

ORIGINAL

Before the
Federal Communications Commission
Washington, D.C. 20554

In re Applications of
NORMANDY BROADCASTING CORP.

For Renewal of License of
Station WYLR(FM) (95.9 MHz)
Glens Falls, New York

and

LAWRENCE N. BRANDT

For a Construction Permit for
a New FM Station on 95.9 MHz
at Glens Falls, New York

To: Hon. Richard L. Sippel
Administrative Law Judge

MM Docket No. 92-6

File No. BRH-910129UR

RECEIVED

FEB 21 1992

Federal Communications Commission
Office of the Secretary

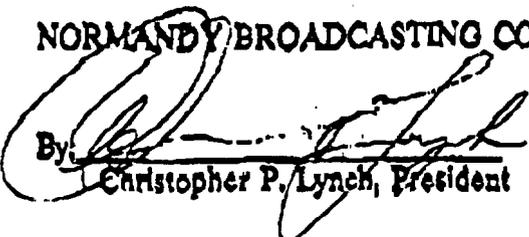
File No. BPH-910430MB

STATEMENT OF DIVERSIFICATION AND INTEGRATION
OF NORMANDY BROADCASTING CORPORATION

Submitted herewith is the Statement of Diversification and Integration of
Normandy Broadcasting Corporation.

Respectfully submitted,

NORMANDY BROADCASTING CORPORATION

By: 
Christopher P. Lynch, President

Dated: February 21, 1992

No. of Copies rec'd 076
List A B C D E

DIVERSIFICATION AND INTEGRATION STATEMENT

I.

NORMANDY BROADCASTING CORPORATION ("Normandy") is the operator of Station WYLR-FM ("WYLR") in Glens Falls, New York. Normandy has an application pending for a FM permit in Queensbury, New York. That application has been denied by the Administrative Law Judge and the Review Board. Any statement herein supersedes any inconsistent holding out in the Queensbury proceeding.

II.

The diversification showing is complete, accurate and current.

III.

Christopher P. Lynch, the 100% shareholder of Normandy, has resided within the service area of WYLR since 1959. He resided in Glens Falls, from 1959-60, and within Queensbury from 1960-1972, except for military service and, except for 1972-1987, when he resided in West Fort Ann. Glens Falls, Queensbury and West Fort Ann are within the service area. Lynch bought land in Queensbury in 1975, and built a home in 1987 thereon, where he now resides. Lynch will continue to live at his present residence following a grant of the Normandy renewal application for WYLR. He will operate Station WYLR, serving as its General Manager, a job he now occupies. As General Manager, he

will devote, at least, 40 hours per week, on the average, to functioning as the chief executive and chief operating officer of Station WYLR. In those capacities, he will exercise ultimate authority, over station operations, including policy formulation, format choice, programming, financing, sales, and overall administration, including the implementation of the station's EEO program and the station's technical operation.

IV.

Lynch has approximately 20 years of experience (1971-___) in broadcasting in Glens Falls, as General Manager of Stations WWSC (Glens Falls) and WYLR. In that capacity, he has supervised a staff of as much as 25-30 employees, and, on a day-to-day basis, he has worked in the areas of management, marketing and announcing.

During his years of residence in the service area, Lynch has been affiliated with various civic associations listed in Annex A, and has devoted time or resources to serving various organizations or causes. He will continue to do so, subject to working a 40-hour week as General Manager of Station WYLR.

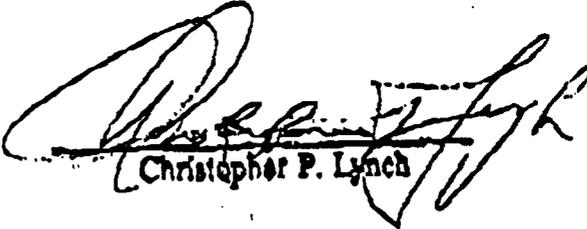
V.

Normandy will claim 100% quantitative credit for Lynch's full-time integration into management, as General Manager of WYLR, and will claim qualitative integration credit for Lynch's years of residence in the service area and for his broadcast experience, and years of leadership and active participation in area civic and communal activities, and such credit as public policy allows for

his enlistment into the United States Armed Forces, and his service in Viet Nam, including his decorations for combat service.

