30, 2011	December 31, 2010
	(Unaudited)	
	(In thousands)	
Total Assets:		
Radio Broadcasting	\$ 886,148	\$ 894,160
Internet	32,194	33,698
Cable Television	583,102	—
Corporate/Eliminations/Other	22,412	71,354
Consolidated	<u>\$ 1,523,856</u>	<u>\$ 999,212</u>

	Six Months Ended June 30,	
	2011	2010
	(Unaudited)	
	(In thousands)	
Net Revenue:		
Radio Broadcasting	\$ 132,919	\$ 129,955
Internet	7,821	7,948
Cable Television	25,166	—
Corporate/Eliminations/Other	(3,836)	(3,777)
Consolidated	<u>\$ 162,070</u>	<u>\$ 134,126</u>
Operating Expenses (excluding depreciation, amortization and impairment charges and including stock-based compensation):		
Radio Broadcasting	\$ 90,455	\$ 84,591
Internet	9,897	12,138
Cable Television	17,502	—
Corporate/Eliminations/Other	8,528	10,165
Consolidated	<u>\$ 126,382</u>	<u>\$ 106,894</u>
Depreciation and Amortization:		
Radio Broadcasting	\$ 5,407	\$ 6,334
Internet	2,037	2,631
Cable Television	6,429	—
Corporate/Eliminations/Other	448	580
Consolidated	<u>\$ 14,321</u>	<u>\$ 9,545</u>
Operating income (loss):		
Radio Broadcasting	\$ 37,057	\$ 39,030
Internet	(4,113)	(6,821)
Cable Television	1,235	—
Corporate/Eliminations/Other	(12,812)	(14,522)
Consolidated	<u>\$ 21,367</u>	<u>\$ 17,687</u>

12. RELATED PARTY TRANSACTIONS:

The Company's CEO and Chairperson own a music company called Music One, Inc. ("Music One"). The Company sometimes engages in promoting the recorded music product of Music One. Based on the cross-promotional value received by the Company, we believe that the provision of such promotion is fair. During the three and six months ended June 30, 2011 and 2010, Radio One paid \$1,000 and \$5,000 and \$0 and \$6,000, respectively, to or on behalf of Music One, primarily for market talent event appearances, travel reimbursement and sponsorships. For the three and six months ended June 30, 2011 and 2010, the Company provided no advertising services to Music One. There were no cash, trade or no-charge orders placed by Music One for the three and six months ended June 30, 2011 and 2010.

The office space and administrative support transactions between Radio One and Music One are conducted at cost and all expenses associated with the transactions are passed through at actual costs. Costs associated with office space on behalf of Music One are calculated based on square footage used by Music One, multiplied by Radio One's actual per square foot lease costs for the appropriate time period. Administrative services are calculated based on the approximate hours provided by each Radio One employee to Music One, multiplied by such employee's applicable hourly rate and related benefits allocation. Advertising spots are priced at an average unit rate. Based on the cross-promotional nature of the activities provided by Music One and received by the Company, we believe that these methodologies of charging average unit rates or passing through the actual costs incurred are fair and reflect terms no more favorable than terms generally available to a third-party.

13. CONDENSED CONSOLIDATING FINANCIAL STATEMENTS:

The Company conducts a portion of its business through its subsidiaries. All of the Company's Subsidiary Guarantors have fully and unconditionally guaranteed the Company's 6³/₈% Senior Subordinated Notes due February 2013, the 12¹/₂%/15% Senior Subordinated Notes due May 2016, and the Company's obligations under the 2011 Credit Agreement.

Set forth below are consolidated balance sheets for the Company and the Subsidiary Guarantors as of June 30, 2011 and December 31, 2010, and related consolidated statements of operations and cash flows for each of the three and six months ended June 31, 2011 and 2010. The equity method of accounting has been used by the Company to report its investments in subsidiaries. Separate financial statements for the Subsidiary Guarantors are not presented based on management's determination that they do not provide additional information that is material to investors.

RADIO ONE, INC. AND SUBSIDIARIES CONSOLIDATING STATEMENT OF OPERATIONS Three Months Ended June 30, 2011

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
NET REVENUE	\$ 33,743	\$ 63,319	\$ —	\$ 97,062
OPERATING EXPENSES:				
Programming and technical	7,677	23,041	—	30,718
Selling, general and administrative, including stock-based compensation	13,017	18,789	—	31,806
Corporate selling, general and administrative, including stock-based compensation	—	8,510	—	8,510
Depreciation and amortization	2,023	8,215	—	10,238
Total operating expenses	<u>22,717</u>	<u>58,555</u>	<u>—</u>	<u>81,272</u>
Operating income	11,026	4,764	—	15,790
INTEREST INCOME	—	9	—	9
INTEREST EXPENSE	—	22,916	—	22,916
GAIN ON INVESTMENT IN AFFILIATED COMPANY		146,879		146,879
EQUITY IN INCOME OF AFFILIATED COMPANY	—	208	—	208
OTHER EXPENSE, net		47	—	47
Income (loss) before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	11,026	128,897	—	139,923
PROVISION FOR INCOME TAXES	<u>—</u>	<u>38,611</u>	<u>—</u>	<u>38,611</u>
Net income before equity in income of subsidiaries and discontinued operations	11,026	90,286	—	101,312
EQUITY IN INCOME OF SUBSIDIARIES	<u>—</u>	<u>10,981</u>	<u>(10,981)</u>	<u>—</u>
Net income (loss) from continuing operations	11,026	101,267	(10,981)	101,312
LOSS FROM DISCONTINUED OPERATIONS, net of tax	<u>(45)</u>	<u>—</u>	<u>—</u>	<u>(45)</u>
CONSOLIDATED NET INCOME (LOSS)	10,981	101,267	(10,981)	101,267
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>—</u>	<u>2,717</u>	<u>—</u>	<u>2,717</u>
CONSOLIDATED NET LOSS INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	<u>\$ 10,981</u>	<u>\$ 98,550</u>	<u>\$ (10,981)</u>	<u>\$ 98,550</u>

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Three Months Ended June 30, 2010

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited) (As Adjusted - See Note 1)	Eliminations (Unaudited)	Consolidated (Unaudited)
				(In thousands)
NET REVENUE	\$ 35,567	\$ 39,579	\$ —	\$ 75,146
OPERATING EXPENSES:				
Programming and technical	8,781	10,513	—	19,294
Selling, general and administrative, including stock-based compensation	14,988	12,755	—	27,743
Corporate selling, general and administrative, including stock-based compensation	—	9,441	—	9,441
Depreciation and amortization	2,595	2,242	—	4,837
Total operating expenses	26,364	34,951	—	61,315
Operating income	9,203	4,628	—	13,831
INTEREST INCOME	—	43	—	43
INTEREST EXPENSE	—	9,703	—	9,703
EQUITY IN INCOME OF AFFILIATED COMPANY	—	1,139	—	1,139
OTHER (INCOME) EXPENSE, net	(3)	2,409	—	2,406
Income (loss) before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	9,206	(6,302)	—	2,904
PROVISION FOR INCOME TAXES	—	233	—	233
Net income (loss) before equity in income of subsidiaries and discontinued operations	9,206	(6,535)	—	2,671
EQUITY IN INCOME OF SUBSIDIARIES	—	9,110	(9,110)	—
Net income (loss) from continuing operations	9,206	2,575	(9,110)	2,671
LOSS FROM DISCONTINUED OPERATIONS, net of tax	(96)	(81)	—	(177)
CONSOLIDATED NET INCOME (LOSS)	9,110	2,494	(9,110)	2,494
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	446	—	446
NET LOSS INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 9,110	\$ 2,048	\$ (9,110)	\$ 2,048

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Six Months Ended June 30, 2011

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
NET REVENUE	\$ 61,838	\$ 100,232	\$ —	\$ 162,070
OPERATING EXPENSES:				
Programming and technical	16,196	33,353	—	49,549
Selling, general and administrative, including stock-based compensation	25,888	34,413	—	60,301
Corporate selling, general and administrative, including stock-based compensation	—	16,532	—	16,532
Depreciation and amortization	4,210	10,111	—	14,321
Total operating expenses	<u>46,294</u>	<u>94,409</u>	<u>—</u>	<u>140,703</u>
Operating income	15,544	5,823	—	21,367
INTEREST INCOME	—	17	—	17
INTEREST EXPENSE	—	42,249	—	42,249
GAIN ON INVESTMENT IN AFFILIATED COMPANY	—	146,879	—	146,879
EQUITY IN INCOME OF AFFILIATED COMPANY	—	3,287	—	3,287
LOSS ON RETIREMENT OF DEBT	—	7,743	—	7,743
OTHER EXPENSE, NET	<u>—</u>	<u>22</u>	<u>—</u>	<u>22</u>
Income before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	15,544	105,992	—	121,536
PROVISION FOR INCOME TAXES	<u>—</u>	<u>84,230</u>	<u>—</u>	<u>84,230</u>
Net income before equity in income of subsidiaries and discontinued operations	15,544	21,762	—	37,306
EQUITY IN INCOME OF SUBSIDIARIES	<u>—</u>	<u>15,463</u>	<u>(15,463)</u>	<u>—</u>
Net income (loss) from continuing operations	15,544	37,225	(15,463)	37,306
LOSS FROM DISCONTINUED OPERATIONS, net of tax	<u>(81)</u>	<u>—</u>	<u>—</u>	<u>(81)</u>
CONSOLIDATED NET INCOME (LOSS)	15,463	37,225	(15,463)	37,225
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>—</u>	<u>2,920</u>	<u>—</u>	<u>2,920</u>
NET LOSS INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	<u>\$ 15,463</u>	<u>\$ 34,305</u>	<u>\$ (15,463)</u>	<u>\$ 34,305</u>

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Six Months Ended June 30, 2010

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited) (As Adjusted - See Note 1)	Eliminations (Unaudited)	Consolidated (Unaudited)
				(In thousands)
NET REVENUE	\$ 64,324	\$ 69,802	\$ —	\$ 134,126
OPERATING EXPENSES:				
Programming and technical	17,082	20,747	—	37,829
Selling, general and administrative, including stock-based compensation	28,862	21,867	—	50,729
Corporate selling, general and administrative, including stock-based compensation	—	18,336	—	18,336
Depreciation and amortization	5,138	4,407	—	9,545
Impairment of long-lived assets	—	—	—	—
Total operating expenses	51,082	65,357	—	116,439
Operating income	13,242	4,445	—	17,687
INTEREST INCOME	—	67	—	67
INTEREST EXPENSE	—	18,938	—	18,938
LOSS ON RETIREMENT OF DEBT	—	—	—	—
EQUITY IN INCOME OF AFFILIATED COMPANY	—	2,048	—	2,048
OTHER (INCOME) EXPENSE, net	(114)	2,997	—	2,883
Income (loss) before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	13,356	(15,375)	—	(2,019)
BENEFIT FROM INCOME TAXES	—	(75)	—	(75)
Net income (loss) before equity in income of subsidiaries and discontinued operations	13,356	(15,300)	—	(1,944)
EQUITY IN INCOME OF SUBSIDIARIES	—	13,366	(13,366)	—
Net income (loss) from continuing operations	13,356	(1,934)	(13,366)	(1,944)
INCOME (LOSS) FROM DISCONTINUED OPERATIONS, net of tax	10	(169)	—	(159)
CONSOLIDATED NET INCOME (LOSS)	13,366	(2,103)	(13,366)	(2,103)
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	417	—	417
NET LOSS INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 13,366	\$ (2,520)	\$ (13,366)	\$ (2,520)

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEETS
As of June 30, 2011

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 52	\$ 29,837	\$ —	\$ 29,889
Short-term investments	—	584	—	584
Trade accounts receivable, net of allowance for doubtful accounts	28,719	54,462	—	83,181
Prepaid expenses and other current assets	1,398	4,262	—	5,660
Current portion of content assets	—	17,732	—	17,732
Current assets from discontinued operations	—	129	—	129
Total current assets	30,169	107,006	—	137,175
PREPAID PROGRAMMING AND DEPOSITS	—	5,064	—	5,064
PROPERTY AND EQUIPMENT, net	17,946	15,683	—	33,629
INTANGIBLE ASSETS, net	566,667	722,871	—	1,289,538
CONTENT ASSETS, net	—	47,322	—	47,322
LONG-TERM INVESTMENTS	—	6,136	—	6,136
INVESTMENT IN SUBSIDIARIES	—	603,994	(603,994)	—
OTHER ASSETS	350	3,129	—	3,479
NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS	1,513	—	—	1,513
Total assets	\$ 616,645	\$ 1,511,205	\$ (603,994)	\$ 1,523,856
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY				
CURRENT LIABILITIES:				
Accounts payable	\$ 927	\$ 3,721	\$ —	\$ 4,648
Accrued interest	—	6,362	—	6,362
Accrued compensation and related benefits	1,985	8,608	—	10,593
Current portion of content payables	—	23,254	—	23,254
Income taxes payable	—	1,914	—	1,914
Other current liabilities	8,200	2,126	—	10,326
Current portion of long-term debt	—	4,860	—	4,860
Current liabilities from discontinued operations	49	31	—	80
Total current liabilities	11,161	50,876	—	62,037
LONG-TERM DEBT, net of current portion and original issue discount	—	792,773	—	792,773
CONTENT PAYABLES, net of current portion	—	18,214	—	18,214
OTHER LONG-TERM LIABILITIES	1,457	14,741	—	16,198
DEFERRED TAX LIABILITIES	—	172,536	—	172,536
NON-CURRENT LIABILITIES FROM DISCONTINUED OPERATIONS	33	—	—	33
Total liabilities	12,651	1,049,140	—	1,061,791
REDEEMABLE NONCONTROLLING INTERESTS	—	28,736	—	28,736
STOCKHOLDERS' EQUITY:				
Common stock	—	51	—	51
Accumulated other comprehensive income	—	56	—	56
Additional paid-in capital	216,847	991,884	(216,847)	991,884
Retained earnings (accumulated deficit)	387,147	(764,740)	(387,147)	(764,740)
Total stockholders' equity	603,994	227,251	(603,994)	227,251
Noncontrolling interest	—	206,078	—	206,078
Total Equity	603,994	433,329	(603,994)	433,329
Total liabilities, redeemable noncontrolling interests and equity	\$ 616,645	\$ 1,511,205	\$ (603,994)	\$ 1,523,856

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEETS
As of December 31, 2010

	<u>Combined Guarantor Subsidiaries</u>	<u>Radio One, Inc.</u>	<u>Eliminations</u>	<u>Consolidated</u>
		(As Adjusted - See Note 1)		
		(In thousands)		
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 1,043	\$ 8,149	\$ —	\$ 9,192
Trade accounts receivable, net of allowance for doubtful accounts	30,427	28,000	—	58,427
Prepaid expenses and other current assets	1,323	7,050	—	8,373
Current assets from discontinued operations	31	128	—	159
Total current assets	32,824	43,327	—	76,151
PROPERTY AND EQUIPMENT, net	19,392	13,649	—	33,041
INTANGIBLE ASSETS, net	567,600	271,345	—	838,945
INVESTMENT IN SUBSIDIARIES	—	609,199	(609,199)	—
INVESTMENT IN AFFILIATED COMPANY	—	47,470	—	47,470
OTHER ASSETS	497	1,484	—	1,981
NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS	1,624	—	—	1,624
Total assets	\$ 621,937	\$ 986,474	\$ (609,199)	\$ 999,212
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts payable	\$ 411	\$ 2,598	\$ —	\$ 3,009
Accrued interest	—	4,558	—	4,558
Accrued compensation and related benefits	2,332	8,389	—	10,721
Income taxes payable	—	1,671	—	1,671
Other current liabilities	8,383	3,321	—	11,704
Current portion of long-term debt	—	18,402	—	18,402
Current liabilities from discontinued operations	44	(10)	—	34
Total current liabilities	11,170	38,929	—	50,099
LONG-TERM DEBT, net of current portion	—	623,820	—	623,820
OTHER LONG-TERM LIABILITIES	1,531	9,363	—	10,894
DEFERRED TAX LIABILITIES	—	89,392	—	89,392
NON-CURRENT LIABILITIES FROM DISCONTINUED OPERATIONS	37	—	—	37
Total liabilities	12,738	761,504	—	774,242
REDEEMABLE NONCONTROLLING INTERESTS	—	30,635	—	30,635
STOCKHOLDERS' EQUITY:				
Common stock	—	54	—	54
Accumulated comprehensive income adjustments	—	(1,424)	—	(1,424)
Additional paid-in capital	237,515	994,750	(237,515)	994,750
Retained earnings (accumulated deficit)	371,684	(799,045)	(371,684)	(799,045)
Total stockholders' equity	609,199	194,335	(609,199)	194,335
Total liabilities, redeemable noncontrolling interests and stockholders' equity	\$ 621,937	\$ 986,474	\$ (609,199)	\$ 999,212

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
Six Months Ended June 30, 2011

	<u>Combined Guarantor Subsidiaries</u> (Unaudited)	<u>Radio One, Inc.</u> (Unaudited) (In thousands)	<u>Eliminations</u> (Unaudited)	<u>Consolidated</u> (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income (loss)	\$ 15,463	\$ 37,225	\$ (15,463)	\$ 37,225
Adjustments to reconcile net income (loss) to net cash from operating activities:				
Depreciation and amortization	4,210	10,111	—	14,321
Amortization of debt financing costs	—	2,339	—	2,339
Amortization of content assets	—	9,406	—	9,406
Deferred income taxes	—	84,230	—	84,230
Gain on investment in affiliated company	—	(146,879)	—	(146,879)
Equity in income of affiliated company	—	(3,287)	—	(3,287)
Stock-based compensation and other non-cash compensation	—	2,136	—	2,136
Non-cash interest	—	12,391	—	12,391
Loss on retirement of debt	—	7,743	—	7,743
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	1,708	(26,462)	—	(24,754)
Prepaid expenses and other current assets	(75)	2,788	—	2,713
Other assets	147	1,778	—	1,925
Accounts payable	516	1,123	—	1,639
Due to corporate/from subsidiaries	(22,356)	22,356	—	—
Accrued interest	—	1,804	—	1,804
Accrued compensation and related benefits	(347)	219	—	(128)
Income taxes payable	—	243	—	243
Other liabilities	(257)	(1,290)	—	(1,547)
Net cash flows provided by operating activities from discontinued operations	—	616	—	616
Net cash flows (used in) provided by operating activities	<u>(991)</u>	<u>18,590</u>	<u>(15,463)</u>	<u>2,136</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	—	(3,610)	—	(3,610)
Net cash and investments acquired in connection with TV One consolidation	—	65,245	—	65,245
Investment in subsidiaries	—	(15,463)	15,463	—
Purchase of content assets	—	(2,345)	—	(2,345)
Net cash flows provided by investing activities	<u>—</u>	<u>43,827</u>	<u>15,463</u>	<u>59,290</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from credit facility	—	378,280	—	378,280
Repayment of credit facility	—	(353,681)	—	(353,681)
Repurchase of common stock	—	(7,510)	—	(7,510)
Repurchase of noncontrolling interest	—	(54,595)	—	(54,595)
Proceeds from noncontrolling interest member	—	2,776	—	2,776
Debt refinancing and modification costs	—	(5,999)	—	(5,999)
Net cash flows used in financing activities	<u>—</u>	<u>(40,729)</u>	<u>—</u>	<u>(40,729)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(991)	21,688	—	20,697
CASH AND CASH EQUIVALENTS, beginning of period	1,043	8,149	—	9,192
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 52</u>	<u>\$ 29,837</u>	<u>\$ —</u>	<u>\$ 29,889</u>

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
Six Months Ended June 30, 2010

	<u>Combined Guarantor Subsidiaries</u> (Unaudited)	<u>Radio One, Inc.</u> (Unaudited) (As Adjusted - See Note 1)	<u>Eliminations</u> (Unaudited)	<u>Consolidated</u> (Unaudited)
				(In thousands)
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income (loss)	\$ 13,366	\$ (2,103)	\$ (13,366)	\$ (2,103)
Adjustments to reconcile net income (loss) to net cash from operating activities:				
Depreciation and amortization	5,138	4,407	—	9,545
Amortization of debt financing costs	—	1,168	—	1,168
Write off of debt financing costs	—	3,055	—	3,055
Deferred income taxes	—	(818)	—	(818)
Equity in income of affiliated company	—	(2,048)	—	(2,048)
Stock-based compensation and other non-cash compensation	—	3,969	—	3,969
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	(3,161)	(9,518)	—	(12,679)
Prepaid expenses and other current assets	(624)	(1,283)	—	(1,907)
Other assets	187	2,413	—	2,600
Accounts payable	(325)	(1,292)	—	(1,617)
Due to corporate/from subsidiaries	(22,564)	22,564	—	—
Accrued interest	—	2,030	—	2,030
Accrued compensation and related benefits	373	2,291	—	2,664
Income taxes payable	—	327	—	327
Other liabilities	10,441	(7,845)	—	2,596
Net cash flows provided by (used in) operating activities from discontinued operations	213	(109)	—	104
Net cash flows provided by (used in) operating activities	<u>3,044</u>	<u>17,208</u>	<u>(13,366)</u>	<u>6,886</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	(1,494)	(495)	—	(1,989)
Investment in subsidiaries	—	(13,366)	13,366	—
Purchase of other intangible assets	—	(268)	—	(268)
Net cash flows (used in) provided by investing activities	<u>(1,494)</u>	<u>(14,129)</u>	<u>13,366</u>	<u>(2,257)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from credit facility	—	12,000	—	12,000
Repayment of credit facility	—	(8,449)	—	(8,449)
Debt refinancing and modification costs	—	(7,095)	—	(7,095)
Net cash flows used in financing activities	<u>—</u>	<u>(3,544)</u>	<u>—</u>	<u>(3,544)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,550</u>	<u>(465)</u>	<u>—</u>	<u>1,085</u>
CASH AND CASH EQUIVALENTS, beginning of period	127	19,836	—	19,963
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 1,677</u>	<u>\$ 19,371</u>	<u>\$ —</u>	<u>\$ 21,048</u>

14. COMMITMENTS AND CONTINGENCIES:

Royalty Agreements

Effective December 31, 2009, our radio music license agreements with the two largest performance rights organizations, American Society of Composers, Authors and Publishers (“ASCAP”) and Broadcast Music, Inc. (“BMI”) expired. The Radio Music License Committee (“RMLC”), which negotiates music licensing fees for most of the radio industry with ASCAP and BMI, has reached an agreement with these organizations on a temporary fee schedule that reflects a provisional discount of 7.0% against 2009 fee levels. The temporary fee reductions became effective in January 2010. Absent an agreement on long-term fees between the RMLC and ASCAP and BMI, the U.S. District Court in New York has the authority to make an interim and permanent fee ruling for the new contract period. In May 2010 and June 2010, the U.S. District Court’s judge charged with determining the licenses fees ruled to further reduce interim fees paid to ASCAP and BMI, respectively, down approximately another 11.0% from the previous temporary fees negotiated with the RMLC.

The Company has entered into other fixed and variable fee music license agreements with other performance rights organizations, which expire as late as December 2015. In connection with these agreements, the Company incurred expenses of approximately \$3.5 million and \$6.3 million for the three and six month periods ended June 30, 2011, respectively, and approximately \$3.0 million and \$5.9 million, respectively, for the three and six month periods ended June 30, 2010.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management’s opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company’s financial position or results of operations.

Off-Balance Sheet Arrangements

As of June 30, 2011, we had four standby letters of credit totaling approximately \$1.0 million in connection with our annual insurance policy renewals and real estate leases. In addition Reach Media had a letter of credit of \$500,000.

Noncontrolling Interest Shareholders’ Put Rights

Beginning on February 28, 2012, the noncontrolling interest shareholders of Reach Media have an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares. Beginning in 2012, this annual right can be exercised for a 30-day period beginning February 28 of each year. The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the discretion of Radio One. As a result, our ability to fund business operations, new acquisitions or new business initiatives could be limited.

15. SUBSEQUENT EVENTS:

In July 2011, we entered into a new advertising services agreement with TV One, effective January 2011. Under the new advertising services agreement, we (i) provide advertising services to TV One on certain of our media properties and (ii) act as media placement agent for TV One in certain instances. In return for such services, TV One pays us for such advertising time and, where we act as media placement agent, pays us a media placement fee equal to the lesser of 15% of media placement costs or a market rate, in addition to reimbursing us (or paying us in advance) for all actual costs associated with the media placement services. We are still negotiating a new network services agreement with TV One.

On November 24, 2010, in connection with the refinancing of prior outstanding bonds, we issued \$286,794,302 of our 12¹/₂%/15% Senior Subordinated Notes due 2016 (the “Old 12¹/₂%/15% Senior Subordinated Notes”) in a private placement (the “Private Placement”). Simultaneously with the Private Placement, we entered into a registration rights agreement with the initial holders of the Old 12¹/₂%/15% Senior Subordinated Notes (the “Registration Rights Agreement”). Under the Registration Rights Agreement, we were required to use our reasonable best efforts to cause a registration statement for substantially identical notes, which will be issued in exchange for the Old 12¹/₂%/15% Senior Subordinated Notes, to be filed with the SEC within 90 days of the date of issuance of the Old Notes and to cause such registration statement to become effective within 120 days of the date of issuance of the Old Notes if the registration statement was not reviewed by the SEC or within 270 days of the date of issuance of the Old 12¹/₂%/15% Senior Subordinated Notes if the registration statement was reviewed by the SEC. We initially filed a registration statement on February 9, 2011 (the “Initial Registration Statement Filing”). The Initial Registration Statement Filing was reviewed by the SEC and we filed amendments to the Initial Registration Statement Filing on July 28, 2011 and August 4, 2011 (the Initial Registration Statement Filing, as amended by these amendments is referred to as the “Registration Statement”). The Registration Statement was declared effective by the SEC on August 8, 2011. The exchange offer contemplated by the Registration Statement expires at 5:00 p.m., New York City time, on September 8, 2011, unless extended by us.

Since July 1, 2011 and through August 15, 2011, the Company repurchased 37,082 shares of Class D common stock in the amount of \$44,158 at an average price of \$1.19 per share and 1,200 shares of Class A common stock in the amount of \$1,514 at an average price of \$1.26 per share. As of August 15, 2011, the Company had approximately \$7.4 million in capacity available under its share repurchase program.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following information should be read in conjunction with "Selected Financial Data" and the Consolidated Financial Statements and Notes thereto included elsewhere in this report and the audited financial statements and Management's Discussion and Analysis contained in our Annual Report on Form 10-K for the year ended December 31, 2010.

Introduction

Revenue

We primarily derive revenue from the sale of advertising time and program sponsorships to local and national advertisers on our radio stations. Advertising revenue is affected primarily by the advertising rates our radio stations are able to charge, as well as the overall demand for radio advertising time in a market. These rates are largely based upon a radio station's audience share in the demographic groups targeted by advertisers, the number of radio stations in the related market, and the supply of, and demand for, radio advertising time. Advertising rates are generally highest during morning and afternoon commuting hours.

During the three months ended June 30, 2011 and 2010, approximately 63.1% and 84.3%, respectively, of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. During the six months ended June 30, 2011 and 2010, approximately 68.2% and 84.7%, respectively, of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. During the three and six months ended June 30, 2011, approximately 41.3% and 45.9%, respectively, of our total net revenue was generated from local advertising and approximately 37.9% and 35.8%, respectively, was generated from national advertising, including network advertising. In comparison, during the three and six months ended June 30, 2010, approximately 56.1% and 57.6%, respectively, of our net revenue was generated from local advertising and approximately 36.1% and 36.4%, respectively, was generated from national advertising, including network advertising. National advertising also includes advertising revenue generated from our internet segments. The balance of revenue was generated from tower rental income, ticket sales and revenue related to our sponsored events, management fees and other revenue.

In the broadcasting industry, radio stations and television stations often utilize trade or barter agreements to reduce cash expenses by exchanging advertising time for goods or services. In order to maximize cash revenue for our spot inventory, we closely monitor the use of trade and barter agreements.

Community Connect, LLC ("CCI"), which is included within the operations of Interactive One, currently generates the majority of the Company's internet revenue, and derives its revenue principally from advertising services, including diversity recruiting advertising. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable. Interactive One has a diversity recruiting relationship with Monster, Inc. ("Monster"). Monster posts job listings and advertising on Interactive One websites and Interactive One earns revenue for displaying the images on its websites.

TV One generates the Company's cable television revenue, and derives its revenue principally from advertising and affiliate revenue. Advertising revenue is derived from the sale of television air time to advertisers and is recognized when the advertisements are run. TV One also receives affiliate fees and records revenue during the term of various affiliation agreements at levels appropriate for the most recent subscriber counts reported by the applicable affiliate.

Expenses

Our significant radio broadcast expenses are: (i) employee salaries and commissions; (ii) programming expenses; (iii) marketing and promotional expenses; (iv) rental of premises for office facilities and studios; (v) rental of transmission tower space; and (vi) music license royalty fees. We strive to control these expenses by centralizing certain functions such as finance, accounting, legal, human resources and management information systems and, in certain markets, the programming management function. We also use our multiple stations, market presence and purchasing power to negotiate favorable rates with certain vendors and national representative selling agencies.

We generally incur marketing and promotional expenses to increase our radio and cable television audiences. However, because Arbitron reports ratings either monthly or quarterly, depending on the particular market, any changed ratings and the effect on advertising revenue tends to lag behind both the reporting of the ratings and the incurrence of advertising and promotional expenditures.

In addition to salaries and commissions, major expenses for our internet business include membership traffic acquisition costs, software product design, post application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with internet service provider ("ISP") hosting services and other internet content delivery expenses.

Major expenses for our cable television business include content acquisition and amortization, sales and marketing.

Measurement of Performance

We monitor and evaluate the growth and operational performance of our business using net income and the following key metrics:

(a) *Net revenue:* The performance of an individual radio station or group of radio stations in a particular market is customarily measured by its ability to generate net revenue. Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions consistent with industry practice. Net revenue is recognized in the period in which advertisements are broadcast. Net revenue also includes advertising aired in exchange for goods and services, which is recorded at fair value, revenue from sponsored events and other revenue. Net revenue is recognized for our online business as impressions are delivered, as "click throughs" are reported or ratably over contract periods, where applicable. Net revenue is recognized for our cable television business as advertisements are run, and during the term of the affiliation agreements at levels appropriate for the most recent subscriber counts reported by the affiliate.

(b) *Station operating income:* Net income (loss) before depreciation and amortization, income taxes, interest income, interest expense, equity in income of affiliated company, noncontrolling interests in income (loss) of subsidiaries, gain/loss on retirement of debt, other expense, corporate expenses, stock-based compensation expenses, impairment of long-lived assets and gain or loss from discontinued operations, net of tax, is commonly referred to in our industry as station operating income. Station operating income is not a measure of financial performance under generally accepted accounting principles in the United States ("GAAP"). Nevertheless, we believe station operating income is often a useful measure of a broadcasting company's operating performance and is a significant basis used by our management to measure the operating performance of our stations within the various markets. Station operating income provides helpful information about our results of operations, apart from expenses associated with our fixed and long-lived intangible assets, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead, stock-based compensation and discontinued operations. Station operating income is frequently used as a basis for comparing businesses in our industry, although our measure of station operating income may not be comparable to similarly titled measures of other companies. Station operating income does not represent operating loss or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

(c) *Station operating income margin:* Station operating income margin represents station operating income as a percentage of net revenue. Station operating income margin is not a measure of financial performance under GAAP. Nevertheless, we believe that station operating income margin is a useful measure of our performance because it provides helpful information about our profitability as a percentage of our net revenue.

Summary of Performance

The tables below provide a summary of our performance based on the metrics described above:

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
	(As Adjusted – See Note 1 of our Consolidated Financial Statements)		(As Adjusted – See Note 1 of our Consolidated Financial Statements)	
	(In thousands, except margin data)			
Net revenue	\$ 97,062	\$ 75,145	\$ 162,070	\$ 134,126
Station operating income	34,750	28,388	52,596	46,250
Station operating income margin	35.8%	37.8%	32.5%	34.5%
Consolidated net income (loss) attributable to common stockholders	\$ 98,550	\$ 2,048	\$ 34,305	\$ (2,520)

The reconciliation of net income (loss) to station operating income is as follows:

	Three Months Ended		Six Months Ended	
	June 30,			
	2011	2010	2011	2010
		(As Adjusted – See Note 1 of our Consolidated Financial Statements)		(As Adjusted – See Note 1 of our Consolidated Financial Statements)
	(In thousands)			
Consolidated net income (loss) attributable to common stockholders	\$ 98,550	\$ 2,048	\$ 34,305	\$ (2,520)
Add back non-station operating income items included in consolidated net income (loss):				
Interest income	(9)	(43)	(17)	(67)
Interest expense	22,916	9,703	42,249	18,938
Provision for (benefit from) income taxes	38,611	233	84,230	(75)
Corporate selling, general and administrative, excluding stock-based compensation	7,523	7,764	14,772	15,049
Stock-based compensation	1,199	1,956	2,136	3,969
Equity in income of affiliated company	(208)	(1,139)	(3,287)	(2,048)
Loss on retirement of debt	—	—	7,743	—
Gain on investment in affiliated company	(146,879)	—	(146,879)	—
Other expense, net	47	2,406	22	2,883
Depreciation and amortization	10,238	4,837	14,321	9,545
Noncontrolling interests in income of subsidiaries	2,717	446	2,920	417
Loss from discontinued operations, net of tax	45	177	81	159
Station operating income	\$ 34,750	\$ 28,388	\$ 52,596	\$ 46,250

RADIO ONE, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS

The following table summarizes our historical consolidated results of operations:

Three Months Ended June 30, 2011 Compared to Three Months Ended June 30, 2010 (In thousands)

	Three Months Ended June 30,			
	2011	2010	Increase/(Decrease)	
	(Unaudited)			
Statements of Operations:				
Net revenue	\$ 97,062	\$ 75,146	\$ 21,916	29.2%
Operating expenses:				
Programming and technical, excluding stock-based compensation	30,718	19,294	11,424	59.2
Selling, general and administrative, excluding stock-based compensation	31,594	27,464	4,130	15.0
Corporate selling, general and administrative, excluding stock-based compensation	7,523	7,764	(241)	(3.1)
Stock-based compensation	1,199	1,956	(757)	(38.7)
Depreciation and amortization	10,238	4,837	5,401	111.7
Total operating expenses	81,272	61,315	19,957	32.5
Operating income	15,790	13,831	1,959	14.2
Interest income	9	43	(34)	(79.1)
Interest expense	22,916	9,703	13,213	136.2
Gain on investment in affiliated company	146,879	—	146,879	100.0
Equity in income of affiliated company	208	1,139	(931)	(81.7)
Other expense, net	47	2,406	(2,359)	(98.0)
Income before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	139,923	2,904	137,019	4,718.3
Provision for income taxes	38,611	233	38,378	16,471.2
Net income from continuing operations	101,312	2,671	98,641	3,693.0
Loss from discontinued operations, net of tax	(45)	(177)	(132)	(74.6)
Consolidated net income	101,267	2,494	98,773	3,960.4
Net income attributable to noncontrolling interests	2,717	446	2,271	509.2
Net income attributable to common stockholders	\$ 98,550	\$ 2,048	\$ 96,502	4,712.0%

Net revenue

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$97,062	\$75,146	\$21,916	29.2%

During the three months ended June 30, 2011, we recognized approximately \$97.1 million in net revenue compared to approximately \$75.1 million during the same period in 2010. These amounts are net of agency and outside sales representative commissions, which were approximately \$8.6 million during the three months ended June 30, 2011, compared to approximately \$8.4 million for the comparable period in 2010. We began to consolidate the results of TV One during the three months ended June 30, 2011 and recognized approximately \$25.2 million of revenue from our new cable television segment. Our radio stations' net revenues decreased 4.3%, and based on reports prepared by the independent accounting firm Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), the markets we operate in grew 1.5% in total revenues, led primarily by growth in local revenues of 1.4%, while national revenue in our radio marketplaces decreased 0.7% for the quarter. Net revenue growth for our radio stations was led by our Atlanta, Charlotte, Cincinnati, Detroit and St. Louis clusters, while our Baltimore, Columbus, Dallas and Houston markets experienced the most significant declines. Excluding Reach Media, net revenue for our radio division decreased 3.4%. Reach Media net revenue declined 6.2%, primarily due to the change in date for the ongoing cruise event, the "Tom Joyner Fantastic Voyage" (this event was held in March 2011 versus in May 2010). Reach Media recognized \$363,000 of revenue related to the cruise event during the three months ended June 30, 2010. Net revenue for our internet business declined 3.6% for the three months ended June 30, 2011 compared to the same period in 2010.

Operating Expenses

Programming and technical, excluding stock-based compensation

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$30,718	\$19,294	\$11,424	59.2%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. For our cable television segment, programming and technical expenses include expenses associated with the technical, programming, production, and content management. The increase for the three months ended June 30, 2011 compared to the same period in 2010 is primarily related to the consolidation of TV One as approximately \$11.8 million was recognized directly from TV One. Approximately \$9.4 million of this amount relates to content amortization. Excluding the impact of consolidating TV One's operating results, our programming and technical expenses declined by 1.8% for the quarter compared to the same period in 2010.

Selling, general and administrative, excluding stock-based compensation

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$31,594	\$27,464	\$4,130	15.0%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for radio and internet include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. Our cable television segment accounted for approximately \$5.8 million of the increase due to the impact of consolidating TV One results. This increase was offset by savings of approximately \$1.5 million generated in our internet division, primarily from decreases in payroll related expenses and marketing and promotional spending. Excluding the impact of consolidating TV One's operating results, our selling, general and administrative expenses declined by 6.3% for the quarter compared to the same period in 2010.

Corporate selling, general and administrative, excluding stock-based compensation

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$7,523	\$7,764	\$(241)	(3.1)%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel. The decrease in corporate expenses was due to lower professional fees, which were offset by payroll related increases due to annual salary adjustments and increased bonuses.

Stock-based compensation

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$1,199	\$1,956	\$(757)	(38.7)%

Stock-based compensation expense is due to a long-term incentive plan whereby officers and certain key employees were granted a total of 3,250,000 shares of restricted stock in January of 2010. Stock-based compensation requires measurement of compensation costs for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. The decrease in stock-based compensation expense was due to one-time accelerated vesting being recorded for the three months ended June 30, 2010 versus a more normalized vesting for the same period in 2011.

Depreciation and amortization

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$10,238	\$4,837	\$5,401	111.7%

The increase in depreciation and amortization expense for the three months ended June 30, 2011 was due primarily to additional depreciation and amortization expense of approximately \$6.4 million resulting from fixed and intangible assets recorded as part of the consolidation of TV One. This increased expense was offset by the completion of amortization for certain CCI intangible assets and the completion of depreciation and amortization for certain assets.

Interest expense

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$22,916	\$9,703	\$13,213	136.2%

The increase in interest expense for the three months ended June 30, 2011 was due to our entry into the 2011 Credit Agreement on March 31, 2011 and Amended Exchange Offer on November 24, 2010, as well as the consolidation of TV One, including its \$119.0 million senior secured notes due in 2016 (the "TV One Notes"). Higher interest rates associated with the 2011 Credit Agreement and Amended Exchange Offer were in effect for the three months ended June 30, 2011 compared to the same period in 2010. The increase in the overall effective rate of borrowing for the three months ended June 30, 2011 was approximately 5.6% compared to the three months ended June 30, 2010. Approximately \$3.1 million of the increased interest expense relates to the TV One Notes.

Other expense, net

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$47	\$2,406	\$(2,359)	(98.0)%

The other expense for the three months ended June 30, 2010 was principally due to a write off of a pro-rata portion of debt financing and modification costs in connection with the Company's offering of Second-Priority Senior Secured Grid Notes upon which the Company did not close (the "Abandoned Second Lien Notes").

Gain on investment in affiliated company

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$146,879	\$—	\$146,879	100.0%

The gain on investment in affiliated company of approximately \$146.9 million for the three months ended June 30, 2011 was due to acquiring the controlling interest in and the accounting impact of consolidating TV One's operating results as of April 14, 2011.

Equity in income of affiliated company

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$208	\$1,139	\$(931)	(81.7)%

Equity in income of affiliated company primarily reflects our estimated equity in the net income of TV One. The decrease to equity in income of affiliated company for the three months ended June 30, 2011 was due to the consolidation of TV One during this period. Previously, the Company's share of the net income was driven by TV One's current capital structure and the Company's percentage ownership of the equity securities of TV One. Beginning on April 14, 2011, the Company began to account for TV One on a consolidated basis.

Provision for income taxes

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$38,611	\$233	\$38,378	16,471.2%

For the three months ended June 30, 2011 and 2010, a tax expense of approximately \$44.5 million was recognized for the partnership interest in TV One. A tax benefit of approximately \$6.7 million was recognized for the change in the DTL related to indefinite lived intangibles and a state tax benefit of \$59,000. The remaining tax consists of discrete items of \$810,000, and the tax expense for Reach Media of \$151,000.

The Company is estimating an annual effective tax rate of approximately 69% for 2011. The Company continues to maintain a full valuation allowance for entities other than Reach Media for its deferred tax assets ("DTAs"), including the DTA associated with its net operating loss carryforward. As a result, pre-tax book income for the entities other than Reach Media does not generate any tax expense. Instead, the tax expense for these entities is based on the change in the DTL associated with certain indefinite-lived intangibles, which increases as tax amortization on these intangibles is recognized and decreases as impairments for book purposes are recorded on these assets. In addition to the DTL on these intangibles, a portion of the DTL for the partnership interest in TV One cannot be offset by the DTAs from the net operating loss carryforward and therefore results in a current period expense.

The consolidated effective tax rate for the three months ended June 30, 2011 and 2010 was 27.6% and 8.1%, respectively.

Loss from discontinued operations, net of tax

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$(45)	\$(177)	\$(132)	(74.6)%

Included in the loss from discontinued operations, net of tax, are the results from operations for radio station clusters sold or made the subject of an LMA in Los Angeles, Miami, Augusta, Louisville, Dayton, Minneapolis and Boston markets. Discontinued operations also include the results from operations for Giant Magazine, which ceased publication in December 2009. The loss from discontinued operations, net of tax, for the three months ended June 30, 2010 resulted from legal and litigation expenses incurred as a result of ongoing legal activity for certain station sales. The loss from discontinued operations, net of tax, for the three months ended June 30, 2011 resulted primarily from the remaining Boston radio station entering into an LMA in June 2011. The loss from discontinued operations, net of tax, also includes a tax provision of zero for the three months ended June 30, 2011 and 2010.

Noncontrolling interests in income of subsidiaries

Three Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$2,717	\$446	\$2,271	509.2%

The increase in noncontrolling interests in income of subsidiaries is due primarily to the impact of consolidating TV One's operating results during the three months ended June 30, 2011. This amount is partially offset by lower net income generated by Reach Media for the three months ended June 30, 2011 compared to the same period in 2010.

Other Data

Station operating income

Station operating income increased to approximately \$34.8 million for the three months ended June 30, 2011 compared to approximately \$28.4 million for the comparable period in 2010, an increase of \$6.4 million or 22.5%. This increase was primarily due to the impact of consolidating TV One results, as TV One generated approximately \$7.6 million of station operating income during the quarter ended June 30, 2011.

Station operating income margin

Station operating income margin decreased to 35.8% for the three months ended June 30, 2011 from 37.8% for the comparable period in 2010. The margin decrease was primarily attributable to the impact of consolidating TV One results as described above.

RADIO ONE, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS

The following table summarizes our historical consolidated results of operations:

Six Months Ended June 30, 2011, Compared to Six Months Ended June 30, 2010 (In thousands)

	Six Months Ended June 30,			
	2011	2010	Increase/(Decrease)	
	(Unaudited)			
Statements of Operations:				
Net revenue	\$ 162,070	\$ 134,126	\$ 27,944	20.8%
Operating expenses:				
Programming and technical, excluding stock-based compensation	49,549	37,829	11,720	31.0
Selling, general and administrative, excluding stock-based compensation	59,925	50,047	9,878	19.7
Corporate selling, general and administrative, excluding stock-based compensation	14,772	15,049	(277)	(1.8)
Stock-based compensation	2,136	3,969	(1,833)	(46.2)
Depreciation and amortization	14,321	9,545	4,776	50.0
Total operating expenses	140,703	116,439	24,264	20.8
Operating income	21,367	17,687	3,680	20.8
Interest income	17	67	(50)	(74.6)
Interest expense	42,249	18,938	23,311	123.1
Loss on retirement of debt	7,743	—	7,743	100.0
Gain on investment in affiliated company	146,879	—	146,879	100.0
Equity in income of affiliated company	3,287	2,048	1,239	60.5
Other expense, net	22	2,883	(2,861)	(99.2)
Income (loss) before provision for (benefit from) income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	121,536	(2,019)	123,555	6,119.6
Provision for (benefit from) income taxes	84,230	(75)	84,305	112,406.7
Net income (loss) from continuing operations	37,306	(1,944)	39,250	2,019.0
Loss from discontinued operations, net of tax	(81)	(159)	(78)	(49.1)
Consolidated net income (loss)	37,225	(2,103)	39,328	1,870.1
Net income attributable to noncontrolling interests	2,920	417	2,503	600.2
Net income (loss) attributable to common stockholders	\$ 34,305	\$ (2,520)	\$ 36,825	1,461.3%

Net revenue

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$162,070	\$134,126	\$27,944	20.8%

During the six months ended June 30, 2011, we recognized approximately \$162.1 million in net revenue compared to approximately \$134.1 million during the same period in 2010. These amounts are net of agency and outside sales representative commissions, which were approximately \$15.4 million during the six months ended 2011, compared to approximately \$15.1 million during the same period in 2010. We began to consolidate the results of TV One during the three months ended June 30, 2011 and recognized approximately \$25.2 million of revenue from our cable television segment. Our radio stations' net revenue declined 3.1% for the six months ended June 30, 2011, and based on reports prepared by Miller Kaplan, the markets we operate in increased 2.9% in total revenues, led primarily by growth in local revenues of 2.9%. Our Atlanta, Charlotte, Cincinnati, Detroit and St. Louis markets experienced net revenue growth, while our Baltimore, Columbus and Dallas markets experienced the most significant declines. For our radio stations, overall national sales were down 4.3% and local sales were down 2.3%. Reach Media net revenue increased 32.9% for the six months ended June 30, 2011 compared to the same period in 2010 due primarily from assuming operational and financial control and responsibility for the ongoing cruise event, the "Tom Joyner Fantastic Voyage." The "Tom Joyner Fantastic Voyage" took place in March 2011 and generated approximately \$6.6 million of revenue for Reach Media. Net revenue for our internet business declined 1.6% for the six months ended June 30, 2011 compared to the same period in 2010.

Operating Expenses

Programming and technical, excluding stock-based compensation

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$49,549	\$37,829	\$11,720	31.0%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. For our cable television segment, programming and technical expenses include expenses associated with the technical, programming, production, and content management. The increase for the six months ended June 30, 2011 compared to the same period in 2010 is primarily related to consolidating the results of TV One, as approximately \$11.8 million of our consolidated programming and technical operating expenses were recognized directly from TV One. Approximately \$9.4 million of this amount relates to content amortization. Excluding the impact of consolidating TV One's operating results, our programming and technical expenses declined by 0.1% for the six months ended June 30, 2011 compared to the same period in 2010.

Selling, general and administrative, excluding stock-based compensation

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$59,925	\$50,047	\$9,878	19.7%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for radio and internet include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. Our cable television segment accounted for approximately \$5.8 million of the increase due to the impact of consolidating the results of TV One. Excluding the impact of consolidating the results of TV One, our selling, general and administrative expenses increased by 7.4%. The increased expense for the six months ended June 30, 2011 compared to the same period in 2010 is primarily due to Reach Media events spending associated with Reach assuming operational and financial control and responsibility for the "Tom Joyner Fantastic Voyage," held in March 2011. Reach Media incurred over \$5.0 million of selling, general and administrative expenses associated with the "Tom Joyner Fantastic Voyage," held in March 2011. This increase was offset by savings of approximately \$2.2 million generated in our internet division, primarily from decreases in payroll related expenses and marketing and promotional spending.

Stock-based compensation

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$2,136	\$3,969	\$(1,833)	(46.2)%

Stock-based compensation expense is due to a long-term incentive plan whereby officers and certain key employees were granted a total of 3,250,000 shares of restricted stock in January of 2010. Stock-based compensation requires measurement of compensation costs for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. The decrease in stock-based compensation expense was due to accelerated vesting being recorded for the six months ended June 30, 2010 versus a more normalized vesting for the same period in 2011.

Corporate selling, general and administrative, excluding stock-based compensation

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$14,772	\$15,049	\$(277)	(1.8)%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel. The decrease in corporate expenses was primarily related to a decrease in compensation expense for the Chief Executive Officer in connection with the potential payment for the TV One award element in his employment Agreement as well as decreased professional fees. The decreases were offset by payroll related increases due to annual salary adjustments and increased bonuses.

Depreciation and amortization

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$14,321	\$9,545	\$4,776	50.0%

The increase in depreciation and amortization expense for the six months ended June 30, 2011 was due primarily to additional depreciation and amortization expense of approximately \$6.4 million resulting from fixed and intangible assets recorded as part of the consolidation of TV One. This increased expense was offset by the completion of amortization for certain CCI intangible assets and the completion of depreciation and amortization for certain assets.

Interest expense

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$42,249	\$18,938	\$23,311	123.1%

The increase in interest expense for the six months ended June 30, 2011 was due to our entry into the 2011 Credit Agreement on March 31, 2011 and Amended Exchange Offer on November 24, 2010, as well as the consolidation of TV One, including the TV One Notes. Higher interest rates associated with the 2011 Credit Agreement and Amended Exchange Offer were in effect for the six months ended June 30, 2011 compared to the same period in 2010. The increase in the overall effective rate of borrowing for the six months ended June 30, 2011 was approximately 4.8% compared to the six months ended June 30, 2010. Approximately \$3.1 million of the increased interest expense relates to the TV One Notes.

Loss on retirement of debt

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$ 7,743	\$ —	\$7,743	100.0%

The loss on retirement of debt for the six months ended June 30, 2011 was due to a charge related to the retirement of the 2011 Credit Facility on March 31, 2011. This amount includes a write-off of approximately \$6.5 million of capitalized debt financing costs associated with the Amended and Restated Credit Facility and a write-off of approximately \$1.2 million associated with the termination of the Company's interest rate swap agreement.

Gain on investment in affiliated company

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$146,879	\$ —	\$146,879	100.0%

The gain on investment in affiliated company of approximately \$146.9 million for the six months ended June 30, 2011 was due to acquiring the controlling interest in and the accounting impact of consolidating TV One's operating results as of April 14, 2011.

Equity in income of affiliated company

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$3,287	\$2,048	\$1,239	60.5%

Equity in income of affiliated company primarily reflects our estimated equity in the net income of TV One. The increase to equity in income of affiliated company for the six months ended June 30, 2011 was due primarily to additional net income generated by TV One for the six months ended June 30, 2011 versus the same period in 2010. The Company's share of the net income is driven by TV One's current capital structure and the Company's percentage ownership of the equity securities of TV One. Beginning on April 14, 2011, the Company began to account for TV One on a consolidated basis.

Other expense, net

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$22	\$2,883	\$(2,861)	(99.2)%

The other expense for the six months ended June 30, 2010 was principally due to the write off of a portion of deferred financing costs due to a reduction in the revolver commitment and the write off of certain deferred financing costs related to the Abandoned Second Lien Notes. There were costs associated with lowering the revolver commitment under the Company's bank facilities from \$500.0 million to \$400.0 million, resulting from entering into a third amendment to our Credit Agreement in March 2010. In addition, there were costs written off in connection with the Company's offering of the Abandoned Second Lien Notes.

Provision for (benefit from) income taxes

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$84,230	\$(75)	\$84,305	112,406.7%

For the six months ended June 30, 2011, the provision for income taxes was \$84.2 million compared to a benefit from income taxes of \$75,000 for the same period in 2010. Approximately \$44.5 million of the increase is due to the deferred tax liability for the partnership interest in TV One and \$38.5 million of the increase is due to the increase in the deferred tax liability for indefinite-lived intangibles related to radio broadcasting.

For the six months ended June 30, 2011 a tax expense of approximately \$44.5 million was recognized for the partnership interest in TV One and \$38.5 million was recognized for the change in the DTL on indefinite-lived intangibles. State taxes on Radio One were \$326,000 and discrete items were \$810,000. The tax expense for Reach Media was \$78,000.

The Company continues to maintain a full valuation allowance for entities other than Reach Media for its deferred tax assets ("DTAs"), including the DTA associated with its net operating loss carryforward. As a result, pre-tax book income for the entities other than Reach Media does not generate any tax expense. Instead, the tax expense for these entities is based on the change in the DTL associated with certain indefinite-lived intangibles, which increases as tax amortization on these intangibles is recognized and decreases as impairments for book purposes are recorded on these assets. In addition to the DTL on these intangibles, a portion of the DTL for the partnership interest in TV One cannot be offset by the DTAs from the net operating loss carryforward and therefore results in a current period expense.

For 2010, no tax expense was recognized for the partnership interest in TV One as there was no significant change in the basis difference during that period. The zero tax expense for 2010 for indefinite-lived intangibles and state taxes was based on the reduction of the 2010 effective tax rate to zero percent to prevent the recognition of a tax benefit for which management believed it was more likely than not that the benefit would not be realized. The tax benefit for 2010 for Reach Media was \$141,000, which was offset by discrete items of \$66,000 for a net benefit of \$75,000.

The consolidated effective tax rate for the six months ended June 30, 2011 and 2010 was 69.3% and 3.6%, respectively.

Loss from discontinued operations, net of tax

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$(81)	\$(159)	\$(78)	(49.1)%

Included in the loss from discontinued operations, net of tax, are the results from operations for radio station clusters sold or made the subject of an LMA in the Los Angeles, Miami, Augusta, Louisville, Dayton, Minneapolis and Boston markets. Discontinued operations also include the results from operations for Giant Magazine, which ceased publication in December 2009. The loss incurred for the six months ended June 30, 2010 was due to legal and litigation spending from ongoing litigation for certain previous station sales. This spending was partially offset by the assumption of Giant Magazines subscriber liability by another publisher. The loss from discontinued operations, net of tax, for the six months ended June 30, 2011 resulted primarily from our remaining station in our Boston market entering into an LMA. The loss from discontinued operations, net of tax, also includes a provision for zero for the six months ended June 30, 2011 and 2010.

Noncontrolling interests in income of subsidiaries

Six Months Ended June 30,		Increase/(Decrease)	
2011	2010		
\$2,920	\$417	\$2,503	600.2%

The increase in noncontrolling interests in income of subsidiaries is due to the generation of net income by Reach Media during the six months ended June 30, 2011 compared to the same period in 2010 as well as the impact of consolidating TV One's operating results for the three months ended June 30, 2011.

*Other Data**Station operating income*

Station operating income increased to approximately \$52.6 million for the six months ended June 30, 2011 compared to approximately \$46.3 million for the comparable period in 2010, an increase of \$6.3 million or 13.6%. This increase was primarily due to consolidating TV One results, as TV One generated approximately \$7.6 million of station operating income during the six months ended June 30, 2011.

Station operating income margin

Station operating income margin decreased to 32.5% for the six months ended June 30, 2011 from 34.5% for the comparable period in 2010. The margin decrease was primarily attributable to the impact of consolidating TV One results as described above.

LIQUIDITY AND CAPITAL RESOURCES

Our primary source of liquidity is cash provided by operations and, to the extent necessary, borrowings available under our senior credit facility and other debt or equity financing.

For the purposes of the below discussion, the term “November 2010 Refinancing Transactions” refers to (i) our November 24, 2010, exchange and cancellation of approximately \$97.0 million of our 8% senior subordinated notes due 2011 (the “2011 Notes”) and approximately \$199.3 million of our 6% senior subordinated notes due 2013 (the “2013 Notes” and together with the 2011 Notes, the “Prior Notes”) for approximately \$287.0 million of our 2016 Notes; (ii) our entrance into supplemental indentures in respect of each of the Prior Notes which waived any and all existing defaults and events of default that had arisen or may have arisen that may be waived and eliminated substantially all of the covenants in each indenture governing the Prior Notes, other than the covenants to pay principal of and interest on the Prior Notes when due, and eliminated or modified the related events of default; and (iii) our entrance into an amendment to our senior credit facility as described below.

Credit Facilities

March 2011 Refinancing Transaction

On March 31, 2011, the Company entered into a new senior secured credit facility (the “2011 Credit Agreement”) with a syndicate of banks, and simultaneously borrowed \$386.0 million to retire all outstanding obligations under the Company’s previous amended and restated credit agreement and to fund our obligation with respect to the TV One capital call. The total amount available under the 2011 Credit Agreement is \$411.0 million, consisting of a \$386.0 term loan facility that matures on March 31, 2016 and a \$25.0 million revolving loan facility that matures on March 31, 2015. Borrowings under the credit facilities are subject to compliance with certain covenants including, but not limited to, certain financial covenants. Proceeds from the credit facilities can be used for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

The 2011 Credit Agreement contains affirmative and negative covenants that the Company is required to comply with, including:

(a) maintaining an interest coverage ratio of no less than:

- 1.25 to 1.00 on June 30, 2011 and the last day of each fiscal quarter through September 30, 2015; and
- 1.50 to 1.00 on December 31, 2015 and the last day of each fiscal quarter thereafter.

(b) maintaining a senior secured leverage ratio of no greater than:

- 5.25 to 1.00 on June 30, 2011; and
- 5.00 to 1.00 on September 30, 2011 and December 31, 2011; and
- 4.75 to 1.00 on March 31, 2012; and
- 4.50 to 1.00 on June 30, 2012, September 30, 2012 and December 31, 2012; and
- 4.00 to 1.00 on March 31, 2013 and the last day of each fiscal Quarter through September 30, 2013; and
- 3.75 to 1.00 on December 31, 2013 and the last day of each fiscal quarter through September 30, 2014; and
- 3.25 to 1.00 on December 31, 2014 and the last day of each fiscal quarter through September 30, 2015; and
- 2.75 to 1.00 on December 31, 2015 and the last day of each fiscal quarter thereafter.

(c) maintaining a total leverage ratio of no greater than:

- 9.25 to 1.00 on June 30, 2011 and the last day of each fiscal quarter through December 31, 2011; and
- 9.00 to 1.00 on March 31, 2012; and
- 8.75 to 1.00 on June 30, 2012; and
- 8.50 to 1.00 on September 30, 2012 and December 31, 2012; and
- 8.00 to 1.00 on March 31, 2013 and the last day of each fiscal quarter through September 30, 2013; and
- 7.50 to 1.00 on December 31, 2013 and the last day of each fiscal quarter through September 30, 2014; and
- 6.50 to 1.00 on December 31, 2014 and the last day of each fiscal quarter through September 30, 2015; and
- 6.00 to 1.00 on December 31, 2015 and the last day of each fiscal quarter thereafter.

(d) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of June 30, 2011, approximate ratios calculated in accordance with the 2011 Credit Agreement, are as follows:

	<u>As of June 30, 2011</u>	<u>Covenant Limit</u>	<u>Excess Coverage</u>
Pro Forma Last Twelve Months Covenant EBITDA (In millions)	\$ 82.0		
Pro Forma Last Twelve Months Interest Expense (In millions)	\$ 47.4		
Senior Debt (In millions)	\$ 376.8		
Total Debt (In millions)	\$ 676.7		
Senior Secured Leverage			
Senior Secured Debt / Covenant EBITDA	4.60x	5.25x	0.65x
Total Leverage			
Total Debt / Covenant EBITDA	8.25x	9.25x	1.00x
Interest Coverage			
Covenant EBITDA / Interest Expense	1.73x	1.25x	0.48x
EBITDA - Earnings before interest, taxes, depreciation and amortization			

In accordance with the 2011 Credit Agreement, the calculations for the ratios above do not include the operating results and related debt of Reach and TV One.

As of June 30, 2011, the Company was in compliance with all of its financial covenants under the 2011 Credit Agreement. As noted in the previous table, measurement of interest coverage, senior secured leverage, and total leverage ratios began on June 30, 2011.

Under the terms of the 2011 Credit Agreement, interest on base rate loans is payable quarterly and interest on LIBOR loans is payable monthly or quarterly. The base rate is equal to the greater of the prime rate, the Federal Funds Effective Rate plus 0.50% and the LIBOR Rate for a one-month period plus 1.00%. The applicable margin on the 2011 Credit Agreement is between (i) 4.50% and 5.50% on the revolving portion of the facility and (ii) 5.00% (with a base rate floor of 2.5% per annum) and 6.00% (with a LIBOR floor of 1.5% per annum) on the term portion of the facility. Commencing on June 30, 2011, quarterly installments of 0.25%, or \$965,000, of the principal balance on the \$386.0 million term loan are payable on the last day of each March, June, September and December.

As of June 30, 2011, the Company had approximately \$24.0 million of borrowing capacity under its revolving credit facility. Taking into consideration the financial covenants under the 2011 Credit Agreement, approximately \$24.0 million of the revolving credit facility was available to be borrowed.

As of June 30, 2011, the Company had outstanding approximately \$385.0 million on its term credit facility. During the quarter ended June 30, 2011, the Company repaid approximately \$1.0 million under the 2011 Credit Agreement. Proceeds from the 2011 Credit Agreement of approximately \$378.3 million, net of original issue discount, were used to repay the Amended and Restated Credit Agreement and pay other fees and expenses, with the balance of the proceeds used to fund the TV One capital call. The original issue discount is being reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the credit facility.

Period between and including the November 2010 Refinancing Transactions and entering into the 2011 Credit Agreement

On November 24, 2010, the Company entered into a Credit Agreement amendment with its prior syndicate of banks. The Credit Agreement amendment, which amended and restated the Credit agreement (as so amended and restated, the "Amended and Restated Credit Agreement"), among other things, replaced the existing amount of outstanding revolving loans with a \$323.0 million term loan and provided for three tranches of revolving loans, including a \$20.0 million revolver to be used for working capital, capital expenditures, investments, and other lawful corporate purposes, a \$5.1 million revolver to be used solely to redeem and retire the 2011 Notes, and a \$13.7 million revolver to be used solely to fund a capital call with respect to TV One (the "November 2010 Refinancing Transaction").

The Amended and Restated Credit Agreement provided for maintenance of the following maximum fixed charge coverage ratio as of the last day of each fiscal quarter:

Effective Period	Ratio
November 24, 2010 to December 30, 2010	1.05 to 1.00
December 31, 2010 to June 30, 2012	1.07 to 1.00

The Amended and Restated Credit Agreement also provided for maintenance of the following maximum total leverage ratios (subject to certain adjustments if subordinated debt is issued or any portion of the \$13.7 million revolver was used to fund a TV One capital call):

Effective Period	Ratio
November 24, 2010 to December 30, 2010	9.35 to 1.00
December 31, 2010 to December 30, 2011	9.00 to 1.00
December 31, 2011 and thereafter	9.25 to 1.00

The Amended and Restated Credit Agreement also provided for maintenance of the following maximum senior leverage ratios (subject to certain adjustments if any portion of the \$13.7 million revolver was used to fund a TV One capital call):

Beginning	No greater than
November 24, 2010 to December 30, 2010	5.25 to 1.00
December 31, 2010 to March 30, 2011	5.00 to 1.00
March 31, 2011 to September 29, 2011	4.75 to 1.00
September 30, 2011 to December 30, 2011	4.50 to 1.00
December 31, 2011 and thereafter	4.75 to 1.00

The Amended and Restated Credit Agreement provided for maintenance of average weekly availability at any time during any period set forth below:

Beginning	Average weekly availability no less than
November 24, 2010 through and including June 30, 2011	\$10,000,000
July 1, 2011 and thereafter	\$15,000,000

During the period between November 24, 2010, and as of March 31, 2011, the Company was in compliance with all of its financial covenants under the Amended and Restated Credit Agreement.

Under the terms of the Amended and Restated Credit Agreement, interest on both alternate base rate loans and LIBOR loans was payable monthly. The LIBOR interest rate floor was 1.00% and the alternate base rate was equal to the greater of the prime rate, the Federal Funds Effective Rate plus 0.50% and the LIBOR Rate for a one-month period plus 1.00%. Interest payable on (i) LIBOR loans were at LIBOR plus 6.25% and (ii) alternate base rate loans was at an alternate base rate plus 5.25% (and, in each case, could have been permanently increased if the Company exceeded certain senior leverage ratio levels, tested quarterly beginning June 30, 2011). The interest rate paid in excess of LIBOR could have been as high as 7.25% during the last quarter prior to maturity if the Company exceeded the senior leverage ratio levels on each test date. Commencing on September 30, 2011, quarterly installments of 0.25%, or \$807,500, of the principal balance on the \$323.0 million term loan were payable on the last day of each March, June, September and December.

Under the terms of the Amended and Restated Credit Agreement, quarterly installments of principal on the term loan facility were payable on the last day of each March, June, September and December commencing on September 30, 2007 in a percentage amount of the principal balance of the term loan facility outstanding on September 30, 2007, net of loan repayments, of 1.25% between September 30, 2007 and June 30, 2008, 5.0% between September 30, 2008 and June 30, 2009, and 6.25% between September 30, 2009 and June 30, 2012. Based on the (i) \$174.4 million net principal balance of the term loan facility outstanding on September 30, 2008, (ii) a \$70.0 million prepayment in March 2009, (iii) a \$31.5 million prepayment in May 2009 and (iv) a \$5.0 million prepayment in May 2010, quarterly payments of \$4.0 million are payable between June 30, 2010 and June 30, 2012.

On December 24, 2010, all remaining outstanding 2011 Notes were repurchased pursuant to the indenture governing the 2011 Notes. We incurred approximately \$4.5 million in borrowings under the Amended and Restated Credit Agreement in connection with such repurchase.

As a result of our repurchase and refinancing of the 2011 Notes, the expiration of the Amended and Restated Credit Agreement was June 30, 2012.

On March 31, 2011, the Company repaid all obligations under, and terminated, the Amended and Restated Credit Agreement. During the quarter ended March 31, 2011 the Company did not borrow from the Amended and Restated Credit Agreement and repaid approximately \$353.7 million.

Pre November 2010 Refinancing Transactions

In June 2005, the Company entered into the Credit Agreement with a syndicate of banks (the “Pre-Refinancing Credit Agreement”), and simultaneously borrowed \$437.5 million to retire all outstanding obligations under its previous credit agreement. The Pre-Refinancing Credit Agreement was amended in April 2006 and September 2007 to modify certain financial covenants and other provisions. Prior to the November 2010 Refinancing Transaction, the Pre-Refinancing Credit Agreement was to expire the earlier of (a) six months prior to the scheduled maturity date of the 8⁷/₈% Senior Subordinated Notes due July 1, 2011 (January 1, 2011) (unless the 8⁷/₈% Senior Subordinated Notes have been repurchased or refinanced prior to such date) or (b) June 30, 2012. The total amount available under the Credit Agreement was \$800.0 million, consisting of a \$500.0 million revolving facility and a \$300.0 million term loan facility. Borrowings under the credit facilities were subject to compliance with certain provisions including, but not limited to, financial covenants. The Company could use proceeds from the credit facilities for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

During the quarter ended March 31, 2010, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures governing the 6³/₈% Senior Subordinated Notes due 2013 (the “2013 Notes”) and 2011 Notes (the “Non-Joinder of Certain Subsidiaries”). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Pre-Refinancing Credit Agreement. On March 30, 2010, we joined the relevant subsidiaries as guarantors under the relevant indentures (the “Joinder”). Further, on March 30, 2010, we entered into a third amendment (the “Third Amendment”) to the Pre-Refinancing Credit Agreement. The Third Amendment provided for, among other things: (i) a \$100.0 million revolver commitment reduction (from \$500.0 million to \$400.0 million) under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Pre-Refinancing Credit Agreement and under the notes governed by the Company’s 2011 Notes and 2013 Notes; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence work on the amendment.

Under the terms of the Pre-Refinancing Credit Agreement, upon any breach or default under either the 8⁷/₈% Senior Subordinated Notes due July 2011 or the 6³/₈% Senior Subordinated Notes due February 2013, the lenders could among other actions immediately terminate the Pre-Refinancing Credit Agreement and declare the loans then outstanding under the Pre-Refinancing Credit Agreement to be due and payable in whole immediately. Similarly, under the 8⁷/₈% Senior Subordinated Notes and the 6³/₈% Senior Subordinated Notes, a default under the terms of the Pre-Refinancing Credit Agreement would constitute an event of default, and the trustees or the holders of at least 25% in principal amount of the then outstanding notes (under either class) may declare the principal of such class of note and interest to be due and payable immediately.

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of the Pre-Refinancing Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a total leverage ratio of 7.25 to 1.00 (ii) as of each of July 1, 2010 and September 30, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we also failed to maintain the requisite total leverage ratio and (iii) as of September 30, 2010, we failed to maintain a senior leverage ratio of 4.00 to 1.00. On July 15, 2010, the Company and its subsidiaries entered into a forbearance agreement (the “Forbearance Agreement”) with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as administrative agent (the “Agent”), and financial institutions constituting the majority of outstanding loans and commitments (the “Required Lenders”) under the Pre-Refinancing Credit Agreement, relating to the defaults and events of default existing as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement (the “Forbearance Agreement Amendment”) that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company’s ability to continue as a going concern as issued in connection with the restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver “payment blockage notices” to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries could make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could have declared the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, no such remedies were exercised as we continued to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 Notes and 2013 Notes. The event of default under the 2013 Notes Indenture also constituted an event of default under the Pre-Refinancing Credit Agreement. While the Forbearance Agreement Amendment expired by its terms on September 10, 2010, we and the Agent continued to negotiate the terms of a credit facility amendment and the Agent and the lenders did not exercise additional remedies under the Pre-Refinancing Credit Agreement. The Amended and Restated Credit Agreement cured all of these issues.

Senior Subordinated Notes

Period between and including the November 2010 Refinancing Transactions and March 2011 Refinancing Transaction

On November 24, 2010, we issued \$286.8 million of our 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes due May 2016 in a private placement and exchanged and then cancelled approximately \$97.0 million of \$101.5 million in aggregate principal amount outstanding of our 2011 Notes and approximately \$199.3 million of \$200.0 million in aggregate principal amount outstanding of our 2013 Notes (the 2013 Notes together with the 2011 Notes, the “Prior Notes”). We entered into supplemental indentures in respect of each of the Prior Notes which waived any and all existing defaults and events of default that had arisen or may have arisen that may be waived and eliminated substantially all of the covenants in each indenture governing the Prior Notes, other than the covenants to pay principal and interest on the Prior Notes when due, and eliminated or modified the related events of default. Subsequently, all remaining outstanding 2011 Notes were repurchased pursuant to the indenture governing the 2011 Notes, effective as of December 24, 2010.

As of June 30, 2011, the Company had outstanding \$747,000 of its 6 $\frac{3}{8}$ % Senior Subordinated Notes due February 2013 and \$299.2 million of our 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes due May 2016. During the year ended December 31, 2010, pursuant to the debt exchange, the Company repurchased \$101.5 million of the 8 $\frac{7}{8}$ % Senior Subordinated Notes at par and \$199.3 million of the 6 $\frac{3}{8}$ % Senior Subordinated Notes at an average discount of 5.0%, and recorded a gain on the retirement of debt of approximately \$6.6 million, net of the write-off of deferred financing costs of approximately \$3.3 million. The 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes due May 2016 had a carrying value of \$299.2 million and a fair value of approximately \$303.7 million as of June 30, 2011, and the 6 $\frac{3}{8}$ % Senior Subordinated Notes due February 2013 had a carrying value of \$747,000 and a fair value of approximately \$710,000 as of June 30, 2011. The fair values were determined based on the trading value of the instruments as of the reporting date.

Interest payments under the terms of the 6 $\frac{3}{8}$ % Senior Subordinated Notes are due in February and August. Based on the \$747,000 principal balance of the 6 $\frac{3}{8}$ % Senior Subordinated Notes outstanding on June 30, 2011, interest payments of \$24,000 are payable each February and August through February 2013.

Interest on the 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes will be payable in cash, or at our election, partially in cash and partially through the issuance of additional 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes (a “PIK Election”) on a quarterly basis in arrears on February 15, May 15, August 15 and November 15, commencing on February 15, 2011. We may make a PIK Election only with respect to interest accruing up to but not including May 15, 2012, and with respect to interest accruing from and after May 15, 2012 such interest shall accrue at a rate of 12.5% per annum and shall be payable in cash.

Interest on the Exchange Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will accrue for each quarterly period at a rate of 12.5% per annum if the interest for such quarterly period is paid fully in cash. In the event of a PIK Election, including the PIK Election currently in effect, the interest paid in cash and the interest paid-in-kind by issuance of additional Exchange Notes (“PIK Notes”) will accrue for such quarterly period at 6.0% per annum and 9.0% per annum, respectively.

In the absence of an election for any interest period, interest on the Exchange Notes shall be payable according to the election for the previous interest period, provided that interest accruing from and after May 15, 2012 shall accrue at a rate of 12.5% per annum and shall be payable in cash. A PIK Election is currently in effect.

During the quarter ended June 30, 2011, the Company paid cash interest in the amount of approximately \$4.4 million and issued approximately \$6.6 million of additional 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes in accordance with the PIK Election that is currently in effect. During the six months ended June 30, 2011, the Company paid cash interest in the amount of approximately \$8.3 million and issued approximately \$12.4 million of additional 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes in accordance with the PIK Election that is currently in effect.

The indentures governing the Company’s 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes also contained covenants that restrict, among other things, the ability of the Company to incur additional debt, purchase common stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with related parties, secure non-senior debt with assets, or merge, consolidate or sell all or substantially all of its assets.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company’s subsidiaries have fully and unconditionally guaranteed the Company’s 12 $\frac{1}{2}$ %/15% Senior Subordinated Notes, the 6 $\frac{3}{8}$ % Senior Subordinated Notes and the Company’s obligations under the 2011 Credit Agreement.

Period prior to November 2010 Refinancing Transactions

Subsequent to December 31, 2009, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures (the “Non-Joinder of Certain Subsidiaries”). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement dated as of June 13, 2005. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the “Joinder”). Further, on March 30, 2010, we entered into a third amendment (the “Third Amendment”) to the Credit Agreement. The Third Amendment provides for, among other things: (i) a \$100.0 million revolver commitment reduction under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR; (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Credit Agreement and under the notes governed by the Company’s 2001 and 2005 senior subordinated debt documents; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence in connection with the amendment.

On August 5, 2010, the Agent under our Pre-Refinancing Credit Agreement delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could have declared the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, no such remedies were exercised as we continued to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constituted an event of default under the Pre-Refinancing Credit Agreement. As of November 24, 2010, any and all existing defaults and events of default that had arisen or may have arisen were cured.

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of our Pre-Refinancing Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a total leverage ratio of 7.25 to 1.00 (ii) as of each of July 1, 2010 and September 30, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we also failed to maintain the requisite total leverage ratio and (iii) as of September 30, 2010, we failed to maintain a senior leverage ratio of 4.00 to 1.00. On July 15, 2010, the Company and its subsidiaries entered into the Forbearance Agreement with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as Agent, and the Required Lenders under our Pre-Refinancing Credit Agreement, relating to the defaults and events of default existing as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement Amendment that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company’s ability to continue as a going concern as issued in connection with the restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver “payment blockage notices” to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent under our Pre-Refinancing Credit Agreement delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries could make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could declare the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, as of the date of this filing, no such remedies were exercised as we continued to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constituted an event of default under the Pre-Refinancing Credit Agreement. As of November 24, 2010, as a result of the November 2010 Refinancing Transactions, any and all existing defaults and events of default that had arisen or may have arisen were cured.

The following table summarizes the interest rates in effect with respect to our debt as of June 30, 2011:

Type of Debt	<u>Amount Outstanding</u> (In millions)	<u>Applicable Interest Rate</u>
Senior bank term debt, net of original issue discount (at variable rates)(1)	\$ 377.7	7.50%
12 ¹ / ₂ %/15% Senior Subordinated Notes (fixed rate)	\$ 299.2	15.00%
Note payable (fixed rate)	\$ 1.0	7.00%
Senior Secured Notes (fixed rate)	\$ 119.0	10.00%
6 ³ / ₈ % Senior Subordinated Notes (fixed rate)	\$ 0.7	6.38%

(1) Subject to variable Libor Rate plus a spread currently at 6.00% and incorporated into the applicable interest rate set forth above.

The indentures governing our Prior Notes and our 2016 Notes require that we comply with certain financial covenants limiting our ability to incur additional debt. Such terms also place restrictions on us with respect to the sale of assets, liens, investments, dividends, debt repayments, capital expenditures, transactions with affiliates, consolidation and mergers, and the issuance of equity interests, among other things. As of November 24, 2010 and in connection with the November 2010 Refinancing Transactions, we and the trustee under the indentures governing our Prior Notes entered into supplemental indentures which waived any and all existing defaults and events of default that had arisen or may have arisen that may be waived and eliminated substantially all of the covenants in each indenture other than the covenants to pay principal of and interest on the Prior Notes when due, and eliminated or modified the related events of default. Our 2011 Credit Agreement also requires compliance with financial tests based on financial position and results of operations, including an interest coverage, senior secured leverage, and total leverage ratios, all of which could effectively limit our ability to borrow under the 2011 Credit Agreement.

TV One issued \$119.0 million in senior secured notes on February 25, 2011. The notes were issued in connection with the repurchase of its equity interest from certain financial investors and TV One management. The notes bear interest at 10.0% per annum, which is payable monthly, and the entire principal amount is due on March 15, 2016.

Reach Media issued a \$1.0 million promissory note payable in November 2009 to a subsidiary of Citadel. The note was issued in connection with Reach Media entering into a new sales representation agreement with Radio Networks. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011.

The following table provides a comparison of our statements of cash flows for the six months ended June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
	(In thousands)	
Net cash flows provided from operating activities	\$ 2,136	\$ 6,886
Net cash flows provided from (used in) investing activities	\$ 59,290	\$ (2,257)
Net cash flows used in financing activities	\$ (40,729)	\$ (3,544)

Net cash flows provided by operating activities were approximately \$2.1 million and \$6.9 million for the six months ended June 30, 2011 and 2010, respectively. Cash flow from operating activities for the six months ended June 30, 2011 decreased from the prior year primarily due to changes in operating assets and liabilities.

Net cash flows provided by investing activities were approximately \$59.3 million for the six months ended June 30, 2011 compared to net cash flows used in investing activities of approximately \$2.3 million for the six months ended June 30, 2010. Cash flow from investing activities for the six months ended June 30, 2011 increased from the prior year primarily due to the net cash and investments acquired in connection with the TV One consolidation of approximately \$65.2 million. Capital expenditures, including digital tower and transmitter upgrades, content assets, and deposits for station equipment and purchases were approximately \$5.9 million and \$2.3 million for the six months ended June 30, 2011 and 2010, respectively.

Net cash flows used in financing activities were approximately \$40.7 million and \$3.5 million for the six months ended June 30, 2011 and 2010, respectively. During the six months ended June 30, 2011 and 2010, the Company borrowed approximately \$378.3 million and \$12.0 million, respectively, from its credit facility and repaid approximately \$353.7 million and \$8.5 million, respectively, in outstanding debt. During the six months ended June 30, 2011 we repurchased a noncontrolling interest in TV One for approximately \$54.6 million. During the six months ended June 30, 2011 and 2010, respectively, we capitalized approximately \$6.0 million and \$7.1 million of costs associated with our evaluation of various alternatives associated with our indebtedness and its upcoming maturities. In addition, during the six months ended June 30, 2011, we repurchased approximately \$7.5 million of our Class D Common Stock.

Credit Rating Agencies

Our corporate credit ratings by Standard & Poor's Rating Services and Moody's Investors Service are speculative-grade and have been downgraded and upgraded at various times during the last several years. Any reductions in our credit ratings could increase our borrowing costs, reduce the availability of financing to us or increase our cost of doing business or otherwise negatively impact our business operations.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our significant accounting policies are described in Note 1 - *Organization and Summary of Significant Accounting Policies* of the consolidated financial statements in our Annual Report on Form 10-K. We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States, which require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. In Management's Discussion and Analysis contained in our Annual Report on Form 10-K for the year ended December 31, 2010, we summarized the policies and estimates that we believe to be most critical in understanding the judgments involved in preparing our financial statements and the uncertainties that could affect our results of operations, financial condition and cash flows. There have been no material changes to our existing accounting policies or estimates since we filed our Annual Report on Form 10-K for the year ended December 31, 2010. We acquired the controlling interest in TV One as of April 14, 2011, and as such, have included new accounting policies related to our cable television segment as of June 30, 2011.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, "*Compensation - Stock Compensation*." Under the provisions of ASC 718, stock-based compensation cost is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes ("BSM") valuation option-pricing model and is recognized as expense ratably over the requisite service period. The BSM incorporates various highly subjective assumptions including expected stock price volatility, for which historical data is heavily relied upon, expected life of options granted, forfeiture rates and interest rates. If any of the assumptions used in the BSM model change significantly, stock-based compensation expense may differ materially in the future from that previously recorded.

Goodwill and Radio Broadcasting Licenses

Impairment Testing

We have made several radio station acquisitions in the past for which a significant portion of the purchase price was allocated to goodwill and radio broadcasting licenses. Goodwill exists whenever the purchase price exceeds the fair value of tangible and identifiable intangible net assets acquired in business combinations. As of June 30, 2011, we had approximately \$677.4 million in broadcast licenses and \$285.9 million in goodwill, which totaled \$963.3 million, and represented approximately 63.2% of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets. We did not record any impairment charges for the three or six months ended June 30, 2011 and 2010.

Effective January 1, 2002, in accordance with ASC 350, "*Intangibles - Goodwill and Other*," we discontinued amortizing radio broadcasting licenses and goodwill and instead, began testing for impairment annually, or when events or changes in circumstances or other conditions suggest impairment may have occurred. Our annual impairment testing is performed for assets owned as of October 1. Impairment exists when the carrying value of these assets exceeds its respective fair value. When the carrying value exceeds fair value, an impairment amount is charged to operations for the excess.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to provide independent analysis when evaluating the fair value of our radio broadcasting licenses and reporting units, including goodwill. The testing for radio broadcasting licenses is performed at the unit of accounting level as determined by ASC 350, "*Intangibles - Goodwill and Other*." In our case, each unit of accounting is a clustering of radio stations into one geographical market. We use the income approach to value broadcasting licenses, which involves a 10-year model that incorporates several variables, including, but not limited to: (i) estimated discounted cash flows of a hypothetical market participant; (ii) estimated radio market revenue and growth projections; (iii) estimated market share and revenue for the hypothetical participant; (iv) likely media competition within the market; (v) estimated start-up costs and losses incurred in the early years; (vi) estimated profit margins and cash flows based on market size and station type; (vii) anticipated capital expenditures; (viii) probable future terminal values; (ix) an effective tax rate assumption; and (x) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures. Since our October 2010 annual assessment, we have not made any changes to the methodology for valuing broadcasting licenses.

During the second quarter of 2011, the total market revenue growth for specific markets was below that used in our 2010 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain of our radio broadcasting licenses, which we performed as of May 31, 2011. Below are some of the key assumptions used in the income approach model for estimating broadcasting licenses fair values for all annual and interim impairments assessments performed since January 2010. The Company concluded that our radio broadcasting licenses were not impaired during the second quarter of 2011.

Radio Broadcasting Licenses	October 1, 2010	May 31, 2011 (a)
	(In millions)	
Pre-tax impairment charge	\$ 19.9	\$ —
Discount Rate	10.0%	10.0%
Year 1 Market Revenue Growth or Decline Rate or Range	1.0% - 3.0%	1.3% - 2.8%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.0% - 2.5%	1.5% - 2.0%
Mature Market Share Range	0.8% - 28.3%	9.0% - 22.5%
Operating Profit Margin Range	19.0% - 47.3%	32.7% - 40.8%

(a) Reflects changes only to the key assumptions used in the May 2011 interim testing for certain reporting units.

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. We had 19 reporting units as of our October 2010 annual impairment assessment. For the purpose of valuing goodwill, the 19 reporting units consisted of the 16 radio markets and three other business divisions. Due to the consolidation of TV One and with the transition of our Boston station into discontinued operations during the 3 months ended June 30, 2011, the Company now has 19 reporting units, consisting of the 15 radio markets and four business divisions. In testing for the impairment of goodwill, with the assistance of a third-party valuation firm, we primarily rely on the income approach. The approach involves a 10-year model with similar variables as described above for broadcasting licenses, except that the discounted cash flows are generally based on the Company's estimated and projected market revenue, market share and operating performance for its reporting units, instead of those for a hypothetical participant. We follow a two-step process to evaluate if a potential impairment exists for goodwill. The first step of the process involves estimating the fair value of each reporting unit. If the reporting unit's fair value is less than its carrying value, a second step is performed as per the guidance of ASC 805-10, "*Business Combinations*," to allocate the fair value of the reporting unit to the individual assets and liabilities of the reporting unit in order to determine the implied fair value of the reporting unit's goodwill as of the impairment assessment date. Any excess of the carrying value of the goodwill over the implied fair value of the goodwill is written off as a charge to operations. Since our October 2010 annual assessment, we have not made any changes to the methodology of valuing or allocating goodwill when determining the carrying values of the radio markets, Reach Media or Interactive One.

In February, May and August of 2010, the Company performed interim impairment testing on the valuation of goodwill associated with Reach Media. Reach Media net revenues and cash flows declined for 2010 and full year internal projections were revised. The revenues declined following the December 31, 2009 expiration of a sales representation agreement with Citadel Broadcasting Corporation ("Citadel") whereby a minimum level of revenue was guaranteed over the term of the agreement. Effective January 1, 2010, Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission-based sales representation agreement with Citadel, which sells certain inventory owned by Reach Media in connection with its 108 radio station affiliate agreements. Management revised its internal projections for Reach Media by lowering the Year 1 revenue growth rate to 2.5% in May and August 2010, versus 16.5% assumed in the previous annual assessment. Given the relative improvement in the credit markets since late 2009, the discount rate was lowered to 13.5% for both the February and May 2010 assessments and again lowered to 13.0% for the August 2010 assessment. As part of the year end impairment testing, the discount rate was increased to 13.5% and we reduced our operating cash flow projections and assumptions compared to the interim assessments based on declining revenue projections and actual results which did not meet budget.

Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for all interim, annual and year end assessments since January 2010. When compared to the discount rates used for assessing radio market reporting units, the higher discount rates used in these assessments reflect a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner. As a result of the February, May and August 2010 interim assessments, the Company concluded no impairment to the carrying value of Reach Media had occurred. During the fourth quarter, Reach Media's operating performance continued to decline, but at a decreasing rate. We believe this represented an impairment indicator and as a result, we performed a year end impairment assessment at December 31, 2010. We recorded an impairment charge of \$16.1 million during the quarter ended December 31, 2010 in connection with this assessment. We performed interim impairment assessments at March 31, 2011 and June 30, 2011 as Reach Media did not meet its budgeted operating cash flow for the first and second quarters. As a result of the March 2011 and June 2011 interim impairment tests, the Company concluded that the carrying value of goodwill attributable to Reach Media had not been impaired.

