



**SECURITY AGREEMENT**

**among**

**SAGA COMMUNICATIONS, INC.**

**EACH OF THE OTHER GRANTORS PARTY HERETO**

**and**

**THE BANK OF NEW YORK, AS ADMINISTRATIVE AGENT**

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**Dated as of July 29, 2003**

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SCHEDULES:

Schedule I	List of Restricted Subsidiaries and Addresses for Notices
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EXHIBITS:

Exhibit A	Form of Supplement
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SECURITY AGREEMENT, dated as of July 29, 2003, among SAGA COMMUNICATIONS, INC., a Delaware corporation (the "Borrower"), each of the Subsidiaries of the Borrower listed on Schedule I (each such Subsidiary, individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"; the Subsidiary Guarantors and the Borrower are referred to collectively herein as the "Grantors"), and THE BANK OF NEW YORK, as administrative agent under the Credit Agreement referred to in the next paragraph.

Reference is made to the Credit Agreement, dated as of July 29, 2003, among the Borrower, the lenders from time to time party thereto, Union Bank of California, N.A., as Syndication Agent, Fleet National Bank, as Documentation Agent, and The Bank of New York, as Administrative Agent (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement").

The Lenders have agreed to make Revolving Loans to, and the Issuing Bank has agreed to issue Letters of Credit for the account of, the Borrower pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. Each of the Subsidiary Guarantors has agreed to guarantee, among other things, all the obligations of each Loan Party under the Loan Documents. The obligations of the Lenders to make Revolving Loans and the Issuing Bank to issue Letters of Credit are conditioned upon, among other things, the execution and delivery by the Grantors of an agreement in the form hereof to secure the Obligations.

Accordingly, the Grantors and the Administrative Agent, on behalf of itself and each other Secured Party (and each of their respective successors or assigns), hereby agree as follows:

## ARTICLE 1.

### DEFINITIONS; GRANT OF SECURITY; CONTINUING PERFECTION AND PRIORITY

#### Section 1.1 General Definitions

As used in this Security Agreement, the following terms shall have the meanings specified below:

"Account Debtor" means each Person who is obligated in respect of any Receivable or any Supporting Obligation or Collateral Support relating thereto.

"Accounts" means all "accounts" as defined in Article 9 of the UCC.

"Additional Grantor" has the meaning assigned to such term in Article 11.

"Applicable Date" means (i) in the case of any Grantor (other than an Additional Grantor), the date hereof, and (ii) in the case of any Additional Grantor, the date of the Supplement executed and delivered by such Additional Grantor.

"Authorization" means, collectively, any license (including any FCC License), approval, permit or other authorization issued by the FCC or any other Governmental Authority.

“Borrower” has the meaning assigned to such term in the preliminary statement of this Security Agreement.

“Chattel Paper” means all “chattel paper” as defined in Article 9 of the UCC.

“Claim Proceeds” means, with respect to any Commercial Tort Claim or any Collateral Support or Supporting Obligation relating thereto, all Proceeds thereof, including all insurance proceeds and other amounts and recoveries resulting or arising from the settlement or other resolution thereof, in each case regardless of whether characterized as a “commercial tort claim” under Article 9 of the UCC or “proceeds” under the UCC.

“Collateral” has the meaning assigned to such term in Section 1.3(a).

“Collateral Records” means all books, instruments, certificates, Records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals and other documents, and all computer software, computer printouts, tapes, disks and related data processing software and similar items, in each case that at any time represent, cover or otherwise evidence, or contain information relating to, any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon.

“Collateral Support” means all property (real or personal) assigned, hypothecated or otherwise securing any of the Collateral, and shall include any security agreement or other agreement granting a lien or security interest in such real or personal property.

“Commercial Tort Claims” means all “commercial tort claims” as defined in Article 9 of the UCC and (ii) all Claim Proceeds with respect to any of the foregoing; including all claims described on Schedule 3.7.

“Copyright License” means any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned or rights therein held by or behalf of any Grantor or which any Grantor otherwise has the right to license, or granting any right to any Grantor under any Copyright now or hereafter owned by any third party, and all rights of any Grantor under any such agreement, including each agreement described on Schedule 3.6.

