1 BY MR. MCCORMICK:

2 Q. You have before you the December 27, 1991 letter

3 from Huntington Bank?

4 A. Um-hum.

5 Q. In the second paragraph, there is a reference to

6 quote, our understanding concerning the value of the

7 project?

8 A. Um-hum.

9 Q. Do you have any knowledge as to what the bank's

10 understanding was as to the value of the project?

11 A. During our conversation, Mr. Frasier and my

12 conversation, we talked about, a bit about BBY. BBY to many

13 people was a very special radio station, and he is a jazz

14 lover, and he understood how valuable the station was to the

15 community, and to bring it back on the air, I guess he was

16 glad to know that I was pursuing it to bring it back on the

17 air, and so as far as the value of the project, and I told

18 him that I would approximately need about $300,000.

19 Q. Okay. So it's your understanding that his

20 reference to the value of the project was referring to the

21 value to the community of the project, is that right?

22 A. Um-hum.

1 Q. As opposed to the value of a radio station placed
2 in a suburb of Columbus?
3 A. I feel that he has an idea of the value of a radio
4 station and the value of it within the community.
5 Q. And what was, what is the basis of your
6 understanding as to his understanding?
7 A. I don't know. Just, you know, just maybe his
8 thought, being a bank, being a banker, and knowing money,
9 maybe he knows radio stations bring a lot of money.
10 Q. But you didn't discuss with him how much money
11 this radio station would give, is that correct?
12 A. Oh, right. Exactly.
13 Q. And did he refer, in any of your conversations,
14 did he refer to any particular knowledge he had as to the
15 profitability or lack of profitability of station WBBY?
16 A. No.
17 Q. Did you discuss at all the, the profitability or
18 the potential profitability of the proposed radio station?
19 A. Not in monetary terms. Just it could be a good
20 thing.
21 Q. Okay.
22 A. In general terms.

1 Q. Okay. Now directing your attention to the second
2 paragraph. Excuse me. Let me just make a note--to the
3 second paragraph, numbered paragraph, where there is a
4 discussion or a reference to all reasonable and ordinary
5 credit criteria of the Huntington National Bank, did you and
6 Mr. Frasier at any point discuss the reasonable and ordinary
7 credit criteria of the bank?
8 A. I would say that he didn't--I don't recall any
9 specific numbers, you have to have this or you have to have
10 that.
11 It's just to me would be the comfort in knowing
12 that I'm financially stable, in other words, solvent, so
13 that's why I gave him my financial statement, plus he had
14 knowledge of the money that I currently had in the bank.
15 Q. Other than that, there was no discussion of the
16 credit criteria of the bank?
17 A. No, other than, you know, what I would have to
18 agree to here as far as even on the next page.
19 Q. Right. Now numbered paragraph 3, there is a
20 phrase appropriate management staff are required to run the
21 station?
22 A. Um-hum.

1 Q. What discussion, if any, did you have with Mr.
2 Frasier as to the, what constituted appropriate management
3 staff?
4 A. No deep conversation. I would say that one is
5 that it is staffed properly, told him that I would be
6 running the station.
7 Q. Okay. What else did you tell him?
8 A. Nothing particular.
9 Q. Okay. Let me go back and see--you called Mr.
10 Frasier?
11 A. Um-hum.
12 Q. How long was that telephone conversation?
13 A. I would say about twenty minutes to a half an
14 hour.
15 Q. You were at Britt Business Systems when you made
16 the call?
17 A. Um-hum.
18 MR. ALPERT: Yes?
19 THE WITNESS: I'm sorry. Yes.
20 BY MR. MCCORMICK:
21 Q. Then on the 23rd, you faxed him a letter. On the
22 24th, you faxed him your financial statement, is that

1 anything else that I need provide?

2 Q. And what did he say?

3 A. No. Everything, he has everything to evaluate it,

4 and he will get back with me.