Reach Media Goodwill (Reporting Unit Within the Radio Broadcasting Segment)

	February 28, 2010	May 31, 2010	August 31, 2010	December 31, 2010	March 31, 2011	June 30, 2011
Pre-tax impairment charge	\$ —	\$ —	\$ —	\$ 16.1	\$ —	\$ —
Discount Rate	13.5 %	13.5%	13.0%	13.5%	13.5%	13.0%
Year 1 Revenue Growth Rate	8.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Long-term Revenue Growth Rate Range	2.5% – 3.0%	2.5% – 2.9%	2.5% – 3.3%	(2.6)% - 4.4%	(1.3)% - 4.9%	(0.2)% - 3.9%
Operating Profit Margin Range	22.7% - 31.4%	23.3% - 31.5%	25.5% - 31.2%	15.5% - 25.9%	16.2% - 27.4%	17.6% - 22.6%

In addition to assessing the fair value of Reach Media as of March 2011 and June 2011, we performed a sensitivity analysis showing the impact resulting from: (i) a 1% or 100 basis point decrease in Reach Media growth rates; (ii) a 1% or 100 basis point decrease in cash flow margins; (iii) a 1% or 100 basis point increase in the discount rate; and (iv) both a 5% and 10% reduction in the fair values of Reach Media. A hypothetical change in all of the stated factors did not result in any impairment.

During the second quarter of 2011, the operating performance and current projections for the remainder of the year for specific radio markets were below that used in our 2010 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of goodwill associated with specific radio markets, which we performed as of May 31, 2011. Below are some of the key assumptions used in the income approach model for estimating goodwill fair values for the annual and interim impairments assessments performed since October 1, 2010. The Company concluded that goodwill had not been impaired during the second quarter of 2011.

Goodwill (Radio Market Reporting Units)	October 1, 2010	May 31, 2011 (a)
	(In millions)	
Pre-tax impairment charge	\$ —	\$ —
Discount Rate	10.0%	10.0%
Year 1 Market Revenue Growth or Decline Rate or Range	1.5% -3.0%	1.5% -3.0%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.5% - 2.5%	1.5% - 2.0%
Mature Market Share Range	7.0% - 23.0%	7.0% - 23.0%
Operating Profit Margin Range	27.5% - 58.0%	30.0% - 56.0%

(a) Reflects changes only to the key assumptions used in the May 2011 interim testing for certain reporting units.

As part of our annual testing, when arriving at the estimated fair values for radio broadcasting licenses and goodwill, we also performed a reasonableness test by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions, and by comparing our fair value estimates to the market capitalization of the Company. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessment for 2010 were reasonable.

Sensitivity Analysis

We believe both the estimates and assumptions we utilized when assessing the potential for impairment are individually and in aggregate reasonable; however, our estimates and assumptions are highly judgmental in nature. Further, there are inherent uncertainties related to these estimates and assumptions and our judgment in applying them to the impairment analysis. While we believe we have made reasonable estimates and assumptions to calculate the fair values, changes in any one estimate, assumption or a combination of estimates and assumptions, or changes in certain events or circumstances (including uncontrollable events and circumstances resulting from deterioration in the economy or credit markets) could require us to assess recoverability of broadcasting licenses and goodwill at times other than our annual October 1 assessments, and could result in changes to our estimated fair values and further write-downs to the carrying values of these assets. Impairment charges are non-cash in nature, and as with past impairment charges, any future impairment charges will not impact our cash needs or liquidity or our bank covenant compliance.

As of June 30, 2011, we had a total goodwill carrying value of approximately \$285.9 million across 13 of our 19 reporting units. The below table indicates the long-term cash flow growth rates assumed in our impairment testing and the long-term cash flow growth/decline rates that would result in additional goodwill impairment. For four of the reporting units, given each of their significant fair value over carrying value excess, any future goodwill impairment is not likely. However, should our estimates and assumptions for assessing the fair values of the remaining reporting units with goodwill worsen to reflect the below or lower cash flow growth/decline rates, additional goodwill impairments may be warranted in the future.

Reporting Unit	Long-Term Cash Flow Growth Rate Used	Long-Term Cash Flow Growth/Decline Rate That Would Result in Impairment (a)
21	Not tested as of June 30, 2011	Impairment not likely
2	2.0%	Impairment not likely
16	2.0%	Impairment not likely
11	1.5%	Impairment not likely
5	1.5%	0.0%
12	2.0%	0.5%
7	1.5%	0.6%
19	2.5%	(2.1)%
1	2.0%	(2.7)%
6	1.5%	(5.0)%
10	2.5%	(6.8)%
13	2.0%	(14.8)%
18	3.0%	(24.0)%

(a) The long-term cash flow growth/decline rate that would result in additional goodwill impairment applies only to further goodwill impairment and not to any future license impairment that would result from lowering the long-term cash flow growth rates used.

Several of the licenses in our units of accounting have no or limited excess of fair values over their respective carrying values. Should our estimates, assumptions, or events or circumstances for any upcoming valuations worsen in the units with no or limited fair value cushion, additional license impairments may be needed in the future.

Impairment of Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses

Intangible assets, excluding goodwill and radio broadcasting licenses, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration of operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, we will evaluate recoverability by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. Assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment is measured by the amount by which the carrying amount exceeds the fair value of the assets determined by estimates of discounted cash flows. The discount rate used in any estimate of discounted cash flows would be the rate required for a similar investment of like risk. There were no impairment triggering events for these assets for the three or six month periods ended June 30, 2011 and 2010.

Allowance for Doubtful Accounts

We must make estimates of the uncollectability of our accounts receivable. We specifically review historical write-off activity by market, large customer concentrations, customer credit worthiness and changes in our customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. In the past four years, including the quarter ended June 30, 2011, our historical bad debt results have averaged approximately 5.0% of our outstanding trade receivables and have been a reliable method to estimate future allowances. If the financial condition of our customers or markets were to deteriorate, adversely affecting their ability to make payments, additional allowances could be required.

Revenue Recognition

We recognize revenue for broadcast advertising when the commercial is broadcast and we report revenue net of agency and outside sales representative commissions in accordance with ASC 605, "*Revenue Recognition*." When applicable, agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, advertisers remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to us.

Our online business recognizes its advertising revenue as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable.

TV One derives advertising revenue from the sale of television air time to advertisers and recognizes revenue when the advertisements are run. TV One also receives affiliate fees and records revenue during the term of various affiliation agreements at levels appropriate for the most recent subscriber counts reported by the applicable affiliate.

Equity Accounting

Effective April 14, 2011, the Company began to account for TV One on a consolidated basis. Prior to that, we accounted for our investment in TV One under the equity method of accounting in accordance with ASC 323, "*Investments – Equity Method and Joint Ventures*." We had recorded our investment at cost and had adjusted the carrying amount of the investment to recognize the change in Radio One's claim on the net assets of TV One resulting from net income or losses of TV One as well as other capital transactions of TV One using a hypothetical liquidation at book value approach.

Contingencies and Litigation

We regularly evaluate our exposure relating to any contingencies or litigation and record a liability when available information indicates that a liability is probable and estimable. We also disclose significant matters that are reasonably possible to result in a loss, or are probable but for which an estimate of the liability is not currently available. To the extent actual contingencies and litigation outcomes differ from amounts previously recorded, additional amounts may need to be reflected.

Estimate of Effective Tax Rates

We estimate the provision for income taxes, income tax liabilities, deferred tax assets and liabilities, and any valuation allowances in accordance with ASC 740, "*Income Taxes*," as it relates to accounting for income taxes in interim periods. We estimate effective tax rates based on local tax laws and statutory rates, apportionment factors, taxable income for our filing jurisdictions and disallowable items, among other factors. Audits by the Internal Revenue Service or state and local tax authorities could yield different interpretations from our own, and differences between taxes recorded and taxes owed per our filed returns could cause us to record additional taxes.

To address the exposures of unrecognized tax positions, in January 2007, we adopted ASC 740 pertaining to the accounting for uncertainty in income taxes, which recognizes the impact of a tax position in the financial statements if it is more likely than not that the position would be sustained on audit based on the technical merits of the position. As of June 30, 2011, we had approximately \$5.8 million in unrecognized tax benefits. Future outcomes of our tax positions may be more or less than the currently recorded liability, which could result in recording additional taxes, or reversing some portion of the liability, and recognizing a tax benefit once it is determined the liability is either inadequate or no longer necessary as potential issues get resolved, or as statutes of limitations in various tax jurisdictions close.

Realizability of Deferred Tax Balances

Except for DTAs that may be benefited by future reversing deferred tax liabilities (“DTLs”) and DTAs related to Reach Media, the Company maintains a full valuation allowance for its DTAs, mainly NOLs, as it was determined that more likely than not, the DTAs would not be realized. The Company reached this determination based on its then cumulative loss position and the uncertainty of future taxable income. Consistent with that prior realizability assessment, the Company has recorded a full valuation allowance for additional NOLs generated from the tax deductible amortization of indefinite-lived assets, as well as DTAs created by impairment charges. For remaining DTAs that are not fully reserved, we believe that these assets will be realized; however, if we do not generate the projected levels of future taxable income in those specific jurisdictions, an additional valuation allowance may need to be recorded in the future.

Redeemable noncontrolling interests

Noncontrolling interests in subsidiaries that are redeemable outside of the Company’s control for cash or other assets are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

Fair Value Measurements

The Company has accounted for an award called for in the CEO’s employment agreement (the “Employment Agreement”) as a derivative instrument in accordance with ASC 815, “*Derivatives and Hedging*.” According to the Employment Agreement, which was executed in April 2008, the CEO is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company’s aggregate investment in TV One. The Company’s obligation to pay the award will be triggered only after the Company’s recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company’s membership interest in TV One. The CEO was fully vested in the award upon execution of the agreement, and the award lapses upon expiration of the Employment Agreement, or earlier, if the CEO voluntarily left the Company or was terminated for cause. The Company is currently in negotiations with the Company’s CEO for a new employment agreement. Until such time as his new employment agreement is executed, the terms of his April 2008 employment agreement remain in effect including eligibility for the TV One award.

The Company reassessed the estimated fair value of the award as of June 30, 2011 at approximately \$7.3 million and, accordingly, recorded compensation expense and a liability for that amount. The fair value of the award as of December 31, 2010 was approximately \$6.8 million. The fair valuation incorporated a number of assumptions and estimates, including but not limited to TV One’s future financial projections, probability factors and the likelihood of various scenarios that would trigger payment of the award. As the Company will measure changes in the fair value of this award at each reporting period as warranted by certain circumstances, different estimates or assumptions may result in a change to the fair value of the award amount previously recorded.

With the assistance of a third-party valuation firm, the Company assesses the fair value of the redeemable noncontrolling interest in Reach Media as of the end of each reporting period. The fair value of the redeemable noncontrolling interests as of June 30, 2011 was approximately \$28.7 million. The determination of fair value incorporated a number of assumptions and estimates including, but not limited to, forecasted operating results, discount rates and a terminal value. Different estimates and assumptions may result in a change to the fair value of the redeemable noncontrolling interests amount previously recorded.

The TV One incentive award plan balance is measured based on the estimated enterprise fair value of TV One. For the period ended June 30, 2011, the Company determined the enterprise fair value of TV One based on the price paid to repurchase interests from certain investors. As the Company will measure changes in the fair value of these balances at each reporting period as warranted by certain circumstances, different estimates or assumptions may result in a change to the fair value of the amounts previously recorded.

Content Assets

TV One has entered into contracts to acquire entertainment programming rights and programs from distributors and producers. The license periods granted in these contracts generally run from one year to perpetuity. Contract payments are made in installments over terms that are generally shorter than the contract period. In accordance with ASC 920, *Entertainment-Broadcasters*, each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins and the program is available for its first airing. Program rights are recorded at the lower of amortized cost or estimated net realizable value. Program rights are amortized based on the greater of the usage of the program or term of license. Estimated net realizable values are based on the estimated revenues directly associated with the program materials and related expenses.

RECENT ACCOUNTING PRONOUNCEMENTS

In June 2009, the FASB issued ASC 105, “*Generally Accepted Accounting Principles*,” which establishes the ASC as the source of authoritative non-SEC U.S. generally accepted accounting principles (“GAAP”) for non-governmental entities. ASC 105 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The adoption of ASC 105 did not have a material impact on the Company’s consolidated financial statements.

In May 2009, the FASB issued ASC 855, “*Subsequent Events*,” which addresses accounting and disclosure requirements related to subsequent events. It requires management to evaluate subsequent events through the date the financial statements are either issued or available to be issued. In February 2010, the FASB issued ASU 2010-09, which amends ASC 855 to remove all requirements for SEC filers to disclose the date through which subsequent events are considered. The amendment became effective upon issuance. The Company has provided the required disclosures regarding subsequent events in Note 15 – *Subsequent Events*.

The provisions under ASC 825, “*Financial Instruments*,” requiring disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies, as well as in annual financial statements became effective for the Company during the quarter ended June 30, 2009. The additional disclosures required under ASC 825 are included in Note 1 – *Organization and Summary of Significant Accounting Policies*.

Effective January 1, 2009, the provisions under ASC 350, “*Intangibles - Goodwill and Other*,” related to the determination of the useful life of intangible assets and requiring additional disclosures related to renewing or extending the terms of recognized intangible assets became effective for the Company. The adoption of these provisions did not have a material effect on the Company’s consolidated financial statements.

Effective January 1, 2009, the Company adopted an accounting standard update from the Emerging Issues Task Force consensus regarding the accounting for contingent consideration agreements of an equity method investment and the requirement for the investor to recognize its share of any impairment charges recorded by the investee. This update to ASC 323, “*Investments – Equity Method and Joint Ventures*,” requires the investor to record share issuances by the investee as if it has sold a portion of its investment with any resulting gain or loss being reflected in earnings. The adoption of this update did not have any impact on the Company’s consolidated financial statements.

In December 2010, the FASB issued ASU 2010-29, which specifies that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period. ASU 2010-29 is effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after December 15, 2010.

CAPITAL AND COMMERCIAL COMMITMENTS:

Radio Broadcasting Licenses

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission that have a maximum term of eight years prior to renewal. The Company's radio broadcasting licenses expire at various times beginning October 1, 2011 through August 1, 2014. Although the Company may apply to renew its radio broadcasting licenses, third parties may challenge the Company's renewal applications. The Company is not aware of any facts or circumstances that would prevent the Company from having its current licenses renewed.

TV One Cable Network

Pursuant to a limited liability company agreement dated July 18, 2003, the Company and certain other investors formed TV One for the purpose of developing and distributing a new television programming service. At that time, we committed to make a cumulative cash investment in TV One of \$74.0 million, of which \$60.3 million had been funded as of April 30, 2007. Since December 31, 2006, the initial four year commitment period for funding the capital had extended on a quarterly basis due in part to TV One's lower than anticipated capital needs. We funded our remaining capital commitment amount of approximately \$13.7 million on April 19, 2011.

Indebtedness

We have several debt instruments outstanding within our corporate structure. The total amount available under our 2011 Credit Agreement is \$411.0 million, consisting of a \$386.0 million term loan facility that matures on March 31, 2016 and a \$25.0 million revolving loan facility that matures on March 31, 2015. We also have outstanding \$747,000 in 6³/₈% Senior Subordinated Notes due February 2013 and \$299.2 million in our 12¹/₂%/15% Senior Subordinated Notes due May 2016. In addition, Reach Media issued a \$1.0 million promissory note payable in November 2009 to a subsidiary of Citadel. The note was issued in connection with Reach Media reacquiring Citadel's noncontrolling stock ownership in Reach Media as well as entering into a new sales representation agreement with Radio Networks, a subsidiary of Citadel. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011. Finally, TV One issued \$119.0 million in senior secured notes on February 25, 2011. The notes were issued in connection with the repurchase of its equity interest from certain financial investors and TV One management. The notes bear interest at 10.0% per annum, which is payable monthly, and the entire principal amount is due on March 15, 2016. See "*Liquidity and Capital Resources*."

Royalty Agreements

Effective December 31, 2009, our radio music license agreements with the two largest performance rights organizations, American Society of Composers, Authors and Publishers ("ASCAP") and Broadcast Music, Inc. ("BMI") expired. The Radio Music License Committee ("RMLC"), which negotiates music licensing fees for most of the radio industry with ASCAP and BMI, has reached an agreement with these organizations on a temporary fee schedule that reflects a provisional discount of 7.0% against 2009 fee levels. The temporary fee reductions became effective in January 2010. Absent an agreement on long-term fees between the RMLC and ASCAP and BMI, the U.S. District Court in New York has the authority to make an interim and permanent fee ruling for the new contract period. In May 2010 and June 2010, the U.S. District Court's judge charged with determining the licenses fees ruled to further reduce interim fees paid to ASCAP and BMI, respectively, down approximately another 11.0% from the previous temporary fees negotiated with the RMLC.

The Company has entered into other fixed and variable fee music license agreements with other performance rights organizations, which expire as late as December 2015. In connection with these agreements, the Company incurred expenses of approximately \$3.5 million and \$6.3 million for the three and six month periods ended June 30, 2011, respectively, and approximately \$3.0 million and \$5.9 million, respectively, for the three and six month periods ended June 30, 2010.

Lease obligations

We have non-cancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next 19 years.

Operating Contracts and Agreements

We have other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next seven years.

Reach Media Noncontrolling Interest Shareholders' Put Rights

Beginning on February 28, 2012, the noncontrolling interest shareholders of Reach Media have an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares. Beginning in 2012, this annual right can be exercised for a 30-day period beginning February 28 of each year. The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the discretion of Radio One. As a result, our ability to fund business operations, new acquisitions or new business initiatives could be limited.

Contractual Obligations Schedule

The following table represents our contractual obligations as of June 30, 2011:

Contractual Obligations	Payments Due by Period						Total
	2011	2012	2013	2014	2015	2016 and Beyond	
	(In thousands)						
6 ³ / ₈ Senior Subordinated Notes(1)	\$ 24	\$ 48	\$ 753	\$ —	\$ —	\$ —	\$ 825
12 ¹ / ₂ %/15% Senior Subordinated Notes(1)	23,032	43,838	40,879	40,879	40,879	339,980	529,487
Credit facilities(2)	16,795	33,058	33,058	33,058	33,058	374,964	523,991
Note payable(3)	1,035	—	—	—	—	—	1,035
Other operating contracts / agreements(4)	40,730	44,495	24,659	18,499	3,819	2,048	134,250
Operating lease obligations	4,746	7,913	6,181	5,314	4,181	13,522	41,857
Senior Secured Notes [TV One] (5)	5,950	11,900	11,900	11,900	11,900	121,777	175,327
Total	<u>\$ 92,312</u>	<u>\$ 141,252</u>	<u>\$ 117,430</u>	<u>\$ 109,650</u>	<u>\$ 93,837</u>	<u>\$ 852,291</u>	<u>\$ 1,406,772</u>

- (1) Includes interest obligations based on current effective interest rate on senior subordinated notes outstanding as of June 30, 2011.
- (2) Includes interest obligations based on current effective interest rate and projected interest expense on credit facilities outstanding as of June 30, 2011.
- (3) Represents a \$1.0 million promissory note payable issued in November 2009 by Reach Media to a subsidiary of Citadel. The note was issued in connection with Reach Media reacquiring Citadel's noncontrolling stock ownership in Reach Media as well as entering into a new sales representation agreement with Radio Networks, a subsidiary of Citadel. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011.
- (4) Includes employment contracts, severance obligations, on-air talent contracts, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements. Also includes contracts that TV One has entered into to acquire entertainment programming rights and programs from distributors and producers. These contracts relate to their content assets as well as prepaid programming related agreements.
- (5) Represents \$119.0 million issued by TV One in senior secured notes on February 25, 2011. The notes were issued in connection with the repurchase of its equity interest from certain financial investors and TV One management. The notes bear interest at 10.0% per annum, which is payable monthly, and the entire principal amount is due on March 15, 2016.

As of December 31, 2010, we had a swap agreement in place for a total notional amount of \$25.0 million. At that point, the period remaining on the swap agreement was 18 months. The remaining \$25.0 million swap agreement was terminated in conjunction with the March 31, 2011 retirement of our previous Credit Agreement.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

Off-Balance Sheet Arrangements

As of June 30, 2011, we had four standby letters of credit totaling approximately \$1.0 million in connection with our annual insurance policy renewals and real estate leases. In addition Reach Media had a letter of credit of \$500,000.

RELATED PARTY TRANSACTIONS

The Company's CEO and Chairperson own a music company called Music One, Inc. ("Music One"). The Company sometimes engages in promoting the recorded music product of Music One. Based on the cross-promotional value received by the Company, we believe that the provision of such promotion is fair. During the three and six months ended June 30, 2011 and 2010, Radio One paid \$1,000 and \$5,000 and \$0 and \$6,000, respectively, to or on behalf of Music One, primarily for market talent event appearances, travel reimbursement and sponsorships. For the three and six months ended June 30, 2011 and 2010, the Company provided no advertising services to Music One. There were no cash, trade or no-charge orders placed by Music One for the three and six months ended June 30, 2011 and 2010.

The office space and administrative support transactions between Radio One and Music One are conducted at cost and all expenses associated with the transactions are passed through at actual costs. Costs associated with office space on behalf of Music One are calculated based on square footage used by Music One, multiplied by Radio One's actual per square foot lease costs for the appropriate time period. Administrative services are calculated based on the approximate hours provided by each Radio One employee to Music One, multiplied by such employee's applicable hourly rate and related benefits allocation. Advertising spots are priced at an average unit rate. Based on the cross-promotional nature of the activities provided by Music One and received by the Company, we believe that these methodologies of charging average unit rates or passing through the actual costs incurred are fair and reflect terms no more favorable than terms generally available to a third-party.

Item 3: *Quantitative and Qualitative Disclosures About Market Risk*

For quantitative and qualitative disclosures about market risk affecting Radio One, see Item 7A: “Quantitative and Qualitative Disclosures about Market Risk” in our Annual Report on Form 10-K, for the fiscal year ended December 31, 2010. Our exposure related to market risk has not changed materially since December 31, 2010.

Item 4. *Controls and Procedures***Evaluation of disclosure controls and procedures**

We have carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, our CEO and CFO concluded that as of such date, our disclosure controls and procedures are effective in timely alerting them to material information required to be included in our periodic SEC reports. Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms.

In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching our desired disclosure controls objectives. Our management, including our CEO and CFO, has concluded that our disclosure controls and procedures are effective in reaching that level of reasonable assurance.

Changes in internal control over financial reporting

During the three months ended June 30, 2011, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

In November 2001, Radio One and certain of its officers and directors were named as defendants in a class action shareholder complaint filed in the United States District Court for the Southern District of New York, captioned, *In re Radio One, Inc. Initial Public Offering Securities Litigation*, Case No. 01-CV-10160. Similar complaints were filed in the same court against hundreds of other public companies (Issuers) that conducted initial public offerings of their common stock in the late 1990s (“the IPO Cases”). In the complaint filed against Radio One (as amended), the plaintiffs claimed that Radio One, certain of its officers and directors, and the underwriters of certain of its public offerings violated Section 11 of the Securities Act. The plaintiffs’ claim was based on allegations that Radio One’s registration statement and prospectus failed to disclose material facts regarding the compensation to be received by the underwriters, and the stock allocation practices of the underwriters. The complaint also contains a claim for violation of Section 10(b) of the Securities Exchange Act of 1934 based on allegations that these omissions constituted a deceit on investors. The plaintiffs seek unspecified monetary damages and other relief.

In July 2002, Radio One joined in a global motion, filed by the Issuers, to dismiss the IPO Lawsuits. In October 2002, the court entered an order dismissing the Company’s named officers and directors from the IPO Lawsuits without prejudice, pursuant to an agreement tolling the statute of limitations with respect to Radio One’s officers and directors until September 30, 2003. In February 2003, the court issued a decision denying the motion to dismiss the Section 11 and Section 10(b) claims against Radio One and most of the Issuers.

In July 2003, a Special Litigation Committee of Radio One’s board of directors approved in principle a tentative settlement with the plaintiffs. The proposed settlement would have provided for the dismissal with prejudice of all claims against the participating Issuers and their officers and directors in the IPO Cases and the assignment to plaintiffs of certain potential claims that the Issuers may have against their underwriters. In September 2003, in connection with the proposed settlement, Radio One’s named officers and directors extended the tolling agreement so that it would not expire prior to any settlement being finalized. In June 2004, Radio One executed a final settlement agreement with the plaintiffs. In 2005, the court issued a decision certifying a class action for settlement purposes and granting preliminary approval of the settlement. On February 24, 2006, the court dismissed litigation filed against certain underwriters in connection with the claims to be assigned to the plaintiffs under the settlement. On April 24, 2006, the court held a Final Fairness Hearing to determine whether to grant final approval of the settlement. On December 5, 2006, the Second Circuit Court of Appeals vacated the district court’s earlier decision certifying as class actions the six IPO Cases designated as “focus cases.” Thereafter, the district court ordered a stay of all proceedings in all of the IPO Cases pending the outcome of plaintiffs’ petition to the Second Circuit for rehearing en banc and resolution of the class certification issue. On April 6, 2007, the Second Circuit denied plaintiffs’ rehearing petition, but clarified that the plaintiffs may seek to certify a more limited class in the district court. Accordingly, the settlement was terminated pursuant to stipulation of the parties and did not receive final approval.

Plaintiffs filed amended complaints in the six “focus cases” on or about August 14, 2007. Radio One is not a defendant in the focus cases. In September 2007, Radio One’s named officers and directors again extended the tolling agreement with plaintiffs. On or about September 27, 2007, plaintiffs moved to certify the classes alleged in the “focus cases” and to appoint class representatives and class counsel in those cases. The focus cases issuers filed motions to dismiss the claims against them in November 2007 and an opposition to plaintiffs’ motion for the class certification in December 2007. On March 16, 2008, the district court denied the motions to dismiss in the focus cases. In August 2008, the parties to the IPO Cases began mediation toward a global settlement of the IPO Cases. In September 2008, Radio One’s board of directors approved in principle participation in a tentative settlement with the plaintiffs. On October 2, 2008, the plaintiffs withdrew their class certification motion. In April 2009, a global settlement was reached in the IPO Cases and submitted to the district court for approval. On June 9, 2009, the court granted preliminary approval of the proposed settlement and ordered that notice of the settlement be published and mailed to class members. On September 10, 2009, the court held a Final Fairness Hearing. On October 6, 2009, the court certified the settlement class in each IPO Case and granted final approval of the settlement. On or about October 23, 2009, three shareholders filed a Petition for Permission To Appeal Class Certification Order, challenging the court’s certification of the settlement classes. Beginning on October 29, 2009, a number of shareholders also filed direct appeals, objecting to final approval of the settlement. If the settlement is affirmed on appeal, the settlement will result in the dismissal of all claims against Radio One and its officers and directors with prejudice, and our pro rata share of the settlement fund will be fully funded by insurance.

Radio One is involved from time to time in various routine legal and administrative proceedings and threatened legal and administrative proceedings incidental to the ordinary course of our business. Radio One believes the resolution of such matters will not have a material adverse effect on its business, financial condition or results of operations.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2010 (the “2010 Annual Report”), which could materially affect our business, financial condition or future results. The risks described in our 2010 Annual Report, as updated by our quarterly reports on Form 10-Q, are not the only risks facing our Company. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, may also materially adversely affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Removed and Reserved**Item 5. Other Information**

None.

Item 6. Exhibits

Exhibit Number	Description
3.1	Second Amended and Restated Limited Liability Company Operating Agreement of TV One, LLC
4.1	Indenture, dated as of February 25, 2011, by and among TV One, LLC, and TV One Capital Corp., a Delaware corporation, as joint and several obligors, the guarantors signatory thereto and U.S. Bank National Association, as trustee and collateral trustee.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RADIO ONE, INC.

/s/ PETER D. THOMPSON

**Peter D. Thompson
Executive Vice President and
Chief Financial Officer
(Principal Accounting Officer)**

August 15, 2011

EXECUTION COPY

**SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY
OPERATING AGREEMENT
OF
TV ONE, LLC**

DATED AS OF DECEMBER 28, 2004

TABLE OF CONTENTS

Page

ARTICLE I	DEFINITIONS AND CONSTRUCTION	Exhibt 3.1 - 1
Section 1.1	Definitions	Exhibt 3.1 - 2
Section 1.2	Construction	Exhibt 3.1 - 25
Section 1.3	Headings	Exhibt 3.1 - 25
Section 1.4	Exercise of Rights and Obligations by Affiliated Members	Exhibt 3.1 - 25
ARTICLE II	FORMATION AND ORGANIZATION	Exhibt 3.1 - 26
Section 2.1	Formation	Exhibt 3.1 - 26
Section 2.2	Name	Exhibt 3.1 - 26
Section 2.3	Business Purpose	Exhibt 3.1 - 26
Section 2.4	Network Powers	Exhibt 3.1 - 26
Section 2.5	Registered Office and Agent	Exhibt 3.1 - 26
Section 2.6	Term	Exhibt 3.1 - 26
Section 2.7	Principal Place of Business	Exhibt 3.1 - 26
Section 2.8	Title to Network Property	Exhibt 3.1 - 26
Section 2.9	Business Transactions of the Members and Managers with the Network	Exhibt 3.1 - 26
Section 2.10	Fiscal Year	Exhibt 3.1 - 26
Section 2.11	Other Qualifications	Exhibt 3.1 - 26
Section 2.12	No State Law Partnership; Tax Classification	Exhibt 3.1 - 26
ARTICLE III	THE MEMBERS	Exhibt 3.1 - 26
Section 3.1	Members; Powers of Members	Exhibt 3.1 - 27
Section 3.2	Meetings of Members	Exhibt 3.1 - 27
Section 3.3	Place of Meetings	Exhibt 3.1 - 27
Section 3.4	Notice of Members' Meetings	Exhibt 3.1 - 27
Section 3.5	Waiver of Notice	Exhibt 3.1 - 27
Section 3.6	Voting Record	Exhibt 3.1 - 27
Section 3.7	Vote Required	Exhibt 3.1 - 28
Section 3.8	Action by Written Consent of Members	Exhibt 3.1 - 28
Section 3.9	No Liability of Members	Exhibt 3.1 - 28

ARTICLE IV	MANAGEMENT OF THE NETWORK	Exhibit 3.1 - 29
Section 4.1	Management by Board of Managers	Exhibit 3.1 - 29
Section 4.2	Replacement of Managers	Exhibit 3.1 - 30
Section 4.3	Vacancies	Exhibit 3.1 - 31
Section 4.4	Changes in Board Size and the Right to Designate Managers	Exhibit 3.1 - 31
Section 4.5	Meetings of the Board	Exhibit 3.1 - 33
Section 4.6	Compensation of Managers	Exhibit 3.1 - 33
Section 4.7	Power to Bind Network	Exhibit 3.1 - 33
Section 4.8	Committees	Exhibit 3.1 - 33
Section 4.9	Chairman of the Board	Exhibit 3.1 - 34
Section 4.10	Officers and Related Persons; Retention of Authority by Board; Matters Not Subject to Approval	Exhibit 3.1 - 34
Section 4.11	Chief Executive Officer	Exhibit 3.1 - 35
Section 4.12	Chief Financial Officer	Exhibit 3.1 - 35
Section 4.13	Vice Presidents	Exhibit 3.1 - 35
Section 4.14	Treasurer	Exhibit 3.1 - 35
Section 4.15	Assistant Treasurers	Exhibit 3.1 - 35
Section 4.16	Secretary	Exhibit 3.1 - 35
Section 4.17	Assistant Secretaries	Exhibit 3.1 - 35
Section 4.18	Constellation Special Approval Right	Exhibit 3.1 - 35
Section 4.19	Legal Counsel	Exhibit 3.1 - 35
Section 4.20	Board Observation Rights	Exhibit 3.1 - 36
Section 4.21	Adoption of the Annual Budget	Exhibit 3.1 - 37
ARTICLE V	CAPITAL STRUCTURE	Exhibit 3.1 - 38
Section 5.1	Authorized Units	Exhibit 3.1 - 38
Section 5.2	Rights of Designated Common Units and Preferred Units	Exhibit 3.1 - 39
Section 5.3	Reservation and Issuance of Common Units and Preferred Units	Exhibit 3.1 - 44
Section 5.4	Units Subject to Forfeiture	Exhibit 3.1 - 44
Section 5.5	No Appraisal Rights	Exhibit 3.1 - 46
Section 5.6	Authorization of Derivative Equity Interests	Exhibit 3.1 - 46

ARTICLE VI	CONTRIBUTIONS	Exhibt 3.1 - 47
Section 6.1	Capital Commitments; Constellation Option	Exhibt 3.1 - 47
Section 6.2	Capital Call	Exhibt 3.1 - 47
Section 6.3	Notice of Capital Call	Exhibt 3.1 - 47
Section 6.4	Deposit of Capital Contribution	Exhibt 3.1 - 47
Section 6.5	Proportion of Capital Contributions	Exhibt 3.1 - 47
Section 6.6	Failure to Make Contributions	Exhibt 3.1 - 48
Section 6.7	Further Contributions	Exhibt 3.1 - 49
Section 6.8	Interest	Exhibt 3.1 - 49
Section 6.9	No Return of Capital Contribution; Transfer	Exhibt 3.1 - 49
Section 6.10	Loans	Exhibt 3.1 - 50
Section 6.11	Benefited Parties	Exhibt 3.1 - 50
ARTICLE VII	CAPITAL ACCOUNTS	Exhibt 3.1 - 51
Section 7.1	Maintenance of Capital Accounts	Exhibt 3.1 - 51
Section 7.2	Negative Capital Accounts	Exhibt 3.1 - 51
Section 7.3	Sale or Exchange of Units	Exhibt 3.1 - 51
ARTICLE VIII	ALLOCATIONS OF PROFITS AND LOSSES	Exhibt 3.1 - 52
Section 8.1	Net Profits	Exhibt 3.1 - 52
Section 8.2	Net Losses	Exhibt 3.1 - 52
Section 8.3	Gain or Loss from a Sale Transaction	Exhibt 3.1 - 52
Section 8.4	Limitation on Allocation of Losses	Exhibt 3.1 - 52
Section 8.5	Allocation of Nonrecourse Deductions	Exhibt 3.1 - 52
Section 8.6	Allocation of Member Nonrecourse Deductions	Exhibt 3.1 - 52
Section 8.7	Qualified Income Offset	Exhibt 3.1 - 52
Section 8.8	Minimum Gain Chargeback	Exhibt 3.1 - 52
Section 8.9	Partner Minimum Gain Chargeback	Exhibt 3.1 - 52
Section 8.10	Liquidation	Exhibt 3.1 - 52
Section 8.11	Book/Tax Disparities	Exhibt 3.1 - 52
Section 8.12	Individual Tax Items	Exhibt 3.1 - 53
Section 8.13	Tax Credits	Exhibt 3.1 - 53
Section 8.14	Changes in Number of Units	Exhibt 3.1 - 53

ARTICLE IX	DISTRIBUTIONS	Exhibt 3.1 - 54
Section 9.1	Limitations on Distributions	Exhibt 3.1 - 54
Section 9.2	Operating Cash Flow	Exhibt 3.1 - 54
Section 9.3	Net Proceeds from a Sale Transaction	Exhibt 3.1 - 54
Section 9.4	Liquidating Distributions	Exhibt 3.1 - 55
Section 9.5	Withholding Taxes	Exhibt 3.1 - 55
ARTICLE X	ACCOUNTS	Exhibt 3.1 - 56
Section 10.1	Books	Exhibt 3.1 - 56
Section 10.2	Tax Matters	Exhibt 3.1 - 56
Section 10.3	Special Basis Adjustment	Exhibt 3.1 - 56
ARTICLE XI	TRANSFERS OF UNITS	Exhibt 3.1 - 57
Section 11.1	Prohibition	Exhibt 3.1 - 57
Section 11.2	Conditions to Permitted Transfers	Exhibt 3.1 - 58
Section 11.3	Right of First Refusal	Exhibt 3.1 - 58
Section 11.4	Co-Sale Rights	Exhibt 3.1 - 61
Section 11.5	Prohibited Transfers	Exhibt 3.1 - 62
Section 11.6	Representations Regarding Transfers	Exhibt 3.1 - 62
ARTICLE XII	ADDITIONAL RIGHTS AND OBLIGATIONS OF THE MEMBERS	Exhibt 3.1 - 63
Section 12.1	Call Right Members Call Right	Exhibt 3.1 - 63
Section 12.2	Put Right Member Put Rights	Exhibt 3.1 - 68
Section 12.3	Preemptive Rights	Exhibt 3.1 - 73
Section 12.4	Financial Investor Member Tag-Along Right	Exhibt 3.1 - 75
Section 12.5	Comcast and Radio One Drag-Along Right	Exhibt 3.1 - 77
Section 12.6	Network Purchase Right	Exhibt 3.1 - 81
Section 12.7	DTV Call Right	Exhibt 3.1 - 83
Section 12.8	DTV Put Rights	Exhibt 3.1 - 87
Section 12.9	Purchase of DIRECTV Equity Interests for Common Stock	Exhibt 3.1 - 90

ARTICLE XIII	ADDITIONAL, SUBSTITUTE AND LIMITED MEMBERS	Exhibt 3.1 - 91
Section 13.1	Admissions	Exhibt 3.1 - 91
Section 13.2	Admission of Additional Members	Exhibt 3.1 - 91
Section 13.3	Admission of Substitute Members	Exhibt 3.1 - 91
Section 13.4	Limited Members	Exhibt 3.1 - 91
Section 13.5	Admission of Class D Members	Exhibt 3.1 - 92
Section 13.6	Withdrawal of Member	Exhibt 3.1 - 92
ARTICLE XIV	REPORTS TO MEMBERS	Exhibt 3.1 - 93
Section 14.1	Books and Records	Exhibt 3.1 - 93
Section 14.2	Annual Reports	Exhibt 3.1 - 94
Section 14.3	Quarterly Reports	Exhibt 3.1 - 94
Section 14.4	Monthly Reports	Exhibt 3.1 - 94
Section 14.5	Tax Returns and Tax Information to Members	Exhibt 3.1 - 94
Section 14.6	Class D Member Information Rights	Exhibt 3.1 - 94
ARTICLE XV	COMCAST CONSULTATION AND PROGRAMMING RIGHTS	Exhibt 3.1 - 95
Section 15.1	Consultation Rights	Exhibt 3.1 - 95
Section 15.2	Programming Rights	Exhibt 3.1 - 95
ARTICLE XVI	EVENTS OF DISSOLUTION	Exhibt 3.1 - 96
Section 16.1	Dissolution	Exhibt 3.1 - 96
Section 16.2	No other Event of Dissolution	Exhibt 3.1 - 96
ARTICLE XVII	TERMINATION	Exhibt 3.1 - 97
Section 17.1	Liquidation	Exhibt 3.1 - 97
Section 17.2	Final Accounting	Exhibt 3.1 - 97
Section 17.3	Cancellation of Certificate	Exhibt 3.1 - 97

ARTICLE XVIII	EXCULPATION AND INDEMNIFICATION	Exhibt 3.1 - 98
Section 18.1	Exculpation	Exhibt 3.1 - 98
Section 18.2	Indemnification	Exhibt 3.1 - 98
ARTICLE XIX	GENERAL PROVISIONS	Exhibt 3.1 - 99
Section 19.1	Future and Current Investments and Activities	Exhibt 3.1 - 99
Section 19.2	Radio One Competition	Exhibt 3.1 - 99
Section 19.3	Confidentiality	Exhibt 3.1 - 100
Section 19.4	Amendment	Exhibt 3.1 - 100
Section 19.5	Governing Law	Exhibt 3.1 - 101
Section 19.6	WAIVER OF JURY TRIAL	Exhibt 3.1 - 101
Section 19.7	Consent to Exclusive Jurisdiction of the Courts of Delaware	Exhibt 3.1 - 101
Section 19.8	Remedies	Exhibt 3.1 - 101
Section 19.9	Notices	Exhibt 3.1 - 102
Section 19.10	Severability	Exhibt 3.1 - 102
Section 19.11	Counterparts; Signatures	Exhibt 3.1 - 102
Section 19.12	Entire Agreement	Exhibt 3.1 - 102
Section 19.13	Assignment; Binding Effect	Exhibt 3.1 - 102
Section 19.14	Certain Agreements with respect to Blocker Corporations	Exhibt 3.1 - 103
Section 19.15	Relationship	Exhibt 3.1 - 105
Section 19.16	Interpretation	Exhibt 3.1 - 105
Section 19.17	Expenses	Exhibt 3.1 - 105
Section 19.18	No Third-Party Beneficiary	Exhibt 3.1 - 105

**SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY
OPERATING AGREEMENT
OF
TV ONE, LLC**

This SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT, dated as of December 28, 2004 (this “**Agreement**”), of TV ONE, LLC (the “**Network**”), is made by and among Comcast Programming Ventures V, Inc., a Delaware corporation (“**Comcast**”) and an Affiliate of Comcast Corporation, Radio One Cable Holdings, Inc., a Delaware corporation (“**Radio One**”) and an Affiliate of Radio One, Inc., Constellation Venture Capital II, L.P., a Delaware limited partnership (“**Constellation**”), and its Affiliates CV II-Delaware, Inc., a Delaware corporation (“**CV II-Delaware**”), the BSC Employee Fund IV, L.P., a Delaware limited partnership (“**BSC Employee Fund**”), and CVC II Partners, LLC, a Delaware limited liability company (“**CVC II Partners**”), Opportunity Cable Holdings, Inc., a Delaware corporation (“**Opportunity**”), Power Equities, Inc., a Texas corporation (“**Pacesetter**”), Syndicated Communications Venture Partners IV, L.P., a Delaware limited partnership (“**Syndicated**”), DIRECTV Programming Holdings I, Inc., a Delaware corporation (“**DIRECTV I**”), DIRECTV Programming Holdings II, Inc., a Delaware corporation (“**DIRECTV II**”) and, together with DIRECTV I, collectively, “**DIRECTV**”) and each Person subsequently admitted as a Member of the Network in accordance with the terms of this Agreement.

RECITAL

WHEREAS, on July 10, 2003, the Network was formed as a limited liability company in accordance with the provisions of the Delaware Limited Liability Company Act, 6 Del. C § 18-101 et seq, as amended from time to time, and any successor statute (the “**Act**”) and, on July 18, 2003, the initial members of the Network (the “**Original Members**”) entered into an operating agreement pursuant to the Act governing the affairs of the Network and the conduct of its business;

WHEREAS, as of December 16, 2004, the Original Members amended and restated the operating agreement of the Network in its entirety (the “**First Amended and Restated Operating Agreement**”);

WHEREAS, the Network and DIRECTV, Inc., a Delaware corporation, have entered into a Subscription Agreement, of even date herewith (the “**DIRECTV Subscription Agreement**”), pursuant to which the Network has agreed to sell, and DIRECTV has agreed to purchase, membership interests in the Network; and

WHEREAS, the Original Members desire to admit DIRECTV as Members of the Network and DIRECTV wishes to become Members of the Network and the parties hereto agree that it is in their respective best interests to amend and restate the First Amended and Restated Operating Agreement in its entirety as set forth herein.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members hereby agree, intending to be legally bound, to amend and restate the Original Agreement in its entirety, effective as of the date hereof, as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

“**Additional Member**” shall mean a Person who has acquired Units from the Network after the Effective Date and been admitted as a Member of the Network pursuant to Section 13.2 or, for Class D Members, Section 13.5 hereof.

“**Additional per Unit Contribution**” shall mean, with respect to a Class D Common Unit at the time that a Determined Value is being calculated with respect to such Class D Common Unit, the aggregate fair market value of all consideration, if any, received by the Network from non-Class D Members for the issuance of Units or Equity Interests (as determined by the Board as of the date of issuance of such Units or Equity Interests), where such issuance of Units or Equity Interests occurs after the date of issuance of such Class D Common Unit, multiplied by the Percentage Interest attributable to such Class D Common Unit.

“**Adjusted Capital Account Deficit**” shall mean, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Taxable Year or portion thereof after giving effect to the following adjustments: (a) credit to such Capital Account any amounts that such Member is obligated to restore pursuant to Regulations § 1.704-(b)(2)(ii)(c) or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations §§ 1.704-2(g)(1) and 1.704-2(i)(5); and (b) debit to such Capital Account the items described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5) and (6). This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations § 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Advertising Services Agreement” shall mean that certain Radio One Advertising Services Agreement, dated as of the Effective Date, between the Network and Radio One, Inc., as amended from time to time in accordance with the terms thereof.

“Affiliate” shall mean, with respect to any Person, any other Person, other than an individual, that is directly or indirectly Controlling, Controlled by or under common Control with such Person. Notwithstanding anything to the contrary in the foregoing sentence, no Member shall be deemed to be an Affiliate of the Network for purposes of this Agreement.

“Agreed Value” shall mean the fair market value of contributed property at the time it is accepted by the Network, as determined by the majority of the Board using any reasonable method of valuation.

“Appraisal” shall mean an appraisal of the Network for the purposes of calculating the Fair Market Value.

“Award Agreement” shall mean a TV One, LLC Incentive Award Plan Unit Award Agreement issued pursuant to the Network Equity Plan.

“Bankruptcy” shall mean, with respect to any Person, the occurrence of any of the following events: (a) the filing by such Person of a petition in bankruptcy or for relief under applicable bankruptcy laws; (b) the filing against such Person of any such petition (unless such petition is dismissed within ninety (90) days from the date of filing thereof); (c) entry against such Person of an order for relief under applicable bankruptcy laws; (d) written admission by such Person of its inability to pay its debts as they mature, or a general assignment by such Person for the benefit of creditors; or (e) appointment of a trustee, conservator or receiver for such Person or for any substantial part of the property or affairs of such Person.

“Blocker Corporation” shall mean a Financial Investor Member formed as a holding corporation for the sole purpose of holding Equity Interests in the Network and which corporation holds no assets other than Equity Interests.

“Board” shall mean the Board of Managers of the Network consisting of those Managers who are elected from time to time to serve on the Board in accordance with Article IV hereof.

“Board Change Notice” shall have the meaning ascribed thereto in the Radio One Change of Control Agreement.

“Business Day” shall mean each day of the calendar year other than a Saturday, a Sunday or a day on which banks are required or authorized to close in New York, New York.

“Buy/Sell Agreement” shall mean that certain Buy/Sell Agreement, dated as of the Effective Date, by and among Comcast, Radio One and the Members identified therein, as amended from time to time in accordance with the terms thereof.

“Call Right Member” shall mean a Financial Investor Member.

“Capital Account” shall mean the account maintained for a Member determined in accordance with Article VII hereof.

“Capital Commitment” shall mean, as to any Member, the amount of such Member’s commitment to make Capital Contributions when called upon to do so by the Board, as set forth on Schedule A attached hereto.

“Capital Contribution” shall mean the amount of cash or the Agreed Value of any other property (net of any liabilities assumed by the Network or to which such property is subject) contributed to the Network by or on behalf of a Member in consideration for Units as described in Article VI hereof.

“Certificate of Formation” shall mean the certificate of formation of the Network filed in the Office of the Secretary of State of the State of Delaware pursuant to the Act and through which the Network has been formed.

“Chairman” shall mean the individual selected by the Members from time to time to hold such office pursuant to Section 4.9 hereof.

“Chief Executive Officer” shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.11 hereof.

“Chief Financial Officer” shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.12 hereof.

“Class A Common Units” shall mean Units designated as “Class A Common Units” as described in Section 5.2(a) hereof.

“Class B Common Units” shall mean Units designated as “Class B Common Units” as described in Section 5.2(b) hereof.

“Class C Common Units” shall mean Units designated as “Class C Common Units” as described in Section 5.2(c) hereof.

“Class D Common Units” shall mean Units designated as “Class D Common Units” as described in Section 5.2(d) hereof.

“Class D Controlled Entity” shall mean an S Corporation, a limited partnership, a limited liability company or other entity in which a Class D Member Controls 100% of the Voting Power of such entity and 100% of the power to dispose of, or direct the disposition of, the Class D Common Units transferred to such entity by such Class D Member.

“Class D Distribution Threshold” shall mean \$240,051,145 plus the aggregate fair market value of all consideration, if any, received by the Network from non-Class D Members for the issuance of Units or Equity Interests (as determined by the Board as of the date of issuance of such Units or Equity Interests), where such issuance occurs after December 28, 2004.

“Class D Limitation Amount” shall mean, with respect to a Class D Common Unit at the time of a distribution by the Network with respect to such Unit or at any other time at which the Class D Limitation Amount must be determined with respect to such Unit, an amount equal to: (i) the product of (a) the Determined Value, multiplied by (b) the Percentage Interest (expressed as a decimal) attributable to such Unit, minus (ii) the Class D Threshold Amount with respect to such Unit, minus (iii) the Additional per Unit Contribution, if any, with respect to such Unit, plus (iv) with respect to an Initial Class D Common Unit only, the Initial Class D per Unit Priority Amount.

“Class D Members” shall mean Members holding Class D Common Units pursuant to the Network Equity Plan and an Award Agreement. Class D Members shall not include any Initial Members (or their successors or assigns) who acquire Class D Common Units pursuant to this Agreement (including Sections 11.3, 12.1(e), 12.2(e) or 12.5(d) hereof) or the Buy/Sell Agreement.

“Class D Threshold Amount” shall mean, with respect to a Class D Common Unit, the amount designated as the Class D Threshold Amount for such Unit in the Award Agreement under which such Unit was granted.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

“Comcast Affiliation Agreement” shall mean that certain Affiliation Agreement, dated as of the Effective Date, between the Network and Comcast Cable Communications, Inc., as amended from time to time in accordance with the terms thereof.

“Comcast Corporation” shall mean Comcast Corporation, a Pennsylvania corporation.

“Comcast/Radio One Registration Rights Agreement” shall mean that certain Registration Rights Agreement identified in the Radio One Change of Control Agreement.

“Comcast Registration Rights Agreement” shall mean that certain Registration Rights Agreement among Comcast Corporation, the Financial Investor Members and DIRECTV, in the form attached hereto as Schedule C.

“Comcast Trigger Event” shall mean the failure by Comcast and its Unit Affiliates to collectively own at least 15% of the Units (calculated on a Fully Diluted Basis).

“Commitment Period” shall mean the period beginning on the Effective Date and ending on December 31, 2006.

“Competitive Activity” shall mean directly or indirectly (a) investing in a Competitor of the Network, (b) forming or acquiring a Competitor of the Network, (c) acting as a Competitor of the Network, or (d) taking an active role in the management or operations of a Competitor (but excluding sitting on the Board of Directors of a Competitor of the Network); *provided, however*, that (i) a passive investment of not more than 10% of the outstanding voting and/or economic rights of a Competitor of the Network shall not be deemed to be a Competitive Activity; and (ii) “Competitive Activity” shall not include Radio One’s or its Affiliates’ existing ownership and continued operation of WNDI-LP.

“Competitor of the Network” shall mean a Person that owns or operates, either directly or through an Affiliate, one or more broadcast, cable or satellite television networks (other than through the Network or any Affiliate of the Network) that targets principally the African-American viewer.

“Control” (including with correlative meanings “Controls,” “Controlling,” “Controlled by,” “Controlled” or “under common Control with”) as used with respect to any Person, shall mean (a) the power of another Person to exercise, directly or indirectly through one or more intermediaries, more than fifty percent (50%) of the Voting Power of such Person or (b) the power to direct or cause the direction, directly or indirectly through one or more intermediaries, of the management and policies of such Person. Notwithstanding clause (b), neither News Corporation nor Fox Entertainment Group, Inc. shall be deemed to Control DIRECTV unless News Corporation or Fox Entertainment Group, Inc. as applicable, owns more than fifty percent (50%) of the Voting Power of DIRECTV, as described in clause (a) above.

“CST Competitor Event” shall mean the ownership, direct or indirect, through one or more intermediaries, by a Competitor of the Network of any Class B Common Units acquired pursuant to a Comcast Strategic Transaction.

“Depreciation” shall mean, for each Taxable Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Taxable Year, except that, if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Taxable Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Taxable Year bears to such beginning adjusted tax basis; *provided, however*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Taxable Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Tax Matters Partner, and *provided, further*, that Depreciation with respect to an asset for which the Network uses the remedial allocation method shall be determined in accordance with Regulations § 1.704-3(d)(2).

“Derivative Equity Interest” shall mean (a) any outstanding security convertible into, with or without consideration, one or more Units (including any option, warrant or other right to acquire such a security), or (b) any outstanding option, warrant or other right to acquire one or more Units; *provided, however*, that the Series A Preferred Units shall not be deemed to be Derivative Equity Interests hereunder.

“DIRECTV Affiliation Agreement” shall mean that certain Affiliation Agreement dated as of the date hereof, between the Network and DIRECTV, Inc., a Delaware corporation, as amended, supplemented, extended or otherwise modified from time to time in accordance with the terms thereof.

“DIRECTV Member” shall mean DIRECTV and any Substitute Member that acquires Units from DIRECTV in accordance with Section 11.1 through Section 11.4 hereof, *provided, however*, that none of Comcast, Comcast Corporation, Radio One, Radio One, Inc., any Financial Investor Member or any of their Affiliates shall be deemed to be a DIRECTV Member hereunder.

“DIRECTV Trigger Event” shall mean the failure by DIRECTV and its Unit Affiliates to own collectively at least 5% of the Units (calculated on a Fully Diluted Basis).

“Determined Value” shall mean the fair market value of all of the Network assets, net of liabilities, as determined by the Board in connection with a distribution by the Network or any other event with respect to which the Class D Limitation Amount must be determined.

“Distribution” shall mean a transfer of cash or property by the Network to a Member on account of Units as described in Article IX hereof.

“Distribution Commitment” shall have the meaning ascribed thereto in the Comcast Affiliation Agreement.

“Effective Date” shall mean July 18, 2003.

“Equity Interests” shall mean all outstanding Units of the Network, regardless of class or series, and all Derivative Equity Interests.

“Fair Market Value” shall mean the fair market value of a Unit (taking into account (a) the relative tax benefits and costs associated with acquiring Units, if any, (b) to the extent deemed appropriate by the Investment Bank making such determination, any Derivative Equity Interests outstanding as of the date of such determination, (c) the revised Distribution Commitment made (or deemed to have been made) by the “Affiliate” under the Comcast Affiliation Agreement pursuant to Section 1(e) of the Comcast Affiliation Agreement and Section 5.4(b)(iii) or Section 5.4(b)(iv) hereof following a Drag-Along Seller Election, or an Asset Sale Put Right at any time between the third anniversary and the fourth anniversary of the Launch Date, and only in the event the number of subscribers of the Service is taken into account in connection with a determination of the fair market value of a Unit and (d) to the extent deemed appropriate by the Investment Bank making such determination, the impact, if any, to value of the Network resulting, directly or indirectly, from DIRECTV’s breach of the DIRECTV Affiliation Agreement), without regard to minority discounts, approval rights, marketability, liquidation preferences (except to the extent that the Class D Limitation Amount and the Initial Class D per Unit Priority Amount may affect the amount payable with respect to a Unit upon liquidation, it being acknowledged and agreed that, among other things, such effect will result in the fair market value of a Class D Common Unit being less than the fair market value of a Series A Preferred Unit, a Class A Common Unit, a Class B Common Unit or a Class C Common Unit) or other differences among the various classes or series of Units; *provided, however*, that (x) any such determination shall not take into account any Units, Derivative Equity Interests or indebtedness proposed for issuance by the Network in connection with the funding of any purchase or redemption of a Member’s Units by the Network pursuant to a Network Purchase Obligation or any Units that will be forfeited pursuant to Sections 5.4(b)(iii) or (iv) hereof at the applicable closing to which the determination of Fair Market Value relates; (y) if such determination is being made under Section 12.1(i) pursuant to the exercise by the Network of the Network Purchase Right under Section 12.6, the Investment Bank making such determination shall take into account minority discounts, approval rights (or the loss thereof), lack of marketability and the reduction in the value of the Network resulting, directly or indirectly, from DIRECTV’s breach of the DIRECTV Affiliation Agreement; and (z) if such determination is being made under Section 12.1(i) in connection with the purchase or redemption of the Financial Investor Member Units pursuant to Sections 12.1 or Section 12.2, or if such determination is being made under Section 12.5(e) in connection with the purchase of the Financial Investor Member Units pursuant to Section 12.5, and, in any such event, DIRECTV is a Limited Member, the Investment Bank making such determination shall take into account minority discounts, approval rights (or the loss thereof) and lack of marketability of the DIRECTV Member Equity Interests.

“Federal Rate” shall mean, for each Taxable Year, the highest federal income tax rate applicable to a U.S. corporation for such Taxable Year.

“Final Fair Market Value” shall mean, with respect to a Unit, the price of such Unit determined in accordance with Sections 12.1 (i) or 12.5(e)(i) hereof, as applicable.

“Financial Investor Members” shall mean Constellation, CV II-Delaware, BSC Employee Fund, CVC II Partners, Opportunity, Pacesetter and Syndicated (and any Substitute Member that acquires Units from a Financial Investor Member in accordance with Section 11.1 through Section 11.4 hereof); *provided, however*, that none of Comcast, Comcast Corporation, Radio One, Radio One, Inc., DIRECTV or any of their Affiliates shall be deemed to be a Financial Investor Member hereunder.

“Financial Investor Trigger Event” shall mean the failure by the Financial Investor Members to own collectively at least 5% of the Units (calculated on a Fully Diluted Basis).

“Fully Diluted Basis” shall mean a computation of Units which includes all outstanding Units and all authorized Class D Common Units (whether or not outstanding) and all other Units that are issuable upon conversion, exercise or exchange of all Derivative Equity Interests.

“Grant Date” shall mean, with respect to a Class D Common Unit, the date on which such Unit is issued by the Network to a Class D Member.

“Gross Asset Value” shall mean, with respect to any asset, such asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Network shall be the Agreed Value at the time it is accepted by the Network, unreduced by any liability secured by such asset.

(b) The Gross Asset Values of all Network assets may, at the discretion of the Board, be adjusted to equal their respective fair market values as determined by the Board, unreduced by any liabilities secured by such assets, as of the following times: (i) the acquisition of additional Units by any new or existing Member in exchange for a more than *de minimis* Capital Contribution; (ii) the Distribution by the Network to a Member of more than a *de minimis* amount of cash or property as consideration for Units other than pursuant to Sections 12.1 or 12.2 hereof; (iii) the liquidation of the Network within the meaning of Regulations § 1.704-1(b)(2)(ii)(g); (iv) the grant of an interest in the Network (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Network; and (v) the occurrence of any other event with respect to which a revaluation of Network assets is permitted under Regulations § 1.704-1(b)(2)(iv)(f). The Gross Asset Value of the Company assets shall not be adjusted in connection with the admission of DIRECTV.

(c) The Gross Asset Value of any asset of the Network distributed to any Member shall be adjusted to equal the fair market value of such asset as determined by the Board, unreduced by any liability secured by such asset, on the date of Distribution.

(d) The Gross Asset Value of the Network assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code §§ 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations § 1.704-1(b)(2)(iv)(m) and paragraph (f) of the definition of “Net Profits” and “Net Losses”; *provided, however*, that Gross Asset Value shall not be adjusted pursuant to this paragraph (d) to the extent that the Board determines that an adjustment pursuant to paragraph (b) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this paragraph.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraphs (a), (b) or (d) of this definition, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Profits and Net Losses.

“Hughes/Liggins Family” shall have the meaning set forth in the Radio One Change of Control Agreement.

“Initial Class D Common Units” shall mean, with respect to each Initial Class D Common Member, the Original Initial Class D Common Units issued in the initial Award Agreement between the Network and such Initial Class D Common Member and specified as “Initial Class D Common Units” in such Award Agreement.

“Initial Class D Members” shall mean Johnathan Rodgers, Keith Bowen, Jay Schneider, Brad Samuels, Bob Buenting, Lee Gaither, Susan Banks and any other Class D Member (other than the foregoing individuals) receiving an original issue of Original Initial Class D Common Units and, solely with respect to each such Person, (i) a transferee pursuant to such Person’s will or other similar testamentary disposition or the laws of descent and distribution or (ii) a transferee that is a Class D Controlled Entity of such Person.

“Initial Class D Member Priority Amount” shall mean, with respect to an Initial Class D Member, the amount determined by multiplying the number of Initial Class D Common Units held by such Class D Member multiplied by the Initial Class D per Unit Priority Amount.

“Initial Class D per Unit Priority Amount” shall mean \$1.875 per Initial Class D Common Unit.

“Initial Members” shall mean Comcast, Radio One, Constellation, CV II-Delaware, BSC Employee Fund, CVC II Partners, Opportunity, Pacesetter, Syndicated and DIRECTV (and shall include, solely for purposes of Article VI hereof, any Substitute Member for such Initial Member that agrees to satisfy any Remaining Commitment Amount for such Initial Member in accordance with Section 6.9 hereof).

“Investment Bank” shall mean a nationally recognized investment bank selected in accordance with Section 12.1(i), Section 12.5 (e)(i) or Section 19.14(d)(ii) hereof.

“Launch Date” shall mean January 19, 2004.

“Limited Member” shall mean a Member or other Person that has become a Limited Member pursuant to Section 13.4 hereof or a Person that acquires Units from a Limited Member; *provided* that a Member (that is not a Limited Member) that acquires Units from a Limited Member shall not be deemed to be a Limited Member hereunder but such Member shall, as to such Units, have the rights and obligations of the Limited Member that last held such Units.

“Manager” shall mean each individual elected by the Members to serve on the Board pursuant to Article IV. A Manager need not be a Member.

“Mandatory Tax Distribution” shall mean, for each Taxable Year, an amount equal to the product of the Tax Rate for such Taxable Year, multiplied by the net taxable income (other than any income or gain attributable to a Sale Transaction) of the Network for such Taxable Year.

“Member” shall mean an Initial Member, Substitute Member, Additional Member or Limited Member, as the case may be; and “Members” shall mean the Initial Members, Substitute Members, Additional Members and Limited Members, collectively.

“Member Nonrecourse Debt” shall have the meaning of “partner nonrecourse debt” as set forth in Regulations § 1.704-2(b)(4).

“Member Nonrecourse Deductions” shall have the meaning of “partner nonrecourse deductions” as set forth in Regulations § 1.704-2(i).

“Net Gain from a Sale Transaction” or **“Net Loss from a Sale Transaction”** shall mean the net income, gain, loss or deduction recognized by the Network on a Sale Transaction, computed in accordance with the principles set forth in the definition of “Net Profits” and “Net Losses.”

“Net Proceeds from a Sale Transaction” shall mean the proceeds received by the Network or the Members from any Sale Transaction, reduced by the Network’s out-of-pocket costs incurred in connection therewith.

“Net Profits” and **“Net Losses”** shall mean, for any Taxable Year or other period, an amount equal to the Network’s taxable income or loss for such year or period, determined in accordance with Code § 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code § 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Network that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses shall be added to such taxable income or loss;

(b) Any expenditures of the Network described in Code § 705(a)(2)(B) or treated as Code § 705(a)(2)(B) expenditures pursuant to Regulations § 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Profits or Net Losses shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Network asset is adjusted pursuant to paragraphs (b) or (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be taken into account as gain or loss, as the case may be, from the disposition of such asset for purposes of computing Net Profits or Net Losses;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(e) In lieu of depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation with respect to each asset of the Network for such Taxable Year, computed in accordance with the definition of “Depreciation” above;

(f) To the extent an adjustment to the adjusted tax basis of any Network asset pursuant to Code §§ 734(b) or 743(b) is required pursuant to Regulations § 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a Distribution other than in complete liquidation of a Member's Units, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Profits or Net Losses; and

(g) Net Profits and Net Losses shall not include any Net Gain from a Sale Transaction or Net Loss from a Sale Transaction or any items specifically allocated in Sections 8.6, 8.7, 8.8 and 8.9.

"Network Equity Plan" shall mean that certain TV One, LLC Incentive Award Plan, dated as of December 16, 2004, as such plan may be amended from time to time with the approval of the Board (including the approval of (a) a Comcast Manager, so long as there has not been a Comcast Trigger Event or a CST Competitor Event, (b) a Radio One Manager, so long as there has not been a Radio One Trigger Event, (c) a Financial Investor Manager, so long as there has not been a Financial Investor Trigger Event, and (d) if and only if such amendment would increase the number of Class D Common Units authorized and reserved for issuance thereunder, a DIRECTV Manager, so long as there has not been a DIRECTV Trigger Event) for purposes of providing incentives to employees and other representatives of the Network.

"Network Sale" shall have the meaning set forth in the Buy/Sell Agreement.

"Network Services Agreement" shall mean that certain Radio One Network Services Agreement, dated as of the Effective Date, between the Network and Radio One, Inc., as amended from time to time in accordance with the terms thereof.

"Non-Class D Members" shall mean Members other than Class D Members.

"Non-Class D Percentage Interest" shall mean, with respect to any Member, the ratio of a Member's Series A Preferred Units, Class A Common Units, Class B Common Units and Class C Common Units to all outstanding Series A Preferred Units, Class A Common Units, Class B Common Units and Class C Common Units, expressed as a percentage.

"Nonrecourse Deductions" shall have the meaning set forth in Regulations § 1.704-2(b)(1).

"Original Initial Class D Common Units" shall mean the 2,260,870 Class D Common Units authorized for issuance under the Network Equity Plan as of December 16, 2004.

"Parent" shall mean an entity which directly, or indirectly through one or more intermediaries, owns more than 50% of the Voting Power of a Person.

"Payment Direction Letter" shall mean that certain letter agreement dated the date hereof among the Network, DIRECTV, Inc. and DIRECTV with respect to the payment of certain launch support payments.

"Percentage Interest" shall mean, with respect to any Member, the ratio of a Member's Units to all outstanding Units, expressed as a percentage. Each Member's initial Percentage Interest shall be set forth opposite the name of such Member on Schedule A hereto, and such percentage may be adjusted from time to time pursuant to the terms of this Agreement.

"Permitted Transferee" shall mean (a) with respect to Comcast and its Unit Affiliates, an Affiliate of Comcast or a Person that acquires Equity Interests from Comcast and its Unit Affiliates in connection with a Comcast Strategic Transaction; (b) with respect to Radio One and its Unit Affiliates, an Affiliate of Radio One, (c) with respect to a Financial Investor Member, an Affiliate of such Financial Investor Member (d) with respect to Constellation, CV II-Delaware, BSC Employee Fund and CVC II Partners and upon a dissolution of any such Person, Bear Stearns Asset Management or an Affiliate thereof, (e) with respect to DIRECTV, an Affiliate of DIRECTV, and (f) with respect to a Class D Member that is admitted as a Member pursuant to Section 13.5 hereof, (i) the Network, (ii) a transferee pursuant to the Class D Member's will or other similar testamentary disposition or the laws of descent and distribution or (iii) a transferee that is a Class D Controlled Entity of such Class D Member.

"Person" shall mean an individual, corporation, partnership, limited liability company, business trust, estate, unincorporated association, joint venture or other entity of whatever nature.

"Put Right Member" shall mean a Financial Investor Member and/or a DIRECTV Member.

"Radio One Agreements" shall mean the Network Services Agreement and the Advertising Services Agreement.

"Radio One Change of Control Agreement" shall mean that certain Radio One Change of Control Agreement, dated as the Effective Date, among the Network, Comcast and Radio One, as amended from time to time in accordance with the terms thereof.

"Radio One, Inc." shall mean Radio One, Inc., a Delaware corporation.

“Radio One Registration Rights Agreement” shall mean that certain Registration Rights Agreement among Radio One, the Financial Investor Members and DIRECTV, in the form attached hereto as Schedule D.

“Radio One Trigger Event” shall mean the failure by Radio One and its Unit Affiliates to collectively own at least 15% of the Units (calculated on a Fully Diluted Basis).

“Remaining Commitment Amount” shall mean, as to any Member on any date of determination, the Capital Commitment of such Member minus the total Capital Contributions previously contributed to the Network by such Member. Whenever this Agreement requires the computation of a Member’s Remaining Commitment Amount in order to allocate such Member’s obligations to make Capital Contributions, such computation shall be made immediately prior to the date on which such Capital Contributions are finally determined and called by the Board.

“Regulations” shall mean, except where the context indicates otherwise, the permanent and temporary regulations of the Department of the Treasury promulgated under the Code, as such regulations may be lawfully changed from time to time (including corresponding provisions of succeeding regulations).

“Rodgers Employment Agreement” shall mean that certain Employment Agreement to be entered into by and between Johnathan Rodgers and the Network.

“S Corporation” shall mean a small business corporation that has an election in effect under Code Section 1362(a) to be treated as an ‘S corporation’ for tax purposes.

“Sale Transaction” shall mean (i) the sale, transfer or other disposition of all or substantially all of the assets of the Network, or (ii) the acquisition of the Network by a Person or group of Persons by means of any transaction or series of related transactions (including, without limitation, any merger, consolidation, or reorganization), if, following such transaction or transactions, the Persons that were Members immediately prior to such transaction or transactions beneficially own, directly or indirectly, less than 50 percent of both the then outstanding equity securities and the combined Voting Power of the then outstanding securities of the purchaser, transferee or successor; *provided, however*, that any transaction consummated under Sections 12.1, 12.2, 12.4, 12.5, 12.6, 12.7 or 12.8 hereof or under the provisions of the Radio One Change of Control Agreement or the Buy/Sell Agreement (excluding a Network Sale under Section 2.3 of the Buy/Sell Agreement) shall not constitute or be deemed to be a Sale Transaction hereunder. For the avoidance of doubt, the term “Sale Transaction” includes a Network Sale.

“Secretary” shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.16 hereof.

“Series A Preferred Unit Price” shall mean \$5.00.

“Series A Preferred Units” shall mean equity Units in the Network, designated as “Series A Preferred Units,” as described in Section 6.1(a) hereof.

“State Rate” shall mean, for each Taxable Year, the highest combined State and local income (or similar) tax rate applicable to corporations in any single geographical taxing jurisdiction in which the Network conducts business for such Taxable Year; *provided, however*, that for any Taxable Year, the Board may select a lesser tax rate that, in the reasonable good faith judgment of the Board, approximates the combined State and local tax rates to which the Members’ shares of the net income of the Network likely will be subject for such Taxable Year.

“Subscriber Commitment” has the meaning ascribed thereto in the Comcast Affiliation Agreement.

“Subscription Agreement” shall mean each Subscription Agreement, dated as of the Effective Date, or in the case of DIRECTV, the date hereof, between an Initial Member and the Network.

“Substitute Member” shall mean a Person who has been admitted as a Member pursuant to Section 13.3 hereof; *provided* that a Member that acquires Units from another Member shall not be deemed to be a Substitute Member hereunder.

“Tax Matters Partner” shall mean the “tax matters partner” of the Network as defined in Code § 6231(a)(7).

“Tax Rate” shall mean, for each Taxable Year, the sum of (a) the Federal Rate for such Taxable Year, plus (b) the product of (i) the State Rate for such Taxable Year, multiplied by (ii) 100% minus the Federal Rate for such Taxable Year.

“**Taxable Year**” shall mean the taxable year of the Network, which shall be the same as the Fiscal Year unless otherwise agreed to by the Board and all of the Members or as otherwise required by applicable law.

“**Transaction Documents**” shall mean this Agreement, the Comcast Affiliation Agreement, the Radio One Agreements, the Radio One Change of Control Agreement, the Buy/Sell Agreement, the Subscription Agreements, the Comcast Registration Rights Agreement, the Comcast/Radio One Registration Rights Agreement, the Radio One Registration Rights Agreement, the DIRECTV Affiliation Agreement, the Payment Direction Letter and any Joinder Agreement.

“**Transfer**” shall mean, as a noun, any voluntary or involuntary sale, assignment, transfer, grant, hypothecation, pledge, encumbrance or other disposition; and, as a verb, voluntarily or involuntarily to sell, assign, transfer, grant, give away, hypothecate, pledge, encumber or otherwise dispose of, and shall include any transfer by will, gift or intestate succession.

“**Unit Affiliate**” shall mean (a) with respect to Comcast, an Affiliate of Comcast that holds Equity Interests; (b) with respect to Radio One, an Affiliate of Radio One that holds Equity Interests, (c) with respect to a Financial Investor Member, an Affiliate of such Financial Investor Member that holds Equity Interests, and (d) with respect to DIRECTV, an Affiliate of DIRECTV that holds Equity Interests, in each case, provided that such Affiliate acquired such Equity Interests in accordance with the terms and provisions of this Agreement.

“**Units**” shall mean the personal property ownership interests in the Network, as designated into classes in accordance with Article V of this Agreement, including any and all benefits to which the holder of such personal property ownership interests may be entitled as provided in this Agreement, together with all obligations of such holder to comply with the terms and provisions of this Agreement, including, but not limited to, the rights of each Member in the Distributions, Net Profits, Net Losses and Capital Accounts of the Network with respect to the personal property ownership interests held by such Member.

“**Voting Power**” shall mean, with respect to a Person, the power to vote, or to direct the voting of, whether directly or indirectly, through record ownership or any contract, securities that may be cast for the election of the board of directors or the board of managers (or similar governing body) of such Person.

As used in this Agreement, the following terms shall have the meanings set forth in the respective sections of this Agreement identified below:

<u>Term</u>	<u>Section</u>
Activities	19.1(a)
Additional Funding Amount	6.1(b)
Adjusted Blocker Proceeds	19.14(d)(iii)(1)
Annual Budget	4.21(b)
Asset Sale Put Right	12.2(a)
Blocker Equity Interests	19.14(d)
Blocker Liquidity Event	19.14(d)
Blocker Negotiation Termination	19.14(d)
Blocker Stock Purchase	19.14(d)
Blocker Stock Purchase Election	19.14(d)
Board Materials	4.20(a)
BSC Employee Fund	Preamble

Call Right Closing	12.1(d)
Call Right Defaulting Person	12.1(d)
Call Right Value Determination Date	12.1(f)
Call Unit Price	12.1(c)
Call Units	12.1(b)
Capital Call Notice	6.3
Chairman	4.9
Chairman Chief Executive Officer Nominees	4.11(b)
Claims	18.2
Class B Representative	5.2(b)(ii)
Class D Call Acceptance Date	12.1(f)
Class D Call Acceptance Notice	12.1(f)
Class D Call Exercise Period	12.1(f)
Class D Call Participation Request Notice	12.1(f)
Class D Call Units	12.1(f)
Class D Call Unit Price	12.1(f)
Class D Drag-Along Closing	12.5(d)
Class D Drag-Along Notice	12.5(d)
Class D Drag-Along Units	12.5(d)
Class D Drag-Along Unit Price	12.5(d)
Class D Put Acceptance Date	12.2(e)
Class D Put Acceptance Notice	12.2(e)
Class D Put Closing	12.2(e)
Class D Put Notice	12.2(e)
Class D Put Participation Request Notice	12.2(e)
Class D Put Units	12.2(e)
Class D Put Unit Price	12.2(e)
Comcast	Preamble

Comcast Concept	15.2
Comcast DTV Put Price	12.8(b)(i)
Comcast Manager	4.1(c)
Comcast Programming	15.2
Comcast Put Price	12.2(c)(i)
Comcast Representative	4.20(a)
Comcast Strategic Transaction	11.5(a)
Common Units	5.1(a)
Competition Notice	19.2
Confidential Information	19.3
Consenting Member	19.3
Constellation	Preamble
Constellation Assumption Amount	6.1(b)
Constellation Purchase Amount	6.1(b)
Constellation Purchaser	6.1(b)
Constellation Representative	4.20(b)
Conversion Notice	5.2(e)(iv)(1)
Co-Sale Notice	11.4(a)
Co-Sale Percentage	11.4(b)
Co-Sale Rights	11.4(b)
Covered Person	18.1
Covered Persons	18.1
CST Competitor Action	5.2(b)(v)
CV II-Delaware	Preamble
CVC II Partners	Preamble

Default	6.6(a)
Default Amount	6.6(c)
Defaulting Member	6.6(a)
Default Notice	6.6(c)(i)
Derivative Equity Interest Exercise	12.1(b)
Derivative Equity Interest Exercise Notice	12.1(b)
DIRECTV	Preamble
DIRECTV I	Preamble
DIRECTV II	Preamble
DIRECTV Derivative Equity Interest Exercise	12.6(b)
DIRECTV Derivative Equity Interest Exercise Notice	12.6(b)
DIRECTV Equity Units	12.6(b)
DIRECTV Manager	4.1(f)
DIRECTV Purchase Notice	12.6(a)
DIRECTV Purchase Right Closing	12.6(c)
DIRECTV Purchase Right Value Determination	12.6(a)
DIRECTV Representative	4.21(b)
Drag-Along Notice	12.5(a)
Drag-Along Seller	12.5(a)
Drag Along Seller Election	12.5(e)
Drag-Along Units	12.5(a)
Drag-Along Value Determination Date	12.5(e)(i)
DTV Call Exercise Notice	12.7(c)
DTV Call Initial Meeting	12.7(c)
DTV Call Initial Meeting Date	12.7(c)
DTV Call Right Closing	12.7(d)
DTV Call Right Defaulting Person	12.7(d)
DTV Call Units	12.7(c)
DTV Call Unit Price	12.7(c)

DTV Equity Interest Exercise	12.7(b)
DTV Equity Interest Exercise Notice	12.7(b)
DTV Put Notice	12.8(a)
DTV Put Participation Notice	12.8(c)
DTV Put Right	12.8
DTV Put Right Closing	12.8(d)
DTV Put Right Defaulting Person	12.8(d)
DTV Put Right Determination Date	12.8(a)
DTV Put Right Exercise Period	12.8(a)

DTV Put Units	12.8(b)
DTV Redemption Closing	12.7(e)
Electronic Transmission	3.8(b)
Event of Dissolution	16.1
Exercise Notice	12.1(c)
Exercising Drag-Along Seller	12.5(e)
Exercising Drag-Along Seller Closing	12.5(e)(v)
Exercising Drag-Along Units	12.5(e)(iii)
Final Accepted Interests	11.3(a)(iii)
Final Adjusted Blocker Proceeds	19.14(d)
Final Member Acceptance Period	11.3(a)(iii)
Final Preemptive Rights Proportionate Share	12.3(c)
Final Proportionate Share	6.6(c)(iii)
Financial Investor Manager	4.1(e)
Financial Investor Member Offered Interests	11.3(a)(ii)
Financial Investor Member Preemptive Rights Interests	12.3(b)
Financial Investor Member Proportionate Share	6.6(d)
Fiscal Year	2.10
Forfeited Units	6.6(b)
Indemnified Person	18.2(a)
Indemnified Persons	18.2(a)
Initial Accepted Interests	11.3(a)(ii)

Initial Meeting	12.1(c)
Initial Meeting Date	12.1(c)
Initial Member Acceptance Period	11.3(a)(ii)
Initial Preemptive Rights Proportionate Share	12.3(b)
Initial Proportionate Share	6.6(c)(ii)
Joinder Agreement	11.1(c)
Liggins	4.9
Liquidation	17.1(a)
Loan	6.10(b)
Loan Acceptance Notice	6.10(b)
Loan Notice	6.10(a)
Manager Change Notice	19.2
Network Acceptance Period	11.3(b)
Network Accepted Interests	11.3(a)(i)
Network Class D Acceptance Period	11.3(a)(i)
Network Purchase Obligation	5.2(e)(i)(1)
Non-Defaulting Members	6.6(c)
Offer	11.3(a)
Offer Notice	11.3(a)
Offer Price	11.3(a)
Offered Interests	11.3(a)
Offeror	11.3(a)
Opportunity	Preamble
Opportunity Representative	4.20(c)

Pacesetter	Preamble
Pacesetter Representative	4.20(d)
Participation Notice	12.2(c)
Permitted Transfer	11.1(b)
Preemptive Rights	12.3
Preemptive Rights Notice	12.3(a)
Preferred Units	5.1(a)
Prohibited Transfer	11.5(a)
Proposed Annual Budget	4.21(a)
Put Closing Date	12.2(d)
Put Exercise Period	12.2(a)
Put Notice	12.2(a)
Put Right Closing	12.2(d)
Put Right Defaulting Person	12.2(d)
Put Right Value Determination Date	12.2(a)
Put Units	12.2(b)
Qualifying Class D Put Units	12.2(e)
Radio One	Preamble
Radio One Chairman Nominees	4.9(b)
Radio One DTV Put Price	12.8(c)(ii)
Radio One Manager	4.1(d)
Radio One Put Price	12.2(c)(ii)
Radio One Representative	4.20(f)
Redemption Closing	12.1(e)
Refused Interests	11.3(b)
Remaining Equity Interest	12.3(c)
Remaining Forfeited Units	6.6(c)(iii)
Remaining Offered Interests	11.3(a)(iii)
Restricted Period	11.1(a)
Right of First Refusal	11.3(a)(ii)

Sale Notice	5.4(b)(iv)
Selling Class D Member	12.2(e)
Selling DTV Put Right Member	12.8(a)
Selling Put Right Member	12.2(a)
Series A Preferred Representative	5.2(e)(ii)
Service	2.3
SIS Acquiror	12.4(a)
SIS Closing	12.4(a)
SIS Closing Date	12.4(a)
SIS Closing Termination Date	12.4(c)
SIS Notice	12.4(a)
SIS Sale Price	12.4(a)
Strategic Investor Sale	12.4
Syndicated	Preamble
Syndicated Representative	4.20(e)
Tag-Along Defaulting Person	12.4(b)
Tag Along Notice	12.4(b)
Tag Along Seller	12.4(b)
Tag Along Units	12.4(b)
Total Capital Commitment	6.1(a)
TV ONE, LLC	2.2
Warning Notice	6.6(a)

Section 1.2 Construction. Whenever the context requires, the gender of any word used in this Agreement includes the masculine, feminine or neuter, and the number of any word includes the singular or plural. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” Unless the context otherwise requires, all references to articles, sections and paragraphs refer to articles, sections and paragraphs of this Agreement, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the schedules hereto.

Section 1.3 Headings. The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

Section 1.4 Exercise of Rights and Obligations by Affiliated Members. Subject to the provisions of Section 5.2(b)(ii) and 5.2(e)(ii):

(a) All Unit Affiliates of Comcast shall exercise all of their rights and receive and deliver all notices applicable to such Unit Affiliates hereunder jointly among all such Unit Affiliates and Comcast and solely by and through Comcast;

(b) All Unit Affiliates of Radio One shall exercise all of their rights and receive and deliver all notices applicable to such Unit Affiliates hereunder jointly among all such Unit Affiliates and Radio One and solely by and through Radio One;

(c) All Unit Affiliates of each of Constellation, CV II-Delaware, BSC Employee Fund, CVC II Partners, Opportunity, Pacesetter and Syndicated (and any Substitute Member that acquires all of the Units held by such Financial Investor Member) shall exercise all of their rights and receive and deliver all notices applicable to such Unit Affiliates hereunder jointly among all such Unit Affiliates and such Financial Investor Member and solely by and through such Financial Investor Member; and

(d) All Unit Affiliates of DIRECTV shall exercise all of their rights and receive and deliver all notices applicable to such Unit Affiliates hereunder jointly among all such Unit Affiliates and DIRECTV and solely by and through DIRECTV.

ARTICLE II

FORMATION AND ORGANIZATION

Section 2.1 Formation. The Members have formed the Network as a Delaware limited liability company pursuant to the provisions of the Act by filing the Certificate of Formation for the Network with the Office of the Secretary of State of the State of Delaware in conformity with the Act. The Network and, if required, each of the Members shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making publications or periodic filings) as may now or hereafter be required for the formation, valid existence and, when appropriate in accordance with the terms of this Agreement, termination of the Network as a limited liability company under the laws of the State of Delaware.

Section 2.2 Name. The name of the Network shall be “**TV ONE, LLC**” and its business shall be carried on in such name with such variations and changes as the Board shall determine or deem necessary or desirable to comply with requirements of the jurisdictions in which the Network’s operations are conducted or to comply with applicable law.

Section 2.3 Business Purpose. The Network is formed for the sole purpose of developing and distributing a television programming service which shall be a professionally produced, advertiser supported, twenty-four (24) hour per day, seven (7) day per week, programming service consisting of news, information, entertainment and events targeting the 18-54 year old African-American viewers (the “**Service**”). The Network may engage in other business purposes permitted under the Act only upon (a) the approval of the Board and (b) the prior written consent of the Class B Common Units in accordance with Section 5.2(b)(i) or 5.2(b)(v) hereof.

Section 2.4 Network Powers. Subject to the terms of this Agreement, the Network and the Board (acting on behalf of the Network) shall possess and may exercise all of the powers and privileges permitted by the Act, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business purposes of the Network specified in Section 2.3 hereof.

Section 2.5 Registered Office and Agent. The location of the registered office of the Network in the State of Delaware shall be 1209 Orange Street, Wilmington, Delaware 19801. The Network’s registered agent at such address shall be CT Corporation. The Board may, from time to time, change the Network’s registered office or registered agent, and shall forthwith amend the Certificate of Formation to reflect such change.

Section 2.6 Term. The existence of the Network commenced on July 10, 2003, and, subject to the provisions of Articles XVI and XVII below, the Network shall have perpetual existence.

Section 2.7 Principal Place of Business. The principal place of business of the Network shall be located at 1010 Wayne Ave, 10th Floor, Silver Spring, Maryland 20910, or at such other location as the Board may, from time to time, select.

Section 2.8 Title to Network Property. Legal title to all property of the Network shall be held, vested and conveyed in the name of the Network and no real or other property of the Network shall be deemed to be owned by the Members individually.

Section 2.9 Business Transactions of the Members and Managers with the Network. In accordance with Section 18-107 of the Act and subject to the terms and conditions of this Agreement, each Member and Manager may lend money to, borrow money from, act as a surety, guarantor or endorser for, guarantee or assume one or more obligations of, provide collateral for, and transact other business with, the Network and, subject to applicable law, shall have the same rights and obligations with respect to any such matter as a Person who is not a Member or Manager.

Section 2.10 Fiscal Year. The fiscal year of the Network (the “**Fiscal Year**”) for financial statement purposes shall end on December 31 of each year and the last Fiscal Year shall end on the date on which the winding up of the Network is completed. The Board may change the Fiscal Year solely upon receiving the written consent of all of the Members.

Section 2.11 Other Qualifications. The Members agree that the Network shall file or record such documents and take such other actions under the laws of any jurisdiction as are necessary or desirable to permit the Network to do business in any such jurisdiction and/or promote the limitation of liability for the Members in any such jurisdiction. Each Member hereby authorizes the Board to take any action that may be necessary or desirable in order to permit the Network to do business (or facilitate the doing of business) in any jurisdiction and/or to promote the limitation of liability for the Members therein; *provided* that any such action is not in conflict with any of the terms of this Agreement.

Section 2.12 No State Law Partnership; Tax Classification. The parties to this Agreement agree to form a limited liability company and do not intend to form a partnership under the laws of the State of Delaware or any other laws; *provided, however*, that, to the extent permitted by U.S. or other applicable law, the Network shall be treated as a partnership for U.S. federal, state and local income tax purposes. Notwithstanding any other provision of this Agreement, no Member nor any Affiliate of a any Member, nor any employee of the Network, may take any action (including the filing of a U.S. Treasury Form 8832 Entity Classification Election) that would cause the Network to be characterized as an entity other than a partnership for federal income tax purposes without the affirmative approval of the Board. The Tax Matters Partner is hereby authorized and shall take all actions necessary to qualify the Network as a partnership for federal, state and local income tax purposes.