VI.

The officers and directors of Normandy are set out in Appendix I. Attention is called to Appendix II, a Settlement Agreement. No shareholder changes are contemplated.



Christopher P. Lynch

Dated: February 21, 1992

ORGANIZATION AFFILIATIONS AND CIVIC ACTIVITIES
OF CHRISTOPHER P. LYNCH AND NORMANDY¹

1. Chairman of the Heart Radiothon Committee, circa 1972-1975, and Founder and Chairman of the Board, American Heart Association, Tri-County Chapter, 1975-1978 (2-4 weeks a year average time devoted over the years 1972-1978).
2. Board member of the local chapter of the Vietnam Veterans of America, circa 1981-1986, and official chapter delegate to the 1983 National Convention (3 weeks a year average time devoted over the years 1981-1986). The area has approximately 8,000 veterans.
3. Life member of the Lower Adirondack Regional Arts Committee (LARAC), founded circa 1972. Under Lynch's direction, Normandy has continuously supported LARAC since 1972 and run "Arts On The Air" programs (Normandy devotes 30 hours a year to LARAC; Lynch 3-6 hours).
4. Member, Lake George Winter Carnival Committee, approximately 15 years (20-25 hours a year average time devoted).
5. Volunteer, Earth Day 1980 and 1990. (In 1980, Lynch conceived, produced and caused the broadcast of special programs promoting environmental awareness; in 1990, he did the same, resulting in approximately 3 hours of such programming over Normandy's facilities, in conjunction with Earth Day.)
6. Honorary Lion since about 1984; under Lynch's direction, Normandy has promoted Drum Corps fund-raising for the underprivileged since 1981.
7. Honorary Member of the Marine Corps League since 1984; the organization provides food baskets to the needy at Christmas-time (5 hours a year devoted).
8. Board member, Glens Falls Sesquicentennial Anniversary 1989 (1 hour per week average time devoted for a year and a half).
9. Bloodmobile Sponsor. Since 1981, Normandy has promoted the local Bloodmobile effort, sponsoring also numerous station bloodmobiles.
10. Feeder Canal Alliance. Over the last 5 to 6 years, Normandy has helped in every way to assist the group in the long-term refurbishment of this cultural treasure into a public park.

¹ All affiliations, unless otherwise stated, refer to organizations with members and activities in the tri-counties of Warren, Washington and Upper Saratoga, which counties, wholly or partially, lie within the service areas of Stations WWSC and WYLR-FM. References to affiliations pertain to Lynch personally, unless otherwise stated.

11. The first "We're All Family" Radio/Telethon for the Center for the Developmentally Disabled was designed in part by Lynch personally, and held by Normandy in 1988 and annually thereafter.
12. Consultant, Warren Washington Council on Alcoholism and Substance Abuse. Lynch has been continuously involved in this field, most recently with this council. Recent projects include the Council's Youth Fair, annual dinner, New Year's free ride home program, the David Toma Parents and youth drug abuse programs, the Non-Alcoholic Prom/Graduation "Hope Chest" Promotion, and the "It's O.K. to say NO" summer promotions, to name a few.
13. Operation Santa Claus. To raise funds for food and toys for the poor at Christmas, Lynch counsels and Normandy makes massive donations of airtime. The support for the program has continued through the years. In 1989, WYLR's High School Challenge raised almost \$10,000 by itself. In 1991 the Challenge raised over \$17,000.00 for a total of \$85,000.00 to date.
14. Job Discovery. Acting as Co-sponsor in 1988 and 1989, Lynch helped design, and annually broadcasts on both stations, this unique and singularly successful event bringing job seekers and employers together at local community college.
15. Consultant, Broadcast Program at Adirondack Community College. From 1971 to the current time, intermittently Lynch has helped as consultant, supplier of equipment and services and as teacher in broadcasting and/or marketing classes, filling whatever need arose.
16. Normandy Giant Garage Sale. Lynch and his staff founded this in 1981. Over 17 events have been run to date and have funded over 100 local High School journalism scholarships and have funded over \$10,000.00 into holiday help for the poor through the Voluntary Action Center and the Marine Corps League.
17. Organizer of the "1988 Airport Day". In an effort to garner support for local Municipal Airport Day, Lynch/Normandy helped organize, promote and (paid) broadcast this event, even up to organizing local hot Air Balloonists (himself included) to fly out of the event.
18. Adopt a Town. In the aftermath of Hugo, in 1989, Lynch/Normandy helped focus local relief efforts and managed to raise over \$6,000 and three tractor trailer loads of supplies for adopted town, Manning, South Carolina.
19. Life Member, Saratoga Performing Arts Center since 1978.
20. Associate Member Hyde Art Museum. For over 18 years, Lynch has promoted the Hyde and its many exhibits, including organizing and cataloguing a month-long special exhibit in 1974 of Lynch's own Oriental Art Collection. In 1987 and 1988, Lynch involved both stations in a successful multi-million dollar endowment and building program.