5 Q. And this was a short conversation?

6 A. Oh, yeah. Yes.

7 Q. Two or three minutes?

8 A. Probably, yes.

9 Q. Okay. Now it's clear in your mind that you did

10 not present to Mr. Frasier any sort of budget for the

11 proposed construction and operation of the station?

12 MR. ALPERT: Objection. You mean written or

13 orally or either?

14 MR. MCCORMICK: Let's--thank you, counsel.

15 BY MR. MCCORMICK:

16 Q. Did you provide him an oral budget?

17 A. I told him approximately how much I thought I

18 would need.

19 Q. Okay. Go ahead.

20 A. Within my letter that I produced to you basically

21 outlines not specifics that I need, but approximately how

22 much money that I was asking for.

1 Q. It was an overall figure, though?
2 A. Yes.
3 Q. You didn't break it down by I need this much for
4 construction, I need this much for staff, or any other
5 breakdown such as that?
6 A. No.
7 MR. ALPERT: Objection. Break it down when or to
8 who or what?
9 MR. MCCORMICK: We're talking about the
10 conversation with Mister or her letter to Mr. Frasier which
11 I don't have the benefit of, and/or, and I will be happy to
12 ask her about her conversations with respect Mr. Frasier.
13 BY MR. MCCORMICK:
14 Q. Let's start with conversations. In your second
15 conversation, after you, to the best of your recollection,
16 after you sent the financial statement and your letter, did
17 you discuss cost figures in that conversation at all?
18 A. No. I don't recollect that I did.
19 Q. Okay. So the only communications where cost
20 figures would have been discussed would have been your
21 letter to Mr. Frasier and/or your telephone conversation
22 with him that preceded the letter, is that correct?

1 A. Yes, and--

2 Q. And you discussed it in both?

3 A. Yes.

4 Q. Okay. In either of those contacts, did you give

5 him anything more than an overall total figure? In other

6 words--

7 A. As far as what?

8 Q. In other words, did you say I'm going to need X

9 amount of dollars for this radio station?

10 A. I said I'm going to need approximately as far as a

11 loan, X amount of dollars. I am putting in, I am also

12 putting in X amount of dollars.

13 I did not go into detail.

14 Q. Thank you. By using, by using the phrase X and X,

15 you certainly didn't imply that you were putting in an

16 equal, amount equal to the loan?

17 A. No--250 from Huntington and then 50 from me.

18 Q. Right. Now you were I think about to answer other

19 than that overall figure--

20 A. Um-hum.

21 Q. That you needed for, which you needed a loan, did

22 you provide him any, in either of those contacts, any

1 breakdown of what that money would be used for?

2 A. Not an itemized breakdown. I don't remember what

3 I said in my letter, but not an itemized breakdown.

4 Q. Okay. I direct your attention to the final

5 paragraph on page 2 of the Huntington letter of December

6 27th, 1991.

7 A. Um-hum.

8 Q. Was there at any time any discussion with Mr.

9 Frasier as to what sort of intangible assets of the station

10 would be included in the collateral?

11 A. Not specifically that I can recall, but from a

12 business point of view, I guess I would assume.

13 Q. Tell me what you assume.

14 A. Well, intangible assets being such as possible

15 accounts receivable mainly. Other intangibles--physical

16 intangible be that, I guess the main part I would see as

17 money that is owed to the station or coming into the station

18 that would, you know, encompass the value of the station or

19 the monetary value of the station.

20 Q. Would, would the station license be included in

21 those intangible assets?