ARTICLE III

THE MEMBERS

Section 3.1 Members; Powers of Members. The name and address of each Initial Member is set forth on Schedule A hereto. Schedules A and B shall be amended from time to time by (a) the Board (without any further action by the Members or any class of Members) to reflect the admission of an Additional Member, Substitute Member or Limited Member in accordance with Article XIII hereof, the Transfer of Units between Members, the acquisition or forfeiture of Units by Members or the withdrawal of a Member pursuant to Section 13.6 hereof, in each case provided that such actions complied with the terms of this Agreement or (b) the Secretary of the Network (without any further action by the Members or any class of Members) to reflect any updated notice information for a Member or any change in the individual designated as a Series A Preferred Representative or Class B Representative properly delivered by such Member to the Network. The Members shall have the power to exercise any and all rights or powers granted to the Members (or individual or groups of Members) pursuant to the express terms of this Agreement. Except as otherwise provided in this Agreement or specifically required by the Act (which requirement may not be waived or superceded by a contrary provision in a Delaware limited liability company's operating agreement) (i) no Person or Persons other than the Board acting under the authority of this Agreement, and individuals authorized by the Board acting under the authority of the Board, shall have the power to act for or on behalf of, or to bind, the Network and (ii) no Member shall have the right to vote upon or consent to any matter.

Section 3.2 Meetings of Members. Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by the Act or by this Agreement, may be called by the Chairman of the Board and shall be called by the Secretary at the request in writing of any Member or Members owning at least 10% of the Units on a Fully Diluted Basis. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at any meeting of the Members will be limited to the purposes stated in the notice.

Section 3.3 Place of Meetings. The Board may designate any place, either within or outside of the State of Delaware, as the place of meeting for any meeting of the Members. If no designation is made, the place of meeting shall be the principal executive offices of the Network. Members may participate in a meeting by means of a conference telephone or electronic media by means of which all Persons participating in the meeting can communicate concurrently with each other, and any such participation in a meeting shall constitute presence in person of such Member at such meeting.

Section 3.4 Notice of Members' Meetings.

(a) Written notice stating the place, day, and hour of the meeting and the purpose for which the meeting is called shall be delivered not less than ten (10) days nor more than fifty (50) days before the date of the meeting, by or at the direction of the Person calling the meeting to each Member of record of Units entitled to vote at such meeting.

(b) Notice to Members shall be made and shall be deemed effective in accordance with Section 19.9 hereof.

(c) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Network may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member holding Units entitled to vote at the meeting.

Section 3.5 Waiver of Notice.

(a) When any notice is required to be given to any Member of the Network under the provisions of Section 3.4 hereof, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

(b) By attending or participating in a meeting, a Member:

(i) waives objection to lack of notice or defective notice of such meeting unless the Member, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and

(ii) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Member objects to considering the matter when it is presented.

Section 3.6 Voting Record. The Secretary shall make a complete record of the Members entitled to vote at each meeting of Members or any adjournment thereof, and the results of any such vote of the Members. Members shall be entitled to inspect such voting record during normal business hours at the Network's principal executive offices.

Section 3.7 Vote Required. Only those actions that require the approval of the Members (or certain individual classes of the Members) under this Agreement or that specifically require the approval of the Members under the Act (which requirement may not be waived or superceded by a contrary provision in a Delaware limited liability company's operating agreement) shall be submitted to the Members for approval. On all matters submitted to all of the Members for approval, the affirmative vote, in person or by proxy, of the holders of a majority of the outstanding Units entitled to vote shall be the act of the Members, unless the vote of a greater proportion is required by the Act or this Agreement.

Section 3.8 Action by Written Consent of Members.

(a) Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if Members holding not less than the minimum number of Units that would be necessary to approve the action pursuant to the terms of this Agreement consent thereto in writing. Such writing or writings shall be filed with the minutes of the proceedings of the Members. In no instance where action is authorized by written consent shall a meeting of Members be called or notice be given; however, a copy of the action taken by written consent shall be maintained with the records of the Network. Reasonably prompt notice of the taking of any action taken without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of Members to take the action were obtained. Written consent by the Members pursuant to this Section 3.8 shall have the same force and effect as a vote of such Members taken at a duly held meeting of the Members and may be stated as such in any document.

(b) An Electronic Transmission consenting to an action to be taken and transmitted by a Member, or by a Person or Persons authorized to act for a Member, shall be deemed to be written, signed and dated for purposes of this Section 3.8, *provided* that any such Electronic Transmission sets forth or is delivered with information from which the Network can determine (i) that the electronic transmission was transmitted by the Member, or by a Person or Persons authorized to act for the Member, and (ii) the date on which such Member or authorized Person or Persons transmitted such electronic transmission. The date on which such electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. For the purposes of this Agreement, "**Electronic Transmission**" means any form of communication not directly involving physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such recipient through an automated process.

(c) Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, *provided* that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 3.9 No Liability of Members. All debts, obligations and liabilities of the Network, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Network, and no Member shall be obligated personally for any such debt, obligation or liability of the Network solely by reason of being a Member.

ARTICLE IV

MANAGEMENT OF THE NETWORK

Section 4.1 Management by Board of Managers. Except for situations in which the approval of Members is expressly required by this Agreement or by a provision of the Act (which cannot be waived or superceded by this Agreement), the powers of the Network shall be exercised by or under the authority of, a Board of Managers and such Board of Managers may make (or designate to officers of the Network in accordance with this Agreement the authority to make) all decisions affecting the business and affairs of the Network. All decisions made, and all actions taken, by the Board shall be made or taken only with the affirmative consent of a majority of the Managers then serving on the Board (each Manager having one vote); *provided, however*, that (1) any and all actions to be taken, instructions to be given, determinations to be made or consents to be given for or on behalf of the Board pursuant to the Radio One Agreements (including, without limitation, the approval of the Radio One Service Plan and the Radio One Advertising Plan pursuant to the Radio One Agreements) shall be taken, made or given solely by the approval of any three of the Chief Executive Officer, a Comcast Manager, the Financial Investor Manager and the DIRECTV Manager, unless otherwise specifically provided for in the Radio One Agreements, (2) any and all actions to be taken, instructions to be given, determinations to be made or consents to be given for or on behalf of the Board pursuant to the Comcast Affiliation Agreement shall be taken or given solely by the approval of any three of the Chief Executive Officer, a Radio One Manager, the Financial Investor Manager and the DIRECTV Manager, and (3) any and all actions to be taken, instructions to be given, determinations to be made or consents to be given for or on behalf of the Board pursuant to the DIRECTV Affiliation Agreement shall be taken or given solely by the approval of any three of the Chief Executive Officer, a Radio One Manager, a Comcast Manager and the Financial Investor Manager. To the extent necessary, the Chief Executive Officer shall be deemed to be a member of the Board solely for the purpose of exercising the approval rights set forth in the preceding sentence. Each Manager shall serve until his or her resignation, removal, incapacity or death. With respect to the approval rights set forth in (1) above, no Comcast Manager shall be permitted to exercise such approval rights following a Comcast Trigger Event or a CST Competitor Event, no Financial Investor Manager shall be permitted to exercise such approval rights following a Financial Investor Trigger Event and no DIRECTV Manager shall be permitted to exercise such approval rights following a DIRECTV Trigger Event (and if (x) a Comcast Trigger Event or a CST Competitor Event, (y) a Financial Investor Trigger Event and (z) a DIRECTV Trigger Event have occurred, the Chief Executive Officer shall have the sole power to exercise such approval rights). With respect to the approval rights set forth in (2) above, no Radio One Manager shall be permitted to exercise such approval rights following a Radio One Trigger Event, no Financial Investor Manager shall be permitted to exercise such approval rights following a Financial Investor Trigger Event and (3) no DIRECTV Manager shall be permitted to exercise such approval rights following a DIRECTV Trigger Event (and if (x) a Radio One Trigger Event, (y) a Financial Investor Trigger and (z) a DIRECTV Trigger Event have occurred, the Chief Executive Officer shall have the sole power to exercise such approval rights). With respect to the approval rights set forth in (3) above, no Comcast Manager shall be permitted to exercise such approval rights following a Comcast Trigger Event or CST Competitor Event, no Radio One Manager shall be permitted to exercise such approval rights following a Radio One Trigger Event and no Financial Investor Manager shall be permitted to exercise such approval rights following a Financial Investor Trigger Event (and if (x) a Comcast Trigger Event, (y) a Radio One Trigger Event and (z) a Financial Investor Trigger Event have occurred, the Chief Executive Officer shall have the sole power to exercise such approval rights). The Board shall consist of at least three (3) but not more than nine (9) Managers, the exact number of Managers to be determined as follows:

(a) The number of Managers which shall constitute the current Board shall be seven (7), and shall consist of:

(i) one (1) Manager designated by Comcast, who shall, as of the date hereof, be Russ Chandler;

(ii) four (4) Managers designated by Radio One, who shall, as of the date hereof, be Alfred C. Liggins, III, Catherine L. Hughes, Terry L. Jones and such other person who will be designated by Radio One in a notice to the Network;

(iii) one (1) Manager designated by holders of a majority of the Units held by the Financial Investor Members (excluding any Financial Investor Member that is a Limited Member and the Units held by such Limited Member), who shall, as of the date hereof, be Dennis Miller; and

(iv) one (1) Manager designated by DIRECTV, who shall, as of the date hereof, be Michael Thornton.

(b) The number of Managers constituting the entire Board, and the rights of the Members to designate Managers, shall change from time to time in accordance with the provisions of Section 4.4 hereof.

(c) Any Manager being designated by Comcast pursuant to the provisions of Sections 4.1(a) or 4.1(b) hereof shall hereafter be referred to as a “**Comcast Manager**.”

(d) Any Manager being designated by Radio One pursuant to the provisions of Sections 4.1(a) or 4.1(b) hereof shall hereafter be referred to as a “**Radio One Manager**.”

(e) Any Manager being designated by the Financial Investor Members pursuant to the provisions of Section 4.1(a) hereof shall hereafter be referred to as a “**Financial Investor Manager**.”

(f) Any Manager being designated by DIRECTV pursuant to the provisions of Sections 4.1(a) or 4.1(b) hereof shall hereafter be referred to as a “**DIRECTV Manager**.”

Section 4.2 Replacement of Managers.

(a) Comcast may at any time designate a replacement for a Comcast Manager by delivering a written notice of such replacement to the other Managers and the other Members. Such written notice shall state whether such replacement Manager shall be a temporary replacement (in which case a specified period of time shall be identified during which such replacement Manager will act as a Comcast Manager) or a permanent replacement. From and after the date on which the other Managers and the other Members receive such notice (subject to any specified period of time designated in such notice for a temporary replacement), (i) the Comcast replacement Manager shall be deemed to be a Comcast Manager and shall have all authority, power and capacity accorded to a Manager on the Board (in the event of a temporary replacement, only for such period of time designated by Comcast in the written notice provided under this Section 4.2(a), following which such temporary replacement Manager shall be deemed to have automatically resigned), and (ii) the Comcast Manager being replaced shall be deemed to have resigned from the Board and shall have no authority, power, or capacity with respect to any matter whatsoever relating to the Board (in the event of a temporary replacement, only for such period of time designated by Comcast in the written notice provided under this Section 4.2(a), following which the Comcast Manager that had been temporarily replaced shall be automatically reinstated as a Comcast Manager).

(b) Radio One may at any time designate a replacement for a Radio One Manager by delivering a written notice of such replacement to the other Managers and the other Members. Such written notice shall state whether such replacement Manager shall be a temporary replacement (in which case a specified period of time shall be identified during which such replacement Manager will act as a Radio One Manager) or a permanent replacement. From and after the date on which the other Managers and the other Members receive such notice (subject to any specified period of time designated in such notice for a temporary replacement), (i) the Radio One replacement Manager shall be deemed to be a Radio One Manager and shall have all authority, power and capacity accorded to a Manager on the Board (in the event of a temporary replacement, only for such period of time designated by Radio One in the written notice provided under this Section 4.2(b), following which such temporary replacement Manager shall be deemed to have automatically resigned), and (ii) the Radio One Manager being replaced shall be deemed to have resigned from the Board and shall have no authority, power, or capacity with respect to any matter whatsoever relating to the Board (in the event of a temporary replacement, only for such period of time designated by Radio One in the written notice provided under this Section 4.2(b), following which the Radio One Manager that had been temporarily replaced shall be automatically reinstated as a Radio One Manager).

(c) The Financial Investor Members may at any time designate a replacement for the Financial Investor Manager by delivering a written notice signed by holders of a majority of the Units held by the Financial Investor Members (excluding any Financial Investor Member that is a Limited Member and the Units held by such Limited Member) of such replacement to the other Managers and the other Members. Such written notice shall state whether such replacement Manager shall be a temporary replacement (in which case a specified period of time shall be identified during which such replacement Manager will act as a Financial Investor Manager) or a permanent replacement. From and after the date on which the other Managers and the other Members receive such notice (subject to any specified period of time designated in such notice for a temporary replacement), (i) the Financial Investor Members replacement Manager shall be deemed to be the Financial Investor Manager and shall have all authority, power and capacity accorded to a Manager on the Board (in the event of a temporary replacement, only for such period of time designated by the Financial Investor Members in the written notice provided under this Section 4.2(c), following which such temporary replacement Manager shall be deemed to have automatically resigned), and (ii) the Financial Investor Manager being replaced shall be deemed to have resigned from the Board and shall have no authority, power, or capacity with respect to any matter whatsoever relating to the Board (in the event of a temporary replacement, only for such period of time designated by the Financial Investor Members in the written notice provided under this Section 4.2(c), following which the Financial Investor Manager that had been temporarily replaced shall be automatically reinstated as a Financial Investor Manager).

(d) DIRECTV may at any time designate a replacement for the DIRECTV Manager by delivering a written notice signed by DIRECTV of such replacement to the other Managers and the other Members. Such written notice shall state whether such replacement Manager shall be a temporary replacement (in which case a specified period of time shall be identified during which such replacement Manager will act as a DIRECTV Manager) or a permanent replacement. From and after the date on which the other Managers and the other Members receive such notice (subject to any specified period of time designated in such notice for a temporary replacement), (i) the DIRECTV replacement Manager shall be deemed to be the DIRECTV Manager and shall have all authority, power and capacity accorded to a Manager on the Board (in the event of a temporary replacement, only for such period of time designated by DIRECTV in the written notice provided under this Section 4.2(d), following which such temporary replacement Manager shall be deemed to have automatically resigned), and (ii) the DIRECTV Manager being replaced shall be deemed to have resigned from the Board and shall have no authority, power, or capacity with respect to any matter whatsoever relating to the Board (in the event of a temporary replacement, only for such period of time designated by DIRECTV in the written notice provided under this Section 4.2(d), following which the DIRECTV Manager that had been temporarily replaced shall be automatically reinstated as a DIRECTV Manager).

Section 4.3 Vacancies.

(a) If at any time a vacancy is created on the Board by reason of the incapacity, death, removal or resignation of a Comcast Manager, then Comcast shall designate a replacement for the Comcast Manager by delivering a written notice of such replacement to the other Managers and the other Members. From and after the date on which the other Managers and the other Members receive such notice, the Comcast replacement Manager shall be deemed to be a Comcast Manager and shall have all authority, power and capacity accorded to a Manager on the Board. In the event that a vacancy exists in the position of the Comcast Manager for more than ten (10) Business Days, the requirement that a Comcast Manager approve certain actions under this Agreement shall be deemed to be waived until a replacement Comcast Manager is designated in accordance with this Section 4.3(a).

(b) If at any time a vacancy is created on the Board by reason of the incapacity, death, removal or resignation of a Radio One Manager, then Radio One shall designate a replacement for the Radio One Manager by delivering a written notice of such replacement to the other Managers and the other Members. From and after the date on which the other Managers and the other Members receive such notice, the Radio One replacement Manager shall be deemed to be a Radio One Manager and shall have all authority, power and capacity accorded to a Manager on the Board.

(c) If at any time a vacancy is created on the Board by reason of the incapacity, death, removal or resignation of the Financial Investor Manager, then holders of a majority of the Units held by the Financial Investor Members (excluding any Financial Investor Member that is a Limited Member and the Units held by such Limited Member) shall designate a replacement for the Financial Investor Manager by delivering a written notice of such replacement to the other Managers and the other Members. From and after the date on which the other Managers and the other Members receive such notice, the Financial Investor Members replacement Manager shall be deemed to be the Financial Investor Manager and shall have all authority, power and capacity accorded to a Manager on the Board.

(d) If at any time a vacancy is created on the Board by reason of the incapacity, death, removal or resignation of the DIRECTV Manager, then DIRECTV shall designate a replacement for the DIRECTV Manager by delivering a written notice of such replacement to the other Managers and the other Members. From and after the date on which the other Managers and the other Members receive such notice, the DIRECTV replacement Manager shall be deemed to be the DIRECTV Manager and shall have all authority, power and capacity accorded to a Manager on the Board.

Section 4.4 Changes in Board Size and the Right to Designate Managers.

(a) Prior to the occurrence of any of the events set forth in Sections 4.4(b)-(k) hereof, on any date that the Percentage Interest of Comcast and its Unit Affiliates, collectively, exceed 45%, the number of Managers comprising the entire Board shall be increased automatically from seven (7) to nine (9) Managers and the vacancies created thereby shall be filled by one (1) additional Comcast Manager and one (1) additional Radio One Manager; *provided, however*, that if the Percentage Interest of Comcast and its Unit Affiliates, collectively, subsequently cease to exceed 45%, then the number of Managers comprising the entire Board shall be decreased automatically from nine (9) to seven (7) Managers, to be filled by four (4) Radio One Managers, one (1) Comcast Manager, one (1) Financial Investor Manager and one (1) DIRECTV Manager, effective automatically as of the date on which the Percentage Interest of Comcast and its Unit Affiliates, collectively, subsequently cease to exceed 45%. For the avoidance of doubt, upon the occurrence of any of the events set forth in Sections 4.4(b)-(k) hereof, notwithstanding anything to the contrary in the first sentence of this Section 4.4(a), the size and composition of the Board shall be as set forth in the applicable section for such event.

(b) If Comcast and/or Radio One exercise the call right pursuant to Section 12.1 hereof, the number of Managers on the Board and the right to designate such Managers shall change to conform to the applicable provisions of Section 12.1(c) hereof, such change to be effective from and after the closing of the purchase of Equity Interests from the Call Right Members in accordance with Section 12.1 hereof; *provided, however*, that this Section 4.4(b) shall cease to be applicable after the occurrence of any of the events set forth in Sections 4.4(d), (e), (f), (g) and (i) hereof.

(c) If all of the Financial Investor Members exercise their put rights pursuant to Section 12.2 hereof, the number of Managers on the Board and the right to designate such Managers shall change to conform to the applicable provisions of Section 12.2(c) hereof, such change to be effective from and after the closing of the purchase of Equity Interests from the Financial Investor Members in accordance with Section 12.2 hereof; *provided, however*, that this Section 4.4(c) shall cease to be applicable after the occurrence of any of the events set forth in Sections 4.4(d), (e), (f), (g) and (i) hereof.

(d) In the event Comcast delivers a Board Change Notice to Radio One and the Network pursuant to Section 2.2 of the Radio One Change of Control Agreement and so long as there has not been a Comcast Trigger Event prior to the delivery of such Board Change Notice, (i) all but one of the Radio One Managers on the Board shall be automatically removed (the remaining Radio One Manager to be designated by Radio One upon receipt of such Board Change Notice) and (ii) Comcast shall be permitted to fill the vacancies created by the removal of such Radio One Managers with additional Comcast Managers; *provided, however*, that Comcast may, in its sole discretion, fill only a portion of such vacancies in which event the total number of Managers on the Board shall be reduced by the number of vacancies not filled by Comcast.

(e) So long as there has not been a Comcast Trigger Event, in the event that Radio One engages in a Competitive Activity pursuant to Section 19.2 hereof and, as a result thereof, Comcast delivers a Manager Change Notice (i) all but one of the Radio One Managers on the Board shall be automatically removed (the remaining Radio One Manager to be designated by Radio One upon the occurrence of such event), and (ii) Comcast shall be permitted to fill the vacancies created by the removal of such Radio One Managers with additional Comcast Managers; *provided, however*, that Comcast may, in its sole discretion, fill only a portion of such vacancies in which event the total number of Managers on the Board shall be reduced by the number of vacancies not filled by Comcast.

(f) In the event of a Radio One Trigger Event, and so long as there has not been a Comcast Trigger Event prior to such Radio One Trigger Event, if Comcast delivers a written notice to Radio One and the Network demanding that this Section 4.4(f) be effective, (i) all but one of the Radio One Managers on the Board shall be automatically removed (the remaining Radio One Manager to be designated by Radio One upon the occurrence of such event), and (ii) Comcast shall be permitted to fill the vacancies created by the removal of such Radio One Managers with additional Comcast Managers; *provided, however*, that Comcast may, in its sole discretion, fill only a portion of such vacancies in which event the total number of Managers on the Board shall be reduced by the number of vacancies not filled by Comcast.

(g) In the event of a Comcast Trigger Event, and so long as there has not been a Radio One Trigger Event and Comcast has not delivered a Manager Change Notice pursuant to Section 19.2 hereof, in each case prior to such Comcast Trigger Event, if Radio One delivers a written notice to Comcast demanding that this Section 4.4(g) be effective (i) all but one of the Comcast Managers shall be automatically removed, and (ii) Radio One shall be permitted to fill the vacancies created by the removal of such Comcast Managers; *provided, however*, that Radio One may, in its sole discretion, elect not to fill such vacancy in which event the total number of Managers on the Board shall be reduced by the number of vacancies not filled by Radio One.

(h) In the event of a Financial Investor Trigger Event, automatically and without any further action by the Network, any Member or any Manager (i) the Financial Investor Manager shall be removed, (ii) the right of the Financial Investor Members to designate a Manager pursuant to Section 4.1 hereof shall terminate, and (iii) the total number of Managers on the Board shall be reduced by two (2) Managers.

(i) In the event of a DIRECTV Trigger Event, automatically and without any further action by the Network, any Member or any Manager (i) the DIRECTV Manager shall be removed, (ii) the right of DIRECTV to designate a Manager pursuant to Section 4.1 hereof shall terminate, and (iii) the total number of Managers on the Board shall be reduced by two (2) Managers.

(j) In the event that the total number of Managers on the Board is reduced pursuant to Section 4.4(h) or (i) above, the number of Radio One Managers shall be reduced from four (4) to three (3) and Radio One shall deliver a written notice to the Network identifying the three Radio One Managers who shall remain on the Board of Managers.

(k) The right of any Member to designate or vote to designate a Manager shall automatically terminate on the date such Member becomes a Limited Member in accordance with Section 13.4 hereof or ceases to be a Member in accordance with Section 13.6 hereof. Upon Comcast or Radio One becoming a Limited Member, any Manager designated by such Limited Member shall be removed from the Board automatically and without any further action on the part of the Network or any Member or Manager and whichever of Comcast or Radio One is not a Limited Member may fill any vacancy created by the removal of any such Manager with additional Comcast Managers or Radio One Managers, as applicable. Upon Comcast or Radio One becoming a Limited Member, if there has occurred a Comcast Trigger Event or a Radio One Trigger Event, as applicable, with respect to whichever of Comcast or Radio One is not a Limited Member, then the Board shall thereafter consist of five (5) Managers, one of which shall be the Manager appointed by whichever of Comcast or Radio One is not a Limited Member, one of which shall be the Financial Investor Manager, one of which shall be the DIRECTV Manager and the remaining two of which shall be appointed by the written agreement of the other Managers.

(l) If Comcast and/or Radio One exercise the call right pursuant to Section 12.7 hereof, the number of Managers on the Board and the right to designate such Managers shall change to conform to the applicable provisions of Section 12.7(f) hereof, such change to be effective from and after the closing of the purchase of Equity Interests from the DIRECTV Members in accordance with Section 12.7 hereof; *provided, however*, that this Section 4.4(l) shall cease to be applicable after the occurrence of any of the events set forth in Sections 4.4(d), (e), (f) and (g) hereof.

(m) If all of the DIRECTV Members exercise their put rights pursuant to Section 12.8 hereof, the number of Managers on the Board and the right to designate such Managers shall change to conform to the applicable provisions of Section 12.8(e) hereof, such change to be effective from and after the closing of the purchase of Equity Interests from the DIRECTV Members in accordance with Section 12.8 hereof; *provided, however*, that this Section 4.4(m) shall cease to be applicable after the occurrence of any of the events set forth in Sections 4.4(d), (e), (f) and (g) hereof.

Section 4.5 Meetings of the Board.

(a) The Board shall meet at such times as determined by the Board to be necessary for the management of the Network's business. Meetings of the Board may be called by the Chairman of the Board or any Comcast Manager or Radio One Manager on at least three (3) days' prior written notice of the time and place of such meeting. Two-thirds of the Managers then in office shall constitute a quorum for the transaction of business by the Board.

(b) Notice of any Board meeting may be waived by any Manager before or after such meeting.

(c) By attending or participating in a meeting, a Manager:

(i) waives objection to lack of notice or defective notice of such meeting unless the Manager, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and

(ii) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Manager objects to considering the matter when it is presented.

(d) Meetings of the Board or committees thereof may be conducted in person or by conference telephone facilities. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all of the Managers then in office consent thereto in writing (including by Electronic Transmission), and the writing or writings (including Electronic Transmissions) are filed with the minutes of proceedings of the Board. The date on which such Electronic Transmission is transmitted shall be deemed to be the date on which such consent was signed.

Section 4.6 Compensation of Managers. Managers shall not receive any salary or other compensation for their services, but shall be reimbursed for their reasonable out-of-pocket expenses incurred in attending meetings of the Board and any committees thereof.

Section 4.7 Power to Bind Network. No Manager (acting in his or her capacity as such) shall have any authority to bind the Network with respect to any matter except pursuant to a resolution expressly authorizing such action which resolution is duly adopted by the Board by the affirmative vote required for such matter pursuant to this Agreement or the Act.

Section 4.8 Committees. The Board shall designate an Audit Committee, which shall consist of four Managers of the Network, and a Compensation Committee, which shall consist of three Managers of the Network; *provided* that (a) no more than two of such Managers may be Radio One Managers so long as Radio One shall have the right to designate a majority of the Managers of the Network, and (b) no more than two of such Managers may be Comcast Managers so long as Comcast shall have the right to designate a majority of the Managers of the Network. The (x) Audit Committee shall be comprised of one Radio One Manager, one Comcast Manager, the Financial Investor Manager and the DIRECTV Manager and (y) Compensation Committee shall be comprised of one Radio One Manager, one Comcast Manager and the Financial Investor Manager, and, in each case, shall retain such composition until Radio One, Comcast, DIRECTV, or the Financial Investor Members, as applicable, waive their right (at any time and from time to time) to sit on such committee (in which case the Board may designate a replacement Manager to sit on such committee). The Audit Committee and the Compensation Committee shall have the authority set forth in (a) and (b) below, respectively. The Board also may designate one or more other committees, each committee to consist of one or more of the Managers of the Network, *provided* that (1) so long as there has not been a Comcast Trigger Event or a CST Competitor Event, no such other committee shall be formed without the approval of one Comcast Manager or in a manner which does not conform to the terms of any such approval, (2) so long as there has not been a Radio One Trigger Event, no such other committee shall be formed without the approval of one Radio One Manager or in a manner which does not conform to the terms of any such approval, (3) the Financial Investor Manager, if any, shall have the right, but not the obligation, to sit on each such committee, (4) the DIRECTV Manager, if any, shall have the right, but not the obligation, to sit on each such committee, and (5) following a CST Competitor Event, one Comcast Manager, if any, shall have the right, but not the obligation, to sit on each such committee. The Board may designate one or more Managers as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Any committee, to the extent permitted by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Network. Each committee shall keep regular minutes and report to the Board promptly following each committee meeting.

(a) The Audit Committee. The Audit Committee shall be responsible for reviewing the Network's financial statements and overseeing the Network's financial controls and procedures. The duties of the Audit Committee are the following: recommending to the Board the independent auditors to be selected in accordance with Section 14.2 of this Agreement, reviewing the work completed by the independent auditors each year, providing direction to the internal audit staff and the independent auditors, reviewing the Network's financial statements, reviewing the quarterly and monthly reports to the Members and reporting promptly to the Board on the activities of such committee.

(b) The Compensation Committee. The Compensation Committee shall be responsible for reviewing and presenting a recommendation to the Board on all matters relating to executive compensation and employee benefits. The duties of the Compensation Committee are the following: reviewing and recommending to the Board the salaries, bonus compensation and benefits to be provided to the Network's officers, administering the Network Equity Plan, approving grants of options, stock appreciation rights, restricted stock and other incentives authorized and available under the Network Equity Plan, certification as to the meeting of applicable performance levels under the Network Equity Plan or with respect to an officer's bonus compensation, and reporting promptly to the Board on the activities of such committee.

Section 4.9 Chairman of the Board. There shall be a Chairman of the Board of the Network (the “**Chairman**”) (who shall, as of the date hereof, be Alfred C. Liggins III (“**Liggins**”), who shall serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause, which removal shall require the written consent of the Board, including a Comcast Manager.

(a) The Chairman shall have the responsibility for (i) general oversight of the operations of the Network, (ii) recruiting (subject to hiring approval by the Board, the holders of Class B Common Units pursuant to Section 5.2(b) hereof (so long as there has not been a Comcast Trigger Event) and Constellation pursuant to Section 4.18 hereof) a Chief Executive Officer to manage the day-to-day business operations and affairs of the Network and supervise its other officers, subject to the direction, supervision and control of the Board, and (iii) reporting to the Board regarding the financial and operational status of the Network.

(b) If, at any time, a vacancy is created in the position of Chairman for any reason, including by reason of the incapacity, death, removal or resignation of Liggins, then, so long as there has not been a Comcast Trigger Event, Radio One shall, within thirty (30) days of the date of the vacancy, notify the Board and Comcast in writing of such vacancy and propose three (3) individuals with significant media experience (at least one of which shall have significant experience in the cable television industry) to serve as the Chairman (the “**Radio One Chairman Nominees**”). So long as there has not been a Comcast Trigger Event, within fifteen (15) days of receipt of notice of the Radio One Chairman Nominees and after consultation with the Financial Investor Members, Comcast shall, in its sole discretion, approve the appointment of one of the Radio One Chairman Nominees to the position of Chairman, and such individual shall thereupon become Chairman. In the event of a Comcast Trigger Event, the Board shall approve the appointment of one of the Radio One Chairman Nominees to the position of Chairman, and such individual shall thereupon become Chairman.

(c) Notwithstanding Sections 4.9(a) and (b) hereof, if Comcast obtains the right to designate a majority of the Managers on the Board pursuant to Section 4.4 hereof, Comcast shall also have the right to appoint, remove and replace the Chairman of the Board in its sole discretion at any time.

Section 4.10 Officers and Related Persons; Retention of Authority by Board; Matters Not Subject to Approval.

(a) The Board shall have the authority to appoint and terminate officers of the Network in accordance with and subject to the provisions of Sections 4.9 and 4.11 through 4.17 hereof and retain and terminate employees, agents and consultants of the Network. The Board may delegate such duties to any such officers, employees, agents and consultants as the Board deems appropriate, including the power, acting individually or jointly, to represent and bind the Network in all matters, in accordance with the scope of their respective duties; *provided, however*, that the Board may not delegate any of its duties and obligations under this Agreement and/or any of the other Transaction Documents and may not delegate any duties that are required to be exercised by the Board under the Act or any duties that a Board of Directors of a Delaware corporation is required to retain and exercise under the Delaware General Corporation Law.

(b) Without limiting the provisions of Section 4.10(a) hereof or any other provision of this Agreement, prior approval of the Board shall be required before the Network shall be permitted to take any of the following actions:

(i) any of the actions that require the prior approval of the holders of the Class B Common Units pursuant to Section 5.2(b)(i) or 5.2(b)(v) hereof;

(ii) the entering into, amendment or waiver of the terms of, or termination of any contract or agreement (A) providing for receipts to or expenditures by the Network in any 12 month period in excess of \$1,000,000, (B) for the distribution of the Network’s programming service and (C) with any Member or any Affiliate thereof, except as otherwise provided in this Agreement and/or the other Transaction Documents;

(iii) any issuance of Class D Common Units;

(iv) any authorization of or incurrence of any indebtedness from any Person or Persons in an amount greater than \$1,000,000 over any consecutive twelve month period, except as otherwise provided in Section 6.10 hereof;

(v) commencing any litigation proceeding; or

(vi) settling any litigation proceeding (A) for an amount in excess of \$100,000, or (B) involving a Manager or a senior executive officer of the Network.

(c) Notwithstanding the provisions of Section 4.10(a) and (b) hereof and any other provision of this Agreement, a Network Sale consummated in accordance with Section 2.3 of the Buy/Sell Agreement shall not require the approval of the Network’s officers or Managers and shall be deemed to be approved on behalf of the Network. In the event of such a Network Sale, the officers and the Managers of the Network shall be obligated to take such actions on behalf of the Network as are necessary and/or appropriate to consummate such Network Sale in accordance with the provisions of Section 2.3 of the Buy/Sell Agreement.

Section 4.11 Chief Executive Officer.

(a) There shall be a Chief Executive Officer of the Network who shall be appointed by the Board (subject to the prior approval of the holders of the Class B Common Units in accordance with Section 5.2(b)(i) hereof and to the prior approval of Constellation in accordance with Section 4.18 hereof) and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. The Chief Executive Officer shall have the responsibility for managing the day-to-day business operations and affairs of the Network and supervising its other officers, subject to the direction, supervision and control of the Board. In general, the Chief Executive Officer shall have such other powers and perform such other duties as usually pertain to the office of the Chief Executive Officer of a corporation under Delaware law, as are provided in the Transaction Documents and as from time to time may be assigned to him or her by the Board (subject to Section 4.10 hereof), including, without limitation, the authority to appoint and terminate officers of the Network and retain and terminate employees of the Network to whom the Chief Executive Officer may delegate his or her duties. The initial Chief Executive Officer shall be Johnathan Rodgers.

(b) If, at any time, a vacancy is created in the position of Chief Executive Officer for any reason, including by reason of the incapacity, death, removal or resignation of Johnathan Rodgers, then, the Chairman shall, within twenty (20) days of the date of the vacancy, notify the Board in writing of such vacancy and propose three (3) individuals with significant media experience (at least one of which shall have significant experience in the cable television industry) to serve as the Chief Executive Officer (the “**Chairman Chief Executive Officer Nominees**”). Subject to the prior approval of the holders of the Class B Common Units in accordance with Section 5.2(b)(i) hereof and to the prior approval of Constellation in accordance with Section 4.18 hereof, after consultation with the Comcast, Constellation, the Financial Investor Members and DIRECTV, the Board shall approve the appointment of one of the Chairman Chief Executive Officer Nominees to the position of Chief Executive Officer, and such individual shall thereupon become Chief Executive Officer.

Section 4.12 Chief Financial Officer. There shall be a Chief Financial Officer of the Network who shall be appointed by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. In general, the Chief Financial Officer shall have such powers and perform such duties as usually pertain to the office of Chief Financial Officer of a corporation under Delaware law.

Section 4.13 Vice Presidents. The Board may from time to time elect one or more Vice Presidents who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Vice President shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.10 hereof) or the Chief Executive Officer.

Section 4.14 Treasurer. There shall be a Treasurer of the Network who shall be elected by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. The Treasurer shall have custody of the Network’s funds and securities, shall keep full and accurate account of receipts and disbursements, shall deposit all monies and valuable effects in the name and to the credit of the Network in such depository or depositories as may be designated by the Board, and shall perform such other duties as may be assigned to him or her by the Board (subject to Section 4.10 hereof) or the Chief Executive Officer.

Section 4.15 Assistant Treasurers. The Board may from time to time elect one or more Assistant Treasurers who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Assistant Treasurer shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.10 hereof) or the Chief Executive Officer.

Section 4.16 Secretary. There shall be a Secretary of the Network who shall be elected by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. Except as otherwise provided in this Agreement, the Secretary shall keep the minutes of all meetings of the Board and of the Members in books provided for that purpose, and shall attend to the giving and service of all notices. The Secretary may sign with the Chairman or the President all certificates representing Units of the Network, if any, and shall have charge of the transfer books, and other papers as the Board may direct, all of which shall at all reasonable times be open to inspection by any Manager (or any designee thereof) upon prior written request at the office of the Network during normal business hours. The Secretary shall perform such other duties as may be assigned to him or her by the Board (subject to Section 4.10 hereof) or the Chief Executive Officer.

Section 4.17 Assistant Secretaries. The Board may from time to time elect one or more Assistant Secretaries who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Assistant Secretary shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.10 hereof) or the Chief Executive Officer.

Section 4.18 Constellation Special Approval Right. The prior approval of Constellation shall be required in order for the Network to hire, terminate, or establish the compensation for the Chief Executive Officer; *provided* that Constellation confirms its approval of the appointment of Johnathan Rodgers as the Network’s initial Chief Executive Officer; *provided, further*, that the execution by the Network of the Rodgers Employment Agreement shall be subject to Constellation’s prior approval; *provided, further, however*, that the failure of Constellation to exercise any of its rights hereunder within ten (10) Business Days after written notice to the Constellation Series A Preferred Representative of the name and credentials of a candidate shall constitute a waiver by Constellation of its right of approval with respect to, and Constellation shall be deemed to have approved, such candidate. Constellation’s approval rights set forth in this Section 4.18 (1) may not be assigned, in whole or in part, in connection with a Transfer of Units or otherwise, without the prior written approval of Comcast and Radio One and (2) shall automatically terminate in the event that Constellation and its Unit Affiliates, collectively, cease to hold at least 5% of the Units in the Network (calculated on a Fully Diluted Basis).

Section 4.19 Legal Counsel. Each of Comcast, Radio One and DIRECTV shall have the right to have counsel of its choosing at all meetings of the Board (including any committee thereof) or the Members, the cost of such counsel to be borne by Comcast or Radio One or DIRECTV, as applicable.

Section 4.20 Board Observation Rights.

(a) For so long as there has not been a Comcast Trigger Event, the Network shall invite one (1) representative chosen by Comcast (the “**Comcast Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if there is no Comcast Manager, give such Comcast Representative copies of all notices, minutes, consents and other Board materials that it provides to all Managers (“**Board Materials**”); *provided, however*, that the Network reserves the right to withhold any information and to exclude such Comcast Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the Comcast Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. Comcast shall cause any Comcast Representative to hold any Confidential Information provided to or learned by any Comcast Representative in connection with Comcast’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

(b) For so long as there has not been a DIRECTV Trigger Event, the Network shall invite one (1) representative chosen by DIRECTV (the “**DIRECTV Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if there is no DIRECTV Manager, give such DIRECTV Representative copies of all Board Materials; *provided, however*, that the Network reserves the right to withhold any information and to exclude such DIRECTV Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the DIRECTV Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. DIRECTV shall cause any DIRECTV Representative to hold any Confidential Information provided to or learned by any DIRECTV Representative in connection with DIRECTV’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

(c) For so long as Constellation (together with its Unit Affiliates) holds greater than fifty (50) percent of the Units acquired by Constellation (and its Unit Affiliates) on the Effective Date, the Network shall invite one (1) representative chosen by Constellation (the “**Constellation Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if the Financial Investor Manager is not designated by Constellation, give such Constellation Representative copies of all Board Materials; *provided, however*, that the Network reserves the right to withhold any information and to exclude such Constellation Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the Constellation Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. Constellation shall cause any Constellation Representative to hold any Confidential Information provided to or learned by any Constellation Representative in connection with Constellation’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

(d) For so long as Opportunity (together with its Unit Affiliates) holds greater than fifty (50) percent of the Units acquired by Opportunity on the Effective Date, the Network shall invite one (1) representative chosen by Opportunity (the “**Opportunity Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if the Financial Investor Manager is not designated by Opportunity, give such Opportunity Representative copies of all Board Materials; *provided, however*, that the Network reserves the right to withhold any information and to exclude such Opportunity Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the Opportunity Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. Opportunity shall cause any Opportunity Representative to hold any Confidential Information provided to or learned by any Opportunity Representative in connection with Opportunity’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

(e) For so long as Pacesetter (together with its Unit Affiliates) holds greater than fifty (50) percent of the Units acquired by Pacesetter on the Effective Date, the Network shall invite one (1) representative chosen by Pacesetter (the “**Pacesetter Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if the Financial Investor Manager is not designated by Pacesetter, give such Pacesetter Representative copies of all Board Materials; *provided, however*, that the Network reserves the right to withhold any information and to exclude such Pacesetter Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the Pacesetter Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. Pacesetter shall cause any Pacesetter Representative to hold any Confidential Information provided to or learned by any Pacesetter Representative in connection with Pacesetter’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

(f) For so long as Syndicated (together with its Unit Affiliates) holds greater than fifty (50) percent of the Units acquired by Syndicated on the Effective Date, the Network shall invite one (1) representative chosen by Syndicated (the “**Syndicated Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if the Financial Investor Manager is not designated by Syndicated, give such Syndicated Representative copies of all Board Materials; *provided, however*, that the Network reserves the right to withhold any information and to exclude such Syndicated Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the Syndicated Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. Syndicated shall cause any Syndicated Representative to hold any Confidential Information provided to or learned by any Syndicated Representative in connection with Syndicated’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

(g) During any period of time in which Radio One does not have the right to designate a majority of the Managers on the Board and for so long as there has not been a Radio One Trigger Event, the Network shall invite one (1) representative chosen by Radio One (the “**Radio One Representative**”) to attend all meetings of the Board of Managers in a non-voting observer capacity and, in this respect, shall, if there is no Radio One Manager, give such Radio One Representative copies of all Board Materials; *provided, however*, that the Network reserves the right to withhold any information and to exclude such Radio One Representative from any meeting, or any portion thereof, as is reasonably determined by the Chairman or a majority of the Managers to be necessary to retain attorney-client privilege; *provided, further, however*, that the failure of the Network to provide copies of any Board Materials to the Radio One Representative shall not invalidate or form any basis for a claim of invalidation of any action taken by the Board. Radio One shall cause any Radio One Representative to hold any Confidential Information provided to or learned by any Radio One Representative in connection with Radio One’s rights under this Section 4.20 in confidence to the extent provided in Section 19.3 hereof.

Section 4.21 Adoption of the Annual Budget.

(a) At least sixty (60) days prior to the last day of each calendar year (beginning with the year 2005), the Chief Executive Officer shall present a proposed annual budget (the “**Proposed Annual Budget**”) to the Board, such Proposed Annual Budget to contain detailed projections covering the Network’s anticipated revenues and expenses for the applicable period.

(b) The Chairman shall call a meeting of the Board as soon as practicable after the delivery of the Proposed Annual Budget to the Board, which meeting shall take place no later than thirty (30) days prior to the end of the applicable calendar year. At this meeting the Board shall approve the Proposed Annual Budget, with such changes as the Board may approve (in the form approved by the Board, the “**Annual Budget**”). Notwithstanding the foregoing, the approval of the Annual Budget by the Board shall not be deemed to be a waiver of the special approval rights of certain Managers set forth in Section 4.1 hereof or the special approval rights of the holders of Class B Common Units or Series A Preferred Units pursuant to Sections 5.2(b)(i), 5.2(b)(v) or 5.2(e)(i) hereof, respectively, with respect to items contained in the Annual Budget.

(c) A copy of the Annual Budget shall be provided to each Member within ten (10) Business Days of approval by the Board.

(d) The Chairman shall call a meeting of the Board as soon as practicable after the delivery of a proposed Radio One Service Plan (pursuant to the Network Services Agreement) or a proposed Radio One Advertising Plan (pursuant to the Advertising Services Agreement) to the Board, which meeting (or meetings) shall take place no later than twenty-five (25) days after delivery thereof. At this meeting (or meetings), the Board (in accordance with Section 4.1 hereof) shall deliver to Radio One comments to such plan in accordance with the Network Services Agreement or the Advertising Services Agreement, as applicable. The Chairman shall call a meeting of the Board as soon as practicable after delivery of a revised Radio One Service Plan or a revised Radio One Advertising Plan to the Board, which meeting (or meetings) shall take place no later than ten (10) days after delivery thereof. At this meeting (or meetings), the Board (in accordance with Section 4.1 hereof) shall vote to approve the revised Radio One Service Plan or the revised Radio One Advertising Plan, as applicable, in the form delivered or with such changes as the Board may approve at such meeting (or meetings).

ARTICLE V

CAPITAL STRUCTURE

Section 5.1 Authorized Units.

(a) The Network is authorized to issue two (2) classes of Units designated as “Common Units” and “Preferred Units,” respectively. The total number of Units which the Network is authorized to issue is 81,590,791 Units, of which 50,537,083 shall be Common Units and 31,053,708 shall be Preferred Units. The total number of authorized Units, and the number of authorized Preferred Units, shall be reduced (at any time and from time to time) in each case by the number of Series A Preferred Units converted into Class A Common Units in accordance with Section 5.2(e)(iv) hereof.

(b) As of the date hereof, there are four (4) separate classes of Common Units designated as “Class A Common Units”, “Class B Common Units”, “Class C Common Units”, and “Class D Common Units.” The total number of Class A Common Units which the Network has authority to issue is thirty-one million, fifty-three thousand, seven hundred eight (31,053,708) Class A Common Units; the total number of Class B Common Units which the Network has authority to issue is thirteen million, five hundred sixty five thousand, two hundred seventeen (13,565,217) Class B Common Units; the total number of Class C Common Units which the Network has authority to issue is three million, three hundred ninety-one thousand, three hundred four (3,391,304) Class C Common Units; and the total number of Class D Common Units which the Network has authority to issue is two million, five hundred twenty-six thousand, eight hundred fifty-four (2,526,854) Class D Common Units.

(c) As of the date hereof, there is a single class of Preferred Units designated as “**Series A Preferred Units.**” The total number of Series A Preferred Units which the Network has authority to issue is thirty one million, fifty-three thousand, seven hundred eight (31,053,708) Series A Preferred Units.

Section 5.2 Rights of Designated Common Units and Preferred Units. The classes and series of Common Units and Preferred Units designated as of the date hereof shall have the following rights, preferences and limitations (subject to the restrictions and limitations on the rights of any Limited Member as set forth in Section 13.4 hereof):

(a) Class A Common Units.

(i) Voting Rights. Subject to Section 13.4 hereof, each Member holding Class A Common Units shall have the right to one vote per Class A Common Unit held, and shall be entitled to notice of any Members’ meeting in accordance with this Agreement, and shall be entitled to vote upon such matters and in such manner as may be provided by the Act or this Agreement.

(ii) Other Rights. Subject to Section 13.4 hereof, each holder of Class A Common Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Class A Common Units.

(b) Class B Common Units.

(i) Voting Rights. Subject to Section 13.4 hereof, each Member holding Class B Common Units shall have the right to one vote per Class B Common Unit held, and shall be entitled to notice of any Members’ meeting in accordance with this Agreement, and shall be entitled to vote upon such matters and in such manner as may be provided by the Act or this Agreement. In addition to the foregoing and notwithstanding any other provision to the contrary in this Agreement, none of the following actions shall be taken by the Network without (and the Board and officers, on behalf of the Network, shall not take such action without) the prior approval of Comcast; *provided* that the approval rights set forth below shall terminate following a Comcast Trigger Event.

(1) any amendment or termination of this Agreement, except that any holder of Class B Common Units whose Offered Interests are being acquired by the Network pursuant to Section 11.3 hereof (provided that such Offered Interests include all of such holder’s Class B Common Units) shall be conclusively deemed to have voted in favor of approving such amendment (irrespective of any notice or other action to the contrary) in the event such amendment involves an amendment to this Agreement to create a new class or series of Units for the purpose of, and the creation of which is conditioned upon, the sale of such new class or series of Units solely to fund the purchase of such holder’s Offered Interests pursuant to Section 11.3 hereof; *provided* that no such amendment, or creation or issuance of such new class or series of Units, shall be effective until the closing of the purchase of all of the Offered Interests by the Network pursuant to Section 11.3;

(2) any amendment, modification or termination of the Certificate of Formation, except to change the Network’s registered office or registered agent;

(3) any creation of a new class or series of Units or reclassification of the existing Units, in either case which provides for any rights or preferences equal to or greater than those provided in this Agreement for the Class B Common Units, except that any holder of Class B Common Units whose Offered Interests are being acquired by the Network pursuant to Section 11.3 (provided that such Offered Interests include all of such holder’s Class B Common Units) shall be conclusively deemed to have voted in favor of approving such creation or reclassification (irrespective of any notice or other action to the contrary) if the creation of such new class or series of Units, or reclassification of existing Units, is made for the purpose of, and is conditioned upon, the sale of such new or reclassified class or series of Units solely to fund the purchase of such holder’s Offered Interests pursuant to Section 11.3; *provided* that no creation of such new class or series of Units, or reclassification of existing Units, shall be effective until the closing of the purchase of all of such holder’s Offered Interests by the Network pursuant to Section 11.3;

(4) entering into any agreement or other document to effect a Sale Transaction or the consummation of any Liquidation;

(5) any Distribution, unless such Distribution is a Mandatory Tax Distribution approved by the Board or is otherwise expressly provided for in this Agreement;

(6) any redemption, purchase or other acquisition of any outstanding Units, except as otherwise expressly provided in this Agreement, the other Transaction Documents or the Network Equity Plan;

(7) except as otherwise provided in this Agreement, any change in the authorized number of Managers on the Board;

(8) the hiring and setting of the compensation of the Chief Executive Officer and the officer in charge of the programming for the Network and the termination or material alteration of the compensation of the Chief Executive Officer and the officer in charge of programming; *provided* that Comcast hereby approves of the appointment of Johnathan Rodgers as the Network's initial Chief Executive Officer, *provided, further*, that the execution by the Network of the Rodgers Employment Agreement shall be subject to Comcast's prior approval;

(9) any alteration of or change in any material respect in the programming content or direction of the Network identified in Section 2.3 hereof;

(10) any authorization of or incurrence of any indebtedness from any Person or Persons in an amount greater than \$10,000,000 during any consecutive twelve month period, except as otherwise provided in Section 6.10 hereof;

(11) any authorization or issuance of Units or Equity Interests (including, without limitation, any debt securities convertible into Units or Equity Interests), except for (x) authorized Class D Common Units pursuant to the Network Equity Plan and (y) Class A Common Units issued or issuable upon conversion of the Series A Preferred Units, except that any holder of Class B Common Units whose Offered Interests are being acquired by the Network pursuant to Section 11.3 (provided that such Offered Interests include all of such holder's Class B Common Units) shall be conclusively deemed to have voted in favor of approving the issuance of Units or Equity Interests (irrespective of any notice or other action to the contrary) if the issuance of such Units or Equity Interests is made for the purpose of funding, and is conditioned upon, the purchase of all of such holder's Offered Interests pursuant to Section 11.3; *provided* that no such issuance shall be effective until the closing of the purchase of all of such holder's Offered Interests by the Network pursuant to Section 11.3;

(12) any acquisition of (whether by merger, consolidation, stock or asset acquisition or otherwise), or investment in, any other business in a single transaction or series of related transactions with an aggregate value of more than \$1,000,000;

(13) any creation of a Network subsidiary, unless Comcast and its Unit Affiliates hold all the same voting and other rights and preferences with respect to such subsidiary as Comcast and its Unit Affiliates hold in the Network as of the time of the creation of the Network subsidiary;

(14) the entering into or approval of any transaction or agreement with Radio One, any Financial Investor Member, any Member holding (together with its Affiliates) at least 5% of the outstanding Units in the Network, calculated on a Fully Diluted Basis (or any officer or director of such Member), or any Affiliate of the Network or such Members, other than as contemplated by this Agreement and/or the other Transaction Documents; or

(15) the entering into of any commitment to do any of the things listed in this Section 5.2(b)(i) unless expressly conditioned upon the approval required under this Section 5.2(b)(i).

(ii) **Class B Representative.** To facilitate the taking of any action contemplated by Section 5.2(b)(i) or 5.2(b)(v), each holder of Class B Common Units hereby appoints as its representative and proxy the individual whose name is set forth on Schedule B to this Agreement (the "**Class B Representative**"). The holders of Class B Common Units may, but shall not be required to, appoint the same individual as a Class B Representative as such holder's Series A Preferred Representative. The holders of Class B Common Units may from time to time change the Class B Representative by providing written notice of such change to the Network, but at no time shall there be more than one Class B Representative. Notwithstanding anything to the contrary in any provision of this Agreement, all rights set forth in Section 5.2(b)(i) or 5.2(b)(v) hereof of Members holding any Class B Common Units shall be exercised exclusively by the Class B Representative on behalf of such Members. The Network shall submit all requests for approval of any action contemplated by Section 5.2(b)(i) or 5.2(b)(v) hereof (together with all related documents and information reasonably necessary for the Class B Representative to make an informed decision with respect to such approval) to the Class B Representative (and to the other Persons identified on Schedule B to receive copies for the Class B Representative) in writing at the address set forth on Schedule B hereto. Such writing shall be deemed to be received by the Class B Representative and by the holders of the Class B Common Units in accordance with Section 19.9 hereof.

(iii) **Deemed Consent.** If the Class B Representative has not consented or objected to the taking of any action contemplated by Section 5.2(b)(i) or 5.2(b)(v) hereof on behalf of the holders of the Class B Common Units by written notice to the Chairman and the Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing to take such action, then the holders of the Class B Common Units will be deemed to have approved and consented to such action requiring approval under Section 5.2(b)(i) or 5.2(b)(v) hereof.

(iv) **Other Rights.** Subject to Section 13.4 hereof, each holder of Class B Common Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Class B Common Units.

(v) CST Competitor Actions. Notwithstanding the foregoing provisions of this Section 5.2(b), if a CST Competitor Event shall have occurred, then (A) the approval rights set forth in clauses 5.2(b)(i)(1)-(15) hereof shall be irrevocably terminated and (B) so long as no Comcast Trigger Event has occurred, the holder of Class B Common Units shall have the right to vote separately or, where appropriate, with the Financial Investor Members on each of the following matters (each, a “CST Competitor Action”) and no CST Competitor Action shall be taken by the Network (and the Board and officers, on behalf of the Network, shall not take any such action) if (x) the holders of a majority of the Class B Common Units, (y) so long as there has not been a Financial Investor Trigger Event, at least two (2) Financial Investor Members, and (z) so long as there has not been a DIRECTV Trigger Event, DIRECTV object to such CST Competitor Action:

(1) any amendment or termination of this Agreement, except that any holder of Class B Common Units whose Offered Interests are being acquired by the Network pursuant to Section 11.3 hereof (provided that such Offered Interests include all of such holder’s Class B Common Units) shall be conclusively deemed to have voted in favor of approving such amendment (irrespective of any notice or other action to the contrary) in the event such amendment involves an amendment to this Agreement to create a new class or series of Units for the purpose of, and the creation of which is conditioned upon, the sale of such new class or series of Units solely to fund the purchase of such holder’s Offered Interests pursuant to Section 11.3 hereof; *provided* that no such amendment, or creation or issuance of such new class or series of Units, shall be effective until the closing of the purchase of all of the Offered Interests by the Network pursuant to Section 11.3;

(2) any redemption, purchase or other acquisition of any outstanding Units, except as otherwise expressly provided in this Agreement, the other Transaction Documents or the Network Equity Plan;

(3) the entering into or approval of any transaction or agreement with Radio One, any Financial Investor Member, any Member holding (together with its Unit Affiliates) at least 5% of the Units in the Network, calculated on a Fully Diluted Basis (or any officer or director of such Member), or any Affiliate of the Network or such Members, other than on terms that are at least as favorable to the Network as terms that would be available to the Network from an independent third party (as reasonably determined by the Managers that have not been designated by the Member entering into such transaction or agreement with the Network), or as contemplated by this Agreement and/or the other Transaction Documents;

(4) the entering into of any commitment to do any of the things listed in this Section 5.2(b)(v) unless expressly conditioned upon the approval required under this Section 5.2(b)(v).

The rights of the holders of a majority of the Class B Common Units and at least two (2) Financial Investor Members to vote on a CST Competitor Action as provided above are in addition to, and do not supercede, the rights of certain Members to vote on such CST Competitor Actions pursuant to Section 5.2(e)(i) in the event such Members hold Series A Preferred Units.

(c) Class C Common Units.

(i) Voting Rights. Subject to Section 13.4 hereof, each Member holding Class C Common Units shall have the right to one vote per Class C Common Unit held, and shall be entitled to notice of any Members’ meeting in accordance with this Agreement, and shall be entitled to vote upon such matters and in such manner as may be provided by the Act or this Agreement.

(ii) Other Rights. Subject to Section 13.4 hereof, each holder of Class C Common Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Class C Common Units.

(d) Class D Common Units.

(i) Voting Rights. (A) Except as set forth in subparagraph (B) hereof, the Class D Common Units shall be non-voting; (B) if an Initial Member or any of its Unit Affiliates holds Class D Common Units, such Initial Member or such Unit Affiliates, as applicable, shall have the right to vote with respect to each Class D Common Unit held as if such Class D Common Unit were a Series A Preferred Unit. For clarification, and not in limitation of the rights of the Initial Members or their respective Unit Affiliates hereunder, any votes cast by an Initial Member or its Unit Affiliates with respect to any Class D Common Units held by such Initial Member or its Unit Affiliates, as applicable, shall be aggregated with any votes cast by such Initial Member and its Unit Affiliates with respect to the Series A Preferred Units held by such Initial Member and its Unit Affiliates, as applicable, pursuant to Section 5(e)(i) below.

(ii) Other Rights. Subject to Section 13.4 and Section 5.2(d)(i) hereof, each holder of Class D Common Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Class D Common Units.

(e) Series A Preferred Units.

(i) Voting Rights. Subject to Section 13.4 hereof, each Member holding Series A Preferred Units shall have the right to one vote per Series A Preferred Unit held, and shall be entitled to notice of any Members' meeting in accordance with this Agreement, and shall be entitled to vote upon such matters and in such manner as may be provided by the Act or this Agreement. Notwithstanding any other provision in this Agreement, none of the following actions shall be taken by the Network (A) without (and the Board and officers, on behalf of the Network, shall not take such action without) the prior approval of (1) the holders of at least fifty percent (50%) of the outstanding Series A Preferred Units, the holders of which are entitled to vote hereunder, (2) Constellation and at least one other Financial Investor Member that is not an Affiliate of Constellation (or, if Constellation is not a Member, any two Financial Investor Members or, if there is only one Financial Investor Member, such Financial Investor Member); provided that this subsection (2) shall cease to be applicable in the event of a Financial Investor Trigger Event, and (3) Radio One; provided that this subsection (3) shall cease to be applicable in the event of a Radio One Trigger Event; and (B) if both Constellation and DIRECTV object to such action; provided, that this subsection (B) shall cease to be applicable in the event of a Financial Investor Trigger Event or a DIRECTV Trigger Event:

(1) any amendment or termination of this Agreement; except that any Member whose Units are being acquired in connection with a Network Purchase Obligation shall be conclusively deemed to have voted in favor of approving such amendment (irrespective of any notice or other action to the contrary) in the event such amendment involves an amendment to this Agreement to create a new class or series of Units for the purpose of, and the creation of which is conditioned upon, the sale of such new class or series of Units solely to fund (A) the redemption of Call Units pursuant to Section 12.1(c)(iv) and Section 12.1(e) hereof, (B) the purchase of Put Units pursuant to Section 12.2 hereof, (C) the purchase of Radio One Put Right Units pursuant to Section 2.4(d) of the Radio One Change of Control Agreement, (D) the purchase of Comcast Put Right Units pursuant to Section 2.7(d) of the Buy/Sell Agreement and (E) the purchase of such Member's Offered Interests, constituting all of such Member's Series A Preferred Units, by the Network pursuant to Section 11.3; ((A), (B), (C), (D) and (E), each a "**Network Purchase Obligation**"); provided that no such amendment, or creation or issuance of such new class or series of Units shall be effective until the closing of the applicable Network Purchase Obligation;

(2) any amendment, modification or termination of the Certificate of Formation, except to change the Network's registered office or registered agent;

(3) any creation of a new class or series of Units or reclassification of the existing Units, in either case which provides for preferences equal to or greater than those provided in this Agreement for the Series A Preferred Units, except that any Member whose Units are being acquired in connection with a Network Purchase Obligation shall be conclusively deemed to have voted in favor of approving such creation (irrespective of any notice or other action to the contrary) if the creation of such new class or series of Units, or reclassification of existing Units, is made for the purpose of, and is conditioned upon, the sale of such new or reclassified class or series of Units solely to fund such Network Purchase Obligation, provided that no such creation of a new class or series of Units, or reclassification of existing Units, shall be effective until the closing of the applicable Network Purchase Obligation;

(4) the entering into an agreement or other document for a Sale Transaction or the consummation of any Liquidation, in either case, during the period commencing on the Effective Date and ending on the third anniversary of the Launch Date;

(5) any Distribution, unless such Distribution is a Mandatory Tax Distribution approved by the Board or is otherwise expressly provided for in this Agreement;

(6) any redemption, purchase or other acquisition of any outstanding Units, except as otherwise expressly provided in this Agreement, the other Transaction Documents or the Network Equity Plan;

(7) except as otherwise expressly provided in this Agreement, changing the authorized number of Managers on the Board;

(8) the entering into or approval of any transaction or agreement with Comcast, Radio One, any Financial Investor Member, any Member holding (together with its Unit Affiliates) at least 5% of the Units in the Network, calculated on a Fully Diluted Basis (or any officer or director of such Member), or any Affiliate of the Network or such Members, other than on arms-length terms (as reasonably determined by the Managers that have not been designated by the Member entering into such transaction or agreement with the Network), or as contemplated by this Agreement and/or the other Transaction Documents, except that (A) any Member whose Units are being acquired in connection with a Network Purchase Obligation shall be deemed to have voted in favor of approving such transaction or agreement (irrespective of any notice or other action to the contrary) if such transaction or agreement is made for the purpose of, and is conditioned upon, the funding of such Network Purchase Obligation and (B) any Member entering into such transaction or agreement with the Network (and such Member's Unit Affiliates) shall be conclusively deemed to have voted in favor of approving such transaction or agreement (irrespective of any notice or other action to the contrary);

(9) the entering into of any commitment to do any of the things listed in this Section 5.2 (e)(i) unless expressly conditioned upon the approval required under this Section 5.2(e)(i).

(ii) Series A Preferred Representatives. To facilitate the taking of any action contemplated by Section 5.2 (e)(i) above, each Initial Member holding Series A Preferred Units hereby appoints as its representative and proxy the individual whose name is set forth opposite such holder's name on Schedule B to this Agreement (each, a "**Series A Preferred Representative**"). Each Unit Affiliate of each Initial Member hereby appoints the Series A Preferred Representative of such Initial Member, respectively (as such Series A Preferred Representative may be changed from time to time as provided herein), as its Series A Preferred Representative. In no case shall any holder of Series A Preferred Units have more than one Series A Preferred Representative. Each Initial Member may from time to time change its Series A Preferred Representative in accordance with this Section 5.2(e)(ii) by providing written notice of such change to the Network. Notwithstanding anything to the contrary in any provision of this Agreement, all rights set forth in Section 5.2(e)(i) hereof of any Member holding Series A Preferred Units shall be exercised exclusively by the Series A Preferred Representative appointed by such Member. The Network shall submit all requests for approval of any action contemplated by Section 5.2(e)(i) above (together with all related documents and information reasonably necessary for the Series A Preferred Representative to make an informed decision with respect to such approval) to each Series A Preferred Representative (and to the other Persons identified on Schedule B to receive copies for the Series A Preferred Representative) in writing at the address set forth on Schedule B hereto. Such writing shall be deemed to be received by the Series A Preferred Representative and by the holder of the Series A Preferred Units that has appointed such Series A Preferred Representative in accordance with Section 19.9 hereof.

(iii) Deemed Consent. If a Series A Preferred Representative has not consented or objected to the taking of any action contemplated by Sections 5.2(e)(i) above on behalf of the holder of the Series A Preferred Units that has appointed him or her as its Series A Preferred Representative by written notice to the Chairman and Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing to take such action, then the holder of the Series A Preferred Units that has appointed such Series A Preferred Representative will be deemed to have approved and consented to such actions requiring approval under Section 5.2(e)(i) hereof.

(iv) Conversion Rights.

(1) Voluntary Conversion. Each share of the Series A Preferred Units shall be convertible, at the option of the holder thereof, at any time and from time to time, into one Class A Common Unit. To exercise the voluntary conversion right, a holder of Series A Preferred Units shall deliver written notice to the Network specifying the number of Series A Preferred Units it is converting (the "**Conversion Notice**").

(2) Mandatory Conversion. Each Series A Preferred Unit shall automatically and without any further action on behalf of the Network or the holder thereof be converted into one Class A Common Unit at such time as (A) all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased or redeemed pursuant to a Call Right Closing, a Redemption Closing, a Put Right Closing, a DIRECTV Purchase Right Closing, a DTV Call Right Closing, a DTV Redemption Closing or a DTV Put Right Closing, as applicable; *provided* that in each such event all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or forfeited in connection with, or prior to such Closing; or (B) all of the Series A Preferred Units held by the Financial Investor Members have been purchased or redeemed pursuant to a Call Right Closing, a Redemption Closing, or a Put Right Closing, as applicable, *provided* that in each such event all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or forfeited in connection with, or prior to such Closing, and DIRECTV is a Limited Member.

(3) Upon either a voluntary or mandatory conversion of Series A Preferred Units, Schedule A hereto shall be amended to provide for such conversion, the rights of the Series A Preferred Units so converted shall be terminated and of no further force or effect and the number of authorized Series A Preferred Units shall be automatically reduced by the number of Units so converted.

(4) The Network shall at all times reserve and keep available out of its authorized but unissued Class A Common Units, solely for the purpose of issuance upon the conversion of the Series A Preferred Units, such number of Class A Common Units as are issuable upon conversion of all outstanding Series A Preferred Units.

(v) Other Rights. Subject to Section 13.4 hereof, each holder of Series A Preferred Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Series A Preferred Units.

(f) Special Series A Preferred Right. The Network will not (and the Board and officers, on behalf of the Network, shall not), if both Constellation and DIRECTV object (or (1) if a Financial Investor Trigger Event has occurred, if DIRECTV objects or (2) if a DIRECTV Trigger Event has occurred, if Constellation objects), create a Network subsidiary unless the Members and their Unit Affiliates hold all the same voting and other rights and preferences with respect to such subsidiary as such Members and Unit Affiliates hold in the Network as of the time of the creation of the Network subsidiary; *provided, however*, that notwithstanding the foregoing, the Network (and the Board and officers on behalf of the Network) may create any Network subsidiary with different voting and other rights and preferences than those held by the Members and Unit Affiliates of the Members in the Network without any approval of DIRECTV or Constellation if such subsidiary is formed with its primary purpose to facilitate tax planning or organizational restructuring activities of the Network, provided that neither the voting nor the economic rights of any Member are materially diminished and *provided further* that Constellation shall cease to have the approval rights set forth in this Section 5.2(f) in the event of a Financial Trigger Event and DIRECTV shall cease to have the approval rights set forth in this Section 5.2(f) in the event of a DIRECTV Trigger Event;

Section 5.3 Reservation and Issuance of Common Units and Preferred Units.

(a) Class A Common Units. No Class A Common Units have been issued as of the date hereof. 31,053,708 Class A Common Units shall be reserved for issuance upon conversion of the Series A Preferred Units in accordance with Section 5.2(e)(iv) hereof.

(b) Class B Common Units. All of the authorized Class B Common Units were issued to Comcast on the Effective Date, and Comcast acknowledged receipt thereof, as consideration for the services to be rendered by and the obligations of Comcast Corporation and its Affiliates to the Network under the Comcast Affiliation Agreement with respect to the Subscriber Commitment and the Distribution Commitment and in lieu of any launch support payments. Such Class B Common Units shall be treated as profits interests in the Network and, accordingly, no Capital Contribution or Capital Commitment was or is required in exchange for such Units.

(c) Class C Common Units. All of the authorized Class C Common Units were issued to Radio One on the Effective Date as consideration for the services to be rendered by Radio One, Inc. to the Network under the Radio One Agreements. Such Class C Common Units shall be treated as profits interests in the Network and, accordingly, no Capital Contribution or Capital Commitment was or is required in exchange for such Units.

(d) Class D Common Units. No Class D Common Units were issued on the Effective Date. All of the authorized Class D Common Units shall be reserved for issuance to employees and consultants of the Network in accordance with the Network Equity Plan; *provided* that employees of Comcast, Radio One and the Financial Investor Members (and any Unit Affiliates of such Persons) shall not be entitled to participate in the Network Equity Plan. No Capital Contribution or Capital Commitment is required in exchange for such Units other than as required under the Network Equity Plan.

(e) Series A Preferred Units. All of the authorized Series A Preferred Units were issued to the Initial Members (other than DIRECTV) on the Effective Date and shall be issued to DIRECTV on the date hereof, in each case as consideration for the Capital Commitments set forth in Section 6.1 hereof.

(f) It is agreed that the Network shall not claim any deduction for federal income tax purposes upon the issuance of a profits interest in the Network.

Section 5.4 Units Subject to Forfeiture.

(a) The Series A Preferred Units issued to the Initial Members (and any Class A Common Units issued upon conversion thereof) are subject to forfeiture in accordance with the provisions of Section 6.6 hereof.

(b) The Class B Common Units issued to Comcast on the Effective Date are subject to forfeiture as follows:

(i) If the "Affiliate" under the Comcast Affiliation Agreement exercises its rights under Section 1(f) of the Comcast Affiliation Agreement to terminate Sections 1(d) and 1(e) and Comcast's (or its Affiliates') obligations with respect to the Subscriber Commitment and the Distribution Commitment, Comcast and all of its Unit Affiliates shall automatically forfeit all of their Class B Common Units.

(ii) In the event that the "Affiliate" under the Comcast Affiliation Agreement fails to distribute the Service to a total of at least ten million (10,000,000) Comcast Service Subscribers (as calculated in accordance with Section 1(g) of the Comcast Affiliation Agreement) on or before the last day of the forty eighth (48th) full calendar month following the Launch Date, Comcast and its Unit Affiliates shall automatically forfeit in the aggregate (on a proportionate basis among Comcast and its Unit Affiliates based on their respective ownership of Class B Common Units, unless Comcast otherwise directs the Network to allocate the forfeiture of such Class B Common Units in another manner among Comcast and its Unit Affiliates) a number of Class B Common Units equal to (A) 4,521,739 *multiplied by* (B) a fraction, the numerator of which shall be 10,000,000 minus the number of Comcast Service Subscribers to which the Service is distributed by the "Affiliate" pursuant to the Comcast Affiliation Agreement on the last day of the forty eighth (48th) full calendar month following the Launch Date, and the denominator of which shall be 5,000,000; *provided, however*, that this Section 5.4(b)(ii) shall cease to be applicable after (x) the consummation of (1) an Exercising Drag-Along Seller Closing prior to the 48th full calendar month following the Launch Date (as contemplated by Section 5.4(b)(iii)) or (2) a Sale Transaction that occurs between the third anniversary of the Launch Date and the 48th full calendar month following the Launch Date (as contemplated by Section 5.4(b)(iv)) and (y) the forfeiture of Class B Common Units, if any, immediately prior to the consummation of either of the events set forth in clause (x) above.

(iii) If a Drag-Along Seller Election is made prior to the last day of the forty eighth (48th) full calendar month following the Launch Date and, pursuant to Section 1(e) of the Comcast Affiliation Agreement, the “Affiliate” under the Comcast Affiliation Agreement revises (or is deemed to have revised) the Distribution Commitment to an obligation to distribute the Service to less than ten million (10,000,000) Comcast Service Subscribers (as calculated in accordance with Section 1(g) of the Comcast Affiliation Agreement), then Comcast and its Unit Affiliates shall forfeit in the aggregate (on a proportionate basis among Comcast and its Unit Affiliates based on their respective ownership of Class B Common Units, unless Comcast otherwise directs the Network to allocate the forfeiture of such Class B Common Units in another manner among Comcast and its Unit Affiliates) a number of Class B Common Units equal to (A) 4,521,739 *multiplied by* (B) a fraction, the numerator of which shall be 10,000,000 minus the number of Comcast Service Subscribers to which the Service will be distributed by the “Affiliate” in accordance with such revised Distribution Commitment, and the denominator of which shall be 5,000,000, such forfeiture to be automatically effective immediately prior to the consummation of the Exercising Drag-Along Seller Closing (and such forfeiture shall not be effective if such Exercising Drag-Along Seller Closing does not occur prior to the last day of the forty-eighth (48th) full calendar month following the Launch Date and the Distribution Commitment shall thereafter be determined as set forth in Section 1(e) of the Comcast Affiliation Agreement); *provided, however*, that this Section 5.4(b)(iii) shall cease to be applicable after (x) the consummation of a Sale Transaction that occurs between the third anniversary of the Launch Date and the 48th full calendar month following the Launch Date and (y) the forfeiture of Class B Common Units, if any, immediately prior to the consummation of the event set forth in clause (x) above.

(iv) If the Network proposes to enter into a Sale Transaction at any time between the third anniversary of the Launch Date and the fourth anniversary of the Launch Date, the Network (following Board approval of such Sale Transaction pursuant to Section 4.10 hereof) shall send (and any Manager on behalf of the Network may also send) a written notice to Comcast and the “Affiliate” under the Comcast Affiliation Agreement at least thirty (30) days prior to entering into any definitive agreement with respect to such Sale Transaction (a “**Sale Notice**”). If a Sale Notice is so delivered to the “Affiliate” under the Comcast Affiliation Agreement prior to the last day of the forty eighth (48th) full calendar month following the Launch Date and, pursuant to Section 1(e) of the Comcast Affiliation Agreement, the “Affiliate” under the Comcast Affiliation Agreement revises (or is deemed to have revised) the Distribution Commitment to an obligation to distribute the Service to less than ten million (10,000,000) Comcast Service Subscribers (as calculated in accordance with Section 1(g) of the Comcast Affiliation Agreement), then Comcast and its Unit Affiliates shall forfeit in the aggregate (on a proportionate basis among Comcast and its Unit Affiliates based on their respective ownership of Class B Common Units, unless Comcast otherwise directs the Network to allocate the forfeiture of such Class B Common Units in another manner among Comcast and its Unit Affiliates) a number of Class B Common Units equal to (A) 4,521,739 *multiplied by* (B) a fraction, the numerator of which shall be 10,000,000 minus the number of Comcast Service Subscribers to which the Service will be distributed by the “Affiliate” in accordance with such revised Distribution Commitment, and the denominator of which shall be 5,000,000, such forfeiture to be automatically effective immediately prior to the consummation of such Sale Transaction (and such forfeiture shall not be effective if such Sale Transaction does not occur prior to the last day of the forty-eighth (48th) full calendar month following the Launch Date and the Distribution Commitment shall thereafter be determined as set forth in Section 1(e) of the Comcast Affiliation Agreement); *provided, however*, that this Section 5.4(b)(iv) shall cease to be applicable after (x) the consummation of the Exercising Drag-Along Seller Closing prior to the 48th full calendar month following the Launch Date and (y) the forfeiture of Class B Common Units, if any, immediately prior to the consummation of the event set forth in clause (x) above. The Network shall promptly notify the proposed purchaser in such Sale Transaction of the revised Distribution Commitment made by the “Affiliate” under the Comcast Affiliation Agreement following delivery of a Sale Notice or, if applicable, the revised Distribution Commitment previously made by the “Affiliate” under the Comcast Affiliation Agreement following a Drag-Along Seller Election.

(v) For all purposes of this Section 5.4(b), Comcast and its Unit Affiliates expressly acknowledge and agree that the forfeiture of any Class B Common Units may occur as a result of the action or failure to act of one or more Persons which Persons are not party to this Agreement, and Comcast and its Unit Affiliates each expressly waives any objection to the forfeiture of such Class B Common Units in accordance with this Section 5.4(b) as a result of any failure or inability of Comcast or any of its Unit Affiliates to Control such Persons or the actions or inactions of such Persons.

(vi) Any forfeiture of Class B Common Units pursuant to Sections 5.4(b)(ii)-(iv) shall not be deemed to waive any other remedies available to the Network under the Comcast Affiliation Agreement or any notice delivered by “Affiliate” with respect to the revised Distribution Commitment.

(c) In the event that a Forfeiture Event (as defined in the Network Services Agreement) occurs pursuant to Section 6.3 of the Network Services Agreement, Radio One and its Unit Affiliates shall automatically forfeit, for no consideration, a portion of the Class C Common Units received pursuant to Section 5.3(c) hereof equal to the product of (i) 1,130,435, and (ii) a fraction, (x) the numerator of which is equal to the difference between (A) sixty (60) and (B) the total number of months from the Launch Date to the effective date of such Forfeiture Event, and (y) the denominator of which is equal to sixty (60).

(d) All Units of a Limited Member shall be subject to forfeiture in accordance with the provisions of Section 13.4(c) hereof.

(e) Except in the case of a purchase of Forfeited Units as described in Section 6.6(c), a forfeiture of Units shall not result in any transfer of Capital Account balances from the forfeiting Member to the other Members. A Member who forfeits Units shall retain no interest in profits or capital of the Network associated with such Units.

(f) Upon the consummation of a Sale Transaction, the forfeiture provisions applicable to the classes and series of Units specified in this Section 5.4 shall terminate and all such Units (except for any Units that were forfeited prior to such Sale Transaction in accordance with this Section 5.4) shall be fully vested in the holder thereof.

Section 5.5 No Appraisal Rights. No class or series of Units or Members shall be entitled to appraisal rights in connection with or as a result of any amendment to this Agreement, any merger or consolidation of the Network, any conversion of the Network to another business form, any transfer to or domestication in any jurisdiction by the Network or the sale of all or substantially all of the Network's assets.

Section 5.6 Authorization of Derivative Equity Interests. The Network may not authorize the creation or issuance of any Derivative Equity Interest unless, prior to such creation and issuance, additional Units are authorized and specifically reserved for issuance upon exercise, conversion or exchange of such Derivative Equity Interests, which authorization and reservation shall be subject to the prior approval of the Board and, if applicable, the holders of Class B Common Units and Series A Preferred Units. Any Derivative Equity Interests so authorized shall not be issued unless (a) the holders of Class B Common Units have approved such issuance in accordance with Section 5.2(b)(i)(11) hereof, (b) the holder of such Derivative Equity Interests agrees to be bound by the provisions of Sections 12.1 and 12.5 hereof as a Financial Investor Member and by the provisions of the Buy/Sell Agreement as an Investor, unless such holder is already bound by such provisions, (c) the Transfer of such Derivative Equity Interests by the holder thereof is prohibited, except as otherwise specifically provided for in this Agreement or the Buy/Sell Agreement, and (d) such Derivative Equity Interests contain provisions requiring a Derivative Equity Interest Exercise to be made in accordance with Sections 12.1 and 12.5 hereof and the applicable provisions of the Buy/Sell Agreement.

ARTICLE VI

CONTRIBUTIONS

Section 6.1 Capital Commitments; Constellation Option.

(a) Each Initial Member has made a Capital Commitment to contribute the amount set forth opposite such Member's name under the heading "**Total Capital Commitment**" on Schedule A hereto and has received therefor the number of Series A Preferred Units opposite such Initial Member's name under the heading "**Series A Preferred Units**" on Schedule A pursuant to the terms hereof and the Subscription Agreement entered into by such Initial Member. If not earlier called by the Board pursuant to Section 6.2, each Initial Member shall make a Capital Contribution in an amount equal to such Initial Member's remaining Capital Contribution on December 31, 2006.

(b) At any time prior to July 19, 2005, Constellation and/or its Unit Affiliates may elect to acquire up to \$5 million (the amount so elected being the "**Additional Funding Amount**") of Series A Preferred Units at the Series A Preferred Unit Price from Comcast in accordance with this Section 6.1(b). Constellation and/or its Unit Affiliates shall make such election by providing written notice of such election to the Network, Comcast and the other Initial Members prior to July 19, 2005. Together with such notice, Constellation and/or its Unit Affiliates shall designate a date within five (5) days of the giving of such notice to complete a closing with respect to such Additional Funding Amount and shall designate the portion of the Additional Funding Amount being acquired at such closing by Constellation and/or each Unit Affiliate of Constellation that is making such acquisition (each, a "**Constellation Purchaser**"). At such closing, (i) each Constellation Purchaser shall pay to Comcast by wire transfer of immediately available funds to an account designated by Comcast an amount equal to its designated share of the Additional Funding Amount *multiplied by* the percentage obtained by dividing the total Capital Contributions made by Comcast prior to such closing by Comcast's Capital Commitment (the "**Constellation Purchase Amount**"), (ii) Comcast shall assign to each Constellation Purchaser as consideration for the payment of the Constellation Purchase Amount, a number of Series A Preferred Units equal to the quotient obtained by dividing the Constellation Purchase Amount paid by such Constellation Purchaser by the Series A Preferred Unit Price, (iii) each Constellation Purchaser's Capital Commitment shall be increased by its designated share of the Additional Funding Amount *less* the Constellation Purchase Amount paid by such Constellation Purchaser (the "**Constellation Assumption Amount**"), such amount to be assumed from a portion of Comcast's Remaining Commitment Amount, (iv) Comcast shall assign to each Constellation Purchaser, as consideration for the assumption of the Constellation Assumption Amount assumed by such Constellation Purchaser, a number of Series A Preferred Units equal to the quotient obtained by dividing the Constellation Assumption Amount assumed by such Constellation Purchaser by the Series A Preferred Unit Price, (v) Comcast shall be relieved from satisfying the amount of its Remaining Commitment Amount equal to the Constellation Assumption Amount assumed by all Constellation Purchasers, and (vi) Comcast and each Constellation Purchaser shall execute such documentation as shall be reasonably requested by either of them or the Chairman to evidence the assignment of the Series A Preferred Units and the assumption of the Constellation Assumption Amount by all Constellation Purchasers. Following the closing, the Constellation Assumption Amount shall thereafter be considered a portion of each Constellation Purchaser's Remaining Commitment Amount and the payment of such amount shall be subject to all of the terms of this Agreement, including without limitation Section 6.6 hereof.

Section 6.2 Capital Call. During the Commitment Period, when the Board reasonably determines in good faith to call for Capital Contributions to fund the operations of the Network, each Initial Member shall make a Capital Contribution to the Network in the amount so called by the Board, such amount not to exceed, together with the Capital Contributions previously made, the total amount of such Initial Member's Capital Commitment, as adjusted pursuant to Section 6.1(b). In the event of a Sale Transaction or Liquidation of the Network during the Commitment Period, each Initial Member shall make a Capital Contribution in an amount equal to such Initial Member's remaining Capital Contribution immediately before the consummation of such Sale Transaction or Liquidation of the Network.

Section 6.3 Notice of Capital Call. On each occasion that the Board makes a capital call pursuant to Section 6.2 hereof for the Initial Members to make Capital Contributions to the Network, the Board shall give each such Initial Member a written notice (a "**Capital Call Notice**") which shall include (a) a brief description of the Board's determination that funds are required to fund the operations of the Network, (b) the aggregate amount of Capital Contributions required and the respective Initial Member's share thereof (which shall be calculated assuming all Initial Members shall participate fully in such capital call), and (c) the depository institution and account into which such Capital Contributions shall be made.

Section 6.4 Deposit of Capital Contribution. Each Initial Member (other than DIRECTV) shall deposit its required Capital Contribution (other than its initial Capital Contribution, which was made on August 1, 2003), by wire transfer of immediately available funds, to the designated depository institution and account of the Network (set forth in the Capital Call Notice) within twenty (20) days after the Capital Call Notice is delivered pursuant to Section 6.3 hereof. DIRECTV shall fund its Capital Contribution pursuant to the terms of the Payment Direction Letter.

Section 6.5 Proportion of Capital Contributions. All Capital Contributions required to be made by the Initial Members upon a Capital Call pursuant to Section 6.2 hereof shall be allocated in proportion to each Initial Member's Remaining Commitment Amount.

Section 6.6 Failure to Make Contributions.

(a) In the event that any Initial Member fails to make any payment to the Network of all or any portion of the Remaining Commitment Amount required to be made by such Initial Member in accordance with the provisions of this Agreement and as set forth in a Capital Call Notice within twenty (20) days after such Capital Call Notice is given (in each case, a “**Default**”), each such Initial Member so failing to make such required Capital Contribution shall be deemed to be a “**Defaulting Member**.” The Network shall notify in writing (a “**Warning Notice**”) each Defaulting Member of its Default following the occurrence thereof.

(b) In the event the Default is not cured in its entirety through the Defaulting Member making the applicable Capital Contribution within five (5) Business Days of delivery of the Warning Notice, the Defaulting Member (i) shall automatically forfeit all Series A Preferred Units (and any Class A Common Units issued on conversion thereof) which have been issued to such Defaulting Member (the “**Forfeited Units**”), and (ii) shall not be entitled to a return of any Capital Contributions made prior to the failure to make the required Capital Contribution.

(c) Each non-Defaulting Initial Member (together with its Unit Affiliates, each a “**Non-Defaulting Member**”), shall have the right, but not the obligation, to purchase all or no less than its proportionate share of the Forfeited Units from the Defaulting Member by contributing to the Network such Non-Defaulting Member’s proportionate share of the Capital Contribution which such Defaulting Member failed to make and by agreeing to satisfy such Defaulting Member’s Remaining Commitment Amounts (together, the “**Default Amount**”) in accordance with the following provisions:

(i) Upon a Default, the Network shall deliver a notice to the Non-Defaulting Members identifying (A) that a Default has been made, (B) the Default Amount, and (C) the Defaulting Member (the “**Default Notice**”).

(ii) Within ten (10) days after receipt of the Default Notice, each Non-Defaulting Member may elect, by providing written notice of such election to the Network and to the other Non-Defaulting Members, to purchase its proportionate share (the “**Initial Proportionate Share**”) of the Forfeited Units, such Initial Proportionate Share to be equal to the aggregate number of such Forfeited Units multiplied by the percentage obtained by dividing the number of Units held by such Non-Defaulting Member by the number of Units held by all Non-Defaulting Members.

(iii) Promptly following the end of the ten (10) day period described in Section 6.6(c)(ii) above, the Network shall, in writing, inform each Non-Defaulting Member that exercises its right to purchase its Initial Proportionate Share whether any Forfeited Units were offered to, but not purchased by, the Non-Defaulting Members under Section 6.6(c)(ii) (the “**Remaining Forfeited Units**”). During the five (5) day period commencing after receipt of such information, each exercising Non-Defaulting Member may elect, by providing written notice of such election to the Network and to the other Non-Defaulting Members, to purchase its proportionate share (the “**Final Proportionate Share**”) of any Remaining Forfeited Units or all of the Remaining Forfeited Units. The Final Proportionate Share shall be equal to the aggregate number of Remaining Forfeited Units multiplied by the percentage obtained by dividing the number of Units held by such exercising Non-Defaulting Member by the number of Units held by all exercising Non-Defaulting Members who elect to purchase their Final Proportionate Share or all of the Remaining Forfeited Units pursuant to this Section 6.6(c)(iii).

