

ORIGINAL  
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92-114

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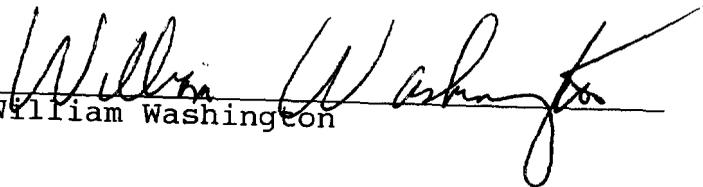
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

ORIGINAL

TESTIMONY OF WILLIAM WASHINGTON

My name is William Washington. I own one (1) share of voting stock in Jupiter Broadcasting Corp. I own four (4) shares of non-voting stock in Jupiter Broadcasting Corp. Apart from my interest in the Jupiter, Florida daytime AM station construction permit held by Jupiter Broadcasting Corp., I have no interest in or connection with any medium of mass communications.

I declare under penalty of perjury that the facts stated above are true.

  
\_\_\_\_\_  
William Washington

Federal Communications Commission	
Docket No.	92-114
Exhibit No.	1
Presented by	Jupiter
Disposition	Identified <input checked="" type="checkbox"/>
	Received <input checked="" type="checkbox"/>
	Rejected <input type="checkbox"/>
Reporter	
Date	11 Sept 92



ORIGINAL

TESTIMONY OF CHARLES E. REID

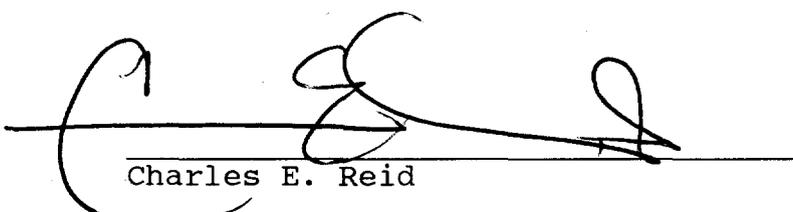
My name is Charles E. Reid and I am the President of Jupiter Broadcasting Corp.. I own fifteen (15) shares of voting stock of Jupiter Broadcasting Corp.. I am Jupiter Broadcasting Corp.'s sole Director.

Jupiter Broadcasting Corp. is the permittee of a new daytime AM Station at Jupiter, Florida. Jupiter Broadcasting Corp. has no other interest in a medium of mass communication.

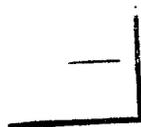
I am presently an employee in the traffic department of Adelpia Cable in Riviera Beach, Florida. I also work part-time as a salesman for radio station WPOM in Riviera Beach. In the event that Jupiter Broadcasting Corp.'s Application for a new FM Station in Jupiter, Florida is granted, I will sever my connections with Adelpia Cable and Station WPOM prior to the time Jupiter Broadcasting Corp.'s FM station commences operations.

Jupiter Broadcasting Corp. proposes to use auxiliary power to permit its FM Station to operate in emergency situations where ordinary commercial power supplies may be interrupted.

I declare under penalty of perjury that the facts stated above are true.



Charles E. Reid



ORIGINAL

TESTIMONY OF PAUL J. LEVINE

My name is Paul J. Levine. I am the Secretary/Treasurer of Jupiter Broadcasting Corp.. I own four (4) shares of voting stock in Jupiter Broadcasting Corp. I own sixteen (16) shares of non-voting stock in Jupiter Broadcasting Corp.

As an Officer and Shareholder of Jupiter Broadcasting Corp., I have an interest in a daytime AM Radio Station Construction Permit in Jupiter, Florida. As a 2.5% Shareholder in Power Communications, Inc., I have a non-attributable ownership interest in station WGZB-FM, Corydon, Indiana. I am also the author of two mystery novels. I do not have any other interest in or official connection with mass media.

Jupiter Broadcasting Corp. is a Florida Corporation. Its Articles of Incorporation are attached to this testimony.