22 A. I'm not sure.

1 sometimes you have to mortgage your house and all that kind
2 of stuff. You know, we didn't get into specifics about
3 that, but you know, taking out a loan, you know, at the time
4 of taking out a loan, I guess I would decide whether I need
5 to secure personal property or not.
6 Q. You would make that decision?
7 A. Yes. I guess if the bank said I had to do it,
8 then I would have to make a decision whether I was going to
9 do it or not.
10 Q. Let's--this is what you have just discussed is
11 based on your own presumption?
12 A. Um-hum.
13 Q. Is that correct?
14 A. Um-hum. I would--
15 Q. That's yes?
16 A. Yes. I'm sorry. Yes.
17 Q. And not on the basis of any discussion you had
18 with Mr. Frasier?
19 A. Right. Yes.
20 Q. Okay. At the time that you sent to Mr. Frasier
21 your letter, did you accompany that with any sort of sample
22 bank letter?

1 the second letter from Hunti[illegible]n Bank.

2 And you may feel free to refer to the le[illegible]

3 you wish.

4 A. Okay. I just called Mr. Frasier and told him that

5 I was counting on, that you know, that, that I liked to

6 make, make sure that my letter was still in tact, was there

7 anything else that I needed to do and could I please request

8 additional funds?

9 Q. Okay. This was in a telephone conversation?

10 A. Yes, it was.

11 Q. The date of the letter is March 9, 1992?

12 A. Right.

13 Q. It's up to you if you want to refer to it or not.

14 A. Okay.

15 Q. Using that as a reference point, how much earlier

16 was your telephone conversation with Mr. Frasier?

17 A. I don't know. It might have been a matter of

18 days.

19 Q. Not a matter of weeks?

20 A. No.

21 Q. But a matter of days?

22 A. Yeah.

1 A. Okay. Say that again.
2 Q. Between the time that you initially called Mr.
3 Frasier--
4 A. Um-hum.
5 Q. A few days prior to the issuance of the March 9,
6 1992 letter?
7 A. Um-hum--
8 Q. And the actual issuance of the letter, did you
9 have any other contact with Mr. Frasier?
10 A. Oh, prior to?
11 Q. Let me say it another way.
12 A. Okay.
13 Q. You called him. You said I would like to get mor
14 money?
15 A. Okay.
16 Q. And then at some point, a letter was issued?
17 A. Okay.
18 Q. March 9, 1992 is the date on the letter.
19 A. All right.
20 Q. Between that phone all and the letter coming out--
21 A. Okay.
22 Q. Did you have any other contact with Mr. Frasier?

1 Did you call him again? Did you send him a letter?
2 A. No. No. I don't--now this--I'm really just
3 guessing because sometimes I do this.
4 I might have called his secretary to say can you
5 fax a letter to me? Because I think he faxed the initial
6 letter, and then mailed me the letter.
7 Q. Okay.
8 A. So I might have done that. I'm not sure.
9 Q. Now is it your recollection he did fax you the
10 letter?
11 A. Possibly. I know the first letter was faxed.
12 Q. Right. The first letter referring to the December
13 1991 letter?
14 A. Yeah.
15 Q. Okay. Now this March 1992 letter?
16 A. Um-hum.
17 Q. It may have been faxed to you?
18 A. It might have been. I'm not sure.
19 Q. All right. Would it had--it was the same letter,
20 though?
21 A. Yeah.
22 Q. Same date?

1 A. It was the same letter. I just like to get it
2 quicker.
3 Q. Okay. Now in the process of getting this letter,
4 did you ask him to change the figure to $350,000?
5 A. I don't know if I asked him if he could increase
6 it or could he change it to. I really don't remember--one
7 or the other.
8 Q. What I'm focusing on is the figure of $350,000.
9 Was that your figure or his?
10 A. I'm really not sure.
11 Q. Okay.
12 A. You know, either I asked how much more could I get
13 to, or can I have 350, or I'm really not sure.
14 Q. Okay. Did you provide him any other, or did
15 anyone on your behalf provide him any written information
16 between the time you called him a few days before March 9
17 and the issuance of the March 9 letter?
18 A. Provide him any information, no.
19 Q. Okay. Did you discuss the bank's reasonable and
20 ordinary credit criteria in your conversation a few days
21 prior to the issuance of the March 9 letter?
22 A. No.