(iv) Upon the expiration of the five (5) day period described in Section 6.6(c)(iii) above, the aggregate number of Forfeited Units agreed to be purchased by the Non-Defaulting Members under Section 6.6(c) shall be allocated among the Non-Defaulting Members as follows:

(1) Each Non-Defaulting Member exercising its rights under Section 6.6(c)(ii) shall first purchase its Initial Proportionate Share;

(2) Each Non-Defaulting Member exercising its rights under Section 6.6(c)(iii) shall then purchase its Final Proportionate Share; and

(3) Any remaining Forfeited Units shall be allocated proportionately among the Non-Defaulting Members electing to purchase all of the Remaining Forfeited Units pursuant to Section 6.6(c)(iii) based upon the relative number of Units owned by such Non-Defaulting Members (before giving effect to purchases under Section 6.6(c)(iv)(1) and (2) above).

(v) Any Forfeited Units not purchased by the Non-Defaulting Members pursuant to this Section 6.6(c) shall automatically be cancelled.

(vi) Within five (5) days of the expiration of the five (5) day period specified in Section 6.6(c)(iii) above, the Network shall send each Non-Defaulting Member a notice stating the amount of the Default Amount that such Non-Defaulting Member is required to contribute in accordance with Sections 6.6(c)(iv) hereof. Each Non-Defaulting Member shall make the Capital Contribution identified in such notice within five (5) days of receipt of such notice and shall execute such other documents reasonably requested by the Network to reflect such Member’s agreement to the additional Capital Commitment related thereto.

(vii) Each Non-Defaulting Member making the Capital Contribution (and agreeing to the additional Capital Commitment) pursuant to Section 6.6(c)(vi) above shall receive a portion of the Forfeited Units (and the Capital Account balance attributable to such Forfeited Units) equal to the product of (x) the number of Forfeited Units and (y) a fraction, the numerator of which shall be the amount of the Default Amount such Non-Defaulting Member contributed (and agreed to contribute) to the Network and denominator of which shall be the Default Amount.

(d) Notwithstanding anything to the contrary in Section 6.6(c) hereof, if the Defaulting Member is a Financial Investor Member, each non-defaulting Financial Investor Member shall have the right, but not the obligation, to purchase all, but not less than all (subject to proportionate allocation as set forth below), of the Forfeited Units (regardless of the elections made by the other Non-Defaulting Members pursuant to Section 6.6(c) hereof) from the Defaulting Member. The non-defaulting Financial Investor Members shall be required to exercise this right by providing written notice of such exercise to the Network and the other Non-Defaulting Members within ten (10) days of receipt of the Default Notice. Following such exercise, if the aggregate number of Forfeited Units agreed to be purchased by the non-defaulting Financial Investor Members exceeds the number of Forfeited Units, the Forfeited Units shall be allocated among the non-defaulting Financial Investor Members so that each exercising non-defaulting Financial Investor Member purchases a number of Forfeited Units equal to the aggregate number of Forfeited Units multiplied by the percentage obtained by dividing the number of Units held by such exercising non-defaulting Financial Investor Member by the number of Units held by all exercising non-defaulting Financial Investor Members (or such other proportion as may be agreed among all exercising non-defaulting Financial Investor Members) (the “**Financial Investor Member Proportionate Share**”). Within five (5) days following such exercise, the Network shall send each non-defaulting Financial Investor Member a notice stating the Forfeited Units that such Financial Investor Member is required to purchase pursuant to this Section 6.6(d) and the amount of the Default Amount that such Financial Investor Member is required to contribute. Within five (5) days of receipt of such notice, each exercising non-defaulting Financial Investor Member shall make the Capital Contribution to the Network specified in such notice, agree to satisfy the applicable portion of the Defaulting Member’s Remaining Commitment Amounts and execute such other documents reasonably requested by the Network in order to satisfy the Default Amount of the Defaulting Member in accordance with the terms of Section 6.6(c) hereof, and upon making such Capital Contribution and agreeing to satisfy the applicable Remaining Commitment Amount such Financial Investor Member shall receive a portion of the Forfeited Units (and the Capital Account balance attributable to such Forfeited Units) equal to the Financial Investor Member Proportionate Share or, if applicable, all of the Forfeited Units (and the Capital Account balance attributable thereto). If the non-defaulting Financial Investor Members do not exercise their right to purchase all of the Forfeited Units, the elections made by the Non-Defaulting Members pursuant to Section 6.6(c) hereof shall apply.

(e) The parties hereto agree that the Transfer of Forfeited Units from the Defaulting Member to such Non-Defaulting Members shall be treated for federal income tax purposes as a sale of such Forfeited Units in exchange for the assumption by such Non-Defaulting Members of the relative Capital Contribution obligations of the Defaulting Member.

(f) The parties hereto agree that the forfeiture of Units in accordance with this Section 6.6 shall be the exclusive remedy available to the Network and the Non-Defaulting Members for failure by the Defaulting Member to make its required Capital Contributions.

Section 6.7 Further Contributions. Except as provided in Section 6.1, no further Capital Contributions (including any cash that may be required to pay Network costs and expenses) shall be required of any Member.

Section 6.8 Interest. No interest shall accrue on any Capital Contribution and no Member shall have the right to withdraw or be repaid any Capital Contribution, except as provided in this Agreement.

Section 6.9 No Return of Capital Contribution; Transfer. No Member shall be entitled to a return of its Capital Contribution. Subject to Section 6.6(f), the Initial Members shall remain obligated for their respective Capital Commitments attributable to their Series A Preferred Units (or Class A Common Units issued upon conversion thereof) until such time as any such Initial Member Transfers all or any portion of its Series A Preferred Units (or Class A Common Units issued upon conversion thereof) to a Substitute Member in accordance with Article XI hereof and, in connection with such Transfer, such Substitute Member agrees in a manner acceptable to the Board (excluding any Managers designated by the Initial Member making such Transfer) to satisfy in full the Remaining Commitment Amount attributable to the Units being Transferred in accordance with this Article VI. Thereafter, the Initial Member making such Transfer shall no longer be liable for the Remaining Commitment Amount attributable to the Units Transferred.

Section 6.10 Loans.

(a) If the Capital Contributions received by the Network from the Initial Members are equal to the aggregate Capital Commitments set forth on Schedule A, and the Board reasonably determines in good faith that the Network requires additional capital to fund the operations of the Network, the Board shall send Comcast and Radio One a written notice stating that the Network requires additional funds for operations (the “**Loan Notice**”).

(b) Each of Comcast and Radio One may within twenty (20) Business Days from receipt of the Loan Notice send a notice of intention to make a loan to the Network for an amount up to \$12,500,000 in the form of an unsecured loan (the “**Loan**”) to the Network (the “**Loan Acceptance Notice**”).

(c) If both Comcast and Radio One shall deliver to the Network a Loan Acceptance Notice within twenty (20) Business Days of its receipt of a Loan Notice, the Network shall so notify both Comcast and Radio One and each of Comcast and Radio One shall make the Loan for up to \$12,500,000 by wire transfer to the Network of immediately available funds no later than ten (10) days after delivery of the Loan Acceptance Notice.

(d) If either, but not both, of Comcast and Radio One shall deliver to the Network a Loan Acceptance Notice within twenty (20) Business Days of its receipt of a Loan Notice, the Network shall so notify the party sending the Loan Acceptance Notice that the other party receiving the Loan Notice did not send the Network a Loan Acceptance Notice and the party that sent the Network a Loan Acceptance Notice may, at its option, which option shall be exercisable for a period of five (5) Business Days after receipt of such notification, (i) make the Loan for up to \$12,500,000, (ii) make the Loan for an increased amount not to exceed \$12,500,000 (for a total Loan of \$25,000,000); or (iii) terminate the Loan Acceptance Notice. The Loan shall be made by wire transfer to the Network of immediately available funds no later than ten (10) days after the party that sent the Network a Loan Acceptance Notice exercises its option under clauses (i) or (ii) above.

(e) If either, but not both, of Comcast and Radio One shall fail to make any Loan in accordance with such Person’s Loan Acceptance Notice, the Network shall so notify the party that made its Loan in accordance with such Person’s Loan Acceptance Notice that the other party did not provide a Loan and the party that made its Loan in accordance with such Person’s Loan Acceptance Notice may, at its option, which option shall be exercisable for a period of five (5) Business Days after receipt of such notification, make an additional Loan to the Network for an amount not to exceed the difference between the amount specified in the original Loan Notice and the amount of such Person’s original Loan, in which event the additional amount shall be provided to the Network by wire transfer of immediately available funds no later than ten (10) days after such Person exercises such option.

(f) Any Loan made pursuant to this Section 6.10 shall:

(i) accrue interest at a rate of 8% per annum, compounded annually;

(ii) be repaid in full, including principal and interest, on the third anniversary of the date it is made;

(iii) be subject to customary documentation for similar types of loans, such documentation to be reasonably acceptable to the Board and the Person or Persons making such Loan; and

(iv) not be counted as a Capital Contribution and not entitle such Member making the Loan to any increase in such Member’s share of the profits of the Network.

(g) Upon delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(c) of the Radio One Change of Control Agreement or upon a Radio One Trigger Event, Radio One’s right to make a Loan to the Network pursuant to this Section 6.10 shall automatically terminate and be of no further force or effect and Comcast shall thereafter have the right, but not the obligation, to make a Loan to the Network following receipt of a Loan Notice for an amount not to exceed \$25,000,000 pursuant to this Section 6.10.

(h) Upon a Comcast Trigger Event, Comcast’s right to make a Loan to the Network pursuant to this Section 6.10 shall automatically terminate and be of no further force or effect and Radio One shall thereafter have the right, but not the obligation, to make a Loan to the Network following receipt of a Loan Notice for an amount not to exceed \$25,000,000 pursuant to this Section 6.10.

Section 6.11 Benefited Parties. The foregoing Capital Commitments of the Initial Members are solely for the benefit of the Network and the Members, as among themselves, and payment of the Capital Commitments by the Initial Members may not be enforced by any creditor, receiver, or trustee of the Network or by any other Person, other than any Person admitted as a Substitute Member pursuant to Section 13.3 hereof.

ARTICLE VII

CAPITAL ACCOUNTS

Section 7.1 Maintenance of Capital Accounts.

(a) The Network shall establish and maintain Capital Accounts for each Member in accordance with the following provisions:

(i) to each Member's Capital Account there shall be credited (A) such Member's Capital Contributions, (B) such Member's distributive share of Net Profits and any items in the nature of income or gain that are specially allocated, and (C) the amount of any Network liabilities assumed by such Member or that are secured by any property distributed to such Member; and

(ii) to each Member's Capital Account there shall be debited (A) the amount of money and the Gross Asset Value of any other property distributed to such Member pursuant to any provision of this Agreement, (B) such Member's distributive share of Net Losses and any items in the nature of expense or losses that are specially allocated and (C) the amount of any liabilities of such Member assumed by the Network or that are secured by any property contributed by such Member to the Network (to the extent not otherwise taken into account in determining a Member's Capital Contribution).

(b) This Section and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations § 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. Notwithstanding that a particular adjustment is not set forth in this Section, the Capital Accounts of the Members shall be adjusted as required by, and in accordance with, the capital account maintenance rules of Regulations § 1.704-1(b).

Section 7.2 Negative Capital Accounts. No Member shall be required to make up a Capital Account deficit or to pay to any Member the amount of any such deficit.

Section 7.3 Sale or Exchange of Units. In the event of a Transfer of some or all of a Member's Units, the Capital Account of the transferring Member shall become or be added to the Capital Account of the Substitute Member or the Member that acquires Units in such Transfer, to the extent it relates to the Member's Units so Transferred, and, with respect to the Units so Transferred, the provisions of Articles VIII and IX shall apply to the Substitute Member or the Member that acquires such Units as if such Person had held such Units from inception and received all allocations and distributions with respect to such Units that have been received by the transferring Member.

ARTICLE VIII

ALLOCATIONS OF PROFITS AND LOSSES

Section 8.1 Net Profits. Except as otherwise provided herein, Net Profits shall be allocated among the Members in accordance with each Member's Percentage Interest.

Section 8.2 Net Losses. Except as otherwise provided herein, Net Losses shall be allocated (i) first, to the holders of the Series A Preferred Units and the Class A Common Units issued upon conversion thereof in proportion to the total number of such Units held by each Member until the relative Capital Account balance of each such Member other than DIRECTV is in proportion to such Member's relative Percentage Interest, as determined by taking into account only that portion of such Member's Percentage Interest and Capital Account balance that is attributable to such Series A Preferred Units and Class A Common Units and any Class B Common Units and Class C Common Units held by such Member and not including in the denominator the Percentage Interest of DIRECTV; (ii) second, to DIRECTV until DIRECTV's Capital Account balance is in proportion to DIRECTV's Percentage Interest; and (iii) third, except as otherwise provided herein, any remaining Net Losses shall be allocated among the Members in accordance with each Member's Percentage Interest.

Section 8.3 Gain or Loss from a Sale Transaction. Subject to Section 8.10(a), any Net Gain from a Sale Transaction or Net Loss from a Sale Transaction shall be allocated among the Members in such manner as to cause, to the extent possible, the Capital Account of each Member to equal the sum of (a) the amount of Net Proceeds from a Sale Transaction, if any, distributable to such Member pursuant to Section 9.3 hereof, and (b) the amount of any accrued Mandatory Tax Distributions distributable to such Member pursuant to Section 9.2 hereof that have not yet been distributed.

Section 8.4 Limitation on Allocation of Losses. If an allocation of Net Losses to a Member would cause an Adjusted Capital Account Deficit for such Member, such Net Losses shall instead be allocated among Members with positive Capital Account balances in proportion to such balances.

Section 8.5 Allocation of Nonrecourse Deductions. Nonrecourse Deductions shall be allocated among the Members in proportion to each Member's Percentage Interest.

Section 8.6 Allocation of Member Nonrecourse Deductions. Member Nonrecourse Deductions shall be allocated, as provided in Regulations § 1.704-2(i)(1) to the Members in accordance with the ratios in which they bear the economic risk of loss for the relevant Member Nonrecourse Debt for purposes of Regulations § 1.752-2.

Section 8.7 Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations or distributions described in Regulations § 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Network income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, *provided* that an allocation pursuant to this Section 8.7 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.7 were not in the Agreement.

Section 8.8 Minimum Gain Chargeback. In the event that there is a net decrease in the partnership minimum gain of the Network during a Taxable Year, the minimum gain chargeback described in Regulations §§ 1.704-2(f) and (g) shall apply.

Section 8.9 Partner Minimum Gain Chargeback. In the event that there is a net decrease in partner nonrecourse debt minimum gain (as defined in Regulations § 1.704-2) during a Taxable Year, any Member with a share of that nonrecourse debt minimum gain (determined under Regulations § 1.704-2(i)(5)) as of the beginning of the year must be allocated items of income and gain for the year (and, if necessary, for succeeding years) equal to that Member's share of such net decrease in accordance with Regulations § 1.704-2(i)(4).

Section 8.10 Liquidation. Notwithstanding anything to the contrary:

(a) In the event of a Sale Transaction which results in a Liquidation of the Network, (i) Net Gain from the Sale Transaction or Net Loss from the Sale Transaction, (ii) Net Profit or Net Loss for the Taxable Year of the Sale Transaction, and, if necessary for prior Taxable Years, and (iii) if necessary, separate items of gross income and gross deductions included in such Net Gain from the Sale Transaction or Net Loss from the Sale Transaction or Net Profit or Net Loss for the Taxable Year of the Sale Transaction, and, if necessary for prior Taxable Years, shall be specially allocated among the Members in such manner as to cause each Member's Capital Account, immediately before the final distributions made by the Network, to equal the amount such Member would be entitled to receive under the priorities set forth in Section 9.3.

(b) In the event of a Liquidation of the Network that does not result from a Sale Transaction, Net Profit or Net Loss and, if necessary, separate items of gross income and gross deductions included in such Net Profit or Net Loss for the Taxable Year of the Liquidation, and, if necessary, for prior Taxable Years, shall be specially allocated among the Members in such manner as to cause, to the extent possible, each Member's Capital Account, immediately before the final distributions made by the Network, to equal the amount that such Member would receive if the distributions under Section 9.4 were made in the following order of priority:

(i) first, to the holders of Series A Preferred Units (and Class A Common Units issued upon conversion thereof), in proportion to each such holder's aggregate Capital Contributions in respect of such Series A Preferred Units (and Class A Common Units issued upon conversion thereof), until each such Member has received a return of such Capital Contributions;

(ii) second, to the holders of the Class A Common (other than any Class A Common Units issued upon conversion of Series A Preferred Units), Class B Common and Class C Common Units, in proportion to the number of such Units held by each such Member, until such Members have received aggregate distributions under Section 8.10(b)(i) and this Section 8.10(b)(ii) in an amount per Unit equal to the aggregate distributions made per Unit to the Financial Investor Members under Section 8.10(b)(i), excluding, however, any distributions under Section 8.10(b)(i) in respect of capital contributions made in excess of Total Capital Commitments;

(iii) third, to all Members other than DIRECTV and the Class D Members, in proportion to the number of Units held by each such Member, until aggregate distributions (other than distributions attributable to Capital Contributions in excess of Capital Commitments) have been made under Sections 8.10(b)(i), 8.10(b)(ii) and this Section 8.10(b)(iii) with respect to each Member other than the Class D Members in proportion to the number of Units held by each such Member;

(iv) fourth, if and only if the aggregate distributions under Sections 8.10(b)(i), 8.10(b)(ii), and Section 8.10(b)(iii) are less than the Class D Distribution Threshold, to the holders of the Series A Preferred Units, Class A Common Units, Class B Common Units and Class C Common Units, in proportion to the number of such Units held by each such Member until the aggregate distributions under Sections 8.10(b)(i)-(iii) and this Section 8.10(b)(iv) equal the Class D Distribution Threshold;

(v) fifth, to the Initial Class D Members in proportion to the number of such Initial Class D Common Units held by each such Initial Class D Member until each such Initial Class D Common Member has received aggregate distributions under this Section 8.10(b)(v) equal to its Initial Class D Member Priority Amount; and

(vi) sixth, to the Members in proportion to each Member's Percentage Interest; *provided, however*, that the amount distributed with respect to any Class D Common Unit under Section 8.10(b)(v) and this Section 8.10(b)(vi) shall not exceed the Class D Limitation Amount with respect to such Unit, and any amounts that would be distributed with respect to a Class D Common Unit under this Section 8.10(b)(vi) but for the limitation under this proviso shall instead be distributed pro rata with respect to all other Units (including other Class D Common Units, but only to the extent that such distribution would not violate the limitations set forth in this Section 8.10(b)(vi)).

Section 8.11 Book/Tax Disparities.

(a) In the case of contributed property, items of income, gain, loss and deduction, shall be allocated for federal income tax purposes in a manner consistent with the requirements of Code § 704(c) and Regulations § 1.704-3 to take into account the difference between the Agreed Value of such property and its adjusted tax basis at the time of contribution.

(b) In the event of an adjustment to Capital Accounts in accordance with paragraph (b) of the definition of "Gross Asset Value," items of income, gain, loss and deduction shall thereafter be allocated for federal income tax purposes in a manner consistent with Regulations § 1.704-3(a)(6)(i).

(c) Allocations under this Section 8.11 shall not affect Capital Accounts of the Members. The method or methods to be elected under Regulations § 1.704-3 for such allocations shall be selected by the Tax Matters Partner.

Section 8.12 Individual Tax Items. Except as otherwise provided in Section 8.11, all Network items of income, gain, loss, and deduction, and all other tax items for each Taxable Year, shall be allocated among the Members as follows: (a) each Member's allocable share of each item included in the computation of Net Profit or Net Loss for that year shall equal such Member's overall percentage share of the Net Profit or Net Loss for such year, (b) each Member's allocable share of each item included in the computation of Net Gain from a Sale Transaction or Net Loss from a Sale Transaction for such year shall equal such Member's overall percentage share of the Net Gain from a Sale Transaction or Net Loss from a Sale Transaction for such year, and (c) each Member shall be allocated any items specifically allocated to such Member under Sections 8.6, 8.7, 8.8 and 8.9.

Section 8.13 Tax Credits. Tax credits of the Network, if any, shall be allocated among the Members in proportion to the number of Units held by each Member.

Section 8.14 Changes in Number of Units. In the event the number or character of Units held by a Member changes during a Taxable Year, the allocation of items to such Member shall be based on the Units held by the Member on the final day of the Taxable Year, unless otherwise required by the Code or Regulations or agreed to by each Member affected by such allocation; *provided, however*, that in the case of a Taxable Year that includes the Grant Date of a Class D Common Unit, no items that are attributable to the portion of such Taxable Year before such Grant Date shall be allocated with respect to such Class D Common Unit (for purposes of clarification, no offsetting allocation shall be made with respect to such Class D Common Unit of items attributable to the portion of such Taxable Year beginning on such Grant Date) and any items that would be allocated with respect to a Class D Common Unit but for the limitation under this proviso shall instead be allocated with respect to all other Units (including other Class D Common Units, but only to the extent that such allocation would not violate the limitation set forth in this proviso) based on the number of Units held by each Member on the final day of such Taxable Year.

ARTICLE IX

DISTRIBUTIONS

Section 9.1 Limitations on Distributions. No Distribution to Members shall be declared or paid unless, after giving effect to such Distribution, the fair value of all assets of the Network exceeds all liabilities of the Network (and such reserves as shall be reasonably established by the Board), other than liabilities to Members on account of their Capital Accounts.

Section 9.2 Operating Cash Flow.

(a) The Mandatory Tax Distribution shall be distributed to the Members in proportion to each Member's Percentage Interest at the time of the distribution. Such distributions shall be made at least annually, on or before the 60th day after the end of the relevant Taxable Year. Additional Distributions of available cash flows of the Network may be made to the Members in proportion to their respective Percentage Interests at such times and in such amounts as are determined by the Board, subject to the prior approval of the holders of the Class B Common Units and the Series A Preferred Units in accordance with Sections 5.2(b)(i) and 5.2(e)(i), respectively.

(b) Notwithstanding Section 9.2(a), (i) in the case of a Taxable Year that ends on or after the Grant Date of a Class D Common Unit, no Distribution of amounts that are attributable to the period before such Grant Date (as determined by the Board) shall be made with respect to such Class D Common Unit (for purposes of clarification, no offsetting Distributions shall be made with respect to such Class D Common Units of amounts attributable to the period beginning on such Grant Date), and (ii) any amounts that would be distributed with respect to a Class D Common Unit but for the limitations under this Section 9.2(b) shall instead be distributed with respect to all other Units (including other Class D Common Units, but only to the extent that such Distribution would not violate the limitations set forth in this Section 9.2(b)) in proportion to the respective Percentage Interests of the Members at the time of such Distribution.

Section 9.3 Net Proceeds from a Sale Transaction. Any Net Proceeds from a Sale Transaction shall be distributed to the Members as follows:

(a) First, to each holder of Series A Preferred Units and/or Class A Common Units issued on conversion thereof, in proportion to, and up to, the excess, if any, of (x) such Member's aggregate Capital Contributions with respect to such Series A Preferred Units and/or Class A Common Units over (y) the sum of (i) the aggregate of all distributions to such Member with respect to such Units during or with respect to prior periods (including any Mandatory Tax Distributions for the Taxable Year portion that ends the day before the date of the Sale Transaction) reduced, but not below zero, by the excess, if any, of the amounts described in clause (B) of this sentence over the amounts described in clause (A) of this sentence, and (ii) forty percent (40%) of the excess, if any, of (A) the aggregate cumulative amount of tax deductions and losses of the Network allocated to such Member with respect to such Units for federal income tax purposes with respect to prior periods (including the Taxable Year portion that ends the day before the date of the Sale Transaction) over (B) the aggregate cumulative amount of taxable income and gains of the Network allocated to such Member with respect to such Units for federal income tax purposes with respect to such prior periods;

(b) Second, to the holders of Class A (except for any such Units issued upon conversion of the Series A Preferred Units), B and C Common Units, in proportion to the number of such Units held by each such Member, until such Members have received aggregate distributions under Section 9.3(a) and this Section 9.3(b) in an amount per Unit equal to the aggregate distributions made per Unit to the Financial Investor Members under Section 9.3(a), excluding, however, any distributions under Section 9.3(a) in respect of capital contributions made in excess of Total Capital Commitments;

(c) Third, to all Members other than DIRECTV and the Class D Members, in proportion to the number of Units held by each such Member, until aggregate distributions (other than distributions attributable to Capital Contributions in excess of Capital Commitments) have been made under Sections 9.3(a), 9.3(b) and this Section 9.3(c) with respect to each Member other than the Class D Members in proportion to the number of Units held by each such Member;

(d) Fourth, if and only if the aggregate distributions under Sections 9.3(a), 9.3(b) and 9.3(c) are less than the Class D Distribution Threshold, to the holders of the Series A Preferred Units, Class A Common Units, Class B Common Units and Class C Common Units, in proportion to the number of such Units held by each such Member until the aggregate distributions under Sections 9.3(a)-(c) and this Section 9.3(d) equal the Class D Distribution Threshold;

(e) Fifth, to the Initial Class D Members in proportion to the number of such Initial Class D Common Units held by each such Initial Class D Member until each such Initial Class D Common Member has received aggregate distributions under this Section 9.3(e) equal to its Initial Class D Member Priority Amount; and

(f) Sixth, to the Members in proportion to each Member's Percentage Interest; *provided, however*, that the aggregate amount distributed in a Taxable Year with respect to any Class D Common Unit under Section 9.3(e) and this Section 9.3(f) shall not exceed the Class D Limitation Amount with respect to such Unit, and any amounts that would be distributed with respect to a Class D Common Unit under this Section 9.3(f) but for the limitation under this proviso shall instead be distributed pro rata with respect to all other Units (including other Class D Common Units, but only to the extent that such distribution would not violate the limitation set forth in this Section 9.3(f)).

Section 9.4 Liquidating Distributions. In the event of a Liquidation, Distributions shall be made to the Members in proportion to the positive Capital Account balances of each Member, after taking into account all prior distributions and all allocations of Net Profits, Net Losses, Gain, Loss and other amounts allocated under Sections 8.3 through 8.10.

Section 9.5 Withholding Taxes. The Network is authorized to withhold from Distributions to a Member, or with respect to allocations to a Member, and to pay over to a federal, state or local government, any amounts required to be withheld pursuant to the Code, or any provisions of any other federal, state or local law. Any amounts so withheld shall be treated as having been distributed to such Member pursuant to this Article IX for all purposes of this Agreement, and shall be offset against the amounts otherwise distributable to such Member.

ARTICLE X

ACCOUNTS

Section 10.1 Books. The Chief Financial Officer shall cause to be maintained complete and accurate books of account of the Network's affairs at the Network's principal place of business. Separate accounts shall be kept for each class and series of Units. Such books shall be kept on such method of accounting as the Board shall select.

Section 10.2 Tax Matters. Radio One shall be the Tax Matters Partner so long as Radio One has the right to designate a majority of the Managers on the Board. Comcast shall be the Tax Matters Partner in the event that Radio One loses the right to designate a majority of the Managers on the Board. The Tax Matters Partner shall, except to the extent impracticable as a result of the failure of a Member to timely deliver necessary information to the Tax Matters Partner, cause to be prepared, signed and filed all tax returns of the Network required by any federal state or local law, make any tax elections for the Network allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Network and monitor any governmental tax authority in any audit that such authority may conduct of the Network's books and records or other documents. The Tax Matters Partner shall cause the Network to deliver to the Members an IRS Schedule K-1 as soon as practicable following the close of each Taxable Year, but no later than seventy-five (75) days after the end of each Taxable Year; *provided, however*, that such period shall be automatically extended in the event of a delay beyond the control of the Tax Matters Partner, such as a delay resulting from the failure of a third party to provide required tax information to the Network in a timely manner. The Tax Matters Partner shall be entitled to reimbursement from the Network for all necessary and reasonable out-of-pocket expenses incurred in performing its duties as Tax Matters Partner.

Section 10.3 Special Basis Adjustment. The Tax Matters Partner shall, without any further consent of the Members being required (except as specifically required herein), have discretion to make an election for federal income tax purposes to adjust the basis of property pursuant to §§ 754, 734(b) and 743(b) of the Code, or comparable provisions of state, local or foreign law, in connection with Transfers of Units and Network Distributions.

ARTICLE XI

TRANSFERS OF UNITS

Section 11.1 Prohibition.

(a) Until the earlier date upon which (i) all of the Capital Contributions required pursuant Article VI hereof have been made and (ii) a Sale Transaction has occurred (the “**Restricted Period**”), no Member may Transfer all or any portion of its Equity Interests other than (1) to a Permitted Transferee, (2) in accordance with the terms of the Radio One Change of Control Agreement, (3) any Transfer of all or any portion of a Member’s Equity Interests pursuant to Sections 12.4 or 12.5 hereof, (4) Transfers from Comcast and its Unit Affiliates to Radio One and its Unit Affiliates, (5) Transfers from Radio One and its Unit Affiliates to Comcast and its Unit Affiliates, or (6) Transfers specifically provided for under Sections 6.1(b) and 6.6 hereof, *provided* that, in the case of (1)-(6) hereof, such Transfer is made in accordance with Section 11.2 hereof. Any attempted Transfer of the Equity Interests by such Members during the Restricted Period, other than in strict accordance with this Article XI, shall be null and void and the purported transferee shall have no rights as a Member hereunder, except as may otherwise be provided in Section 13.4 hereof as to such transferee.

(b) Following expiration of the Restricted Period, no Member may Transfer all or any portion of its Equity Interests other than (i) pursuant to Section 11.3 hereof, (ii) to a Permitted Transferee, (iii) any Transfer of all or any portion of a Member’s Equity Interests pursuant to Sections 12.1, 12.2, 12.4 or 12.5 hereof, (iv) any Transfer of all or any portion of a Member’s Equity Interests pursuant to the Buy/Sell Agreement or the Radio One Change of Control Agreement, (v) any Transfer of all or any portion of a Member’s Equity Interests pursuant to a Sale Transaction, (vi) Transfers from Comcast and any of its Unit Affiliates to Radio One and any of its Unit Affiliates, or (vii) Transfers from Radio One and any of its Unit Affiliates to Comcast and any of its Unit Affiliates; *provided* that in the case of (i)-(vii) (each, a “**Permitted Transfer**”) such Transfer is made in accordance with Section 11.2 hereof. Any attempted Transfer of the Equity Interests by such Members, other than in strict accordance with this Article XI, shall be null and void and the purported transferee shall have no rights as a Member hereunder, except as may otherwise be provided in Section 13.4 as to such transferee.

(c) Notwithstanding anything to the contrary in this Agreement, no Transfer of Units shall be deemed effective until the transferee of such Units executes a joinder agreement, in substantially the form attached hereto as Schedule E (the “**Joinder Agreement**”) pursuant to which, among other things, such transferee shall agree to be bound by the obligations of the Member transferring such Units to such transferee under this Agreement and, if such transferee is an Affiliate of the Member transferring such Units, such transferee shall agree to grant all authority to act on its behalf to the Member transferring such Units to such transferee. Any purported transfer in violation of this Section 11.1 (c) shall be null and void.

(d) Notwithstanding anything to the contrary in this Agreement, no Member shall enter into any agreement to vote or otherwise exercise any of the rights appurtenant to any of the Units held by such Member with any Person other than an Affiliate of such Member.

(e) Notwithstanding anything to the contrary in this Agreement, the Network Equity Plan or any Award Agreement, the Network shall not purchase or enter into any agreement to purchase any Class D Common Units from any Class D Member (i) in the event of a Strategic Investor Sale, during the period commencing on the date that the definitive agreement for such Strategic Investor Sale is executed and delivered and ending on the earlier of (A) the SIS Closing Date and (B) the date the definitive agreement with respect to such Strategic Investor Sale is terminated unless the SIS Acquiror provides its prior written consent; (ii) during the period commencing on the Appraisal Value Determination Date (as defined in the Buy/Sell Agreement) and ending on the day of the Buy/Sell Closing or the Network Sale, as applicable, unless Radio One, Comcast or the Person buying the Network, as applicable, provides its prior written consent; and (iii) during the period commencing on the Call Right Value Determination Date and ending on the day of the Call Right Closing or the Redemption Closing, as applicable, unless one Comcast Manager and one Radio One Manager provide their prior written consent; *provided, however*, that, if the last day of the twelve-month period during which the Network has the right to purchase the Class D Common Units of a Class D Member following the termination of such Class D Member’s Service to the Company (as defined in the Network Equity Plan) occurs during any of the periods set forth in clauses (i)-(iii) hereof, then, notwithstanding anything to the contrary in (i)-(iii) hereof, the Network shall be permitted to purchase such Class D Common Units from such Class D Member in accordance with the terms of the Network Equity Plan and the applicable Award Agreement.

Section 11.2 Conditions to Permitted Transfers. A Member shall be entitled to make a Permitted Transfer or a Transfer permitted under Section 11.1(a) hereof of all or any portion of its Equity Interests only upon satisfaction of each of the following conditions:

(a) such Transfer does not require the registration or qualification of such Equity Interests pursuant to any applicable federal or state securities laws, rules and regulations;

(b) such Transfer does not result in a violation of applicable laws, rules and regulations;

(c) if Radio One is making such Permitted Transfer and the Permitted Transferee is an Affiliate of Radio One, the Permitted Transferee receiving such Transfer of Equity Interests shall be required to execute a joinder to the Radio One Change of Control Agreement and the Buy/Sell Agreement in accordance with Section 3.8 of such Agreements;

(d) if Comcast is making such Permitted Transfer and the Permitted Transferee is an Affiliate of Comcast, the Permitted Transferee receiving such Transfer of Equity Interests shall be required to execute a joinder to the Radio One Change of Control Agreement and the Buy/Sell Agreement in accordance with Section 3.8 of such Agreements;

(e) if any Member that is a party to the Buy/Sell Agreement is making such Permitted Transfer, the Person receiving such Transfer of Equity Interests shall be required to execute a joinder to the Buy/Sell Agreement agreeing to be bound as an “Investor” thereunder in accordance with Section 3.8 thereof (except for Comcast, Radio One or any of their respective Affiliates);

(f) the Chairman receives written instruments that are in a form and substance satisfactory to the Chairman, as determined in his or her reasonable judgment (including, without limitation, (i) copies of any instruments of Transfer, (ii) such Person’s agreement to be bound by this Agreement in the same manner, and subject to the same obligations and restrictions (including without limitation the transfer restrictions set forth in this Article XI) as the Member making such Transfer, including by execution of a Joinder Agreement; *provided, however*, that no such agreement shall be required if the Person receiving such Transfer is also a Member hereunder, and (iii) if requested by the Chairman, an opinion of counsel to such Person, in form and substance reasonably acceptable to the Chairman, to the effect that the conditions set forth in subsections (a) and (b) above have been satisfied).

Section 11.3 Right of First Refusal. Any Member wishing to Transfer Equity Interests pursuant to Section 11.2 hereof (other than a Transfer permitted pursuant to Section 11.1(a) hereof or a Permitted Transfer pursuant to Section 11.1(b)(ii)-(vii) hereof, which shall not be subject to this Section 11.3) must Transfer its Equity Interests in accordance with this Section 11.3 as follows:

(a) The Member proposing to Transfer Equity Interests (for purposes of this section, the “**Offeror**”) shall first deliver to the Network and the Non-Class D Members a written notice (an “**Offer Notice**”), which shall (i) state the Offeror’s intention to Transfer Equity Interests to one or more Persons pursuant to a bona fide offer to purchase such Equity Interests, the class and number of Equity Interests to be Transferred (the “**Offered Interests**”), the purchase price (“**Offer Price**”) of such Transfer therefor, the name of the Person or Persons to which such Transfer is proposed to be made and any other material terms and conditions of such Transfer, and (ii) offer, in accordance with this Section 11.3, to each of the Non-Class D Members and then to the Network (except in the case of Class D Common Units which shall be offered first to the Network and then to each of the other Non-Class D Members) the option to acquire all or a portion of such Equity Interests upon the terms and subject to the conditions of the proposed Transfer as set forth in the Offer Notice (the “**Offer**”). The Offer shall remain open and irrevocable for the periods set forth below (and, to the extent the Offer is accepted during such periods, until the consummation of the sale contemplated by the Offer).

(i) If the Offeror is a Class D Member, then the Network shall have the right and option for a period of twenty (20) days after delivery of the Offer Notice (the “**Network Class D Acceptance Period**”) to (A) accept the Offer to acquire all or a portion of the Offered Interests at the purchase price and on the terms set forth in the Offer Notice or (B) prohibit the Transfer of the Offered Interests. If the Network accepts the Offer, such acceptance shall be made by delivering a written notice of such acceptance to the Offeror and each of the Non-Class D Members within the Network Class D Acceptance Period, specifying the number of Offered Interests that the Network shall purchase at the purchase price and on the terms set forth in the Offer Notice (the “**Network Accepted Interests**”). If the Network determines to prohibit the Transfer of the Offered Interests, then, notwithstanding anything to the contrary in this Section 11.3, the Class D Member shall have no right to Transfer, and the Non-Class D Members shall have no right to purchase, the Offered Interests.

(ii) Each Non-Class D Member shall have the right and option for a period of twenty (20) days after delivery of the Offer Notice or the end of the Network Class D Acceptance Period, as applicable, (the “**Initial Member Acceptance Period**”) to accept the Offer to acquire its proportionate share of the Offered Interests (less the Network Accepted Interests, if the Offeror is a Class D Member) at the purchase price and on the terms stated in the Offer Notice (the “**Right of First Refusal**”). Such acceptance shall be made by delivering a written notice of such acceptance to the Network, the Offeror and each of the other Non-Class D Members within the Initial Member Acceptance Period, specifying that such Member shall purchase its proportionate share of such Offered Interests, such proportionate share to be equal to the number of Offered Interests (less the Network Accepted Interests, if the Offeror is a Class D Member) multiplied by the percentage obtained by dividing the number of Units held by such Member by the number of Units held by the Members receiving the Offer Notice (the “**Initial Accepted Interests**”). Promptly following the end of such twenty (20) day period, the Network shall, in writing, inform each Financial Investor Member that exercises its right to purchase its Initial Accepted Interests whether any Offered Interests were offered to, but not accepted by, the Network or the other Financial Investor Members (the “**Financial Investor Member Offered Interests**”). During the ten (10) day period commencing after receipt of such information, each exercising Financial Investor Member may elect, by providing written notice of such election to the Network and the other electing Financial Investor Members, to purchase its proportionate share of any Financial Investor Member Offered Interests (or such other proportion as may be agreed upon by all of the Financial Investor Members who elect to purchase Financial Investor Member Offered Interests). For purposes of the preceding sentence, the proportionate share of each Financial Investor Member who elects to purchase Financial Investor Member Offered Interests shall be equal to the aggregate number of Financial Investor Member Offered Interests multiplied by the percentage obtained by dividing the number of Units held by such Financial Investor Member by the number of Units held by all Financial Investor Members who elect to purchase Financial Investor Member Offered Interests pursuant to this Section 11.3(a)(ii).

(iii) Promptly following the end of the twenty (20) day period (or, if applicable, following the end of the subsequent ten (10) day period) described in Section 11.3(a)(ii) above, the Network shall, in writing, inform each electing Member that exercises its right to purchase its Initial Accepted Interests whether any Offered Interests were offered to, but not purchased by, the Network under Section 11.3(a)(i) or the other Non-Class D Members under Section 11.3(a)(ii) (the “**Remaining Offered Interests**”). During the ten (10) day period commencing after receipt of such information (the “**Final Member Acceptance Period**”), each exercising Member may elect, by providing written notice of such election to the Network and to the other electing Members, to purchase its proportionate share (the “**Final Accepted Interests**”) of any Remaining Offered Interests or all of the Remaining Offered Interests. Each exercising Member’s Final Accepted Interests shall be equal to the aggregate number of Remaining Offered Interests multiplied by the percentage obtained by dividing the number of Units held by such exercising Member by the number of Units held by all exercising Members who elect to purchase their Final Accepted Interests or all of the Remaining Offered Interests pursuant to this Section 11.3(a)(iii).

(iv) If, upon the expiration of the Final Member Acceptance Period, the aggregate number of Offered Interests agreed to be purchased by the Network and the Electing Members under Section 11.3(a)(i)-(iii), as applicable, exceeds the number of Offered Interests, the Offered Interests shall be allocated among the Network (if applicable) and the electing Members as follows:

(1) If the Network is exercising its rights under Section 11.3(a)(i), the Network shall first purchase the Network Accepted Interests;

(2) Each electing Non-Class D Member exercising its rights under Section 11.3(a)(ii) shall first purchase its Initial Accepted Interests;

(3) Each electing Financial Investor Member exercising its rights under Section 11.3(a)(ii) shall next purchase its proportionate share of Financial Investor Member Offered Interests (or such other proportion as may be agreed upon by all of the Financial Investor Members who elect to purchase Financial Investor Member Offered Interests);

(4) Each electing Non-Class D Member exercising its rights under Section 11.3(a)(iii) shall then purchase its Final Accepted Interests; and

(5) Any remaining Offered Interests shall be allocated proportionately among the electing Non-Class D Members electing to purchase all of the Remaining Offered Interests pursuant to Section 11.3(a)(iii) based upon the relative number of Units owned by such electing Non-Class D Members (before giving effect to clauses (1), (2), (3), (4) or (5) of this Section 11.3(a)(iv)).

(v) Upon the termination of the Final Member Acceptance Period, the Network shall send electing Non-Class D Members a notice stating the amount of the Offered Interests that the electing Non-Class D Member is required to purchase in accordance with Section 11.3(a)(iv) hereof.

(b) If the Offeror is a Non-Class D Member and, within the Initial Member Acceptance Period and the Final Member Acceptance Period, the Non-Class D Members shall fail to accept all of the Offered Interests, or shall reject in writing the Offer (each Non-Class D Member being required to notify in writing the Offeror, the Network and each of the other Non-Class D Members of its rejection or failure to accept in the event of the same) then, upon the earlier of the expiration of the Final Member Acceptance Period or the receipt of such written notice of rejection or failure to accept such offer by the Non-Class D Members, the Network shall have the right and option, for a period of twenty (20) days thereafter (the “**Network Acceptance Period**”), to accept all or any part of the Offered Interests so offered and not accepted by the Non-Class D Members (the “**Refused Interests**”) at the purchase price and on the terms stated in the Offer Notice. Such acceptance shall be made by delivering a written notice to the Non-Class D Members and the Offeror within the Network Acceptance Period specifying the Offered Interests that the Network shall purchase.

(c) The closing of the purchases of the Offered Interests subscribed for by the Non-Class D Members under Section 11.3(a) and/or the Network under Section 11.3(a) or (b), as applicable, shall be held at the executive offices of the Network at 11:00 a.m., local time, on the ninetieth (90th) day after the Network and the Non-Class D Members received the Offer Notice or at such other time and place as the parties to the transaction may agree. At such closing, (i) the Offeror shall execute and deliver such documents as shall be reasonably requested by the Persons purchasing such Offered Interests in order to vest full beneficial and record ownership of such Offered Interests in the Persons purchasing such Offered Interests, (ii) the Offeror shall represent and warrant to the Persons purchasing such Offered Interests (in addition to such reasonable and customary representations and warranties requested by the Persons purchasing such Offered Interests) that such Offered Interests are being transferred to such Persons free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Radio One Change of Control Agreement and/or the Buy/Sell Agreement), and (iii) each Person purchasing the Offered Interests shall make payment of such Person’s proportionate share of the aggregate Offer Price (based upon the Offered Interests being purchased by each such Person) by wire transfer of immediately available funds to an account specified by the Offeror; *provided, however*, that in the event the Offeror is Comcast and the Offered Interests comprise all of the Equity Interests held by Comcast and its Unit Affiliates, each Person purchasing such Offered Interests shall have the option of making payment of such Person’s proportionate share of the aggregate Offer Price by (1) wire transfer of immediately available funds to an account specified by Comcast for one-third of such Person’s proportionate share of the aggregate Offer Price and (2) delivery of an unsecured promissory note issued by such Person bearing interest at the rate of 7% per annum for the remaining two-thirds of such Person’s proportionate share of the aggregate Offer Price, the principal and interest under which shall be payable on the second anniversary of the closing under this Section 11.3(c).

(d) Notwithstanding anything to the contrary contained in this Section 11.3, except for the last sentence of Section 11.3 (a)(i) (which shall, in any event, remain applicable to any proposed Transfer of Offered Interests by Class D Members), if the Network and/or the Non-Class D Members elect to purchase less than all of the Offered Interests pursuant to this Section 11.3, all of the elections to purchase Offered Interests pursuant to this Section 11.3 shall be of no force or effect and the Offeror may, subject to the other provisions of this Agreement (including, without limitation, the Co-Sale Rights set forth in Section 11.4), Transfer the Offered Interests to the third-party identified in, and otherwise on the terms and conditions set forth in, the Offer Notice; *provided, however*, that such sale is consummated within one-hundred fifty (150) days after the receipt by the Network and the Non-Class D Members of the Offer Notice. If such Transfer is not consummated within 150 days after the receipt by the Network and the Non-Class D Members of the Offer Notice for any reason, then the restrictions provided for herein shall again become effective, and no Transfer of such Offered Interests may be made thereafter by the Offeror without again offering the same to the Network and the Non-Class D Members in accordance with this Section 11.3.

(e) As long as there has not been a Comcast Trigger Event, upon the delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(a) of the Radio One Change of Control Agreement, Radio One’s Equity Interests shall remain subject to the Right of First Refusal limitations set forth in this Section 11.3 (which, for the avoidance of doubt, do not apply to Permitted Transfers) and Radio One’s right to receive Offer Notices and exercise its Right of First Refusal with respect to Transfers of Offered Interests by other Members shall terminate and have no further force or effect.

Section 11.4 Co-Sale Rights.

(a) If (i) the Offered Interests are not Class D Common Units and the Offeror is not a Class D Member and (ii) the Network and the Non-Class D Members do not provide notice of their intent to purchase all of the Offered Interests within the Network Acceptance Period, then the Offeror shall notify the other Non-Class D Members in writing of its intention to consummate the third-party sale specified in the Offer Notice (the “**Co-Sale Notice**”). The Co-Sale Notice shall be delivered within ten (10) days of the expiration of the Network Acceptance Period.

(b) Subject to subsection (c) below, the other Non-Class D Members receiving the Co-Sale Notice shall have the option, exercisable by written notice to the Offeror prior to twenty (20) days after its receipt of the Co-Sale Notice to require the Offeror to arrange for such purchaser or purchasers to purchase the same percentage (the “**Co-Sale Percentage**”) of Equity Interests then owned by such other Non-Class D Members as the ratio of (i) the total number of Offered Interests which are to be Transferred by the Offeror pursuant to the proposed Transfer to (ii) the total number of Equity Interests owned by the Offeror immediately prior to such Transfer, or any lesser amount of Equity Interests as such other Non-Class D Members shall desire (the “**Co-Sale Rights**”). Any such purchase shall be made at the same time, and upon the same terms and conditions, as the Transfer by the Offeror of its Equity Interests; *provided, however*, that none of such other Non-Class D Members shall be required to agree to indemnity or contribution provisions in excess of such other Non-Class D Member’s proceeds from such Transfer.

(c) If the other Non-Class D Members shall so elect, the Offeror agrees that it shall either (i) arrange for the proposed purchaser or purchasers to purchase all or a portion (as such other Non-Class D Members shall specify) of the same Co-Sale Percentage of the Equity Interests then owned by such other Non-Class D Members at the same time as and upon the same terms and conditions at which the Offeror sells its Equity Interests, *provided, however*, that if such purchaser or purchasers shall elect to purchase only such aggregate number of Equity Interests as originally agreed with the Offeror (or a greater number of Equity Interests that is still less than the sum of the Offered Interests and the number of Equity Interests elected to be sold pursuant to the Co-Sale Rights of the other Non-Class D Members), then the number of Equity Interests to be Transferred by the Offeror and the other Non-Class D Members electing to participate in the proposed Transfer shall be reduced pro rata to such aggregate number or (ii) not effect the proposed Transfer to such purchaser or purchasers.

(d) Notwithstanding anything to the contrary contained in this Section 11.4, (i) if the Offered Units are Class D Common Units and the Offeror is a Class D Member or (ii) if the Non-Class D Members do not elect to participate in the sale of the Offered Units pursuant to Section 11.4(a)-(c), the Offeror may, subject to the other provisions of this Agreement, Transfer the Offered Interests to the third-party identified in, and otherwise on the terms and conditions set forth in, the Offeror Notice or the Co-Sale Notice, as applicable; *provided, however*, that such sale is consummated within the period specified in Section 11.3(e) hereof.

(e) As long as there has not been a Comcast Trigger Event, upon the delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(b) of the Radio One Change of Control Agreement, Radio One’s Equity Interests shall remain subject to the Co-Sale Right limitations set forth in this Section 11.4 (which, for the avoidance of doubt, do not apply to Permitted Transfers) and Radio One’s right to receive Co-Sale Notices and exercise its Co-Sale Right with respect to the Transfer of Equity Interests of other Members shall terminate and have no force or effect.

Section 11.5 Prohibited Transfers.

(a) **Prohibited Transfer.** A “**Prohibited Transfer**” shall be deemed to have occurred if a transaction or series of related transactions is consummated that results in (1) the ultimate Parent of any Member immediately prior to such transaction or series of related transactions ceasing to Control such Member immediately after such transaction or series of related transactions (other than the sale or transfer by any limited partner, general partner, shareholder or member of any Initial Member who is a Financial Investor Member (or any Substitute Member of such Initial Member), or any Parent thereof, of its equity interest in such Financial Investor Member or Parent thereof), (2) the holder of the capital stock of a Blocker Corporation immediately prior to such transaction or series of related transactions ceasing to hold all of the capital stock of such Blocker Corporation immediately after such transaction or series of related transactions (unless immediately after such transaction or series of related transactions the holder and/or one or more Affiliates of such holder holds all of the capital stock of such Blocker Corporation), (3) immediately after such transaction or series of related transactions, any of Constellation, CV II-Delaware, BSC Employee Fund, CVC II Partners, Opportunity, Pacesetter or Syndicated (or any Substitute Member of any such Member) ceasing to Control any Person that was a Unit Affiliate of Constellation, CV II-Delaware, BSC Employee Fund, CVC II Partners, Opportunity, Pacesetter or Syndicated (or any Substitute Member of any such Member), as applicable, immediately prior to such transaction or series of related transactions, or (4) a Class D Member that was admitted as a Member pursuant to Section 13.5 hereof and that Transferred a portion or all of the Class D Common Units held by such Class D Member in accordance with the Network Equity Plan to a Class D Controlled Entity of such Class D Member ceasing to Control 100% of the Voting Power of such Class D Controlled Entity and 100% of the power to dispose of, or direct the disposition of, the Class D Common Units so transferred to such Class D Controlled Entity; *provided, however* that notwithstanding the foregoing, a Comcast Strategic Transaction shall not be considered a Prohibited Transfer. A “**Comcast Strategic Transaction**” shall mean a transaction or series of related transactions in which Control of one or more Affiliates (or the assets of such Affiliates) of Comcast Corporation (including any Affiliate of Comcast Corporation that then owns Units or other Equity Interests) is transferred; *provided* that (i) the Affiliate or Affiliates of Comcast Corporation that then own Units or other Equity Interests are all transferred in connection with such transaction or transactions, (ii) the Units and other Equity Interests held by the Affiliate or Affiliates of Comcast Corporation comprise less than 30% of the aggregate value of all of the programming-related assets and interests of Comcast Corporation being transferred, and (iii) Comcast Corporation provides written notice of such Comcast Strategic Transaction to Radio One and the Network at least thirty (30) days prior to the consummation of such transaction, which notice shall contain a description of the programming-related assets and interests being transferred and an internal valuation prepared in good faith by Comcast Corporation evidencing the value of the Units and other Equity Interests being transferred in connection with such Comcast Strategic Transaction and the value of all of Comcast Corporation’s programming-related assets and interests being transferred in connection with such Comcast Strategic Transaction.

(b) **Effect of a Prohibited Transfer.** Upon receipt of written notice from any Member or the Network that such Person believes that a Prohibited Transfer has occurred, each Member transferred in the alleged Prohibited Transfer shall use its best efforts to nullify such Prohibited Transfer within a period of thirty (30) days or to demonstrate within a period of thirty (30) days to the satisfaction (in their unfettered discretion) of a majority of the Managers not designated (1) by such Member, (2) by an Affiliate of such Member or (3) by a Person that was an Affiliate of such Member prior to such alleged Prohibited Transfer, that the alleged Prohibited Transfer is not a Prohibited Transfer. Failure to nullify such Prohibited Transfer or to demonstrate to the satisfaction (in their unfettered discretion) of such Managers that an alleged Prohibited Transfer is not a Prohibited Transfer within such 30 day period shall automatically result in the Member transferred in the Prohibited Transfer becoming a Limited Member in accordance with Section 13.4 hereof.

Section 11.6 Representations Regarding Transfers. Each Member hereby covenants and agrees with the Network for the benefit of the Network and all Members, that (i) it is not currently making a market in Units and will not in the future make a market in Units, and (ii) it will not Transfer its Equity Interest on an established securities market, a secondary market (or the substantial equivalent thereof) within the meaning of Code Section 7704(b) (and any Regulations, proposed Regulations, revenue rulings, or other official pronouncements of the Internal Revenue Service or the United States Treasury Department that may be promulgated or published thereunder). Each Member further agrees that it will not Transfer any Equity Interest to any Person unless such Person agrees to be bound by this Section 11.6 and to Transfer such Interest only to Persons who agree to be similarly bound.

ARTICLE XII

ADDITIONAL RIGHTS AND OBLIGATIONS OF THE MEMBERS

Section 12.1 Financial Investor Members Call Right.

(a) Appraisal. During the period beginning 120 days before the sixth anniversary of the Launch Date and ending on the sixth anniversary of the Launch Date, either Comcast or Radio One shall be permitted to demand that Appraisals be completed by Investment Banks to determine the Final Fair Market Value. If Comcast or Radio One elects to exercise such right, it shall provide written notice of such demand to Radio One or Comcast, as applicable, and to each of the Call Right Members within such 120-day period. Following the making of such demand in writing, (i) Comcast, Radio One and the Call Right Members shall initiate the process of selecting Investment Banks in accordance with Section 12.1(i) hereof, (ii) Comcast, Radio One, the Call Right Members and the Network shall cooperate with the Investment Banks in connection with the completion of the Appraisals and (iii) the Network shall make available such information and personnel as the Investment Banks deem reasonably necessary to complete their determination of the Final Fair Market Value within sixty (60) days of the date that the Investment Banks are selected in accordance with Section 12.1(i) hereof. Upon completion of the Appraisals, the Investment Banks shall deliver their determination of the Final Fair Market Value together with relevant reports and related work papers to the Network, Comcast, Radio One and the Call Right Members. The determination of the Investment Banks as to the Final Fair Market Value shall be final and binding upon the parties.

(b) Derivative Equity Interest Exercise. No later than the 10th day following the delivery by the Investment Banks of their determination of the Final Fair Market Value, each Call Right Member who is a holder of any Derivative Equity Interest shall provide written notice to the Network, Comcast and Radio One (the “Derivative Equity Interest Exercise Notice”), pursuant to which such holder shall irrevocably commit and agree to (i) pay any and all amounts necessary to exercise, convert or exchange any such Derivative Equity Interests into Units and deliver any notices or documents as are required to effect any such exercise, conversion or exchange, (ii) surrender any such Derivative Equity Interests for termination without any consideration for such termination, or (iii) irrevocably cancel and terminate any right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests (including, without limitation, the termination of any right applicable to any debt security to convert such security in whole or in part into Units or Derivative Equity Interests), in each case in order to effect the action set forth in clauses (i)-(iii), as applicable concurrent with the applicable closing (a “Derivative Equity Interest Exercise”). Promptly following the delivery of a Derivative Equity Interest Exercise Notice, such Call Right Member shall execute any other documents and agreements requested by the Network to effect such Derivative Equity Interest Exercise. Any Units issued pursuant to any Derivative Equity Interest Exercise, together with all other Units owned by the Call Right Member, shall be referred to herein as “Call Units.” If a Call Right Member holding a Derivative Equity Interest shall fail to deliver a Derivative Equity Interest Exercise Notice within such ten-day period, then, subject to the last sentence of this Section 12.1(b), (A) such Call Right Member shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a Derivative Equity Interest Exercise with respect to any Derivative Equity Interests held by such Call Right Member, (B) Comcast and Radio One (and the Network, in the event of a Redemption Closing) shall not be required to purchase any Units issuable upon any Derivative Equity Exercise of such Call Right Member, and (C) upon the consummation of the Call Right Closing or Redemption Closing, as applicable, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. If the Call Right Closing or Redemption Closing does not occur within ninety (90) days after the Initial Meeting Date, or such other time as the Network, Comcast, Radio One and the Call Right Members shall agree (but in no event more than one hundred eighty (180) days after the Initial Meeting Date), then (y) any Derivative Equity Interest Exercise Notice delivered by a Call Right Member pursuant to the first sentence of this Section 12.1(b) shall be deemed to be rescinded and shall have no force and effect, and (z) the right of all Call Right Members holding Derivative Equity Interests (including without limitation all such Call Right Members who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period following delivery by the Investment Banks of their determination of the Fair Market Value) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Member’s Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person.

(c) Exercise of Call Right. No later than the 30th day after delivery by the Investment Banks of the Final Fair Market Value, Comcast and Radio One shall each deliver written notice (each, an “Exercise Notice”) by certified mail to the Chief Executive Officer of the Network with instructions not to open the envelopes containing the Exercise Notices prior to a meeting among the Chief Executive Officer and representatives of Comcast and Radio One (the “Initial Meeting”). The Initial Meeting shall take place at the offices of the Network (1) at a date and time agreed upon by the Chief Executive Officer, Comcast and Radio One, or (2) if such Persons cannot agree upon a date within five (5) days after the end of such 30-day period, on a date and time selected by the Chief Executive Officer (and provided to Comcast and Radio One in writing), which date shall not be later than the 45th day following the delivery by the Investment Banks of their determination of the Final Fair Market Value (the “Initial Meeting Date”); *provided*, that if Comcast or Radio One does not deliver an Exercise Notice in the time frame set forth in the first sentence hereof, then the Initial Meeting Date shall be at a date and time agreed upon by the Chief Executive Officer and (A) Radio One, if Comcast does not deliver an Exercise Notice and (B) Comcast, if Radio One does not deliver an Exercise Notice. The Comcast Exercise Notice shall state whether or not Comcast agrees to purchase all of the Call Units for an aggregate price equal to the product of the Final Fair Market Value multiplied by the number of all Call Units (the “Call Unit Price”) and the Radio One Exercise Notice shall state whether or not Radio One agrees to purchase all of the Call Units at the Call Unit Price. The failure by Comcast or Radio One to deliver an Exercise Notice within such 30-day period shall be deemed to be the delivery of an Exercise Notice stating that such Person does not agree to purchase the Call Units at the Call Unit Price. At the Initial Meeting, the Chief Executive Officer shall open the Exercise Notice envelopes and provide the representatives of Comcast and Radio One with copies of both Exercise Notices. The following provisions shall thereafter be applicable:

(i) If Comcast's Exercise Notice states that Comcast desires to buy all of the Call Units for the Call Unit Price and Radio One does not deliver an Exercise Notice or Radio One's Exercise Notice states that Radio One does not desire to buy all of the Call Units, then (A) Comcast shall be obligated to purchase all of the Call Units for the Call Unit Price, (B) the Call Right Members shall be obligated to sell all of the Call Units to Comcast for the Call Unit Price, (C) pursuant to (and subject to the limitations set forth in) Section 4.4(b) hereof, following the Call Right Closing, the Board shall consist of five (5) Managers of which Comcast shall designate three (3) Comcast Managers, DIRECTV shall designate one (1) DIRECTV Manager and Radio One shall designate one (1) Radio One Manager and (D) following the Call Right Closing, Comcast may deliver to Radio One and the Network a Termination Notice pursuant to Section 6.2(d) of the Network Services Agreement. The purchase and sale of the Call Units pursuant to this Section 12.1(c)(i) shall take place in accordance with the provisions set forth in Section 12.1(d) hereof.

(ii) If Radio One's Exercise Notice states that Radio One desires to buy all of the Call Units for the Call Unit Price and Comcast does not deliver an Exercise Notice or Comcast's Exercise Notice states that Comcast does not desire to buy all of the Call Units, then (A) Radio One shall be obligated to purchase all of the Call Units for the Call Unit Price, (B) the Call Right Members shall be obligated to sell all of the Call Units to Radio One for the Call Unit Price and (C) pursuant to (and subject to the limitations set forth in) Section 4.4(b) hereof, following the Call Right Closing, the Board shall consist of five (5) Managers of which Radio One shall designate three (3) Radio One Managers, DIRECTV shall designate one (1) DIRECTV Manager and Comcast shall designate one (1) Comcast Manager. The purchase and sale of the Call Units pursuant to this Section 12.1(c)(ii) shall take place in accordance with the provisions set forth in Section 12.1(d) hereof.

(iii) If the Exercise Notices of both Comcast and Radio One state that each such Person desires to buy all of the Call Units for the Call Unit Price, then (A) Comcast and Radio One shall be obligated to purchase all of the Call Units for the Call Unit Price, in such relative amounts that after such purchase (1) Radio One and its Unit Affiliates collectively own 51% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and DIRECTV Equity Interests), and (2) Comcast and its Unit Affiliates collectively own 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and DIRECTV Equity Interests); *provided, however*, that if Comcast and its Unit Affiliates collectively own more than 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and DIRECTV Equity Interests) prior to the opening of the Exercise Notices pursuant to Section 12.1(c) hereof, then Radio One shall purchase all of the Call Units for the Call Unit Price, (B) the Call Right Members shall be obligated to sell all of their Call Units to Comcast and/or Radio One for an aggregate price equal to the Call Unit Price in accordance with this paragraph, and (C) pursuant to (and subject to the limitations set forth in) Section 4.4(b) hereof, following the Call Right Closing, the Board shall consist of five (5) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the owner of a majority of the outstanding Units after the Call Right Closing (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests) shall designate three (3) Managers, DIRECTV shall designate one (1) Manager and the owner of less than a majority of the outstanding Units after the Call Right Closing (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests) shall designate one (1) Manager. The purchase and sale of Call Units pursuant to this Section 12.1(c)(iii) shall take place in accordance with the provisions set forth in Section 12.1(d) hereof.

(iv) If the Exercise Notices of both Comcast and Radio One state that each such Person desires to buy all of the Call Units for the Call Unit Price and each of Comcast and Radio One elects to cause such Call Units to be redeemed by the Network for an aggregate price equal to the Call Unit Price instead of purchased by Comcast and Radio One pursuant to Section 12.1(c)(iii) hereof, then the Network shall redeem the Call Units using capital of the Network and/or additional Capital Contributions made by Comcast and Radio One. In the event Comcast and Radio One fund this redemption through additional Capital Contributions, such Capital Contributions shall be made in exchange for the same aggregate number of Class A Common Units as are issuable upon the conversion of Series A Preferred Units held by the Call Right Members plus all other Units (including any Units issued or issuable pursuant to a Derivative Equity Interest Exercise made pursuant to Section 12.1(b)) held by the Call Right Members and being purchased by the Network and in such relative amounts such that after such contribution and exchange (1) Radio One and its Unit Affiliates collectively own 51% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests), and (2) Comcast and its Unit Affiliates collectively own 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests); *provided, however*, that if Comcast and its Unit Affiliates collectively own more than 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests) prior to the opening of the Exercise Notices, Radio One shall make all of the Capital Contributions necessary to redeem the Call Right Members. Following the Redemption Closing pursuant to this Section 12.1(c)(iv), pursuant to (and subject to the limitations set forth in) Section 4.4(b) hereof, the Board shall consist of five (5) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the owner of a majority of the outstanding Units after the Redemption Closing (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests) shall designate three (3) Managers, DIRECTV shall designate one (1) Manager and the owner of less than a majority of the Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests) shall designate one (1) Manager. The redemption of Units pursuant to this Section 12.1(c)(iv) shall take place in accordance with the provisions set forth in Section 12.1(e) hereof.

(v) If the Exercise Notices of both Comcast and Radio One state that neither of such Persons desire to buy all of the Call Units for the Call Unit Price, (i) neither Comcast nor Radio One shall be obligated to purchase the Call Units pursuant to this Section 12.1, (ii) the Call Right Members shall not be obligated to sell their Call Units to Comcast or Radio One pursuant to this Section 12.1, (iii) the Derivative Equity Interest Exercise Notice delivered by the Call Right Members pursuant to the first sentence of Section 12.1(b) shall be deemed to be rescinded and shall have no force and effect, (iv) the right of all Call Right Members holding Derivative Equity Interests (including without limitation all Call Right Members who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period following delivery by the Investment Banks of their determination of the Fair Market Value) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Member's Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person and (v) the Person that first demanded that Appraisals be completed pursuant to Section 12.1(a) hereof shall be required to reimburse the Network for the Appraisal-related costs and expenses incurred by the Network pursuant to Section 12.1(i) hereof.

(vi) If Comcast's Exercise Notice states that Comcast desires to buy all of the Call Units for the Call Unit Price and if Comcast desires to issue common stock of Comcast Corporation as all or a portion of the purchase price for the Call Units it will purchase at the Call Right Closing, provided that Comcast Corporation is eligible to use Form S-3 (or a similar form of registration statement), Comcast shall deliver to the Call Right Members, at least thirty (30) days prior to the Call Right Closing, the Comcast Registration Rights Agreement executed by Comcast Corporation, and each Call Right Member shall be required to execute the Comcast Registration Rights Agreement and return such agreement (as so executed) to Comcast Corporation within ten (10) days following receipt thereof. If Comcast does not deliver an executed copy of the Comcast Registration Rights Agreement to the Call Right Members at least thirty (30) days prior to the Call Right Closing, Comcast shall not be permitted to issue common stock of Comcast Corporation to any Call Right Member as all or a portion of the purchase price for the Call Units held by such Call Right Member at the Call Right Closing (without the consent of such Call Right Member). If any Call Right Member does not execute and return the Comcast Registration Rights Agreement within the 10 day period set forth above, Comcast shall be permitted to issue common stock of Comcast Corporation to such Call Right Member as all or a portion of the purchase price for the Call Units held by such Call Right Member at the Call Right Closing, but neither Comcast Corporation nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Comcast Registration Rights Agreement or otherwise.

(vii) If Radio One's Exercise Notice states that Radio One desires to buy all of the Call Units for the Call Unit Price and if Radio One desires to issue common stock of Radio One, Inc. as all or a portion of the purchase price for the Call Units it will purchase at the Call Right Closing, provided that Radio One, Inc. is eligible to use Form S-3 (or a similar form of registration statement), Radio One shall deliver to the Call Right Members, at least thirty (30) days prior to the Call Right Closing, the Radio One Registration Rights Agreement executed by Radio One, Inc., and each Call Right Member shall be required to execute the Radio One Registration Rights Agreement and return such agreement (as so executed) to Radio One, Inc. within ten (10) days following receipt thereof. If Radio One does not deliver an executed copy of the Radio One Registration Rights Agreement to the Call Right Members at least thirty (30) days prior to the Call Right Closing, Radio One shall not be permitted to issue common stock of Radio One, Inc. to any Call Right Member as all or a portion of the purchase price for the Call Units held by such Call Right Member at the Call Right Closing (without the consent of such Call Right Member). If any Call Right Member does not execute and return the Radio One Registration Rights Agreement within the 10 day period set forth above, Radio One shall be permitted to issue common stock of Radio One, Inc. to such Call Right Member as all or a portion of the purchase price for the Call Units held by such Call Right Member at the Call Right Closing, but neither Radio One, Inc. nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Radio One Registration Rights Agreement or otherwise.

(d) Call Right Closing. The closing (the “**Call Right Closing**”) of the purchase and sale of the Call Units (to the extent applicable, after giving effect to the Derivative Equity Interest Exercise made by each Call Right Member) pursuant to Section 12.1(c)(i)-(iii) hereof shall be made on a date within ninety (90) days of the Initial Meeting Date. At the Call Right Closing, which shall be at a place and time reasonably selected by the Person purchasing Call Units at such closing, (i) each of the Call Right Members shall (A) if applicable, effect the Derivative Equity Interest Exercise in accordance with such Call Right Member’s Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.1(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Persons purchasing such Member’s Call Units in order to vest full beneficial and record ownership of all of the Call Units then owned by such Member in the Persons purchasing the Call Units, and (C) represent and warrant to the Persons purchasing such Member’s Call Units (in addition to such other customary representations and warranties requested by the Persons purchasing such Call Units) that such Call Units are being transferred to such Persons free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Buy/Sell Agreement or the Radio One Change of Control Agreement), and (ii) each Person purchasing Call Units shall make payment to each Call Right Member in an amount equal to the Call Unit Price *multiplied by* a fraction, the numerator of which is the number of Call Units being acquired from such Member by such Person and the denominator of which is the total number of Call Units, such payment to be made by (at the purchaser’s option) (x) wire transfer of immediately available funds to an account specified in writing by each Call Right Member, (y) the issuance of the most widely held class of common stock of Comcast Corporation and/or Radio One, Inc. (based upon the average closing price for such common stock during the ten (10) consecutive trading days ending two days prior to the date of the Call Right Closing), which shares of common stock, except as otherwise provided in Section 12.1(c)(vi) and (vii) above, shall be “Registrable Securities” pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (z) any combination of the foregoing; *provided* that each Call Right Member receives from Comcast and Radio One, as applicable, the same proportionate amount of cash and common stock as payment for the Call Units sold by such Call Right Member (except in the event that the issuance of common stock of Comcast Corporation or Radio One, Inc. to any Call Right Member would subject the issuer, in the issuer’s reasonable judgment, to legal or regulatory rules or burdens of a nature or degree not present as to the other Call Right Members to which such common stock is issued, in which case such Call Right Member may receive its entire purchase price in cash while other Call Right Members receive all or a portion of their purchase price in common stock (but not a greater amount of common stock than such Call Right Members would have otherwise received)). The right to issue common stock of (I) Comcast Corporation as payment at the Call Right Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the Call Right Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member. In connection with the Call Right Closing, Comcast and Radio One may assign all or any portion of its respective purchase rights under this Section 12.1(d) to an Affiliate of such Person. In the event that either or both of Comcast or Radio One, as applicable, fails to fully satisfy or be in a position to satisfy its obligations to purchase Call Units at the Call Right Closing (each, a “**Call Right Defaulting Person**”) and such Call Right Closing does not occur, (1) so long as all of the Call Right Members have fully satisfied or are in a position to fully satisfy at the Call Right Closing all of their conditions and obligations in connection with such Call Right Closing, the Call Right Defaulting Person shall reimburse (or in the event there is more than one Call Right Defaulting Person, the Call Right Defaulting Persons shall reimburse in proportion to the relative Call Units to be purchased by each Call Right Defaulting Person at the Call Right Closing) the Call Right Members for their actual and reasonable out of pocket expenses incurred (not to exceed \$150,000.00 in the aggregate for all Call Right Members) in connection with the Call Right Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the Call Right Defaulting Person(s)), and (2) any Call Right Defaulting Person’s rights but not obligations to participate in such Call Right Closing shall automatically and irrevocably terminate. Following the Call Right Closing Date, in the event that (x) all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or previously forfeited, or (y) all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited and DIRECTV is a Limited Member, then all of the remaining Series A Preferred Units shall automatically be converted into Class A Common Units pursuant to Section 5.2(e)(iv)(2).

(e) Redemption Closing. The closing (the “**Redemption Closing**”) of the redemption of Call Units (to the extent applicable, after giving effect to the Derivative Equity Interest Exercise made by each Call Right Member) pursuant to Section 12.1(c)(iv) hereof shall be made at a date within ninety (90) days of the Initial Meeting Date. At the Redemption Closing, which shall be at a place and time reasonably selected by the Network, (i) each of the Call Right Members shall (A) if applicable, effect the Derivative Equity Interest Exercise in accordance with such Call Right Member’s Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.1(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Network, and (C) represent and warrant to the Network (in addition to such other customary representations and warranties requested by the Network) that such Call Units are being transferred to the Network free and clear of liens, encumbrances and interests or rights of other Persons, and (ii) the Network shall make payment to each Call Right Member in an amount equal to the Call Unit Price *multiplied by* a fraction, the numerator of which is the number of Call Units being redeemed from such Member and the denominator of which is the total number of Call Units, such payment to be made by wire transfer of immediately available funds to an account specified in writing by the Call Right Members. In the event that the Network fails to fully satisfy or be in a position to fully satisfy its obligations to purchase Call Units at the Redemption Closing and such Redemption Closing does not occur, (1) so long as all of the Call Right Members have fully satisfied or are in a position to fully satisfy at the Redemption Closing all of their conditions and obligations in connection with such Redemption Closing, the Network shall reimburse the Call Right Members for their actual and reasonable out of pocket expenses incurred (not to exceed \$150,000.00 in the aggregate for all Call Right Members) in connection with the Redemption Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the Network), and (2) the Network’s rights but not obligations to participate in such Redemption Closing shall automatically and irrevocably terminate. Following the Redemption Closing, in the event that (x) all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or previously forfeited, or (y) all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited and DIRECTV is a Limited Member, then all of the remaining Series A Preferred Units shall automatically be converted into Class A Common Units pursuant to Section 5.2(e)(iv)(2).

(f) Call Right With Respect to Class D Members. The Network may, with the written consent of Comcast (as long as there has not been a Comcast Trigger Event) and Radio One (as long as there has not been a Radio One Trigger Event) elect, during the period beginning 120 days before the sixth anniversary of the Launch Date and ending on the sixth anniversary of the Launch Date (the “**Class D Call Exercise Period**”), to purchase up to all of the Class D Common Units of each Class D Member that, as of the last day of the Class D Call Exercise Period or such later date as the Board may determine, are no longer subject to forfeiture in accordance with such Class D Member’s Award Agreement (the “**Class D Call Units**”) at a price per Class D Call Unit equal to (1) the Final Fair Market Value of a Class D Common Unit as determined in accordance with Section 12.1(a) hereof or, (2) if no such Final Fair Market Value has been determined, the Fair Market Value (as defined in the Network Equity Plan) of a Class D Common Unit (such price, the “**Class D Call Unit Price**”). If the Network elects to exercise its right to purchase such Class D Call Units, it shall provide written notice thereof to the Class D Members during the Class D Exercise Period. Not later than the tenth (10th) day following the date that the Investment Banks deliver their determination of the Final Fair Market Value under Section 12.1(a) (such date, the “**Call Right Value Determination Date**”) (if any) or the tenth (10th) day following the last day of the Class D Call Exercise Period (if there is no Call Right Value Determination Date), the Network shall deliver (i) written notice to each Class D Member, which notice shall include the Class D Call Unit Price and the anticipated date of the Class D Call Closing and (ii) written notice to Comcast and Radio One indicating the number of Class D Call Units (if any) that are available for purchase by Comcast and/or Radio One (a “**Class D Call Participation Request Notice**”). If Comcast and/or Radio One wish to purchase any Class D Call Units that are available for purchase, it shall deliver written notice to the Network no later than (x) the thirtieth (30th) day following the Call Right Value Determination Date (if any) or (y) the twentieth (20th) day following the delivery of the Class D Call Participation Request Notice (if there is no Call Right Value Determination Date) ((x) or (y), the “**Class D Call Acceptance Date**”), which written notice shall indicate the number of Class D Call Units that it elects to purchase and shall constitute its irrevocable commitment to purchase the Class D Call Units indicated therein (each such notice, an “**Class D Call Acceptance Notice**”). If Comcast and/or Radio One indicate that they elect to purchase, in the aggregate, more Class D Call Units than are available for purchase by Comcast and/or Radio One, the Class D Call Units available for purchase shall be allocated to Comcast and/or Radio One based on the relative Percentage Interest of Comcast and Radio One as of the date of the Class D Call Right Participation Request Notice. If neither Comcast nor Radio One elect to purchase the Class D Call Units available for purchase by Comcast or Radio One, or fail to timely deliver a proper Class D Call Acceptance Notice, then the Network may, at its sole discretion, elect to purchase, at the Class D Call Closing, the Class D Call Units that neither Comcast nor Radio One elected to purchase. Within five (5) days after the Class D Call Acceptance Date, the Network shall deliver written notice to each of Comcast, Radio One and to each Class D Member from whom the Network, Comcast and/or Radio One is purchasing Class D Call Units, indicating the number of Class D Call Units of such Class D Member that will be purchased by the Network, Comcast and/or Radio One. The closing of the purchase and sale of the Class D Call Units pursuant to this Section 12.1(f) (the “**Class D Call Closing**”) shall occur on the date of the Call Right Closing (if there is a Call Right Closing); *provided*, that, if there is no Call Right Closing, the Class D Call Closing shall occur on such date as is determined by the Board and Radio One (if it is participating in the Class D Call Closing) and Comcast (if it is participating in the Class D Call Closing) but, in any event within sixty (60) days after Class D Call Acceptance Date. At the Class D Call Closing, (1) each Class D Member selling Class D Call Units shall (A) execute and deliver such documents as shall be reasonably requested by the Person(s) purchasing such Class D Call Units and (B) represent and warrant to the Person(s) purchasing such Class D Call Units (in addition to such other customary representations and warranties requested by the Person(s) purchasing such Class D Call Units) that such Class D Call Units are being transferred to the Person(s) purchasing such Class D Call Units free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Person(s) purchasing such Class D Call Units shall make payment to the Class D Member selling such Class D Call Units in an amount equal to the Class D Call Unit Price *multiplied* by the number of Class D Call Units being sold by such Class D Member, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Class D Member.

(g) Radio One Termination. Upon delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(c) of the Radio One Change of Control Agreement or upon a Radio One Trigger Event, Radio One’s rights to demand an Appraisal and participate in a purchase of Units under this Section 12.1 shall terminate and be of no further force or effect.

(h) Comcast Termination. Upon a Comcast Trigger Event, Comcast’s rights to demand an Appraisal and participate in a purchase of Units under this Section 12.1 shall automatically terminate and be of no further force or effect.

(i) Selection of Investment Banks and Determination of Final Fair Market Value. For purposes of Sections 12.1(a), 12.2(a), 12.6(a), 12.7(a) and 12.8(a), Investment Banks shall be selected to complete the Appraisals and determine the Final Fair Market Value as follows:

(i) Comcast and Radio One (for purposes of Sections 12.1(a), 12.2(a), 12.7(a) and 12.8(a) hereof) or the Network (for purposes of Section 12.6(a) hereof), on the one hand, and the holders of a majority of the Units held by the Call Right Members (for purposes of Section 12.1(a) hereof), the Selling Put Right Members (for purposes of Section 12.2(a) hereof), or the DIRECTV Members (for purposes of Sections 12.6(a), 12.7(a) and 12.8(a) hereof), on the other hand, shall each have twenty (20) days following (as applicable) (A) the date that Comcast or Radio One demands that Appraisals be completed pursuant to Section 12.1(a) or Section 12.7(a) hereof, (B) the date Comcast and Radio One receive Put Notices pursuant to Section 12.2(a) or 12.8(a) hereof, or (C) the date that the Network demands that Appraisals be completed pursuant to Section 12.6(a) hereof, to submit in writing their selection of an Investment Bank to the other Persons and to instruct such Investment Bank to complete an Appraisal to determine the Fair Market Value within thirty (30) days of such instruction. The Network shall bear the Appraisal-related costs and fees of the Investment Bank selected by such Persons.

(ii) After the Investment Banks have completed their Appraisals and their determinations of the Fair Market Value, each Investment Bank shall submit its Fair Market Value determination together with relevant reports and related work papers to the other Investment Bank and to Comcast, Radio One, the Network, and the Call Right Members (for purposes of Section 12.1(a)), the Selling Put Right Members (for purposes of Section 12.2(a)), or the DIRECTV Members (for purposes of Section 12.6(a), 12.7(a) or 12.8(a) hereof). If the greater Fair Market Value determination is no more than 10% greater than the lesser Fair Market Value determination, then the Final Fair Market Value shall be equal to the average of such Fair Market Value determinations.

(iii) If the greater Fair Market Value determination submitted under (ii) above is more than 10% greater than the lesser Fair Market Value determination submitted under (ii) above, then the Investment Banks selected by Comcast and Radio One (for purposes of Sections 12.1(a), 12.2(a), 12.7(a) or 12.8(a) hereof) or the Network (for purposes of Section 12.6(a) hereof), and the Call Right Members (for purposes of Section 12.1(a)), the Selling Put Right Members (for purposes of Section 12.2(a)), or the DIRECTV Members (for purposes of Section 12.6(a), 12.7(a) or 12.8(a) hereof), in each case, pursuant to (i) above shall, within three (3) Business Days of the submissions of the Fair Market Value determinations under (ii) above, jointly select a third Investment Bank to complete an Appraisal within twenty-five (25) days of such selection to determine the Fair Market Value; *provided* that such third Investment Bank shall be instructed to determine a Fair Market Value that is between the two Fair Market Value determinations submitted under (ii) above. Promptly following selection, such third Investment Bank shall be provided with the reports and related work papers of the other two Investment Banks relating to their Fair Market Value determinations. After the third Investment Bank has completed its Appraisal and its determination of the Fair Market Value, such third Investment Bank shall submit its Fair Market Value determination together with relevant reports and related work papers to the other two Investment Banks. The Final Fair Market Value shall be equal to the average of the Fair Market Value determination of the third Investment Bank and the Fair Market Value determination submitted under (ii) above that is closest to the Fair Market Value determination of the third Investment Bank. The Network shall bear the Appraisal-related costs and fees of the third Investment Bank.

(iv) In the event Comcast and Radio One (for purposes of Sections 12.1(a), 12.2(a), 12.7(a) or 12.8(a) hereof) or the Network (for purposes of Section 12.6(a) hereof), on the one hand, or the Call Right Members (for purposes of Section 12.1(a)), the Selling Put Right Members (for purposes of Section 12.2(a)), or the DIRECTV Members (for purposes of Section 12.6(a), 12.7(a) or 12.8(a) hereof), on the other hand, fail to select an Investment Bank and notify the other parties in writing of such selection by the end of the twenty-day period specified in (i) above, the Investment Bank selected by the other Persons by the end of such twenty-day period shall be the sole Investment Bank for purposes of Section 12.1(a) or Section 12.2(a), as applicable, and the determination of such Investment Bank as to the Fair Market Value shall be the Final Fair Market Value.

(v) The Network shall agree to any reasonable and customary indemnification requested by the Investment Banks in connection with the completion of Appraisals under this Section 12.1(i).

Section 12.2 Put Right Members Put Rights.

(a) Exercise of Put Rights; Appraisal. Each Put Right Member may, in its sole discretion, elect (1) during the ninety (90) day period ending on July 19, 2010, (2) during the ten (10) day period following the date that the Network notifies each Put Right Member in writing of the execution of a definitive agreement in connection with a proposed Sale Transaction to Comcast, Radio One or an Affiliate thereof (solely with respect to a Sale Transaction that is a sale, transfer or other disposition of all or substantially all of the assets of the Network); *provided* that the definitive agreement with respect to such Sale Transaction is executed during the period commencing on January 19, 2007 and ending ninety (90) days prior to July 19, 2010 (an “Asset Sale Put Right”), or (3) if the Put Right Members receive an SIS Notice at any time during the six-month period ending on July 19, 2010 (in which event any previously delivered Put Notice shall be null and void), during the ninety (90) day period following an SIS Closing Termination Date (in each case, the “Put Exercise Period”), to have the Network purchase all (but not less than all) of such Put Right Member’s Units for an aggregate price equal to the Final Fair Market Value of such Units. Each Put Right Member that desires to make such an election (a “Selling Put Right Member”) shall exercise this right by providing written notice (a “Put Notice”) to the Network, Comcast and Radio One at any time during the Put Exercise Period. Following the delivery of a Put Notice, (i) Comcast, Radio One and the Selling Put Right Members shall initiate the process of selecting Investment Banks to determine the Final Fair Market Value in accordance with 12.1(i) hereof, (ii) Comcast, Radio One, the Selling Put Right Members and the Network shall cooperate with the Investment Banks in connection with the completion of the Appraisals and (iii) the Network shall make available such information and personnel as the Investment Banks deem necessary to complete their determination of the Final Fair Market Value within 60 days after the date that the Investment Banks are selected in accordance with Section 12.1(i) hereof. Upon completion of the Appraisals, the Investment Banks shall deliver their determination of the Final Fair Market Value to the Network, the Selling Put Right Members, Comcast and Radio One (such date of delivery, the “Put Right Value Determination Date”). The determination of the Investment Banks as to the Final Fair Market Value shall be final and binding upon the parties for the purposes of this Section 12.2. Following receipt of the determination of the Investment Banks of the Final Fair Market Value, each Selling Put Right Member may terminate its election to have the Network purchase such Selling Put Right Member’s Units by delivering written notice of such termination to the Network, Comcast and Radio One within five (5) Business Days following the Put Right Value Determination Date. Any Selling Put Right Member that terminates its election pursuant to the previous sentence shall no longer be considered a Selling Put Right Member for purposes of Sections 12.2(b), (c) and (d) hereof and shall be required to reimburse the Network for a percentage of the Appraisal-related costs and expenses incurred by the Network pursuant to Section 12.1(i) hereof, such percentage to be calculated by dividing the number of Units held by such Selling Put Right Member by the number of Units held by all Selling Put Right Members.

(b) Derivative Equity Interest Exercise. No later than the 10th day following the Put Right Value Determination Date, each Selling Put Right Member who is a holder of any Derivative Equity Interest and who wishes to make a Derivative Equity Interest Exercise at the Put Right Closing shall provide a Derivative Equity Interest Exercise Notice to the Network, Comcast and Radio One. Any Units issued pursuant to such Derivative Equity Interest Exercise, together with all other Units offered for sale by the Selling Put Right Members shall be referred to herein as “**Put Units**.” If a Selling Put Right Member holding a Derivative Equity Interest shall fail to make a Derivative Equity Interest Exercise within such ten-day period then, subject to the last sentence of this Section 12.2(b), (i) such Selling Put Right Member shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a Derivative Equity Interest Exercise with respect to such Selling Financial Member’s Derivative Equity Interests at any time, (ii) the Network (and Comcast or Radio One, as applicable) shall not be required to purchase any Units issuable upon such Derivative Equity Interest Exercise of such Selling Put Right Member, and (iii) upon the consummation of the Put Right Closing, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. If the Put Right Closing does not occur on the Put Closing Date, or such other time as the Network, Comcast, Radio One and the Selling Put Right Members shall agree (but in no event more than ninety (90) days after the Put Closing Date) then (A) any Derivative Equity Interest Exercise Notice delivered by a Selling Put Right Member pursuant to the first sentence of this Section 12.2(b) shall be deemed to be rescinded and shall have no force and effect, and (B) the right of all Selling Put Right Members holding Derivative Equity Interests (including without limitation all such Selling Put Right Members who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period following delivery by the Investment Banks of their determination of the Fair Market Value) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Member’s Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person.