21. Up With People (Principal Sponsor). Starting in 1978, Lynch has helped organize, and sponsor and house performers, and has promoted numerous successful local appearances of this group.
22. Scholar Appreciation Week. In 1989, working with teachers representing 12 local high schools, Lynch helped coordinate and promote this day offering I.D. cards with prizes, discounts, free passes, and opportunities to be a guest D.J. on WYLR to local high school students with high academic averages.
23. Lynch/Normandy has sponsored or supported literally hundreds of fund-raisers and community action programs for groups such as the Rotary, Lions, Shriners, Kiwanis, Jaycees, and Elks.
24. WMHT. Besides having donated transmitter and antenna space to our local public T.V.'s area translator, from 1971 through 1990, Lynch/Normandy served on the local committee in 1972 and was instrumental in raising over \$20,000 when the old translator was replaced in the early 1980s.
25. New York State Broadcasters Association. Lynch was elected to the Board of Directors and served from 1976 to 1977 and, as the youngest officer in the group's history, was then elected treasurer, serving from 1978 to 1979. In this capacity, he was instrumental in the reorganization of the Association, and was New York's sole representative at the National Association of Broadcasters' first March on Capitol Hill.
26. Americade. As potentially the largest convention in the entire region, Lynch/Normandy embraced the concept and, especially in the first year, used his time and good offices to help garner support. The first year was 1983. Since then, Americade has become the region's largest convention, and, through Lynch's efforts, Normandy still supports the convention as its official radio stations.
27. Lynch/Normandy is integrated into dozens of other groups giving support, advice, and, most importantly, programming time, through live broadcasts, PSAs, live remotes, or, often, combinations of the preceding. The groups include:

Chapman (Local Historical Museum)
Fort Edward Historical Museum
Adirondack B.A.S.S. club, for their disadvantaged
youth fishing contest
Crandall Library, all levels of fundraising and
communications
Korean and Vietnam Vets N. Y. State Encampment
Lake George Arts Project, especially with their
free Lake George Jazz Festival

APPENDIX I

**Officers and Directors of
Normandy Broadcasting Corporation**

Christopher P. Lynch	-	President, Treasurer and Director
Gary Servilio	-	Vice President and Director
Maureen Mullen Lynch	-	Secretary and Director

AMENDED SETTLEMENT AGREEMENT

Amended Settlement Agreement made January 13, 1984 among TONIE A. (LYNCH) FINCH, residing at Star Route, Ridge Road, Glens Falls, New York 12801 (hereafter called "Tonie Finch"); CHRISTOPHER P. LYNCH, individually and as executor of the estate of Gretchen D. Lynch; and NORMANDY BROADCASTING CORPORATION, a New York Corporation with principal office at 217 Dix Avenue, Glens Falls, New York 12801.

RECITALS. This Amended Settlement Agreement (hereinafter called "this Agreement") is made with reference to the following facts:

1. On or about January 26, 1978 the parties entered into a written agreement entitled "Agreement for Partial Distribution in Stock Redemption - Estate of Gretchen D. Lynch" (hereafter called the "Stock Redemption Agreement").