“Copyrights” means all of the following: (i) all copyright rights in any work subject to the copyright laws of the United States of America, whether as author, assignee, transferee or otherwise, and (ii) all registrations and applications for registration of any such copyright in the United States of America, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office or any similar offices in the United States of America, including those described on Schedule 3.6.

“Credit Agreement” has the meaning assigned to such term in the preliminary statement of this Security Agreement.

“Documents” means all “documents” as defined in Article 9 of the UCC.

“Equipment” means (i) all “equipment” as defined in Article 9 of the UCC, (ii) all machinery, manufacturing equipment, data processing equipment, computers, office equipment, furnishings, furniture, appliances, fixtures and tools, in each case, regardless of whether characterized as “equipment” under the UCC, (iii) all accessions or additions to any of

the foregoing, all parts thereof, whether or not at any time of determination incorporated or installed therein or attached thereto, and all replacements therefor, wherever located, now or hereafter existing.

“Federal Securities Laws” has the meaning assigned to such term in Section 6.3.

“General Intangibles” means (i) all “general intangibles” as defined in Article 9 of the UCC and (ii) all choses in action and causes of action, all indemnification claims, all goodwill, all Hedging Agreements, all tax refunds, all licenses, permits, concessions, franchises and Authorizations, all Intellectual Property, all Payment Intangibles and all Software, in each case, regardless of whether characterized as a “general intangible” under the UCC.

“Goods” means (i) all “goods” as defined in Article 9 of the UCC and (ii) all Equipment and Inventory and any computer program embedded in goods and any supporting information provided in connection with such program, to the extent (a) such program is associated with such goods in such a manner that it is customarily considered part of such goods or (b) by becoming the owner of such goods, a Person acquires a right to use the program in connection with such goods, in each case, regardless of whether characterized as a “good” under the UCC.

“Grantor” and “Grantors” have the meanings assigned to such terms in the preliminary statement of this Security Agreement.

“Instruments” means all “instruments” as defined in Article 9 of the UCC.

“Insurance” means all insurance policies covering any or all of the Collateral (regardless of whether the Administrative Agent or any other Secured Party is the loss payee thereof) and all business interruption insurance policies.

“Intellectual Property” means all intellectual and similar property of any Grantor of every kind and nature, including inventions, designs, Patents, Copyrights, Trademarks, Licenses, domain names, Trade Secrets, confidential or proprietary technical and business information, know how, show how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

“Inventory” means (i) all “inventory” as defined in Article 9 of the UCC and (ii) all goods held for sale or lease or to be furnished under contracts of service or so leased or furnished, all raw materials, work in process, finished goods and materials used or consumed in the manufacture, packing, shipping, advertising, selling, leasing, furnishing or production of such inventory or otherwise used or consumed in any Grantor’s business, all goods which are returned to or repossessed by or on behalf of any Grantor, and all computer programs embedded in any goods, and all accessions thereto and products thereof, in each case, regardless of whether characterized as “inventory” under the UCC.

“Letter of Credit Rights” means all “letter-of-credit rights” as defined in Article 9 of the UCC and (ii) all rights, title and interests of each Grantor to any letter of credit, in each case regardless of whether characterized as a “letter-of-credit right” under the UCC.

“License” means any Copyright License, Patent License, Trademark License, Trade Secret License or other license (other than any Authorization) or sublicense to which any Grantor is a party.

“Material Commercial Tort Claims” means, with respect to each Grantor, (i) all Commercial Tort Claims asserted by it, or on its behalf, in writing, and (ii) each Commercial Tort Claim in excess of \$100,000 to which it has any right, title or interest and of which it is aware.

“Obligations” means (i) the due and punctual payment of (a) principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Revolving Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (b) all other monetary obligations, including reimbursement obligations in respect of LC Disbursements, fees, commissions, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Loan Parties to the Secured Parties, or that are otherwise payable to any Credit Party, in each case under the Loan Documents, (ii) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Loan Parties or any other party (other than a Credit Party) under or pursuant to the Loan Documents and (iii) unless otherwise agreed upon in writing by the applicable Lender party thereto, all obligations of the Borrower, monetary or otherwise, under each Secured Hedging Agreement.

“Patent License” means any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a Patent, now or hereafter owned or rights therein held by or on behalf of any Grantor or which any Grantor otherwise has the right to license, is in existence, or granting to any Grantor any right to make, use or sell any invention on which a Patent, now or hereafter owned by any third party, is in existence, and all rights of any Grantor under any such agreement, including each agreement described on Schedule 3.6.