1 Q. Okay. Did you discuss what constituted
2 appropriate management staff prior to the issuance of the
3 March 9 letter?
4 A. No, because it was all the same as before.
5 Q. And did you--just confirming, was there any
6 discussion of what would be entailed in the intangible
7 assets referred to in the final paragraph of the letter, the
8 March 9 letter, in your conversation with Mr. Frasier a few
9 days prior to March 9?
10 A. No.
11 Q. Okay. Was there any discussion in that same
12 conversation with Mr. Frasier regarding what constituted,
13 would constitute your secured personal commitment?
14 A. No.
15 Q. Okay. The second page of the March 9 letter,
16 there is a reference to a Paul B. Brauner?
17 A. Um-hum.
18 Q. Who is that?
19 A. I have no idea.
20 Q. Okay. Did you ever inquire of Mr. Frasier or
21 anyone else who Paul Brauner was?
22 A. No.

1 Who introduced you?

2 A. I think I met him throughout the years. I know

3 his wife Jeanne Quick Frasier. We are at a lot of social

4 events together. We are at community events.

5 The Huntington National Bank is very involved in

6 the community and sponsor a lot of activities. He has been

7 after me for, you know, bringing the Britt account over to

8 Huntington as well as other banks within the city.

9 Q. But the Britt account doesn't carry any loans,

10 does it?

11 A. No.

12 Q. Okay. So it would just be your checking and

13 savings account?

14 A. Or well, bankers want me to borrow money, too, but

15 I don't really need to borrow money or I don't want to

16 borrow money right now.

17 (There was a brief pause in the proceedings.)

18 BY MR. BELENDIUK:

19 Q. There is one question that I have, or a couple

20 more questions, and I'm about done.

21 There are two letters. There is one that your

22 attorney wrote you on December 12th, Mr. Alpert.

1 initially had.

2 Q. Okay. But the second one?

3 A. The second little one, just make sure he has

4 everything that he needs, yeah.

5 Q. In the letter, on the second page, there are

6 certain loan terms, interest rates, payment of moratorium of

7 repayments in principal, that sort of thing.

8 Were those terms or similar terms in the sample

9 letter?

10 A. No.

11 Q. That Mr. Alpert provided to you?

12 A. No, I don't think so.

13 Q. And had you discussed those terms with Mr. Frasier

14 at any point?

15 A. No. I figure that's a banker's responsibility.

16 Q. So he put that in the letter with no input from

17 you?

18 A. Yeah.

19 Q. The second part is reference, the last sentence in

20 the letter refers to collateral for the loan?

21 A. Right.

22 Q. Do you know with that--do you remember whether

Attachment C

BRITT BUSINESS SYSTEMS, INC.

December 23, 1991

Ralph Frasier, V.P.
Huntington National Bank
41 South High Street, 34th Floor
Columbus, Ohio 43215

Dear Ralph:

Per our conversation this morning, I am faxing you this informal proposal for my application to the FCC for the radio frequency license of 103.9, a personal financial statement and sample letters for your review.

I am seeking your advise on the availability of a letter of commitment for a potential loán request from The Huntington National Bank to me for this endeavor.

I am budgeting for approximately $250,000.00. The actual funds needed may be based on one of the following options:

1) If I decide to locate at a new site, thus building a new antenna and purchasing new office equipment, I would project a need for the full amount of $250,000.00. I will be willing to put in up to $50,000.00 of personal funds to lower the borrowed funds.

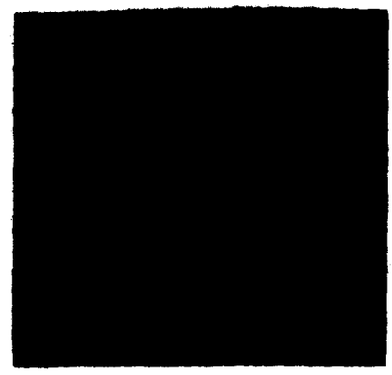
2) If I assumed the costs of the current leases on office space, station, tower and other equipment which is available at approximately $6,000.00 per month, this would lower my financial liabilities to approximately $100,000.00.