(c) Participation. No later than the 30th day following the Put Right Value Determination Date, at the election of Comcast and/or Radio One, Comcast and/or Radio One may elect to participate in a purchase of Put Units pursuant to this Section 12.2 by delivering written notice (a “**Participation Notice**”) to the Network, Comcast or Radio One, as appropriate, and the Selling Put Right Members, specifying (x) the number of Put Units that such Person desires to purchase for an aggregate price equal to the Final Fair Market Value of a Put Unit *multiplied* by the number of Put Units that such Person desires to purchase, *provided* that each such Person purchase at least a percentage of the Put Units subject to the Put Notice equal to the aggregate Percentage Interest of such Person and its Unit Affiliates, and (y) whether such purchase shall be made in cash or common stock of such Person. In the event Comcast or Radio One delivers a Participation Notice, the following provisions shall be applicable:

(i) If Comcast delivers a Participation Notice and Radio One does not deliver a Participation Notice within five (5) days of receipt of Comcast’s Participation Notice, then (A) Comcast shall be obligated to purchase the amount of Put Units as specified in its Participation Notice for an aggregate price equal to the Final Fair Market Value of a Put Unit *multiplied* by the number of Put Units to be purchased by Comcast (the “**Comcast Put Price**”), (B) the Selling Put Right Members shall be obligated to sell the amount of Put Units as specified in the Participation Notice to Comcast for the Comcast Put Price, (C) pursuant to (and subject to the limitations set forth in) Section 4.4 (c) hereof, following the Put Right Closing, all but one of the Radio One Managers on the Board shall be automatically removed (the remaining Radio One Manager to be designated by Radio One upon the occurrence of such event) and Comcast shall be permitted to fill the vacancies created by the removal of such Radio One Managers with additional Comcast Managers; *provided, however*, that Comcast may, in its sole discretion, fill only a portion of such vacancies in which event the total number of Managers on the Board shall be reduced by the number of vacancies not filled by Comcast; and (D) following the Put Right Closing, Comcast may deliver to Radio One and the Network a Termination Notice pursuant to Section 6.2(e) of the Network Services Agreement. The purchase and sale of Put Units pursuant to this Section 12.2(c)(i) shall take place in accordance with the provisions set forth in Section 12.2(d) hereof.

(ii) If Radio One delivers a Participation Notice and Comcast does not deliver a Participation Notice within five (5) days of receipt of Radio One’s Participation Notice, then (A) Radio One shall be obligated to purchase all of the Put Units specified in its Participation Notice for an aggregate price equal to the Final Fair Market Value of a Put Unit *multiplied* by the number of Put Units that Radio One is to purchase (the “**Radio One Put Price**”), (B) the Selling Put Right Members shall be obligated to sell the amount of Put Units as specified in the Participation Notice to Radio One for the Radio One Put Price, and (C) pursuant to (and subject to the limitations set forth in) Section 4.4(c) hereof, following the Put Right Closing, the Board shall consist of (x) if DIRECTV remains a Member following the Put Right Closing (and provided no DIRECTV Trigger Event has occurred), five (5) Managers, and Radio One shall designate three (3) Managers, DIRECTV shall designate one (1) Member and Comcast shall designate one (1) Manager, or (y) if DIRECTV is no longer a Member or a DIRECTV Trigger Event has occurred, three (3) Managers, and Radio One shall designate two (2) Managers and Comcast shall designate one (1) Manager. The purchase and sale of Put Units pursuant to this Section 12.2(c)(ii) shall take place in accordance with the provisions set forth in Section 12.2(d) hereof.

(iii) If Radio One and Comcast both submit Participation Notices, Comcast shall be obligated to purchase the number of Put Units specified in the Comcast Participation Notice for an aggregate price equal to the Final Fair Market Value multiplied by the number of Put Units specified in the Comcast Participation Notice and Radio One shall be obligated to purchase the number of Put Units as specified in the Radio One Participation Notice for an aggregate price equal to the Final Fair Market Value multiplied by the number of Put Units specified in the Radio One Participation Notice; *provided, however*, that if sum of the number of Put Units specified in the Comcast Participation Notice plus the number of Put Units specified in the Radio One Participation Notice exceeds the total number of Put Units then (A) Comcast and Radio One shall be obligated to purchase all of the Put Units for an aggregate price equal to the Final Fair Market Value multiplied by the total number of Put Units, in such relative amounts that after such purchase (1) Radio One and its Unit Affiliates collectively own 51% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests, if any), and (2) Comcast and its Unit Affiliates collectively own 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests, if any); *provided, however*, that if Comcast and its Unit Affiliates collectively own more than 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the DIRECTV Equity Interests, if any) prior to the delivery of the Put Notice pursuant to Section 12.2(a) hereof, Radio One shall purchase all of the Put Units for an aggregate price equal to the Final Fair Market Value multiplied by the total number of Put Units, (B) the Selling Put Right Members shall be obligated to sell all of their Put Units to Comcast and/or Radio One in the amounts and for the prices set forth in subsection (A) of this paragraph, and (C) following the Put Right Closing, *provided* that all of the remaining Units (calculated on a Fully Diluted Basis) held by the Put Right Members are being purchased, pursuant to (and subject to the limitations set forth in) Section 4.4(c) hereof, the Board shall consist of three (3) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates) the owner of the greater number of outstanding Units after the Put Right Closing (calculated on a Fully Diluted Basis) shall designate two (2) Managers and the owner of the lesser number of outstanding Units after the Put Right Closing (calculated on a Fully Diluted Basis) shall designate one (1) Manager. The purchase and sale of Units pursuant to this Section 12.2(c)(iii) shall take place in accordance with the provisions set forth in Section 12.2(d) hereof.

(iv) If neither Comcast nor Radio One submits a Participation Notice and provided further that all of the Put Units (calculated on a Fully Diluted Basis) held by the Put Right Members are being purchased by the Network in connection with this Put Right, pursuant to (and subject to the limitations set forth in) Section 4.4(c) hereof, following the Put Right Closing, the Board shall consist of three (3) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the holder of the greater number of outstanding Units after the Put Right Closing (calculated on a Fully Diluted Basis) shall designate two (2) Managers and the holder of the lesser number of outstanding Units after the Put Right Closing (calculated on a Fully Diluted Basis) shall designate one (1) Manager.

(v) The number of Put Units subject to Participation Notices submitted by Comcast and/or Radio One shall reduce the number of Put Units required to be purchased by the Network at the Put Right Closing.

(vi) If Comcast submits a Participation Notice and if Comcast desires to issue common stock of Comcast Corporation as all or a portion of the purchase price for the Put Units it will purchase at the Put Right Closing, provided that Comcast Corporation is eligible to use Form S-3 (or a similar form of registration statement), Comcast shall deliver to the Selling Put Right Members, at least thirty (30) days prior to the Put Closing Date, the Comcast Registration Rights Agreement executed by Comcast Corporation, and each Selling Put Right Member shall be required to execute the Comcast Registration Rights Agreement and return such agreement (as so executed) to Comcast Corporation within ten (10) days following receipt thereof. If Comcast does not deliver an executed copy of the Comcast Registration Rights Agreement to the Selling Put Right Members at least thirty (30) days prior to the Put Closing Date, Comcast shall not be permitted to issue common stock of Comcast Corporation to any Selling Put Right Member as all or a portion of the purchase price for the Put Units held by such Selling Put Right Member at the Put Right Closing (without the consent of such Selling Put Right Member). If any Selling Put Right Member does not execute and return the Comcast Registration Rights Agreement within the 10 day period set forth above, Comcast shall be permitted to issue common stock of Comcast Corporation to such Selling Put Right Member as all or a portion of the purchase price for the Put Units held by such Selling Put Right Member at the Put Right Closing, but neither Comcast Corporation nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Comcast Registration Rights Agreement or otherwise.

(vii) If Radio One submits a Participation Notice and if Radio One desires to issue common stock of Radio One, Inc. as all or a portion of the purchase price for the Put Units it will purchase at the Put Right Closing, provided that Radio One, Inc. is eligible to use Form S-3 (or a similar form of registration statement), Radio One shall deliver to the Selling Put Right Members, at least thirty (30) days prior to the Put Closing Date, the Radio One Registration Rights Agreement executed by Radio One, Inc., and each Selling Put Right Member shall be required to execute the Radio One Registration Rights Agreement and return such agreement (as so executed) to Radio One, Inc. within ten (10) days following receipt thereof. If Radio One does not deliver an executed copy of the Radio One Registration Rights Agreement to the Selling Put Right Members at least thirty (30) days prior to the Put Closing Date, Radio One shall not be permitted to issue common stock of Radio One, Inc. to any Selling Put Right Member as all or a portion of the purchase price for the Put Units held by such Selling Put Right Member at the Put Right Closing (without the consent of such Selling Put Right Member). If any Selling Put Right Member does not execute and return the Radio One Registration Rights Agreement within the 10 day period set forth above, Radio One shall be permitted to issue common stock of Radio One, Inc. to such Selling Put Right Member as all or a portion of the purchase price for the Put Units held by such Selling Put Right Member at the Put Right Closing, but neither Radio One, Inc. nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Radio One Registration Rights Agreement or otherwise.

(d) Put Right Closing. The closing (the “**Put Right Closing**”) of the purchase and sale of the Put Units pursuant to this Section 12.2 shall be made on a date within ninety (90) days of the Put Right Value Determination Date (the “**Put Closing Date**”) and, to the extent applicable, shall be made after giving effect to the Derivative Equity Interest Exercise made by each Selling Put Right Member. At the Put Right Closing, which shall be at a place and time reasonably selected by the Person purchasing Put Units at such closing, (i) each of the Selling Put Right Members shall (A) if applicable, effect the Derivative Equity Interest Exercise in accordance with such Selling Put Right Member’s Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.2(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Persons purchasing such Member’s Put Units in order to vest full beneficial and record ownership of all of such Put Units then owned by such Member in the Persons purchasing such Put Units, and (C) represent and warrant to the Persons purchasing such Put Units (in addition to such other customary representations and warranties requested by the Persons purchasing such Put Units) that such Put Units are being transferred to such Persons free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Buy/Sell Agreement or the Radio One Change of Control Agreement), and (ii) each Person purchasing Put Units shall make payment to each Selling Put Right Member in an amount equal to the number of Put Units being acquired from such Member by such Person *multiplied* by the Final Fair Market Value of such Put Units, such payment to be made (at such purchaser’s option) (1) by wire transfer of immediately available funds to an account specified in writing by each Selling Put Right Member, (2) subject to Section 12.9, with respect to purchases by Comcast or Radio One and at the option of each such Person, the issuance of the most widely held class of common stock of Comcast Corporation and/or Radio One, Inc. (based upon the average closing prices for a share of such common stock during the ten (10) consecutive trading days ending two days prior to the date of the Put Right Closing), which shares of common stock, except as otherwise provided in Section 12.2(c)(vi) and (vii) above, shall be “Registrable Securities” pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (3) subject to Section 12.9, with respect to purchases by Comcast or Radio One and at the option of such Person, any combination of the foregoing; *provided* that, except as otherwise provided in Section 12.9 with respect to DIRECTV, each Selling Put Right Member receives from Comcast and Radio One, as applicable, the same proportionate amount of cash and common stock as payment for the Put Units sold by each Selling Put Right Member (except in the event that the issuance of common stock of Comcast Corporation or Radio One, Inc. to any Selling Put Right Member would subject the issuer, in the issuer’s reasonable judgment, to legal or regulatory rules or burdens of a nature or degree not present as to the other Selling Put Right Members to which common stock is issued, in which case such Selling Put Right Member may receive its entire purchase price in cash while other Selling Put Right Members receive all or a portion of their purchase price in common stock (but not a greater amount of common stock than such Selling Put Right Members would have otherwise received)). The right to issue common stock of (I) Comcast Corporation as payment at the Put Right Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the Put Right Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member. In connection with the Put Right Closing, Comcast and Radio One may assign all or any portion of its respective purchase rights under this Section 12.2(d) to an Affiliate of such Person. In the event that any of the Selling Put Right Members fails to fully satisfy or be in a position to fully satisfy its obligations to sell the Put Units at the Put Right Closing (each, a “**Put Right Defaulting Person**”) and such Put Right Closing does not occur, (1) so long as Comcast and/or Radio One have fully satisfied or are in a position to fully satisfy all of their conditions and obligations at the Put Right Closing in connection with such Put Right Closing, the Put Right Defaulting Person shall reimburse (or in the event there is more than one Put Right Defaulting Person, the Put Right Defaulting Persons shall reimburse in proportion to the relative Put Units to be sold by each Put Right Defaulting Person at the Put Right Closing) Comcast and/or Radio One for their actual and reasonable out of pocket expenses incurred (not to exceed \$200,000.00 in the aggregate for Comcast and/or Radio One) in connection with the Put Right Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the Put Right Defaulting Person(s)), and (2) any Put Right Defaulting Person’s rights but not obligations to participate in such Put Right Closing shall automatically and irrevocably terminate. Following the Put Closing Date, in the event that (x) all of the Series A Preferred Units held by the Put Right Members have been purchased, redeemed or previously forfeited, or (y) all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited and DIRECTV is a Limited Member, then all of the remaining Series A Preferred Units shall automatically be converted into Class A Common Units pursuant to Section 5.2(e)(iv)(2).

(e) Class D Member Put Right. Each Class D Member may, in his or her sole discretion, elect during the Put Exercise Period, to have the Network purchase up to fifty percent (50%) of the Class D Common Units of such Class D Member that, as of July 19, 2010 or such later date as the Board may determine, are no longer subject to forfeiture in accordance with such Class D Member's Award Agreement (the "Qualifying Class D Put Units") at a price per Qualifying Class D Put Unit equal to (1) the Final Fair Market Value of a Class D Common Unit as determined in accordance with Section 12.2(a) hereof or, (2) if no such Final Fair Market Value has been determined, the Fair Market Value (as defined in the Network Equity Plan) of a Class D Common Unit (such price, the "Class D Put Unit Price"). Each Class D Member that desires to make such an election (a "Selling Class D Member") shall exercise this right by providing written notice (a "Class D Put Notice") to the Network, Comcast and Radio One at any time during the Put Exercise Period, which shall identify the number of Qualifying Class D Units that such Selling Class D Member has elected to sell to the Network (the "Class D Put Units") and which notice shall constitute such Class D Member's irrevocable offer to have the Network (or Comcast and/or Radio One pursuant to an Class D Put Acceptance Notice) purchase such Class D Put Units at the Class D Put Unit Price at the Class D Put Closing. Not later than the tenth (10th) day following the Put Right Value Determination Date (if any) or the tenth (10th) day following the last day of the Put Exercise Period (if there is no Put Right Value Determination Date), the Network shall deliver (i) written notice to each Selling Class D Member, which notice shall include the Class D Unit Put Price and the anticipated date of the Class D Put Closing and (ii) written notice to Comcast and Radio One indicating the number of Class D Put Units (if any) that are available for purchase by Comcast and/or Radio One (a "Class D Put Participation Request Notice"). If Comcast and/or Radio One wish to purchase any Class D Put Units that are available for purchase, it shall deliver written notice to the Network no later than (x) the thirtieth (30th) day following the Put Right Value Determination Date (if any) or (y) the twentieth (20th) day following the delivery of the Class D Put Participation Request Notice (if there is no Put Right Value Determination Date) ((x) or (y), the "Class D Put Acceptance Date"), which written notice shall indicate the number of Class D Put Units that it elects to purchase and shall constitute its irrevocable commitment to purchase the Class D Put Units indicated therein (each such notice, an "Class D Put Acceptance Notice"). If Comcast and/or Radio One indicate that they elect to purchase, in the aggregate, more Class D Put Units than are available for purchase by Comcast and/or Radio One, the Class D Put Units available for purchase shall be allocated to Comcast and Radio One based on the relative Percentage Interest of Comcast and/or Radio One as of the date of the Class D Put Right Participation Request Notice. If neither Comcast nor Radio One elect to purchase the Class D Put Units available for purchase by Comcast or Radio One, or fail to timely deliver a proper Class D Put Acceptance Notice, then the Network shall purchase all of the Class D Put Units at the Class D Put Closing. Within five (5) days after the Class D Put Acceptance Date, the Network shall deliver written notice to each of Comcast, Radio One and the Selling Class D Members indicating the number of Class D Put Units of each Selling Class D Member that will be purchased by the Network, Comcast and/or Radio One. The closing of the purchase and sale of the Class D Put Units pursuant to this Section 12.2(e) (the "Class D Put Closing") shall occur on the Put Closing Date (if there is a Put Closing Date); *provided*, that, if there is no Put Closing Date, the Class D Put Closing shall occur on such date as is determined by the Board and Radio One (if it is participating in the Class D Put Closing) and Comcast (if it is participating in the Class D Put Closing) but, in any event within sixty (60) days after Class D Put Acceptance Date. At the Class D Put Closing, (1) each Selling Class D Member shall (A) execute and deliver such documents as shall be reasonably requested by the Person(s) purchasing such Class D Put Units and (B) represent and warrant to the Person(s) purchasing such Class D Put Units (in addition to such other customary representations and warranties requested by the Person(s) purchasing such Class D Put Units) that such Class D Put Units are being transferred to the Person(s) purchasing such Class D Put Units free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Person(s) purchasing such Class D Put Units shall make payment to each Selling Class D Member in an amount equal to the Class D Put Unit Price *multiplied* by the number of Class D Put Units being sold by such Class D Member, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Selling Class D Member.

(f) Radio One Termination. Upon delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(d) of the Radio One Change of Control Agreement or upon a Radio One Trigger Event, Radio One's rights to participate in a purchase of Units under this Section 12.2 shall terminate and be of no further force or effect.

(g) Comcast Termination. Upon a Comcast Trigger Event, Comcast's rights to participate in a purchase of Units under this Section 12.2 shall automatically terminate and be of no further force or effect.

(h) Asset Sale Put Right. The Network shall be obligated to promptly notify the Put Right Members in writing of the execution of any definitive agreement with respect to any Sale Transaction that triggers an Asset Sale Put Right, the Network shall not be permitted to consummate such Sale Transaction until the date of the Put Right Closing, if any, and the closing of such Sale Transaction shall occur contemporaneously with the Put Right Closing, if any, that results from such Asset Sale Put Right. All elections made by the Selling Put Right Members in their respective Put Notices with respect to such Asset Sale Put Right and the obligations of the Network, Comcast and/or Radio One to purchase the Put Units at the Put Right Closing that results from such Asset Sale Put Right shall terminate automatically with respect to such Sale Transaction if such Sale Transaction is abandoned.

Section 12.3 Preemptive Rights. Subject to the terms and conditions specified in this Section 12.3, the Network hereby grants to each Initial Member and each Substitute Member of the Initial Members a preemptive right with respect to future sales by the Network of its Equity Interests (the “**Preemptive Rights**”). Each Member permitted to exercise its Preemptive Rights hereunder may designate one or more Affiliates of such Member to exercise all or any portion of such Member’s Preemptive Rights; *provided* that all such Affiliates, as a condition to exercising the Preemptive Rights, agree to execute a Joinder Agreement as if such Affiliate were receiving a Transfer of Units from such Member pursuant to Section 11.1 hereof. Each time the Network proposes to offer any Equity Interests, the Network shall first make an offering of such Equity Interests to each Initial Member and each Substitute Member of such Initial Members in accordance with the following provisions:

(a) The Network shall deliver a notice to the Initial Members and any Substitute Members of such Initial Members stating (i) its bona fide intention to offer such Equity Interests, (ii) the number of such Equity Interests to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such Equity Interests (the “**Preemptive Rights Notice**”).

(b) Within fifteen (15) days after receipt of the Preemptive Rights Notice, each Initial Member and each Substitute Member for such Initial Member may elect, by written notice to the Network, to purchase or obtain, at the price and on the terms specified in the Preemptive Rights Notice, its proportionate share (the “**Initial Preemptive Rights Proportionate Share**”) of the Equity Interests offered by the Network, such Initial Preemptive Rights Proportionate Share to be equal to the aggregate number of Equity Interests so offered multiplied by the percentage obtained by dividing the number of Units held by such Initial Member and each Substitute Member for such Initial Member by the number of Units held by all Initial Members and Substitute Members. Promptly following the end of such fifteen (15) day period, the Network shall, in writing, inform each Financial Investor Member that exercises its right to purchase its Initial Preemptive Rights Proportionate Share whether any Equity Interests were offered to, but not purchased by, the other Financial Investor Members (the “**Financial Investor Member Preemptive Rights Interests**”). During the five (5) day period commencing after receipt of such information, each such exercising Financial Investor Member may elect, by providing written notice of such election to the Network and the other electing Members, to purchase its proportionate share of any Financial Investor Member Preemptive Rights Interests (or such other proportion as may be agreed upon by all of the Financial Investor Members who elect to purchase Financial Investor Member Preemptive Rights Interests). For purposes of the preceding sentence, the proportionate share of each exercising Financial Investor Member who elects to purchase Financial Investor Member Preemptive Rights Interests shall be equal to the aggregate number of Financial Investor Member Preemptive Rights Interests multiplied by the percentage obtained by dividing the number of Units held by such Financial Investor Member by the number of Units held by all Financial Investor Members who elect to purchase Financial Investor Member Preemptive Rights Interests pursuant to this Section 12.3(b).

(c) Promptly following the end of the fifteen (15) day period described in Section 12.3(b) above (or, if applicable, following the end of the subsequent five (5) day period), the Network shall, in writing, inform each electing Member that exercises its right to purchase its Initial Preemptive Rights Proportionate Share whether any Equity Interests were offered to, but not purchased by, the other Members under Section 12.3(a) (the “**Remaining Equity Interests**”). During the five (5) day period commencing after receipt of such information, each exercising Member may elect, by providing written notice of such election to the Network and to the other electing Members, to purchase its proportionate share (the “**Final Preemptive Rights Proportionate Share**”) of any Remaining Equity Interests or all of the Remaining Equity Interests. The Final Preemptive Rights Proportionate Share shall be equal to the aggregate number of Remaining Equity Interests multiplied by the percentage obtained by dividing the number of Units held by such exercising Member by the number of Units held by all exercising Members who elect to purchase their Final Preemptive Rights Proportionate Share or all of the Remaining Equity Interests pursuant to this Section 12.3(c).

(d) Upon the expiration of the five (5) day period described in Section 12.3(c) above, the aggregate number of Equity Interests to be purchased by the Initial Members and Substitute Members under Section 12.3(b) and (c) shall be allocated among the electing Members as follows:

(1) Each Initial Member and Substitute Member exercising its rights under Section 12.3(b) shall first purchase its Initial Preemptive Rights Proportionate Share;

(2) Each electing Financial Investor Member exercising its rights under Section 12.3(b) shall next purchase its proportionate share of the Financial Investor Member Preemptive Rights Interest (or such other proportion as may be agreed upon by all of the Financial Investor Members who elect to purchase Financial Investor Member Preemptive Rights Interests);

(3) Each Initial Member and Substitute Member exercising its rights under Section 12.3(c) shall then purchase its Final Preemptive Rights Proportionate Share; and

(4) Any Remaining Equity Interests shall be allocated proportionately among the Initial Members and Substitute Members electing to purchase all of the Equity Interests offered by the Network under Section 12.3(c), based upon the relative number of Units owned by such Initial Members and Substitute Members (before giving effect to clauses (1), (2), (3) or (4) of this Section 12.3(d)).

(e) Following the expiration of the five (5) day period set forth in Section 12.3(c) above, the Network shall send electing Members a notice stating the amount of the Equity Interests that the electing Member is required to purchase in accordance with Sections 12.3(d) hereof.

(f) Following the expiration of the period set forth in Section 12.3(c) above, the Network shall set a time and place for a closing of the purchase of the Equity Interests by the Initial Members and Substitute Members pursuant to the terms outlined in the Preemptive Rights Notice, which closing shall occur no later than (i) forty-five (45) days following the date the Preemptive Rights Notice is first received by the Initial Members and Substitute Members, or (ii) ninety (90) days following the date the Preemptive Rights Notice is first received by the Initial Members and Substitute Members, if such additional time is necessary to comply with any regulatory approval or filing requirements.

(g) The Network may, during the seventy-five (75) day period following the expiration of the period provided in Section 12.3(f) hereof, offer the remaining unsubscribed portion of the Equity Interests to any Person or Persons (other than to a Member or an Affiliate of a Member) at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Preemptive Rights Notice. If the Network does not consummate the sale of the remaining Equity Interests within such seventy-five (75) day period, the Preemptive Rights provided hereunder shall be deemed to be revived and such Equity Interests shall not be offered unless first reoffered to the Initial Members in accordance with this Section 12.3.

(h) The Preemptive Rights shall not be applicable to the issuance of:

(i) Class D Common Units or issuances pursuant to the Network Equity Plan;

(ii) Class A Common Units issued upon conversion of Series A Preferred Units;

(iii) Equity Interests issued or issuable to financial institutions in connection with credit arrangements, *provided* that such transactions are approved by the Board and (A) so long as there has not been a Comcast Trigger Event or CST Competitor Event, one Comcast Manager, such approval by such Comcast Manager to be deemed given if such Comcast Manager has not consented or objected to the issuance of such Equity Interests by written notice to the Chairman and the Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing such issuance or (B) (x) after there has been a Comcast Trigger Event or CST Competitor Event and (y) so long as there has not been a Financial Investor Trigger Event, the Financial Investor Manager, such approval by the Financial Investor Manager to be deemed given if the Financial Investor Manager has not consented or objected to the issuance of such Equity Interests by written notice to the Chairman and the Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing such issuance;

(iv) Equity Interests issued or issuable in connection with strategic partnerships or relationships or cable and satellite distribution agreements, *provided* that such transactions are approved by the Board and (A) so long as there has not been a Comcast Trigger Event or a CST Competitor Event, one Comcast Manager, such approval by such Comcast Manager to be deemed given if such Comcast Manager has not consented or objected to the issuance of such Equity Interests by written notice to the Chairman and the Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing such issuance or (B) (x) after there has been a Comcast Trigger Event or a CST Competitor Event and (y) so long as there has not been a Financial Investor Trigger Event, the Financial Investor Manager, such approval by the Financial Investor Manager to be deemed given if the Financial Investor Manager has not consented or objected to the issuance of such Equity Interests by written notice to the Chairman and the Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing such issuance; *provided*, that, for the avoidance of doubt, the issuance of Equity Interests to DIRECTV pursuant to the DIRECTV Subscription Agreement shall be deemed to have been approved by one Comcast Manager under this subsection (iv); or

(v) Equity Interests issued or issuable as consideration for the bona fide acquisition of any business entity by the Network by merger, purchase of all or substantially all of the assets or capital stock of such entity, or other reorganization whereby the Network owns not less than a majority of the voting power of such entity (or the surviving or successor entity), *provided* that such transaction is approved by the Board and (A) so long as there has not been a Comcast Trigger Event or a CST Competitor Event, the holders of Class B Common Units pursuant to Section 5.2(b)(i)(12) hereof or (B) (x) after there has been a Comcast Trigger Event or a CST Competitor Event and (y) so long as there has not been a Financial Investor Trigger Event, the Financial Investor Manager, such approval by the Financial Investor Manager to be deemed given if the Financial Investor Manager has not consented or objected to the issuance of such Equity Interests by written notice to the Chairman and the Chief Executive Officer within thirty (30) days following receipt of notice from the Network proposing such issuance.

Nothing in this Section 12.3(h) shall be deemed to waive Comcast's right to approve the authorization or issuance of Equity Interests pursuant to Section 5.2(b)(i)(11) hereof; *provided*, that, for the avoidance of doubt, the authorization and issuance of Equity Interests to DIRECTV pursuant to the DIRECTV Subscription Agreement shall be deemed to have been approved by one Comcast Manager under Section 12.3(h)(iv) hereof and by Comcast under to Section 5.2(b)(i)(11) hereof.

(i) Upon delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(e) of the Radio One Change of Control Agreement Radio One's right to exercise its Preemptive Rights and purchase Equity Interests under this Section 12.3 shall terminate and be of no further force or effect.

Section 12.4 Financial Investor Member and DIRECTV Tag-Along Right. If, at any time during the period commencing on the date of this Agreement and ending on July 19, 2010, either (i) Comcast agrees to acquire from Radio One and its Unit Affiliates, in a single transaction or a series of related transactions, all of the outstanding Equity Interests then held by Radio One and its Unit Affiliates, or (ii) Radio One agrees to acquire from Comcast and its Unit Affiliates, in a single transaction or a series of related transactions, all of the outstanding Equity Interests then held by Comcast and its Unit Affiliates, in each case, other than as a result of the operation of Section 6.6 of this Agreement (a transaction contemplated by (i) or (ii) above being referred to herein as a **“Strategic Investor Sale”**), then Comcast, Radio One and the Financial Investor Members and the DIRECTV Members shall have the rights and obligations set forth in this Section 12.4.

(a) At least sixty (60) days prior to the date the Strategic Investor Sale is scheduled to close (the date such closing actually occurs, the **“SIS Closing Date”**, and such closing, the **“SIS Closing”**), the party acquiring Equity Interests in the Strategic Investor Sale (the **“SIS Acquiror”**) shall be obligated to provide each Financial Investor Member and DIRECTV Member with a written notice of the proposed Strategic Investor Sale (the **“SIS Notice”**). The SIS Notice shall contain a description of the Strategic Investor Sale, the per-Unit price (the **“SIS Sale Price”**) to be paid by the SIS Acquiror and the scheduled SIS Closing Date.

(b) Upon receipt of the SIS Notice, each Financial Investor Member and DIRECTV Member shall have the right, but not the obligation, to require the SIS Acquiror to purchase all (but not less than all) of the Units (including any Units issuable upon a Derivative Equity Interest Exercise) then held by such Financial Investor Member and DIRECTV Member on the SIS Closing Date at a per-Unit price equal to the SIS Sale Price by delivering a written notice (the **“Tag-Along Notice”**) and, if such Financial Investor Member or DIRECTV Member wishes to make a Derivative Equity Interest Exercise concurrent with the SIS Closing, a Derivative Equity Interest Exercise Notice, to the SIS Acquiror and the Network at least forty (40) days prior to the SIS Closing Date. Each Financial Investor Member and DIRECTV Member delivering a Tag-Along Notice to the SIS Acquiror and the Network shall be referred to herein as a **“Tag-Along Seller”**. If a Tag-Along Seller shall fail to deliver a Derivative Equity Interest Exercise Notice along with or prior to the delivery of the Tag-Along Notice, then, subject to the last sentence of Section 12.4(c), such Tag-Along Seller shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a Derivative Equity Interest Exercise with respect to such Tag-Along Seller's Derivative Equity Interests at any time and, upon consummation of the SIS Closing, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. The Tag-Along Notice shall state such Tag-Along Seller's desire to sell to the SIS Acquiror all (but not less than all) of the Units (including any Units issuable upon a Derivative Equity Interest Exercise) to be held by such Tag-Along Seller on the SIS Closing Date (collectively, the **“Tag-Along Units”**) and shall set forth the number and class of such Units. In the event that any Tag-Along Seller fails to fully satisfy or be in a position to fully satisfy its obligations to sell its Tag-Along Units at the SIS Closing (each, a **“Tag-Along Defaulting Person”**), (1) so long as the SIS Acquiror has fully satisfied or is in a position to fully satisfy all of its conditions and obligations at the SIS Closing in connection with the purchase of the Tag-Along Units at such SIS Closing, the Tag-Along Defaulting Person shall reimburse (or in the event there is more than one Tag-Along Defaulting Person, the Tag-Along Defaulting Persons shall reimburse in proportion to the relative Tag-Along Units to be sold by each Tag-Along Defaulting Person at the SIS Closing) the SIS Acquiror for its actual and reasonable out of pocket expenses incurred (not to exceed \$200,000.00) with respect to the purchase of the Tag-Along Units in connection with the SIS Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the Tag-Along Defaulting Person(s)), and (2) any Tag-Along Defaulting Person's rights but not obligations to participate in such SIS Closing shall automatically and irrevocably terminate.

(c) On the SIS Closing Date (which shall occur at a place and time reasonably selected by the SIS Acquiror and in any event shall occur on a date within 20 Business Days of the scheduled closing date set forth in the SIS Notice), the SIS Acquiror shall be obligated to purchase from the Tag-Along Sellers, and the Tag-Along Sellers shall be obligated to sell to the SIS Acquiror, at a per-Unit price equal to the SIS Sale Price, all of the Tag-Along Units then held by the Tag-Along Sellers; *provided, however*, that in the event that the Strategic Investor Sale is not consummated on or within twenty (20) Business Days of the SIS Closing Date set forth in the SIS Notice (the **“SIS Closing Termination Date”**) (i) the SIS Acquiror shall not be obligated to purchase, and the Tag-Along Sellers shall not be obligated to sell, any Tag-Along Units held by the Tag-Along Sellers pursuant to this Section 12.4, (ii) any Derivative Equity Interest Exercise Notice delivered by a Tag-Along Seller pursuant to Section 12.4(b) hereof shall be deemed to be rescinded and shall have no force and effect, and (iii) the right of all Tag-Along Sellers holding Derivative Equity Interests (including without limitation all such Tag-Along Sellers who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period set forth in Section 12.4(b) hereof) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Tag-Along Seller's Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person, and (iv) Comcast, Radio One and the Financial Investor Members shall be again subject to the obligations of this Section 12.4 with respect to the SIS Closing.

(d) If the SIS Acquiror desires to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, as all or a portion of the purchase price for the Tag-Along Units it will purchase at the SIS Closing, provided that Comcast Corporation or Radio One, Inc., as applicable, is eligible to use Form S-3 (or a similar form of registration statement), the SIS Acquiror shall deliver to the Tag-Along Sellers, at least thirty (30) days prior to the SIS Closing Date, as applicable, the Comcast Registration Rights Agreement executed by Comcast Corporation or the Radio One Registration Rights Agreement executed by Radio One, Inc., and each Tag-Along Seller shall be required to execute such agreement and return such agreement (as so executed) to the SIS Acquiror within ten (10) days following receipt thereof. If the SIS Acquiror does not deliver an executed copy of the applicable Registration Rights Agreement to the Tag-Along Sellers prior to such 30 day period, the SIS Acquiror shall not be permitted to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, to any Tag-Along Seller as all or a portion of the purchase price for the Tag-Along Units held by such Tag-Along Seller at the SIS Closing (without the consent of such Tag-Along Seller). If any Tag-Along Seller does not execute and return the applicable Registration Rights Agreement within the 10 day period set forth above, the SIS Acquiror shall be permitted to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, to such Tag-Along Seller as all or a portion of the purchase price for the Tag-Along Units held by such Tag-Along Seller at the SIS Closing, but neither Comcast Corporation nor Radio One, Inc., as applicable, nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the applicable Registration Rights Agreement or otherwise.

(e) On the SIS Closing Date (i) each Tag-Along Seller shall (A) to the extent applicable, effect the Derivative Equity Interest Exercise in accordance with such Tag Along Seller's Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.4(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the SIS Acquiror in order to vest full beneficial and record ownership of all of the Tag-Along Units then owned by such Tag-Along Seller in the SIS Acquiror, and (C) represent and warrant to the SIS Acquiror (in addition to such other customary representations and warranties requested by the SIS Acquiror) that such Tag-Along Units are being acquired by the SIS Acquiror free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Buy/Sell Agreement or the Radio One Change of Control Agreement), and (ii) the SIS Acquiror shall make payment to each Tag-Along Seller in an amount equal to the number of Tag-Along Units being acquired from such Tag-Along Seller *multiplied by* the SIS Sale Price, such payment to be made (at the SIS Acquiror's option) (1) in cash, (2) by delivery of a promissory note issued by the SIS Acquiror bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in cash on the second anniversary of the SIS Closing Date, (3) subject to Section 12.9, by delivery of shares of the most widely-held class of common stock (based upon the average closing prices for a share of such common stock during the ten (10) consecutive trading days ending two days prior to the SIS Closing Date) of Comcast Corporation or Radio One, Inc., as applicable, which shares of common stock, except as otherwise provided in Section 12.4(d) above, shall be "Registrable Securities" pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (4) subject to Section 12.9, by any combination of (1), (2) and (3) above; *provided that*, except as otherwise provided in Section 12.9 with respect to DIRECTV, each Tag-Along Seller receives the same proportionate amount of cash, notes and/or common stock as payment for the Tag-Along Units sold by each Tag-Along Seller (except in the event that the issuance of common stock of Comcast Corporation or Radio One, Inc. to any Tag-Along Seller would subject the issuer, in the issuer's reasonable judgment, to legal or regulatory rules or burdens of a nature or degree not present as to the other Tag-Along Sellers to which common stock is issued, in which case such Tag-Along Seller may receive its entire purchase price in cash and/or notes while other Tag-Along Sellers receive all or a portion of their purchase price in common stock (but not a greater amount of common stock than such Tag-Along Seller would have otherwise received)). The right to issue common stock of (I) Comcast Corporation as payment at the SIS Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the SIS Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member.

(f) For the avoidance of doubt, the rights of the Financial Investor Members and the DIRECTV Members set forth in this Section 12.4 shall not, in any event, be applicable to the Class D Members.

Section 12.5 Comcast and Radio One Drag-Along Right. In addition to the rights and obligations set forth in Section 12.4, if, at any time during the period commencing on the date of this Agreement and ending on July 19, 2010, Comcast and Radio One agree to enter into a Strategic Investor Sale, then Comcast, Radio One, the Financial Investor Members and the other Members shall also have the rights and obligations contained in this Section 12.5.

(a) In connection with any Strategic Investor Sale, the SIS Acquiror shall have the right (subject to Section 12.5(e) below), but not the obligation, to require all Financial Investor Members and DIRECTV Members that have not delivered a Tag-Along Notice and each other Non-Class D Member other than Comcast, Radio One or any of their Affiliates (all such Non-Class D Members the “**Drag-Along Sellers**”) to sell to the SIS Acquiror all of the Units (including any Units issuable upon a Derivative Equity Interest Exercise) held by each Drag-Along Seller on the SIS Closing Date at a price per Unit equal to the SIS Sale Price by delivering a written notice (the “**Drag-Along Notice**”) to all of the Drag-Along Sellers and the Network at least thirty (30) days prior to the SIS Closing Date. The Drag-Along Notice shall state the SIS Acquiror’s desire to purchase all (but not less than all) of the Units held by such Drag-Along Seller on the SIS Closing Date and shall set forth the SIS Sale Price and the SIS Closing Date. Within five (5) days of receipt of the Drag-Along Notice, each Drag-Along Seller holding a Derivative Equity Interest and who wishes to make a Derivative Equity Interest Exercise concurrent with the SIS Closing shall be required to deliver a Derivative Equity Interest Exercise Notice to the SIS Acquiror and the Network. Any Units issued pursuant to a Derivative Equity Interest Exercise, together with all other Units owned by the Drag-Along Sellers, shall be referred to herein as “**Drag-Along Units**.” If a Drag-Along Seller shall fail to deliver a Derivative Equity Interest Exercise Notice within such five-day period then, subject to the last sentence of Section 12.5(b), such Drag-Along Seller shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a Derivative Equity Interest Exercise with respect to such Drag-Along Seller’s Derivative Equity Interests at any time and, upon consummation of the SIS Closing, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. If the SIS Acquiror desires to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, as all or a portion of the purchase price for the Drag-Along Units it will purchase at the SIS Closing, provided that Comcast Corporation or Radio One, Inc., as applicable, is eligible to use Form S-3 (or a similar form of registration statement), the SIS Acquiror shall deliver to the Drag-Along Sellers, at least thirty (30) days prior to the SIS Closing, the Comcast Registration Rights Agreement executed by Comcast Corporation or the Radio One Registration Rights Agreement executed by Radio One, Inc., as applicable, and each Drag-Along Seller shall be required to execute such agreement and return such agreement (as so executed) to the SIS Acquiror within ten (10) days following receipt thereof. If the SIS Acquiror does not deliver an executed copy of the applicable Registration Rights Agreement to the Drag-Along Sellers at least thirty (30) days prior to the SIS Closing, the SIS Acquiror shall not be permitted to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, to any Drag-Along Seller as all or a portion of the purchase price for the Drag-Along Units held by such Drag-Along Seller at the SIS Closing (without the consent of such Drag-Along Seller). If any Drag-Along Seller does not execute and return the applicable Registration Rights Agreement within the 10 day period set forth above, the SIS Acquiror shall be permitted to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, to such Drag-Along Seller as all or a portion of the purchase price for the Drag-Along Units held by such Drag-Along Seller at the SIS Closing, but neither Comcast Corporation nor Radio One, Inc., as applicable, nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the applicable Registration Rights Agreement or otherwise. In the event that the SIS Acquiror fails to fully satisfy or be in a position to fully satisfy its obligations to purchase the Drag-Along Units at the SIS Closing, (1) so long as all of the Drag-Along Sellers have fully satisfied or are in a position to fully satisfy all of their conditions and obligations at the SIS Closing in connection with the sale of the Drag-Along Units at such SIS Closing, the SIS Acquiror shall reimburse the Drag-Along Sellers for their actual and reasonable out of pocket expenses incurred (not to exceed \$200,000.00 in the aggregate for all Drag-Along Sellers) in connection with the SIS Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the SIS Acquiror), and (2) the SIS Acquiror’s rights but not obligations to purchase such Drag-Along Units at such SIS Closing shall automatically and irrevocably terminate.

(b) On the SIS Closing Date, the SIS Acquiror shall be obligated to purchase from the Drag-Along Sellers, and the Drag-Along Sellers shall be obligated to sell to the SIS Acquiror, at a per-Unit price equal to the SIS Sale Price, all of the Drag-Along Units then held by the Drag-Along Sellers; *provided, however*, that in the event that the Strategic Investor Sale is not consummated on or within twenty (20) Business Days of the SIS Closing Date set forth in the Drag-Along Notice (i) the SIS Acquiror shall not be obligated to purchase and the Drag-Along Sellers shall not be obligated to sell, any Drag-Along Units held by the Drag-Along Sellers pursuant to this Section 12.5, (ii) any Derivative Equity Interest Exercise Notice delivered by a Drag-Along Seller pursuant to Section 12.5(b) hereof shall be deemed to be rescinded and shall have no force and effect, and (iii) the right of all Drag-Along Sellers holding Derivative Equity Interests (including without limitation all such Drag-Along Sellers who failed to deliver a Derivative Equity Interest Exercise Notice within the five-day period set forth in Section 12.5(a)) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Member’s Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person, and (iv) Comcast, Radio One, the Financial Investor Members and the DIRECTV Members shall be again subject to the obligations of this Section 12.5 with respect to the closing of any Strategic Investor Sale.

(c) On the SIS Closing Date (i) each Drag-Along Seller shall (A) to the extent applicable, effect the Derivative Equity Interest Exercise in accordance with such Drag-Along Seller's Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.5(a) hereof, (B) execute and deliver such documents as shall be reasonably requested by the SIS Acquiror in order to vest full beneficial and record ownership of all of the Drag-Along Units then owned by such Drag-Along Seller in the SIS Acquiror, and (C) represent and warrant to the SIS Acquiror (in addition to such other customary representations and warranties requested by the SIS Acquiror) that such Drag-Along Units are being acquired by the SIS Acquiror free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Buy/Sell Agreement or the Radio One Change of Control Agreement), and (ii) the SIS Acquiror shall make payment to each Drag-Along Seller in an amount equal to the number of Drag-Along Units being acquired from such Drag-Along Seller *multiplied by* the SIS Sale Price, such payment to be made (at the SIS Acquiror's option) (1) in cash, (2) by delivery of a promissory note issued by the SIS Acquiror bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in cash on the second anniversary of the SIS Closing Date, (3) subject to Section 12.9 and provided that Comcast Corporation or Radio One, Inc., as applicable, is eligible to use Form S-3 (or a similar form of registration statement), by delivery of shares of the most widely-held class of common stock (based upon the average closing prices for a share of such common stock during the ten (10) consecutive trading days ending two days prior to the SIS Closing Date) of Comcast Corporation or Radio One, Inc., as applicable, which shares of common stock, except as otherwise provided in Section 12.5(a) above, shall be "Registrable Securities" pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (4) subject to Section 12.9, by any combination of (1), (2) and (3) above; *provided that*, except as otherwise provided in Section 12.9 with respect to DIRECTV, each Drag-Along Seller receives the same proportionate amount of cash, notes and/or common stock as payment for the Drag-Along Units sold by each Drag-Along Seller (except in the event that the issuance of common stock of Comcast Corporation or Radio One, Inc. to any Drag-Along Seller would subject the issuer, in the issuer's reasonable judgment, to legal or regulatory rules or burdens of a nature or degree not present as to the other Drag-Along Sellers to which common stock is issued, in which case such Drag-Along Seller may receive its entire purchase price in cash and/or notes while other Drag-Along Sellers receive all or a portion of their purchase price in common stock (but not a greater amount of common stock than such Drag-Along Sellers would have otherwise received)). The right to issue common stock of (I) Comcast Corporation as payment at the SIS Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the SIS Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member.

(d) In connection with any Strategic Investor Sale, the SIS Acquiror shall have the right, but not the obligation, to require each Class D Member (each such Class D Member, a "**Drag-Along Class D Member**" and, collectively, the "**Drag-Along Class D Members**") to sell to the SIS Acquiror or, at the SIS Acquiror's option, the Network, all of the Class D Common Units held by such Class D Member that, as of SIS Closing Date, are no longer subject to forfeiture in accordance with such Class D Member's Award Agreement (the "**Class D Drag-Along Units**") at a price per Class D Drag-Along Unit equal to the SIS Sale Price, as adjusted to reflect the extent to which the Class D Limitation Amount and the Initial Class D Per Unit Priority Amount would affect the amount payable with respect to the Initial Class D Common Units and the other Class D Common Units if the Network were liquidated at an enterprise value based upon such SIS Sale Price, (such price, the "**Class D Drag-Along Unit Price**") by delivering a written notice (the "**Class D Drag-Along Notice**") to all of the Drag-Along Class D Members and the Network at least thirty (30) days prior to the anticipated SIS Closing Date. The Class D Drag-Along Notice shall state the SIS Acquiror's desire to purchase the Class D Drag Along Units held by such Drag-Along Class D Members on the SIS Closing Date and shall set forth (i) the SIS Sale Price, (ii) the anticipated SIS Closing Date, (iii) the number of Class D Drag-Along Units to be purchased by the Network and (iv) the number of Class D Drag-Along Units to be purchased by the SIS Acquiror. The closing of the purchase and sale of the Class D Drag-Along Units pursuant to this Section 12.5(d) (the "**Class D Drag-Along Closing**") shall occur on the SIS Closing Date. At the Class D Drag-Along Closing, (1) each Drag-Along Class D Member shall (A) execute and deliver such documents as shall be reasonably requested by the Person(s) purchasing such Class D Drag-Along Units and (B) represent and warrant to the Person(s) purchasing such Class D Drag-Along Units (in addition to such other customary representations and warranties requested by the Person(s) purchasing such Class D Drag-Along Units) that such Class D Drag-Along Units are being transferred to the Person(s) purchasing such Class D Drag-Along Units free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Person(s) purchasing such Class D Drag-Along Units shall make payment to the Drag-Along Class D Member selling such Class D Drag-Along Units in an amount equal to the Class D Drag-Along Price *multiplied by* the number of Class D Drag-Along Units being sold by such Drag-Along Class D Member, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Drag-Along Class D Member.

(e) Notwithstanding anything to the contrary contained in this Section 12.5, any Financial Investor Member or DIRECTV Member may elect to terminate the SIS Acquiror's rights to purchase such Financial Investor's or DIRECTV Member's Units at the SIS Closing and demand that Appraisals be completed to determine the Final Fair Market Value with respect to such Units, such election and demand to be made by such Financial Investor Member or DIRECTV Member (an "**Exercising Drag-Along Seller**") by providing written notice to the SIS Acquiror within five (5) days of receipt of the Drag-Along Notice (a "**Drag-Along Seller Election**"). Following receipt of a Drag-Along Seller Election, the following provisions shall be applicable (unless, following receipt of a Drag-Along Seller Election, the SIS Acquiror waives in writing its rights to acquire the Units held by any Exercising Drag-Along Seller pursuant to this Section 12.5):

(i) Following the SIS Closing Date (and subject to the consummation of (x) the SIS Closing and (y) the transactions contemplated under Section 12.5(c), if applicable), the SIS Acquiror and the Exercising Drag-Along Sellers shall (A) initiate the process of selecting Investment Banks in accordance with this Section 12.5(e)(i) to complete the Appraisals, (B) cooperate with the Investment Banks in connection with the completion of the Appraisals and (C) cause (to the extent each is able) the Network to make available such information and personnel as the Investment Banks deem necessary to complete their determination of the Final Fair Market Value within 60 days of the date that the Investment Banks are selected. Upon completion of the Appraisals, the Investment Banks shall deliver their determination of the Final Fair Market Value to the SIS Acquiror, the Exercising Drag-Along Sellers and the Network (such date of delivery, the "**Drag-Along Value Determination Date**"). The determination of the Investment Banks as to the Final Fair Market Value shall be final and binding upon the SIS Acquiror and the Exercising Drag-Along Sellers. For the avoidance of doubt, if the Strategic Investor Sale and the transactions contemplated under Section 12.5(c), if applicable, have not been consummated pursuant to this Section 12.5, all Drag-Along Seller Elections shall be deemed to be revoked, and the SIS Acquiror shall not be entitled or obligated to purchase the Exercising Drag-Along Units. For purposes of this Section 12.5(e), Investment Banks shall be selected to complete the Appraisals and determine the Final Fair Market Value as follows:

(1) The SIS Acquiror, on the one hand, and the holders of a majority of the Units held by the Exercising Drag-Along Sellers, on the other hand, shall each have twenty (20) days following the SIS Closing Date to submit in writing their selection of an Investment Bank to the other Persons and to instruct such Investment Bank to complete an Appraisal to determine the Fair Market Value within thirty (30) days of such instruction. The Exercising Drag-Along Sellers shall bear the Appraisal-related costs and fees of the Investment Banks selected by such Persons in proportion to the number of Units held by such Persons (or in such other manner as the Exercising Drag-Along Sellers shall agree upon in writing).

(2) After the Investment Banks have completed their Appraisals and their determinations of the Fair Market Value, each Investment Bank shall submit its Fair Market Value determination together with relevant reports and related work papers to the other Investment Bank and to the SIS Acquiror, the Exercising Drag-Along Sellers and the Network. If the greater Fair Market Value determination is no more than 10% greater than the lesser Fair Market Value determination, then the Final Fair Market Value shall be equal to the average of such Fair Market Value determinations.

(3) If the greater Fair Market Value determination submitted under (2) above is more than 10% greater than the lesser Fair Market Value determination submitted under (2) above, then the Investment Banks selected by the SIS Acquiror and the Exercising Drag-Along Sellers pursuant to (1) above shall, within three (3) Business Days of the submissions of the Fair Market Value determinations under (2) above, jointly select a third Investment Bank to complete an Appraisal within twenty-five (25) days of such selection to determine the Fair Market Value; *provided* that such third Investment Bank shall be instructed to determine a Fair Market Value that is between the two Fair Market Value determinations submitted under (2) above. Promptly following selection, such third Investment Bank shall be provided with the reports and related work papers of the other two Investment Banks relating to their Fair Market Value determinations. After the third Investment Bank has completed its Appraisal and its determination of the Fair Market Value, such third Investment Bank shall submit its Fair Market Value determination together with relevant reports and related work papers to the other two Investment Banks, the SIS Acquiror, the Exercising Drag-Along Sellers and the Network. The Final Fair Market Value shall be equal to the average of the Fair Market Value determination of the third Investment Bank and the Fair Market Value determination submitted under (2) above that is closest to the Fair Market Value determination of the third Investment Bank. The Person or Persons who appointed the Investment Bank whose Fair Market Value determination submitted under (2) above is farthest from the Fair Market Value of the third Investment Bank shall bear the Appraisal-related costs and fees of the third Investment Bank in proportion to the number of Units held by such Persons (or in such other manner as all such Persons shall agree upon in writing).

(4) In the event the SIS Acquiror, on the one hand, or the Exercising Drag-Along Sellers, on the other hand, fail to select an Investment Bank and notify the other parties in writing of such selection by the end of the twenty-day period specified in (1) above, the Investment Bank selected by the other Person(s) by the end of such twenty-day period shall be the sole Investment Bank for purposes of Section 12.5(e), and the determination of such Investment Bank as to the Fair Market Value shall be the Final Fair Market Value.

(5) The Exercising Drag-Along Sellers shall agree to any reasonable and customary indemnification requested by the Investment Banks in connection with the completion of Appraisals under this Section 12.5(e)(i).

(ii) Following receipt of the determination of the Investment Banks of the Final Fair Market Value, the SIS Acquiror may waive its right to purchase all of the Units held by the Exercising Drag-Along Sellers by delivering written notice of such termination to the Network and each Exercising Drag-Along Seller within five (5) Business Days following receipt of such determination by the Investment Banks. Following such termination, the SIS Acquiror shall be required to reimburse the Exercising Drag-Along Sellers for the Appraisal-related costs and expenses incurred by the Exercising Drag-Along Sellers pursuant to Section 12.5(e)(i) hereof. If the SIS Acquiror does not waive its rights within such 5 Business Day period and desires to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, as all or a portion of the purchase price for the Exercising Drag-Along Units it will purchase at the Exercising Drag-Along Seller Closing, the SIS Acquiror shall deliver to the Exercising Drag-Along Sellers, at least thirty (30) days prior to the Exercising Drag-Along Seller Closing, the Comcast Registration Rights Agreement executed by Comcast Corporation or the Radio One Registration Rights Agreement executed by Radio One, Inc., as applicable, and each Exercising Drag-Along Seller shall be required to execute such agreement and return such agreement (as so executed) to the SIS Acquiror within ten (10) days following receipt thereof. If the SIS Acquiror does not deliver an executed copy of the applicable Registration Rights Agreement to the Exercising Drag-Along Sellers at least thirty (30) days prior to the Exercising Drag-Along Seller Closing, the SIS Acquiror shall not be permitted to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, to any Exercising Drag-Along Seller as all or a portion of the purchase price for the Exercising Drag-Along Units held by such Exercising Drag-Along Seller at the Exercising Drag-Along Seller Closing (without the consent of such Exercising Drag-Along Seller). If any Exercising Drag-Along Seller does not execute and return the applicable Registration Rights Agreement within the 10 day period set forth above, the SIS Acquiror shall be permitted to issue common stock of Comcast Corporation or Radio One, Inc., as applicable, to such Exercising Drag-Along Seller as all or a portion of the purchase price for the Exercising Drag-Along Units held by such Exercising Drag-Along Seller at the Exercising Drag-Along Seller Closing, but neither Comcast Corporation nor Radio One, Inc., as applicable, nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the applicable Registration Rights Agreement or otherwise.

(iii) No later than ten (10) days following the Drag-Along Value Determination Date, unless the SIS Acquiror has waived its rights pursuant to (ii) above, each Exercising Drag-Along Seller holding a Derivative Equity Interest and who wishes to make a Derivative Equity Interest Exercise concurrent with the Exercising Drag-Along Seller Closing shall be required to deliver a Derivative Equity Interest Exercise Notice to the SIS Acquiror and the Network. Any Units issued pursuant to a Derivative Equity Interest Exercise, together with all other Units owned by the Exercising Drag-Along Sellers, shall be referred to herein as “**Exercising Drag-Along Units**.” If an Exercising Drag-Along Seller shall fail to deliver a Derivative Equity Interest Exercise Notice within such five-day period then, subject to the last sentence of Section 12.5(e)(iv), such Exercising Drag-Along Seller shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a Derivative Equity Interest Exercise with respect to such Exercising Drag-Along Seller’s Derivative Equity Interests at any time and, upon consummation of the Exercising Drag-Along Seller Closing, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person.

(iv) On the date of Exercising Drag-Along Seller Closing, the SIS Acquiror shall be obligated to purchase from the Exercising Drag-Along Sellers, and the Exercising Drag-Along Sellers shall be obligated to sell to the SIS Acquiror, at a per-Unit price equal to the greater of (A) the Final Fair Market Value determined in accordance with Section 12.5(e)(i) hereof and (B) the SIS Sale Price, all of the Exercising Drag-Along Units then held by the Exercising Drag-Along Sellers; *provided, however*, that in the event that the Exercising Drag-Along Seller Closing is not consummated on or within ninety (90) days of the Drag-Along Value Determination Date (1) any Derivative Equity Interest Exercise Notice delivered by an Exercising Drag-Along Seller pursuant to Section 12.5(e)(iii) hereof shall be deemed to be rescinded and shall have no force and effect, and (2) the right of all Exercising Drag-Along Sellers holding Derivative Equity Interests (including without limitation all such Exercising Drag-Along Sellers who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period set forth in Section 12.5(e)(iii)) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Member’s Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person. In the event that the SIS Acquiror fails to fully satisfy or be in a position to fully satisfy its obligations to purchase the Exercising Drag-Along Units at the Exercising Drag-Along Seller Closing, (1) so long as all of the Exercising Drag-Along Sellers have fully satisfied or are in a position to fully satisfy all of their conditions and obligations at the Exercising Drag-Along Seller Closing in connection with the Exercising Drag-Along Seller Closing, the SIS Acquiror shall reimburse the Exercising Drag-Along Sellers for their actual and reasonable out of pocket expenses incurred (not to exceed \$200,000.00 in the aggregate for all Exercising Drag-Along Sellers) in connection with the SIS Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the SIS Acquiror), and (2) the SIS Acquiror’s rights but not obligations to purchase such Exercising Drag-Along Units at such Exercising Drag-Along Seller Closing shall automatically and irrevocably terminate.

(v) The closing (the “**Exercising Drag-Along Seller Closing**”) of the purchase and sale of the Exercising Drag-Along Units (to the extent applicable, after giving effect to the Derivative Equity Interest Exercise made by each Exercising Drag-Along Seller) by the SIS Acquiror (assuming that the SIS Acquiror has not waived its rights pursuant to Section 12.5(e)(ii)) shall take place on a date within ninety (90) days of the Drag-Along Value Determination Date. At such closing, which shall be at a place and time reasonably selected by the SIS Acquiror (i) each Exercising Drag-Along Seller shall (A) to the extent applicable, effect the Derivative Equity Interest Exercise in accordance with such Exercising Drag-Along Seller’s Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.5(e)(iii) hereof, (B) execute and deliver such documents as shall be reasonably requested by the SIS Acquiror in order to vest full beneficial and record ownership of all of the Exercising Drag-Along Units then owned by such Exercising Drag-Along Seller in the SIS Acquiror, and (C) represent and warrant to the SIS Acquiror (in addition to such other customary representations and warranties requested by the SIS Acquiror) that such Exercising Drag-Along Units are being acquired by the SIS Acquiror free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Buy/Sell Agreement or the Radio One Change of Control Agreement), and (ii) the SIS Acquiror shall make payment to each Exercising Drag-Along Seller in an amount equal to the number of Exercising Drag-Along Units being acquired from such Exercising Drag-Along Seller *multiplied by* the Final Fair Market Value, such payment to be made (at the SIS Acquiror’s option) (1) in cash, (2) by delivery of a promissory note issued by the SIS Acquiror bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in cash on the second anniversary of the Exercising Drag-Along Seller Closing, (3) provided that Comcast Corporation or Radio One, Inc., as applicable, is eligible to use Form S-3 (or a similar form of registration statement), by delivery of shares of the most widely-held class of common stock (based upon the average closing prices for a share of such common stock during the ten (10) consecutive trading days ending two days prior to the Exercising Drag-Along Seller Closing) of Comcast Corporation or Radio One, Inc., as applicable, which shares of common stock, except as otherwise provided in Section 12.5(e)(ii) above, shall be “Registrable Securities” pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (4) by any combination of (1), (2) and (3) above; *provided* that each Exercising Drag-Along Seller receives the same proportionate amount of cash, notes and/or common stock as payment for the Drag-Along Units sold by each Exercising Drag-Along Seller (except in the event that the issuance of common stock of Comcast Corporation or Radio One, Inc. to any Exercising Drag-Along Seller would subject the issuer, in the issuer’s reasonable judgment, to legal or regulatory rules or burdens of a nature or degree not present as to the other Exercising Drag-Along Sellers to which common stock is issued, in which case such Exercising Drag-Along Seller may receive its entire purchase price in cash and/or notes while other Exercising Drag-Along Sellers receive all or a portion of their purchase price in common stock (but not a greater amount of common stock than such Exercising Drag-Along Sellers would have otherwise received)). The right to issue common stock of (I) Comcast Corporation as payment at the Exercising Drag-Along Seller Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the Exercising Drag-Along Seller Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member.

Section 12.6 Network DIRECTV Purchase Right.

(a) In the event that DIRECTV becomes a Limited Member pursuant to Section 13.4(a)(vi), the Network may, in its sole discretion, elect to purchase some or all of the DIRECTV Equity Units held by DIRECTV and its Unit Affiliates at an aggregate price equal to the Final Fair Market Value of a DIRECTV Equity Unit *multiplied by* the number of DIRECTV Equity Units being purchased, by providing written notice (a “**DIRECTV Purchase Notice**”) to DIRECTV of such exercise. Following delivery of the DIRECTV Purchase Notice, the Network and DIRECTV shall (i) initiate the process of selecting Investment Banks in accordance with Section 12.1(i) hereof to complete the Appraisals, (ii) cooperate with the Investment Banks in connection with the completion of the Appraisals and (iii) cause the Network to make available such information and personnel as the Investment Banks deem necessary to complete their determination of the Final Fair Market Value within 60 calendar days of the date that the Investment Banks are selected in accordance with Section 12.1(i) hereof. Upon completion of the Appraisals, the Investment Banks shall deliver their determination of the Final Fair Market Value of the DIRECTV Equity Units to the Network and DIRECTV (such date of delivery the “**DIRECTV Purchase Right Value Determination Date**”). The determination of the Investment Banks as to the Final Fair Market Value of the DIRECTV Equity Units shall be final and binding upon the parties.

(b) No later than the 10th day following the DIRECTV Purchase Right Value Determination Date, DIRECTV, if DIRECTV or any Unit Affiliate of DIRECTV is a holder of any Derivative Equity Interest, shall provide written notice to the Network (the “**DIRECTV Derivative Equity Interest Exercise Notice**”) pursuant to which DIRECTV and such Unit Affiliates of DIRECTV shall irrevocably commit and agree to (i) pay any and all amounts necessary to exercise, convert or exchange any such Derivative Equity Interests into Units and deliver any notices or documents as are reasonably required to effect any such exercise, conversion or exchange, (ii) surrender any such Derivative Equity Interests for termination without any consideration for such termination, or (iii) irrevocably cancel and terminate any right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests (including, without limitation, the termination of any right applicable to any debt security to convert such security in whole or in part into Units or other Equity Interests), in each case in order to take the action set forth in clauses (i)-(iii), as applicable, concurrent with the DIRECTV Purchase Right Closing (a “**DIRECTV Derivative Equity Interest Exercise**”). Promptly following the delivery of a DIRECTV Derivative Equity Interest Exercise Notice, DIRECTV and its Unit Affiliates shall execute any other documents and agreements reasonably requested by the Network to effect such DIRECTV Derivative Equity Interest Exercise effective as of the DIRECTV Purchase Right Closing. Any Units issued pursuant to such DIRECTV Derivative Equity Interest Exercise, together with all other Units owned by DIRECTV and any Unit Affiliate of DIRECTV, shall be referred to herein as the “**DIRECTV Equity Units**.” If DIRECTV or any of its Unit Affiliates holds any DIRECTV Derivative Equity Interests and fails to deliver a DIRECTV Derivative Equity Interest Exercise Notice within such ten-day period, then, subject to the last sentence of this Section 12.6(b), (A) DIRECTV and its Unit Affiliates shall be deemed to have elected to terminate irrevocably and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a DIRECTV Derivative Equity Interest Exercise with respect to any Derivative Equity Interests held by DIRECTV and the Unit Affiliates of DIRECTV, (B) the Network shall not be required to purchase any Units issuable upon such DIRECTV Derivative Equity Interest Exercise, and (C) upon consummation of the DIRECTV Purchase Right Closing, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. If the DIRECTV Purchase Right Closing does not occur within ninety (90) days of the DIRECTV Purchase Right Value Determination Date or such other time as the Network and DIRECTV agree, then (1) any DIRECTV Derivative Equity Interest Exercise Notice delivered by DIRECTV pursuant to the first sentence of this Section 12.6 (b) shall be deemed to be rescinded and shall have no force and effect, and (2) the right of DIRECTV and any Unit Affiliate who holds any Derivative Equity Interests (including if DIRECTV failed to deliver a DIRECTV Derivative Equity Interest Exercise Notice within the ten-day period following the DIRECTV Purchase Right Value Determination Date) to effect a DIRECTV Derivative Equity Interest Exercise in accordance with the terms of such Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by DIRECTV.

(c) The closing of the purchase and sale of the DIRECTV Purchase Right Units pursuant to this Section 12.6(c) (the “**DIRECTV Purchase Right Closing**”) shall be made within 90 days of the DIRECTV Purchase Right Value Determination Date, at the offices of, and at a date and time reasonably selected by, the Network. At the DIRECTV Purchase Right Closing, (i) DIRECTV and its Unit Affiliates shall (A) if applicable, effect their respective DIRECTV Derivative Equity Interest Exercises in accordance with their respective DIRECTV Derivative Equity Interest Exercise Notices delivered pursuant to Section 12.6(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Network in order to vest full beneficial and record ownership of the DIRECTV Equity Units owned by DIRECTV and its Unit Affiliates at the DIRECTV Purchase Right Closing in the Network, and (C) represent and warrant to the Network (in addition to other customary representations and warranties reasonably requested by Network) that such DIRECTV Purchase Right Units are being transferred to the Network free and clear of all liens, encumbrances and interests or rights of other Persons (except as otherwise provided in the Transaction Documents), and (ii) the Network shall make payment to DIRECTV or its Unit Affiliates in an amount equal to the Final Fair Market Value of a DIRECTV Equity Unit *multiplied by* the number of DIRECTV Equity Units being purchased by the Network from such Person, such payment to be made by the following means (at the Network’s option): (A) wire transfer of immediately available funds to an account specified in writing by DIRECTV, (B) delivery of an unsecured promissory note issued by the Network bearing interest at the rate of 8% per annum, the principal and interest under which shall be payable in cash on the second anniversary of the DIRECTV Purchase Right Closing, or (C) any combination of the foregoing means.

(d) Following the DIRECTV Purchase Right Closing, in the event that (x) all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or previously forfeited, or (y) all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited and DIRECTV is a Limited Member, then all of the remaining Series A Preferred Units shall automatically be converted into Class A Common Units pursuant to Section 5.2(e)(iv)(2).

(e) For all purposes of this Section 12.6, DIRECTV and its Unit Affiliates expressly acknowledge and agree that the exercise by the Network of its right to purchase the DIRECTV Equity Units under this Section 12.6 may occur as a result of the action or failure to act of one or more Persons which Persons are not party to this Agreement, and DIRECTV and its Unit Affiliates each expressly waives any objection to the exercise by the Network of its right to purchase the DIRECTV Equity Units under this Section 12.6 as a result of any failure or inability of DIRECTV or any of its Unit Affiliates to Control such Persons or the actions or inactions of such Persons.

(f) The exercise by the Network of its right to purchase the DIRECTV Equity Units as set forth in this Section 12.6 shall be in addition to, and not in limitation of, any other rights or remedies available to the Network under this Agreement or the DIRECTV Affiliation Agreement, or by law, statute, ordinance or otherwise, and shall not preclude or waive the exercise by the Network of any or all of such other rights or remedies.

Section 12.7 DTV Call Right.

(a) Appraisal. During the period beginning 120 days before the seventh anniversary of the Launch Date and ending on the seventh anniversary of the Launch Date, either Comcast or Radio One shall be permitted to demand that Appraisals be completed by Investment Banks to determine the Final Fair Market Value. If Comcast or Radio One elects to exercise such right, it shall provide written notice of such demand to Radio One or Comcast, as applicable, and to each of the DIRECTV Members within such 120-day period. Following the making of such demand in writing, (i) Comcast, Radio One and the DIRECTV Members shall initiate the process of selecting Investment Banks in accordance with Section 12.1(i) hereof, (ii) Comcast, Radio One, the DIRECTV Members and the Network shall cooperate with the Investment Banks in connection with the completion of the Appraisals and (iii) the Network shall make available such information and personnel as the Investment Banks deem reasonably necessary to complete their determination of the Final Fair Market Value within sixty (60) days of the date that the Investment Banks are selected in accordance with Section 12.1(i) hereof. Upon completion of the Appraisals, the Investment Banks shall deliver their determination of the Final Fair Market Value together with relevant reports and related work papers to the Network, Comcast, Radio One and the DIRECTV Members. The determination of the Investment Banks as to the Final Fair Market Value shall be final and binding upon the parties.

(b) Derivative Equity Interest Exercise. No later than the 10th day following the delivery by the Investment Banks of their determination of the Final Fair Market Value, each DIRECTV Member who is a holder of any Derivative Equity Interest shall provide written notice to the Network, Comcast and Radio One (the “DTV Equity Interest Exercise Notice”), pursuant to which such holder shall irrevocably commit and agree to (i) pay any and all amounts necessary to exercise, convert or exchange any such Derivative Equity Interests into Units and deliver any notices or documents as are required to effect any such exercise, conversion or exchange, (ii) surrender any such Derivative Equity Interests for termination without any consideration for such termination, or (iii) irrevocably cancel and terminate any right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests (including, without limitation, the termination of any right applicable to any debt security to convert such security in whole or in part into Units or Derivative Equity Interests), in each case in order to effect the action set forth in clauses (i)-(iii), as applicable concurrent with the applicable closing (a “DTV Derivative Equity Interest Exercise”). Promptly following the delivery of a DTV Derivative Equity Interest Exercise Notice, such DIRECTV Member shall execute any other documents and agreements requested by the Network to effect such DTV Derivative Equity Interest Exercise. Any Units issued pursuant to any DTV Derivative Equity Interest Exercise, together with all other Units owned by the DIRECTV Member, shall be referred to herein as “DTV Call Units.” If a DIRECTV Member holding a Derivative Equity Interest shall fail to deliver a DTV Derivative Equity Interest Exercise Notice within such ten-day period, then, subject to the last sentence of this Section 12.7(b), (A) such DIRECTV Member shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a DTV Derivative Equity Interest Exercise with respect to any Derivative Equity Interests held by such DIRECTV Member, (B) Comcast and Radio One (and the Network, in the event of a DTV Redemption Closing) shall not be required to purchase any Units issuable upon any DTV Derivative Equity Exercise of such DIRECTV Member, and (C) upon the consummation of the DTV Call Right Closing or DTV Redemption Closing, as applicable, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. If the DTV Call Right Closing or DTV Redemption Closing does not occur within ninety (90) days after the Initial DTV Call Meeting Date, or such other time as the Network, Comcast, Radio One and the DIRECTV Members shall agree (but in no event more than one hundred eighty (180) days after the Initial DTV Call Meeting Date), then (y) any DTV Derivative Equity Interest Exercise Notice delivered by a DIRECTV Member pursuant to the first sentence of this Section 12.7(b) shall be deemed to be rescinded and shall have no force and effect, and (z) the right of all DIRECTV Members holding Derivative Equity Interests (including without limitation all such DIRECTV Members who failed to deliver a DTV Derivative Equity Interest Exercise Notice within the ten-day period following delivery by the Investment Banks of their determination of the Fair Market Value) to effect a DTV Derivative Equity Interest Exercise in accordance with the terms of such Member’s Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person.

(c) Exercise of Call Right. No later than the 30th day after delivery by the Investment Banks of the Final Fair Market Value, Comcast and Radio One shall each deliver written notice (each, an “DTV Call Exercise Notice”) by certified mail to the Chief Executive Officer of the Network with instructions not to open the envelopes containing the Exercise Notices prior to a meeting among the Chief Executive Officer and representatives of Comcast and Radio One (the “DTV Call Initial Meeting”). The DTV Call Initial Meeting shall take place at the offices of the Network (1) at a date and time agreed upon by the Chief Executive Officer, Comcast and Radio One, or (2) if such Persons cannot agree upon a date within five (5) days after the end of such 30-day period, on a date and time selected by the Chief Executive Officer (and provided to Comcast and Radio One in writing), which date shall not be later than the 45th day following the delivery by the Investment Banks of their determination of the Final Fair Market Value (the “DTV Call Initial Meeting Date”); *provided*, that if Comcast or Radio One does not deliver a DTV Call Exercise Notice in the time frame set forth in the first sentence hereof, then the DTV Call Initial Meeting Date shall be at a date and time agreed upon by the Chief Executive Officer and (A) Radio One, if Comcast does not deliver a DTV Call Exercise Notice and (B) Comcast, if Radio One does not deliver a DTV Call Exercise Notice. The Comcast DTV Call Exercise Notice shall state whether or not Comcast agrees to purchase all of the DTV Call Units for an aggregate price equal to the product of the Final Fair Market Value multiplied by the number of all DTV Call Units (the “DTV Call Unit Price”) and the Radio One DTV Call Exercise Notice shall state whether or not Radio One agrees to purchase all of the DTV Call Units at the DTV Call Unit Price. The failure by Comcast or Radio One to deliver a DTV Call Exercise Notice within such 30-day period shall be deemed to be the delivery of a DTV Call Exercise Notice stating that such Person does not agree to purchase the DTV Call Units at the DTV Call Unit Price. At the DTV Call Initial Meeting, the Chief Executive Officer shall open the DTV Call Exercise Notice envelopes and provide the representatives of Comcast and Radio One with copies of both DTV Call Exercise Notices. The following provisions shall thereafter be applicable:

(i) If Comcast's DTV Call Exercise Notice states that Comcast desires to buy all of the DTV Call Units for the DTV Call Unit Price and Radio One does not deliver a DTV Call Exercise Notice or Radio One's DTV Call Exercise Notice states that Radio One does not desire to buy all of the DTV Call Units, then (A) Comcast shall be obligated to purchase all of the DTV Call Units for the DTV Call Unit Price and (B) the DIRECTV Members shall be obligated to sell all of the DTV Call Units to Comcast for the DTV Call Unit Price. The purchase and sale of the DTV Call Units pursuant to this Section 12.7(c)(i) shall take place in accordance with the provisions set forth in Section 12.7(d) hereof.

(ii) If Radio One's DTV Call Exercise Notice states that Radio One desires to buy all of the DTV Call Units for the DTV Call Unit Price and Comcast does not deliver a DTV Call Exercise Notice or Comcast's DTV Call Exercise Notice states that Comcast does not desire to buy all of the DTV Call Units, then (A) Radio One shall be obligated to purchase all of the DTV Call Units for the DTV Call Unit Price and (B) the DIRECTV Members shall be obligated to sell all of the DTV Call Units to Radio One for the DTV Call Unit Price. The purchase and sale of the DTV Call Units pursuant to this Section 12.7(c)(ii) shall take place in accordance with the provisions set forth in Section 12.7(d) hereof.

(iii) If the DTV Call Exercise Notices of both Comcast and Radio One state that each such Person desires to buy all of the DTV Call Units for the DTV Call Unit Price, then (A) Comcast and Radio One shall be obligated to purchase all of the DTV Call Units for the DTV Call Unit Price, in such relative amounts that after such purchase (1) Radio One and its Unit Affiliates collectively own 51% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any), and (2) Comcast and its Unit Affiliates collectively own 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any); *provided, however*, that if Comcast and its Unit Affiliates collectively own more than 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any) prior to the opening of the DTV Call Exercise Notices pursuant to Section 12.7(c) hereof, then Radio One shall purchase all of the DTV Call Units for the DTV Call Unit Price and (B) the DIRECTV Members shall be obligated to sell all of their DTV Call Units to Comcast and/or Radio One for an aggregate price equal to the DTV Call Unit Price in accordance with this paragraph. The purchase and sale of DTV Call Units pursuant to this Section 12.1(c)(iii) shall take place in accordance with the provisions set forth in Section 12.7(d) hereof.

(iv) If the DTV Call Exercise Notices of both Comcast and Radio One state that each such Person desires to buy all of the DTV Call Units for the DTV Call Unit Price and each of Comcast and Radio One elects to cause such DTV Call Units to be redeemed by the Network for an aggregate price equal to the DTV Call Unit Price instead of purchased by Comcast and Radio One pursuant to Section 12.7(c)(iv) hereof, then the Network shall redeem the DTV Call Units using capital of the Network and/or additional Capital Contributions made by Comcast and Radio One. In the event Comcast and Radio One fund this redemption through additional Capital Contributions, such Capital Contributions shall be made in exchange for the same aggregate number of Class A Common Units as are issuable upon the conversion of Series A Preferred Units held by the DIRECTV Members plus all other Units (including any Units issued or issuable pursuant to a Derivative Equity Interest Exercise made pursuant to Section 12.7(b)) held by the DIRECTV Members and being purchased by the Network and in such relative amounts such that after such contribution and exchange (1) Radio One and its Unit Affiliates collectively own 51% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any), and (2) Comcast and its Unit Affiliates collectively own 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any); *provided, however*, that if Comcast and its Unit Affiliates collectively own more than 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any) prior to the opening of the DTV Call Exercise Notices, Radio One shall make all of the Capital Contributions necessary to redeem the DIRECTV Members. The redemption of Units pursuant to this Section 12.7(c)(v) shall take place in accordance with the provisions set forth in Section 12.7(e) hereof.

(v) If the DTV Call Exercise Notices of both Comcast and Radio One state that neither of such Persons desire to buy all of the DTV Call Units for the DTV Call Unit Price, (A) neither Comcast nor Radio One shall be obligated to purchase the DTV Call Units pursuant to this Section 12.7, (B) the DIRECTV Members shall not be obligated to sell their DTV Call Units to Comcast or Radio One pursuant to this Section 12.7, (C) the DTV Derivative Equity Interest Exercise Notice delivered by the DIRECTV Members pursuant to the first sentence of Section 12.7(b) shall be deemed to be rescinded and shall have no force and effect, (D) the right of all DIRECTV Members holding Derivative Equity Interests (including without limitation all DIRECTV Members who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period following delivery by the Investment Banks of their determination of the Fair Market Value) to effect a DTV Derivative Equity Interest Exercise in accordance with the terms of such Member's Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person and (E) the Person that first demanded that Appraisals be completed pursuant to Section 12.7 (a) hereof shall be required to reimburse the Network for the Appraisal-related costs and expenses incurred by the Network pursuant to Section 12.1(i) hereof.

(vi) If Comcast's DTV Call Exercise Notice states that Comcast desires to buy all of the DTV Call Units for the DTV Call Unit Price and if Comcast desires to issue common stock of Comcast Corporation as all or a portion of the purchase price for the DTV Call Units it will purchase at the DTV Call Right Closing, provided that Comcast Corporation is eligible to use Form S-3 (or a similar form of registration statement), Comcast shall deliver to the DIRECTV Members, at least thirty (30) days prior to the DTV Call Right Closing, the Comcast Registration Rights Agreement executed by Comcast Corporation, and each DIRECTV Member shall be required to execute the Comcast Registration Rights Agreement and return such agreement (as so executed) to Comcast Corporation within ten (10) days following receipt thereof. If Comcast does not deliver an executed copy of the Comcast Registration Rights Agreement to the DIRECTV Members at least thirty (30) days prior to the DTV Call Right Closing, Comcast shall not be permitted to issue common stock of Comcast Corporation to any DIRECTV Member as all or a portion of the purchase price for the DTV Call Units held by such DIRECTV Member at the Call Right Closing (without the consent of such DIRECTV Member). If any DIRECTV Member does not execute and return the Comcast Registration Rights Agreement within the 10 day period set forth above, Comcast shall be permitted to issue common stock of Comcast Corporation to such DIRECTV Member as all or a portion of the purchase price for the DTV Call Units held by such DIRECTV Member at the DTV Call Right Closing, but neither Comcast Corporation nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Comcast Registration Rights Agreement or otherwise.

(vii) If Radio One's DTV Call Exercise Notice states that Radio One desires to buy all of the DTV Call Units for the DTV Call Unit Price and if Radio One desires to issue common stock of Radio One, Inc. as all or a portion of the purchase price for the DTV Call Units it will purchase at the DTV Call Right Closing, provided that Radio One, Inc. is eligible to use Form S-3 (or a similar form of registration statement), Radio One shall deliver to the DIRECTV Members, at least thirty (30) days prior to the DTV Call Right Closing, the Radio One Registration Rights Agreement executed by Radio One, Inc., and each DIRECTV Member shall be required to execute the Radio One Registration Rights Agreement and return such agreement (as so executed) to Radio One, Inc. within ten (10) days following receipt thereof. If Radio One does not deliver an executed copy of the Radio One Registration Rights Agreement to the DIRECTV Members at least thirty (30) days prior to the DTV Call Right Closing, Radio One shall not be permitted to issue common stock of Radio One, Inc. to any DIRECTV Member as all or a portion of the purchase price for the DTV Call Units held by such DIRECTV Member at the DTV Call Right Closing (without the consent of such DIRECTV Member). If any DIRECTV Member does not execute and return the Radio One Registration Rights Agreement within the 10 day period set forth above, Radio One shall be permitted to issue common stock of Radio One, Inc. to such DIRECTV Member as all or a portion of the purchase price for the DTV Call Units held by such DIRECTV Member at the DTV Call Right Closing, but neither Radio One, Inc. nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Radio One Registration Rights Agreement or otherwise.

(d) DTV Call Right Closing. The closing (the "**DTV Call Right Closing**") of the purchase and sale of the DTV Call Units (to the extent applicable, after giving effect to the DTV Derivative Equity Interest Exercise made by each DIRECTV Member) pursuant to Section 12.7(c)(i)-(iii) hereof shall be made on a date within ninety (90) days of the DTV Call Initial Meeting Date. At the DTV Call Right Closing, which shall be at a place and time reasonably selected by the Person purchasing DTV Call Units at such closing, (i) each of the DIRECTV Members shall (A) if applicable, effect the DTV Derivative Equity Interest Exercise in accordance with such DIRECTV Member's DTV Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.7(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Persons purchasing such Member's DTV Call Units in order to vest full beneficial and record ownership of all of the DTV Call Units then owned by such Member in the Persons purchasing the DTV Call Units, and (C) represent and warrant to the Persons purchasing such Member's DTV Call Units (in addition to such other customary representations and warranties requested by the Persons purchasing such DTV Call Units) that such DTV Call Units are being transferred to such Persons free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement, the Buy/Sell Agreement or the Radio One Change of Control Agreement), and (ii) each Person purchasing DTV Call Units shall make payment to each DIRECTV Member in an amount equal to the DTV Call Unit Price *multiplied by* a fraction, the numerator of which is the number of DTV Call Units being acquired from such Member by such Person and the denominator of which is the total number of DTV Call Units, such payment to be made by (at the purchaser's option) (x) wire transfer of immediately available funds to an account specified in writing by each DIRECTV Member, (y) subject to Section 12.9, the issuance of the most widely held class of common stock of Comcast Corporation and/or Radio One, Inc. (based upon the average closing price for such common stock during the ten (10) consecutive trading days ending two days prior to the date of the Call Right Closing), which shares of common stock, except as otherwise provided in Section 12.7(c)(viii) and (ix) above, shall be "Registrable Securities" pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (z) subject to Section 12.9, any combination of the foregoing. The right to issue common stock of (I) Comcast Corporation as payment at the DTV Call Right Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the Call Right Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member. In connection with the DTV Call Right Closing, Comcast and Radio One may assign all or any portion of its respective purchase rights under this Section 12.7(d) to an Affiliate of such Person. In the event that either or both of Comcast or Radio One, as applicable, fails to fully satisfy or be in a position to satisfy its obligations to purchase DTV Call Units at the DTV Call Right Closing (each, a "**DTV Call Right Defaulting Person**") and such DTV Call Right Closing does not occur, (1) so long as all of the DIRECTV Members have fully satisfied or are in a position to fully satisfy at the DTV Call Right Closing all of their conditions and obligations in connection with such DTV Call Right Closing, the DTV Call Right Defaulting Person shall reimburse (or in the event there is more than one DTV Call Right Defaulting Person, the DTV Call Right Defaulting Persons shall reimburse in proportion to the relative DTV Call Units to be purchased by each DTV Call Right Defaulting Person at the DTV Call Right Closing) the DIRECTV Members for their actual and reasonable out of pocket expenses incurred (not to exceed \$50,000.00 in the aggregate for all DIRECTV Members) in connection with the DTV Call Right Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the DTV Call Right Defaulting Person(s)), and (2) any DTV Call Right Defaulting Person's rights but not obligations to participate in such DTV Call Right Closing shall automatically and irrevocably terminate.

(e) DTV Redemption Closing. The closing (the “**DTV Redemption Closing**”) of the redemption of DTV Call Units (to the extent applicable, after giving effect to the Derivative Equity Interest Exercise made by each DIRECTV Member) pursuant to Section 12.7(c)(v) or (vi) hereof shall be made at a date within ninety (90) days of the DTV Call Initial Meeting Date. At the DTV Redemption Closing, which shall be at a place and time reasonably selected by the Network, (i) each of the DIRECTV Members shall (A) if applicable, effect the DTV Derivative Equity Interest Exercise in accordance with such DIRECTV Member’s DTV Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.7 (b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Network, and (C) represent and warrant to the Network (in addition to such other customary representations and warranties requested by the Network) that such DTV Call Units are being transferred to the Network free and clear of liens, encumbrances and interests or rights of other Persons, and (ii) the Network shall make payment to each DIRECTV Member in an amount equal to the DTV Call Unit Price *multiplied by* a fraction, the numerator of which is the number of DTV Call Units being redeemed from such Member and the denominator of which is the total number of DTV Call Units, such payment to be made by wire transfer of immediately available funds to an account specified in writing by the DIRECTV Members. In the event that the Network fails to fully satisfy or be in a position to fully satisfy its obligations to purchase DTV Call Units at the DTV Redemption Closing and such DTV Redemption Closing does not occur, (1) so long as all of the DIRECTV Members have fully satisfied or are in a position to fully satisfy at the DTV Redemption Closing all of their conditions and obligations in connection with such DTV Redemption Closing, the Network shall reimburse the DIRECTV Members for their actual and reasonable out of pocket expenses incurred (not to exceed \$50,000.00 in the aggregate for all DIRECTV Members) in connection with the DTV Redemption Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the Network), and (2) the Network’s rights but not obligations to participate in such DTV Redemption Closing shall automatically and irrevocably terminate.

(f) Board Composition: Conversion of Series A Preferred Units. Following the DTV Call Right Closing or the DTV Redemption Closing, as applicable, (i) in the event that all of the Series A Preferred Units held by the Financial Investor Members have not been purchased, redeemed or previously forfeited pursuant to (and subject to the limitations set forth in) Section 4.4(l) hereof, the Board shall consist of five (5) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the owner of a majority of the outstanding Units after the DTV Call Right Closing or the DTV Redemption Closing, as applicable, (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate three (3) Managers, the owner of less than a majority of the Units (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate one (1) Manager and the Financial Investor Members shall designate one (1) Manager; (ii) in the event that all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited pursuant to (and subject to the limitations set forth in) Section 4.4(l) hereof, the Board shall consist of three (3) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the owner of a majority of the outstanding Units after the DTV Call Right Closing or the DTV Redemption Closing, as applicable, (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate two (2) Managers and the owner of less than a majority of the Units (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate one (1) Manager; (iii) in the event that (x) all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or previously forfeited, or (y) all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited and DIRECTV is a Limited Member, then all of the remaining Series A Preferred Units shall automatically be converted into Class A Common Units pursuant to Section 5.2(e)(iv)(2); and (iv) in the event that, pursuant to this provision, Comcast has the right to designate a majority of the Managers, Comcast may deliver to Radio One and the Network a Termination Notice pursuant to Section 6.2(d) of the Network Services Agreement.