“Patents” means all of the following: (i) all letters patent of the United States of America, all registrations and recordings thereof and all applications for letters patent of the United States of America, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in the United States of America, including those described on Schedule 3.6, and (ii) all reissues, continuations, divisions, continuations in part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

“Payment Intangibles” means all “payment intangibles” as defined in Article 9 of the UCC.

“Pledged Collateral” means, collectively, Pledged Debt and Pledged Equity Interests.

“Pledged Debt” means all Indebtedness owed or owing to any Grantor, the Borrower or any Subsidiary, including all Indebtedness described on Schedule 3.4, all Instruments, Chattel Paper or other documents, if any, representing or evidencing such debt, and all interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such debt.



**“Pledged Equity Interests”** means all Equity Interests owned or rights therein held by or on behalf of any Grantor in any Restricted Subsidiary, including all such Equity Interests described on Schedule 3.4, and all certificates, instruments and other documents, if any, representing or evidencing such Equity Interests and all interests of such Grantor on the books and records of the issuers of such Equity Interests, all of such Grantor’s right, title and interest in, to and under any partnership, limited liability company, shareholder or similar agreements to which it is a party, and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Equity Interests.

**“Proceeds”** means (i) all “proceeds” as defined in Article 9 of the UCC, (ii) payments or distributions made with respect to any Collateral, (iii) any payment received from any insurer or other Person or entity as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes the Collateral, and (iv) whatever is receivable or received when any of the Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary, including any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (a) past, present or future infringement of any Patent now or hereafter owned or rights therein held by or on behalf of any Grantor, or licensed under a Patent License, (b) past, present or future infringement or dilution of any Trademark now or hereafter owned or rights therein held by or on behalf of any Grantor, or licensed under a Trademark License, or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned or rights therein held by or on behalf of any Grantor, (c) past, present or future infringement of any Copyright now or hereafter owned or rights therein held by or on behalf of any Grantor, or licensed under a Copyright License, (d) past, present or future infringement of any Trade Secret now or hereafter owned or rights therein held by or on behalf of any Grantor, or licensed under a Trade Secret License, and (e) past, present or future breach of any License, in each case, regardless of whether characterized as “proceeds” under the UCC.

**“Receivables”** means all rights to payment, whether or not earned by performance, for goods or other property sold, leased, licensed, assigned or otherwise disposed of, or services rendered or to be rendered, including all such rights constituting or evidenced by any Account, Chattel Paper, Instrument or other document, General Intangible or Pledged Collateral, together with all of the applicable Grantor’s rights, if any, in any goods or other property giving rise to such right to payment, and all Collateral Support and Supporting Obligations relating thereto and all Receivables Records.

**“Receivables Records”** means (i) all originals of all documents, instruments or other writings or electronic records or other Records evidencing any Receivable, (ii) all books, correspondence, credit or other files, Records, ledger sheets or cards, invoices, and other papers relating to any Receivable, including all tapes, cards, computer tapes, computer discs, computer runs, record keeping systems and other papers and documents relating to any Receivable, whether in the possession or under the control of the applicable Grantor or any computer bureau or agent from time to time acting for such Grantor or otherwise, (iii) all evidences of the filing of financing statements and the registration of other instruments in connection therewith, and amendments, supplements or other modifications thereto, notices to other creditors or secured parties, and certificates, acknowledgments, or other writings, including lien search reports, from filing or other registration officers, (iv) all credit information, reports and memoranda relating thereto, and (v) all other written forms of information related in any way to the foregoing or any Receivable.

“Record” means a “record” as defined in Article 9 of the UCC.

“Secured Hedging Agreement” means each Hedging Agreement entered into by the Borrower with a Person that, at the time of the entry thereof, was a Lender (or an Affiliate thereof).

“Secured Parties” means (i) the Credit Parties, (ii) unless otherwise agreed upon in writing by it, each counterparty to a Secured Hedging Agreement, (iii) the beneficiaries of each indemnification obligation undertaken by or on behalf of any Grantor under any Loan Document, and (iv) the successors and assigns of each of the foregoing.

“Security Interest” has the meaning assigned to such term in Section 1.3(a).

