

would obtain to the sale of the stock interests of the other Phoenix shareholders.

g. Phoenix shall afford representatives of BSCI and NTSL reasonable access, at reasonable times, upon reasonable prior notice and for a proper purpose, to inspect the books and records of Phoenix and to discuss with Phoenix's officers, directors and management employees the business and affairs of Phoenix.

19. In the event that either BSCI or NTSL, or both of them, opt for Option Three, and thereafter an offer to purchase CFMI's Chico FM station (The Station) is received by CFMI thereafter, an affirmative vote of four of the five directors will be required to accept said offer; provided that, in the event that the vote to accept the offer is four votes in favor, and one vote opposed, then the party represented by the dissenting director shall have thirty (30) days from the date of the vote to submit in writing its offer to purchase The Station on terms and conditions identical to the offer voted upon by the directors which was opposed by said dissenting director. This offer may only be accepted by the other four members of the CFMI Board of Directors where it appears that the dissenting party is ready, willing and able to consummate the offer; said remaining directors may in their sole discretion require proof of the dissenting party's ability to consummate.

20. This Agreement constitutes the entire agreement among the parties; and supersedes any prior agreement or understandings between them. The Agreement may not be modified or amended except through a subsequent written agreement. Except as otherwise provided herein, this agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, heirs, administrators, executors and assigns. Except with respect to matters within the jurisdiction of the Commission and the federal courts having appellate review over Commission matters, this agreement shall be governed by and interpreted in accordance with the laws of the state of California. The parties agree that the forum for any litigation arising from this agreement shall be the Superior Court in and for Butte County, California.

21. If any provision of this Agreement, or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

22. Wherever in this Agreement it shall be required or permitted that Notice, payment or demand be given or served by either party on the other, such notice, payment or demand shall be given or served and shall not be deemed given or served unless in writing and by hand delivery or sent by first-class United States mail, postage prepaid, to the following:

If to Phoenix:

Mr. Gary Katz
Phoenix Broadcasting, Inc.
Post Office Box 7568
Chico, CA 95927

with a copy to:

Dennis J. Kelly, Esquire
Cordon and Kelly
Post Office Box 6648
Annapolis, MD 21401

If to BSCI:

Mr. Paul Eric Dausman
Broad Spectrum Communications, Inc.
5904 Bay Point Drive
Lake Oswego, OR 97035

with a copy to:

Margaret L. Tobey, Esquire
Akin, Gump, Hauer & Feld, L. L. P.
1333 New Hampshire Avenue, NW
Washington, DC 20036

If to NTSL:

Wilber Johnson, a/k/a Don Sainte-Johnn
40 Bellam Blvd., Box 10101
San Rafael, CA 94912

with a copy to:

Donald E. Martin, Esquire
Law Offices of Donald E. Martin, P. C.
2000 L Street, NW, Suite 200
Washington, DC 20036

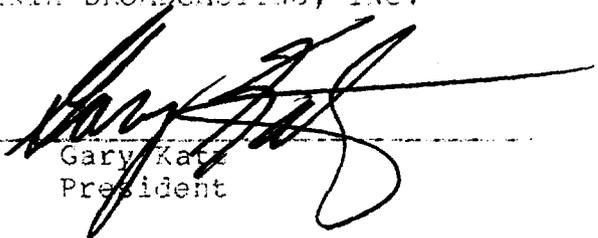
23. In the event that litigation is required to enforce the respective rights of the parties hereunder, then the prevailing party shall be entitled to be reimbursed by the losing party(ies) for its expenses incurred in such litigation, including reasonable attorneys fees.

24. This Agreement may be executed in multiple counterparts, each of which, when all are executed, shall have the same effect as if the parties had executed a single instrument.

IN WITNESS WHEREOF, the parties hereto note their agreement below as of the date first written above.

PHOENIX BROADCASTING, INC.

By


Gary Katz
President

BROAD SPECTRUM COMMUNICATIONS,
INC.

By

Paul Eric Dausman
President

NINETY-TWO SEVEN, LTD.

By

Wilber Johnson, a/k/a
Don Sainte-Johnn
Vice-President

IN WITNESS WHEREOF, the parties hereto note their agreement below as of the date first written above.