I hope all this information is adequate for you to consider my direction. Please call me at 461-7714 at work or 899-0350 at home if you need additional information. Thank you very much for your consideration.

Sincerely,

Shellee F. Davis
President

614/461-7714
415 EAST BROAD STREET, SUITE 100
COLUMBUS, OHIO 43215
FAX: 614/461-7987



BRITT BUSINESS
SYSTEMS,
INC.

DECEMBER 26, 1991

PAUL CASEY, MANAGER
BANCOHIO NATIONAL BANK
471 EAST BROAD STREET
COLUMBUS, OHIO 43215

DEAR PAUL:

PER OUR CONVERSATION, I AM ENCLOSING AN INFORMAL PROPOSAL FOR MY APPLICATION TO THE FCC FOR THE RADIO STATION FREQUENCY LICENSE OF 103.9, A PERSONAL FINANCIAL STATEMENT AND A SAMPLE LETTER OF COMMITMENT FOR YOUR REVIEW.

I AM REQUESTING A LETTER OF COMMITMENT OF A POTENTIAL LOAN FOR THIS ENDEAVOR.

I AM BUDGETING FOR APPROXIMATELY $250,000. THE ACTUAL FUNDS NEEDED MAY BE BASED ON ONE OF THE FOLLOWING OPTIONS:

1) IF I DECIDE TO LOCATE AT A NEW SITE, THUS BUILDING A NEW ANTENNA AND PURCHASING NEW OFFICE EQUIPMENT, I WILL NEED THE FULL AMOUNT OF $250,000. I WILL BE WILLING TO PUT IN UP TO $50,000 OF PERSONAL FUNDS TO THE LOWER THE BORROWED FUNDS.

2) IF I ASSUME THE COSTS OF THE CURRENT LEASES ON OFFICE SPACE, STATION, TOWER AND OTHER EQUIPMENT WHICH IS AVAILABLE AT APPROXIMATELY $6,000.00 PER MONTH, THIS WOULD LOWER MY FINANCIAL LIABILITIES TO APPROXIMATELY $100,000.00.

I HOPE ALL THIS INFORMATION IS ADEQUATE FOR YOU TO CONSIDER MY REQUEST. I WILL CALL YOU THIS AFTERNOON TO SEE IF THIS PROJECT CAN BE DONE THROUGH BANCOHIO. THANK YOU FOR YOUR ASSISTANCE.

SINCERELY,

SHELLEE F. DAVIS
PRESIDENT

TEL: 614/461-7714
415 EAST BROAD STREET, SUITE 100, COLUMBUS, OHIO 43215
FAX: 614/461-7087

PERSONAL STATEMENT — CONFIDENTIAL

Attachment D

TO:

NAME SHELLEE F. DAVIS POSITION OR OCCUPATION OWNER/PRESIDENT

BUSINESS NAME BRITT BUSINESS SYSTEMS, INC.

BUSINESS ADDRESS 415 E. Broad Street, Ste. 100 Cols., Ohio 43215 PHONE 461-7714

RESIDENCE ADDRESS 5518 Moccasin Drive Westerville, O. 43081 PHONE 899-0350

The following is submitted for the purpose of procuring, establishing and maintaining credit with you in behalf of the undersigned or persons, firms or corporations in whose behalf the undersigned may either severally or jointly with others execute a guaranty in your favor. The undersigned warrants that this financial statement is true and correct and that you may consider this statement as continuing to be true and correct until a written notice of a change is given to you by the undersigned.

DATE December 24, 19 91

PLEASE DO NOT LEAVE ANY QUESTIONS UNANSWERED. USE "NO" OR "NONE" WHERE NECESSARY.