“Software” means all “software” as defined in Article 9 of the UCC.

“Supplement” means a supplement hereto, substantially in the form of Exhibit A.

“Supporting Obligation” means (i) all “supporting obligations” as defined in Article 9 of the UCC and (ii) all Guarantees and other secondary obligations supporting any of the Collateral, in each case regardless of whether characterized as a “supporting obligation” under the UCC.

“Trade Secret Licenses” means any written agreement, now or hereafter in effect, granting to any third party any right to use any Trade Secrets now or hereafter owned or rights therein held by or on behalf of any Grantor or which such Grantor otherwise has the right to license, or granting to any Grantor any right to use any Trade Secrets now or hereafter owned by any third party, and all rights of any Grantor under any such agreement, including each agreement described on Schedule 3.6.

“Trade Secrets” means all trade secrets and all other confidential or proprietary information and know-how now or hereafter owned or used in, or contemplated at any time for use in, the business of any Grantor (all of the foregoing being collectively called a “Trade Secret”), whether or not such Trade Secret has been reduced to a writing or other tangible form, including all documents and things embodying, incorporating or referring in any way to such Trade Secret, the right to sue for any past, present and future infringement of any Trade Secret, and all proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages and proceeds of suit.

“Trademark License” means any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned or rights therein held by or on behalf of any Grantor or which such Grantor otherwise has the right to license, or granting to any Grantor any right to use any Trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement, including each agreement described on Schedule 3.6.

“Trademarks” means all of the following: (i) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar

offices in the United States of America, and all extensions or renewals thereof, including those described on Schedule 3.6, (ii) all goodwill associated therewith or symbolized by any of the foregoing and (iii) all other assets, rights and interests that uniquely reflect or embody such goodwill.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York or, when the context implies, the Uniform Commercial Code as in effect from time to time in any other applicable jurisdiction.

Section 1.2 Other Definitions; Interpretation

(a) Other Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

(b) Rules of Interpretation. The rules of interpretation specified in Sections 1.2, 1.3 and 1.4 of the Credit Agreement shall be applicable to this Security Agreement. All references herein to (i) a Schedule to this Security Agreement shall refer to such Schedule hereto or to a Supplement, as applicable, and (ii) provisions of the UCC shall include all successor provisions under any subsequent version or amendment to any Article of the UCC.

Section 1.3 Grant of Security

(a) Grant of Security Interest. As security for the payment or performance, as applicable, in full of the Obligations, each Grantor hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to the Administrative Agent (and its successors and assigns), for the ratable benefit of the Secured Parties, and hereby grants to the Administrative Agent (and its successors and assigns), for the ratable benefit of the Secured Parties, a security interest (the “Security Interest”) in, all personal property and fixtures of such Grantor, including all of such Grantor’s right, title and interest in, to and under the following, in each case whether now owned or existing or hereafter acquired or arising and wherever located (all of which being hereinafter collectively referred to as the “Collateral”):

- (i) all Accounts,
- (ii) all Chattel Paper, Documents and Instruments,
- (iii) all Commercial Tort Claims described on Schedule 3.7,
- (iv) all Documents,
- (v) all Equipment,
- (vi) all General Intangibles,
- (vii) all Goods,
- (viii) all Instruments,
- (ix) all Insurance,
- (x) all Intellectual Property,

- (xi) all Inventory,
- (xii) all Letter of Credit Rights,
- (xiii) all Pledged Collateral,
- (xiv) all Proceeds from the sale or transfer of Authorizations and, subject to the provisions of Section 1.3(c), all Authorizations,
- (xv) all Receivables and Receivables Records,
- (xvi) all other goods and personal property of such Grantor, whether tangible or intangible, wherever located, including letters of credit,
- (xvii) to the extent not otherwise included in clauses (i) through (xvi) of this Section, all Collateral Records, Collateral Support and Supporting Obligations in respect of any of the foregoing,
- (xviii) to the extent not otherwise included in clauses (i) through (xvii) of this Section, all other property in which a security interest may be granted under the UCC or which may be delivered to and held by the Administrative Agent pursuant to the terms hereof (including the account referred to in Section 3.4(c)(ii) and all funds and other property from time to time therein or credited thereto), and
- (xix) to the extent not otherwise included in clauses (i) through (xviii) of this Section, all Proceeds, products, substitutions, accessions, rents and profits of or in respect of any of the foregoing.