PHOENIX BROADCASTING, INC.

By _____
Gary Katz
President

BROAD SPECTRUM COMMUNICATIONS,
INC.

By Paul Eric Dausman
Paul Eric Dausman
President

NINETY-TWO SEVEN, LTD.

By _____
Wilber Johnson, a/k/a
Don Sainte-Johnn
Vice-President

IN WITNESS WHEREOF, the parties hereto note their agreement below as of the date first written above.

PHOENIX BROADCASTING, INC.

By _____
Gary Katz
President

BROAD SPECTRUM COMMUNICATIONS,
INC.

By _____
Paul Eric Dausman
President

NINETY-TWO SEVEN, LTD.

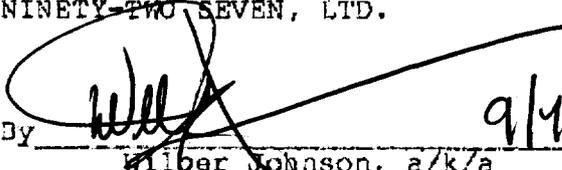
By  _____ 9/1/92
Wilber Johnson, a/k/a
Don Sainte-Johnn
Vice-President

EXHIBIT C

A M E N D M E N T

Federal Communications Commission
Washington, D. C. 20554

RE: New FM, Chico, California
File No. BPH-910926ME

Gentlemen:

The application of Phoenix Broadcasting, Inc. for a construction permit for a new FM Broadcast Station at Chico, California is hereby amended in accordance with the following:

(1) All references to "Phoenix Broadcasting, Inc." as the applicant are hereby changed to "Chico FM, Inc.". The mailing address for Chico FM, Inc. will be 555 E. Lindo Avenue, Post Office Box 7568, Chico, California 95927, Telephone: 916-342-2200, contact Gary Katz at that address; copy to Dennis J. Kelly, Esquire, Cordon and Kelly, Post Office Box 6648, Annapolis, MD 21401, Telephone: 410-280-6290.

(2) Chico FM, Inc. (CFMI) will be incorporated in the State of California within 10 business days from the date hereof. The stockholders of CFMI are as follows:

Phoenix Broadcasting, Inc. Post Office Box 7568 Chico, CA 95927	1,000 shares/1,000 votes (33.33% ownership)
---	--

Broad Spectrum Communications, Inc. (Delaware stock corporation) 5904 Bay Point Drive Lake Oswego, OR 97035	1,000 shares/1,000 votes (33.33% ownership)
--	--

Ninety-Two Seven, Ltd. (Delaware stock corporation) 40 Bellam Blvd., Box 10101 San Rafael, CA 94912	1,000 shares/1,000 votes (33.33% ownership)
--	--

(3) The officers of CFMI are as follows: Gary Katz, President and Treasurer; Paul Eric Dausman, Vice-President; Wilber Johnson a/k/a Don Sainte-Johnn, Vice-President; and Jerrie Rindahl-Katz, Secretary.

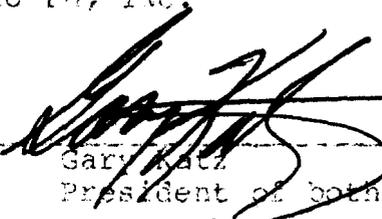
(4)The directors of CFMI are as follows: Gary Katz; Paul Eric Dausman; Wilber Johnson a/k/a Don-Sainte Johnn; Jerrie Rindahl-Katz; and Eric Lemmons.

(5)Except as modified by the foregoing, and by the attached appendices detailing ownership and other broadcast interest information for Broad Spectrum Communications, Inc. and Ninety-Two Seven, Ltd., the Section II information now on file for the applicant is true and correct.

Very truly yours,

PHOENIX BROADCASTING, INC./
CHICO FM, INC.

By


Gary Katz
President of both corporations

DATED

9/5/92

APPENDIX A - NINETY-TWO SEVEN, LTD.