2. Pursuant to the Stock Redemption Agreement, Normandy Broadcasting Corporation ("Normandy") agreed to purchase or redeem 34 of its common capital shares then held by Tonie Finch, and as consideration for such shares, Normandy executed and delivered a promissory note in the principal amount of \$. . . payable to the order of Tonie Finch (the "Original Note").

3. Pursuant to the provisions of the Will of John B. Lynch, certain of the shares of Normandy went into a trust and, upon the death of Gretchen Lynch, were distributed to two separate trusts, one for the benefit of Christopher Lynch and the other for the benefit of Tonie Finch (hereafter called the "Tonie Finch

Trust"). Thirty (30) shares were distributed to each such trust. Thirty of such shares are presently held by the Tonie Finch Trust.

4. Normandy did not make any payments with respect to the Original Note to Tonie Finch.

5. Tonie Finch, as petitioner, instituted a proceeding in the Warren County Surrogate's Court seeking to rescind the Stock Redemption Agreement, and seeking other relief.

6. The parties, being desirous of settling issues among them as to the purchase or redemption of all shares held, either of record or beneficially for Tonie Finch, on the 13th day of January, 1984 entered into a Settlement Agreement.

7. Paragraph 5(B) of the original Settlement Agreement provided that the Agreement would be submitted to an attorney specializing in Federal Communications Commission (hereinafter called the "FCC") matters to determine whether the Agreement was consistent with the requirements of Federal law and whether the transactions contemplated by the Agreement required approval of the FCC. Said Paragraph 5(B) of the Agreement further provided that the parties thereto agreed to modify the Agreement accordingly if any provisions were inconsistent with or ineffective under applicable Federal law.

8. The original Settlement Agreement was submitted to William S. Andrews, Esq., of the firm of Nixon, Hargraves, Devans & Doyle with offices at Suite 1200, 1090 Vermont Avenue, N.W., Washington, D.C., 20005, an attorney specializing in FCC matters.

9. As a result of such review, it has been agreed by the parties hereto that the original Settlement Agreement should be modified in certain respects.

10. This Amended Settlement Agreement contains the agreed upon revisions to the original Settlement Agreement.

NOW THEREFORE, in view of the facts set forth in the Recitals, and in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Redemption of Stock. Normandy hereby agrees to purchase or redeem all shares of Normandy's common capital stock held of record by or for the benefit of Tonie Finch. Included are any and all shares held by the trustee in a trust set up under and pursuant to the provisions of the Last Will and Testament of John B. Lynch and any and all shares held individually by Tonie Finch. The purchase is to be made at the price and upon the terms and conditions set forth in this Agreement. Tonie Finch agrees to sell and transfer all of her common capital shares in Normandy, and to use diligent efforts to cause the trustee to sell and transfer such shares to Normandy, upon the terms and conditions set forth in this Agreement. By reason of tax and/or other considerations, Tonie Finch may request the trustee to first distribute the 30 shares held in trust. If the trustee does so distribute shares to her, Tonie Finch hereby agrees to sell all such shares to Normandy.

2. Warranties and Representations. Tonie Finch agrees to and hereby does indemnify and hold Normandy and Christopher Lynch

harmless from any loss, liability or damage they or either of them may incur or suffer (plus reasonable professional fees and disbursements) as a result of any deficiency in title to, or lien or encumbrance upon, all shares to be transferred by the trustee of the Tonic Finch Trust. Tonic Finch hereby withdraws any objections she has previously made to the validity of the sale of the 34 shares previously conveyed pursuant to the Stock Redemption Agreement (with respect to any claims against the parties to this Agreement) and warrants that such shares are free and clear of all liens and encumbrances created by or suffered by her.

3. Payment of Total Settlement; Allocation. (A) Normandy hereby agrees to pay the total sum of .

to Tonic Finch and/or to the trustee of the Tonic Finch Trust.