(b) Revisions to UCC. For the avoidance of doubt, it is expressly understood and agreed that, to the extent the UCC is revised after the date hereof such that the definition of any of the foregoing terms included in the description or definition of the Collateral is changed, the parties hereto desire that any property which is included in such changed definitions, but which would not otherwise be included in the Security Interest on the date hereof, nevertheless be included in the Security Interest upon the effective date of such revision. Notwithstanding the immediately preceding sentence, the Security Interest is intended to apply immediately on the Effective Date to all of the Collateral to the fullest extent permitted by applicable law, regardless of whether any particular item of the Collateral was then subject to the UCC.

(c) Certain Limited Exclusions. Notwithstanding anything in this Section 1.3 to the contrary, in no event shall the Collateral include, and no Grantor shall be deemed to have granted a Security Interest in, (i) any right under any Authorization, lease, license or other contract or agreement constituting a General Intangible, but only to the extent that the granting of a security interest therein or an assignment thereof would violate any applicable law (including, without limitation, the rules, regulations and policies of the FCC) or any enforceable provision of such Authorization, lease, license or other contract or agreement, as applicable, provided that to the extent such security interest at any time hereafter shall no longer be prohibited by law, and/or immediately upon such provision no longer being enforceable, as applicable, the Collateral shall automatically and without any further action include, and the Grantors shall be deemed to have granted automatically and without any further action a Security Interest in, such right as if such law had never existed or such provision had never been enforceable, as applicable, or (ii) any Margin Stock or any of the outstanding capital stock of a "controlled foreign corporation" as

defined in the Code in excess of 65% of the voting power of all classes of capital stock of such corporation entitled to vote.

## ARTICLE 2.

### SECURITY FOR OBLIGATIONS; NO ASSUMPTION OF LIABILITY

#### Section 2.1 Security for Obligations

This Security Agreement secures, and the Collateral is collateral security for, the prompt and complete payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of Title 11 of the United States Code, or any similar provision of any other bankruptcy, insolvency, receivership or other similar law), of all Obligations with respect to each Grantor.

#### Section 2.2 No Assumption of Liability

Notwithstanding anything to the contrary herein, the Security Interest is granted as security only and shall not subject the Administrative Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

## ARTICLE 3.

### REPRESENTATIONS AND WARRANTIES AND COVENANTS

#### Section 3.1 Generally

(a) Representations and Warranties. Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that:

(i) As of the Applicable Date, (A) such Grantor's chief executive office or its principal place of business is, and for the preceding four months has been, located at the office indicated on Schedule 3.1(a)(i), (B) such Grantor's jurisdiction of organization is the jurisdiction indicated on Schedule 3.1(a)(i), and (C) such Grantor's Federal Employer Identification Number and company organizational number is as set forth on Schedule 3.1(a)(i).

(ii) As of the Applicable Date such Grantor's full legal name is as set forth on Schedule 3.1(a)(ii).

(iii) Such Grantor has not within the five years preceding the Applicable Date become bound (whether as a result of merger or otherwise) as debtor under a security agreement entered into by another Person, which has not theretofore been terminated.

(iv) Such Grantor has good and valid rights in, and title to, the Collateral with respect to which it has purported to grant the Security Interest, except for minor

defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such Collateral for its intended purposes, and except for Liens expressly permitted pursuant to the Loan Documents.

(v) All actions and consents, including all filings, notices, registrations and recordings, necessary or desirable to create, perfect or ensure the first priority (subject only to Liens expressly permitted by the Loan Documents) of the Security Interest in the Collateral owned or rights in the Collateral held by it or on its behalf or for the exercise by the Administrative Agent or any other Secured Party of any voting or other rights provided for in this Security Agreement or the exercise of any remedies in respect of any such Collateral have been made or obtained, (A) except for (1) the filing of UCC financing statements naming such Grantor as “debtor” and the Administrative Agent as “secured party”, or the making of other appropriate filings, registrations or recordings, containing a description of such Collateral in each applicable governmental, municipal or other office specified on Schedule 3.1(a)(v), (2) the filing of a copy of the Credit Agreement and the Security Documents with the FCC and the filing of a copy of the Credit Agreement with the Securities and Exchange Commission in accordance with applicable law, which filings (or the failure to file) do not affect the creation, perfection or priority of the Security Interest in the Collateral, and (3) with respect to federally registered Patents, Trademarks and Copyrights, the filing, registration or recordation of fully executed security agreements in the form hereof (or in such other form as shall be in all respects satisfactory to the Administrative Agent) and containing a description of all such Collateral consisting of Patents, Trademarks and Copyrights, together with all other necessary documents, with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, (B) except for any such Collateral as to which the representations and warranties in this Section 3.1(a)(v) would not be true solely by virtue of such Collateral having been used or disposed of in a manner expressly permitted hereunder or under any other Loan Document, and (C) except to the extent that such Security Interest may not be perfected by filing, registering, recording or taking any other action in the United States of America.