Jupiter Broadcasting Corp.'s sharholders have had a number of shareholders' agreements. A copy of each shareholders' agreement is attached to my testimony.

I declare under penalty of perjury that the facts stated above are true.

Federal Communications Commission	
Docket No. 92-114	Exhibit No. 3
Presented by	<i>[Signature]</i>
Disposition	Identified <input checked="" type="checkbox"/>
	Received <input checked="" type="checkbox"/>
	Rejected <input type="checkbox"/>
Reporter	<i>[Signature]</i>
Date	11 Sept 92

*[Handwritten Signature]*  
\_\_\_\_\_  
Paul J. Levine

SHAREHOLDERS' AGREEMENT

THIS AGREEMENT was made on December \_\_\_\_, 1988, by and among CHARLES E. REID, PHILIP M. GREENBERG, PAUL J. LEVINE and WILLIAM WASHINGTON (hereafter referred to as the "Shareholders").

WHEREAS, the Shareholders own 1,000 shares of JUPITER BROADCASTING CORP. (hereafter called the "Corporation"), a Florida corporation in the following amounts:

Charles E. Reid	- <del>150</del> shares.	15 shares	<u>C.E.R.</u>
Philip M. Greenberg	- <del>600</del> shares.	60 shares	<u>P.M.G.</u>
Paul J. Levine	- <del>200</del> shares.	20 shares	<u>P.J.L.</u>
William Washington	- <del>50</del> shares.	5 shares	<u>W.W.</u>

WHEREAS, the shares of capital stock owned by the Shareholders constitute the entire authorized capital stock of the Corporation;

WHEREAS, Reid's shares constitute all the Class A shares which have full voting rights and Greenberg, Levine and Washington's shares constitute all the Class B shares which are non-voting shares; and

WHEREAS, the Shareholders desire to promote and protect their mutual interests and the best interest of the Corporation by imposing certain restrictions and obligations on the shares of the Corporation and the rights of the Shareholders;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises expressed below, the parties agree as follows:

1. Restriction on Transfer.

a. No sale, assignment, transfer or other disposition of any of the shares of the Corporation, or of any interest in it, now or hereafter owned or held by either of the Shareholders, shall be valid unless made in accordance with the terms and provisions of this Agreement.

b. No transfer of control of any broadcast authorization issued by the Federal Communications Commission ("FCC") to the Corporation shall be effectuated (whether by

transfer of stock or assets or otherwise) without application to and prior approval by the FCC. This limitation on transferring broadcast authorizations shall take precedence over any other provision affecting sale, assignment, transfer or other disposition of Corporation shares under this Shareholders Agreement.

2. Voluntary Transfer.

a. None of the Shareholders of the Corporation shall make any transfer of stock unless he has first offered those shares of stock to the Corporation and to the other Shareholders of the Corporation in the manner and to the extent hereafter set forth:

(1) Every offer to sell shall be in writing, shall be signed by the selling Shareholder, shall be sent to all the other parties in the manner hereafter set forth and shall disclose the name of the party who has offered to purchase said shares and the terms and conditions under which that party has offered to pay for the stock.

(2) The Corporation shall have a prior option to purchase the stock at the same price offered the selling Shareholder by giving notice of acceptance to the offeror within thirty (30) days after the notice of offer of transfer of stock is made. Upon the failure or written refusal of the Corporation to exercise its option to purchase the shares of the stock (whether the failure is due to legal limitations or other causes), the non-offering Shareholders of the Corporation shall have the option, exercisable within forty-five (45) days of notice of the offer of transfer of stock, to purchase the stock (under the same terms and conditions offered the selling Shareholder) in the proportion in which the stock then owned by them bears to all of the issued and outstanding stock of the Corporation, excluding the stock of the selling Shareholder and his wife and children. The option granted under this paragraph may be exercised by the Corporation or purchasing Shareholder by giving written notice to the selling Shareholder of their intention to exercise the option, within the period of time specified.