ASSETS	In Even Dollars	LIABILITIES	In Even Dollars
Cash on hand and in banks	$169000	Notes payable to banks — secured	$ na
Marketable Securities — see Schedule A	39000	Notes payable to banks — unsecured	na
Non-Marketable Securities — see Schedule B	na	Due to brokers	na
Securities held by broker in margin accounts	na	Amounts payable to others — secured	na
Restricted or control stocks	na	Amounts payable to others — unsecured	na
		Accounts and bills due	5000
		Unpaid income tax	na
Real Estate Owned — see Schedule C	228000	Other unpaid taxes and interest	na
Loans Receivable Automobiles and other personal property	18000	Real estate mortgages payable — see Schedule C	120000
Cash value — life insurance — see Schedule D	na	Other debts — itemize:	na
Other assets — itemize:	na		
		TOTAL LIABILITIES	125000
		NET WORTH	329000
TOTAL ASSETS	$454000	TOTAL LIABILITIES AND NET WORTH	

Are all bad and doubtful assets excluded from this statement? yes If no, explain:

Income taxes settled through what date? 1990 Additional assessments $ no

ANNUAL SOURCES OF INCOME		PERSONAL AND GENERAL INFORMATION
Salary bonus & commissions combined	$ 130,000	Do you have will? no If yes, name of executor.
Dividends	2,000	
Real estate income	7,800	
Applicant need not disclose alimony, child support or maintenance income unless applicant so desires.	na	Are you a partner or officer in any other venture) yes
Other Income	na	
TOTAL	$ 139,800	
CONTINGENT LIABILITIES		Social Security No. 300-58-3092
Do you have any contingent liabilities? If yes, give details:	na	Are any assts pledged? no Are you defendant in any suits or legal actions? no
As endorser, co-maker or guarantor	$	Personal bank accounts carried at: Huntington Nat. Bank & BancOhio
On leases or contracts	$	
Legal claims	$	Have you ever taken bankruptcy? Explain: no
Other special debt	$	
Amount of contested income tax liens	$	

(COMPLETE SCHEDULES AND SIGN ON REVERSE SIDE)

800960 Rev. 04-86

CONFIDENTIAL

SCHEDULE A — U.S. GOVERNMENTS AND MARKETABLE SECURITIES

No. of Shares or Face Value (Bonds)	Description	In Name Of	Market Value	Source of Value
	Cardinal Gov't Securities	Shellee F. Davis	$20,000	$20,000
	Cardinal Gov't Securities	Reginald W. Davis	19,000	19,000

SCHEDULE B — NON-MARKETABLE SECURITIES

Description of Securities	No. of Shares Owned	Book Value Per Financial Statement Dated:	No. of Shares Outstanding	Total Value
na				

SCHEDULE C — REAL ESTATE OWNED

Description of Property and Improvements	Date Acquired	% of Ownership	Cost	Market Value	Mortgage	
					Amount	Maturity
2-story brick	5-87	100%	$ 9,000	$25,000	na	
1-story wood frame	1-89	100%	23,000	23,000	na	
2-story wood frame	11-86	100%	140,000	180,000	$120,000	2016

SCHEDULE D — LIFE INSURANCE CARRIED, INCL. N.S.L.I. AND GROUP INSURANCE

Face Amount	Name of Company	Beneficiary	Cash Surrender Value	Loans
na				

SCHEDULE E — NAMES OF BANKS OR FINANCE COMPANIES WHERE CREDIT HAS BEEN OBTAINED

Name and Address	Original Date	High Credit	Owe Currently	Secured or Unsecured
State Savings Bank	11-86	126,000	120,000	unsecured

THE OHIO LAWS AGAINST DISCRIMINATION REQUIRE THAT ALL CREDITORS MAKE CREDIT EQUALLY AVAILABLE TO ALL CREDITWORTHY CUSTOMERS, AND THAT CREDIT REPORTING AGENCIES MAINTAIN SEPARATE CREDIT HISTORIES ON EACH INDIVIDUAL UPON REQUEST. THE OHIO CIVIL RIGHTS COMMISSION ADMINISTERS COMPLIANCE WITH THIS LAW.