(vi) All Collateral owned or rights in Collateral held by it or on its behalf is free and clear of any Lien, except for Liens expressly permitted by the Loan Documents. It has not filed or consented to the filing of (A) any financing statement or analogous document under the UCC or any other applicable laws covering any such Collateral, (B) any assignment in which it assigns any such Collateral or any security agreement or similar instrument covering any such Collateral with the United States Patent and Trademark Office or the United States Copyright Office or any similar office in the United States of America, or (C) any assignment in which it assigns any such Collateral or any security agreement or similar instrument covering any such Collateral with any foreign governmental, municipal or other office, in each case, which financing statement, analogous document, assignment or other instrument, as applicable, is still in effect, except for Liens expressly permitted by the Loan Documents.

(vii) The Security Interest in the Collateral owned or rights in Collateral held by it or on its behalf (A) is effective to vest in the Administrative Agent, on behalf of the Secured Parties, the rights of the Administrative Agent in such Collateral as set forth herein and (B) does not violate Regulation T, U or X as of the Applicable Date.

(viii) As of the Applicable Date, all of such Grantor’s FCC Licenses (other than Auxiliary Licenses) and all of such Grantor’s material Auxiliary Licenses are as listed on Schedule 3.1(a)(viii).

(ix) All leases, licenses and other contracts and agreements as to which no security interest is granted by virtue Section 1.3(c) are not material to the business of the Borrower and the Restricted Subsidiaries taken as a whole.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees as follows:

(i) It shall maintain, at its own cost and expense, such complete and accurate Records with respect to the Collateral owned or rights therein held by it or on its behalf as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which it is engaged, but in any event to include complete accounting Records indicating all payments and proceeds received with respect to any part of such Collateral, and, at such time or times as the Administrative Agent may reasonably request, promptly to prepare and deliver to the Administrative Agent a duly certified schedule or schedules in form and detail satisfactory to the Administrative Agent showing the identity and amount of any and all such Collateral.

(ii) It shall, at its own cost and expense, take any and all actions necessary to defend title to the Collateral owned or rights therein held by it or on its behalf against all Persons and to defend the Security Interest in such Collateral and the priority thereof against any Lien or other interest not expressly permitted by the Loan Documents, and in furtherance thereof, it shall not take, or permit to be taken, any action not otherwise expressly permitted by the Loan Documents that could impair the Security Interest or the priority thereof or any Secured Party's rights in or to such Collateral.

(iii) The Administrative Agent and such Persons as the Administrative Agent may designate shall have the right, at the cost and expense of such Grantor, to inspect all of its Records (and to make extracts and copies from such Records), to discuss its affairs with its officers and independent accountants and to verify under reasonable procedures the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral owned or rights in Collateral held by or on behalf of such Grantor, including, in the case of Receivables, Pledged Debt, General Intangibles, Commercial Tort Claims or Collateral in the possession of any third person, by contacting Account Debtors, contract parties or other obligors thereon or any third person possessing such Collateral for the purpose of making such a verification. The Administrative Agent shall have the absolute right to share on a confidential basis any information it gains from such inspection or verification with any Secured Party.