(B) Of such total of , represents interest accrued and unpaid on the Original Note. The parties agree that such interest may be deducted by Normandy, and shall be included in the gross income of Tonic Finch as ordinary income. The parties have made this Settlement Agreement with full knowledge and awareness of the tax consequences which accrue to the parties by virtue of such treatment.

(C) The sum of \$. . shall be deemed to be the purchase price for the 34 shares originally sold by Tonic Finch pursuant to the Stock Redemption Agreement.

(D) The remainder of the \$. (i.e., that portion not designated under Subparagraphs 3(B) and (C)) shall be deemed the

purchase or redemption price for the 30 shares to be conveyed by
Tonie Finch and/or the Tonie Finch Trust.

4. Manner of Payment. The entire settlement price of
\$. shall be payable as follows:

(A) Down Payment. The sum of .

(\$.) shall be paid on or before January 13,
1984 to the initial Escrow Agent specified in Subparagraph 5(D) and
held in accordance with the terms thereof. If the transaction
closes, Tonie Finch shall be entitled to receive interest at the
rate of . percent (%) per annum, simple interest, from January
13, 1984, on the sum of \$. (regardless of when such sum is
actually paid or placed in escrow); provided, however, that upon
payment of such sum to Escrow Agent, the Escrow Agent shall place
such sum in the Cash Equivalent Fund, Inc. through Mr. Jerome R.
Callaghan, or other appropriate individual at the First Albany
Corporation, 41 State Street, Albany, New York. From the date of
such deposit, Tonie Lynch shall be entitled to receive interest at
the rate actually earned by the funds while on deposit in such
account.

(B) Accrual Year. The remaining

(\$.) shall accrue interest at the rate of
percent (%) per annum, simple interest, for a period of one
(1) year commencing on January 13, 1984, and ending on January 12,
1985. The total amount of interest accruing during this one year
period is : (\$.).

At the end of such year, the accrued interest shall be capitalized and added to the principal balance of the Promissory Note referred to in Subparagraph 4(C). No payments towards the remainder of the purchase price need be made during the initial year.

(C) Promissory Note. The remainder of the purchase price () plus capitalized interest (\$) shall be represented by a promissory note in the total principal amount of \$ (the "Promissory Note"), which shall be repaid, together with interest as provided below, over a twenty (20) year (240 month) amortization schedule, but with payment of all remaining principal and accrued interest due (i.e., a "balloon payment") at the end of ten (10) years (120 months). Interest shall accrue on all unpaid sums at the rate of percent (%) per annum, simple interest for the first years of the Promissory Note, at the rate of 1 percent (%) per annum, simple interest for the next four years, and at the rate of percent (%) per annum, simple interest for the final three year term of the Promissory Note.

Provided, however, that Normandy may, at any time prior to January 13, 1985, satisfy the note in full by paying the sum of (\$) Dollars plus interest accrued to the date of such payment.

(D) Calculation of Amortization Payments. Promissory Note payments shall be calculated in a manner as would be required for constant or level monthly payments to include both principal and interest. During the first three years of the note, payments shall

be made at the rate of \$... per month, which is the amount required to amortize a loan of \$ over 20 years at % simple interest. During the next four years of the loan, the monthly payment shall be in the amount of \$, which is the amount required to amortize the principal balance remaining after payments (\$) over 17 years (the remaining term) at the rate of) per annum. During the final 3 years of the Promissory Note, monthly payments shall be in the amount of \$, which is the amount required to amortize the principal balance then remaining (\$) over 13 years, at an interest rate of %. At the end of such 10 years, the remaining principal balance (calculated to be \$ if all payments are timely made) plus any accrued interest shall be due and payable.

(E) Terms of Note. The Promissory Note shall provide for prepayment in whole or in round multiples of 1,000 without prepayment penalty of any kind or amount and shall further provide that, at the option of the holder, the balance shall be due and payable at the option of the holder of the Promissory Note in the event of a sale of the assets of Normandy or a sale or other transfer of a majority of Normandy stock. The note shall be substantially in the form of Exhibit "A" attached hereto.