1. Ninety-Two Seven, Ltd. is a Delaware corporation incorporated on September 20, 1991. Its officers, directors and shareholders are as follows:

James Dorsey 31 Skymountain Circle Chico, CA 95928	President/Treasurer/Director 1125 shares/1125 votes 75.0% ownership
--	---

Wilber Johnson, a/k/a Don Sainte-Johnn 3066 Birmingham Drive Richmond, CA 94806	Vice-Pres./Secretary/Director 375 shares/375 votes 25.0% ownership
--	--

2. Neither Ninety-Two Seven, Ltd. nor its shareholders have any ownership, office or directorship in any medium of mass communications. Wilber Johnson is employed as on-air talent at KFRC(AM), San Francisco, CA; he is not an officer, director or stockholder of that station's licensee.

3. Mr. Johnson was a stockholder in Old Town Broadcasting Corporation, an applicant for a new FM Broadcast Station at Sacramento, CA. That application was denied by Initial Decision of ALJ Edward Luton, FCC 92D-15, released March 2, 1992, despite the facts that Old Town was found to be a fully qualified applicant and to be entitled to 100 percent quantitative integration credit. Old Town did not appeal the Initial Decision.

APPENDIX B - BROAD SPECTRUM COMMUNICATIONS, INC.

1. Broad Spectrum Communications, Inc. is a Delaware corporation incorporated on January 16, 1990. Its officers, directors and shareholders are as follows:

Paul Eric Dausman 5904 Bay Point Drive Lake Oswego, OR 97035	President/Treasurer/Director 2500 "A" shares/2500 votes 50.0% voting ownership
Elizabeth F. Dausman 5904 Bay Point Drive Lake Oswego, OR 97035	Vice-Pres./Secretary/Director 2500 "A" shares/2500 votes 50.0% voting ownership
Arthur Calvin Dausman 24 Sleepy Hollow Lane Orinda, CA 94563	No office or directorship 1000 "B" shares/0 votes 0.0% voting ownership

2. Neither Broad Spectrum Communications, Inc. nor its shareholders have any ownership, office or directorship in any medium of mass communications. Paul Eric Dausman is employed as Director of Engineering for Stations KGW(AM), KINK(FM) and KGW-TV, Portland, Oregon; he is not an officer, director or stockholder of that station's licensee.

3. Broad Spectrum was an applicant for a new FM Broadcast Station at Tuckerton, NJ, File No. BPH-900117MZ. This application was dismissed pursuant to a settlement agreement in 1991.

EXHIBIT D

DECLARATION

Robert Long hereby declares as follows:

1. I am an officer of Western Inspirational Broadcasters, Inc. (Western), an applicant before the Federal Communications Commission (Commission) for a construction permit for a new commercial FM Broadcast Station at Chico, California. Western's application was filed on September 23, 1991.

2. This will certify that Western did not file its application for the purpose of reaching or carrying out a settlement agreement; rather, it was filed out of an abundance of a sincere desire to obtain a construction permit and build an FM station to serve Chico and surrounding areas.

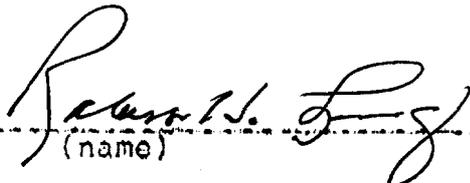
3. The settlement agreement that has been reached with Phoenix Broadcasting, Inc. is part of a global settlement which, if approved by the Commission, will lead to the termination of MM Docket No. 92-183, the grant of a construction permit and commencement of broadcast service over Channel 224A at Chico at the earliest possible time. Said settlement agreement will also obviate the need for further proceedings in Docket 92-183, thereby conserving scarce Commission adjudicatory resources. Therefore, this settlement agreement is in the public interest.

4. Western's total expenditures reasonably and prudently incurred in the preparation, filing and prosecution of its Chico application are \$2,208.00. This figure is comprised of the following items, receipts and/or documentation for which is appended hereto:

meals, mileage, engineering studies, legal fees, postage, phone, and fax charges.

5. Other than reimbursement for the foregoing expenses to be made by Phoenix, Western has been neither paid nor promised any consideration, direct or indirect, for its agreement to dismiss its application.