(g) Radio One Termination. Upon delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(g) of the Radio One Change of Control Agreement or upon a Radio One Trigger Event, Radio One’s rights to demand an Appraisal and participate in a purchase of Units under this Section 12.7 shall terminate and be of no further force or effect.

(h) Comcast Termination. Upon a Comcast Trigger Event, Comcast’s rights to demand an Appraisal and participate in a purchase of Units under this Section 12.7 shall automatically terminate and be of no further force or effect.

Section 12.8 DTV Put Rights.

(a) Exercise of DTV Put Rights; Appraisal. Each DIRECTV Member may, in its sole discretion, elect during the ninety (90) day period ending on July 19, 2011 (the “**DTV Put Exercise Period**”), to have the Network purchase all (but not less than all) of such DIRECTV Member’s Units for an aggregate price equal to the Final Fair Market Value of such Units. Each DIRECTV Member that desires to make such an election (a “**Selling DTV Put Right Member**”) shall exercise this right by providing written notice (a “**DTV Put Notice**”) to the Network, Comcast and Radio One at any time during the DTV Put Exercise Period. Following the delivery of a DTV Put Notice, (i) Comcast, Radio One and the Selling DTV Put Right Members shall initiate the process of selecting Investment Banks to determine the Final Fair Market Value in accordance with 12.1(i) hereof, (ii) Comcast, Radio One, the Selling DTV Put Right Members and the Network shall cooperate with the Investment Banks in connection with the completion of the Appraisals and (iii) the Network shall make available such information and personnel as the Investment Banks deem necessary to complete their determination of the Final Fair Market Value within 60 days after the date that the Investment Banks are selected in accordance with Section 12.1(i) hereof. Upon completion of the Appraisals, the Investment Banks shall deliver their determination of the Final Fair Market Value to the Network, the Selling DTV Put Right Members, Comcast and Radio One (such date of delivery, the “**DTV Put Right Determination Date**”). The determination of the Investment Banks as to the Final Fair Market Value shall be final and binding upon the parties for the purposes of this Section 12.8. Following receipt of the determination of the Investment Banks of the Final Fair Market Value, each Selling DTV Put Right Member may terminate its election to have the Network purchase such Selling DTV Put Right Member’s Units by delivering written notice of such termination to the Network, Comcast and Radio One within five (5) Business Days following the DTV Put Right Determination Date. Any Selling DTV Put Right Member that terminates its election pursuant to the previous sentence shall no longer be considered a Selling DTV Put Right Member for purposes of Sections 12.8(b), (c) and (d) hereof and shall be required to reimburse the Network for a percentage of the Appraisal-related costs and expenses incurred by the Network pursuant to Section 12.1(i) hereof, such percentage to be calculated by dividing the number of Units held by such Selling DTV Put Right Member by the number of Units held by all Selling DTV Put Right Members.

(b) Derivative Equity Interest Exercise. No later than the 10th day following the DTV Put Right Determination Date, each Selling DTV Put Right Member who is a holder of any Derivative Equity Interest and who wishes to make a Derivative Equity Interest Exercise at the DTV Put Right Closing shall provide a Derivative Equity Interest Exercise Notice to the Network, Comcast and Radio One. Any Units issued pursuant to such Derivative Equity Interest Exercise, together with all other Units offered for sale by the Selling DTV Put Right Members shall be referred to herein as “**DTV Put Units**.” If a Selling DTV Put Right Member holding a Derivative Equity Interest shall fail to make a Derivative Equity Interest Exercise within such ten-day period then, subject to the last sentence of this Section 12.8(b), (i) such Selling DTV Put Right Member shall be deemed to have elected to irrevocably terminate and cancel its right to acquire Units or Derivative Equity Interests or to convert any security into Units or Derivative Equity Interests and shall cease to have any right to effect a Derivative Equity Interest Exercise with respect to such Selling DTV Put Right Member’s Derivative Equity Interests at any time, (ii) the Network (and Comcast or Radio One, as applicable) shall not be required to purchase any Units issuable upon such Derivative Equity Interest Exercise of such Selling DTV Put Right Member, and (iii) upon the consummation of the DTV Put Right Closing, all such Derivative Equity Interests (or, if applicable, the right applicable to any debt security to convert such security in whole or part into Units or Derivative Equity Interests) shall terminate automatically and without any further action by any Person. If the DTV Put Right Closing does not occur on the DTV Put Closing Date, or such other time as the Network, Comcast, Radio One and the Selling DTV Put Right Members shall agree (but in no event more than ninety (90) days after the DTV Put Closing Date) then (A) any Derivative Equity Interest Exercise Notice delivered by a Selling DTV Put Right Member pursuant to the first sentence of this Section 12.8 (b) shall be deemed to be rescinded and shall have no force and effect, and (B) the right of all Selling DTV Put Right Members holding Derivative Equity Interests (including without limitation all such Selling DTV Put Right Members who failed to deliver a Derivative Equity Interest Exercise Notice within the ten-day period following delivery by the Investment Banks of their determination of the Fair Market Value) to effect a Derivative Equity Interest Exercise in accordance with the terms of such Member’s Derivative Equity Interest and the terms hereof shall be automatically restored without any further action by any Person.

(c) Participation. No later than the 30th day following the DTV Put Right Determination Date, at the election of Comcast and/or Radio One, Comcast and/or Radio One may elect to participate in a purchase of DTV Put Units pursuant to this Section 12.8 by delivering written notice (a “**DTV Put Participation Notice**”) to the Network, Comcast or Radio One, as appropriate, and the Selling DTV Put Right Members, specifying (x) the number of DTV Put Units that such Person desires to purchase for an aggregate price equal to the Final Fair Market Value of a DTV Put Unit *multiplied by* the number of DTV Put Units that such Person desires to purchase, *provided* that each such Person purchase at least a percentage of the DTV Put Units subject to the DTV Put Notice equal to the aggregate Percentage Interest of such Person and its Unit Affiliates, and (y) whether such purchase shall be made in cash or common stock of such Person. In the event Comcast or Radio One delivers a DTV Put Participation Notice, the following provisions shall be applicable:

(i) If Comcast delivers a DTV Put Participation Notice and Radio One does not deliver a DTV Put Participation Notice within five (5) days of receipt of Comcast’s DTV Put Participation Notice, then (A) Comcast shall be obligated to purchase the amount of DTV Put Units as specified in its DTV Put Participation Notice for an aggregate price equal to the Final Fair Market Value of a DTV Put Unit *multiplied by* the number of DTV Put Units to be purchased by Comcast (the “**Comcast DTV Put Price**”) and (B) the Selling DTV Put Right Members shall be obligated to sell the amount of DTV Put Units as specified in the DTV Put Participation Notice to Comcast for the Comcast DTV Put Price. The purchase and sale of DTV Put Units pursuant to this Section 12.8(c)(i) shall take place in accordance with the provisions set forth in Section 12.8(d) hereof.

(ii) If Radio One delivers a DTV Put Participation Notice and Comcast does not deliver a DTV Put Participation Notice within five (5) days of receipt of Radio One’s DTV Put Participation Notice, then (A) Radio One shall be obligated to purchase all of the DTV Put Units specified in its DTV Put Participation Notice for an aggregate price equal to the Final Fair Market Value of a DTV Put Unit *multiplied by* the number of DTV Put Units that Radio One is to purchase (the “**Radio One DTV Put Price**”), and (B) the Selling DTV Put Right Members shall be obligated to sell the amount of DTV Put Units as specified in the DTV Put Participation Notice to Radio One for the Radio One DTV Put Price. The purchase and sale of DTV Put Units pursuant to this Section 12.8(c)(ii) shall take place in accordance with the provisions set forth in Section 12.8(d) hereof.

(iii) If Radio One and Comcast both submit DTV Put Participation Notices, Comcast shall be obligated to purchase the number of DTV Put Units specified in the Comcast DTV Put Participation Notice for an aggregate price equal to the Final Fair Market Value multiplied by the number of DTV Put Units specified in the Comcast DTV Put Participation Notice and Radio One shall be obligated to purchase the number of DTV Put Units as specified in the Radio One DTV Put Participation Notice for an aggregate price equal to the Final Fair Market Value multiplied by the number of DTV Put Units specified in the Radio One DTV Put Participation Notice; *provided, however*, that if sum of the number of DTV Put Units specified in the Comcast DTV Put Participation Notice plus the number of DTV Put Units specified in the Radio One DTV Put Participation Notice exceeds the total number of DTV Put Units then (A) Comcast and Radio One shall be obligated to purchase all of the DTV Put Units for an aggregate price equal to the Final Fair Market Value multiplied by the total number of DTV Put Units, in such relative amounts that after such purchase (1) Radio One and its Unit Affiliates collectively own 51% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any), and (2) Comcast and its Unit Affiliates collectively own 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any); *provided, however*, that if Comcast and its Unit Affiliates collectively own more than 49% of the outstanding Units (calculated on a Fully Diluted Basis, excluding the Class D Common Units and the Financial Investor Member Units, if any) prior to the delivery of the DTV Put Notice pursuant to Section 12.8(a) hereof, Radio One shall purchase all of the DTV Put Units for an aggregate price equal to the Final Fair Market Value multiplied by the total number of DTV Put Units, and (B) the Selling DTV Put Right Members shall be obligated to sell all of their DTV Put Units to Comcast and/or Radio One in the amounts and for the prices set forth in subsection (A) of this paragraph. The purchase and sale of Units pursuant to this Section 12.8(c)(iii) shall take place in accordance with the provisions set forth in Section 12.8(d) hereof.

(iv) The number of DTV Put Units subject to DTV Put Participation Notices submitted by Comcast and/or Radio One shall reduce the number of DTV Put Units required to be purchased by the Network at the DTV Put Right Closing.

(v) If Comcast submits a DTV Put Participation Notice and if Comcast desires to issue common stock of Comcast Corporation as all or a portion of the purchase price for the DTV Put Units it will purchase at the DTV Put Right Closing, provided that Comcast Corporation is eligible to use Form S-3 (or a similar form of registration statement), Comcast shall deliver to the Selling DTV Put Right Members, at least thirty (30) days prior to the DTV Put Closing Date, the Comcast Registration Rights Agreement executed by Comcast Corporation, and each Selling DTV Put Right Member shall be required to execute the Comcast Registration Rights Agreement and return such agreement (as so executed) to Comcast Corporation within ten (10) days following receipt thereof. If Comcast does not deliver an executed copy of the Comcast Registration Rights Agreement to the Selling DTV Put Right Members at least thirty (30) days prior to the DTV Put Closing Date, Comcast shall not be permitted to issue common stock of Comcast Corporation to any Selling DTV Put Right Member as all or a portion of the purchase price for the DTV Put Units held by such Selling DTV Put Right Member at the DTV Put Right Closing (without the consent of such Selling DTV Put Right Member). If any Selling DTV Put Right Member does not execute and return the Comcast Registration Rights Agreement within the 10 day period set forth above, Comcast shall be permitted to issue common stock of Comcast Corporation to such Selling DTV Put Right Member as all or a portion of the purchase price for the DTV Put Units held by such Selling DTV Put Right Member at the DTV Put Right Closing, but neither Comcast Corporation nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Comcast Registration Rights Agreement or otherwise.

(vi) If Radio One submits a DTV Put Participation Notice and if Radio One desires to issue common stock of Radio One, Inc. as all or a portion of the purchase price for the DTV Put Units it will purchase at the DTV Put Right Closing, provided that Radio One, Inc. is eligible to use Form S-3 (or a similar form of registration statement), Radio One shall deliver to the Selling DTV Put Right Members, at least thirty (30) days prior to the DTV Put Closing Date, the Radio One Registration Rights Agreement executed by Radio One, Inc., and each Selling DTV Put Right Member shall be required to execute the Radio One Registration Rights Agreement and return such agreement (as so executed) to Radio One, Inc. within ten (10) days following receipt thereof. If Radio One does not deliver an executed copy of the Radio One Registration Rights Agreement to the Selling DTV Put Right Members at least thirty (30) days prior to the DTV Put Closing Date, Radio One shall not be permitted to issue common stock of Radio One, Inc. to any Selling DTV Put Right Member as all or a portion of the purchase price for the DTV Put Units held by such Selling DTV Put Right Member at the DTV Put Right Closing (without the consent of such Selling DTV Put Right Member). If any Selling DTV Put Right Member does not execute and return the Radio One Registration Rights Agreement within the 10 day period set forth above, Radio One shall be permitted to issue common stock of Radio One, Inc. to such Selling DTV Put Right Member as all or a portion of the purchase price for the DTV Put Units held by such Selling DTV Put Right Member at the DTV Put Right Closing, but neither Radio One, Inc. nor any of its Affiliates shall be under any obligation to register such common stock in accordance with the provisions of the Radio One Registration Rights Agreement or otherwise.

(d) DTV Put Right Closing. The closing (the “**DTV Put Right Closing**”) of the purchase and sale of the DTV Put Units pursuant to this Section 12.8 shall be made on a date within ninety (90) days of the DTV Put Right Determination Date (the “**DTV Put Closing Date**”) and, to the extent applicable, shall be made after giving effect to the Derivative Equity Interest Exercise made by each Selling DTV Put Right Member. At the DTV Put Right Closing, which shall be at a place and time reasonably selected by the Person purchasing DTV Put Units at such closing, (i) each of the Selling DTV Put Right Members shall (A) if applicable, effect the Derivative Equity Interest Exercise in accordance with such Selling DTV Put Right Member’s Derivative Equity Interest Exercise Notice delivered pursuant to Section 12.8(b) hereof, (B) execute and deliver such documents as shall be reasonably requested by the Persons purchasing such Member’s DTV Put Units in order to vest full beneficial and record ownership of all of such DTV Put Units then owned by such Member in the Persons purchasing such DTV Put Units, and (C) represent and warrant to the Persons purchasing such DTV Put Units (in addition to such other customary representations and warranties requested by the Persons purchasing such DTV Put Units) that such DTV Put Units are being transferred to such Persons free and clear of liens, encumbrances and interests or rights of other Persons (except as provided in this Agreement or the Buy/Sell Agreement), and (ii) each Person purchasing DTV Put Units shall make payment to each Selling DTV Put Right Member in an amount equal to the number of DTV Put Units being acquired from such Member by such Person *multiplied by* the Final Fair Market Value of such DTV Put Units, such payment to be made (at such purchaser’s option) (1) by wire transfer of immediately available funds to an account specified in writing by each Selling DTV Put Right Member, (2) subject to Section 12.9, with respect to purchases by Comcast or Radio One and at the option of each such Person, the issuance of the most widely held class of common stock of Comcast Corporation and/or Radio One, Inc. (based upon the average closing prices for a share of such common stock during the ten (10) consecutive trading days ending two days prior to the date of the DTV Put Right Closing), which shares of common stock, except as otherwise provided in Section 12.8(c)(vi) and (vii) above, shall be “Registrable Securities” pursuant to the provisions of the Comcast Registration Rights Agreement or the Radio One Registration Rights Agreement, as applicable, or (3) subject to Section 12.9, with respect to purchases by Comcast or Radio One and at the option of such Person, any combination of the foregoing. The right to issue common stock of (I) Comcast Corporation as payment at the DTV Put Right Closing shall terminate in the event neither Comcast Corporation nor any Affiliate of Comcast Corporation is a Member and (II) Radio One, Inc. as payment at the DTV Put Right Closing shall terminate in the event neither Radio One, Inc. nor any Affiliate of Radio One, Inc. is a Member. In connection with the DTV Put Right Closing, Comcast and Radio One may assign all or any portion of its respective purchase rights under this Section 12.8(d) to an Affiliate of such Person. In the event that any of the Selling DTV Put Right Members fails to fully satisfy or be in a position to fully satisfy its obligations to sell the DTV Put Units at the DTV Put Right Closing (each, a “**DTV Put Right Defaulting Person**”) and such DTV Put Right Closing does not occur, (1) so long as Comcast and/or Radio One have fully satisfied or are in a position to fully satisfy all of their conditions and obligations at the DTV Put Right Closing in connection with such DTV Put Right Closing, the DTV Put Right Defaulting Person shall reimburse (or in the event there is more than one DTV Put Right Defaulting Person, the DTV Put Right Defaulting Persons shall reimburse in proportion to the relative DTV Put Units to be sold by each DTV Put Right Defaulting Person at the DTV Put Right Closing) Comcast and/or Radio One for their actual and reasonable out of pocket expenses incurred (not to exceed \$50,000.00 in the aggregate for Comcast and/or Radio One) in connection with the DTV Put Right Closing (provided that such reimbursement shall not constitute, or be deemed to be, an admission of liability by the DTV Put Right Defaulting Person(s)), and (2) any DTV Put Right Defaulting Person’s rights but not obligations to participate in such DTV Put Right Closing shall automatically and irrevocably terminate.

(e) Board Composition; Conversion of Series A Preferred Units. Following the DTV Put Right Closing, (i) in the event that all of the Series A Preferred Units held by the Financial Investor Members have not been purchased, redeemed or previously forfeited pursuant to (and subject to the limitations set forth in) Section 4.4(m) hereof, the Board shall consist of five (5) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the owner of a majority of the outstanding Units after the DTV Put Right Closing (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate three (3) Managers, the owner of less than a majority of the Units (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate one (1) Manager and the Financial Investor Members shall designate one (1) Manager; (ii) in the event that all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited pursuant to (and subject to the limitations set forth in) Section 4.4(m) hereof, the Board shall consist of three (3) Managers and, as between Comcast and Radio One (together in each case with their respective Unit Affiliates), the owner of a majority of the outstanding Units after the DTV Put Right Closing (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate two (2) Managers and the owner of less than a majority of the Units (calculated on a Fully Diluted Basis, excluding all Class D Common Units and all Financial Investor Member Equity Interests, if any) shall designate one (1) Manager; (iii) in the event that (x) all of the Series A Preferred Units held by the Financial Investor Members and the DIRECTV Members have been purchased, redeemed or previously forfeited, or (y) all of the Series A Preferred Units held by the Financial Investor Members have been purchased, redeemed or previously forfeited and DIRECTV is a Limited Member, then all of the remaining Series A Preferred Units shall automatically be converted into Class A Common Units pursuant to Section 5.2(e)(iv)(2); and (iv) in the event that, pursuant to this provision, Comcast has the right to designate a majority of the Managers, Comcast may deliver to Radio One and the Network a Termination Notice pursuant to Section 6.2(d) of the Network Services Agreement.

(f) Radio One Termination. Upon delivery by Comcast of a Termination Notice (as defined in the Radio One Change of Control Agreement) to Radio One and the Network pursuant to Section 2.2(h) of the Radio One Change of Control Agreement or upon a Radio One Trigger Event, Radio One's rights to participate in a purchase of Units under this Section 12.8 shall terminate and be of no further force or effect.

(g) Comcast Termination. Upon a Comcast Trigger Event, Comcast's rights to participate in a purchase of Units under this Section 12.8 shall automatically terminate and be of no further force or effect.

Section 12.9 Purchase of DIRECTV Equity Interests for Common Stock . In the event Comcast or Radio One acquires, pursuant to the provisions of Sections 12.2, 12.4, 12.5, 12.7 and 12.8 of this Agreement, the Equity Interests in the Network owned by DIRECTV, and Comcast or Radio One elect to make payment in accordance with the above-referenced Sections by the issuance of the most widely held class of common stock of Comcast Corporation and/or Radio One, Inc, as the case may be, such purchaser and each DIRECTV Member shall use commercially reasonable efforts to effect the acquisition of the such Equity Interests through tax-free (for U.S. federal income tax purposes) mergers of the subsidiaries of DIRECTV that directly hold such Equity Interests with Comcast or Radio One, as applicable, or with one or more first-tier U.S. "C" corporation subsidiaries of Comcast or Radio One, as applicable (the "**DTV Equity Acquisition**"), or through some other mutually agreeable arrangement (including structuring the DTV Equity Acquisition as an acquisition of limited liability interests) such that the DTV Equity Acquisition will be tax-free to DIRECTV (except to the extent of any "boot" received by DIRECTV in the DTV Equity Acquisition).

ARTICLE XIII

ADDITIONAL, SUBSTITUTE AND LIMITED MEMBERS

Section 13.1 Admissions. No Person shall be admitted to the Network as a Member (other than the Initial Members) except in accordance with Section 13.2, 13.3, 13.4 or 13.5 hereof. Any purported admission, which is not in accordance with this Article XIII, shall be null and void. Upon admission of any Additional, Substitute Member or Limited Member, or upon any Member ceasing to be a Member, the books and records of the Network shall be revised accordingly to reflect such admission or cessation.

Section 13.2 Admission of Additional Members. Except for the admission of Class D Members which shall be as set forth in Section 13.5, a Person shall become an Additional Member pursuant to the terms of this Agreement only if and when each of the following conditions is satisfied:

(a) the Board, in its sole and absolute discretion, determines the nature and amount of the Capital Contribution and/or Capital Commitment to be made by such Person;

(b) the Board has received, on behalf of the Network, such Person's Capital Contribution and/or Capital Commitment as so determined;

(c) the Board consents in writing to such admission, which consent may be given or withheld in its sole and absolute discretion and, if such Person is to be admitted as a Member holding Units, the Board shall determine which class or series of authorized Units such Person shall hold;

(d) the Board receives written instruments (including, without limitation, such Person's consent to be bound by this Agreement as a Member) that are in form and substance satisfactory to the Board, as determined in its sole and absolute discretion;

(e) if requested by Comcast or Radio One, the Board receives a written joinder to the Buy/Sell Agreement in accordance with Section 3.8 thereof;

(f) such Person shall execute and deliver a subscription agreement with representations and warranties no less favorable to the Network than the representations and warranties contained in the Subscription Agreement; and

(g) the Members required to approve any classification or issuance of Units have approved such classification and issuance.

Section 13.3 Admission of Substitute Members. A Person who acquires all or a portion of a Member's Units shall become a Substitute Member of the Network only following a Transfer of Units made in accordance with Article XI hereof.

Section 13.4 Limited Members.

(a) A Member (or its successor in interest, if any, pursuant to (i) or (ii) below or his or her personal representatives, executors or heirs, pursuant to (iv) below) shall automatically become a Limited Member upon the earliest to occur of any of the following events:

(i) as to any Member that is not an individual, the filing of a certificate of dissolution, or its equivalent, for such Member;

(ii) as to any Member that Transfers all or any part of its Units (and as to the Person to whom such Units are Transferred), in the event that such Units are Transferred in a manner that does not comply with Article XI hereof following a determination by a court of competent jurisdiction or the Board upon advice of counsel selected by the Board that the provisions of Article XI shall not be applicable to such Transfer; *provided* that in the event of such a Transfer the limitations and restrictions applicable to a Limited Member shall only apply to the Units so Transferred;

(iii) the Bankruptcy of such Member;

(iv) as to any Non-Class D Member that is an individual, the death or permanent incapacity (as determined in good faith by the Board) of such Non-Class D Member;

(v) as to any Member that is a Comcast Unit Affiliate or a Radio One Unit Affiliate, upon a Prohibited Transfer of such Unit Affiliate pursuant to Section 11.5 hereof; or

(vi) as to any DIRECTV Member, in the event of a material breach by DIRECTV, INC. (or any successor or assignee of DIRECTV, INC.) of its Affiliate Distribution Obligations (as defined in the DIRECTV Affiliation Agreement) under the DIRECTV Affiliation Agreement for which the Network has sought, but not obtained, for any reason, specific performance, *unless* such material breach is cured within sixty days after the later of (A) the date of the initial court order denying such specific performance and (B) if such court order is appealed by the NETWORK, the final judgment on such appeal.

(b) Notwithstanding anything to the contrary contained in this Agreement, a Limited Member shall have no:

(i) right to vote on any matter being voted on by the Members generally or by any class or group of Members or to receive notice of a meeting of Members;

(ii) right to designate a Manager;

(iii) rights as a Non-Defaulting Member under Section 6.6 hereof;

(iv) right to make a Loan to the Network under Section 6.10 hereof;

(v) Right of First Refusal or Co-Sale Right under Sections 11.3 and 11.4 hereof;

(vi) right to deliver a Put Notice under Section 12.2 hereof;

(vii) Preemptive Rights under Section 12.3 hereof;

(viii) rights as a Tag-Along Seller under Section 12.4 hereof;

(ix) rights as an Exercising Drag-Along Seller under Section 12.5 hereof; and

(x) inspection or information rights provided to Members under Article XIV hereof.

(c) Subject to the limitations and restrictions set forth in Section 13.4(b) hereof, a Limited Member shall retain such rights, and remain subject to such obligations, as were applicable to such Limited Member (or the Member from whom such Limited Member acquired Units or other Equity Interests) prior to becoming a Limited Member. If a Limited Member shall fail, within twenty (20) days of a written request from the Network, Comcast or Radio One to consent in writing to be bound by this Agreement, the Radio One Change of Control Agreement and/or the Buy/Sell Agreement (in the event such Person is not a party to any such agreement at the time such written request is made), the Equity Interests held by such Limited Member shall be forfeited and cancelled.

Section 13.5 Admission of Class D Members. Persons awarded Class D Common Units under the Network Equity Plan shall be admitted as Members in accordance with the terms of the Network Equity Plan, the applicable Award Agreement and this Agreement if and only if, and when, each of the following conditions is satisfied:

(a) the Board or the Compensation Committee approves the issuance of such Class D Common Units to such Person, and

(b) the Board or the Compensation Committee receives written instruments (including, without limitation, such Person's consent to be bound by this Agreement as a Member and the Buy/Sell Agreement as a Class D Member and the applicable Award Agreement executed by such Person) that are in form and substance satisfactory to the Board, as determined in its sole and absolute discretion.

Section 13.6 Withdrawal of Member. Members shall not be permitted to voluntarily withdraw from the Network for any reason. Any Member shall cease to be a Member of the Network upon the date such Member ceases to hold any Units. No such Member shall have a right to a return of its Capital Contribution.

ARTICLE XIV
REPORTS TO MEMBERS

Section 14.1 Books and Records

(a) Each Non-Class D Member has the right, subject to such reasonable standards (including standards governing what information and documents are to be furnished at what time and location and at whose expense) as may be established by the Managers, to obtain from the Network from time to time upon reasonable demand for any purpose reasonably related to the Non-Class D Member's interest as a Member of the Network:

- (i) True and full information regarding the status of the business and financial condition of the Network;
- (ii) Promptly after they become available, a copy of the federal, state and local income tax returns for each year of the Network;
- (iii) A current list of the name and last known business, residence or mailing address of each Member and Manager;
- (iv) A copy of this Agreement, the Certificate of Formation and all amendments thereto;
- (v) True and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member; and
- (vi) Other information regarding the affairs of the Network as is reasonable.

(b) Each Class D Member has the right, subject to such reasonable standards (including standards governing what information and documents are to be furnished at what time and location and at whose expense) as may be established by the Board from time to time, to obtain from the Network from time to time upon reasonable demand for any purpose reasonably related to the Class D Member's interest as a Member of the Network:

- (i) information regarding the status of the business and financial condition of the Network;
- (ii) promptly after they become available, a copy of the federal, state and local income tax returns for each year of the Network; and
- (iii) a copy of this Agreement, the Certificate of Formation and all amendments thereto.

(c) Each Manager shall have the right to examine all of the information described in subsections (a) and (b) of this Section 14.1 for any purpose reasonably related to his or her position as a Manager.

(d) The Network may maintain its records in other than a written form if such form is capable of conversion into written form within a reasonable time.

(e) Any demand by a Member under this Section shall be in writing and shall state the purpose of such demand.

(f) The Network shall permit each Non-Class D Member to visit and inspect the Network's properties, to examine its books of account and records and to discuss the Network's affairs, finances and accounts with its officers, during normal business hours upon reasonable advance notice.

(g) The Network shall provide each Non-Class D Member with prompt notice of the initiation of any material legal action against the Network.

(h) The obligations and limitations set forth in Section 19.3 hereof shall apply to any Confidential Information disclosed or otherwise made available to any Member pursuant to this Section 14.1.

Section 14.2 Annual Reports. Within (x) seventy-five (75) days after the end of the Fiscal Year ending December 31, 2004, and (y) sixty (60) days after the end of each Fiscal Year thereafter, the Network shall cause to be prepared, and each Member furnished with, financial statements accompanied by a report thereon from Ernst & Young LLP, PricewaterhouseCoopers, KPMG LLP or Deloitte & Touche, or a successor thereto, approved by the Board following a recommendation by the Audit Committee or from another independent accounting firm approved by the Board following a recommendation by the Audit Committee and the holders of at least 75% of the outstanding Units entitled to vote hereunder (on a Fully-Diluted Basis) stating that such statements are prepared and fairly stated in all material respects in accordance with generally accepted accounting principles, and, to the extent inconsistent therewith, in accordance with this Agreement, including the following:

(a) A copy of the balance sheet of the Network as of the last day of such Fiscal Year;

(b) A statement of income or loss for the Network for such Fiscal Year; and

(c) A statement of the Members' Capital Accounts, changes thereto for such Fiscal Year and Percentage Interests at the end of such Fiscal Year.

Section 14.3 Quarterly Reports. Within thirty (30) days after the end of each quarter, the Network shall cause each Non-Class D Member to be furnished with quarterly financial statements prepared in accordance with the Network's methods of accounting, of the type described in Section 14.2, as of the last day of such quarter, *provided* that such quarterly reports need not include such footnotes as may be required by generally accepted accounting principles.

Section 14.4 Monthly Reports. Within ten (10) days after the end of each month, the Network shall cause each Non-Class D Member to be furnished with monthly financial statements prepared in accordance with the Network's methods of accounting, of the type described in Section 14.2, as of the last day of such month, *provided* that such monthly reports need not include such footnotes as may be required by generally accepted accounting principles.

Section 14.5 Tax Returns and Tax Information to Members. The Network shall send to each Person who was a Member at any time during such Fiscal Year such tax information, including, without limitation, Federal Tax Schedule K-1, as shall be reasonably necessary for the preparation of such Member's federal income tax return. The Tax Matters Partner shall use reasonable efforts to distribute all necessary tax information to each Member as soon as practicable after the end of each Taxable Year, but not later than seventy-five (75) days after the end of each Taxable Year; *provided, however*, that such period shall be automatically extended in the event of a delay beyond the control of the Tax Matters Partner, such as a delay resulting from the failure of a third party to provide required tax information to the Network in a timely manner.

Section 14.6 Class D Member Information Rights. Notwithstanding anything to the contrary in this Agreement, the Class D Members shall have no rights to obtain or review books or records of the Network or other information or reports except to the extent specifically set forth in Section 14.1(b), Sections 14.2 and Section 14.5 hereof.

ARTICLE XV

COMCAST CONSULTATION AND PROGRAMMING RIGHTS

Section 15.1 Consultation Rights. Before the Network enters into any affiliation or similar agreement to distribute the Network's programming service or programming content to broadcast, cable or satellite subscribers, the Network shall (recognizing Comcast Corporation's experience as to such matters) consult in good faith with an Affiliate of Comcast Corporation designated by Comcast regarding the terms and conditions of any such agreement; provided that (a) Comcast shall make such Affiliate available for consultation with the Network in a timely manner and (b) the terms and conditions of such agreement shall be deemed to be Confidential Information of the Network. Comcast's consultation rights and the Network's obligations set forth in this Section 15.1 shall terminate immediately in the event of a Comcast Trigger Event.

Section 15.2 Programming Rights. Comcast shall have the right, and the Network hereby grants to Comcast the right, to provide at any time a reasonably detailed written proposal describing a programming concept for one (1) hour per week (and the Network shall use commercially reasonable efforts to grant to Comcast such right for up to two (2) hours per week) of programming content to be distributed on and as a part of the Service (any such concept, the "**Comcast Concept**"). Following the delivery of any Comcast Concept, the Network shall use commercially reasonable efforts to develop and produce or acquire programming consistent with the Comcast Concept and to distribute such programming on and as part of the Service; *provided, however*, that the Network shall have the right to reject any Comcast Concept and shall have no obligation to develop and produce or acquire programming consistent with the Comcast Concept if: (a) the programming contemplated by the Comcast Concept (the "**Comcast Programming**") would be inconsistent with the quality, look and feel of the other programming on the Service as determined by the Network's Chief Executive Officer in his reasonable judgment; (b) the Comcast Programming contemplated by the Comcast Concept would be inconsistent with the business purpose of the Network as provided in Section 2.3 hereof or as otherwise determined by the Members in accordance with the provisions of this Agreement; (c) the cost of producing or acquiring the Comcast Programming would be prohibitive or otherwise materially inconsistent with the Annual Budget allocations with respect to programming (and the Network shall not be obligated to cease any development, production or acquisition in process or contemplated by any pre-existing programming plan or schedule in order to accommodate the costs of producing the Comcast Programming); (d) the development, production or acquisition of the Comcast Programming is not feasible for any reason beyond the Network's control; (e) any other contractual term, provision or condition demanded by any Person in connection with the development, production or acquisition of the Comcast Programming is otherwise materially inconsistent with the policies, business activities or reputation of the Network, as determined by the Network's Chief Executive Officer in his reasonable judgment; (f) distributing the Comcast Programming could cause the Network to violate any provision of the Comcast Affiliation Agreement or any other agreement with any Person for the distribution of the Service; (g) the development, production, acquisition or distribution of the Comcast Programming or implementation of the Comcast Concept could cause the Network to violate any law or regulation or any material contract or agreement previously entered into by the Network; or (h) the Service is already distributing one (1) hour per week (or, subject to this Section 15.2, up to two (2) hours per week) of programming based on a Comcast Concept previously delivered by Comcast expressly pursuant to this Section 15.2. In the event the Network rejects any Comcast Concept in accordance with this Section 15.2, the Network shall provide Comcast in writing with a reasonably detailed explanation of the basis for such rejection and, if requested by Comcast, shall cooperate with Comcast in revising such Comcast Concept to be acceptable to both Persons. The rights set forth in this Section 15.2 shall terminate automatically upon the earlier to occur of (i) a Comcast Trigger Event, (ii) a CST Competitor Event and (iii) in the event that no Affiliate of Comcast Corporation is a Member.

ARTICLE XVI

EVENTS OF DISSOLUTION

Section 16.1 Dissolution. The Network shall be dissolved upon the occurrence of any of the following events (each, an “**Event of Dissolution**”):

- (a) A judicial dissolution of the Network pursuant to Section 18-802 of the Act;
- (b) Following the sale, transfer or other disposition of all or substantially all of the assets of the Network pursuant to a Sale Transaction; or
- (c) The following votes for dissolution are obtained:
 - (i) the Members that are entitled to vote holding at least a majority of the Class A Common Units, Class B Common Units, Class C Common Units and Series A Preferred Units, voting as a single class, vote for dissolution;
 - (ii) the Members that are entitled to vote holding at least a majority of the Class B Common Units, voting as a separate class, vote for dissolution; and
 - (iii) the Members that are entitled to approve the matters set forth in Section 5.2(e)(i)(1)-(9) vote for dissolution.

Section 16.2 No other Event of Dissolution. No other event, including the retirement, withdrawal, insolvency, liquidation, dissolution, insanity, resignation, expulsion, Bankruptcy, death, incapacity or adjudication of incompetency of a Member, shall cause the dissolution of the Network.

ARTICLE XVII

TERMINATION

Section 17.1 Liquidation. In the event that an Event of Dissolution shall occur, the Network shall be liquidated and its affairs shall be wound up.

(a) Following an Event of Dissolution pursuant to Section 16.1(b) hereof as a result of the sale, transfer or other disposition of all or substantially all of the assets of the Network pursuant to a Sale Transaction (provided that such Sale Transaction occurs as a result of the insolvency of the Network) or pursuant to Sections 16.1(a) or (c) hereof (in each case, a “Liquidation”), all proceeds from such Liquidation shall be distributed as set forth below:

Network’s liabilities; and

(i) to creditors, including Members who are creditors to the extent permitted by law, in satisfaction of the

(ii) to Members in accordance with Section 9.4 hereof.

(b) Following an Event of Dissolution pursuant to Section 16.1(b) hereof as a result of the sale, transfer or other disposition of all or substantially all of the assets of the Network pursuant to a Sale Transaction (other than a Sale Transaction that occurs as a result of the insolvency of the Network), all proceeds from such Sale Transaction shall be distributed as set forth below:

Network’s liabilities; and

(i) to creditors, including Members who are creditors to the extent permitted by law, in satisfaction of the

(ii) to Members in accordance with Section 9.3 hereof.

Section 17.2 Final Accounting. In the event of the dissolution of the Network, prior to any liquidation, a proper accounting shall be made to the Members from the date of the last previous accounting to the date of dissolution.

Section 17.3 Cancellation of Certificate. Upon the completion of the Distribution of the Network’s assets upon dissolution of the Network, the Network shall be terminated, all Units shall be cancelled and the Board shall cause the Network to execute and file a Certificate of Cancellation in accordance with Section 18-203 of the Act.

ARTICLE XVIII

EXCULPATION AND INDEMNIFICATION

Section 18.1 Exculpation. Notwithstanding any other provisions of this Agreement, whether express or implied, or obligation or duty at law or in equity, none of the Members, Managers or any officers, directors, stockholders, Affiliates, partners, members, employees, representatives, consultants or agents of either the Managers or the Members (individually, a “**Covered Person**” and, collectively, the “**Covered Persons**”) shall be liable to the Network or any other Person for any act or omission taken or omitted in good faith by a Covered Person on behalf of the Network and in the reasonable belief that such act or omission was in or was not opposed to the best interests of the Network; *provided* that such act or omission does not constitute fraud, willful misconduct, bad faith, or gross negligence, and *provided further* that no Covered Person shall be entitled by reason of this Section 18.1 to exculpation from liability that arises by reason of the material breach of an obligation of such Covered Person under the Comcast Affiliation Agreement, the Radio One Agreements or the DIRECTV Affiliation Agreement. Class D Members and their respective Covered Persons shall not be entitled by reason of this Section 18.1 to exculpation from any liability that arises under any employment or consulting agreement or arrangement in existence between the Network and such Person or by reason of any breach thereof.

Section 18.2 Indemnification.

(a) To the fullest extent permitted by law, the Network shall indemnify and hold harmless each Covered Person (individually, an “**Indemnified Person**” and, collectively, the “**Indemnified Persons**”) from and against any and all losses, claims, demands, liabilities, expenses (including reasonable attorneys’ fees and expenses), judgments, fines, settlements and other amounts arising from any and all actions, suits or proceedings, whether civil, criminal, administrative or investigative (“**Claims**”), in which such Indemnified Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the property, business or affairs of the Network or the fact that such Indemnified Person was a Manager, officer, Member, employee, representative, consultant or agent of the Network, or by reason of the fact that such Person, at the request of the Network, is or was serving as an officer, director, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise if the Indemnified Person in relation to the facts, events and circumstances on which such action, suit or proceeding is based (i) acted in good faith and in a manner that the Indemnified Person reasonably believed to be in, or not opposed to, the best interests of the Network or (ii) with respect to a criminal action or proceeding had no reasonable cause to believe that the Indemnified Person’s conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not, in and of itself, create a presumption or otherwise constitute evidence that the Indemnified Person acted in a manner contrary to that specified in (i) or (ii) above. An Indemnified Person shall not be entitled to indemnification under this Section 18.2 with respect to any Claim (1) if it has engaged in fraud, willful misconduct, bad faith or gross negligence with respect to the matters that gave rise to such Claim or (2) that arises by reason of the material breach of an obligation of such Indemnified Person under the Comcast Affiliation Agreement, the Radio One Agreements or the DIRECTV Affiliation Agreement. In the event that an employment or consulting agreement or arrangement exists between a Class D Member and the Network, such Class D Member and his or her Covered Persons shall not be entitled to indemnification under this Section 18.2 for Claims arising thereunder or in breach thereof.

(b) Expenses (including reasonable attorneys’ fees and disbursements) incurred by an Indemnified Person in investigating or defending any Claim shall be paid by the Network in advance of the final disposition of such Claim upon receipt by the Network of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall be ultimately determined by a court of competent jurisdiction from which no further appeal may be taken or the time for any appeal has lapsed (or otherwise, as the case may be) that such Indemnified Person is not entitled to be indemnified by the Network as authorized by this Section 18.2.

(c) The indemnification provided by this Section 18.2 shall be in addition to any other rights to which each Indemnified Person may be entitled under any agreement, as a matter of law or otherwise, both (i) as to the action in the Indemnified Person’s capacity as a Manager, Member, officer, employee, representative, consultant or agent of the Network or by reason of its management of the property, business or affairs of the Network, and (ii) as to action in another capacity, and shall continue as to an Indemnified Person who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns, administrators and personal representatives of the Indemnified Person.

ARTICLE XIX

GENERAL PROVISIONS

Section 19.1 Future and Current Investments and Activities.

(a) The Network and each Member acknowledges and agrees that (i) Comcast, DIRECTV and their respective Affiliates engage in a wide variety of activities and have investments in many other companies; (ii) it is critical to Comcast and DIRECTV that Comcast and its Affiliates be permitted to continue to develop their current and future business and investment activities without any restriction arising from an investment by Comcast, DIRECTV or their respective Affiliates in the Network, the right of Comcast, DIRECTV or their respective Affiliates to designate Managers of the Network or any other relationship, contractual or otherwise, between Comcast, DIRECTV or their respective Affiliates, on the one hand, and the Network or any of its Affiliates, on the other hand; (iii) from time to time, in connection with the foregoing activities of Comcast, DIRECTV or their respective Affiliates (collectively, the “**Activities**”), Comcast, DIRECTV or their respective Affiliates may have information that may be useful to the Network or its Members (which information may or may not be known by any Manager designated by Comcast, DIRECTV or their respective Affiliates) and none of Comcast, DIRECTV or their respective Affiliates or any Manager so designated shall have any duty to disclose any information known to such Person or entity to the Network or any of its other Members; (iv) the relationship of Comcast, DIRECTV or their respective Affiliates with the Network and its Affiliates shall not interfere with or impose conditions or restrictions on any of the Activities of Comcast, DIRECTV or their respective Affiliates; and (v) Comcast, DIRECTV or their respective Affiliates shall be free to engage in the Activities in any capacity, whether active or passive, without any obligation or liability to the Network or to any of its other Members (including, without limitation, any obligation to offer the Network or any of the other Members of the Network a right to acquire, participate or have any interest of any nature whatsoever in any of such Activities), and no Manager designated by Comcast, DIRECTV or their respective Affiliates shall have any liability by reason of any such Activities (it being understood that no action by any Manager so designated in connection with any such Activities shall be deemed to constitute a breach by such Manager of any duty owed to the Network).

(b) The Network hereby waives, to the full extent that it may do so under applicable law, any claim arising under the corporate opportunity doctrine (or similar applicable legal principles relating to, among other things, fiduciary duties) with respect to the Activities of Comcast, DIRECTV or their respective Affiliates and the other matters set forth in Section 19.1(a) above.

Section 19.2 Radio One Competition. If Comcast believes that any of Radio One, its Affiliates or Liggins is engaging in or has engaged in a Competitive Activity, it shall have the right to provide written notice to Radio One (a “**Competition Notice**”), which notice shall include a detailed description of the basis for such belief and a description of the Competitive Activity. After delivery of the Competition Notice, Radio One shall use its best efforts to cause Liggins and other officers of Radio One to be available for a meeting at Comcast’s offices to discuss such Competitive Activity (and Comcast shall use its best efforts to cause its officers or employees to be available for such meeting), such meeting to take place within ten (10) days of the receipt of the Competition Notice. If Comcast advises Radio One in writing promptly after that meeting that it has concluded in its sole discretion that none of Radio One, its Affiliates or Liggins has engaged or is engaging in a Competitive Activity, then the Competition Notice shall be deemed withdrawn. If Comcast does not so notify Radio One within fifteen (15) days following the receipt of the Competition Notice for any reason whatsoever, Radio One shall have thirty (30) days from the date of receipt of the Competition Notice within which to irrevocably commit to Comcast in a written agreement acceptable to Comcast to (a) take such action as is necessary so that Radio One, its Affiliates and/or Liggins are no longer engaged in any Competitive Activity and (b) immediately cease, and cause its Affiliates and Liggins to immediately cease, to the extent possible, any and all Competitive Activities. If Radio One does not execute such written agreement with Comcast within such thirty-day period and any of Radio One, its Affiliates or Liggins is engaged in a Competitive Activity at the end of such thirty day period or, if such agreement is executed, any of Radio One, its Affiliates and Liggins is still engaging in a Competitive Activity after the expiration of sixty (60) days following the execution of such agreement, then Comcast shall have the right to deliver to the Network and to Radio One at any time following the end of such thirty day or sixty day period (as applicable) (i) a Termination Notice pursuant to Section 6.2(f) of the Network Services Agreement; and/or (ii) a certificate demanding that Section 4.4(e) become immediately effective (a “**Manager Change Notice**”).

Section 19.3 Confidentiality.

(a) Each Member agrees that it shall at all times keep confidential and not disclose or make accessible to anyone, any confidential or proprietary information, knowledge or data concerning or relating to the business or financial affairs of the Network (“**Confidential Information**”), except to the extent that such disclosure is approved by a majority of the Managers not designated by such Member or as may be required by applicable law, court process or other obligations pursuant to any governmental or regulatory authority requirement. Notwithstanding the foregoing, each Member may disclose such Confidential Information to its directors, officers, employees, Affiliates and advisors having a need to know the Confidential Information in order to accomplish the legitimate purposes or functions of the Network subject to (1) such Persons being advised of the provisions of this Section 19.3, and (2) such Member being responsible for any breach of this Section 19.3 by any such Persons. Each Member shall safeguard Confidential Information with the same degree of care as such Member uses to safeguard the confidentiality of its own confidential and proprietary information, knowledge or data.

(b) The obligations of the Members specified in Section 19.3(a) hereof shall not apply, and the Member shall have no further obligations, with respect to any Confidential Information to the extent that a Member can demonstrate that such Confidential Information (i) is generally known to the public or within the Network’s industry at the time of disclosure to the Member or becomes generally known through no wrongful act on the part of the Member, (ii) is in the Member’s possession at the time of disclosure to the Member otherwise than as a result of the Member’s breach of any legal obligation, (iii) becomes known to the Member through the disclosure by sources other than the Network having the legal right to disclose such Confidential Information, or (iv) is independently developed by the Member without reference to or reliance upon the Confidential Information.

(c) The obligations set forth in this Section 19.3 shall be continuing and survive the termination of this Agreement and following the dissolution of the Network, in each case for a period of three years, and shall be continuing and survive the withdrawal of a Member from the Network with respect to such Member for a period of five years following such withdrawal.

Section 19.4 Amendment.

(a) Except as otherwise expressly provided herein:

(i) no provision of this Agreement may be amended or modified except upon the written consent of the holders of Series A Preferred Units in accordance with Section 5.2(e)(i) hereof, and the holders of Class B Common Units in accordance with Section 5.2(b)(i) or 5.2(b)(v) hereof;

(ii) following any mandatory conversion of Series A Preferred Units to Class A Common Units pursuant to Section 5.2(e)(iv)(2) of this Agreement, (A) for so long as there has not been a Radio One Trigger Event, any amendment or termination of this Agreement must be approved by the holders of at least a majority of the Class A Common Units; except that any Member whose Units are being acquired in connection with a Network Purchase Obligation shall be conclusively deemed to have voted in favor of approving such amendment (irrespective of any notice or other action to the contrary) in the event such amendment involves an amendment to this Agreement to create a new class or series of Units for the purpose of, and the creation of which is conditioned upon, the sale of such new class or series of Units solely to fund such Network Purchase Obligation; provided that no such amendment, or creation or issuance of such new class or series of Units shall be effective until the closing of the applicable Network Purchase Obligation; and (B) following a Radio One Trigger Event, any amendment or modification of any provision of this Agreement that would adversely affect the holders of Class A Common Units (in such holder’s capacity as a Member or holder of Class A Common Units) in a manner not so adversely affecting the Class B Common Units, the Class C Common Units and the Class D Common Units must be approved by the holders of at least a majority of the Class A Common Units;

(iii) following the termination of the approval rights set forth in Section 5.2(b)(i) or 5.2(b)(v) as a result of a Comcast Trigger Event, any amendment or modification of any provision of this Agreement that would adversely affect the holders of Class B Common Units (in such holder’s capacity as a Member or holder of Class B Common Units) in a manner not so adversely affecting the Series A Preferred Units, Class A Common Units, the Class C Common Units and the Class D Common Units must be approved by the holders of at least a majority of the Class B Common Units;

(iv) following any mandatory conversion of Series A Preferred Units to Class A Common Units pursuant to Section 5.2(e)(iv)(2) of this Agreement, any amendment or modification of any provision of this Agreement that would adversely affect the holders Class C Common Units (in such holder’s capacity as a Member or holder of Class C Common Units) in a manner not so adversely affecting the Class A Common Units, the Class B Common Units and Class D Common Units must be approved by the holders of at least a majority of the Class C Common Units; and

(v) any amendment or modification of any provision of this Agreement that would modify the limited liability of a Member as set forth in Section 3.9 hereof or increase the amount of capital to be contributed by a Member to the Network must be approved by such Member.

(b) Each Member shall be bound by any amendment or modification effected in accordance with this Section 19.4, whether or not such Member has consented to such amendment or waiver. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

(c) Notwithstanding anything to the contrary contained in this Section 19.4, (1) the name of the Network and/or the name under which the Network's services are provided may be changed (and corresponding amendments to this Agreement and the Certificate of Formation may be made), (2) corrections or clarifications that do not change the substantive meaning of any provision hereof may be made and (3) changes to Article VIII of this Agreement and other conforming changes in this Agreement may be made to the extent necessary to properly reflect the terms of the Network Equity Plan (provided that any such amendment shall be consistent with the economic arrangement of the Initial Members as reflected in the terms of this Agreement), in each case upon the written consent of Comcast (so long as there has not been a Comcast Trigger Event or a CST Competitor Event) and Radio One (so long as there has not been a Radio One Trigger Event) and with respect to (3) the additional written consent of the Financial Investor Manager.

(d) Notwithstanding anything to the contrary contained in this Section 19.4, Schedule B hereto may be amended from time to time by the Network to reflect updated notice information provided by Members without the written consent of the Members.

Section 19.5 Governing Law. This Agreement shall be construed in accordance with and governed exclusively by the laws of the State of Delaware (without giving effect to any conflicts or choice of law provisions that would cause the application of the domestic substantive laws of any other jurisdiction).

Section 19.6 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY VOLUNTARILY AND IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR OTHER PROCEEDING BROUGHT IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 19.7 Consent to Exclusive Jurisdiction of the Courts of Delaware.

(a) Each of the parties hereto hereby consents to the exclusive jurisdiction of the courts of the State of Delaware and the United States District Court for the District of Delaware, 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 or in connection with this Agreement or any of the transactions contemplated hereby, including, without limitation, any proceeding relating to ancillary measures in aid of arbitration, provisional remedies and interim relief, or any proceeding to enforce any arbitral decision or award.

(b) Each of the parties hereto hereby expressly waives any and all rights to bring any suit, action or other proceeding in or before any court or tribunal other than the courts of the State of Delaware or the United States District Court for the District of Delaware and covenants that such party shall not seek in any manner to resolve any dispute other than as set forth herein or to challenge or set aside any decision, award or judgment obtained in accordance with the provisions hereof.

(c) Each of the parties hereto hereby expressly waives any and all objections such party may have to venue in any of such courts, including, without limitation, the inconvenience of such forum. In addition, each of the parties hereto hereby consents to the service of process by personal service or any manner in which notices may be delivered hereunder in accordance with Section 19.9 and will not object to service of process before any of such courts to the extent so delivered.

Section 19.8 Remedies.

(a) The parties hereto agree that irreparable harm would occur in the event that any of the agreements and provisions of this Agreement were not performed fully by the parties hereto in accordance with their specific terms or conditions or were otherwise breached, and that money damages are an inadequate remedy for breach of the Agreement because of the difficulty of ascertaining and quantifying the amount of damage that will be suffered by the parties hereto in the event that this Agreement is not performed in accordance with its terms or conditions or is otherwise breached. It is accordingly hereby agreed that the parties hereto shall be entitled to an injunction or injunctions to restrain, enjoin and prevent breaches of this Agreement by the other parties and to enforce specifically such terms and provisions of this Agreement, such remedy being in addition to, and not in lieu of, any other rights and remedies to which the other parties are entitled at law or in equity.

(b) Except as otherwise provided in Section 6.6(f) hereof, the rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise. Except where a time period is specified, no delay on the part of any party in the exercise of any right, power, privilege or remedy hereunder shall operate as a waiver thereof, nor shall any exercise or partial exercise of any such right, power, privilege or remedy preclude any further exercise thereof or the exercise of any other right, power, privilege or remedy.

Section 19.9 Notices. All demands, notices, requests, consents and other communications required or permitted under this Agreement shall be by written notice and sent by (a) personal delivery, (b) Electronic Transmission (including pursuant to Section 3.8(b) and Section 4.5(d) hereof) or facsimile machine (in each case with a confirmation copy sent by one of the other methods authorized in clauses (a), (c) or (d) hereof), (c) commercial (including Federal Express) or U.S. Postal Service overnight delivery service, or (d) deposit with the U.S. Postal Service mailed first class, registered or certified mail, postage prepaid. If such notice is being made or delivered to the Network, such notice shall be made to the Network's principal executive offices as follows: 1010 Wayne Ave, 10th Floor, Silver Spring, Maryland 20910, Attention: President, with a copy (which shall not constitute notice) to 1010 Wayne Ave, 10th Floor, Silver Spring, Maryland 20910, Attention: Secretary; and if such is being made to an Initial Member (or to a Unit Affiliate of such Initial Member) or a Substitute Member or Additional Member that is not a Unit Affiliate of an Initial Member, such notice shall be made to such Initial Member for and on behalf of itself and its Unit Affiliates or to such Substitute Member or Additional Member (and to such other Persons to be copied in connection with notices to such Member) as set forth on Schedule B hereof. Notices shall be deemed delivered and to have been received upon the earliest to occur of (i) if sent by personal delivery, upon receipt by the party to whom such notice is directed; (ii) if sent by facsimile machine or by Electronic Transmission (including pursuant to Section 3.8(b) or Section 4.5(d) hereof), the day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) such notice is sent if sent (as evidenced by Electronic Transmission or facsimile confirmed receipt) prior to 5:00 p.m. U.S. Eastern Time, or the day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) after which such notice is sent if sent after 5:00 p.m. U.S. Eastern Time; (iii) if sent by overnight delivery service, the first day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) following the day the same is deposited with the commercial carrier or U.S. Postal Service; and (iv) if sent by first class mail, registered or certified, postage prepaid, the fifth day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) following the day the same is deposited with the U.S. Postal Service. Each party, by notice duly given to the Network and all other Members, may specify a different address for the giving of any notice hereunder.

Section 19.10 Severability. If any term or provision of this Agreement, or the application thereof to any Person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or application to other Persons or circumstances, shall not be affected thereby, and each term and provision of this Agreement shall be enforced to the fullest extent permitted by law.

Section 19.11 Counterparts; Signatures. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document, and all counterparts shall be construed together and shall constitute one instrument. A facsimile or photocopied signature shall be deemed to be the functional equivalent of an original for all purposes.

Section 19.12 Entire Agreement. This Agreement and the other Transaction Documents constitute the full and entire understanding and agreement among the parties hereto pertaining to the subject matter hereof and supercede all prior understandings and agreements pertaining hereto, whether written or oral.

Section 19.13 Assignment; Binding Effect. This Agreement may not be assigned, in whole or in part, by any party hereto except in connection with a Transfer of Units to a Substitute Member in accordance with the terms and conditions of this Agreement. Any purported assignment in violation of this Section 19.13 shall be null and void. A Transfer of Units to a Substitute Member shall not be deemed to be an assignment of any of the rights or obligations of the Transferring Member under those Sections of this Agreement in which such Transferring Member is granted rights or has undertaken obligations specifically by name, except that any Person (including without limitation any Affiliate of Comcast or Radio One) that acquires in a single transaction or series of related transactions (either directly or through one or more Affiliates) all of the Equity Interests held by (i) Comcast and its Unit Affiliates in accordance with the terms of this Agreement (including, without limitation, in connection with a Comcast Strategic Transaction) shall be deemed to be "Comcast" hereunder; (ii) Radio One and its Unit Affiliates in accordance with the terms of this Agreement shall be deemed to be "Radio One" hereunder; or (iii) DIRECTV and its Unit Affiliates in accordance with the terms of this Agreement shall be deemed to be "DIRECTV" hereunder. This Agreement shall be binding upon, and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors and assigns.

Section 19.14 Certain Agreements with respect to Blocker Corporations. Notwithstanding anything else in this Agreement to the contrary, the Network and each Member agree, for the benefit of any Blocker Corporation and the holders of any capital stock of any Blocker Corporations (who shall be express, third party beneficiaries of this Section 19.14) as follows:

(a) For so long as the Network is to be operated as a limited liability company, the Board (i) shall not cause or permit the Network to elect (1) to be excluded from the provisions of Subchapter K of Chapter 1 of the Code or (2) to be treated as a corporation for federal income tax purposes; and (ii) shall cause the Network to make any election reasonably determined to be necessary or appropriate in order to ensure the treatment of the Network as a partnership for federal income tax purposes. In the event that the Network is to be converted into a corporation, the Members shall use their best efforts to include in such transaction a tax-free exchange of all shares of each Blocker Corporation for shares in such successor corporation, provided that such Blocker Corporation has, since its formation, engaged in no business activity and incurred no liabilities unrelated to its purchase and holding of Units.

(b) The Network shall use reasonable efforts to conduct its business and to do or cause to be done any and all actions as are necessary so that each Blocker Corporation will not be (at any time that it holds an interest in the Network, and assuming that CV II-Delaware's sole asset at such time is its interest in the Network) a "United States real property holding corporation" (as defined in Code § 897(c)(2) and Regulations § 1.897-2(b)).

(c) Upon a written request by the stockholders of any Blocker Corporation, the Network shall provide such stockholders with a written statement informing such stockholders whether, to its knowledge, their interest in the applicable Blocker Corporation would constitute a United States real property interest if such Blocker Corporation's sole asset were its interest in the Network. The Network's written statement to the stockholders of any Blocker Corporation shall be delivered to such stockholders within 30 days of the written request thereof. Each Blocker Corporation shall be responsible for reimbursing the Network for its reasonable costs incurred in responding to any such written request of one or more of the stockholders of such Blocker Corporation.

(d) In the event any Blocker Corporation is required or permitted to sell or otherwise dispose of all of its Equity Interests (the "**Blocker Equity Interests**") pursuant to Sections 12.1, 12.2, 12.4 or 12.5 hereof, or in connection with a Sale Transaction (except for a sale, transfer or other disposition of all or substantially all of the assets of the Network; provided that such exception shall be effective only after the Network uses commercially reasonable efforts to negotiate with the purchaser of such assets a purchase of Equity Interests instead of an asset purchase) or the exercise by Comcast or Radio One of their respective rights to purchase all such Blocker Equity Interests under the Buy/Sell Agreement (each, a "**Blocker Liquidity Event**") then, at the election of such Blocker Corporation, which election (the "**Blocker Stock Purchase Election**") shall be made by providing written notice to Comcast, Radio One and the Network no later than ten (10) days after such Blocker Corporation receives written notice of such Blocker Liquidity Event, the Network (in the event the Network or a third party is a purchaser in connection with such Blocker Liquidity Event) or Comcast and/or Radio One (in the event Comcast and/or Radio One is a purchaser in connection with such Blocker Liquidity Event) will use their commercially reasonable efforts to purchase or otherwise acquire (or to cause any third party purchaser in the Blocker Liquidity Event to purchase or otherwise acquire) all of the capital stock of such Blocker Corporation from its stockholders at and in connection with the closing of such Blocker Liquidity Event (in lieu of acquiring the Blocker Equity Interests directly in such Blocker Liquidity Event) (the "**Blocker Stock Purchase**") in return for such stockholders accepting as full payment for such shares the Final Adjusted Blocker Proceeds. As a condition precedent to the closing of any Blocker Stock Purchase, each Blocker Corporation that makes a Blocker Stock Purchase Election and an Affiliate that Controls such Blocker Corporation (such Affiliate to be reasonably satisfactory to the Network and the proposed purchaser(s) in the Blocker Liquidity Event) shall at the closing of the Blocker Stock Purchase (1) execute and deliver such documents as shall be reasonably requested by the proposed purchaser(s) in the Blocker Liquidity Event in order to vest full beneficial and record ownership of all of the capital stock of the Blocker Corporation in such purchaser(s); (2) jointly and severally represent and warrant to the Network and the proposed purchaser(s) in the Blocker Liquidity Event (in addition to such other customary representations and warranties requested by such Persons) that (A) the capital stock of such Blocker Corporation is being acquired by such purchaser(s) free and clear of liens, encumbrances and interests or rights of other Persons (except as otherwise provided in the Transaction Documents) and represents all of the issued and outstanding shares of capital stock of such Blocker Corporation, (B) there are no outstanding options, warrants or other rights to acquire any capital stock of such Blocker Corporation, (C) the assets of such Blocker Corporation consist solely of the Blocker Equity Interests, tax losses (if any) and applicable cash reserves for taxes not yet due and payable, and (D) such Blocker Corporation has, since its formation, engaged in no business activity other than holding the Blocker Equity Interests for the benefit of the stockholders of such Blocker Corporation and has no liabilities or obligations of any nature whatsoever, except for taxes not yet due and payable (for which adequate cash reserves are set aside) and obligations under the Transaction Documents; and (3) effect a Derivative Equity Interest Exercise and take such other actions as such Blocker Corporation would otherwise have to take as a holder of Blocker Equity Interests in connection with such Blocker Liquidity Event. Notwithstanding anything to the contrary in the foregoing, if (A) any Blocker Corporation that makes a Blocker Stock Purchase Election or its designated Affiliate fails to take such actions as are set forth in the immediately preceding sentence, (B) any third party purchaser does not agree to effect a Blocker Stock Purchase after the Network uses its commercially reasonable efforts to cause such third party purchaser to effect a Blocker Stock Purchase (in accordance with the provisions set forth above), or (C) any Blocker Corporation fails to timely deliver a Blocker Stock Purchase Election in accordance with this Section 19.14(d), the Network, Comcast and Radio One shall have no further obligation to such Blocker Corporation or its stockholders with respect to any Blocker Stock Purchase, and such Blocker Corporation shall remain obligated to sell the Blocker Equity Interests held by such Blocker Corporation in the Blocker Liquidity Event on the same terms as would have been the case in the absence of a Blocker Stock Purchase Election. In connection with any Blocker Stock Purchase provided for in this Section 19.14(d), "**Final Adjusted Blocker Proceeds**" shall be determined as follows:

(i) In connection with any Blocker Liquidity Event for which the closing price per Unit is equal to a determination of Final Fair Market Value made by one or more Investment Banks, each such Investment Bank shall be instructed by the Network and/or such other Persons that have the right to appoint such Investment Banks pursuant to Sections 12.1(i) or 12.5(e)(i) hereof or Section 2.1(b) of the Buy/Sell Agreement to calculate the amount of Adjusted Blocker Proceeds for each Blocker Corporation that made a Blocker Stock Purchase Election in accordance with this Section 19.14(d) in a manner that is consistent with such Investment Bank's determination of Fair Market Value, and differences in the determinations of Adjusted Blocker Proceeds among such Investment Banks shall be resolved in the same manner as differences in the determination of Fair Market Value, with the applicable average determination of Adjusted Blocker Proceeds being equal to the Final Adjusted Blocker Proceeds hereunder.

(ii) In connection with any Blocker Liquidity Event for which the closing price per Unit is not a Final Fair Market Value based upon the determinations of one or more Investment Banks, the Members entitled to receive proceeds in connection with such Blocker Liquidity Event and the purchaser in the Blocker Liquidity Event (if such purchaser is Comcast, Radio One or the Network) shall negotiate to determine the Final Adjusted Blocker Proceeds from such Blocker Liquidity Event. In the event that such Members and such purchaser (if applicable) are unable to agree on the Final Adjusted Blocker Proceeds within ten (10) days of the Blocker Stock Purchase Election (the "**Blocker Negotiation Termination**"), the Network (or Comcast and/or Radio One in the event such Persons are purchasers in such Blocker Liquidity Event) and each Blocker Corporation that made a Blocker Stock Purchase Election shall (A) initiate the process of selecting Investment Banks or nationally-recognized accounting firms in accordance with this Section 19.14(d)(ii), (B) cooperate with such Investment Banks or nationally-recognized accounting firms in connection with the completion of their respective determinations and (C) make available such information and personnel as such Investment Banks or accounting firms deem reasonably necessary to complete their determination of Final Adjusted Blocker Proceeds within the applicable periods set forth below. For purposes of this Section 19.14(d)(ii), if necessary Investment Banks or accounting firms shall be selected to complete their determination of Final Adjusted Blocker Proceeds as follows:

(1) The Network (or Comcast and/or Radio One in the event such Persons are purchasers in such Blocker Liquidity Event), on the one hand, and holders of a majority of Blocker Equity Interests held by the Blocker Corporation(s) that have made a Blocker Stock Purchase Election, on the other hand, shall each have five (5) days following the date of the Blocker Negotiation Termination to both submit in writing their selection of an Investment Bank or accounting firm to the other Person(s) and instruct such Investment Bank or accounting firm to complete a determination of the Adjusted Blocker Proceeds for each Blocker Corporation that has made a Blocker Stock Purchase Election within ten (10) days of such instruction. The Blocker Corporation(s) shall bear the Appraisal-related costs and fees of the Investment Banks and accounting firms selected by such Persons in proportion to such Blocker Corporation(s) ownership of Blocker Equity Interests (or in such other manner as shall be agreed in writing by such Blocker Corporation(s)).

(2) After the Investment Banks and/or accounting firms have completed their determinations of the Adjusted Blocker Proceeds, each such Person shall submit its determination together with relevant reports and related work papers to the other Person and to the Network, Comcast, Radio One and the Blocker Corporation(s). If the greater Adjusted Blocker Proceeds determination is no more than 10% greater than the lesser Adjusted Blocker Proceeds determination, then the Final Adjusted Blocker Proceeds shall be equal to the average of such determinations.

(3) If the greater Adjusted Blocker Proceeds determination submitted under (2) above is more than 10% greater than the lesser Adjusted Blocker Proceeds determination submitted under (2) above, then the Investment Banks and/or accounting firms selected pursuant to (1) above shall, within three (3) Business Days of the submissions of the Adjusted Blocker Proceeds determinations under (2) above, jointly select a third Investment Bank or nationally-recognized accounting firm to complete a determination of Adjusted Blocker Proceeds for each Blocker Corporation that has made a Blocker Stock Purchase Election within 10 days of such selection; *provided* that such third Investment Bank or accounting firm shall be instructed to make a determination of Adjusted Blocker Proceeds that is between the two Adjusted Blocker Proceeds determinations submitted under (2) above. Promptly following its selection, such third Investment Bank or accounting firm shall be provided with the reports and related work papers of the other two Investment Banks and/or accounting firms relating to their determinations. After the third Investment Bank or accounting firm has completed its determination of the Adjusted Blocker Proceeds, such third Person shall submit its determination together with relevant reports and related work papers to the other two Persons, the Network, Comcast, Radio One and the Blocker Corporation(s). The Final Adjusted Blocker Proceeds shall be equal to the average of the Adjusted Blocker Proceeds determination of the third Investment Bank and the Adjusted Blocker Proceeds determination submitted under (2) above that is closest to the Adjusted Blocker Proceeds determination of the third Investment Bank. The Blocker Corporation(s) shall bear the Appraisal-related costs and fees of the third Investment Bank or accounting firm in proportion to such Blocker Corporation(s) ownership of Blocker Equity Interests (or in such other manner as shall be agreed in writing by such Blocker Corporation(s)).

(4) In the event the Network (or Comcast and/or Radio One in the event such Persons are purchasers in such Blocker Liquidity Event), on the one hand, or the Blocker Corporation(s), on the other hand, fail to select an Investment Bank or accounting firm and notify the other Person(s) in writing of such selection by the end of the five-day period specified in (1) above, the Investment Bank or accounting firm selected by the other Person by the end of such five-day period shall be the sole Investment Bank or accounting firm for purposes of this Section 19.14(d)(ii), and the determination of such Investment Bank or accounting firm as to the Adjusted Blocker Proceeds for each Blocker Corporation shall be the Final Adjusted Blocker Proceeds hereunder.

(5) Each Blocker Corporation that made a Blocker Stock Purchase Election shall agree to any reasonable and customary indemnification requested by the Investment Banks or accounting firms in connection with the completion of the determinations under this Section 19.14(d)(ii).

(6) Following the determination (by agreement of the applicable Persons) or receipt of the determination of the Final Adjusted Blocker Proceeds in accordance with this Section 19.14(d), each Blocker Corporation may terminate its Blocker Stock Purchase Election by delivering written notice of such termination to the Network, Comcast and Radio One within five (5) Business Days of the determination (by agreement of the applicable Persons) or receipt of the determination of the Final Adjusted Blocker Proceeds, *provided* that in such event such Blocker Corporation shall remain obligated to sell the Blocker Equity Interests held by such Blocker Corporation in the Blocker Liquidity Event on the same terms as would have been the case in the absence of a Blocker Stock Purchase Election.

(iii) For purposes of this Section 19.14(d), the following terms shall have the following meanings:

(1) “**Adjusted Blocker Proceeds**” shall mean an amount equal to the proceeds that would have been payable to a Blocker Corporation pursuant to the applicable Blocker Liquidity Event had the purchaser acquired all of the Equity Interests held by such Blocker Corporation (instead of acquiring all of the capital stock of such Blocker Corporation) minus the Tax Adjustment Amount.

(2) “**Tax Adjustment Amount**” shall mean the present value (using a reasonable discount rate as determined by each Investment Bank or accounting firm for purposes of its determination of Adjusted Blocker Proceeds) of the estimated additional net tax costs, if any, (including any loss of tax benefits), to the purchaser and the applicable Blocker Corporation associated with the acquisition, holding, and disposition of the capital stock of such Blocker Corporation, as compared with the net tax costs, if any (including any loss of tax benefits), associated with the acquisition, holding, and disposition of the Blocker Equity Interests directly. The determination of the Tax Adjustment Amount shall be made by taking into account any information, factors or assumptions that the applicable Investment Bank or accounting firm determines to be reasonable and appropriate to take into account, which may include estimates or projections of the tax basis of the stock of the Blocker Corporation, the Blocker Equity Interests or the portion of the Network assets associated with such Blocker Equity Interests (including any basis adjustments that may be available under Code Section 743(b)), the availability of depreciation or amortization deductions, any loss carryovers available to such Blocker Corporation, applicable tax rates, or any other factors that a prudent purchaser would reasonably take into account in determining the relative tax benefits and costs associated with acquiring either all of the capital stock of such Blocker Corporation or the Blocker Equity Interests.

Section 19.15 Relationship. Nothing in this Agreement shall be construed to render any of the Members partners or joint venturers or to impose upon any of them any liability as such, except as otherwise specifically provided in this Agreement. No party to this Agreement has any authorization to enter into any contracts or assume any obligations for any other party or make any warranties or representations on behalf of another party other than as expressly authorized herein or in the other Transaction Documents.

Section 19.16 Interpretation. Each Member has agreed to the use of the particular language of the provisions of this Agreement, and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the draftsman, but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the parties and the limitations and restrictions upon such rights and benefits intended to be provided.

Section 19.17 Expenses. Each Member shall pay its own expenses incident to the negotiation, preparation and performance of this Agreement and the transactions and documents contemplated hereby, including the fees and expenses of accountants and counsel, except that the Network shall reimburse the Original Members following the Effective Date for customary and reasonable legal fees incurred by such Members in connection with the engagement of outside counsel and shall reimburse DIRECTV following the Effective Date for up to \$125,000 of customary and reasonable legal fees incurred by DIRECTV in connection with the engagement of outside counsel.

Section 19.18 No Third-Party Beneficiary. Except as provided in Article XVIII and Sections 19.1 and 19.14 hereof, this Agreement is made solely for the benefit of the parties hereto and no other Person shall have any rights, interest, or claims hereunder or otherwise be entitled to any benefits under or on account of this Agreement as a third-party beneficiary or otherwise.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each Member has executed this Agreement as of the date first above written.

COMCAST PROGRAMMING VENTURES V, INC.

By: _____

Name: Amy L. Banse

Title: Executive Vice-President – Programming Investments

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

Exhibit 3.1 - 106

RADIO ONE CABLE HOLDINGS, INC.

By: _____

Name: Alfred C. Liggins, III

Title: Chief Executive Officer and President

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

CONSTELLATION VENTURE CAPITAL II, L.P.

By: Constellation Ventures Management II, LLC
Its: General Partner

By: _____
Name: Dennis Miller
Title:

THE BSC EMPLOYEE FUND IV, L.P.

By: Constellation Ventures Management II, LLC
Its: General Partner

By: _____
Name: Dennis Miller
Title:

CVC II PARTNERS, LLC

By: The Bear Stearns Companies Inc.
Its: Managing Member

By: _____
Name: Dennis Miller
Title:

CV II-DELAWARE, INC.

By: _____
Name: Dennis Miller
Title:

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

OPPORTUNITY CABLE HOLDINGS, INC.

By: _____

Name: Lewis E. Byrd

Its: Vice President

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

POWER EQUITIES, INC.

By: _____
Name: Divakar R. Kamath
Its: Executive Vice President

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

Exhibit 3.1 - 110

SYNDICATED COMMUNICATIONS VENTURE PARTNERS IV, L.P.

By: WJM Partners IV, LLC

Its: General Partner

By: _____

Name: Terry L. Jones

Its: Member

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

DIRECTV PROGRAMMING HOLDINGS I, INC.

By: _____
Name: Michael Thornton
Its: Senior Vice President

DIRECTV PROGRAMMING HOLDINGS II, INC.

By: _____
Name: Michael Thornton
Its: Senior Vice President

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT]

SCHEDULE A

Name/Address of Member	Capital Commitment	Capital Contributions	Series A Preferred Units	Class A Common Units	Class B Common Units	Class C Common Units	Class D Common Units
Radio One Cable Holdings, Inc. 5900 Princess Garden Pkwy, 7 th Floor Lanham, Maryland 20706 Attn: Alfred C. Liggins III	\$74,000,000	\$37,000,000	14,800,000			3,391,304	
Comcast Programming Ventures V, Inc. 1500 Market Street, 35 th Floor Philadelphia, PA 19101 Attn: Amy L. Banse	\$20,000,000.00	\$10,000,000	4,000,000		13,565,217		
DIRECTV PROGRAMMING HOLDINGS I, INC. 2230 East Imperial Highway El Segundo, CA 90245 Attn: Michael Thornton	\$12,381,585.00	\$12,381,585.00	2,476,317				
DIRECTV PROGRAMMING HOLDINGS II, INC. 2230 East Imperial Highway El Segundo, CA 90245 Attn: Michael Thornton	\$12,886,955.00	\$12,886,955.00	2,577,391				
Constellation Venture Capital II, LP 383 Madison Avenue, 28th Floor New York, NY 10179 Attn: Dennis Miller	\$13,219,602.81	\$6,609,801.42	2,643,920				
CV II-Delaware, Inc. 383 Madison Avenue, 28th Floor New York, NY 10179 Attn: Dennis Miller	\$6,249,825.42	\$3,124,912.72	1,249,965				
The BSC Employee Fund IV, LP 383 Madison Avenue, 28th Floor New York, NY 10179 Attn: Dennis Miller	\$5,237,283.87	\$2,618,641.94	1,047,457				
CVC II Partners, LLC 383 Madison Avenue, 28th Floor New York, NY 10179 Attn: Dennis Miller	\$293,287.90	\$146,643.96	58,658				
Opportunity Cable Holdings, Inc. c/o Opportunity Capital Partners IV, L.P. 2201 Walnut Avenue, Suite 210 Freemont, CA 94538 Attn: Lewis E. Byrd	\$3,000,000.00	\$1,500,000.00	600,000				
Power Equities, Inc. c/o Pacesetter Growth Fund 2435 North Central Expwy. Suite 200 Richardson, TX 75080 Attn: Divakar Kamath	\$3,000,000.00	\$1,500,000.00	600,000				
Syndicated Communications Venture Partners IV, L.P. 8401 Colesville Road, Suite 300 Silver Spring, MD 20910 Attn: Terry L. Jones	\$ 5,000,000.00	\$2,500,000.00	1,000,000				
Johnathan Rodgers 3120 Newark St., NW Washington, DC 20008							758,057
Keith Bowen 443 Long Hill Drive Short Hills, NJ 07078							379,028

SCHEDULE A (continued)

Name/Address of Member	Capital Commitment	Capital Contributions	Series A Preferred Units	Class A Common Units	Class B Common Units	Class C Common Units	Class D Common Units
Robert Buenting 7707 Wisconsin Avenue #706 Bethesda, MD 20910							252,685
Jay Schneider 11308 Seneca Circle Great Falls, VA 22066							252,685
Brad Samuels 3 Spring Hill Road Cold Spring Harbor, NY 11724							252,685
Lee Gaither 1256 S. Hauser Blvd. Los Angeles, CA 90019							252,685
Susan Banks 12531 Stratford Garden Drive Silver Spring, MD 20910							126,343
[TBD]							252,685
Total:	\$155,268,540.00	\$90,268,540.00	31,053,708	--	13,565,217	391,304	2,526,854

SCHEDULE B

Name/Address of Member	Series A Preferred Representative/ Class B Representative	Additional Contacts for Notices
Radio One Cable Holdings, Inc. 5900 Princess Garden Pkwy, 7 th Floor Lanham, Maryland 20706 Fax: 301-306-9426 Email: alfred@radio-one.com Attn: Alfred C. Liggins III	Alfred C. Liggins III Radio One Cable Holdings, Inc. 5900 Princess Garden Pkwy, 7 th Floor Lanham, Maryland 20706 Fax: 301-306-9426 Email: alfred@radio-one.com	with copies to (which shall not constitute notice): Radio One Cable Holdings, Inc. 5900 Princess Garden Pkwy, 7 th Floor Lanham, Maryland 20706 Fax: 301-306-9426 Email: lvilardo@radio-one.com Attn: Linda J. Eckard Vilardo, Esq. Covington & Burling 1201 Pennsylvania Avenue, NW Washington, DC 20004-2401 Fax: 202-778-5567 Email: cdargan@cov.com Attn: Catherine J. Dargan, Esq.
Comcast Programming Ventures V, Inc. 1500 Market Street, 35 th Floor Philadelphia, PA 19101 Fax: 215-981-7508 Email: amy_banse@comcast.com Attn: Amy L. Banse	Amy L. Banse Comcast Programming Ventures V, Inc. 1500 Market Street, 35 th Floor Philadelphia, PA 19101 Fax: 215-981-7508 Email: amy_banse@comcast.com (Amy Banse is the Series A Preferred Representative and the Class B Representative of Comcast)	with copies to (which shall not constitute notice): Comcast Programming Investment Division 1500 Market Street, 35 th Floor Philadelphia, PA 19101 Fax: 215-981-7508 Email: diana_kerekes@comcast.com Attn: Diana Wechsler Kerekes, Esq. Drinker Biddle & Reath LLP One Logan Square Philadelphia, PA 19103 Fax: 215-988-2757 Email: howard.blum@dbm.com Attn: Howard A. Blum, Esq.
Constellation Venture Capital II, LP 383 Madison Avenue, 28 th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com Attn: Dennis Miller	Dennis Miller Constellation Venture Capital II, LP 383 Madison Avenue, 28 th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com	with a copy to (which shall not constitute notice): Testa, Hurwitz & Thibault, LLP 125 High Street Boston, MA 02110 Fax: (617) 248-7100 Email: stone@tht.com Attn: Heather M. Stone, Esq.
CVC II Partners 383 Madison Avenue, 28 th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com Attn: Dennis Miller	Dennis Miller Constellation Venture Capital II, LP 383 Madison Avenue, 28 th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com	with a copy to (which shall not constitute notice): Testa, Hurwitz & Thibault, LLP 125 High Street Boston, MA 02110 Fax: (617) 248-7100 Email: stone@tht.com Attn: Heather M. Stone, Esq.

SCHEDULE B (continued)

Name/Address of Member	Series A Preferred Representative/ Class B Representative	Additional Contacts for Notices
The BSC Employee Fund IV, LP 383 Madison Avenue, 28th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com Attn: Dennis Miller	Dennis Miller Constellation Venture Capital II, LP 383 Madison Avenue, 28th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com	with a copy to (which shall not constitute notice): Testa, Hurwitz & Thibault, LLP 125 High Street Boston, MA 02110 Fax: (617) 248-7100 Email: stone@tht.com Attn: Heather M. Stone, Esq.
CV II-Delaware, Inc. 383 Madison Avenue, 28th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com Attn: Dennis Miller	Dennis Miller Constellation Venture Capital II, LP 383 Madison Avenue, 28th Floor New York, NY 10179 Fax: 212-272-9256 Email: dennismiller@bear.com	with a copy to (which shall not constitute notice): Testa, Hurwitz & Thibault, LLP 125 High Street Boston, MA 02110 Fax: (617) 248-7100 Email: stone@tht.com Attn: Heather M. Stone, Esq.
Opportunity Cable Holdings, Inc. 2201 Walnut Avenue, Suite 210 Freemont, CA 94538 Fax: 510-494-5439 Email: leb@ocpcapital.com Attn: Lewis E. Byrd	Lewis E. Byrd Opportunity Capital Partners IV, LP 2201 Walnut Avenue, Suite 210 Freemont, CA 94538 Fax: 510-494-5439 Email: leb@ocpcapital.com	with a copy to (which shall not constitute notice): Piper Rudnick LLP 6225 Smith Avenue Baltimore, MD 21209 Fax: 410-580-3193 Email: jonathan.landau@piperrudnick.com Attn: Jonathan J. Landau, Esq.
Power Equities, Inc. c/o Pacesetter Growth Fund 2435 North Central Expwy. Suite 200 Richardson, TX 75080 Email: dk@pacesettercapital.com Fax: 972-991-4770 Attn: Divakar Kamath	Divakar Kamath Power Equities, Inc. c/o Pacesetter Growth Fund 2435 North Central Expwy. Suite 200 Richardson, TX 75080 Fax: 972-991-4770 Email: dk@pacesettercapital.com	with a copy to (which shall not constitute notice): Piper Rudnick LLP 6225 Smith Avenue Baltimore, MD 21209 Fax: 410-580-3193 Email: jonathan.landau@piperrudnick.com Attn: Jonathan J. Landau, Esq.
Syndicated Venture Partners IV, L.P. 8401 Colesville Road, Suite 300 Silver Spring, MD 20910 Email: tjones@syncomfunds.com Fax: 301-608-3307 Attn: Terry L. Jones	Terry L. Jones Syndicated Venture Partners IV, L.P. 8401 Colesville Road, suite 300 Silver Spring, MD 20910 Fax: 301-608-3307 Email: tjones@syncomfunds.com	with copies to (which shall not constitute notice): Piper Rudnick LLP 6225 Smith Avenue Baltimore, MD 21209 Fax: 410-580-3193 Email: jonathan.landau@piperrudnick.com Attn: Jonathan J. Landau, Esq.

SCHEDULE B (continued)

Name/Address of Member	Series A Preferred Representative/ Class B Representative	Additional Contacts for Notices
DIRECTV PROGRAMMING HOLDINGS I, INC. 2230 East Imperial Highway El Segundo, CA 90245 Email: mthornton@directv.com Fax: 310-726-4884 Attn: Michael Thornton	Michael Thornton 2230 East Imperial Highway El Segundo, CA 90245 Email: mthornton@directv.com Fax: 310-726-4884 Attn: Michael Thornton	with copies to (which shall not constitute notice): DIRECTV, Inc. 2230 East Imperial Highway El Segundo, CA 90245 Fax: Attn: General Counsel Hogan & Hartson LLP 875 Third Avenue New York, NY 10022 Fax: 212-918-3100 Email: mahanlon@hhlaw.com Attn: Maureen A. Hanlon, Esq.
DIRECTV PROGRAMMING HOLDINGS II, INC. 2230 East Imperial Highway El Segundo, CA 90245 Email: mthornton@directv.com Fax: 310-726-4884 Attn: Michael Thornton	Michael Thornton 2230 East Imperial Highway El Segundo, CA 90245 Email: mthornton@directv.com Fax: 310-726-4884 Attn: Michael Thornton	with copies to (which shall not constitute notice): DIRECTV, Inc. 2230 East Imperial Highway El Segundo, CA 90245 Fax: Attn: General Counsel Hogan & Hartson LLP 875 Third Avenue New York, NY 10022 Fax: 212-918-3100 Email: mahanlon@hhlaw.com Attn: Maureen A. Hanlon, Esq.