(F) Security Agreement. Christopher Lynch and Normandy agree that this Agreement shall constitute a Security Agreement for the purposes of Article 9 of the Uniform Commercial Code and that Tonie Finch shall have a security interest in all

plant, property, equipment, intangibles, the pledged shares and the certificates representing the pledged shares, any other shares or securities of Normandy subsequently issued by Normandy, and all cash, securities, and other property at any time and from time to time receivable or otherwise distributed in respect of or in exchange for any of or all of the pledged shares, or the proceeds thereof. It being understood, however, that no security interest is created in accounts receivable. Such security interest shall be subordinate to the security interest, if any, of the lending institution referred to in Subparagraph 5(A) to the extent of an initial loan of up to (\$) Dollars, as specified in Subparagraph 5(A), such amount to be increased by any interest thereon and decreased by any interest and principal payments thereon.

Normandy and Christopher Lynch agree that replacement Financing Statements required to continue perfection of this security interest may be executed and filed by Tonie Finch without the signature of Normandy. The initial Finance Statements shall be executed by Normandy and Christopher Lynch and delivered to Tonie Finch, or her attorneys, at the time of closing. Refer to Subparagraph 5(C) for terms concerning sale of assets by the secured party upon default.

(G) Mortgage. Normandy further agrees that, as additional security for the Promissory Note, Tonie Finch shall receive a mortgage covering the land and buildings owned by Normandy

in the form of the mortgage which is attached hereto. Normandy further agrees that it shall pay the fees for the recording of the mortgage.

Christopher Lynch further agrees that, as additional security to the Promissory Note, Tonie Finch shall receive a mortgage covering the land and buildings now owned by him in the Town of Fort Ann, Washington County, and located on Patton Mills Road in the form of the mortgage, which is attached hereto. Tonie Finch agrees that she shall pay any additional fee for recording such mortgage. Tonie Finch further agrees that the mortgage on the property on Patton Mills Road will be released when the indebtedness of Normandy to 1st National Bank of Glens Falls is reduced from \$; to \$. Tonie Finch further agrees that the mortgage on the Patten Mills Road property may be released and transferred to a new residence if Christopher Lynch should move to a new residence.

5. Contingencies.

(A) Buyer's Finance Contingency. (1) This Agreement, and the obligations of Normandy and Christopher Lynch hereunder, are expressly subject to and contingent upon Normandy obtaining a loan from a financial institution in an amount not less than

Dollars (\$) at generally prevailing interest rates, payable over a term of not less than 5 years. Normandy and Christopher Lynch agree to make application to Normandy's present principal banking institution, and they shall

provide all information that may be required, and diligently prosecute such application to conclusion. Tonie Finch agrees that, if required by such financial institution, she will subordinate payment of the Promissory Note referred to in Paragraph 4(C) above, and any security given therefore, to the financial institution which actually grants the loan, it being understood that the loan is intended to finance the downpayment.

(2) Unless Tonie Finch or her attorneys agree in writing to an extension or unless Christopher Lynch notifies Tonie Finch that the contingency specified in Subparagraph one has not been fulfilled by February 15, 1984, such contingency shall be deemed waived.

(B) Contingency Regarding FCC Approval. Tonie Finch has obtained an informal opinion of legal counsel specializing in Federal Communications Commission ("FCC") matters covering the pledge of securities (refer to Subparagraph 6(B) of this Agreement) and the other provisions of this Agreement. The parties agree that all costs and expenses incident to obtaining such opinion will be divided equally between Tonie Finch and Normandy. In the event that the opinion of the FCC counsel is that FCC approval or filings are necessary, this Agreement, and all of the parties' obligations hereunder, are expressly subject to and contingent upon obtaining FCC approval or making the necessary filings within 6 months after execution of this Agreement. In particular, Normandy and Christopher Lynch agree to file an "Ownership Report" within thirty

(30) days of closing. A date-stamped copy of the Ownership Report showing receipt by the FCC shall be provided to Tonie Finch within ninety (90) days of closing. Further legal and filing costs required to prosecute the application for FCC approval or to make the necessary filings will likewise be divided equally between Tonie Finch and Normandy. Likewise, all parties agree to cooperate with such counsel and with the FCC, and to provide all information as may be required in connection with processing such application or filing. In the event that FCC approval, if required, is not received within six (6) months after execution of this Agreement, Tonie Finch shall have the right to terminate this Agreement by written notice given to Normandy and Christopher Lynch. The parties obligations with respect to sharing of counsel fees and further legal and filing costs shall survive any such termination.