(3) If one or more of the Shareholders shall refuse or fail to exercise the option, the accepting Shareholder or Shareholders shall have the right to purchase from the selling Shareholder (in the same proportion or proportions in which he or they then own the stock owned by the refusing Shareholders), the shares of the stock remaining unaccepted at the expiration of the 45-day period as though an offer to sell the stock was then remade by the selling Shareholder to the accepting Shareholder or Shareholders. The accepting Shareholder or Shareholders shall have an option to act upon the rights so granted within fifteen (15) days after the expiration of the period of 45 days. Reoffers of stock pursuant to this paragraph shall be made for additional periods of 15 days until accepting Shareholders have had an opportunity to exercise the rights provided for with respect to any stock offered for sale.

(4) If any stock has been offered for sale under and pursuant to this paragraph and that offer has not been finally accepted in accordance with the provisions of this subdivision, then that stock may be sold or disposed of but only on terms and conditions no less favorable than set forth in the original offer. Any such sale or disposal must be made within thirty (30) days from the last date of any right to purchase by the other Shareholders pursuant to this subparagraph. Every purchaser who acquires the stock shall hold it subject to the terms of this Agreement. Any stock that is not sold or disposed of within the 30-day period shall again become fully subject to the terms of this Agreement.

b. Any Shareholder may transfer all or part of his shares of the Corporation by gift to or for the benefit of himself, his spouse or children. In case of any such transfer, the transferee(s) shall receive and hold the shares, during the lifetime of the donor, subject to the terms of this Agreement, and there shall be no further transfer of such shares except by gift among members of such family, in accordance with the terms of this Agreement.

c. If a Shareholder is declared legally incompetent, his guardian shall have all of the rights of and be subject to all of the obligations provided in this Agreement.

3. Transfer Upon Death of Shareholder.

a. Upon the death of any Shareholder, any stock of the Corporation owned by the deceased, whether owned individually or as a tenant by the entirety, as well as any stock owned by his spouse or children, or any trust to which the stock of the Shareholder was transferred, shall be sold to the surviving Shareholders (the Survivors), if the Survivors elect to purchase the stock. The election shall be made within forty-five (45) days of the death of the Shareholder. If the Survivors so elect to purchase said stock, they shall purchase all shares of stock owned by the deceased Shareholder, whether owned individually or as a tenant by the entirety, as well as the stock owned by his or her spouse or children or any transferee-trust. Each Survivor shall be able to purchase the stock in the proportions in which the stock then owned by them bears to all the issued and outstanding stock of the Corporation, excluding the stock of the deceased Shareholder. If one or more of the surviving Shareholders refuse or fail to exercise the option, the other surviving Shareholder shall have the right to purchase the stock under the same procedure and in the same proportions as outlined in ¶ 2a(3) of this Agreement.

b. The price of any stock purchased under the terms of this paragraph shall be agreed upon by the representative of the deceased Shareholder and the surviving Shareholders. If the representative of the deceased Shareholder and the surviving Shareholders do not agree upon the value within sixty (60) days after the death of the Shareholder, the value of the deceased Shareholder's stock shall be determined by arbitration as follows: The surviving Shareholders shall name one arbitrator and the representative of the estate of the deceased Shareholder shall name one arbitrator. If the two arbitrators do not agree upon the value of each share of stock of the Corporation within

thirty (30) days following their appointment, they shall appoint a third arbitrator and the decision of the majority of those arbitrators shall be binding.

4. Payment of Purchase Price on Voluntary Transfer.

Within thirty (30) days after a notice to the offeror of an intention to exercise the option granted under ¶ 2a, each purchasing Shareholder or the Corporation shall pay to the selling Shareholder, in cash or by cashier's check, an amount equal to one-quarter ( $\frac{1}{4}$ ) of the price of the shares of the selling Shareholder, and the selling Shareholder then shall take whatever action may be necessary to transfer his or her entire stock in the Corporation to the purchaser. Within thirty (30) days after the beginning of the next calendar year, the purchasing Shareholder or Corporation shall pay an additional one-quarter ( $\frac{1}{4}$ ) of the total purchase price; provided, however, that the payment shall not be due until at least nine (9) months after the first payment was made. The remainder of the purchase price shall be paid by delivering a negotiable promissory note. The note shall be payable in equal monthly installments over a 36-month period, commencing 90 days after the second one-quarter payment referred to above. All payments due under this paragraph shall bear interest at the rate of eight percent (8%) per annum. Failure to pay any installment within thirty (30) days after its due date shall constitute a default. The note may be prepaid in whole or in part at any time without penalty.