6. All statements made herein are true and correct and are made under penalty of perjury.



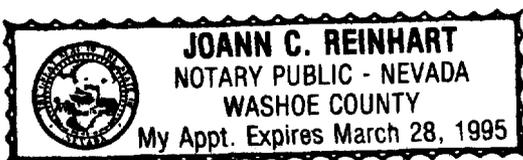
(name)

DATED September 4, 1992

On September 4, 1992, before me, the undersigned, a Notary Public in and for the State of Nevada, personally appeared Robert H. Long, known to me to be the person whose name subscribed to the within instrument and acknowledged that he executed the same.

9-4-92





CHICO APPLICATION EXPENSES

Travel Expenses:	Mileage	\$520.00
	Personal (Meals)	<u>50.00</u>
		\$570.00
Engineering Studies		\$338.00
Legal Expense and charges		\$1,150.00
Misc. (postage, phone, etc.)		\$150.00
	TOTAL EXPENSES:	\$2,208.00

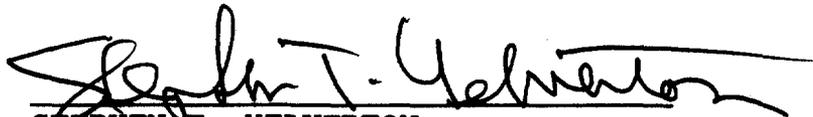
DECLARATION

I, Stephen T. Yelverton, hereby declare as follows:

I am an attorney with the McNair Law Firm, P.A. which represents Western Inspirational Broadcasters, Inc. I reviewed the applications of the competing applicants and the application of Western. I advised Western of possible litigation strategies. This included numerous telephone conversations with the principals of Western. My charges for the foregoing legal services total \$1,000.00. These charges are the customary and usual charges of the undersigned for work of the nature provided. In addition, expenses of no more than \$150.00 were incurred. This is for photocopying, facsimile and telephone charges.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 8th day of September, 1992.


STEPHEN T. YELVERTON

*Sworn & Subscribed before me this 8th day
of September 1992.*

*Barbara M. Christiani
Notary Commission Expires 1/1/96*

DATAWORLD
 A service of DW, Inc.
 P.O. Box 30730
 Bethesda, MD 20824
 1-800-368-5754
 301-652-8822

Invoice
 Account #1009

(Please reference account number on remittance.)

KNIS-FM
 ATTN: JOE TORSITANO
 6363 HIGHWAY 50 EAST
 CARSON CITY, NV. 89701

A SERVICE CHARGE OF 1.5% PER MONTH
 WILL BE ASSESSED ON ALL ACCOUNTS WITH
 BALANCES OVER 30 DAYS PAST DUE.

TERMS: 4% 8X/10 Net 30

Date	Time	Service Description	Unit cost	Disc.	Net cost
08/16/91	12:47	1 Contour Values for 12 radials Conway Summit LDF	21.80	20%	17.44
					0-00-00 100-00-00
08/19/91	18:01	Sitecheck: 40 km Radius, 131 Records found Chico Site Search	49.65	20%	39.72
					39-43-54 121-50-18
08/22/91	21:25	Distance & Bearing Calculations for 1 points KAER Protect	.00		.00
					0-00-00 100-00-00
08/26/91	16:30	1 Contour Values for 12 radials Dyer Mountain New	21.80	20%	17.44
					0-00-00 100-00-00
08/26/91	17:58	IERP with 8 bearings using NGDC 30-second terrain data Chico Terrain Elevation	25.00	20%	20.00
					39-43-37 121-40-45
08/27/91	14:48	ERP Reduction Calculation Chico Contours	10.00	20%	8.00
					0-00-00 100-00-00
08/27/91	14:52	2 Contour Values for 8 radials Chico Contours	12.40	20%	9.92
					0-00-00 100-00-00
08/27/91	14:54	Popcount: 1 contours, Listing freq. 1, Totals only Chico Contours	65.00	20%	52.00
					39-43-37 121-40-45
08/27/91	15:51	FM Spacing Study on Channel 224 Class A Chico Channel Study	60.00	20%	48.00
					39-43-37 121-40-45
08/27/91	19:08	Sitecheck: 10 km Radius, 32 Records found Chico Site Survey	34.80	20%	27.84
					39-43-37 121-40-45
Total this invoice:					\$240.36

V3.2

If balance paid in full within 10 days a discount of \$9.61 may be taken.