(C) Trustee's Shares; All or None. This Settlement Agreement is further contingent upon Tonie Finch either securing a distribution of the 30 shares now held by the Tonie Finch Trust, or causing the Trustee to sell such shares to Normandy pursuant to the terms of this Settlement Agreement. If Normandy is unable to secure free and clear title to all sixty-four (64) shares, Normandy and/or Christopher Lynch or Tonie Finch shall have the right to terminate this Settlement Agreement.

(D) Escrow of Downpayment. The \$: downpayment, and the interest thereon, shall be held in escrow by Burke, Cavalier, Lyman & Shanley until all of the contingencies have become

satisfied or waived, or until it becomes known that one or more of them cannot be fulfilled. Interest as specified in Paragraph 4(A) shall be paid to Tonie Finch if the transaction closes. Any interest actually earned on such funds shall be paid to Christopher Lynch if it fails to close.

(E) Consequences of Failure of Contingency. If the transaction fails to close by reason of failure of a contingency, this Settlement Agreement shall become null and void, and may not be introduced into evidence in any action or proceeding involving any of the parties. In such case, except for fees and costs under Paragraph 5(B), no party shall have any right or remedy against any other party by reason of this Settlement Agreement, and all parties shall continue to have any and all rights, obligations, remedies and defenses as existed prior to the signing hereof.

6. Additional Security for Payment of Note.

(A) Personal Guaranty. To partially secure repayment of the Promissory Note, Christopher P. Lynch shall personally and individually guarantee its payment, and Normandy's performance under the terms of this agreement.

(B) Pledge of Stock. (1) After the redemption of the shares of Tonie Finch and the Tonie Finch Trust pursuant to the terms of this Agreement, such shares shall be cancelled. Thereafter the only issued and outstanding shares of Normandy shall be those owned of record by Christopher Lynch. The certificate(s) for such shares of Christopher Lynch shall be delivered to the Key Trust

Company as Escrow Agent (hereinafter called "the Stock Escrow Agent"). At the time of delivery such certificate(s) shall have affixed to it a fully executed stock power in blank providing the holder with authority to transfer such shares subject to the terms of this Agreement. In the event any presently authorized but unissued shares of Normandy or any future authorized shares of Normandy are issued, they shall be pledged and held by the said Stock Escrow Agent under the same terms and conditions.

Until such time as a "default" has occurred and the cure period (refer to Paragraph 7) has run, Christopher Lynch may continue to vote all of his shares, to receive all dividends declared or paid thereon, and to otherwise receive and exercise all of the rights, benefits and privileges which accrue with respect to such shares.

(2) Terms of Escrow. When satisfactory proof has been presented to the Stock Escrow Agent that the Promissory Note referred to in Paragraph 4 has been paid in full, the Stock Escrow Agent shall redeliver the share certificates held by it to Christopher Lynch, and all obligations of the Stock Escrow Agent shall cease. Satisfactory proof shall include written notice from Tonie Finch, or her attorneys, that the Promissory Note has been paid in full.

In the event a default occurs and is not cured within the time specified in Paragraph 7, Tonie Finch shall give written

notice of such uncured default to the Stock Escrow Agent. A copy of such notice shall be sent to Christopher Lynch. Ten (10) days after receipt of such notice, the Stock Escrow Agent shall transfer possession of the share certificates to Tonie Finch, or her representatives, and all obligations of the Stock Escrow Agent shall cease.

The fee of the Stock Escrow Agent shall be divided equally by Normandy and Tonie Finch, and shall be paid to the Stock Escrow Agent annually or on such other basis as the Stock Escrow Agent may require. The parties further agree that they will execute such additional agreements as may be required by the Stock Escrow Agent concerning the terms and conditions of such escrow agreement.