5. Payment of Purchase Price on Death. Upon the death of a Shareholder, his entire stock in the Corporation as well as that of his spouse and children and of any transferee-trust may be sold to and purchased by the surviving Shareholders in accordance with the terms of this Agreement. Within thirty (30) days after the election(s) to purchase by the surviving Shareholder(s), the surviving Shareholders shall pay to the legal representative of the estate or the owner of the stock of the deceased Shareholder and his selling spouse and children and any selling transferee-trust an amount equal to five percent (5%) of

thirty (30) days following their appointment, they shall appoint a third arbitrator and the decision of the majority of those arbitrators shall be binding.

4. Payment of Purchase Price on Voluntary Transfer.

Within thirty (30) days after a notice to the offeror of an intention to exercise the option granted under ¶ 2a, each purchasing Shareholder or the Corporation shall pay to the selling Shareholder, in cash or by cashier's check, an amount equal to one-quarter ( $\frac{1}{4}$ ) of the price of the shares of the selling Shareholder, and the selling Shareholder then shall take whatever action may be necessary to transfer his or her entire stock in the Corporation to the purchaser. Within thirty (30) days after the beginning of the next calendar year, the purchasing Shareholder or Corporation shall pay an additional one-quarter ( $\frac{1}{4}$ ) of the total purchase price; provided, however, that the payment shall not be due until at least nine (9) months after the first payment was made. The remainder of the purchase price shall be paid by delivering a negotiable promissory note. The note shall be payable in equal monthly installments over a 36-month period, commencing 90 days after the second one-quarter payment referred to above. All payments due under this paragraph shall bear interest at the rate of eight percent (8%) per annum. Failure to pay any installment within thirty (30) days after its due date shall constitute a default. The note may be prepaid in whole or in part at any time without penalty.

5. Payment of Purchase Price on Death. Upon the death of a Shareholder, his entire stock in the Corporation as well as that of his spouse and children and of any transferee-trust may be sold to and purchased by the surviving Shareholders in accordance with the terms of this Agreement. Within thirty (30) days after the election(s) to purchase by the surviving Shareholder(s), the surviving Shareholders shall pay to the legal representative of the estate or the owner of the stock of the

c. If a Shareholder is declared legally incom-

the value of their stock as determined in accordance with this Agreement.

Upon receipt of the down payment, the legal representative of the estate or the owner of the stock of the deceased Shareholder and his selling spouse and children and any selling transferee-trust shall take whatever action may be necessary to transfer the entire stock of the deceased Shareholder in the Corporation to the surviving Shareholders. The surviving Shareholders shall have the right to pay the unpaid balance in one sum or by a negotiable promissory note. Said note shall be payable in equal monthly installments, over a period of thirty-six (36) months, with interest at eight percent (8%) per annum, and with payments commencing one (1) month after the receipt of the stock by the surviving Shareholder. Failure to pay any installment within thirty (30) days after its due date shall constitute a default. The note may be prepaid in whole or in part at any time without penalty.

6. Security Provision. Until full payment of the purchase price of any stock purchased under this Agreement has been made, whether the purchase is the result of an offer of sale or arises because of the death of any Shareholder, the selling Shareholder or the seller of the former interest of a deceased Shareholder shall retain a security interest as described below, to the extent of the unpaid balance in the stock that was sold. Nevertheless, so long as the purchaser is not in default under this Agreement or in the obligations relative to payment, this security interest shall not be exercised. In the event of any default by the purchaser, the selling Shareholder or the successor in interest of the deceased Shareholder shall have the right to foreclose upon all of the stock of the Corporation owned by the purchaser, and become the absolute owner of that stock. Additionally, the selling Shareholder or the successor in interest of the deceased Shareholder shall have the right to apply for and obtain a personal judgment against the purchaser for any deficiency and payment of expenses, including reasonable

attorney's fees.