Statement of Account					
Over 90 days	61-90 days	31-60 days	Under 30 days	Service Charges	Total
			\$240.36	\$0.00	\$240.36

A service of DW, Inc.
P.O. Box 30730
Bethesda, MD 20824
1-800-368-5754
301-652-8822

Invoice

Account #1009

(Please reference account number on remittance.)

KNIS-FM
ATTN: JOE TORSITANO
6363 HIGHWAY 50 EAST
CARSON CITY, NV. 89701

A SERVICE CHARGE OF 1.5% PER MONTH
WILL BE ASSESSED ON ALL ACCOUNTS WITH
BALANCES OVER 30 DAYS PAST DUE.

TERMS: 4% 8%/10 Net 30

Date	Time	Service Description	Unit cost	Disc.	Net cost
09/16/91	11:51	Electronic Atlas Reference Point Search CASPER, WY	42-50-48 106-18-48	.00	.00
09/18/91	17:15	2 Contour Values for 8 radials Chico Contours	0-00-00 100-00-00	22.40 20%	17.92
Total this invoice:					\$17.92

8302

If balance paid in full within 10 days a discount of \$.72 may be taken.

Statement of Account					
Over 90 days	61-90 days	31-60 days	Under 30 days	Service Charges	Total
\$0.00	\$0.00	\$0.00	\$17.92	\$0.00	\$17.92

DATAWORLD
 A service of DW, Inc.
 P.O. Box 30730
 Bethesda, MD 20824
 1-800-368-5754
 301-652-8822

October 31, 1991
 Page 1

Invoice
 Account #1009

(Please reference account number on remittance.)

KNIS-FM
 ATTN: JOE TORSITANO
 6363 HIGHWAY 50 EAST
 CARSON CITY, NV. 89701

A SERVICE CHARGE OF 1.5% PER MONTH
 WILL BE ASSESSED ON ALL ACCOUNTS WITH
 BALANCES OVER 30 DAYS PAST DUE.

TERMS: 4% 82/10 Net 30

Date	Time	Service Description	Unit cost	Disc.	Net cost
10/18/91	13:47	FM Within 250 km; Channel 201 to 224 Chico Reserved Band	51.00	20%	40.80
			39-43-54	121-50-18	
10/18/91	14:01	FM Within 225 km; Channel 201 to 224 Chico Reserved Band Study	47.00	20%	37.60
			39-43-54	121-50-18	
10/20/91	19:11	FM Dataflex: 5 Records found Chico Applications	31.25	20%	25.00
Total this invoice:					\$103.40
					- 40.80

850A

If balance paid in full within 10 days a discount of \$4.14 may be taken.

----- Statement of Account -----

Over 90 days	61-90 days	31-60 days	Under 30 days	Service Charges	Total
\$0.00	\$0.00	\$0.00	\$103.40	\$0.00	\$103.40

DATAWORLD
 A service of EW, Inc.
 P.O. Box 30730
 Bethesda, MD 20824
 1-800-368-5754
 301-652-8822

Invoice
 Account #1009

(Please reference account number on remittance.)

KNIS-FM
 ATTN: JOE TORSITANO
 6363 HIGHWAY 50 EAST
 CARSON CITY, NV. 89701

A SERVICE CHARGE OF 1.5% PER MONTH
 WILL BE ASSESSED ON ALL ACCOUNTS WITH
 BALANCES OVER 30 DAYS PAST DUE.

TERMS: 4% 8X/10 Net 30

Date	Time	Service Description	Unit cost	Disc.	Net cost
11/04/91	00:01	Popcount: 1 contours, Listing freq. 1, Totals only CHICO POPULATION UPDATE (1990) 39-43-37 121-40-45	65.00	20%	52.00
11/04/91	20:28	Sitechecks: 50 km Radius, 44 Records found Alturas Site Survey 41-29-18 120-32-18	36.60	20%	29.28
Total this invoice:					\$81.28

8507

If balance paid in full within 10 days a discount of \$3.25 may be taken.

Statement of Account					
Over 90 days	61-90 days	31-60 days	Under 30 days	Service Charges	Total
\$0.00	\$0.00	\$0.00	\$84.48	\$0.00	\$84.48

EXHIBIT E

DECLARATION

Gary Katz hereby declares as follows:

1. I am President and majority stockholder in Phoenix Broadcasting, Inc., an applicant for a construction permit for a new FM Broadcast Station at Chico, California.