SCHEDULE C

Comcast Registration Rights Agreement

Schedule C - 1

SCHEDULE D

Radio One Registration Rights Agreement

Schedule D - 1

SCHEDULE E

Joinder Agreement

TV ONE, LLC

and

TV ONE CAPITAL CORP.,

as joint and several obligors,

AND EACH OF THE GUARANTORS PARTY HERETO

10% SENIOR SECURED NOTES DUE 2016

INDENTURE

Dated as of February 25, 2011

U.S. BANK NATIONAL ASSOCIATION,

as Trustee

and Collateral Trustee

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01	Definitions.	Exhibit 4.1 - 5
Section 1.02	Other Definitions.	Exhibit 4.1 - 25
Section 1.03	Rules of Construction.	Exhibit 4.1 - 25

ARTICLE 2 THE SECURITIES

Section 2.01	Form and Dating.	Exhibit 4.1 - 26
Section 2.02	Execution and Authentication.	Exhibit 4.1 - 26
Section 2.03	Registrar and Paying Agent.	Exhibit 4.1 - 26
Section 2.04	Paying Agent to Hold Money in Trust.	Exhibit 4.1 - 27
Section 2.05	Holder Lists.	Exhibit 4.1 - 27
Section 2.06	Transfer and Exchange.	Exhibit 4.1 - 27
Section 2.07	Replacement Securities.	Exhibit 4.1 - 34
Section 2.08	Outstanding Securities.	Exhibit 4.1 - 34
Section 2.09	Treasury Securities.	Exhibit 4.1 - 35
Section 2.10	Temporary Securities.	Exhibit 4.1 - 35
Section 2.11	Cancellation.	Exhibit 4.1 - 35
Section 2.12	Defaulted Interest.	Exhibit 4.1 - 35
Section 2.13	Issuance of Additional Securities.	Exhibit 4.1 - 35

ARTICLE 3 REDEMPTION AND PREPAYMENT

Section 3.01	Redemption.	Exhibit 4.1 - 36
Section 3.02	Notices to Trustee.	Exhibit 4.1 - 36
Section 3.03	Selection of Notes to Be Redeemed or Purchased.	Exhibit 4.1 - 37
Section 3.04	Notice of Redemption.	Exhibit 4.1 - 37
Section 3.05	Effect of Notice of Redemption.	Exhibit 4.1 - 37
Section 3.06	Deposit of Redemption or Purchase Price.	Exhibit 4.1 - 38
Section 3.07	Notes Redeemed or Purchased in Part.	Exhibit 4.1 - 38
Section 3.08	Offer to Purchase by Application of Excess Proceeds.	Exhibit 4.1 - 38

ARTICLE 4 COVENANTS

Section 4.01	Payment of Notes.	Exhibit 4.1 - 40
Section 4.02	Maintenance of Office or Agency.	Exhibit 4.1 - 40
Section 4.03	Reports.	Exhibit 4.1 - 40
Section 4.04	Compliance Certificate.	Exhibit 4.1 - 41
Section 4.05	Taxes.	Exhibit 4.1 - 41
Section 4.06	Stay, Extension and Usury Laws.	Exhibit 4.1 - 41
Section 4.07	Restricted Payments.	Exhibit 4.1 - 41
Section 4.08	Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.	Exhibit 4.1 - 43
Section 4.09	Incurrence of Indebtedness and Issuance of Disqualified Stock.	Exhibit 4.1 - 44
Section 4.10	Asset Sales.	Exhibit 4.1 - 47
Section 4.11	Transactions with Affiliates.	Exhibit 4.1 - 48
Section 4.12	Liens.	Exhibit 4.1 - 49
Section 4.13	Business Activities.	Exhibit 4.1 - 49
Section 4.14	Legal Existence.	Exhibit 4.1 - 50
Section 4.15	Offer to Repurchase Upon Change of Control.	Exhibit 4.1 - 51
Section 4.16	Payments for Consent.	Exhibit 4.1 - 51
Section 4.17	Additional Note Guarantees.	Exhibit 4.1 - 51
Section 4.18	Designation of Restricted and Unrestricted Subsidiaries.	Exhibit 4.1 - 52
Section 4.19	Restrictions on Activities of Capital Corp.	Exhibit 4.1 - 52

ARTICLE 5
SUCCESSORS

Section 5.01	Merger, Consolidation or Sale of Assets.	Exhibit 4.1 - 53
Section 5.02	Successor Corporation Substituted.	Exhibit 4.1 - 53

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01	Events of Default.	Exhibit 4.1 - 54
Section 6.02	Acceleration.	Exhibit 4.1 - 55
Section 6.03	Other Remedies.	Exhibit 4.1 - 56
Section 6.04	Waiver of Past Defaults.	Exhibit 4.1 - 56
Section 6.05	Control by Majority.	Exhibit 4.1 - 56
Section 6.06	Limitation on Suits.	Exhibit 4.1 - 56
Section 6.07	Rights of Holders of Notes to Receive Payment.	Exhibit 4.1 - 56
Section 6.08	Collection Suit by Trustee.	Exhibit 4.1 - 57
Section 6.09	Trustee May File Proofs of Claim.	Exhibit 4.1 - 57
Section 6.10	Priorities.	Exhibit 4.1 - 57
Section 6.11	Undertaking for Costs.	Exhibit 4.1 - 57

ARTICLE 7
TRUSTEE

Section 7.01	Duties of Trustee.	Exhibit 4.1 - 58
Section 7.02	Rights of Trustee.	Exhibit 4.1 - 58
Section 7.03	Individual Rights of Trustee.	Exhibit 4.1 - 59
Section 7.04	Trustee's Disclaimer.	Exhibit 4.1 - 59
Section 7.05	Notice of Defaults.	Exhibit 4.1 - 59
Section 7.06	Compensation and Indemnity.	Exhibit 4.1 - 60
Section 7.07	Replacement of Trustee.	Exhibit 4.1 - 61
Section 7.08	Successor Trustee by Merger, etc.	Exhibit 4.1 - 61
Section 7.09	Eligibility; Disqualification.	Exhibit 4.1 - 61

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01	Option to Effect Legal Defeasance or Covenant Defeasance.	Exhibit 4.1 - 62
Section 8.02	Legal Defeasance and Discharge.	Exhibit 4.1 - 62
Section 8.03	Covenant Defeasance.	Exhibit 4.1 - 62
Section 8.04	Conditions to Legal or Covenant Defeasance.	Exhibit 4.1 - 63
Section 8.05	Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.	Exhibit 4.1 - 63
Section 8.06	Repayment to Issuers.	Exhibit 4.1 - 64
Section 8.07	Reinstatement.	Exhibit 4.1 - 64

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01	Without Consent of Holders.	Exhibit 4.1 - 65
Section 9.02	With Consent of Holders.	Exhibit 4.1 - 65
Section 9.03	Revocation and Effect of Consents.	Exhibit 4.1 - 66
Section 9.04	Notation on or Exchange of Notes and Notes.	Exhibit 4.1 - 66
Section 9.05	Trustee and Collateral Trustees to Sign Amendments, etc.	Exhibit 4.1 - 66

ARTICLE 10
NOTE GUARANTEES

Section 10.01	Guarantee.	Exhibit 4.1 - 67
Section 10.02	Limitation on Guarantor Liability.	Exhibit 4.1 - 67
Section 10.03	Execution and Delivery of Note Guarantee.	Exhibit 4.1 - 68
Section 10.04	Guarantors May Consolidate, etc., on Certain Terms.	Exhibit 4.1 - 68
Section 10.05	Releases.	Exhibit 4.1 - 69

ARTICLE 11
SATISFACTION AND DISCHARGE

Section 11.01	Satisfaction and Discharge.	Exhibit 4.1 - 70
Section 11.02	Application of Trust Money.	Exhibit 4.1 - 70

ARTICLE 12
COLLATERAL AND SECURITY

Section 12.01	Security Interest.	Exhibit 4.1 - 71
Section 12.02	Security Documents.	Exhibit 4.1 - 71
Section 12.03	Collateral Trustee.	Exhibit 4.1 - 71
Section 12.04	Release of Liens in Respect of Notes.	Exhibit 4.1 - 72
Section 12.05	Equal and Ratable Sharing of Collateral by Holders of Parity Lien Debt.	Exhibit 4.1 - 73
Section 12.06	Relative Rights.	Exhibit 4.1 - 73
Section 12.07	Further Assurances.	Exhibit 4.1 - 74
Section 12.08	Application of Proceeds	Exhibit 4.1 - 74

ARTICLE 13
MISCELLANEOUS

Section 13.01	Notices.	Exhibit 4.1 - 75
Section 13.02	Certificate and Opinion as to Conditions Precedent.	Exhibit 4.1 - 76
Section 13.03	Statements Required in Certificate or Opinion.	Exhibit 4.1 - 76
Section 13.04	Rules by Trustee and Agents.	Exhibit 4.1 - 76
Section 13.05	No Personal Liability of Directors, Officers, Employees and Stockholders.	Exhibit 4.1 - 76
Section 13.06	Governing Law.	Exhibit 4.1 - 76
Section 13.07	No Adverse Interpretation of Other Agreements.	Exhibit 4.1 - 76
Section 13.08	Successors.	Exhibit 4.1 - 76
Section 13.09	Severability.	Exhibit 4.1 - 77
Section 13.10	Counterpart Originals.	Exhibit 4.1 - 77
Section 13.11	Table of Contents, Headings, etc.	Exhibit 4.1 - 77
Section 13.12	Waiver of Jury Trial.	Exhibit 4.1 - 77
Section 13.13	Force Majeure.	Exhibit 4.1 - 77

EXHIBITS

Exhibit A	FORM OF NOTE
Exhibit B	FORM OF CERTIFICATE OF TRANSFER
Exhibit C	FORM OF CERTIFICATE OF EXCHANGE
Exhibit D	FORM OF CERTIFICATE OF ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR
Exhibit E	FORM OF NOTATION OF GUARANTEE
Exhibit F	FORM OF SUPPLEMENTAL INDENTURE
Exhibit G	FORM OF COLLATERAL TRUST AGREEMENT

INDENTURE, dated as of February 25, 2011, by and among TV One, LLC, a Delaware limited liability company (the “Company” or “TV One”) and TV One Capital Corp., a Delaware corporation (“Capital Corp.” and, together with TV One, the “Issuers”), as joint and several obligors, the Guarantors (as defined herein), if any, and U.S. Bank National Association, as Trustee (as defined herein) and Collateral Trustee (as defined herein).

WHEREAS, the Issuers have duly authorized the creation of their 10% Senior Secured Notes due 2016 (the “*Notes*”);

WHEREAS, the Guarantors, if any, have duly authorized their respective Note Guarantees (as defined herein) of the Notes; and

WHEREAS, all things necessary to make the Notes, when each is duly issued and executed by the Issuers thereof, and authenticated and delivered hereunder, the valid obligations of the Issuers, to make the Note Guarantees, if any, the valid and binding obligations of the Guarantors, and to make this Indenture a valid and binding agreement of each of the Issuers and the Guarantors, have been done.

NOW, THEREFORE, each party hereto agrees as follows for the benefit of the other parties and for the equal and ratable benefit of the Holders (as defined herein):

ARTICLE 1
DEFINITIONS AND INCORPORATION
BY REFERENCE

Section 1.01 Definitions.

“*144A Global Note*” means a Global Note substantially in the form of Exhibit A hereto (in the case of a Note) and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depository or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes of the Issuers sold in reliance on Rule 144A.

“*144A Global Security*” means a 144A Global Note comprised of 144A Global Notes.

“*Acquired Debt*” means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; *provided, however*, that Indebtedness of such acquired Person which is redeemed, defeased, retired or otherwise repaid at the time of or immediately upon consummation of the transactions by which such Person merges with or into or becomes a Subsidiary of such Person shall not be Acquired Debt; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“*Act of Required Debtholders*” means, as to any matter at any time: (1) prior to the Discharge of any Parity Lien Obligations, a direction in writing delivered to the Collateral Trustee by or with the written consent of the holders of Parity Lien Debt representing the Required Parity Lien Debtholders; and (2) at any time after the Discharge of Parity Lien Obligations, a direction in writing delivered to the Collateral Trustee by or with the written consent of the holders of Junior Lien Debt representing the Required Junior Lien Debtholders. For purposes of this definition, (a) any Secured Debt registered in the name of, or beneficially owned by, the Company or any Affiliate of the Company will be deemed not to be outstanding, and (b) votes will be determined in accordance with the Security Documents.

“*Additional Securities*” means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02, 2.13, 4.09 and 4.12 hereof, as part of the same series as the Initial Securities.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided* that beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with” have correlative meanings.

“*Agent*” means any Registrar, co-registrar, Paying Agent or additional paying agent.

“*Applicable Premium*” means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; or

(2) the excess of: (a) the present value at such redemption date of (i) the redemption price of the Note at March 15, 2013, (such redemption price being set forth in the table appearing in Section 3.01(c) hereof) plus (ii) all required interest payments due on the Note through March 15, 2013 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 75 basis points; over (b) the principal amount of the Note.

“Applicable Procedures” means, with respect to any transfer or exchange of or for beneficial interests in any Global Security, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

“Asset Acquisition” means (i) an Investment by the Company or any Restricted Subsidiary of the Company in any other Person pursuant to which such Person becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with any Restricted Subsidiary of the Company or (ii) an acquisition of property (including Capital Stock) by the Company or any Restricted Subsidiary of the Company.

“Asset Sale” means:

(1) the sale, lease, conveyance or other disposition of any assets or rights by the Company or any of the Company’s Restricted Subsidiaries; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole or an Issuer and its Restricted Subsidiaries taken as a whole will be governed by Section 4.15 and/or 5.01 hereof and not by Section 4.10 hereof; and

(2) the issuance of Equity Interests by any of the Company’s Restricted Subsidiaries or the sale by the Company or any of the Company’s Restricted Subsidiaries of Equity Interests in any of the Company’s Restricted Subsidiaries (other than directors’ qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(3) any single transaction or series of related transactions that involve assets or Equity Interests having a Fair Market Value of less than \$1.0 million and not exceeding \$2.5 million in any fiscal year;

(4) a transfer of assets between or among the Company and its Restricted Subsidiaries that are Guarantors;

(5) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to a Restricted Subsidiary;

(6) the sale, lease or other transfer or discount of products or services in the ordinary course of business and any sale or other disposition of damaged, worn-out or obsolete assets in the ordinary course of business (including the assignment, cancellation or abandonment or other disposition of intellectual property that is, in the reasonable judgment of the Company, no longer economically practicable to maintain or useful in any material respect in the conduct of the business of the Company and its Restricted Subsidiaries taken as whole);

(7) grants of leases, subleases, licenses and sublicenses in the ordinary course of business;

(8) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(9) the granting of Liens not prohibited by Section 4.12 hereof and any disposition of such assets subject to such Liens in connection with any foreclosure or similar remedy;

(10) the sale or other disposition of cash or Cash Equivalents;

(11) a Restricted Payment that does not violate the Section 4.07 hereof or a Permitted Investment;

(12) dispositions of Investments or receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceeds and exclusive of factoring or similar arrangements;

(13) the sale of an Unrestricted Subsidiary;

(14) the sale or other disposition of Equity Interests of, or an issuance of Equity Interests by, an Unrestricted Subsidiary; and

(15) the disposition of any property or other assets by reason of theft, loss, physical destruction or damage, taking, condemnation or similar event.

“Bankruptcy Law” means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

“Beneficial Owner” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms “Beneficially Owns” and “Beneficially Owned” have a corresponding meaning.

“Board of Directors” means:

- (1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;
- (2) with respect to a partnership, the Board of Directors of the general partner of the partnership;
- (3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and
- (4) with respect to any other Person, the board or committee of such Person serving a similar function.

“Business Day” means any day other than a Legal Holiday.

“Capital Expenditures” means, for any period, the sum of:

- (1) the aggregate amount of all expenditures of the Company and its Restricted Subsidiaries for fixed or capital assets made during such period which, in accordance with GAAP, would be classified as capital expenditures; and
- (2) the aggregate amount of all Capital Lease Obligations of the Company and its Restricted Subsidiaries incurred during such period.

“Capital Lease Obligation” means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“Capital Stock” means:

- (1) in the case of a corporation, corporate stock;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“Cash Equivalents” means:

- (1) United States dollars;
- (2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided* that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than one year from the date of acquisition;
- (3) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any domestic commercial bank;
- (4) repurchase obligations with a term of not more than seven (7) days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;
- (5) commercial paper having one of the two highest ratings obtainable from Moody’s or S&P and, in each case, maturing within nine months after the date of acquisition; and
- (6) money market funds the assets of which primarily constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

“Change of Control” means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Subsidiaries taken as a whole, to any Person (including any “person” (as that term is used in Section 13(d)(3) of the Exchange Act)) other than a Restricted Subsidiary of the Company that is a Wholly Owned Subsidiary of the Company;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company or Capital Corp.;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any “person” (as defined above) other than Radio One, Comcast or their respective Subsidiaries, becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Company, measured by voting power rather than number of shares;

(4) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Company outstanding immediately prior to such transaction constitutes or is converted into or exchanged for a majority of the outstanding shares of the Voting Stock of such surviving or transferee Person (immediately after giving effect to such transaction);

(5) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors;

(6) prior to an IPO, the first day on which Radio One and Comcast collectively (which, for the avoidance of doubt, means either Radio One and Comcast together or individually) cease to own and control, directly or indirectly, 51% of the outstanding Equity Interests of the Company; or

(7) after an IPO, the first day on which Radio One and Comcast collectively (which, for the avoidance of doubt, means either Radio One and Comcast together or individually) cease to own and control, directly or indirectly, outstanding Equity Interests of the Company representing the greater of (a) 35% of the outstanding Equity Interests of the Company and (b) the percentage of the outstanding Equity Interests of the Company owned by any other “person” (as that term is used in Section 13(d)(3) of the Exchange Act).

“Clearstream” means Clearstream Banking, S.A.

“Closing Date” means February 25, 2011.

“Collateral” means all properties and assets at any time owned or acquired by the Issuers or any Guarantor, upon which a Lien securing the Notes is granted or purported to be granted under any Security Document, provided that in no event shall the Collateral include any Excluded Assets.

“Collateral Trust Agreement” means that certain Collateral Trust Agreement, substantially in the form attached hereto as Exhibit G, to be entered into by the Issuers, the Guarantors and the Collateral Trustee prior to, or concurrently with, the incurrence of any Parity Lien Debt (other than the Notes) or Junior Lien Debt.

“Collateral Trustee” means U.S. Bank National Association, in its capacity as Collateral Trustee for the Collateral, together with its successors in such capacity.

“Comcast” means Comcast Corporation, a Pennsylvania corporation.

“Company” means TV One, LLC, a Delaware limited liability company.

“Company LLC Agreement” means the Second Amended and Restated Limited Liability Company Operating Agreement of TV One, dated as of December 28, 2004, as amended from time to time.

“*Consolidated EBITDA*” means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) an amount equal to any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale or asset disposals or the disposition of securities, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) the Consolidated Interest Expense of such Person and its Restricted Subsidiaries for such period, to the extent that such Consolidated Interest Expense were deducted in computing such Consolidated Net Income; *plus*

(4) depreciation, amortization (including amortization of intangibles, but excluding amortization of Programming Payments or amortization of prepaid cash expenses that were paid in a prior period) and other non-cash charges and expenses (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash charges or expenses were deducted in computing such Consolidated Net Income; *plus*

(5) to the extent deducted in computing such Consolidated Net Income, extraordinary, or non-recurring losses (including, without limitation, losses from early extinguishment of debt, reorganization, restructuring items and discontinued operations) for such period; *plus*

(6) to the extent deducted in computing such Consolidated Net Income, the amortization of debt discount for such period; *plus*

(7) to the extent deducted in computing such Consolidated Net Income, costs and expenses, including fees, incurred directly in connection with the issuance of the Notes or in connection with any other financing transaction, Equity Offering or Investment (including a Permitted Investment); *plus*

(8) to the extent deducted in computing such Consolidated Net Income, costs and expenses, including appraisal costs, incurred directly in connection with the redemption of the Equity Interests in the Company held by the Financial Investor Members (as such term is defined in the Company LLC Agreement), the DIRECTV Members (as such term is defined in the Company LLC Agreement) and the Class D Members (as such term is defined in the Company LLC Agreement) incurred on or prior to December 31, 2011 in an aggregate amount not to exceed \$3.0 million, *minus*

(9) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with GAAP.

“*Consolidated Indebtedness*” means, with respect to any Person as of any date of determination, the sum, without duplication, of (i) the total amount of Indebtedness of such Person and its Subsidiaries, plus (ii) the total amount of Indebtedness of any other Person, to the extent that such Indebtedness has been Guaranteed by the referent Person or one or more of its Subsidiaries, plus (iii) the aggregate liquidation value of all Disqualified Stock of such Person and its Subsidiaries, in each case, determined on a consolidated basis in accordance with GAAP; *provided that* Indebtedness representing Hedging Obligations shall not constitute Indebtedness for purposes of this definition.

“*Consolidated Interest Expense*” means, with respect to any Person for any period, the sum of (i) the consolidated interest expense of such Person and its Subsidiaries for such period, whether paid or accrued (including, without limitation, amortization or original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers’ acceptance financings, and net payments (if any) made by such Person and its Subsidiaries pursuant to interest rate Hedging Obligations) and (ii) the consolidated interest expense of such Person and its Subsidiaries that was capitalized during such period, and (iii) any interest expense on Indebtedness of another Person that is guaranteed by such Person or one of its Subsidiaries or secured by a Lien on assets of such Person or one of its Subsidiaries (whether or not such Guarantee or Lien is called upon) and (iv) all dividend payments on any series of Disqualified Stock of such Person or any of its Subsidiaries, in each case, on a consolidated basis and in accordance with GAAP.

“*Consolidated Leverage Ratio*” means, as of any date, the ratio of

(1) the Consolidated Indebtedness of the Company as of such date to

(2) the Consolidated EBITDA of the Company for the most recent four-quarter period for which internal financial statements are available, in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such quarter or four-quarter period, as applicable, through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such quarter or four-quarter period, as applicable.

In addition, for purposes of calculating the Consolidated Leverage Ratio:

(3) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations or acquisitions of assets, or any Person or any of its Restricted Subsidiaries acquired by merger, consolidation or the acquisition of all or substantially all of its assets by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the quarter or four-quarter reference period, as applicable or subsequent to such reference period and on or prior to the date on which the event for which the calculation of the Consolidated Leverage Ratio is made (the “Leverage Calculation Date”) will be given pro forma effect (as determined in good faith by the Company’s chief financial officer and consistent in all material respects with GAAP) as if they had occurred on the first day of the quarter or four-quarter reference period, as applicable;

(4) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Leverage Calculation Date will be excluded;

(5) any Person that is a Restricted Subsidiary on the Leverage Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such quarter or four-quarter reference period, as applicable; and

(6) any Person that is not a Restricted Subsidiary on the Leverage Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such quarter or four-quarter reference period, as applicable.

“*Consolidated Net Income*” means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiary of such Person), determined in accordance with GAAP and without any reduction in respect of preferred stock or Disqualified Stock dividends; *provided that*:

(1) all extraordinary gains (but not losses) and all gains (but not losses) realized in connection with any Asset Sale or asset disposals or the disposition of securities or the early extinguishment of Indebtedness, together with any related provision for taxes on any such gain, will be excluded;

(2) the net income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(3) the net income (but not loss) of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) the cumulative effect of a change in accounting principles will be excluded; and

(5) non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to Financial Accounting Standards Board Statement No. 133 will be excluded.

“*continuing*” means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

“*Continuing Directors*” means, as of any date of determination, any member of the Board of Directors of the Company who:

(1) was a member of such Board of Directors on the date of this Indenture; or

(2) was either nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election or was nominated by Radio One or Comcast.

“Corporate Trust Office of the Trustee” will be at the address of the Trustee specified in Section 13.01 hereof or such other address as to which the Trustee may give notice to the Issuers.

“Custodian” means the Trustee, as custodian with respect to the Securities in global form, or any successor entity thereto.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Definitive Note” means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the “Schedule of Exchanges of Interests in the Global Note” attached thereto.

“Definitive Security” means Definitive Notes.

“Depository” means, with respect to the Securities issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depository with respect to the Securities, and any and all successors thereto appointed as depository hereunder and having become such pursuant to the applicable provision of this Indenture.

“Discharge of Parity Lien Obligations” means the occurrence of all of the following: (1) termination or expiration of all commitments to extend credit that would constitute Parity Lien Debt; (2) payment in full in cash of the principal of and interest and premium, if any, on all Parity Lien Debt (other than any undrawn letters of credit); (3) discharge or cash collateralization (at the lower of (A) 101% of the aggregate undrawn amount and (B) the percentage of the aggregate undrawn amount required for release of liens under the terms of the applicable Parity Lien Document) of all outstanding letters of credit constituting Parity Lien Debt; and (4) payment in full in cash of all other Parity Lien Obligations that are outstanding and unpaid at the time the Parity Lien Debt is paid in full in cash (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities in respect of which no claim or demand for payment has been made at such time).

“Disqualified Stock” means (a) in the case of the Company and the Restricted Subsidiaries, any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable for cash, pursuant to a sinking fund obligation or otherwise, or redeemable for cash at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is ninety-one (91) days after the date on which the Notes mature and (b) in the case of any Restricted Subsidiary, any other Capital Stock other than any common equity with no preferences, privileges, and no cash redemption or repayment provisions. Notwithstanding the preceding sentence, (A) any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the issuer thereof to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if (x) the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under Section 4.07 hereof or (y) the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock prior to the Company’s purchase of the Notes as is required to be purchased pursuant to the provisions of this Indenture and (B) any Equity Interests of the Company being redeemed in connection with the Transactions or otherwise held by the DTV Investors as of the Closing Date shall not constitute Disqualified Stock (so long as the terms of such Equity Interests are not modified in any material respect). The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

“Domestic Subsidiary” means any Restricted Subsidiary of the Company (i) that was formed under the laws of the United States or any state of the United States or the District of Columbia or (ii) that was not formed under the laws of the United States or any state of the United States or the District of Columbia and that guarantees or otherwise provides direct credit support for any Indebtedness of the Company (other than a pledge of such Restricted Subsidiary’s assets, so long as no more than 65% of any Voting Stock of any Restricted Subsidiary that is not a Domestic Subsidiary is so pledged by such Restricted Subsidiary).

“DTV Investors” means collectively DIRECTV Programming Holdings I, Inc. and DIRECTV Programming Holdings II, Inc. and/or their permitted transferees.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“Equity Offering” means a sale either (1) of Equity Interests of the Company by the Company (other than Disqualified Stock and other than to a Subsidiary of the Company) or (2) of Equity Interests of a direct or indirect parent entity of the Company (other than to the Company or a Subsidiary of the Company) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Company.

“Euroclear” means Euroclear Bank, S.A./N.V., as operator of the Euroclear system.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Excluded Assets” means the collective reference to the following: (1) any contract, license, general intangible, copyright license, patent license or trademark license, agreement, instrument, indenture or any other property to the extent the grant by an Issuer or a Guarantor, as applicable, of a security interest pursuant to a Security Document of its right, title and interest in such intangible assets or other property (A) is prohibited by provisions of such contract, agreement, instrument or indenture governing such intangible asset or other property, or by any law, (B) would give any other party to such contract, license, agreement, instrument or indenture a legally enforceable right to terminate its obligations thereunder, (C) would result in a breach, termination or default of such contract, license, general intangible, agreement, instrument or indenture or (D) is permitted only with the consent of another party, if the requirement to obtain such consent is legally enforceable and such consent has not been obtained (in the case of each of clause 1(A), 1(B), 1(C) and 1(D) above, which prohibition, termination right, breach, termination or default or requirement to obtain consent, as applicable, is not rendered ineffective by Section 9-406(d), 9-407(a), 9-408(a) or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) or any other applicable law (including the Bankruptcy Code) or principles of equity); (2) any of the outstanding voting Capital Stock of any Subsidiary that is not a Domestic Subsidiary, in each case, in excess of 65% of such outstanding Capital Stock; (3) fee and leasehold interests in real property; (4) motor vehicles and other assets subject to a certificate of title and (5) any Excluded Ownership Interests; provided, however, that Excluded Assets shall not include any Proceeds (as defined in the Uniform Commercial Code), substitutions or replacements of any Excluded Assets referred to in the foregoing clauses (unless such Proceeds, substitutions or replacements would constitute Excluded Assets referred to in any of the foregoing clauses).

“Excluded Ownership Interests” means all (1) Equity Interests owned or held by any Unrestricted Subsidiary and (2) Equity Interests in Persons that are not Wholly-Owned Subsidiaries of the Issuers, but only to the extent such Person is contractually prohibited from creating a Lien in such Equity Interests, so long as the Issuers (a) do not encourage the creation of any such contractual prohibitions and (b) requests that no such contractual prohibitions be instituted.

“Existing Indebtedness” means all Indebtedness of the Company and its Subsidiaries in existence on the date of this Indenture, until such amounts are repaid.

“Fair Market Value” means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Company (unless otherwise provided in this Indenture).

“GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the date of this Indenture, except with respect to any reports or financial information required to be delivered pursuant to Section 4.03 hereto, which shall be prepared in accordance with GAAP as in effect on the date thereof, except as provided below. At any time after adoption of IFRS by the Company for its financial statements and reports for all financial reporting purposes, the Company may elect to apply IFRS for all purposes of this Indenture, in lieu of United States GAAP, and, upon any such election, references herein to GAAP shall be construed to mean IFRS as in effect from time to time; provided that (1) any such election once made shall be irrevocable (and shall only be made once), (2) all financial statements and reports required to be provided after such election pursuant to this Indenture shall be prepared on the basis of IFRS and (3) from and after such election, all ratios, computations and other determinations (A) based on GAAP contained in this Indenture shall be computed in conformity with IFRS and (B) in this Indenture that require the application of GAAP for periods that include fiscal quarters ended prior to the Company’s election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP. The Company shall give notice of any election to the Trustee and the Holders of Notes within 15 days of such election. For the avoidance of doubt, solely making an election (without any other action) referred to in this definition will not be treated as an incurrence of Indebtedness.

“Global Note Legend” means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

“Global Notes” means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the “Schedule of Exchanges of Interests in the Global Note” attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), 2.06(d)(1) or 2.06(d)(2) hereof.

“Global Security” means a Global Note.

“Government Securities” means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States of America pledges its full faith and credit.

“Guarantee” means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

“Guarantors” means the Subsidiary Guarantors and their respective successors and assigns.

“Hedge Agreement” means any agreement governing Hedging Obligations.

“Hedging Obligations” means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

“Holder” means the Person in whose name a Security is registered.

“IAI Global Note” means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes of the Issuers sold to Institutional Accredited Investors.

“IAI Global Security” means an IAI Global Note.

“Immaterial Subsidiary” means, as of any date, any Domestic Subsidiary whose total assets, together with all other Domestic Subsidiaries that are not Guarantors, as of that date, are less than \$2.5 million and whose total revenues, together with all other Domestic Subsidiaries that are not Guarantors, for the most recent twelve-month period do not exceed \$2.5 million; provided that a Restricted Subsidiary will not be considered to be an Immaterial Subsidiary if it, directly or indirectly, guarantees or otherwise provides direct credit support for any Indebtedness of the Company or any Guarantor.

“Indebtedness” means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments;

(3) in respect of banker’s acceptances or letters of credit (other than obligations in respect of letters of credit securing obligations (other than obligations described in (1) or (2) above or (4) below) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the tenth business day following receipt by such Person or a demand for reimbursement);

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term “Indebtedness” includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person), but only to the extent of the lesser of (x) the Fair Market Value of the assets subject to such Lien, or (y) the amount of Indebtedness secured by such Lien and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of Statement of Financial Accounting Standards No. 133 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness. For the avoidance of doubt, any programming liabilities incurred by the Company or any of its Restricted Subsidiaries in the ordinary course of business shall not be considered Indebtedness under this definition or for any other purpose under this Indenture.

“Indenture” means this Indenture, as amended or supplemented from time to time.

“Indirect Participant” means a Person who holds a beneficial interest in a Global Security through a Participant.

“Initial Notes” means the first \$119,000,000 aggregate principal amount of Notes issued under this Indenture on the date hereof.

“Initial Securities” means the Initial Notes.

“Insolvency or liquidation proceeding” means:

(1) any case commenced by or against an Issuer or any Guarantor under Title 11, U.S. Code or any similar federal or state law for the relief of debtors, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of an Issuer or any Guarantor, any receivership or assignment for the benefit of creditors relating to an Issuer or any Guarantor or any similar case or proceeding relative to an Issuer or any Guarantor or its creditors, as such, in each case whether or not voluntary;

(2) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to an Issuer or any Guarantor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(3) any other proceeding of any type or nature in which substantially all claims of creditors of an Issuer or any Guarantor are determined and any payment or distribution is or may be made on account of such claims.

“Institutional Accredited Investor” means an institution that is an “accredited investor” as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, which is not also a QIB.

“Investments” means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company’s Investments in such Restricted Subsidiary that were not sold or disposed of in an amount determined as provided in Section 4.07(c) hereof. The acquisition by the Company or any Restricted Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 4.07(c) hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

“IPO” means a bona fide underwritten sale to the public of common stock of Company (or any parent holding company thereof) pursuant to a registration statement (other than on Form S-8 or any other form relating to securities issuable under any benefit plan of Company or any of its Subsidiaries, as the case may be) that is declared effective by the SEC and such offering results in net cash proceeds received by (or contributed to) Company of at least \$25,000,000.

“Junior Lien” means a Lien granted by a Junior Lien Document to the Junior Collateral Trustee, at any time, upon any property of an Issuer or a Guarantor to secure Junior Lien Obligations.

“Junior Lien Debt” means: any Indebtedness of the Issuers that is secured equally and ratably by a Junior Lien that was permitted to be incurred and so secured under this Indenture and each other applicable Secured Debt Document and any Guarantees by Guarantors of such Indebtedness; *provided* that: (a) on or before the date on which such Indebtedness is incurred by the Issuers, such Indebtedness is designated by the Issuers, in an Officers’ Certificate delivered to each Junior Lien Representative, each Parity Lien Representative, and the Collateral Trustee, as “Junior Lien Debt” for the purposes of this Indenture and the Collateral Trust Agreement (*provided* that no Series of Secured Debt may be designated as both Junior Lien Debt and Parity Lien Debt); (b) such Indebtedness is governed by an indenture, credit agreement or other agreement that includes a Lien Sharing and Priority Confirmation; (c) such Indebtedness has a final Stated Maturity Date equal to or later than the final Stated Maturity Date of the Notes; (d) the Issuers and the Guarantors shall enter into supplemental Security Documents, pursuant to which such grantors shall grant to the Collateral Trustee, for the ratable benefit of the holders of the Notes, a security interest in any assets or property of the grantors not otherwise granted under this Indenture or the Security Documents prior to such date to the extent such grantors grant a security interest in such assets to the holders of such Junior Lien Debt or to any of their representatives (such supplemental Security Documents shall contain such additional customary covenants, representations, conditions (including delivery of customary legal opinions) and other provisions relating to such additional assets or the granting of such security interest as the Collateral Trustee may reasonably request; (e) the Issuers and the Guarantors shall enter into and file such other agreements, amendments, financing statements or other documents as the Collateral Trustee shall reasonably request in furtherance of the foregoing or as are necessary in order to comply with the requirements of this Indenture and the Security Documents (including any supplemental Security Documents); (f) the Issuers, the Guarantors and the Collateral Trustee shall have entered into the Collateral Trust Agreement; and (g) all requirements set forth in the Collateral Trust Agreement as to the confirmation, grant or perfection of the Collateral Trustee’s Liens to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this definition will be conclusively established if the Issuers delivers to the Collateral Trustee an Officers’ Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is “Junior Lien Debt”).

“Junior Lien Documents” means, collectively, (i) any indenture or credit facility pursuant to which any Junior Lien Debt is incurred and (ii) the Security Documents (other than any Security Documents that do not secure Junior Lien Obligations).

“Junior Lien Obligations” means Junior Lien Debt and all other Obligations in respect thereof.

“Junior Lien Representative” means with respect to any Series of Junior Lien Debt, the trustee, agent or representative of the holders of such Series of Junior Lien Debt who maintains the transfer register for such Series of Junior Lien Debt, is appointed as a representative of the Junior Lien Debt (for purposes related to the administration of the security documents) pursuant to the agreement governing such Series of Junior Lien Debt and has become a party to the Collateral Trust Agreement by executing a joinder in the form required under the Collateral Trust Agreement.

“Legal Holiday” means a Saturday, a Sunday or a day on which banking institutions (1) in the City of New York, (2) in the City in which the Corporate Trust Office of the Trustee is located or (3) at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

“Lien” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement relating to a lien on an asset under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

“Lien Cap” means as of any date of determination, the amount of Secured Debt that may be incurred by the Issuers or any Guarantor such that, after giving pro forma effect to such incurrence and the application of the net proceeds therefrom, the Secured Leverage Ratio would not exceed 4.00 to 1.00.

“Lien Sharing and Priority Confirmation” means: (1) as to any future Series of Parity Lien Debt, the written agreement of the holders of such Series of Parity Lien Debt, as set forth in this Indenture, credit agreement or other agreement governing such Series of Parity Lien Debt, for the enforceable benefit of all holders of each existing and future Series of Secured Debt and each existing and future Secured Debt Representative: (a) that all Parity Lien Obligations will be and are secured equally and ratably by all Parity Liens at any time granted by the Issuers or any Guarantor to secure any Obligations in respect of such Series of Parity Lien Debt, whether or not upon property otherwise constituting collateral for such Series of Parity Lien Debt, and that all such Parity Liens will be enforceable by the Collateral Trustee for the benefit of all holders of Parity Lien Obligations equally and ratably; (b) that the holders of Obligations in respect of such Series of Parity Lien Debt are bound by the provisions of the Collateral Trust Agreement, including the provisions relating to the ranking of Parity Liens and the order of application of proceeds from the enforcement of Parity Liens; and (c) consenting to and directing the Collateral Trustee to perform its obligations under the Collateral Trust agreement and the other Security Documents; and (2) as to any future Series of Junior Lien Debt, the written agreement of the holders of such Series of Junior Lien Debt, as set forth in the applicable agreement governing such Series of Junior Lien Debt, for the enforceable benefit of all holders of each existing and future Series of Secured Debt and each existing and future Secured Debt Representative: (a) that all Junior Lien Obligations will be and are secured equally and ratably by all Junior Liens at any time granted by the Issuers or any Guarantor to secure any Obligations in respect of such Series of Junior Lien Debt, whether or not upon property otherwise constituting collateral for such Series of Junior Lien Debt, and that all such Junior Liens will be enforceable by the Collateral Trustee for the benefit of all holders of Junior Lien Obligations equally and ratably; (b) that the holders of Obligations in respect of such Series of Junior Lien Debt are bound by the provisions of the Collateral Trust Agreement, including the provisions relating to the ranking of Junior Liens and the order of application of proceeds from enforcement of Junior Liens; and (c) consenting to and directing the Collateral Trustee to perform its obligations under the Collateral Trust Agreement and the other Security Documents.

“Liquidity” means, as of any date of determination, cash and Cash Equivalents of the Company and its Restricted Subsidiaries minus the amount of accrued interest in respect of outstanding Indebtedness of the Company and its Restricted Subsidiaries minus the amount of trade payables of the Company and its Restricted Subsidiaries aged beyond the Company’s historical, ordinary course payment practices.

“Moody’s” means Moody’s Investors Service, Inc.

“Net Proceeds” means the aggregate cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees and discounts, and sales commissions, and any other fees and expenses, including relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and any reserve for adjustment in respect of the sale price of any asset or assets that were the subject of such Asset Sale established in accordance with GAAP.

“Non-Recourse Debt” means Indebtedness as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise.

“Non-U.S. Person” means a Person who is not a U.S. Person.

“Notes” has the meaning assigned to it in the preamble to this Indenture.

“Obligations” means any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including all interest accrued thereon after the commencement of any insolvency or liquidation proceeding at the rate, including any applicable post-default rate, specified in the applicable Secured Debt Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding), premium, if any, fees, indemnifications, reimbursements, expenses and other liabilities payable under the documentation governing any Indebtedness.

“Officer” means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, the Controller, the Secretary, any Assistant Secretary or any Vice-President of such Person.

“Officers’ Certificate” means with respect to any person, a certificate signed on behalf of the Person by two Officers of the Person, one of whom, solely in respect of the Officers’ Certificate required by Section 4.04(a), must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Person, that, if applicable, meets the requirements of Section 13.03 hereof.

“Opinion of Counsel” means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 13.03 hereof. The counsel may be an employee of or counsel to the Company or any Subsidiary of the Company, reasonably acceptable to the Trustee.

“Parent Distribution Asset Sale” means an Asset Sale, the proceeds of which are required to be distributed, in whole or in part, to Radio One pursuant to Section 4.10(c) of the Radio One Indenture prior to the making of an Asset Sale Offer (and any payments accepted by any Holder in respect of such Asset Sale Offer).

“Parity Lien” means a Lien granted by a Parity Lien Document to the Collateral Trustee, at any time, upon any property of the Issuers or any Guarantor to secure Parity Lien Obligations.

“Parity Lien Debt” means : (1) the Notes issued under this Indenture and the Note Guarantees of the Guarantors; and (2) any other Indebtedness of the Issuers that is secured equally and ratably with the Notes by a Parity Lien that was permitted to be incurred and so secured under this Indenture and each other applicable Secured Debt Document and any Guarantees by Guarantors of such Indebtedness; *provided* that in the case of any Indebtedness referred to in clause (2) of this definition: (a) on or before the date on which such Indebtedness is incurred by the Issuers, such Indebtedness is designated by the Issuers in an Officers’ Certificate delivered to each Parity Lien Representative, each Priority Lien Representative, each Junior Lien Representative and the Collateral Trustee, as “Parity Lien Debt” for the purposes of this Indenture and the Collateral Trust Agreement (*provided* that no Series of Secured Debt may be designated as both Parity Lien Debt and Priority Lien Debt and/or Junior Lien Debt); (b) such Indebtedness is governed by an indenture, credit agreement or other agreement that includes a Lien Sharing and Priority Confirmation; (c) such Indebtedness has a final Stated Maturity Date equal to or later than the final Stated Maturity Date of the Notes; (d) the Issuers and the Guarantors shall enter into supplemental Security Documents, pursuant to which such grantors shall grant to the Collateral Trustee, for the ratable benefit of the holders of the Notes, a security interest in any assets or property of the grantors not otherwise granted under this Indenture or the Security Documents prior to such date to the extent such grantors grant a security interest in such assets to the holders of such Parity Lien Debt or to any of their representatives (such supplemental Security Documents shall contain such additional customary covenants, representations, conditions (including delivery of customary legal opinions) and other provisions relating to such additional assets or the granting of such security interest as the Collateral Trustee may reasonably request; (e) the Issuers and the Guarantors shall enter into and file such other agreements, amendments, financing statements or other documents as the Collateral Trustee shall reasonably request in furtherance of the foregoing or as are necessary in order to comply with the requirements of this Indenture and the applicable Security Documents (including any supplemental Security Documents); (f) the Issuers, the Guarantors and the Collateral Trustee shall have entered into the Collateral Trust Agreement; and (g) all requirements set forth in the Collateral Trust Agreement as to the confirmation, grant or perfection of the Collateral Trustee’s Liens to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this definition will be conclusively established if the Issuers delivers to the Collateral Trustee an Officers’ Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is “Parity Lien Debt”).

“Parity Lien Documents” means, collectively, (i) this Indenture, the Notes, the Note Guarantees, (ii) the indenture, credit agreement or other agreement governing each other Series of Parity Lien Debt and (iii) the Security Documents (other than any Security Documents that do not secure Parity Lien Obligations).

“Parity Lien Obligations” means Parity Lien Debt and all other Obligations in respect thereof.

“Parity Lien Representatives” (1) in the case of the Notes, the Trustee; or (2) in the case of any other Series of Parity Lien Debt, the trustee, agent or representative of the holders of such Series of Parity Lien Debt who maintains the transfer register for such Series of Parity Lien Debt and (a) is appointed as Parity Lien Representative (for purposes related to the administration of the security documents) pursuant to this Indenture, credit agreement or other agreement governing such Series of Parity Lien Debt, together with its successors in such capacity, and (b) has become a party to the Collateral Trust Agreement by executing a joinder in the form required under the Collateral Trust Agreement.

“Participant” means, with respect to the Depository, Euroclear or Clearstream, a Person who has an account with the Depository, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

“Permitted Asset Swap” means any disposition of assets by the Company or any of its Restricted Subsidiaries to any Person (other than the Company or any Subsidiary of the Company) in which at least 95% of the consideration received by the Company or such Restricted Subsidiary consists of:

(1) all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary or is merged into or consolidated with the Company or any Restricted Subsidiary; and/or

(2) other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business and, to the extent received in exchange for assets that constituted Collateral, pledged as Collateral pursuant to the terms of the Security Documents,

provided that any consideration not constituting assets or property of a kind usable by the Company and its Restricted Subsidiaries in the Permitted Business received by the Company or any of its Restricted Subsidiaries in connection with any Asset Sale that constitutes a Permitted Asset Swap shall constitute Net Proceeds from an Asset Sale pursuant to Section 4.10.

“Permitted Business” means the business of (i) producing or acquiring programming and video content for the purpose of transmitting such programming or video content via various distribution platforms; (ii) transmitting programming or video content via various distribution platforms; (iii) selling and distributing advertising in connection with transmitting such programming or video content; or (iv) evaluating, participating or pursuing any other activity or opportunity that is reasonably related, ancillary or complementary to, any of the businesses identified in clauses (i)-(iii) above, as determined in good faith by the Company.

“Permitted Investments” means:

- (1) any Investment in the Company or in a Restricted Subsidiary that is a Guarantor;
- (2) any Investment in Cash Equivalents;
- (3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment:
- (a) such Person becomes a Restricted Subsidiary of the Company that is a Guarantor; or
- (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company that is a Guarantor;
- (4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10 hereof;
- (5) any acquisition of assets or Capital Stock solely in exchange for, or out of the net cash proceeds received from, the issuance of Equity Interests (other than Disqualified Stock) of the Company;
- (6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes;
- (7) Investments represented by Hedging Obligations;
- (8) endorsements of negotiable instruments and documents in the ordinary course of business;
- (9) pledges or deposits permitted under clauses (6) and (26) of the definition of “Permitted Liens”;
- (10) loans or advances to employees, including advances to employees for moving and travel expenses and similar expenditures, made in the ordinary course of business of the Company or any Restricted Subsidiary of the Company in an aggregate principal amount not to exceed \$1.0 million at any one time outstanding;
- (11) receivables owing to the Company or any Restricted Subsidiary of the Company if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms as the Company or such Restricted Subsidiary of the Company deems reasonable under the circumstances;
- (12) repurchases of the Notes;

(13) any guarantee of Indebtedness permitted to be incurred under Section 4.09 other than a guarantee of Indebtedness of an Affiliate of the Company that is not a Restricted Subsidiary of the Company;

(14) any Investment existing on, or made pursuant to binding commitments existing on, the date of this Indenture and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the date of this Indenture; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the date of this Indenture or (b) as otherwise permitted under this Indenture;

(15) Investments acquired after the date of this Indenture as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 5.01 hereof after the date of this Indenture to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(16) Investments by the Company and its Restricted Subsidiaries consisting of deposits, prepayment and other credits to suppliers or lessors in the ordinary course of business; and

(17) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (17) that are at the time outstanding not to exceed \$10.0 million; *provided* that if an Investment made pursuant to this clause (17) is made in any Person that is not a Restricted Subsidiary of the Company at the date of the making of the Investment and such Person becomes a Restricted Subsidiary of the Company after such date, such Investment will thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (17).

For purposes of this definition, in the event that a proposed Investment (or portion thereof) meets the criteria of more than one of the categories of Permitted Investments described in clauses (1) through (17) above, or is otherwise entitled to be incurred or made pursuant to Section 4.07 hereto, the Company will be entitled to classify, or later reclassify, such Investment (or portion thereof) in one or more of such categories set forth above or under Section 4.07 hereto.

“Permitted Liens” means:

(1) Liens held by the Collateral Trustee securing (a) Parity Lien Debt and/or Junior Lien Debt or in an aggregate principal amount (as of the date of incurrence of any Parity Lien Debt or Junior Lien Debt, as applicable, and after giving pro forma effect to the application of the net proceeds therefrom) not exceeding the Lien Cap, and (b) all other Obligations (other than principal) in respect of such Parity Lien Debt described in clause (a);

(2) Liens in favor of the Company or the Subsidiary Guarantors;

(3) Liens on property of a Person existing at the time such Person becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary of the Company or such merger or consolidation and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company;

(4) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Subsidiary of the Company; *provided* that such Liens were in existence prior to such acquisition and not incurred in contemplation of, such acquisition;

(5) Liens to secure the performance of statutory obligations, insurance, surety or appeal bonds, workers compensation obligations, unemployment insurance and other types of social security and deposits securing liability to or in respect of insurance carriers, landlords, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(6) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(3) covering only the assets acquired with or financed by such Indebtedness;

(7) (a) Liens existing on the date of this Indenture and (b) Liens in respect of Guarantees (permitted by the terms of this Indenture) of secured Indebtedness outstanding on the date of this Indenture (to the extent that the terms of such secured Indebtedness in effect on the date of this Indenture require such secured Guarantees to be added);

(8) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(9) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(10) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(11) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under this Indenture (other than Priority Lien Debt, Parity Lien Debt or Junior Lien Debt); *provided, however*, that:

(a) the new Lien is limited to all or part of the same property and assets that secured (other than, in the case of accounts receivables and inventories, property of the same category to the extent the terms of the Lien being extended, renewed or replaced extended to or covered such category of property) or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(12) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings; *provided* that such Liens do not encumber any property other than cash paid to any such insurance company in respect of such insurance;

(13) filing of Uniform Commercial Code financing statements as a precautionary measure in connection with operating leases;

(14) bankers' Liens, rights of setoff, Liens arising out of judgments or awards not constituting an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(15) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances and letters of credit issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(16) grants of software and other technology licenses in the ordinary course of business;

(17) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(18) grants of leases and subleases in the ordinary course of business that do not materially interfere with the ordinary course of business of the lessor;

(19) any interest or title of a lessor in the property subject to any operating lease entered into in the ordinary course of business;

(20) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(21) options, put and call arrangements, rights of first refusal and similar rights relating to Investments in joint ventures, partnerships and the like that are not Subsidiaries;

(22) Liens on any cash earnest money deposits made by the Company or any Restricted Subsidiary in connection with any letter of intent or purchase agreement;

(23) any encumbrances or restrictions (including put and call agreements) with respect to the Capital Stock of any joint venture or partnership that are not Subsidiaries;

(24) Liens in respect of contractual rights of setoff in favor of counterparties to contractual agreements with the company or any Restricted Subsidiary of the Company in the ordinary course of business;

(25) any pledge of the Capital Stock of an Unrestricted Subsidiary to secure Indebtedness of such Unrestricted Subsidiary;

(26) Liens on the property or assets of a Restricted Subsidiary of the Company that is not a Guarantor securing Indebtedness of such Restricted Subsidiary which Indebtedness is permitted under Section 4.09; and

(27) Liens incurred in the ordinary course of business of the Company or any Restricted Subsidiary of the Company with respect to obligations that do not exceed \$5.0 million at any one time outstanding.

“Permitted Refinancing Indebtedness” means any Indebtedness (including Disqualified Stock) of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness (including Disqualified Stock) of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided that*:

(1) the principal amount (or accreted value, if applicable) or, in the case of Disqualified Stock, liquidation preference, of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final stated maturity date or, in the case of Disqualified Stock, redemption date, equal to or later than the final stated maturity date or, in the case of Disqualified Stock, redemption date, of, and (other than in the case of Disqualified Stock) has a Weighted Average Life to Maturity that is (a) equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged or (b) more than ninety (90) days after the final maturity date of the Notes;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary of the Company that was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged and is guaranteed only by Persons (or the same categories of Persons, to the extent the terms of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged required guarantees from such categories of Persons) who were obligors on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

“Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

“Private Placement Legend” means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

“Programming Payments” means, for any period, the sum of all payments by the Company and its Restricted Subsidiaries made or scheduled to be made during such period in respect of the purchase, use, license or acquisition of programs, programming materials, films, and similar assets used in connection with the business and operations of the Company and its Restricted Subsidiaries.

“QIB” means a “qualified institutional buyer” as defined in Rule 144A.

“Qualifying Equity Interests” means Equity Interests of the Company other than Disqualified Stock.

“Radio One” means Radio One, Inc., a Delaware corporation.

“Radio One Indenture” means the Indenture, dated as of November 24, 2010, among Radio One, the guarantors party thereto and Wilmington Trust Company, as trustee.

“Regulation S” means Regulation S promulgated under the Securities Act.

“Regulation S Global Note” means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depository or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes of the Issuers initially sold in reliance on Rule 903 of Regulation S.

“Regulation S Global Security” means a Regulation S Global Note.

“Required Junior Lien Debtholders” means, at any time, the holders of more than 50% of the sum of: (a) the aggregate outstanding principal amount of Junior Lien Debt (including outstanding letters of credit whether or not then available or drawn); and (b) other than in connection with the exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Junior Lien Debt. For purposes of this definition, (a) Junior Lien Debt registered in the name of, or beneficially owned by, the Issuers or any Affiliate of the Issuers will be deemed not to be outstanding, and (b) votes will be determined in accordance with the provisions of the Security Documents.

“Required Parity Lien Debtholders” means, at any time, the holders of more than 50% of the sum of: (a) the aggregate outstanding principal amount of Parity Lien Debt (including outstanding letters of credit whether or not then available or drawn); and (b) other than in connection with the exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Parity Lien Debt. For purposes of this definition, (a) Parity Lien Debt registered in the name of, or beneficially owned by, the Issuers or any Affiliate of the Issuers will be deemed not to be outstanding, and (b) votes will be determined in accordance with the provisions of the Security Documents.

“Responsible Officer,” when used with respect to the Trustee, means any officer within the Corporate Trust Department of the Trustee (or any successor group of the Trustee) and who shall have direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Restricted Definitive Note” means a Definitive Note bearing the Private Placement Legend.

“Restricted Definitive Security” means a Restricted Definitive Note.

“Restricted Global Note” means a Global Note bearing the Private Placement Legend.

“Restricted Global Security” means a Restricted Global Note.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Period” means the 40-day distribution compliance period as defined in Regulation S.

“Restricted Subsidiary” of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

“Rule 144” means Rule 144 promulgated under the Securities Act.

“Rule 144A” means Rule 144A promulgated under the Securities Act.

“Rule 903” means Rule 903 promulgated under the Securities Act.

“Rule 904” means Rule 904 promulgated under the Securities Act.

“S&P” means Standard & Poor’s Ratings Group.

“Sale of Collateral” means any Asset Sale involving a sale or other disposition of Collateral.

“SEC” means the Securities and Exchange Commission.

“Secured Debt” means Parity Lien Debt and Junior Lien Debt.

“Secured Debt Collateral Documents” means the (i) the Security Documents and (ii) all other security agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements, intercreditor agreements, control agreements or other grants or transfers for security executed and delivered by the Issuers or any Guarantor creating (or purporting to create), or relating to (or purporting to relate to) the priority of, a Lien upon any portion of the Collateral in connection with the incurrence of any Secured Debt, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and the provisions of this Indenture and the applicable Secured Debt Collateral Documents.

“Secured Debt Documents” means the Parity Lien Documents and the Junior Lien Documents.

“Secured Debt Representatives” means the Parity Lien Representatives and Junior Lien Representatives.

“Secured Leverage Ratio” means, on any date, the ratio of:

(1) the aggregate principal amount of Secured Debt outstanding on such date plus all Indebtedness of Restricted Subsidiaries of the Company that are not Guarantors outstanding on such date (and, for this purpose, letters of credit will be deemed to have a principal amount equal to the face amount thereof, whether or not drawn (but without duplication of any unpaid reimbursement obligations in respect of drawings thereunder)), but excluding, in each case, any Indebtedness representing Hedging Obligations, to:

(2) the Consolidated EBITDA for the Company for the most recent four-quarter period for which financial information is available, in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such quarter or four-quarter period, as applicable, through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such quarter or four-quarter period, as applicable.

In addition, for purposes of calculating the Secured Leverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations or acquisitions of assets, or any Person or any of its Restricted Subsidiaries acquired by merger, consolidation or the acquisition of all or substantially all of its assets by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the quarter or four-quarter reference period, as applicable or subsequent to such reference period and on or prior to the date on which the event for which the calculation of the Secured Leverage Ratio is made (the “Secured Leverage Calculation Date”) will be given pro forma effect (as determined in good faith by the Company’s chief financial officer and consistent in all material respects with GAAP) as if they had occurred on the first day of the quarter or four-quarter reference period, as applicable;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Secured Leverage Calculation Date will be excluded;

(3) any Person that is a Restricted Subsidiary on the Secured Leverage Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such quarter or four-quarter period, as applicable; and

(4) any Person that is not a Restricted Subsidiary on the Secured Leverage Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such quarter or four-quarter period, as applicable.

“Secured Obligations” means the Parity Lien Obligations and the Junior Lien Obligations.

“Securities” has the meaning assigned to it in the preamble to this Indenture. The Initial Securities and the Additional Securities shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Securities shall include the Initial Securities and any Additional Securities.

“Securities Act” means the Securities Act of 1933, as amended.

“Security Documents” means all security agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements, intercreditor agreements, control agreements or other grants or transfers for security executed and delivered by the Company or any Guarantor creating (or purporting to create), or relating to (or purporting to relate to) the priority of, a Lien upon the Collateral in favor of the Collateral Trustee for the benefit of the holders of the Notes (including, without limitation, the Collateral Agreement dated as of the Closing Date among the Issuers, the Guarantors from time to time party thereto and the Collateral Trustee), in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and the provisions of this Indenture and the applicable Security Documents.

“Series of Junior Lien Debt” means, severally, each issue or series of Junior Lien Debt for which a single transfer register is maintained.

“Series of Parity Lien Debt” means, severally, the Notes and each other issue or series of Parity Lien Debt for which a single transfer register is maintained.

“Series of Secured Debt” means each Series of Parity Lien Debt and each Series of Junior Lien Debt.

“Significant Subsidiary” means any Restricted Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of this Indenture.

“Stated Maturity” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the later of the date of this Indenture and the date of incurrence of such Indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“Subsidiary” means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders’ agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“Subsidiary Guarantor” means any Subsidiary of the Company that executes a Note Guarantee with respect to the Notes in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

“Transactions” means, collectively, the issuance of the Initial Notes and the application of the net proceeds therefrom to repurchase Equity Interests of the Company from the Financial Investor Members or the Class D Members (in each case, as such terms are defined in the Company LLC Agreement) and/or the DTV Investors from time to time.

“Treasury Rate” means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to March 15, 2013; *provided, however*, that if the period from the redemption date to March 15, 2013, is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Trustee” means U.S. Bank National Association, until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

“Unrestricted Definitive Note” means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

“Unrestricted Definitive Security” means an Unrestricted Definitive Note.

“Unrestricted Global Note” means a Global Note that does not bear and is not required to bear the Private Placement Legend.

“Unrestricted Global Security” means an Unrestricted Global Note.

“Unrestricted Subsidiary” means any Subsidiary of the Company that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors and any Subsidiary thereof, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11 hereof, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries; and

(5) is not an Issuer.

“U.S.” means the United States.”

“U.S. Person” means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

“Voting Stock” of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

“Wholly-Owned Subsidiary” of any Person means a Subsidiary of such Person, 100% of the outstanding Equity Interests of which (other than directors’ qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

Section 1.02 Other Definitions.

Term	Defined in Section
"Affiliate Transaction"	4.11
"Asset Sale Offer"	4.10
"Authentication Order"	2.02
"Available Proceeds"	3.01
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15
"Change of Control Payment Date"	4.15
"Collateral Proceeds Account"	4.10
"Covenant Defeasance"	8.03
"DTC"	2.03
"Event of Default"	6.01
"Excess Proceeds"	4.10
"Global Security"	2.01
"incur"	4.09
"Judgment Conversion Date"	13.12
"Judgment Currency"	13.12
"Legal Defeasance"	8.02
"Offer Amount"	3.08
"Offer Period"	3.08
"Paying Agent"	2.03
"Permitted Debt"	4.09
"Permitted Parties"	4.03
"Payment Default"	6.01
"Payor"	4.19
"Purchase Date"	3.08
"rate of exchange"	13.13
"Register"	2.03
"Registrar"	2.03
"Relevant Fiscal Year"	4.20
"Restricted Payments"	4.07
"Successor Guarantor"	10.04
"Successor Person"	5.01
"Taxes"	4.19
"Mortgages"	12.08
"Note Guarantee"	10.01
"Premises"	12.08

Section 1.03 Rules of Construction.

Unless the context otherwise requires:

- (1) a term has the meaning assigned to it;
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
- (3) "or" is not exclusive;
- (4) words in the singular include the plural, and in the plural include the singular;
- (5) "will" shall be interpreted to express a command;
- (6) provisions apply to successive events and transactions; and
- (7) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement or successor sections or rules adopted by the SEC from time to time.

ARTICLE 2
THE SECURITIES

Section 2.01 Form and Dating.

(a) *General.* The Notes and the related Trustee's certificates of authentication for the Notes will be substantially in the form of Exhibit A hereto. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage; *provided*, that any such notations, legends or endorsements are in a form acceptable to the Issuers. Each Note will be dated the date of its authentication.

The terms and provisions contained in the Securities will constitute, and are hereby expressly made, a part of this Indenture and the Issuers, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Security conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes.* Notes issued in global form (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto) will be substantially in the form of Exhibit A attached hereto. Notes issued in definitive form (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto) will be substantially in the form of Exhibit A attached hereto. Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

Section 2.02 Execution and Authentication.

At least one Officer of each Issuer must sign the Notes issued by such Issuer for such Issuer by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time the Note is authenticated, the Note will nevertheless be valid.

No Note will be valid until authenticated by the manual signature of authorized signatory of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Issuers signed by two Officers of each Issuer (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Notes issued as Additional Securities. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuers pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Issuers to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Issuers.

Section 2.03 Registrar and Paying Agent.

The Issuers will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar shall keep a register (the "*Register*") of the Notes and of their transfer and exchange. The Issuers may appoint one or more co-registrars and one or more additional paying agents.

The term "*Registrar*" includes any co-registrar and the term "*Paying Agent*" includes any additional paying agent. The Issuers may change any Paying Agent or Registrar without notice to any Holder. The Issuers will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Issuers fail to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Issuers or any of their Subsidiaries may act as Paying Agent or Registrar.

The Issuers initially appoint The Depository Trust Company ("*DTC*") to act as Depositary with respect to the Global Securities.

The Issuers initially appoint the Trustee to act as the Registrar and Paying Agent in connection with the Securities, until such time as the Trustee has resigned or a successor has been appointed pursuant to Section 7.07, and to act as Custodian with respect to the Global Securities.

Section 2.04 Paying Agent to Hold Money in Trust.

On or prior to 10:00 a.m. New York City time on each due date of the principal and interest on any Security, the Issuers shall deposit with the Paying Agent a sum sufficient to pay such principal and interest on any Security as it becomes due. The Issuers shall require each Paying Agent (other than the Trustee) to agree in writing that the Paying Agent shall hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium on, if any, or interest, if any, on the Securities, and shall notify the Trustee of any default by the Issuers in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuers at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than an Issuer or a Subsidiary) shall have no further liability for the money. If an Issuer or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to an Issuer, the Trustee shall serve as Paying Agent for the Securities.

Section 2.05 Holder Lists.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Registrar, the Issuers shall furnish to the Trustee or cause the Registrar to furnish to the Trustee, at least five (5) Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Securities; *provided* that as long as the Trustee is the Registrar, no such list need be furnished.

Section 2.06 Transfer and Exchange.

(a) *Transfer and Exchange of Global Securities.* A Global Security may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Securities shall be exchanged by the Issuers for Definitive Securities only in the following limited circumstances:

(1) the Issuers deliver to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act at a time when it is required to be so registered in order to act as depositary and, in each case, a successor Depositary is not appointed by the Issuers within 120 days after the date of such notice from the Depositary;

(2) subject to the procedures of the Depositary, the Issuers in their sole discretion jointly determine that Global Securities (in whole but not in part) should be exchanged for Definitive Securities and delivers a written notice to such effect to the Trustee; or

(3) there has occurred and is continuing a Default or Event of Default with respect to the Securities.

Upon the occurrence of either of the preceding events in (1), (2) or (3) above, Definitive Securities shall be issued in such names as the Depositary shall instruct the Trustee. Global Securities also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Security or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Security. A Global Security may not be exchanged for another Security other than as provided in this Section 2.06(a), however, beneficial interests in a Global Security may be transferred and exchanged as provided in Section 2.06(b) or (c) or (d) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Securities.* The transfer and exchange of beneficial interests in Global Securities will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. None of the Issuers, the Trustee, Paying Agent, nor any agent of the Issuers shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest. Beneficial interests in the Restricted Global Securities will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Securities also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Security.* Beneficial interests in any Restricted Global Security may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Security in accordance with the transfer restrictions set forth in the Private Placement Legend. Beneficial interests in any Unrestricted Global Security may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Security. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Securities.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Security in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Security in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Security shall be registered to effect the transfer or exchange referred to in (1) above.

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Securities contained in this Indenture and the Securities, the Trustee shall adjust the principal amount of the relevant Global Securities pursuant to Section 2.06(g) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Security.* A beneficial interest in any Restricted Global Security may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Security if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Security, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Security, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transferee will take delivery in the form of a beneficial interest in the IAI Global Security, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Security for Beneficial Interests in an Unrestricted Global Security.* A beneficial interest in any Restricted Global Security may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Security or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Security, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Security proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Security, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (4), if the Issuers so request or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (4) above at a time when an Unrestricted Global Security has not yet been issued, the Issuers shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (4) above.

Beneficial interests in an Unrestricted Global Security cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Security.

(c) Transfer or Exchange of Beneficial Interests for Definitive Securities.

(1) Beneficial Interests in Restricted Global Securities to Restricted Definitive Securities. If any holder of a beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a Restricted Definitive Security or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Security, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a Restricted Definitive Security, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Security to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuers shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Security in the appropriate principal amount. Any Definitive Security issued in exchange for a beneficial interest in a Restricted Global Security pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Securities to the Persons in whose names such Securities are so registered. Each Issuer shall promptly deliver to the Trustee a supply of Definitive Notes to enable the Registrar to deliver the Definitive Notes contemplated by this Section 2.06(c)(1). Any Definitive Security issued in exchange for a beneficial interest in a Restricted Global Security pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Restricted Global Securities to Unrestricted Definitive Securities.* A holder of a beneficial interest in a Restricted Global Security may exchange such beneficial interest for an Unrestricted Definitive Security or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Security only if the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for an Unrestricted Definitive Security, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Security proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Security, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (2), if Issuers so request or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act. Each Issuer shall promptly deliver to the Trustee a supply of Definitive Notes to enable the Registrar to deliver the Definitive Notes contemplated by this Section 2.06(c)(2).

(3) *Beneficial Interests in Unrestricted Global Securities to Unrestricted Definitive Securities.* If any holder of a beneficial interest in an Unrestricted Global Security proposes to exchange such beneficial interest for a Definitive Security or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Security, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of Notes of the applicable Global Security to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Security issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Securities to the Persons in whose names such Securities are so registered. Any Definitive Security issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend. Each Issuer shall promptly deliver to the Trustee a supply of Definitive Notes to enable the Registrar to deliver the Definitive Notes contemplated by this Section 2.06(c)(3).

(d) *Transfer and Exchange of Definitive Securities for Beneficial Interests.*

(1) *Restricted Definitive Securities to Beneficial Interests in Restricted Global Securities.* If any Holder of a Restricted Definitive Security proposes to exchange such Security for a beneficial interest in a Restricted Global Security or to transfer such Restricted Definitive Securities to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Security, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Security proposes to exchange such Security for a beneficial interest in a Restricted Global Security, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Security is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Security is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Security is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof; or

(E) if such Restricted Definitive Security is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable,

the Trustee will cancel the Restricted Definitive Security, increase or cause to be increased the amount of or aggregate principal amount of (as the case may be), in the case of clause (A) above, the appropriate Restricted Global Security, in the case of clause (B) above, the 144A Global Security, in the case of clause (C) above, the Regulation S Global Security, and in the case of clauses (D) and (E) above, the IAI Global Security.

(2) *Restricted Definitive Securities to Beneficial Interests in Unrestricted Global Securities.* A Holder of a Restricted Definitive Security may exchange such Security for a beneficial interest in an Unrestricted Global Security or transfer such Restricted Definitive Security to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security only if the Registrar receives the following:

(i) if the Holder of such Definitive Securities proposes to exchange such Security for a beneficial interest in the Unrestricted Global Security, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Securities proposes to transfer such Security to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Security, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (2), if the Issuers so request or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to such Issuer to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Securities and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Security.

(3) *Unrestricted Definitive Securities to Beneficial Interests in Unrestricted Global Securities.* A Holder of an Unrestricted Definitive Security may exchange such Security for a beneficial interest in an Unrestricted Global Security or transfer such Definitive Securities to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Security and increase or cause to be increased the amount or the aggregate principal amount, as the case may be, of one of the Unrestricted Global Securities.

If any such exchange or transfer from a Definitive Security to a beneficial interest is effected pursuant to subparagraphs (2) or (3) above at a time when an Unrestricted Global Security has not yet been issued, the Issuers will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in the aggregate principal amount equal to the principal amount of Definitive Securities so transferred.

(e) *Transfer and Exchange of Definitive Securities for Definitive Securities.* Upon request by a Holder of Definitive Securities and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Securities. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Securities duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Securities to Restricted Definitive Securities.* Any Restricted Definitive Security may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Security if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) *Restricted Definitive Securities to Unrestricted Definitive Securities.* Any Restricted Definitive Security may be exchanged by the Holder thereof for an Unrestricted Definitive Security or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Security if the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Securities proposes to exchange such Securities for an Unrestricted Definitive Security, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Securities proposes to transfer such Securities to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Security, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (2), if the Issuers so request, an Opinion of Counsel in form reasonably acceptable to such Issuer, as the case may be, to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Securities to Unrestricted Definitive Securities.* A Holder of Unrestricted Definitive Securities may transfer such Securities to a Person who takes delivery thereof in the form of an Unrestricted Definitive Security. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Securities pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of the applicable Global Securities and Definitive Securities issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) *Private Placement Legend.*

(A) Except as permitted by subparagraph (B) below, each Global Security and each Definitive Security (and all Securities issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

“THIS SECURITY (OR ITS PREDECESSOR) HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE NEXT SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER:

(1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A “QIB”), OR (B) IT HAS ACQUIRED THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT;

(2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN EXCEPT (A) TO THE ISSUERS, OR ANY OF THEIR SUBSIDIARIES, (B) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (C) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S OF THE SECURITIES ACT, (D) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (E) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUERS) OR (F) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION; AND

(3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTIONS” AND “UNITED STATES” HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRUSTEE TO REFUSE TO REGISTER ANY TRANSFER OF THIS SECURITY IN VIOLATION OF THE FOREGOING.”

(B) Notwithstanding the foregoing, any Global Security or Definitive Security issued pursuant to subparagraphs (b)(4), (c)(2), (c)(3), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Security Legend.* Each Global Security will bear a legend in substantially the following form:

“THIS GLOBAL SECURITY IS HELD BY OR ON BEHALF OF THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.10 OF THE INDENTURE AND (4) THIS GLOBAL SECURITY MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY OR ITS NOMINEE WITH THE PRIOR WRITTEN CONSENT OF THE ISSUERS.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE ISSUERS OR THEIR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

(g) *Cancellation and/or Adjustment of Global Securities.* At such time as all beneficial interests in a particular Global Security have been exchanged for Definitive Securities or a particular Global Security has been redeemed, repurchased or canceled in whole and not in part, each such Global Security will be returned to or retained and canceled by the Trustee in accordance with Section 2.10 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Security is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Security or for Definitive Securities, the principal amount of Notes represented by such Global Security will be reduced accordingly and an endorsement will be made on such Global Security by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Security, such other Global Security will be increased accordingly and an endorsement will be made on such Global Security by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase. At any time prior to such cancellation, if any beneficial interest in a Definitive Security is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in a Global Security, the principal amount of Notes represented by such Global Security will be increased accordingly and an endorsement will be made on such Global Security by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(h) *General Provisions Relating to Transfers and Exchanges.*

(1) To permit registrations of transfers and exchanges, the Issuers will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar’s request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Security or to a Holder of a Definitive Security for any registration of transfer or exchange, but the Issuers may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.07, 3.08, 4.10, 4.15, 4.20 and 9.04 hereof).

(3) All Global Securities and Definitive Securities issued upon any registration of transfer or exchange of Global Securities or Definitive Securities will be the valid obligations of the Issuers, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Securities or Definitive Securities surrendered upon such registration of transfer or exchange.

(4) Neither the Registrar nor the Issuers will be required:

(A) to issue, to register the transfer of or to exchange any Securities during a period beginning at the opening of business fifteen (15) days before the day of any selection of Securities for redemption under Section 3.03 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Security selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part; or

(C) to register the transfer of or to exchange a Security between a record date and the next succeeding interest payment date.

(5) Prior to due presentment for the registration of a transfer of any Security, the Trustee, any Agent and the Issuers may deem and treat the Person in whose name any Security is registered as the absolute owner of such Security for the purpose of receiving payment of principal of and (subject to the record date provisions of the Notes) interest on such Securities and for all other purposes, and none of the Trustee, any Agent or the Issuers shall be affected by notice to the contrary.

(6) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(7) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Neither the Trustee nor the Registrar shall have any obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Participants, members or beneficial owners in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

The Trustee shall retain copies of all letters, notices and other written communications received pursuant to this Section 2.06 (including all Securities received for transfer pursuant to this Section 2.06). The Issuers shall have the right to require the Trustee to deliver to the Issuers, at their expense, copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Trustee.

In connection with any transfer of any Security, the Trustee and the Issuers shall be entitled to receive, shall be under no duty to inquire into, may conclusively presume the correctness of, and shall be fully protected in relying upon the certificates, opinions and other information referred to herein (or in the forms provided herein, attached hereto or to the Security, or otherwise) received from any Holder and any transferee of any Security regarding the validity, legality and due authorization of any such transfer, the eligibility of the transferee to receive such Security and any other facts and circumstances related to such transfer.

Section 2.07 Replacement Securities.

If any mutilated Securities are surrendered to the Trustee or the Issuers or if the Holder of a Security claims that the Security has been lost, destroyed or wrongfully taken, the Issuers will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Security if the Holder satisfies any reasonable requirements of the Trustee and the Issuers. If required by the Trustee or the Issuers, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuers to protect the Issuers, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Security is replaced. The Issuers and the Trustee may charge the Holders for each of its expenses in replacing a Security.

In case any such mutilated, destroyed, lost, or stolen Security has become or is about to become due and payable, the Issuers in their sole discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section 2.07, the Issuers may require the payment of a sum sufficient to cover any tax, assessment, fee or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security issued pursuant to this Section 2.07 in exchange for any mutilated Security or in lieu of any destroyed, lost, or stolen Security will constitute an original additional contractual obligation of the Issuers, whether or not the mutilated, destroyed, lost, or stolen Security shall be at any time enforceable by anyone, and will be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities duly issued hereunder.

The provisions of this Section 2.07 are exclusive and will preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Securities.

Section 2.08 Outstanding Securities.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Security effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Security does not cease to be outstanding because the Issuers or an Affiliate of the Issuers holds the Security; however, Securities held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.01(a) hereof.

If a Security is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee and the Issuers receive proof satisfactory to them that the replaced Security is held by a protected purchaser. A mutilated Security ceases to be outstanding upon surrender of such Security and replacement thereof pursuant to Section 2.07. If the principal amount of any Security is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than an Issuer, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Securities payable on that date, then on and after that date such Securities will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 Treasury Securities.

In determining whether the Holders of the required principal amount of Securities have concurred in any direction, waiver or consent, Securities owned by the Issuers or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with an Issuer or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Securities that the Trustee knows are so owned will be so disregarded. For purposes of this Section 2.09, no owner of Equity Interests of the Company shall be deemed to be controlling the Company prior to an IPO so long it does not have the right pursuant to the terms of the Company LLC Agreement to appoint a majority of the members of the board of managers of the Company.

Section 2.10 Temporary Securities.

Until certificates representing Securities are ready for delivery, the Issuers may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Securities will be substantially in the form of certificated Securities but may have variations that the Issuers consider appropriate for temporary Securities and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Issuers will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Securities will be entitled to all of the benefits of this Indenture.

Section 2.11 Cancellation.

The Issuers at any time may deliver Securities to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Securities surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else shall cancel all Securities surrendered for registration of transfer, exchange, payment, replacement or cancellation. The Trustee shall dispose of all cancelled Securities in accordance with its customary procedures and shall deliver a certificate of disposition to the Issuers. Subject to Section 2.07, the Issuers may not issue new Securities to replace Securities that have been paid or that have been delivered to the Trustee for cancellation.

Section 2.12 Defaulted Interest.

If the Issuers default in a payment of interest on the Securities, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Issuers will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Issuers will fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date may be less than ten (10) days prior to the related payment date for such defaulted interest. At least fifteen (15) days before the special record date, the Issuers (or, upon the written request of the Issuers, the Trustee in the name and at the expense of the Issuers) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 Issuance of Additional Securities.

The Issuers shall be entitled, from time to time, subject to its compliance with Section 4.09 and Section 4.12 hereof, without consent of the Holders, to issue Additional Securities under this Indenture with identical terms as the Notes other than with respect to (i) the date of issuance, (ii) the issue price, (iii) the amount of interest payable on the first interest payment date, initial interest accrual date and initial interest payment date and (iv) any adjustments in order to conform to and ensure compliance with the Securities Act (or other applicable securities laws). The Initial Notes and any Notes issued as Additional Securities shall be treated as a single class for all purposes under this Indenture.

With respect to any Additional Securities, the Issuers shall set forth in an Officers' Certificate pursuant to a resolution of the Board of Directors of each of the Issuers, copies of which shall be delivered to the Trustee, the following information:

- (1) The number of Notes to be issued as Additional Securities and the aggregate principal amount of Notes constituting Additional Securities to be authenticated and delivered pursuant to this Indenture; and
- (2) the issue price, the issue date and the CUSIP number of such Additional Securities.

ARTICLE 3
REDEMPTION AND PREPAYMENT

Section 3.01 Redemption.

(a) *Optional Redemption Upon an Equity Offering.* At any time prior to March 15, 2013, the Issuers may, at their joint option, on any one or more occasions redeem up to 35% of the aggregate principal amount of their respective Notes issued under this Indenture upon not less than 30 nor more than sixty (60) days' notice, at a redemption price equal to 110% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date) with the net cash proceeds of an Equity Offering by the Company; *provided that:*

(1) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within sixty (60) days of the date of the closing of such Equity Offering.

(b) *Optional Redemption Prior to March 15, 2013.* At any time prior to March 15, 2013, the Issuers may, at their joint option, on any one or more occasions redeem all or a part of the Notes, upon not less than thirty (30) nor more than sixty (60) days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. The Issuers shall give the Trustee notice of the amount of the Applicable Premium promptly after the calculation thereof and the Trustee shall have no responsibility for such calculation.

(c) *Optional Redemption On or After March 15, 2013.* On or after March 15, 2013, the Issuers may, at their joint option, on any one or more occasions redeem all or a part of the Notes, upon not less than thirty (30) nor more than sixty (60) days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on March 15 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2013	105.00%
2014	102.50%
2015 and thereafter	100.000%

Unless the Issuers default in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(d) *Special Optional Redemption.* At any time on or prior to December 31, 2011, if the Company determines in good faith that all of the net proceeds from the issuance and sale of the Notes (the "Available Proceeds") will not be used to repurchase Equity Interests of the Company, the Company may, at its option, elect to use the remaining Available Proceeds to redeem an aggregate principal amount of the Notes equal to the lesser of (i) \$50 million and (ii) the aggregate amount of remaining Available Proceeds, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus accrued and unpaid interest thereon, if any, to the date of redemption.

(e) Any redemption pursuant to this Section 3.01 shall be made pursuant to the provisions of Sections 3.02 through 3.07 hereof.

Section 3.02 Notices to Trustee.

If the Issuers jointly elect to redeem Notes pursuant to Section 3.01 hereof, they shall notify the Trustee in writing of the redemption date, the principal amount of Notes to be redeemed, the redemption price and the paragraph of the Notes pursuant to which the redemption will occur. The Issuers shall give such notice to the Trustee at least five (5) days before notice of redemption is required to be mailed or caused to be mailed to Holders pursuant to Section 3.01 hereof unless the Trustee consents to a shorter period. Such notice shall be accompanied by an Officers' Certificate from the Issuers to the effect that such redemption will comply with the provisions herein. Such Officers' Certificate shall also state that all conditions precedent, if any, provided for herein to such redemption have been complied with.

Section 3.03 Selection of Notes to Be Redeemed or Purchased.

If less than all of the Notes are to be redeemed or repurchased in an offer to purchase at any time, the Trustee will select Notes for redemption or purchase on a pro rata basis (provided that, in the case of Notes issued in global form pursuant to Article 2 hereof, the Depositary may select interests in the Notes for redemption or purchase pursuant to its applicable procedures) unless otherwise required by law or applicable stock exchange or depositary requirements. The Trustee shall make the selection from outstanding Notes not previously called for redemption or purchase. Notes having an aggregate principal amount in excess of \$2,000 may be redeemed or purchased in part but only in whole multiples of \$1,000, except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased. In connection with any pro rata selection of Notes for purchase or redemption, the Trustee may make such adjustments downward or upward (by not more than \$1,000) so that Notes shall only be redeemed or purchased in authorized denominations.

If any Note is to be redeemed or purchased in part only, the notice relating to such Note shall state the portion of the principal amount thereof to be redeemed or purchased. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Note. Provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase. The Trustee shall notify the Issuers promptly of the Notes or portions of Notes to be redeemed or purchased.

Section 3.04 Notice of Redemption.

At least thirty (30) days but not more than sixty (60) days before a redemption date, the Issuers will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than sixty (60) days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 hereof.

The notice will identify the Notes to be redeemed and shall state:

- (1) the redemption date;
- (2) the redemption price (or if not then ascertainable, the manner of calculation thereof);
- (3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;
- (4) the name and address of the Paying Agent;
- (5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;
- (6) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;
- (7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;
- (8) the CUSIP number, if any, printed on the Notes being redeemed; and
- (9) that no representation is made as to the correctness or accuracy of the CUSIP numbers, if any, listed in such notice or printed on the Notes being redeemed.

At the Issuers' request, the Trustee shall give the notice of redemption in the Issuers' names and at their expense; *provided*, however, that such request by the Issuers to the Trustee is received by the Trustee at least five (5) Business Days prior to the date the Trustee is requested to give notice to the Holders whose Notes are to be redeemed. In such event, the Issuers shall provide the Trustee with the information required by this Section 3.04.

Section 3.05 Effect of Notice of Redemption.

Once notice of redemption is mailed in accordance with Section 3.04 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price stated in the notice. A notice of redemption may not be conditional. Upon surrender to the Paying Agent, such Notes shall be paid at the redemption price stated in the notice, plus accrued interest to the redemption date. Such notice if mailed in the manner herein provided shall be conclusively presumed to have been given, whether or not the Holder receives such notice. Failure to give notice or any defect in the notice to any Holder shall not affect the validity of the notice to any other Holder.

Section 3.06 Deposit of Redemption or Purchase Price.

Prior to 10:00 a.m. (New York City time) on the redemption date or Purchase Date, the Issuers shall deposit with the Trustee or Paying Agent (or, if the Issuers or a Subsidiary is the Paying Agent, shall segregate and hold in trust) an amount of money, in immediately available funds, sufficient to pay the redemption or purchase price of and accrued interest (if any) on all Notes or portions thereof to be redeemed or purchased on that date. The Trustee or the Paying Agent shall promptly return to the Issuers any money deposited with the Trustee or the Paying Agent by the Issuers in excess of the amounts necessary to pay the redemption or purchase price of and accrued interest, if any, on all Notes to be redeemed or purchased.

If the Issuers comply with the provisions of the preceding paragraph, on and after the redemption or Purchase Date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Issuers to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.07 Notes Redeemed or Purchased in Part.

Upon surrender of a Note that is redeemed or purchased in part (with, if the Issuers or the Trustee so require, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuers and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), the Issuers shall execute, and the Trustee shall authenticate and deliver to the Holder of such Note without service charge, a new Note or Notes of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Note so surrendered, except that if a Global Note is so surrendered, the Issuers shall execute, and the Trustee shall authenticate and deliver to the Depository for such Global Note, without service charge, a new Global Note in denomination equal to and in exchange for the unredeemed portion of the principal of the Global Note so surrendered.

Section 3.08 Offer to Purchase by Application of Excess Proceeds.

In the event that, pursuant to Section 4.10 hereof, the Issuers are required to commence a joint offer to all Holders to purchase Notes (an “*Asset Sale Offer*”), they will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all holders of other Parity Lien Debt containing provisions similar to those set forth in this Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets. The Asset Sale Offer will remain open for a period of at least twenty (20) Business Days following its commencement and not more than thirty (30) Business Days, except to the extent that a longer period is required by applicable law (the “*Offer Period*”). No later than five (5) Business Days after the termination of the Offer Period (the “*Purchase Date*”), the Issuers will apply all Excess Proceeds (the “*Offer Amount*”) to the purchase of Notes and such other Parity Lien Debt (on a *pro rata* basis based on the principal amount of Notes and such other Parity Lien Debt surrendered, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Issuers will send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

- (1) that the Asset Sale Offer is being made pursuant to this Section 3.08 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;
- (2) the Offer Amount, the purchase price and the Purchase Date;
- (3) that any Note not tendered or accepted for payment will continue to accrue interest;
- (4) that, unless the Issuers default in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest after the Purchase Date;
- (5) Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in denominations of \$2,000 or an integral multiple of \$1,000 in excess thereof;

(6) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer a beneficial interest in the Notes by book-entry transfer, to the Issuers, a depository, if appointed by the Issuers, or a Paying Agent at the address specified in the notice at least three (3) days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Issuers, the depository or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase, the serial number of such Note if held in definitive form, and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and Parity Lien Debt surrendered by holders thereof exceeds the Offer Amount, the Company will select the Notes and other Parity Lien Debt to be purchased on a pro rata basis based on the principal amount of Notes and such other Parity Lien Debt surrendered; and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Issuers will, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate of the Issuers stating that such Notes or portions thereof were accepted for payment by the Issuers in accordance with the terms of this Section 3.08. The Issuers, the Depository or the Paying Agent, as the case may be, will promptly (but in any case not later than five (5) Business Days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Issuers for purchase. Upon surrender of a Note that is purchased in part, the Issuers shall execute, and the Trustee shall authenticate and deliver to the Holder of such Note without service charge, a new Note or Notes of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unpurchased portion of the principal of the Note so surrendered, except that if a Global Note is so surrendered, the Issuers shall execute, and the Trustee shall authenticate and deliver to the Depository for such Global Note, without service charge, a new Global Note in denomination equal to and in exchange for the unpurchased portion of the principal of the Global Note so surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Issuers to the Holder thereof. The Issuers will publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.08, any purchase pursuant to this Section 3.08 shall be made pursuant to the provisions of Sections 3.03, 3.06 and 3.07 hereof.

ARTICLE 4 COVENANTS

Section 4.01 Payment of Notes.

The Issuers shall pay or cause to be paid the principal of, or premium or interest, if any, on the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest, if any, will be considered paid on the date due if the Paying Agent, if other than the Issuers or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Issuers in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest, if any, then due.

The Issuers will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at a rate that is 1% higher than the then applicable interest rate on the Notes to the extent lawful; they will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest, if any (without regard to any applicable grace period), at a rate that is 1% higher than the then applicable interest rate on the Notes to the extent lawful.

Section 4.02 Maintenance of Office or Agency.

The Issuers will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for transfer or for exchange and where notices and demands to or upon the Issuers in respect of the Notes and this Indenture may be served. The Issuers will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuers fail to maintain any such required office or agency or fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Issuers may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission will in any manner relieve the Issuers of their obligation to maintain an office or agency in the Borough of Manhattan, the City of New York for such purposes. The Issuers will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuers hereby designate the Corporate Trust Office of the Trustee as one such office or agency of the Issuers in accordance with Section 2.03 hereof.

Section 4.03 Reports.