(C) Remedies Upon Default. (1) If a default occurs and is not timely cured as provided in Paragraph 7, the shares held in escrow shall be turned over to the said Tonie Finch ten (10) days after notice to the Stock Escrow Agent, without court order, in accordance with the terms of this Agreement. Such shares, together with any other assets serving as collateral for the debt created hereunder may be sold by Tonie Finch as secured property in the manner provided in Article 9 of the New York Uniform Commercial Code. Notwithstanding any other provision of this Agreement, no sales or transfer of such shares or other collateral shall occur, and no power to control in any way the operations of Normandy shall rest in any transferee or purchaser, without the prior consent of the FCC where such consent is required.

(2) Such sale shall be conducted in a commercially reasonable manner. For purposes of this Agreement a sale shall only be deemed commercially reasonable if the following shall occur:

(a) (i) The said Tonie Finch shall first make a good faith attempt to sell the stock or assets as a whole (i.e., to sell the stations as a going concern) via a private, negotiated sale, for a period of sixty (60) days.

(ii) The stations shall be advertised for sale, at least twice each week in the Albany Times Union, the Wall Street Journal and at least once each week in Broadcasting Magazine (or comparable publications existing at the time of default), for at least six (6) weeks during such period.

(iii) No offer shall be accepted during such sixty (60) day period for less than an amount equal to two (2) times the average gross billings of Normandy, during the immediately preceding three (3) prior fiscal years of Normandy. If more than one offer is received which is equal to or in excess of such amount, Tonie Finch shall accept the offer with the highest price, provided such offer is from an independent third person (not connected with any of the parties to this agreement), and further provided such offer calls for a lump sum cash payment at closing of an amount at least equal to the amount remaining unpaid to Tonie Finch on the Promissory Note, and further providing that such offer calls for the payment of the balance of the purchase price in substantially equal installments over a period not greater than ten (10) years. If no

such bona fide offer is made during the sixty (60) day period, the stock or other collateral may be sold at public auction as provided in Paragraph (b) below.

(b) A sale at public auction shall be deemed commercially reasonable if the following shall occur:

(i) Written notice is given to Christopher Lynch and Normandy in accordance with Paragraph 10 mailed not less than 30 days prior to such sale and setting forth the time and place of such sale.

(ii) Advertisements for such sale are placed in the Albany Times Union, the Wall Street Journal (or comparable publications existing at the time of default) at least three times within the ten days prior to such sale and in Broadcasting Magazine at least twice during the ten days prior to the sale.

(iii) The sale is conducted in the format of a public auction with or without reserve and is conducted in accordance with the following procedure: First the auctioneer shall offer the stock of Normandy, then the assets of Normandy as a whole, and then the assets on an item by item basis. Whichever of the three methods yields the highest total bid shall then be accepted.

(iv) Proceeds of such sale shall be used first to pay reasonable expenses incurred in relation thereto and next to satisfy all amounts due and owing to Tonie Finch under the

terms of this Agreement and the Promissory Note to be issued in conjunction therewith. Any surplus funds shall be paid to the said Christopher Lynch.

(3) Christopher Lynch and Normandy agree that, in the event of an uncured default, they will use their best efforts to assist in obtaining the approval of the FCC for any action or transaction contemplated by this Agreement for which such approval is or shall be required by law, and specifically, without limitation, upon request, to prepare, sign and file with the FCC the assignor's or transferor's portion of any application or applications for consent to assignment or transfer of control necessary or appropriate under the FCC's rules for any sale or sales of the shares of Normandy or other collateral hereunder. Christopher Lynch and Normandy further agree that, if for any reason they refuse to take such action, the said Tonie Finch shall have the right to compel such action by injunction issued by a court of competent jurisdiction.

(4) In the event of an uncured default, Christopher Lynch and/or Normandy agree to make available all business records which may be necessary to facilitate the sale or transfer of the corporate shares held in escrow or the assets of Normandy. Such business records may be reviewed and copied during business hours at Normandy's place of business. Christopher Lynch will cooperate with any prospective purchase of the shares or assets of Normandy so as to enable a sale or transfer at the highest reasonable price.