2. Our application was not filed for the purpose of reaching or carrying out a settlement agreement. Rather, it was filed for the purpose of constructing and operating a new FM Broadcast Station on Channel 224A at Chico.

3. The public interest will be well served by approval of the settlement agreement, because scarce FCC adjudicatory resources can be preserved, and because the new FM service to Chico can now be commenced at the earliest time.

4. Other than that stated in the settlement agreement between Phoenix Broadcasting, Inc. and Western Inspirational Broadcasters, Inc. looking toward the dismissal of Western's application, no consideration, direct or indirect, has been paid or promised by Phoenix in order to induce Western to enter into said settlement agreement.

5. Other than the terms and conditions stated in the Agreement for merger of the Phoenix Broadcasting, Inc., Broad Spectrum Communications, Inc. and Ninety-Two Seven, Ltd. applications into Chico FM, Inc., no consideration, direct or indirect, has been paid to or by Phoenix Broadcasting, Inc. from or to any party whatsoever relative to that agreement.

6. All statements made herein are true and correct and are made under penalty of perjury.



Gary Katz
DATED 9/5/92

EXHIBIT F

DECLARATION

Paul Eric Dausman hereby declares as follows:

1. I am President and a stockholder in Broad Spectrum Communications, Inc., an applicant for a construction permit for a new FM Broadcast Station at Chico, California.

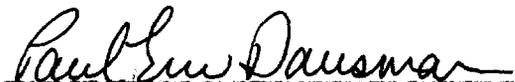
2. Our application was not filed for the purpose of reaching or carrying out a settlement agreement. Rather, it was filed for the purpose of constructing and operating a new FM Broadcast Station on Channel 224A at Chico.

3. The public interest will be well served by approval of the settlement agreement, because scarce FCC adjudicatory resources can be preserved, and because the new FM service to Chico can now be commenced at the earliest time.

4. Broad Spectrum Communications, Inc. has neither paid nor promised any consideration, direct or indirect, to Western Inspirational Broadcasters, Inc. in connection with that applicant's agreement with Phoenix Broadcasting, Inc. for the dismissal of the Western application.

5. Other than the terms and conditions stated in the Agreement for merger of the Phoenix Broadcasting, Inc., Broad Spectrum Communications, Inc. and Ninety-Two Seven, Ltd. applications into Chico FM, Inc., no consideration, direct or indirect, has been paid to or by Broad Spectrum Communications, Inc., from or to any party whatsoever relative to that agreement.

6. All statements made herein are true and correct and are made under penalty of perjury.


Paul Eric Dausman

DATED 9/5/92

EXHIBIT G

D E C L A R A T I O N

Wilber Johnson, a/k/a Don Sainte-Johnn, hereby declares
as follows:

1. I am Vice-President and a stockholder in Ninety-Two Seven, Ltd., an applicant for a construction permit for a new FM Broadcast Station at Chico, California.

2. Our application was not filed for the purpose of reaching or carrying out a settlement agreement. Rather, it was filed for the purpose of constructing and operating a new FM Broadcast Station on Channel 224A at Chico.

3. The public interest will be well served by approval of the settlement agreement, because scarce FCC adjudicatory resources can be preserved, and because the new FM service to Chico can now be commenced at the earliest time.

4. Ninety-Two Seven, Ltd., has neither paid nor promised any consideration, direct or indirect, to Western Inspirational Broadcasters, Inc. in connection with that applicant's agreement with Phoenix Broadcasting, Inc. for the dismissal of the Western application.

5. Other than the terms and conditions stated in the Agreement for merger of the Phoenix Broadcasting, Inc., Broad Spectrum Communications, Inc. and Ninety-Two Seven, Ltd. applications into Chico FM, Inc., no consideration, direct or indirect, has been paid to or by Ninety-Two Seven, Ltd. from or to any party whatsoever relative to that agreement.

6. All statements made herein are true and correct and are made under penalty of perjury.



Wilber Johnson, a/k/a
Don Sainte-Johnn

DATED _____

9/7/92