(a) So long as any Notes are outstanding, the Company shall furnish to the Trustee:

(1) within ninety (90) days after the end of each fiscal year, (A) audited financial statements of the Company and its Subsidiaries prepared in accordance with GAAP and (B) a presentation of Consolidated EBITDA of the Company and its Subsidiaries derived from such financial statements; and

(2) within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year, (A) unaudited quarterly financial statements of the Company and its Subsidiaries prepared in accordance with GAAP and (B) a presentation of Consolidated EBITDA of the Company and its Subsidiaries derived from such financial statements.

Notwithstanding the foregoing, such financial statements (A) will not be required to comply with Section 302 or Section 404 of the Sarbanes-Oxley Act of 2002, or related Items 307 and 308 of Regulation S-K promulgated by the SEC, or Item 10(e) of Regulation S-K (with respect to any non-GAAP financial measures contained therein) and (B) will not be required to contain the separate financial information for Guarantors or Subsidiaries whose securities are pledged to secure the Notes contemplated by Rule 3-10 or Rule 3-16 of Regulation S-X promulgated by the SEC. The availability of any of the foregoing reports on the SEC's EDGAR filing system (or other successor electronic filing system) shall be deemed to satisfy the Company's delivery obligations with respect thereto.

(b) At any time that any of the Company's Subsidiaries are Unrestricted Subsidiaries and such Unrestricted Subsidiaries, either taken together or individually, constitute a Significant Subsidiary, then the financial information required by paragraph (a) of this Section 4.03 will include (or the company will separately furnish to the Trustee) a reasonably detailed presentation of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

(c) The Company shall either (1) maintain a website (which may be non-public and access to which may be made subject to an agreement or acknowledgement by such recipient that it will treat such information as confidential) to which Holders, prospective investors that certify that they are qualified institutional buyers and market makers ("*Permitted Parties*") are given access and to which such information is posted or (2) file such information with the SEC.

(d) For so long as any Notes are outstanding, the Company shall hold a conference call for Permitted Parties to discuss reports and the results of operations for each quarterly and annual reporting period within 15 Business Days after filing with the Trustee the applicable annual and quarterly information required pursuant to clauses (a)(1) and (a)(2) above. The time and date of such conference call for a reporting period (and either all information necessary to access the call or the name and contact information of the person at the Company from whom Permitted Parties may obtain such information) shall be posted by the Company to the website described in clause (c) above or filed with the SEC simultaneously with the posting or filing of the reports for such reporting period.

(e) In addition, the Company shall furnish to Holders, prospective investors, broker-dealers and securities analysts, upon their request, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes are not freely transferable under the Securities Act.

Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

Section 4.04 Compliance Certificate.

(a) Each Issuer shall deliver to the Trustee, within ninety (90) days after the end of each fiscal year, beginning with the fiscal year ending December 31, 2011, an Officers' Certificate stating that, in the course of the performance of his or her duties as an officer of the Company, he or she would normally have knowledge of any default by the Issuers in the performance of any of their obligations contained in this Indenture and that a review of the activities of each Issuer during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether each Issuer has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge each Issuer has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuer is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of, or premium or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuer is taking or proposes to take with respect thereto.

(b) So long as any of the Notes are outstanding, the Issuers will deliver to the Trustee, as promptly as practicable, but in any event within ten business days, upon any Officer of an Issuer becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Issuers are taking or propose to take with respect thereto.

Section 4.05 Taxes.

(a) The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

Section 4.06 Stay, Extension and Usury Laws.

Each of the Issuers and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and each of the Issuers and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 Restricted Payments.

(a) The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (x) dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company, (y) dividends or distributions payable to the Company or a Restricted Subsidiary of the Company and (z) purchases of Equity Interests of, and capital contributions to, Restricted Subsidiaries);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any (x) Indebtedness of the Company or any Guarantor that is contractually subordinated in right of payment to the Notes or to any Note Guarantee, (y) Junior Lien Debt or (z) unsecured Indebtedness (excluding in all cases any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries), except, in each case, any payment of interest or principal at the Stated Maturity thereof; or

(4) make any Restricted Investment (all such payments and other actions set forth in these clauses (1) through (4) of this Section 4.07(a) being collectively referred to as “*Restricted Payments*”),

unless, at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(B) the Consolidated EBITDA of the Company for the most recent four-quarter period for which internal financial statements are available, determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such quarter or four-quarter period and determined on a pro forma basis for such Restricted Payment, as applicable, through and including the date of the proposed Restricted Payment (including any related financing transactions) as if such acquisitions, dispositions, and Restricted Payments had occurred at the beginning of such quarter or four-quarter period, as applicable, was greater than \$25 million; and

(C) the Company would have at least \$5.0 million of Liquidity on a pro forma basis after giving effect to such Restricted Payment.

(b) The provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within sixty (60) days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of a sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or contribution of common equity capital to the Company; *provided* that (a) such Restricted Payment is made within sixty (60) days of any such sale of Equity Interests or contribution of common equity capital and (b) the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net cash proceeds from an Equity Offering for purposes of Section 3.01 hereof;

(3) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary of the Company to the holders of its Equity Interests on a *pro rata* basis;

(4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Company or any Subsidiary Guarantor with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness within sixty (60) days of such incurrence;

(5) the repurchase of Equity Interests deemed to occur upon the exercise of stock options, warrants or other convertible or exchangeable securities to the extent such Equity Interests represent a portion of the exercise price of those stock options, warrants or other convertible or exchangeable securities;

(6) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Company or any Subsidiary Guarantor at a purchase price not greater than 101.0% of the principal amount thereof, together with accrued interest, if any, thereon, in the event of a “change of control” in accordance with the terms thereof, which event (a) requires that the Company or such Guarantor make an offer to purchase such Indebtedness in accordance with the terms thereof and (b) would also constitute a Change of Control under this Indenture; *provided* that prior to any such purchase a Change of Control Offer has been made in accordance with the terms hereof and the Issuers have purchased all Notes validly tendered for payment in connection with such Change of Control Offer;

(7) regardless of whether a Default then exists, the payment of any dividend or distribution to the extent necessary to permit direct or indirect beneficial owners of shares of Equity Interest of the Company to pay federal, state or local income tax liabilities that would arise solely from income of the Company or any of its Restricted Subsidiaries, as the case may be, for the relevant taxable period and attributable to them solely as a result of the Company (and any intermediate entity through which the holder owns such shares) or any of its Restricted Subsidiaries being a limited liability company, partnership or similar entity for federal income tax purposes;

(8) a Restricted Payment to pay for the repurchase, redemption or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company held by any future, present or former employee, director or Officer of the Company or any of its Restricted Subsidiaries pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or arrangement; *provided, however*, that (x) the aggregate Restricted Payments made under this clause (8) do not exceed in any calendar year \$2.5 million (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum of \$5.0 million in any calendar year) and the Company would have at least \$5.0 million of Liquidity on a pro forma basis after giving effect to any Restricted Payment made under this clause (8);

(9) any Restricted Payment made in connection with the Transactions;

(10) the payment of cash in lieu of fractional shares of Capital Stock in connection with any transaction otherwise permitted under the Indenture; and

(11) so long as no Default or Event of Default has occurred and is continuing, other Restricted Payments in an aggregate amount not to exceed \$1.0 million since the date of this Indenture.

(c) The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. For purposes of determining compliance with this Section 4.07, in the event that a Restricted Payment meets the criteria of more than one of the categories of Restricted Payments described in Section 4.07(b)(1) through (11) above, or is permitted pursuant to Section 4.07 (a) hereof, the Company will be entitled to classify such Restricted Payment (or portion thereof) on the date of its payment or later reclassify such Restricted Payment (or portion thereof) in any manner that complies with this Section 4.07.

Section 4.08 Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.

(a) The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness as in effect on the date of this Indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of this Indenture (as determined in good faith by the Company);

(2) this Indenture, the Notes, the Note Guarantees and the Security Documents;

(3) agreements governing other Indebtedness permitted to be incurred under Section 4.09 hereof and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the restrictions therein are not materially more restrictive, taken as a whole, than those contained in this Indenture, the Notes and the Note Guarantees (as determined in good faith by the Company);

(4) applicable law, rule, regulation or order;

(5) any agreement governing Indebtedness or Capital Stock of Persons acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Persons, or the properties or assets of any Persons, other than the Persons, or the property or assets of the Persons, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Indenture to be incurred, and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of such acquisition (as determined in good faith by the Company);

(6) customary non-assignment provisions in contracts, leases, subleases, licenses and sublicenses entered into in the ordinary course of business;

(7) mortgage financings and purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property mortgaged, purchased or leased of the nature described in clause (3) of the preceding paragraph;

(8) any restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced (as determined in good faith by the Company);

(10) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment), which limitation is applicable only to the assets that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(13) encumbrances and restrictions contained in the terms of any Indebtedness or any agreement pursuant to which such Indebtedness was issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in such Indebtedness or agreement and such encumbrance or restriction is not materially more disadvantageous to the holders of the Notes than is customary in comparable financings (as determined in good faith by the Company) and the Company determines that any such encumbrance or restriction will not materially affect the Issuers' ability to make principal or interest payments on the Notes; and

(14) restrictions on the sale, lease or transfer of property or assets arising or agreed to in the ordinary course of business, not relating to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of the Company or any Restricted Subsidiary in any manner material to the Company or any Restricted Subsidiary.

Section 4.09 Incurrence of Indebtedness and Issuance of Disqualified Stock.

(a) The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt), and the Company shall not and shall not permit any of its Restricted Subsidiaries to issue any Disqualified Stock; *provided*, however, that the Issuers and the Guarantors may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, if the Company's Consolidated Leverage Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, as the case may be, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the end of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been no greater than 7.00 to 1.00.

(b) The provisions of Section 4.09(a) hereof will not prohibit the incurrence of any of the following items of Indebtedness (collectively, “Permitted Debt”):

(1) the incurrence by the Company and its Restricted Subsidiaries of Existing Indebtedness;

(2) the incurrence on the Closing Date by the Issuers and the Guarantors of Parity Lien Debt represented by the Notes and the Note Guarantees;

(3) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing (whether or not incurred at the time of such purchase, design, construction, installation or improvement) all or any part of the purchase price or cost of design, construction, installation, integration or improvement of property, plant or equipment used in the business of the Company or any of its Restricted Subsidiaries, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (4), not to exceed \$5.0 million at any time outstanding;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by this Indenture to be incurred under Section 4.09(a) hereof or clauses (1), (2), (3), (4) or (13) of this Section 4.09(b);

(5) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; *provided, however*, that:

(A) if either Issuer or any Guarantor is the obligor on such Indebtedness and the payee is not either Issuer or a Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Issuers, or the Note Guarantee, in the case of a Guarantor; and

(B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary of the Company shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (5);

(6) the issuance by any of the Company’s Restricted Subsidiaries to the Company or to any of its Restricted Subsidiaries of shares of Disqualified Stock; *provided, however*, that:

(A) any subsequent issuance or transfer of Equity Interests that results in any such Disqualified Stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and

(B) any sale or other transfer of any such Disqualified Stock to a Person that is not either the Company or a Restricted Subsidiary of the Company will be deemed, in each case, to constitute an issuance of such Disqualified Stock by such Restricted Subsidiary that was not permitted by this clause (7);

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business or incurred to hedge or manage any interest rate risk on any fixed or floating rate Indebtedness that was permitted to be incurred under the first paragraph of this covenant or any clause under the definition of “Permitted Debt”;

(8) (i) the Guarantee by the Guarantors of Indebtedness of the Company or a Restricted Subsidiary of the Company to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this covenant; *provided* that if the Indebtedness being Guaranteed is subordinated to or *pari passu* with the Notes, then the Guarantee must be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness Guaranteed; and (ii) the Guarantee by Restricted Subsidiaries that are not Guarantors of Indebtedness of Restricted Subsidiaries that are not Guarantors to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this covenant;

(9) the incurrence by the Company or any of the Restricted Subsidiaries of Indebtedness in respect of workers’ compensation claims, self-insurance obligations, bankers’ acceptances, performance, letter of credit or completion or performance and surety bonds in the ordinary course of business;

(10) the incurrence by the Company or any of the Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five (5) Business Days;

(11) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment or purchase price or similar obligations, in each case, incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition;

(12) Indebtedness representing installment insurance premiums of the Company or any Restricted Subsidiary owing to insurance companies in the ordinary course of business;

(13) Indebtedness of the Issuers or any Restricted Subsidiary to the extent the proceeds of such Indebtedness are deposited and used to defease the Notes as described under “Legal Defeasance and Covenant Defeasance” or “Satisfaction and Discharge”; and

(14) the incurrence by the Company or any of the Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (14), not to exceed \$5.0 million.

(c) Neither Issuer shall incur, nor permit any Guarantor to incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuers or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Note Guarantee on substantially identical terms; *provided*, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuers solely by virtue of being unsecured or by virtue of being secured on junior priority basis or junior in right of distribution of collateral proceeds.

(d) For purposes of determining compliance with this Section 4.09 and Section 4.12 hereof, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (14) of Section 4.09(b) hereof, or is entitled to be incurred pursuant to Section 4.09(a) hereof, the Company shall be permitted (in its sole discretion) to classify such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant. The accrual of interest or preferred stock or Disqualified Stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock or Disqualified Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on preferred stock or Disqualified Stock in the form of additional shares of the same class of preferred stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of preferred stock or Disqualified Stock for purposes of this Section 4.09 and Section 4.12; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Consolidated Interest of the Company as accrued. For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

(e) The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(A) the Fair Market Value of such assets at the date of determination; and

(B) the amount of the Indebtedness of the other Person so secured.

Section 4.10 Asset Sales.

(a) The Company shall not, and shall not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) The Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of;

(2) Except in the case of a Permitted Asset Swap, at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on the Company's most recent consolidated balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation or indemnity agreement that releases the Company or such Restricted Subsidiary from or indemnifies against further liability; and

(B) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 120 days after such Asset Sale, to the extent of the cash received in that conversion;

(C) any stock or assets of the kind referred to in clauses (2) or (5) of paragraph (b) of this Section 4.10; and

(3) in the case of an Asset Sale that constitutes a Sale of Collateral, the Company (or the applicable Restricted Subsidiary, as the case may be) promptly deposits the Net Proceeds therefrom immediately upon receipt thereof as Collateral in an account or accounts (each, a "*Collateral Proceeds Account*") held by or under the control of (for purposes of the Uniform Commercial Code) or otherwise subject to a perfected security interest in favor of the Collateral Trustee or its agent to secure all Obligations with respect to the Notes; and

(4) in the case of a Parent Distribution Asset Sale, Holders of at least a majority in aggregate principal amount of the then outstanding Notes have approved such Parent Distribution Asset Sale.

(b) Within 365 days after the receipt of any Net Proceeds from an Asset Sale other than a Sale of Collateral, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Proceeds, at its option:

(1) to repay, repurchase or redeem Parity Lien Obligations; *provided*, that the Issuers offer to repay, repurchase or redeem the Notes on a pro rata basis;

(2) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business (*provided* that in the case of any such acquisition of Capital Stock, after giving effect thereto, the Permitted Business is or becomes a Restricted Subsidiary of the Company);

(3) to repay Indebtedness (other than Secured Obligations) that is secured by a Permitted Lien on any assets that were sold in such Asset Sale;

(4) to make a capital expenditure;

(5) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business;

(6) in the case of an Asset Sale (other than a sale of an asset that had constituted Collateral at any time since the date of this Indenture) by a Restricted Subsidiary that is not a Guarantor, to repay, repurchase or redeem Indebtedness of the Company or any Restricted Subsidiary that is not contractually subordinated in right of payment to the Notes;

(7) in the case of any Parent Distribution Asset Sale approved by Holders of at least a majority in aggregate principal amount of the then outstanding Notes, the minimum distribution required to comply with Section 4.10(c) of the Radio One Indenture; or

(8) any combination of the foregoing clauses (1) through (7).

(c) Within 365 days after the receipt of any Net Proceeds from a Sale of Collateral, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Proceeds, at its option:

- (1) to purchase other assets that would constitute Collateral;
- (2) to acquire all or substantially all of the assets of, or any Capital Stock of, a Permitted Business (*provided* that in the case of any such acquisition of Capital Stock, after giving effect thereto, the Permitted Business becomes a Guarantor or is merged into or consolidated with the Company or any Guarantor);
- (3) to repay Indebtedness (other than Secured Obligations) that is secured by a Lien on any Collateral that was sold in such Asset Sale that is prior to the lien on the Collateral in favor of Holders of Notes;
- (4) to make a capital expenditure with respect to assets that constitute Collateral;
- (5) in the case of any Parent Distribution Asset Sale approved by Holders of at least a majority in aggregate principal amount of the then outstanding Notes, the minimum distribution required to comply with Section 4.10(c) of the Radio One Indenture; or
- (6) any combination of the foregoing clauses (1) through (5).

(d) Pending the final application of any Net Proceeds of an Asset Sale, other than a Sale of Collateral, the Company (or the applicable Restricted Subsidiary) may invest the Net Proceeds in any manner that is not prohibited by this Indenture.

(e) Any Net Proceeds from Asset Sales that are not applied or invested as provided in paragraph (b) or (c) of this Section 4.10 constitute “*Excess Proceeds*.”

(f) When the aggregate amount of Excess Proceeds exceeds \$10.0 million, within forty-five (45) days thereof, the Issuers will make a joint offer (an “*Asset Sale Offer*”) to all Holders and all holders of other Parity Lien Debt containing provisions similar to those set forth in this Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets in accordance with Section 3.08 hereof to purchase, prepay or redeem the maximum principal amount of Notes and such other Parity Lien Debt (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest to the date of purchase, prepayment or redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and Parity Lien Debt tendered into (or required to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes and such other Parity Lien Debt to be purchased on a pro rata basis, based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to a Change of Control Offer or an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control or Asset Sale provisions of this Section 3.08 hereof or this Section 4.10, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.08 hereof or this Section 4.10 by virtue of such compliance.

Section 4.11 Transactions with Affiliates.

(a) The Company shall not, and shall not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an “*Affiliate Transaction*”), unless:

- (1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and

(2) the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$5.0 million, a resolution of the Board of Directors of the Company set forth in an Officers' Certificate of the Company certifying that such Affiliate Transaction complies with clause (1) of this Section 4.11(a) and, to the extent there are disinterested members of the Board of Directors of the Company, that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Company; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$10.0 million, an opinion as to the fairness to the Company or such Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11 (a) hereof:

(1) any employment or consulting agreement, employee benefit plan, stock option or stock ownership plan, officer or director indemnification agreement or any similar arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and payments and issuances of Capital Stock, options, warrants or other rights to acquire Capital Stock, in each case, pursuant thereto (*provided* that issuances of Capital Stock of Restricted Subsidiaries of the Company shall be limited to Voting Stock (in each case, representing an aggregate of not more than 5.0% of the fully diluted Voting Stock of such Restricted Subsidiary) of not more than two Restricted Subsidiaries identified by the Company in an Officers' Certificate delivered to the Trustee);

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of Officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company;

(6) Restricted Payments that do not violate Section 4.07 hereof;

(7) the Transactions and the payment of all fees and expenses related to the Transactions;

(8) so long as the same are approved by either Radio One or Comcast, as a disinterested owner of Equity Interests in the Company in accordance with the terms of the Company LLC Agreement, transactions between or among the Company or any of its Restricted Subsidiaries and either Radio One or Comcast or any of their respective Subsidiaries, in either case with respect to transactions involving carriage, network, syndication, advertising, back-office, technology support, personnel services or any other agreement relating to the business or operations of the Company or any of its Restricted Subsidiaries, in each case, entered into in the ordinary course of the Company's business; and

(9) (A) any agreement in effect on the Closing Date, as such agreement may be amended, modified, supplemented, restated or replaced from time to time; provided that any such amendment, modification, supplement, restatement or replacement (taken as a whole) will not be more disadvantageous in any material respect to the Company (taken as a whole) than such agreement as it was in effect on the Closing Date or (B) any transaction pursuant to any agreement referred to in the immediately preceding clause (A).

In the event that either Radio One or Comcast cease to directly or indirectly own any Equity Interests in the Company, any transactions of the type permitted by clause (8) above shall continue to be permitted even though they have not been approved by a disinterested owner of Equity Interests in the Company so long as any such transaction will not be on terms that are more disadvantageous in any material respect to the Company (taken as a whole) than any substantially equivalent transaction that was permitted pursuant to clause (8) above.

Section 4.12 Liens.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any asset now owned or hereafter acquired, except Permitted Liens.

Section 4.13 Business Activities.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses.

Section 4.14 Legal Existence.

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its existence as a limited liability company, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(2) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided, however*, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries if the Board of Directors of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

Section 4.15 Offer to Repurchase Upon Change of Control.

(a) If a Change of Control occurs, each Holder will have the right to require the Issuers to jointly repurchase all or any part of that Holder's Notes pursuant to this Section 4.15 (a "*Change of Control Offer*"). In the Change of Control Offer, the Issuers will jointly offer the Holders a purchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date (the "*Change of Control Payment*"). Within fifteen (15) days following any Change of Control, the Issuers will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.15 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the purchase date, which shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "*Change of Control Payment Date*");

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Issuers default in the payment of the Change of Control Payment, any Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer a beneficial interest in the Notes by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, the serial number for Notes held in definitive form and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion, must be equal to \$2,000 in principal amount or an integral multiple of \$1,000 in excess thereof.

The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change in Control. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

(b) On the Change of Control Payment Date, the Issuers will jointly, to the extent lawful:

- (1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
- (2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- (3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate of each Issuer stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuers.

(c) The Paying Agent will promptly mail to each Holder properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuers will jointly publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(d) The Issuers will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.01(a) through 3.01(c) hereof, unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

Section 4.16 Payments for Consent.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 4.17 Additional Note Guarantees.

(a) If the Company or any of its Restricted Subsidiaries acquires or creates another Domestic Subsidiary after the date of this Indenture that is a Wholly Owned Subsidiary (other than a Domestic Subsidiary that constitutes an Immaterial Subsidiary), then that Domestic Subsidiary will become a Subsidiary Guarantor and execute a supplemental indenture in the form attached hereto as Exhibit F-1 and the applicable Security Documents and deliver an opinion of counsel satisfactory to the Trustee within thirty (30) Business Days of the date on which it was acquired or created.

(b) If the Company or any of its Restricted Subsidiaries acquires or creates another Domestic Subsidiary after the date of this Indenture that is not a Wholly Owned Subsidiary and that Domestic Subsidiary, directly or indirectly, guarantees or otherwise provides direct credit support for any Indebtedness of the Company or any Guarantor, then that Domestic Subsidiary will become a Subsidiary Guarantor and execute a supplemental indenture in the form attached hereto as Exhibit F-1 and the applicable Security Documents and deliver an opinion of counsel satisfactory to the Trustee within thirty (30) Business Days of the date on which it was acquired or created or otherwise became obligated under this Section 4.17(b) to become a Guarantor.

(c) Any Domestic Subsidiary which after the Closing Date is required to guarantee the Notes pursuant to Section 4.17(b) shall be unconditionally released from such guarantee in the event of the release or discharge of the guarantee by such Domestic Subsidiary of all of the Indebtedness of the Company or any Guarantor Restricted Subsidiary or the repayment of all of the Indebtedness which resulted in the obligation to guarantee the Notes.

Section 4.18 Designation of Restricted and Unrestricted Subsidiaries.

The Board of Directors of the Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary and has assets of more than \$1,000, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary shall be deemed to be an Investment made as of the time of the designation and shall be deemed to be a Restricted Payment under Section 4.07 hereof or an Investment made under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted as such at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Company may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary shall be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officers' Certificate of the Company certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.09 hereof, the Company shall be in default of such covenant. The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Section 4.19 Restrictions on Activities of Capital Corp.

Capital Corp. shall not hold any material assets, hold any Equity Interests, incur any Indebtedness, become liable for any obligations, engage in any business activities or have any Subsidiaries. Notwithstanding the foregoing, Capital Corp. may incur (i) Indebtedness to the extent that it is a co-obligor with respect to Indebtedness which the Company is permitted to incur under this Indenture, but only if the Net Proceeds of such Indebtedness are received by the Company or one or more of the Company's Restricted Subsidiaries other than Capital Corp. and (ii) otherwise engage in such transactions as it is obligated to do under this Indenture, including those contemplated by Sections 4.10 and 4.15.

ARTICLE 5
SUCCESSORS

Section 5.01 Merger, Consolidation or Sale of Assets.

(a) Neither Issuer shall directly or indirectly: (1) consolidate or merge or amalgamate with or into another Person (whether or not an Issuer is the surviving corporation), or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Issuer and their respective Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either:

(A) such Issuer, as applicable, is the surviving corporation; or

(B) the Person formed by or surviving any such consolidation or merger or amalgamation (if other than such Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made (the “*Successor Person*”) is an entity organized or existing under the laws of the United States, any state of the United States or the District of Columbia; and, if such entity is not a corporation, a co-obligor of the Notes is a corporation organized or existing under any such laws;

(2) the Person formed by or surviving any such consolidation or merger (if other than such Issuer) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of such Issuer, as applicable, under the Notes, this Indenture and the Security Documents pursuant to agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) such Issuer or the Person formed by or surviving any such consolidation or merger (if other than an Issuer), or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Consolidated Leverage Ratio test set forth in Section 4.09(a) or (ii) would have a Consolidated Leverage Ratio equal to or lower than the Issuer’s Consolidated Leverage Ratio immediately prior to such transaction;

(5) the Successor Person promptly causes such amendments, supplements or other instruments to be executed, delivered, filed and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Liens of the Security Documents on the Collateral owned by or transferred to the Successor Person, together with such financing statements as may be required to perfect any security interests in such Collateral which may be perfected by filing of a financing statement under the Uniform Commercial Code of the relevant states;

(6) the Collateral owned by or transferred to the Successor Person shall: (A) continue to constitute Collateral under this Indenture and the Security Documents, (B) be subject to the Liens in favor of the Collateral Trustee for its benefit and the benefit of the holders of the Parity Lien Debt, and (C) not be subject to any Lien other than Permitted Liens; and

(7) the property and assets of the Person which is merged or consolidated with or into the Successor Person, to the extent that they are property or assets of the types that would constitute Collateral under the Security Documents, shall be treated as after-acquired property and the Successor Person shall take such action as may be reasonably necessary to cause such property and assets to be made subject to the Lien of the Security Documents in the manner and to the extent required in this Indenture and the Security Documents.

(b) The Company shall not, and shall not permit either Issuer to, directly or indirectly, lease all or substantially all of the properties and assets of the Company, such Issuer and their respective Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person.

Section 5.02 Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the assets of an Issuer in a transaction that is subject to, and that complies with the provisions of Section 5.01 hereof, the successor Person formed by such consolidation or into or with which such Issuer is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to such “Issuer” shall refer instead to the successor Person and not to such Issuer, as applicable), and may exercise every right and power of the Company or such Issuer under this Indenture with the same effect as if such successor Person had been named as such Issuer herein; *provided, however*, that the predecessor of such Issuer shall not be relieved from the obligation to pay the principal of, or premium or interest, if any, on the Notes except in the case of a sale of all of the such Issuer’s assets in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01 Events of Default.

Each of the following is an “*Event of Default*”:

- (1) default for thirty (30) days in the payment when due of interest on the Notes;
- (2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on the Notes;
- (3) failure by the Company or any of its Restricted Subsidiaries to comply with the provisions of Sections 4.10, 4.15 or 5.01 hereof;

(4) failure by the Company or any of its Restricted Subsidiaries for sixty (60) days after notice of breach or default to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in this Indenture or the Security Documents;

(5) default under any mortgage, indenture, instrument or other agreement under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of this Indenture, if that default:

(A) is caused by a failure to pay principal on such Indebtedness at its Stated Maturity and prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a “*Payment Default*”); or

(B) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates \$10.0 million or more;

(6) failure by the Company or any of its Restricted Subsidiaries to pay final judgments (which are not covered by insurance for which the insurer has accepted responsibility) entered by a court or courts of competent jurisdiction aggregating in excess of \$10.0 million, which judgments are not paid, discharged or stayed for a period of sixty (60) days;

(7) the occurrence of any of the following:

(A) any Security Document ceases for any reason to be fully enforceable (except as permitted by the terms of this Indenture or the Security Documents); *provided*, that it will not be an Event of Default under this clause (A) if the sole result of the failure of one or more Security Documents to be fully enforceable is that any Parity Lien purported to be granted under such security documents on Collateral, individually or in the aggregate, having a Fair Market Value of not more than \$5.0 million ceases to be an enforceable and perfected first-priority Lien on the Collateral;

(B) any Parity Lien purported to be granted under any Security Document on Collateral, individually or in the aggregate, having a Fair Market Value in excess of \$5.0 million ceases to be an enforceable and perfected first-priority Lien (except as permitted by the terms of this Indenture or the Security Documents);

(C) an Issuer or any Guarantor, or any Person acting on behalf of any of them, denies or disaffirms, in writing, any obligation of such Issuer or any other Guarantor arising under the Notes, the Note Guarantees or any Security Document; or

(D) an Issuer or any Guarantor fails to grant and perfect any security interest required by the Security Documents to be granted and perfected with respect to Collateral, individually or in the aggregate, having a Fair Market Value in excess of \$5.0 million,

other than, in the case of the foregoing clauses (A) through (D), as a result of, or in connection with, the satisfaction in full of all Obligations under this Indenture or expiration in accordance with the terms of this Indenture or the applicable Security Document or the release or amendment, modification, waiver, termination or release of any relevant Lien or Security Document in accordance with the terms of this Indenture or the Security Documents);

(8) except as permitted by this Indenture, any Note Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Note Guarantee (other than by reason of release of a Guarantor from its Note Guarantee in accordance with the terms of this Indenture);

(9) the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of its Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian, receiver, receiver manager, interim receiver or sequestrator of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due; or

(10) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian, receiver, receiver manager, interim receiver or sequestrator of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

and the order or decree remains undischarged, unstayed or unremedied and in effect for sixty (60) consecutive days. The Trustee shall not be charged with knowledge of an Event of Default unless written notice thereof shall have been given to a Responsible Officer at the Corporate Trust Office of the Trustee by the Company or another Person.

Section 6.02 Acceleration.

(a) In the case of an Event of Default specified in clause (9) or (10) of Section 6.01 hereof, with respect to the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately.

(b) In the event of a declaration of acceleration of the Notes because an Event of Default has occurred and is continuing as a result of the acceleration of any Indebtedness under clause (5) of Section 6.01 hereof, the declaration of acceleration of the Notes shall be automatically annulled if the holders of any Indebtedness described in clause (5) of Section 6.01 hereof have rescinded the declaration of acceleration in respect of such Indebtedness within thirty (30) days of the date of such declaration; *provided* that (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction, (2) all existing Defaults or Events of Default, except nonpayment of principal, premium or interest, if any, on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived and (3) remedies have not been taken with respect to Collateral securing such Indebtedness.

(c) The Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may, on behalf of the Holders of all of the Notes, rescind an acceleration or waive any existing Default or Event of Default and its consequences under this indenture except a continuing Default or Event of Default in the payment of interest or premium, if any, on or the principal of, the Notes.

Section 6.03 Other Remedies.

(a) If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of, or interest or premium, if any, on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

(b) The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 Waiver of Past Defaults.

Holders of not less than a majority in the aggregate principal amount of the then outstanding Notes by notice to the Trustee may, on behalf of the Holders of all of the Notes, waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Defaults in the payment of interest or premium, if any, on or the principal of, the Notes (including in connection with an offer to purchase); *provided, however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted in such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 Control by Majority.

The Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders or that may involve the Trustee in personal liability. In addition, the Trustee may withhold from Holders notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium, if any.

Section 6.06 Limitation on Suits.

(a) Subject to the provisions of Article 7 hereof, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any Holders unless such Holders have offered to the Trustee indemnity or security satisfactory to it against any loss, liability or expense. Except to enforce the right to receive payment of principal, interest or premium, if any, when due, no Holder may pursue any remedy with respect to this Indenture or the Notes unless:

- (1) such Holder has previously given the Trustee notice that an Event of Default is continuing;
- (2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes have requested the Trustee to pursue the remedy;
- (3) such Holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense;
- (4) the Trustee has not complied with such request within sixty (60) days after the receipt of the request and the offer of security or indemnity; and
- (5) Holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

(b) A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

Section 6.07 Rights of Holders of Notes to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal of, or premium or interest, if any, on the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; *provided* that a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(1) or (2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuers for the whole amount of principal of, or premium or interest, if any, remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection and the reasonable compensation, expenses, disbursements and advances of the Trustee and its agents and counsel.

Section 6.09 Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee and its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Issuers (or any other obligor upon the Notes), their creditors or their property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements, advances and any other amounts due to the Trustee and its agents and counsel and any other amounts due to the Trustee under Section 7.06 hereof. To the extent that the payment of any such compensation, expenses, disbursements, advances and any other amounts due to the Trustee and its agents and counsel and any other amounts due to the Trustee under Section 7.06 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 Priorities.

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee and the Collateral Trustees, and their agents and attorneys for amounts due to the Trustee under Section 7.06 hereof and the Collateral Trustees under the applicable Security Documents, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the Collateral Trustees and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, if any, respectively; and

Third: to the Issuers or as a court of competent jurisdiction shall direct.

The Trustee may, upon written notice to the Issuers, fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.10. Notwithstanding the foregoing, (i) proceeds received in respect of any sale of or other realization upon all or any part of the Collateral in connection with any foreclosure, collection or other enforcement of Liens granted to the Collateral Trustee in the Security Documents shall be applied pursuant to Section 12.09.

Section 6.11 Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder of a Note pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE 7
TRUSTEE

Section 7.01 Duties of Trustee.

(a) If an Event of Default actually known to a Responsible Officer of the Trustee has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee will examine such certificates and opinions to determine whether or not they conform on their face to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to the terms hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder has offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuers. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) The Trustee agrees to accept and act upon facsimile or electronic transmission (including pdf) of documents hereunder, it being understood that originals of such shall be provided to the Trustee in a timely manner.

Section 7.02 Rights of Trustee.

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate of the Issuers or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the written advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from an Issuer shall be sufficient if signed by an Officer of such Issuer, and any resolution of the Board of Directors of an Issuer shall be sufficient if evidenced by a copy of such resolution certified by an Officers' Certificate of such Issuer to have been duly adopted and in full force and effect on the date thereof.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity or security satisfactory to the Trustee, in its sole discretion, against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(h) Except with respect to Section 4.01 hereof, the Trustee shall have no duty (unless so instructed by the Holders of a majority in aggregate principal amount of the then outstanding Notes) to inquire as to the performance of an Issuer with respect to the covenants contained in Article 4 hereof. The Trustee shall not be deemed to have notice of any Default or Event of Default unless the Trustee has received written notice of such event at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture.

(i) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(j) The Trustee shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral.

(k) The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or otherwise.

(l) The Trustee shall have no liability for any acts or omissions of the Collateral Trustee.

Section 7.03 Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with an Issuer or any Affiliate of an Issuer with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within ninety (90) days or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Section 7.09 hereof.

Section 7.04 Trustee's Disclaimer.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Issuers' use of the proceeds from the Notes or any money paid to the Issuers or upon the Issuers' direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05 Notice of Defaults.

If a Default or Event of Default occurs and is continuing and if it is known to a Responsible Officer of the Trustee, the Trustee will mail to Holders a notice of the Default or Event of Default within ninety (90) days after receipt of notice of the occurrence of an Event of Default. Except in the case of a Default or Event of Default in payment of principal of, or premium or interest, if any, on any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.06 Compensation and Indemnity.

(a) The Issuers and the Guarantors will pay to each of the Trustee and the Collateral Trustee such compensation as is agreed to from time to time by the Issuers and the Trustee or the Collateral Trustee, as applicable, for its acceptance of this Indenture and services hereunder. The Trustee's and each of the Collateral Trustees' compensation will not be limited by any law on compensation of a trustee of an express trust. The Issuers will reimburse each of the Trustee and the Collateral Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's and the Collateral Trustee's respective agents and counsel, as applicable. When the Trustee or the Collateral Trustee incurs expenses or renders services after an Event of Default pursuant to Section 6.01(9) or 6.01(10) hereof, the expenses and compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under Title 11, U.S. Code, or any similar federal or state law for the relief of debtors.

(b) The Issuers and the Guarantors, jointly and severally, will indemnify each of the Trustee and the Collateral Trustee against any and all losses, liabilities or expenses (including without limitation taxes other than taxes based on the income of the Trustee or the Collateral Trustee) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the reasonable costs and expenses of enforcing this Indenture against the Issuers and the Guarantors (including this Section 7.06) and defending itself against any claim (whether asserted by the Issuers, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense shall be determined to have been caused by its own negligence or bad faith. Each of the Trustee and the Collateral Trustee will notify the Issuers promptly of any claim of which the Trustee has received written notice and for which it may seek indemnity. Failure by the Trustee or the Collateral Trustee, as applicable, to so notify the Issuers will not relieve the Issuers or any of the Guarantors of their obligations hereunder. The Issuers or such Guarantor will defend the claim and the Trustee and the Collateral Trustee, as applicable, will cooperate in the defense. The Trustee and the Collateral Trustee, as applicable, may have separate counsel and the Issuers shall pay the reasonable fees and expenses of such counsel. Neither the Issuers nor any Guarantor need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Issuers and the Guarantors under this Section 7.06 will survive the satisfaction and discharge of this Indenture and the resignation, removal or replacement of the Trustee or the Collateral Trustee.

(d) To secure the Issuers' and the Guarantors' payment obligations in this Section 7.06, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal of, or premium or interest, if any, on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(9) or (10) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.07 Replacement of Trustee.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

(b) The Trustee may, upon thirty (30) days' written notice to the Issuers resign and be discharged from the trust hereby created. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuers in writing. The Issuers may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.09 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuers will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuers.

(d) If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, the retiring Trustee (at Issuer expense), the Issuers, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.09 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Issuers. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee provided that all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.06 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Issuers' obligations under Section 7.06 hereof will continue for the benefit of the retiring Trustee.

Section 7.08 Successor Trustee by Merger, etc.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.09 Eligibility; Disqualification.

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least \$100.0 million as set forth in its most recent published annual report of condition.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 Option to Effect Legal Defeasance or Covenant Defeasance.

The Issuers may, at their joint option and at any time, at the option of their Boards of Directors evidenced by a resolution set forth in their respective Officers' Certificates, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth in this Article 8.

Section 8.02 Legal Defeasance and Discharge.

Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.02, each of the Issuers and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Issuers and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) of this Section 8.02, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Issuers, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

- (1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium, if any, on such Notes when such payments are due from the trust referred to in Section 8.04 hereof;
- (2) the Issuers' obligations with respect to such Notes under Article 2 and Section 4.02 hereof;
- (3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuers' and the Guarantors' obligations in connection therewith; and
- (4) this Article 8.

Subject to compliance with this Article 8, the Issuers may exercise their joint option under this Section 8.02 notwithstanding the prior exercise of their option under Section 8.03 hereof.

Section 8.03 Covenant Defeasance.

Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Issuers and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 3.08, 4.03, 4.04, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17, 4.18, 4.19, and clauses (4), (5), (6) and (7) of Section 5.01 hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees, the Issuers and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(3) through 6.01(8) hereof will not constitute Events of Default.

Section 8.04 Conditions to Legal or Covenant Defeasance.

In order to exercise either Legal Defeasance under Section 8.02 hereof or Covenant Defeasance under Section 8.03 hereof:

(1) the Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium, if any, on the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuers must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance under Section 8.02 hereof, the Issuers must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that (a) the Issuers have received from, or there has been published by the Internal Revenue Service a ruling or (b) since the date of this Indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance under Section 8.03 hereof, the Issuers must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness), and the granting of Liens to secure such borrowings);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which either Issuer or any of the Guarantors is a party or by which either Issuer or any of the Guarantors is bound;

(6) the Issuers must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuers with the intent of preferring the Holders of Notes over the other creditors of the Issuers with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuers or others; and

(7) the Issuers must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

(b) The Collateral will be released from the Liens securing the Notes in accordance with Section 12.04 hereof and the Security Documents, upon a Legal Defeasance or Covenant Defeasance in accordance with this Article 8.

Section 8.05 Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including either of the Issuers acting as Paying Agent) as the Trustee may determine, to the applicable Holders of all sums due and to become due thereon in respect of principal, or premium or interest, if any, but such money need not be segregated from other funds except to the extent required by law.

The Issuers will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Issuers from time to time upon the joint request of the Issuers any money or non-callable Government Securities held by either of the Issuers as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 Repayment to Issuers.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuers, in trust for the payment of the principal of, or premium or interest, if any, on any Note and remaining unclaimed for two years after such principal, or premium or interest, if any, has become due and payable shall be paid to the Issuers on their joint request or (if then held by either of the Issuers) will be discharged from such trust; and the applicable Holder will thereafter be permitted to look only the Issuers for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuers as trustee thereof, will thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuers cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than thirty (30) days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuers.

Section 8.07 Reinstatement.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuers' and the Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Issuers make any payment of principal of, or premium or interest, if any, on any Note following the reinstatement of its obligations, the Issuers will be subrogated to the rights of the applicable Holders to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 Without Consent of Holders.

Notwithstanding Section 9.02 of this Indenture, without the consent of any Holder, the Issuers, the Guarantors, the Trustee and the Collateral Trustee may amend or supplement this Indenture, the Notes, the Note Guarantees and the Security Documents:

- (1) to cure any ambiguity, defect or inconsistency;
- (2) to provide for uncertificated Notes in addition to or in place of certificated Notes;
- (3) to provide for the assumption of an Issuer's or a Guarantor's obligations to Holders of Notes and Note Guarantees by a successor to an Issuer's or such Guarantor pursuant to Article 5 or Article 10 hereof;
- (4) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights hereunder of any such Holder;
- (5) to make, complete or confirm any grant of Collateral permitted or required by this Indenture or any Security Document or to evidence the release, termination or discharge of any Collateral or Security Documents or Note Guarantees in accordance with the terms of this Indenture or the Security Documents;
- (6) to enter into additional or supplemental Security Documents or otherwise provide additional Collateral;
- (7) to provide for the issuance of Additional Securities in accordance with the limitations set forth in this Indenture as of the date hereof;
- (8) to allow any Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes;
- (9) to evidence and provide for the acceptance of appointment hereunder by a successor trustee pursuant to the requirements of this Indenture; or
- (10) to provide for the release of a Guarantee of the Notes by a Restricted Subsidiary of either Issuer which release is otherwise permitted under this Indenture and would not result in a Default or Event of Default.

Section 9.02 With Consent of Holders.

Except as provided below in this Section 9.02, the Issuers, the Guarantors, the Trustee and the Collateral Trustee may amend or supplement this Indenture (including, without limitation, Sections 3.08, 3.9, 4.10, 4.15 and 4.20 hereof), the Notes, the Note Guarantees or the Security Documents with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, or premium or interest, if any, on the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the joint request of the Issuers accompanied by a resolution of their Boards of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence reasonably satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee will join with the Issuers and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental Indenture.

It is not necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuers will mail to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuers to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of at least a majority in aggregate principal amount of the Notes then outstanding may waive compliance in a particular instance by the Issuers and the Guarantors with any provision of this Indenture, the Notes, the Note Guarantees or the Security Documents. However, without the consent of each Holder of the Notes affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

- (1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;
- (2) reduce the principal of or change the fixed maturity of any Note or alter any of the provisions with respect to the redemption of the Notes (except as provided above with respect to Sections 3.08, 3.09, 4.10, 4.15 and 4.20 hereof);
- (3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;
- (4) waive a Default or Event of Default in the payment of principal of, or interest or premium, if any, on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes or a waiver of the payment default that resulted from such acceleration);
- (5) make any Note payable in money other than that stated in the Notes;
- (6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, or interest or premium, if any, on the Notes;
- (7) waive a redemption payment with respect to any Note (other than a payment required by Sections 3.08, 3.09, 4.10, 4.15 or 4.20 hereof);
- (8) release any Guarantor from any of its obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture; or
- (9) make any change in the preceding amendment and waiver provisions.

In addition, any amendment to, or waiver of, the provisions of this Indenture or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Liens securing the Notes will require the consent of the Holders of 85% in aggregate principal amount of the Notes then outstanding.

Section 9.03 Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.04 Notation on or Exchange of Notes and Notes.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. Each Issuer in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.05 Trustee and Collateral Trustees to Sign Amendments, etc.

The Trustee and the Collateral Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 or any amendments under the Security Documents if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee and the Collateral Trustee. The Issuers may not sign an amended or supplemental indenture until the Board of Directors of each Issuer approves it. In executing any amended or supplemental indenture, the Trustee and the Collateral Trustee will be provided with and (subject to Section 7.01 hereof) will be fully protected in relying upon an Officers' Certificate of each of the Issuers and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10
NOTE GUARANTEES

Section 10.01 Guarantee.

(a) Subject to this Article 10, each of the Guarantors hereby, jointly and severally, unconditionally guarantees (each, a “*Note Guarantee*”) to each Holder holding a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuers hereunder or thereunder, that:

(1) the principal of, and interest and premium, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, and interest and premium, if any, on the Notes, if lawful, and all other obligations of the Issuers to the Holders holding Notes or the Trustee under this Indenture will be promptly paid in full or performed, all in accordance with the terms of this Indenture and the Notes; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

(b) Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(c) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder holding Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuers, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a Guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuers, any right to require a proceeding first against the Issuers, protest, notice and all demands whatsoever and covenants that its Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(d) If any Holder holding a Note or the Trustee is required by any court or otherwise to return to the Issuers, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuers or the Guarantors, any amount paid by either to the Trustee or such Holder, the Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(e) Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders holding Notes in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders holding Notes and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of the Note Guarantees, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of the Note Guarantee. The Guarantors will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders holding Notes under the Note Guarantees.

Section 10.02 Limitation on Guarantor Liability.

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal, state, provincial or foreign law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of each such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 10.03 Execution and Delivery of Note Guarantee.

To evidence its Note Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit E1 hereto will be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of such Guarantor by one of its Officers.

Each Guarantor hereby agrees that its Note Guarantee set forth in Section 10.01 hereof will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on this Indenture or on a Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which the Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the applicable Note Guarantee set forth in this Indenture on behalf of the Guarantors. Neither the Issuers nor any Guarantor shall be required to make a notation on the Notes to reflect any Note Guarantee or any such release, termination or discharge thereof.

In the event that the Company or any of its Restricted Subsidiaries acquires or creates any Domestic Subsidiary after the date of this Indenture, if required by Section 4.17(a) hereof, the Company shall cause such Domestic Subsidiary to comply with the provisions of Section 4.17 (a) hereof and this Article 10, to the extent applicable.

Section 10.04 Guarantors May Consolidate, etc., on Certain Terms.

Except as otherwise provided in Section 10.05 hereof, no Guarantor may sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge or amalgamate with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

- (1) immediately after giving effect to such transaction, no Default or Event of Default exists; and
- (2) either:

(a) (i) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger or amalgamation (the “*Successor Guarantor*”) assumes all the obligations of that Guarantor under its Note Guarantee, this Indenture, and the Security Documents pursuant to a supplemental indenture and appropriate Security Documents satisfactory to the Trustee, (ii) the Successor Guarantor causes such amendments, supplements or other instruments to be executed, delivered, filed and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Liens under the applicable Security Documents on the Collateral owned by or transferred to the Successor Guarantor, together with such financing statements as may be required to perfect any security interests in such Collateral which may be perfected by the filing of a financing statement under the Uniform Commercial Code of the relevant jurisdiction; (iii) the Collateral owned by or transferred to the Successor Guarantor shall: (A) continue to constitute Collateral under this Indenture and the applicable Security Documents, (B) be subject to Liens in favor of the Collateral Trustee for the benefit of the Holders and any other Parity Lien Indebtedness or Priority Lien Indebtedness and (C) not be subject to any Lien other than Permitted Liens; and (iv) the property and assets of the Person which is merged or consolidated with or into the Successor Guarantor, to the extent that they are property or assets of the types which would constitute Collateral under the applicable Security Documents, shall be treated as after-acquired property and the Successor Guarantor shall take such action as may be reasonably necessary to cause such property and assets to be made subject to the Lien of the applicable Security Documents in the manner and to the extent required under this Indenture and the Security Documents; or

(b) the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of this Indenture, including without limitation, Section 4.10 hereof.

In case of any such consolidation, merger, amalgamation, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the applicable Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the applicable Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses 2(a) and (b) above, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

Section 10.05 Releases.

(a) In the event of any sale or other disposition of all or substantially all of the assets of any Subsidiary Guarantor, by way of merger, consolidation or otherwise, to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate Section 4.10 hereof and is permitted by all of the Secured Debt Documents then the corporation acquiring the property will be released and relieved of any obligations under the applicable Note Guarantee;

(b) In the event of any sale or other disposition of Capital Stock of any Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate Section 4.10 hereof and is permitted by all of the Secured Debt Documents and the Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Company as a result of the sale or other disposition, then such Subsidiary Guarantor will be released and relieved of any obligations under its Note Guarantee;

provided, in both cases, that the Net Proceeds of such sale or other disposition are applied in accordance with Section 4.10 hereof. Upon delivery by the Issuers to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Guarantor in accordance with the provisions of this Indenture, including without limitation Section 4.10 hereof, the Trustee will execute any documents reasonably required in order to evidence the release of the Guarantor from its obligations under its Note Guarantee;

(c) Upon designation of any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Indenture and as permitted by the Secured Debt Documents, such Subsidiary Guarantor will be released and relieved of any obligations under its Note Guarantee;

(d) Upon Legal Defeasance or Covenant Defeasance in accordance with Article 8 hereof or satisfaction and discharge of this Indenture in accordance with Article 11 hereof, each Guarantor will be released and relieved of any obligations under its Note Guarantee;

(e) Upon satisfaction and discharge of the Indenture, in accordance with Article 11 hereof; and

(f) Upon payment in full and discharge of all Notes outstanding under this Indenture and all Obligations that are outstanding; due and payable under this Indenture at the time of the Notes are paid in full and discharged.

Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 10.05 will remain liable for the full amount of principal of, premium on, if any, and interest, if any, on the applicable Notes and for the other obligations of such Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11
SATISFACTION AND DISCHARGE

Section 11.01 Satisfaction and Discharge.

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder (subject to those provisions herein that by their express terms shall survive), when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuers, have been delivered to the Trustee for cancellation; or

(b) all Notes that have not been delivered to the Trustee for cancellation (i) have become due and payable by reason of the mailing of a notice of redemption or otherwise, (ii) will become due and payable within one year or (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuers, and either Issuer or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

(2) in respect of clause (1)(b) of this Section 11.01, no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Indebtedness and, in each case, the granting of Liens to secure such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which an Issuer or any Guarantor is a party or by which an Issuer or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge and any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings);

(3) either Issuer or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Issuers have delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuers must deliver an Officers' Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to clause (1)(b) of this Section 11.01, the provisions of Sections 11.02 and 8.06 hereof will survive. In addition, nothing in this Section 11.01 will be deemed to discharge those provisions of Section 7.07 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 11.02 Application of Trust Money.

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 11.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the applicable Notes and this Indenture, to the payment, either directly or through any Paying Agent (including an Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and interest and premium, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 11.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuers' and Guarantors' obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.01 hereof; *provided* that if the Issuers have made any payment of principal of, premium on, if any, or interest, if any, on any Notes because of the reinstatement of its obligations, the Issuers shall be subrogated to the rights of the applicable Holders to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 12
COLLATERAL AND SECURITY

Section 12.01 Security Interest.

The due and punctual payment of the principal of and interest and premium, if any, on the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of and interest and premium, if any, (to the extent permitted by law), on the Notes and performance of all other obligations of the Issuers to the Holders of Notes or the Trustee under this Indenture and the Notes (including, without limitation, the Note Guarantees), according to the terms hereunder or thereunder, are secured to the extent provided in the Security Documents.

Each Holder, by its acceptance of the Notes, consents and agrees to the terms of the Security Documents (including, without limitation, the provisions providing for foreclosure and release of Collateral) as the same may be in effect or may be amended from time to time in accordance with its terms and each Holder authorizes and appoints U.S. Bank National Association as the Trustee and each Holder and together with the Trustee authorizes and appoints U.S. Bank National Association as the Collateral Trustee, and each Holder and the Trustee direct the Collateral Trustee to enter into additional Security Documents from time to time and to perform its obligations and exercise its rights thereunder in accordance with the provisions thereof. U.S. Bank National Association hereby accepts its appointment by each Holder and the Trustee to act as Collateral Trustee under the Indenture and each other Parity Lien Document to which it is a party. Each of the Issuers and the Guarantors consents and agrees to be bound by the terms of the existing Security Documents and any additional Security Documents, as the same may be in effect from time to time, and agrees to perform its obligations thereunder in accordance therewith.

Each Issuer will deliver to the Trustee copies of all documents delivered to the Collateral Trustee pursuant to the applicable Security Documents, and will do or cause to be done all such acts and things as required by the provisions of the Security Documents to assure and confirm to the Trustee and the Collateral Trustee the security interest in the Collateral contemplated by the Security Documents or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes. Each Issuer will take, and will cause the Guarantors to take, any and all actions required by the Security Documents to create and maintain, as security for the Parity Lien Obligations, a valid, enforceable and, to the extent required by the Security Documents, perfected Lien in and on all the Collateral, in favor of the Collateral Trustee for the benefit of the Holders of the Notes, to the extent required by, and with the lien priority required under, the Secured Debt Documents and subject to no Liens other than Permitted Liens.

Section 12.02 Security Documents.

This Article 12 and the provisions of each other Security Document are subject to the terms, conditions and benefits set forth in the Collateral Trust Agreement at any time such Collateral Trust Agreement is in effect. Each of the Issuer and each Guarantor consents to, and agrees to be bound by, the terms of the Collateral Trust Agreement, as the same may be in effect from time to time, and to perform its obligations thereunder in accordance therewith.

Section 12.03 Collateral Trustee.

With respect to the Notes,

(1) U.S. Bank National Association will initially act as the Collateral Trustee for the benefit of the Holders of the Notes and all other Parity Lien Obligations outstanding from time to time;

(2) Neither the Issuers, nor any of their Affiliates and no Parity Lien Representative, Priority Lien Representative or Junior Lien Representative may serve as Collateral Trustee.

(3) The Collateral Trustee shall hold (directly or through co-trustees or agents), and will be entitled to enforce, all Liens on the Collateral created by the Security Documents.

(4) Except as provided in the Security Documents or as directed by an Act of Required Debtholders in accordance with the Security Documents, the Collateral Trustee shall not be obligated:

(a) to act upon directions purported to be delivered to it by any Person;

(b) to foreclose upon or otherwise enforce any Lien; or

(c) to take any other action whatsoever with regard to any or all of the Security Documents, the Liens created thereby or the Collateral.

(5) A resignation or removal of the Collateral Trustee and appointment of a successor Collateral Trustee will become effective pursuant to the terms set forth in the Security Documents.

Section 12.04 Release of Liens in Respect of Notes.

(a) The Collateral Trustee's Parity Liens upon the Collateral will no longer secure the Notes outstanding under this Indenture or any other Obligations under this Indenture, and the rights of the Holders of the Notes and such Obligations to the benefits and proceeds of the Collateral Trustee's Parity Liens on the Collateral will terminate and be discharged:

- (1) Upon the satisfaction and discharge of this Indenture, in accordance with Article 11 hereof;
- (2) Upon a Legal Defeasance or Covenant Defeasance of the Notes in accordance with Article 8 hereof;
- (3) Upon payment in full and discharge of all Notes outstanding under this Indenture and all Obligations that are outstanding, due and payable under this Indenture at the time the Notes are paid in full and discharged;
- (4) In whole or in part, with the consent of the Holders of the requisite percentage of Notes in accordance with Article 9 hereof;
- (5) As to any Collateral that is sold, transferred or otherwise disposed of by any Issuer or any Guarantor to a Person that is not (either before or after such sale, transfer or disposition) an Issuer or a Restricted Subsidiary of the Issuer in a transaction or other circumstance that does not violate Section 4.10 and is permitted by all of the other Security Documents, at the time of such sale, transfer or other disposition or to the extent of the interest sold, transferred or otherwise disposed of; provided that the Collateral Trustee's Liens upon the Collateral will not be released if the sale or disposition is subject to Section 5.01 hereof; or
- (6) as to any Collateral of a Restricted Subsidiary that is designated as an Unrestricted Subsidiary in compliance with the provisions of this Indenture and any other relevant provisions of any other Security Documents, at the time such Restricted Subsidiary is designated as an Unrestricted Subsidiary.

(b) The Collateral Trustee agrees for the benefit of the applicable Issuer and the other Guarantors that if the Collateral Trustee at any time receives:

- (1) an Officers' Certificate stating that (A) the signing officer has read Article 12.04 of this Indenture and understands the provisions and the definitions relating hereto, (B) such officer has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not the conditions precedent in the Indenture and all other Security Documents, if any, relating to the release of the Collateral have been complied with and (C) in the opinion of such officer, such conditions precedent, if any, have been complied with; and
- (2) the proposed instrument or instruments releasing such Lien as to such property in recordable form, if applicable;

then the Collateral Trustee will execute (with such acknowledgements and/or notarizations as are required) and deliver such release to the applicable Issuer or applicable Guarantor on or before the later of (x) the date specified in such request for such release and (y) the fifth Business Day after the date of receipt of the items required by this Section 12.04 by the Collateral Trustee.

(c) The Collateral Trustee hereby agrees that in the case of any release pursuant to clause (5) of Section 12.04(a), if the terms of any such sale, transfer or other disposition require the payment of the purchase price to be contemporaneous with the delivery of the applicable release, then, at the written request of and at the expense of the applicable Issuer or other applicable Guarantor, the Collateral Trustee will either (A) be present at and deliver the release at the closing of such transaction or (B) deliver the release under customary escrow arrangements that permit such contemporaneous payment and delivery of the release.

Section 12.05 Equal and Ratable Sharing of Collateral by Holders of Parity Lien Debt.

Notwithstanding:

- (1) anything to the contrary contained in the Security Documents;
- (2) the time of incurrence of any Series of Parity Lien Debt;
- (3) the order or method of attachment or perfection of any Liens securing any Series of Parity Lien Debt;
- (4) the time or order of filing or recording of financing statements, mortgages or other documents filed or recorded to perfect any Lien upon any Collateral;
- (5) the time of taking possession or control over any Collateral;
- (6) that any Parity Lien may not have been perfected or may be or have become subordinated, by equitable subordination or otherwise, to any other Lien; or
- (7) the rules for determining priority under any law governing relative priorities of Liens:

(x) all Parity Liens granted at any time by an Issuer or any Guarantor will secure, equally and ratably, all present and future Parity Lien Obligations; and (y) all proceeds of all Parity Liens granted at any time by an Issuer or any Guarantor will be allocated and distributed equally and ratably on account of the Parity Lien Debt and other Parity Lien Obligations.

In addition, this Section 12.05 is intended for the benefit of, and shall be enforceable as a third party beneficiary by, each present and future Holder of Parity Lien Obligations, each present and future Parity Lien Representative and the Collateral Trustee as holder of Parity Liens. The Parity Lien Representative of each future Series of Parity Lien Debt shall be required to deliver a Lien Sharing and Priority Confirmation to the Collateral Trustee and the Trustee at the time of incurrence of such Series of Parity Lien Debt.

Section 12.06 Relative Rights.

Nothing in this Indenture or the Security Documents will:

- (1) impair, as among the Issuers and the Holders, the obligation of any Issuer to pay principal of, or premium and interest on, the Notes issued by such Issuers in accordance with their terms or any other obligation of the Issuers or any Guarantor;
- (2) affect the relative rights of Holders as against any other creditors of any Issuer or any Guarantor (other than holders of Priority Liens, any other Parity Liens or any Junior Liens to the extent expressly set forth herein or in the applicable Security Document);
- (3) restrict the right of any Holder to sue for payments that are then due and owing (but not enforce any judgment in respect thereof against any Collateral to the extent specifically prohibited by the Security Documents);
- (4) restrict or prevent any Holder or holders of other Parity Lien Obligations, any Collateral Trustee or any Parity Lien Representative from exercising any of its rights or remedies upon a Default or Event of Default not expressly restricted or prohibited by the Security Documents; or
- (5) restrict or prevent any Holder or holders of other Parity Lien Obligations, the Collateral Trustee or any Parity Lien Representative from taking any lawful action in an insolvency or liquidation proceeding not specifically restricted or prohibited by the Security Documents.

Section 12.07 Further Assurances.

Each of the Issuers and each of the Guarantors shall cause to be done all acts and things that may be required by this Indenture or the Parity Lien Documents, or that the Collateral Trustee from time to time may reasonably request, to assure and confirm that the Collateral Trustee holds, for the benefit of the holders of Parity Lien Obligations, duly created and enforceable and perfected Liens upon the Collateral, in each case, as contemplated by, and with the Lien priority required under, the Parity Lien Documents, and subject to the limitations set forth in the Parity Lien Documents.

On or prior to the date on which any additional Secured Debt Document is executed, the Issuers and each of the Guarantors shall grant to the Collateral Trustee a security interest in any assets or property of the Issuers or Guarantors not otherwise granted pursuant to this Indenture and the Security Documents on or prior to such date, to the extent that the Issuers and the Guarantors grant a security interest in such other assets to the new Secured Debt Representative or any holders of such new Obligations.

From and after the date hereof, if any Issuer or any Guarantor acquires any personal property which is of a type that would constitute Collateral under any Security Document, it will be required as soon as reasonably practicable after the acquisition thereof, to execute and deliver such security instruments, financing statements, and Officers' Certificates and opinions of counsel as are required under this Indenture or under any Security Document, or as may be reasonably requested by the Collateral Trustee, in each case, to vest in the Collateral Trustee a perfected (to the extent required by this Indenture or the Security Documents) security interest in such after-acquired property with the priority required hereunder or under the applicable Security Document and to have such after-acquired property added to the Collateral, and thereupon all provisions of this Indenture relating to such Collateral shall be deemed to relate to such after-acquired property to the same extent and with the same force and effect.

On or prior to the date on which any other additional Secured Debt Documents are executed or the date on which any Junior Lien Debt or other Parity Lien Debt is incurred, in each case, in accordance with the terms of this Indenture and the other Secured Debt Documents then in effect, the Collateral Trustee shall enter into the Collateral Trust Agreement upon receipt of an Officers' Certificate from the Issuers certifying that such other Parity Lien Debt or Junior Lien Debt, as applicable, has been incurred as permitted under the Secured Debt Documents.

Section 12.08 Application of Proceeds

Subject to the terms of the Collateral Trust Agreement as in effect from time to time, if any Collateral is sold or otherwise realized upon by the Collateral Trustee in connection with any foreclosure, collection or other enforcement of Liens granted to the Collateral Trustee in the Security Documents, the proceeds received by the Collateral Trustee from such foreclosure, collection or other enforcement will be distributed by the Collateral Trustee to the Trustee for application by the Trustee in the following order:

FIRST, ratably, to the Trustee and the Collateral Trustee toward the payment of all amounts due to the Trustee and the Collateral Trustee under Section 7.06 hereof, and to the Collateral Trustee under any Security Document, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the Collateral Trustee or any co-trustee or agent of the Collateral Trustee;

SECOND, to Holders of Notes for Obligations in respect of the Notes that are then due and payable in an amount sufficient to pay in full all outstanding Obligations in respect of such Notes that are then due and payable (including all interest accrued thereon after the commencement of any Insolvency or Liquidation Proceeding, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding), ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, if any, respectively; and

THIRD, any surplus remaining after the payment in full of the amounts described in the preceding clauses will be paid to the Issuers or as a court of competent jurisdiction may direct.

ARTICLE 13
MISCELLANEOUS

Section 13.01 Notices.

Any notice or communication by the Issuers, any Guarantor, the Trustee or any Collateral Trustee to the others is duly given if in writing and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to any Issuers and/or any Guarantor:
c/o TV One, LLC
1010 Wayne Avenue
Silver Spring, MD 20910
Attention: Ms. Karen Wishart
EVP, Chief Legal Officer

With a copy to:
Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
Attention: Dennis M. Myers, P.C.

If to the Trustee:
U.S. Bank National Association - Corporate Trust Services
150 Fourth Avenue North, 2nd Floor
Nashville, TN 37219
Attention: Wally Jones

With a copy to:
Waller Lansden Dortch & Davis, LLP
511 Union Street, Suite 2700
Nashville, TN 37219
Attention: Gerald Mace

If to the Collateral Trustee:
U.S. Bank National Association - Corporate Trust Services
150 Fourth Avenue North, 2nd Floor
Nashville, TN 37219
Attention: Wally Jones

Either Issuer, any Guarantor, the Trustee or any Collateral Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to a courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If an Issuer mails a notice or communication to Holders, it will mail a copy to the Trustee and the Collateral Trustee at the same time.

Section 13.02 Certificate and Opinion as to Conditions Precedent.

Upon any request or application by an Issuer to the Trustee to take any action under this Indenture, such Issuer shall furnish to the Trustee:

(1) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.03 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.03 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied; *provided*, that no such Opinion of Counsel shall be required in connection with the order by the Issuer to authenticate and deliver the Initial Notes on the date hereof pursuant to Section 2.02 hereof.

Section 13.03 Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied; *provided*, that an issuer of an Opinion of Counsel can rely as to matters of fact on an Officers' Certificate or a certificate of a public official.

Section 13.04 Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.05 No Personal Liability of Directors, Officers, Employees, Stockholders or Members.

No past, present, or future director, officer, employee, incorporator, stockholder or members of either Issuer or any Guarantor, as such, will have any liability for any obligations of either Issuer or any Guarantor under the Notes, this Indenture, the Note Guarantees, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws, and it is the view of the SEC that such waiver is against public policy.

Section 13.06 Governing Law.

THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.07 No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.08 Successors.

All agreements of each of the Issuers in this Indenture and the Notes will bind its successors. All agreements of the Trustee and the Collateral Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 10.05 hereof.

Section 13.09 Severability.

In case any provision in this Indenture or the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.10 Counterpart Originals.

The parties may sign any number of copies or counterparts of this Indenture. Each signed copy or counterpart will be an original, but all of them together represent the same agreement.

Section 13.11 Table of Contents, Headings, etc.

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.12 Waiver of Jury Trial.

EACH OF THE ISSUERS, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 13.13 Force Majeure.

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities or communications services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

[Signatures on following page]

IN WITNESS HEREOF, the parties have caused this Indenture to be duly executed as of the date first written above.

TV ONE, LLC, as Issuer

By: _____

Name:

Title:

TV ONE CAPITAL CORP., as Co-Issuer

By: _____

Name:

Title:

U.S. BANK NATIONAL ASSOCIATION, as Trustee and Collateral Trustee

By: _____

Name:

Title:

Signature Page to Indenture

[Face of Note]

CUSIP/CINS _____

10% Senior Secured Notes due 2016

No. ____ \$ _____*

TV One, LLC
TV One Capital Corp.

promise to pay to _____ or registered assigns,

the principal sum of _____ DOLLARS on _____, 20__.

Interest Payment Dates: the fifteenth (15th) day of each month; *provided*, that in the event of a Semiannual Interest Payment Election, the Interest Payment Dates shall be determined as set forth in Paragraph 1 of this NoteRecord Dates: the first (1st) day of each month, *provided*, that in the event of a Semiannual Interest Payment Election, the record dates shall be determined as set forth in Paragraph 2 of this Note

Dated: _____, 20__

TV ONE, LLC, as Issuer

By: _____
Name:
Title:

TV ONE CAPITAL CORP., as Co-Issuer

By: _____
Name:
Title:This is one of the Notes referred to
in the within-mentioned Indenture:

U.S. Bank National Association, as Trustee

By: _____
Name:
Title:

[Back of Note]
10% Senior Secured Notes due 2016

[Insert the Global Security Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST.* TV One, LLC, a Delaware limited liability Company (the “*Company*”), TV One Capital Corp., a Delaware corporation (“*Capital Corp.*”, and together with the Company, the “*Issuers*”), promise to pay or cause to be paid interest on the principal amount of this Note at 10.00% per annum. The Issuers will pay interest, if any, monthly in arrears on the fifteenth (15th) day of each month of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, a “*Monthly Interest Payment Date*”); *provided* that the Issuers may make a one-time election (a “*Semiannual Interest Payment Election*”) to pay interest, if any, semiannually in arrears on the six-month anniversaries of the Monthly Interest Payment Date immediately preceding the date of the Semiannual Interest Payment Election, or if any such day is not a Business Day, on the next succeeding Business Day (each, a “*Semiannual Interest Payment Date*” and together with a Monthly Interest Payment Date, an “*Interest Payment Date*”). Interest on the Notes will accrue from the most recent date on which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that, if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be March 15, 2011. The Issuers will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at a rate that is 1% higher than the then applicable interest rate on the Notes to the extent lawful; they will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest, if any (without regard to any applicable grace period), at a rate that is 1% higher than the then applicable interest rate on the Notes to the extent lawful.

The Issuers may make a one-time Semiannual Interest Payment Election at any time prior to the beginning of the interest period that begins immediately prior to the Stated Maturity of this Note by delivering a written notice to the Trustee and the Holders.

Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

(2) *METHOD OF PAYMENT.* The Issuers will pay interest on the Notes (except defaulted interest), if any, to the Persons who are registered Holders of Notes at the close of business on the first (1st) day of the month containing each Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, and interest, if any, at the office or agency of the Paying Agent and Registrar within the City and State of New York, or, at the option of the Issuers, payment of interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of, premium on, if any, and interest, if any, on all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Issuers or the Paying Agent. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR.* Initially, U.S. Bank National Association, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Issuers may change the Paying Agent or Registrar without prior notice to the Holders of the Notes. The Issuers or any of their Subsidiaries may act as Paying Agent or Registrar.

(4) *INDENTURE AND SECURITY DOCUMENTS.* The Issuers issued the Notes under an Indenture, dated as of February 25, 2011 (the “*Indenture*”), by and among the Issuers, the guarantors party thereto, the Trustee and U.S. Bank National Association, as Collateral Trustee. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured obligations of the Issuers. The Notes are secured by substantially all the assets of the Issuers and the Guarantors pursuant to and as further described in the Security Documents referred to in the Indenture. Subject to Sections 2.02, 2.13, 4.09 and 4.12 thereof, the Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION.*

(a) At any time prior to March 15, 2013 the Issuers may, at their joint option, on any one or more occasions redeem up to 35% of the aggregate principal amount of their respective Notes issued under the Indenture, upon not less than thirty (30) nor more than sixty (60) days' notice, at a redemption price equal to 110% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date) with the net cash proceeds of an Equity Offering by the Company; *provided* that:

(A) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(B) the redemption occurs within sixty (60) days of the date of the closing of such Equity Offering.

(b) At any time prior to March 15, 2013, the Issuers may, at their joint option, on any one or more occasions redeem all or a part of the Notes, upon not less than thirty (30) nor more than sixty (60) days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) On or after March 15, 2013, the Issuers may, at their joint option, on any one or more occasions redeem all or a part of the Notes, upon not less than thirty (30) nor more than sixty (60) days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on March 15 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2013	105.000%
2014	102.500%
2015 and thereafter	100.000%

(d) *Special Redemption.* If at any time on or prior to December 31, 2011, the Company determines in good faith that all of the net proceeds from the issuance and sale of the Notes (the "Available Proceeds") will not be used to repurchase Equity Interests of the Company, the Company may, at its option, elect to use the remaining Available Proceeds to redeem an aggregate principal amount of the Notes equal to the lesser of (i) \$50 million and (ii) the aggregate amount of remaining Available Proceeds, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus accrued and unpaid interest thereon, if any, to the date of redemption.

Unless the Issuers default in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(6) *[RESERVED]*

(7) *[RESERVED]*

(8) *REPURCHASE AT THE OPTION OF HOLDER.*

(a) If a Change of Control occurs, each Holder will have the right to require the Issuers to jointly repurchase all or any part of that Holder's Notes pursuant to Section 4.15 of the Indenture (a "*Change of Control Offer*"). Any such repurchase of the Notes shall include the Notes on a pro rata basis based on the aggregate principal amount of the Notes outstanding at the time of repurchase. In the Change of Control Offer, the Issuers will jointly offer the Holders a purchase price in cash equal to 101% of the aggregate principal amount of Notes, plus accrued and unpaid interest, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date. Within fifteen (15) days following any Change of Control, the Issuers will mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) Following the occurrence of certain Asset Sales, the Issuers may be required to offer to repurchase the Notes and other Parity Lien Debt containing similar provisions to those set forth in the Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets as required by the Indenture.

(c) *[Reserved]*

(9) *NOTICE OF REDEMPTION.* At least thirty (30) days but not more than sixty (60) days before a redemption date, the Issuers will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than sixty (60) days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 thereof. Notes and portions of Notes selected will be in amounts of \$2,000 or whole multiples of \$1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased. On or after the redemption dates, interest ceases to accrue on the Notes or portions thereof cancelled for redemption.

(10) *DENOMINATIONS, TRANSFER, EXCHANGE.* The Notes are in registered form in denominations of \$2,000.00 and integral multiples of \$1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuers may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Issuers need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Issuers need not exchange or register the transfer of any Notes for a period of fifteen (15) days before a selection of Notes to be redeemed or during the period between a record date and the next succeeding interest payment date.

(11) *PERSONS DEEMED OWNERS.* The registered Holder of a Note may be treated as the owner of it for all purposes. Only registered Holders have rights under the Indenture.

(12) *AMENDMENT, SUPPLEMENT AND WAIVER.* Subject to the exceptions set forth in Section 9.02 of the Indenture, the Indenture, the Notes, the Note Guarantees or the Security Documents may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including Additional Securities, if any), voting as a single class, and, subject to Section 6.04 and 6.07 of the Indenture, any existing Default or Event of Default or compliance with any provision of the Indenture, the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including Additional Securities, if any), voting as a single class. Without the consent of any Holder of Notes, the Indenture, the Notes, the Note Guarantees or the Security Documents may be amended or supplemented as set forth in Section 9.01 of the Indenture.

(13) *DEFAULTS AND REMEDIES.* The Notes are subject to the Defaults and Event of Defaults set forth in Section 6.01 of the Indenture. The Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may, on behalf of all the Holders, rescind an acceleration or waive an existing Default or Event of Default and its respective consequences under the Indenture except a continuing Default or Event of Default in the payment of principal of, premium on, if any, or interest, if any, on, the Notes (including in connection with an offer to purchase). The Issuers are required to deliver to the Trustee annually a statement regarding compliance with the Indenture pursuant to Section 4.04, and the Issuers are required, upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

(14) *TRUSTEE DEALINGS WITH COMPANY.* The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(15) *NO RECOURSE AGAINST OTHERS.* No director, officer, employee, incorporator, stockholder or member of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Notes, the Indenture, the Note Guarantees, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

(16) *AUTHENTICATION.* This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(17) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(18) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuers have caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW*. THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Issuers will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

TV One, LLC
1010 Wayne Avenue
Silver Spring, MD 20910
Attention: Ms. Karen Wishart
EVP, Chief Legal Officer

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to:

(Insert assignee's legal name)

(Insert assignee's soc. sec. or tax I.D. no.)

(Print or type assignee's name, address and zip code)

and
appoint _____

irrevocably

to transfer this Note on the books of the Issuers. The agent may substitute another to act for him.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Issuers pursuant to Section 4.10, Section 4.15 or Section 4.20 of the Indenture, check the appropriate box below:

☐ Section 4.10

☐ Section 4.15

☐ Section 4.20

If you want to elect to have only part of the Note purchased by the Issuers pursuant to Section 4.10, Section 4.15 or Section 4.20 of the Indenture, state the amount you elect to have purchased:

\$ _____

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the face of this Note)

Tax Identification No.:

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount at maturity of this Global Note	Amount of increase in Principal Amount at maturity of this Global Note	Principal Amount at maturity of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Custodian
------------------	---	---	--	---

FORM OF CERTIFICATE OF TRANSFER

TV One, LLC
 1010 Wayne Avenue
 Silver Spring, MD 20910
 Attention: Ms. Karen Wishart
 EVP, Chief Legal Officer

U.S. Bank National Association - Corporate Trust Services
 150 Fourth Avenue North, 2nd Floor
 Nashville, TN 37219
 Attention: Wally Jones

Re: 10% Senior Secured Notes due 2016 of TV One, LLC

Reference is hereby made to the Indenture, dated as of February 25, 2011 (the “*Indenture*”), by and among the TV One, LLC, a Delaware limited liability Company (the “*Company*”), TV One Capital Corp., a Delaware corporation (“*Capital Corp.*”, and together with the Company, the “*Issuers*”), the guarantors party thereto, U.S. Bank National Association, as Trustee and as Collateral Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the “*Transferor*”) owns and proposes to transfer the Securit[y][ies] or interest in such Securit[y][ies] specified in Annex A hereto, in [in the amount of][the principal amount of \$ _____] in such Securit[y][ies] or interests (the “*Transfer*”), to _____ (the “*Transferee*”), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. “ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Security or a Restricted Definitive Security pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the “*Securities Act*”), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Security is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Security for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Security and/or the Restricted Definitive Security and in the Indenture and the Securities Act.

2. " **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Security or a Restricted Definitive Security pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an initial purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Security and in the Indenture and the Securities Act.

3. " **Check and complete if Transferee will take delivery of a beneficial interest in the IAI Global Security or a Restricted Definitive Security pursuant to any provision of the Securities Act other than Rule 144A or Regulation S.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Securities and Restricted Definitive Securities and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

- (a) " such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act; or
- (b) " such Transfer is being effected to the Company or a subsidiary thereof; or
- (c) " such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act; or
- (d) " such Transfer is being effected to an Institutional Accredited Investor and pursuant to an exemption from the registration requirements of the Securities Act other than Rule 144A, Rule 144, Rule 903 or Rule 904, and the Transferor hereby further certifies that it has not engaged in any general solicitation within the meaning of Regulation D under the Securities Act and the Transfer complies with the transfer restrictions applicable to beneficial interests in a Restricted Global Security or Restricted Definitive Securities and the requirements of the exemption claimed, which certification is supported by (1) a certificate executed by the Transferee in the form of Exhibit D to the Indenture and (2) if such Transfer is in respect of a principal amount of Securities at the time of transfer of less than \$250,000, an Opinion of Counsel provided by the Transferor or the Transferee (a copy of which the Transferor has attached to this certification), to the effect that such Transfer is in compliance with the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the IAI Global Security and/or the Restricted Definitive Securities and in the Indenture and the Securities Act.

4. " **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Security or of an Unrestricted Definitive Security.**

(a) " **Check if Transfer is pursuant to Rule 144.** (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Securities, on Restricted Definitive Securities and in the Indenture.

(b) " **Check if Transfer is Pursuant to Regulation S.** (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Securities, on Restricted Definitive Securities and in the Indenture.

(c) " **Check if Transfer is Pursuant to Other Exemption.** (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Securities or Restricted Definitive Securities and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuers.

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

- (a) " a beneficial interest in the:

- (i) " 144A Global Security (CUSIP _____), or
- (ii) " Regulation S Global Security (CUSIP _____), or
- (iii) " IAI Global Security (CUSIP _____); or

- (b) " a Restricted Definitive Security.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

- (a) " a beneficial interest in the:

- (i) " 144A Global Security (CUSIP _____), or
- (ii) " Regulation S Global Security (CUSIP _____), or
- (iii) " IAI Global Security (CUSIP _____); or
- (iv) " Unrestricted Global Security (CUSIP _____); or

- (b) " a Restricted Definitive Security; or

- (c) " an Unrestricted Definitive Security,

in accordance with the terms of the Indenture.

FORM OF CERTIFICATE OF EXCHANGE

TV One, LLC
 1010 Wayne Avenue
 Silver Spring, MD 20910
 Attention: Ms. Karen Wishart
 EVP, Chief Legal Officer

U.S. Bank National Association - Corporate Trust Services
 150 Fourth Avenue North, 2nd Floor
 Nashville, TN 37219
 Attention: Wally Jones

Re: 10% Senior Secured Notes due 2016 of TV One, LLC

(CUSIP [])

Reference is hereby made to the Indenture, dated as of February 25, 2011 (the “*Indenture*”), by and among the TV One, LLC, a Delaware limited liability Company (the “*Company*”), TV One Capital Corp., a Delaware corporation (“*Capital Corp.*”), and together with the Company, the “*Issuers*”), the guarantors party thereto, U.S. Bank National Association, as Trustee and Collateral Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the “*Owner*”) owns and proposes to exchange the Securit[y][ies] or interest in such Securit[y][ies] specified herein, in [the amount of][the principal amount of \$ _____] in such Securit[y][ies] or interests (the “*Exchange*”). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Securities or Beneficial Interests in a Restricted Global Securities for Unrestricted Definitive Securities or Beneficial Interests in an Unrestricted Global Security**

(a) “ **Check if Exchange is from beneficial interest in a Restricted Global Security to beneficial interest in an Unrestricted Global Security.** In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for a beneficial interest in an Unrestricted Global Security in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Securities and pursuant to and in accordance with the Securities Act of 1933, as amended (the “*Securities Act*”), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Security is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) “ **Check if Exchange is from beneficial interest in a Restricted Global Security to Unrestricted Definitive Security.** In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for an Unrestricted Definitive Security, the Owner hereby certifies (i) the Definitive Security is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Security is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) “ **Check if Exchange is from Restricted Definitive Security to beneficial interest in an Unrestricted Global Security.** In connection with the Owner’s Exchange of a Restricted Definitive Security for a beneficial interest in an Unrestricted Global Security, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) “ **Check if Exchange is from Restricted Definitive Security to Unrestricted Definitive Security.** In connection with the Owner’s Exchange of a Restricted Definitive Security for an Unrestricted Definitive Security, the Owner hereby certifies (i) the Unrestricted Definitive Security is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Security is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Securities or Beneficial Interests in Restricted Global Securities for Restricted Definitive Securities or Beneficial Interests in Restricted Global Securities**

(a) “ **Check if Exchange is from beneficial interest in a Restricted Global Security to Restricted Definitive Security.** In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for a Restricted Definitive Security with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Security is being acquired for the Owner’s own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Security issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Security and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Security to beneficial interest in a Restricted Global Security.** In connection with the Exchange of the Owner's Restricted Definitive Security for a beneficial interest in the [CHECK ONE] ☐ 144A Global Security, ☐ Regulation S Global Security, ☐ IAI Global Security with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Securities and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Security and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuers.

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated: _____

U.S. Bank National Association - Corporate Trust Services
150 Fourth Avenue North, 2nd Floor
Nashville, TN 37219
Attention: Wally Jones

(CUSIP [])

we confirm that:

1. We understand that any subsequent transfer of the Securities or any interest therein is subject to certain restrictions and conditions set forth in the Indenture and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Securities or any interest therein except in compliance with, such restrictions and conditions and the Securities Act of 1933, as amended (the “*Securities Act*”).

2. We understand that the offer and sale of the Securities have not been registered under the Securities Act, and that the Securities and any interest therein may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell the Securities or any interest therein, we will do so only (A) to the Company or any subsidiary thereof, (B) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (C) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to the Registrar and to the Company a signed letter substantially in the form of this letter and, if such transfer is in respect of a principal amount of Securities, at the time of transfer of less than \$250,000, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such transfer is in compliance with the Securities Act, (D) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act, (E) pursuant to the provisions of Rule 144 under the Securities Act or (F) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any Person purchasing the Definitive Security or beneficial interest in a Global Security from us in a transaction meeting the requirements of clauses (A) through (E) of this paragraph a notice advising such purchaser that resales thereof are restricted as stated herein.

3. We understand that, on any proposed resale of the Securities or beneficial interest therein, we will be required to furnish to the Registrar and the Issuers such certifications, legal opinions and other information as the Registrar and the Issuers may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Securities purchased by us will bear a legend to the foregoing effect.

4. We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Securities, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

5. We are acquiring the Securities or beneficial interest therein purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion.

The Registrar and the Issuers are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Insert Name of Accredited Investor]

By: _____

Name:

Title:

Dated: _____

[FORM OF NOTATION OF GUARANTEE]

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture, dated as of February 25, 2011 (the “*Indenture*”), by and among the TV One, LLC, a Delaware limited liability Company (the “*Company*”), TV One Capital Corp., a Delaware corporation (“*Capital Corp.*”, and together with the Company, the “*Issuers*”), the guarantors party thereto, U.S. Bank National Association, as Trustee and Collateral Trustee, (a) the due and punctual payment of the principal of, premium on, if any, interest, if any, on the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of, premium on, if any, interest, if any, on the Notes, if any, if lawful, and the due and punctual performance of all other obligations of the Issuers to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 10 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

[SIGNATURE PAGE TO FOLLOW]

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[]

as Guarantors

By: _____

Name:

Title:

[FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS]

SUPPLEMENTAL INDENTURE (this “*Supplemental Indenture*”), dated as of _____, among _____ (the “*Guaranteeing Subsidiary*”), a subsidiary of [] (or its permitted successor), a [] corporation (the “*Company*”), the Company, the other Guarantors (as defined in the Indenture referred to herein) and U.S. Bank National Association, as trustee under the Indenture referred to below (the “*Trustee*”) and Collateral Trustee.

W I T N E S S E T H

WHEREAS, the Issuers have heretofore executed and delivered to the Trustee an indenture (the “*Indenture*”), dated as of February 25, 2011, providing for the issuance of \$119,000,000 aggregate principal amount of 10% Senior Secured Notes due 2016 (the “*Notes*”) of TV One, LLC and TV One Capital Corp.;

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Issuers’ Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the “*Note Guarantee*”); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.
2. AGREEMENT TO GUARANTEE. The Guaranteeing Subsidiary hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.
4. NO RECOURSE AGAINST OTHERS. No past, present or future director, officer, employee, incorporator or stockholder or agent of the Issuers or any Guarantor, as such, shall have any liability for any obligations of either Issuer or the Guarantors under the Notes, this Indenture, the Note Guarantees or any Supplemental Indenture for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

5. NEW YORK LAW TO GOVERN. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

6. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

8. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Issuers.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: _____,

[GUARANTEEING SUBSIDIARY]

By: _____

Name:

Title:

U.S. Bank National Association, as Trustee and Collateral Trustee

By: _____

Name:

Title:

I, Alfred C. Liggins, III, Chief Executive Officer and President of Radio One, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Radio One, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's second fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Alfred C. Liggins, III
Alfred C. Liggins, III
President and Chief Executive Officer

Date: August 15, 2011

I, Peter D. Thompson, Executive Vice President, Chief Financial Officer and Principal Accounting Officer of Radio One, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Radio One, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(i) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's second fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Peter D. Thompson
Peter D. Thompson
Executive Vice President,
Chief Financial Officer and Principal Accounting Officer

Date: August 15, 2011

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Radio One, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

- (i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2011 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Alfred C. Liggins, III

Name: Alfred C. Liggins, III

Title: President and Chief Executive Officer

Date: August 15, 2011

A signed original of this written statement required by Section 906 has been provided to Radio One, Inc. and will be retained by Radio One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Radio One, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

- (i) The accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2011 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Peter D. Thompson

Name: Peter D. Thompson

Title: Executive Vice President and Chief Financial Officer

Date: August 15, 2011

A signed original of this written statement required by Section 906 has been provided to Radio One, Inc. and will be retained by Radio One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.