7. Endorsement on Stock Certificates. All certificates of stock subject to this Agreement shall be endorsed by the Corporation as follows:

"The shares represented by this certificate are transferable upon and subject to the terms of a Shareholder's Agreement dated \_\_\_\_\_, 19\_\_\_\_, a copy of which is on file at the office of the Corporation."

After endorsement, the Shareholders shall be entitled to exercise all rights of ownership concerning those shares, subject to the terms of this Agreement. All shares hereafter issued shall bear the same endorsement.

8. Limitations on Powers of Non-Voting Shareholders. The owners of the shares of Class B stock of the Corporation (non-voting shares) hereby acknowledge that they have purchased these shares as a passive investment only. The owners of Class B stock shall not take part in the management of the Corporation or transact any business for the Corporation, and shall have no power to sign for or to bind the Corporation. In the event of a grant of the Corporation's application for a radio station license, no compensation shall be paid to any non-voting Shareholder because of such grant. The Shareholders of the Class B stock shall not provide services to, or be employed in any capacity by, the Corporation; nor serve as an officer, director, independent contractor or agent of the Corporation. The Shareholders of the Class B shares shall not communicate with the Shareholder of the Class A stock with regard to the day-to-day operations of the Station. Nothing herein contained shall be construed to prohibit the non-voting Shareholders from communicating with the voting Shareholder concerning their respective rights and obligations under this Agreement.

9. Dilution. During the term of this Agreement, the Shareholder of the Class A shares shall not vote to issue any additional shares of stock in the Corporation or take any other action which would dilute the ownership interests of the existing

Shareholders, without the consent of all Shareholders of Class B stock. All dividends paid by the Corporation shall be paid to all Shareholders of all classes of stock on an equal per share basis.

10. Additional Financing.

a. During the term of this Agreement, the non-voting Shareholders shall cause to be advanced to the Corporation (by way of loans and/or additional contributions of capital to the Corporation) \$150,000.00 or such lesser amount as may be necessary to enable the Corporation to prosecute an application with the FCC for a license to operate radio stations. In the event said license is granted, the non-voting Shareholders shall use their best efforts to secure financing up to \$800,000 to construct and operate the station and its facilities. These obligations shall expire upon the death of any Shareholder or the sale by any Shareholder of his shares in the Corporation.

b. During the term of this Agreement, the Shareholder holding the Class A stock shall not cause the Corporation to dismiss or cease prosecution of any application for licenses to operate radio stations, without the express, written consent of all the owners of Class B shares of stock in the Corporation. The owners of the Class A stock as well as the Corporation agree to use their best efforts to prosecute said applications.

11. Buy-back Provisions.

a. At any time after one (1) year of operation by the Corporation of any radio station, any owner of shares of Class B stock may elect to sell all his shares (including those held by members of his family and transferee trusts pursuant to ¶ 2(b) of this Agreement) back to the Corporation, at their fair market value. The fair market value shall be determined by the selling Shareholder and the Corporation. If the parties are unable to agree upon a fair market value price within thirty (30) days after notification by the selling Shareholder that he wishes to sell back his shares, then the price shall be determined by arbitration in the same manner as set forth in ¶ 3b. of this

Agreement. In determining the fair market value for the shares, the arbitrators shall not discount or otherwise evaluate the price of the stock based upon the fact that it is non-voting stock or the owner does not have control of the Corporation. Upon the determination of the price, the Corporation shall purchase the shares under the same payment provisions set forth in ¶ 5 of this Agreement. In the event the Corporation fails to purchase the shares or defaults in any payment obligation, the Corporation shall be liquidated and the assets sold to satisfy the obligation to the selling Shareholder. In the event the Corporation is unable (by legal restrictions or otherwise) to purchase the shares, the owner of the Class A stock has the option of assuming the Corporation's obligations under this subparagraph.

b. At any time after one (1) year of operation by the Corporation of any radio station, the owner of the shares of Class A stock may elect to sell all his shares (including these of his family and any transferee trust pursuant to ¶ 2b. of this Agreement) to the owners of the Class B stock. The fair market price and terms and conditions of sale shall be the same as those set forth in Subparagraph a. of this paragraph.