THE UNDERSIGNED CERTIFIES THAT BOTH SIDES HEREOF AND THE INFORMATION INSERTED THEREIN HAS BEEN CAREFULLY READ AND IS TRUE, CORRECT AND COMPLETE.

December 24 19 91 SIGNATURE

DATE SIGNED

(USE ADDITIONAL SCHEDULES WHEN NECESSARY)

Attachment E

_____
_____
_____

Dear Mr. _____

It is our understanding that this bank will be willing to favorably consider lending up to $_____ to _____ provided the following conditions are met:

(1) You are successful in obtaining approval from the Federal Communications Commission to construct and operate a new commercial broadcast station in _____; and

(2) All reasonable and ordinary credit criteria of the _____ Bank are met at such time as you (a) have received the license to operate said station; and (b) request from the _____ Bank a formal lending commitment.

Although, this does not represent a commitment of this bank, this letter reflects the present intent of this bank to enter into a loan with your organization under the following terms. The pricing and terms of amortization of any loan commitment will, of course, be contingent upon the exact credit conditions prevailing at the time of such commitment. However, we contemplate calculating interest on any loan made at the rate of _____% above the prime rate of this bank at the time of each advance (for information, the prime rate of this bank is presently _____%); and, any loan made will be repaid, after a _____ year moratorium on principal repayment as necessary, in _____ equal semi-annual installments or as otherwise reasonable in line with financial projections received prior to the time of borrowing.

Collateral for the loan will be the physical and intangible assets of the station, and may include your personal guarantee.

Sincerely,

_____

Motorist Building Office
Columbus Area

471 East Broad Street
Columbus, Ohio 43215
614/460-8510

Attachment F

BancOhio
National Bank

January 9, 1992

Mrs. Shellee F. Davis
5518 Moccasin Drive
Westerville OH 43081

Dear Shellee

I am writing in response to your letter dated December 26,1991 regarding the purchase of a radio station. Accompanying this letter was your personal financial statement and a sample letter of commitment.

While I am unable to make a commitment to lend money now or in the future without exercising due diligence (evaluating the request based on all of BancOhio's loan criteria), I would be interested in applying BancOhio's loan underwriting standards during each step of the FCC approval process.

Shellee, my banking relationship with you since I have been the manager at the BancOhio Motorist Office enables me to approach your banking requests in a positive manner. Since BancOhio has been here for you a number of years now, I hope that I can continue to provide you the type of service that exceeds your expectations.

Your truly,

Paul A. Casey

Paul A. Casey, Manager

Attachment G

The Huntington National Bank
41 South High Street
P.O. Box 1558
Columbus Ohio 43260

Ralph K. Frasier
Executive Vice President
General Counsel and Secretary
614 463 4647

December 27, 1991

Mrs. Shellee F. Davis
415 East Broad Street
Suite 100
Columbus, Ohio 43215

Dear Shellee:

Thank you for your recent inquiry regarding our interest in providing financing of a venture for you.

Shellee, you know we have been interested for some time in increasing the level of business done with you. With that thrust still in mind, based upon our knowledge of you and your personal finances, and our understanding concerning the value of the project, we believe that we will be able to provide financing in the amount of $250,000 to finance your project.

We have not had an opportunity to verify the accuracy of the financial information you have provided to us, so obviously, we are not prepared to make a binding loan commitment -- but if the following conditions are met, we believe that a mutually satisfactory arrangement will be secured:

1. You are successful in obtaining approval from the Federal Communications Commission to control and operate a commercial broadcast station in the Columbus, Ohio market.