(iv) At its option, the Administrative Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Collateral owned or rights therein held by or on behalf of such Grantor, and not permitted by the Loan Documents, and may pay for the maintenance and preservation of such Collateral to the extent such Grantor fails to do so as required by the Loan Documents, and such Grantor agrees, jointly with the other Grantors and severally, to reimburse the Administrative Agent on demand for any payment made or any expense incurred by the Administrative Agent pursuant to the foregoing authorization; provided, however, that nothing in this paragraph shall be interpreted as excusing any Grantor from the performance of, or imposing any obligation on the Administrative Agent or any other Secured Party to cure or perform, any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

(v) It shall remain liable for the failure to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral owned or rights therein held by it or on its behalf, all in accordance with the terms and conditions thereof, and it agrees, jointly with the other Grantors and severally, to indemnify and hold harmless the Administrative Agent and the other Secured Parties from and against any and all liability for such performance.

(vi) It shall not make, or permit to be made, an assignment, pledge or hypothecation of the Collateral owned or rights therein held by it or on its behalf, or grant any other Lien in respect of such Collateral, except as expressly permitted by the Loan Documents. Except for Liens or transfers expressly permitted by the Loan Documents, it shall not make or permit to be made any transfer of such Collateral, and it shall remain at all times in possession of such Collateral and the direct owner, beneficially and of record, of the Pledged Equity Interests included in such Collateral, except that (A) Inventory may be sold in the ordinary course of business and (B) unless and until the Administrative Agent shall notify it that an Event of Default shall have occurred and be continuing and that, during the continuance thereof, it shall not sell, convey, lease, assign, transfer or otherwise dispose of any such Collateral (which notice may be given by telephone if promptly confirmed in writing), it may use and dispose of such Collateral in any lawful manner not inconsistent with the provisions of this Security Agreement or any other Loan Document.

(vii) It shall, at its own cost and expense, maintain or cause to be maintained insurance covering physical loss or damage to the Collateral owned or rights therein held by it or on its behalf against all risks and liability arising from the use or intended use, or otherwise attributable or relating to, such Collateral, in each case in accordance with Section 6.10 of the Credit Agreement. It shall cause each such insurance policy (other than any policy related to workers' compensation) to (A) name each of the Administrative Agent and the other Secured Parties as an "additional insured" if such policy is a liability policy, (B) name the Administrative Agent as "loss payee" if such policy is a property policy, (C) provide that the Administrative Agent and each Lender shall be notified in writing of any proposed cancellation or material change in risk, of such policy, initiated by such Grantor's insurer at least 30 days (or at least 10 days with respect to a failure to pay any premium due) prior to any proposed cancellation or material change in risk, (D) contain a waiver of subrogation in favor of the Administrative Agent, (E) provide that the insurance shall be primary and without right of contribution from any other insurance which may be available to the Administrative Agent and the other Secured Parties, (F) provide that the Administrative Agent and other Secured Parties have no responsibility for premiums, warranties or representations to underwriters. On the Effective Date (as provided in Section 5.1 of the Credit Agreement) and at least 30 days prior to expiry of each such insurance policy, such Grantor shall furnish or cause be furnished a certificate of insurance (1) evidencing that all of the coverages listed in this subsection have been renewed and continue to be in full force and effect for such period as shall be then stipulated, (2) specifying the insurers with whom such insurance is carried and (3) containing such other certifications and undertakings as are customarily provided to the Administrative Agent and the other Secured Parties, as reasonably requested by the Administrative Agent. Such Grantor irrevocably makes, constitutes and appoints the Administrative Agent (and all officers, employees or agents designated by the Administrative Agent) as such Grantor's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of such Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that such Grantor at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay



any premium in whole or part relating thereto, the Administrative Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Administrative Agent deems advisable. All sums disbursed by the Administrative Agent in connection with this subsection, including reasonable attorneys' fees and expenses, court costs, expenses and other charges relating thereto, shall be payable, upon demand, by such Grantor to the Administrative Agent and shall be additional Obligations secured hereby.

### Section 3.2 Equipment and Inventory

Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that, as of the Applicable Date, all of the Equipment and Inventory included in the Collateral is located at the chief executive office of the Borrower, other offices of the Borrower and the Restricted Subsidiaries, studio sites and transmitter sites in the states listed on Schedule 3.2. In addition, each Grantor covenants and agrees that it shall not permit any Equipment or Inventory with a value in excess of \$25,000 owned or rights therein held by it or on its behalf to be in the possession or control of any warehouseman, bailee, agent or processor for a period of greater than thirty (30) consecutive days, unless such warehouseman, bailee, agent or processor shall have been notified of the Security Interest and, at the request of the Administrative Agent, shall have agreed in writing to hold such Equipment or Inventory subject to the Security Interest and the instructions of the Administrative Agent and to waive and release any Lien held by it with respect to such Equipment or Inventory, whether arising by operation of law or otherwise.