12. Noncompetition Covenant. During the term of this Agreement, no Shareholder of the Corporation shall, directly or indirectly, own, invest in or attempt to purchase or otherwise acquire a radio broadcast facility located in Jupiter Beach, Florida, except through his investment in the Corporation.

13. Term. This Agreement shall terminate on the occurrence of any of the following events:

- a. Cessation of the business of the Corporation;
- b. Bankruptcy, receivership or dissolution of the Corporation;
- c. Death of all Shareholders simultaneously or within a period of thirty (30) days; and
- d. Mutual consent of the Shareholders which shall be in writing delivered to the Corporation.

14. Amendment and Binding Effect. This Agreement cannot be modified or amended except by writing signed by each Shareholder. This Agreement shall be binding upon all the Shareholders and their heirs, guardians, personal representatives and assigns. In furtherance of this Agreement, each Shareholder shall execute a will directing his personal representative to perform this Agreement and to execute all documents necessary to effectuate the purpose of this Agreement, but the failure to execute such a will shall not affect the rights or obligations of any Shareholder provided in this Agreement.

15. State Law. This Agreement shall be governed by and shall be construed under the laws of the State of Florida.

16. Counterparts. This Agreement may be executed in several counterparts, each of which shall be construed as an original.

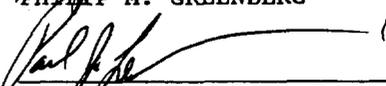
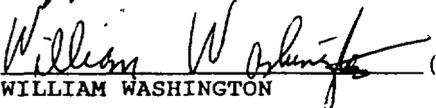
17. Integration. This writing contains the entire agreement of the parties; and no modification, amendment, change or discharge of any term or provision of this Agreement may be valid or binding unless it conforms to ¶ 14.

18. Notices. Any notice, demand, offer or other written instrument required or permitted to be given, made or sent under this Agreement shall be in writing, signed by the party giving or making it and shall be sent by certified or registered mail to all the parties and to the Corporation simultaneously at their respective addresses. Any notice, demand or other written instrument required to be given or sent to the estate of any deceased person shall be signed and sent in a like manner, addressed to the personal representative of the deceased person at his address, or, if there is no personal representative, to the estate of the deceased at his address. Any party shall have the right to change the place to which the notice, offer, demand or writing shall be sent to him by a similar notice, offer, demand or writing, sent in a like manner to all parties. The date of mailing of any offer, demand, notice or instrument shall be deemed to be the date of the offer, demand,

notice or instrument and it shall be effective from that date.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Witnesses:

<u>Michelle J. Rogers</u>	<u></u> (SEAL) CHARLES E. REID
<u>Laura Davis</u>	<u></u> (SEAL) PHILIP M. GREENBERG
<u>Gayle B. Crawford</u>	<u></u> (SEAL) PAUL J. LEVINE
<u>Nancy Broad</u>	<u></u> (SEAL) WILLIAM WASHINGTON

To the extent required to perform under this Agreement, the undersigned agrees to the terms contained in the Agreement.

JUPITER BROADCASTING CORP.

By:

  
PRESIDENT

Levi4291.2

REVISED SHAREHOLDERS AGREEMENT

This Agreement is made on the date last written below by and among JUPITER BROADCASTING CORP. (the "Corporation"), CHARLES E. REID, PAUL J. LEVINE and WILLIAM WASHINGTON (the "Shareholders").