2. All reasonable and ordinary credit criteria of The Huntington National Bank are met at such time as you have A) Received a construction permit for the station and B) Received from The Huntington National Bank a formal lending commitment; and

3. Appropriate management and staff are acquired to run the station.

Although this does not represent a commitment, this letter reflects the present belief that this Bank will be able to pursue the loan with you to a mutually satisfactory conclusion. The pricing and terms of amortization of any loan commitment will, of course, be contingent upon credit conditions and criteria prevailing at the time of such commitment. However, we contemplate calculating interest on any loan made at a rate not to exceed two percent above the prime lending rate of this Bank at the time of each advance (for your information the current prime lending rate of this Bank is 6-1/2 percent); and, the loan will be for a five year period, and any loan made would be repaid after a 6-12 month moratorium on principal as necessary, in quarterly installments or as otherwise reasonable and consistent with accepted financial projections received at time of borrowing.

Collateral for the loan would be the physical and intangible assets of the station and would include your secured personal commitment.

Very truly yours,

RKF/gs

Attachment H

MID-OHIO COMMUNICATIONS, INC.
Post Office Box 14
Westerville, Ohio 43081

December 23, 1991

Shellee F. Davis, Pres.
BRITY BUSINESS SYSTEMS, INC.
415 E. Broad Street, Suite 100
Columbus, Ohio 43215

RE: Mid-Ohio Communications, Inc./WBBY-FM/Lease of Assets

Dear Ms. Davis:

This correspondence is in regard to your recent inquiry pertaining to the lease of certain real property and personal property owned by Mid-Ohio Communications, Inc. or affiliated companies which is utilized in regard to the broadcast operation of WBBY-FM. You have indicated that you are planning to apply for the broadcast license of WBBY-FM, Westerville, Ohio, and this correspondence is to confirm that should the Federal Communications Commission award you the construction permit, Mid-Ohio Communications, Inc., the former licensee of WBBY-FM, is willing to negotiate appropriate leases with you for certain real property and personal property owned by Mid-Ohio Communications, Inc. or affiliated companies in the amount of Six Thousand Dollars ($6,000.00) per month.

The real estate lease and equipment lease which would commence upon the FCC granting your construction permit would include the use of the tower site (tower and building) located at State Route 37, Sunbury, Ohio 43074; studio facilities located at 14 Dorchester Court, Westerville, Ohio 43081; and equipment utilized in the operation of the station. The equipment would include some or perhaps all of the equipment itemized in the inventory accompanying this correspondence. Failure to lease all of the equipment listed in the inventory will not result in a reduced lease package price. This correspondence conveys an intent to negotiate terms of lease agreements and does not in and of itself constitute lease agreements. Although it is contemplated that mutually acceptable terms will be negotiated in regard to the various leases, there is no guarantee of that occurrence.

Within sixty (60) days of the date of this letter, you must provide Mid-Ohio Communications, Inc. with a showing of financial qualifications satisfactory to Mid-Ohio Communications, Inc. for it to enter into the above-referenced leases. Mid-Ohio Communications, Inc. reserves the right to cancel this letter within sixty (60) days of receipt of your financial information. Notwithstanding the above, at the time you receive the construction permit, Mid-Ohio Communications, Inc. reserves the right to again review your financial condition to determine if you then have financial qualifications satisfactory to Mid-Ohio Communications, Inc. to enter into the above-referenced leases. In regard to a showing of financial strength, if the lessee is a corporation, the principals of lessee will have to personally sign unconditional guarantees in regard to the lease obligations.

Mid-Ohio Communications, Inc. hereby grants you the authority to specify WBBY-FM's transmitter location in your FCC application. We wish you the best of luck in your application for licensure being prepared for filing with the Federal Communications Commission.

Sincerely,

MID-OHIO COMMUNICATIONS, INC.

By: Carl B. Fry
Carl B. Fry, Authorized Representative

Attachment