THE PARTIES RECOGNIZE:

THAT, the Shareholders own all of the issued and outstanding stock of Jupiter Broadcasting Corp. in the following amounts:

Charles E. Reid	15 Shares
Paul J. Levine	20 Shares
William Washington	5 Shares

THAT, Charles E. Reid's shares represent all the issued and outstanding Class A shares which have full voting rights;

THAT, Paul J. Levine's and William Washington's shares represent all the issued and outstanding Class B shares which are non-voting shares;

THAT, Alan H. Potamkin and/or his assigns have an option to acquire 60 shares of Class B non-voting stock at a price of \$60.00;

THAT, apart from the rights of Charles E. Reid, Paul J. Levine, William Washington and Alan H. Potamkin and/or his assigns described above, no other person has any present or future right in the ownership of the Corporation;

THAT, the Shareholders wish to provide for their mutual interests and the best interests of the Corporation by imposing certain restrictions and obligations on the shares of the

Corporation and the rights of the Shareholders;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises expressed below, the parties agree as follows:

1. Restriction on Transfer.

(a) No sale, assignment, transfer or other disposition of any of the shares of the Corporation, or of any interest in it, now or hereafter owned or held by any of the Shareholders, shall be valid unless made in accordance with the terms and provisions of this Agreement.

(b) No transfer of control of any broadcast authorizations issued by the Federal Communications Commission ("FCC") to the Corporation shall be effectuated (whether by transfer of stock or assets or otherwise) without application to and prior approval by the FCC. This limitation on transferring broadcast authorizations shall take precedence over any other provision affecting sale, assignment, transfer or other disposition of Corporation shares under this Revised Shareholders Agreement.

2. Voluntary Transfer.

(a) None of the Shareholders of the Corporation shall make any transfer of stock unless he has first offered those shares of stock to the Corporation and to the other Shareholders of the Corporation in the manner and to the extent hereafter set forth:

(i) Every offer to sell shall be in writing, shall be signed by the selling Shareholder, shall be sent to all the other parties in the manner hereafter set forth and

shall disclose the name of the party who has offered to purchase said shares and the terms and conditions under which that party has offered to pay for the stock.

(ii) The Corporation shall have a prior option to purchase the stock at the same price offered by the selling Shareholder by giving notice of acceptance to the offeror within thirty (30) days after the notice of offer of transfer of stock is made. Upon the failure or written refusal of the Corporation to exercise its option to purchase the shares of the stock (whether the failure is due to legal limitations or other causes), the non-offering Shareholders of the Corporation shall have the option, exercisable within forty-five (45) days of notice of the offer of transfer of stock, to purchase the stock (under the same terms and conditions offered the selling Shareholder) in the proportion in which the stock then owned by them bears to all of the issued and outstanding stock of the Corporation, excluding the stock of the selling Shareholder and his wife and children. The option granted under this Paragraph may be exercised by the Corporation or purchasing Shareholder by giving written notice to the selling Shareholder of their intention to exercise the option, within the period of time specified.

(iii) If one or more of the Shareholders shall refuse or fail to exercise the option, the accepting Shareholder or Shareholders shall have the right to purchase from the selling Shareholder (in the same proportion or proportions in which he or they then own the stock and without consideration of

the stock owned by the refusing Shareholders), the shares of the stock remaining unaccepted at the expiration of the 45-day period as though an offer to sell the stock was then remade by the selling Shareholder to the accepting Shareholder or Shareholders. The accepting Shareholder or Shareholders shall have an option to act upon the rights so granted within fifteen (15) days after the expiration of the period of 45 days. Reoffers of stock pursuant to this Paragraph shall be made for additional periods of 15 days until accepting Shareholders have had an opportunity to exercise the rights provided for with respect to any stock offered for sale.

(iv) If any stock has been offered for sale under and pursuant to this Paragraph and that offer has not been finally accepted in accordance with the provisions of this subdivision, then that stock may be sold or disposed of but only on terms and conditions no less favorable than set forth in the original offer. Any such sale or disposal must be made within thirty (30) days from the last date of any right to purchase by the other Shareholders pursuant to this Subparagraph. Every purchaser who acquires the stock shall hold it subject to the terms of this Agreement. Any stock that is not sold or disposed of within the 30-day period shall again become fully subject to the terms of this Agreement.

(b) Any Shareholder may transfer all or part of his shares of the Corporation by gift to or for the benefit of himself, his spouse or children. In case of any such transfer, the transferee(s) shall receive and hold the shares subject to the

terms of this Agreement. There shall be no further transfer of such shares except by gift among members of such family, in accordance with the terms of this Agreement.

(c) If a Shareholder is declared legally incompetent, his guardian shall have all of the rights of and be subject to all of the obligations provided in this Agreement.

3. Transfer Upon Death of Shareholder.

(a) Upon the death of any Shareholder, any stock of the Corporation owned by the deceased, whether owned individually or as a tenant by the entirety, as well as any stock owned by his spouse or children, or any trust to which the stock of the Shareholder was transferred, shall be sold to the surviving Shareholders (the "Survivors"), if the Survivors elect to purchase the stock. The election shall be made within forty-five (45) days of the death of the Shareholder. If the Survivors so elect to purchase said stock, they shall purchase all shares of stock owned by the deceased Shareholder, whether owned individually or as a tenant by the entirety, as well as the stock owned by his or her spouse or children or any transferee-trust. Each Survivor shall be able to purchase the stock in the proportions in which the stock then owned by them bears to all the issued and outstanding stock of the Corporation, excluding the stock of the deceased Shareholder. If one or more of the surviving Shareholders refuse or fail to exercise the option, the other surviving Shareholders shall have the right to purchase the stock under the same procedure and in the same proportions as outlined in Paragraph 2(a)(iii) of

this Agreement.

(b) The price of any stock purchased under the terms of this Paragraph shall be agreed upon by the representative of the deceased Shareholder and the surviving Shareholders. If the representative of the deceased Shareholder and the surviving Shareholders do not agree upon the value within sixty (60) days after the death of the Shareholder, the value of the deceased Shareholder's stock shall be determined by arbitration as follows: The surviving Shareholders shall name one arbitrator and the representative of the estate of the deceased Shareholder shall name one arbitrator. The arbitrators shall determine the total value of the Corporation, taking into consideration, among other things, the value of the Corporation's assets and the total amount of the Corporation's liabilities. The Corporation's total value shall be multiplied by a fraction whose numerator is the number of shares of the deceased shareholder and whose denominator is the total number of issued and outstanding shares of the Corporation. The product of this computation shall be the purchase price of the deceased shareholder's shares. In no event shall the arbitrators consider in the valuation process whether stock is voting stock or non-voting stock, or whether stock represents a controlling or non-controlling interest in the Corporation. If the two arbitrators do not agree upon the value of the Corporation within thirty (30) days following their appointment, they shall appoint a third arbitrator and the decision of the majority of those arbitrators shall be binding.

(c) In the event the stock of a deceased shareholder is purchased pursuant to this Paragraph 3, the purchasing shareholders shall simultaneously repay all sums owed by the Corporation to the deceased shareholder, assume all obligations of the deceased shareholder to the Corporation and secure a release for the deceased shareholder's estate from all loan guarantees made by shareholder on behalf of the Corporation.

4. Endorsement on Stock Certificates.

All certificates of stock subject to this Agreement shall be endorsed by the Corporation as follows:

"The shares represented by this certificate are transferable upon and subject to the terms of a Revised Shareholder's Agreement dated \_\_\_\_\_, 1990, a copy of which is on file at the office of the Corporation."

After endorsement, the Shareholders shall be entitled to exercise all rights of ownership concerning those shares, subject to the terms of this Agreement. All shares hereafter issued shall bear the same endorsement.

5. Limitations on Powers of Non-Voting Shareholders.

The owners of the shares of Class B stock of the Corporation (non-voting shares) hereby acknowledge that they have purchased these shares as a passive investment only. The owners of Class B stock shall not take part in the management of the Corporation or transact any business for the Corporation, and shall have no power to sign for or to bind the Corporation. In the event of a grant of the Corporation's application for a radio station