### Section 3.3 Receivables

(a) Representations and Warranties. Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that no Receivable included in the Collateral owned or rights therein held by it or on its behalf is evidenced by an Instrument or Chattel Paper that has not been delivered to the Administrative Agent.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees that:

(i) It shall mark conspicuously, in form and manner reasonably satisfactory to the Administrative Agent, all Chattel Paper, Instruments and other evidence of any Receivables included in the Collateral owned or rights therein held by it or on its behalf (other than any delivered to the Administrative Agent as provided herein), as well as the related Receivables Records, with an appropriate reference to the fact that the Administrative Agent has a security interest therein.

(ii) It will not, without the Administrative Agent's prior written consent (which consent shall not be unreasonably withheld), grant any extension of the time of payment of any such Receivable, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Supporting Obligation or Collateral Support relating thereto, or allow any credit or discount whatsoever thereon, other than extensions, credits, discounts, releases, compromises or settlements granted or made in the ordinary course of business and consistent with its current practices and in accordance with such practices reasonably believed by such Grantor to be prudent.

(iii) Except as otherwise provided in this Section, it shall continue to collect all amounts due or to become due to it under all such Receivables and any Supporting Obligations or Collateral Support relating thereto, and diligently exercise each material right it may have thereunder, in each case at its own cost and expense, and in connection with such collections and exercise, it shall, upon the occurrence and during the continuance of an Event of Default, take such action as it or the Administrative Agent may reasonably deem necessary. Notwithstanding the foregoing, the Administrative Agent shall have the right at any time after the occurrence and during the continuance of an Event of Default to notify, or require such Grantor to notify, any Account Debtor with respect to any such Receivable, Supporting Obligation or Collateral Support of the Administrative Agent's security interest therein, and in addition, at any time during the continuation of an Event of Default, the Administrative Agent may: (i) direct such Account Debtor to make payment of all amounts due or to become due to such Grantor thereunder directly to the Administrative Agent and (ii) enforce, at the cost and expense of such Grantor, collection thereof and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as such Grantor would be able to have done. If the Administrative Agent notifies such Grantor that it has elected to collect any such Receivable, Supporting Obligation or Collateral Support in accordance with the preceding sentence, any payments thereof received by such Grantor shall not be commingled with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Administrative Agent hereunder and shall be forthwith delivered to the Administrative Agent in the same form as so received (with any necessary indorsement), and such Grantor shall not grant any extension of the time of payment thereof, compromise, compound or settle the same for less than the full amount thereof, release the same, wholly or partly, or allow any credit or discount whatsoever thereon.

(iv) It shall use its best efforts to keep in full force and effect any Supporting Obligation or Collateral Support relating to any Receivable.

#### Section 3.4 Pledged Collateral

(a) Representations and Warranties. Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that:

(i) Schedule 3.4 sets forth, as of the Applicable Date, all of the Pledged Collateral included in the Collateral owned or rights therein held by or on behalf of such Grantor.

(ii) All Pledged Equity Interests included in the Collateral owned or rights therein held by it or on its behalf have been duly authorized and validly issued and are fully paid and nonassessable, and such Grantor is the direct owner, beneficially and of record, thereof, free and clear of all Liens (other than Liens expressly permitted by the Loan Documents).

(iii) All Pledged Debt included in the Collateral owned or rights therein held by it or on its behalf has been duly authorized, issued and delivered and, where necessary, authenticated and constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

(iv) All Pledged Collateral consisting of certificated securities, Chattel Paper or Instruments has been delivered to the Administrative Agent except to the extent that Pledged Debt is not evidenced by a Pledged Note as provided in Section 6.13(d) of the Credit Agreement.

(v) Other than the Pledged Equity Interests that constitute General Intangibles, there is no Pledged Collateral other than that represented by certificated securities or Instruments in the possession of the Administrative Agent.

(b) Registration in Nominee Name; Denominations. Each Grantor hereby agrees that (i) without limiting Article 5, the Administrative Agent, on behalf of the Secured Parties, shall have the right (in its sole and absolute discretion) to hold any Pledged Collateral in its own name as pledgee, the name of its nominee (as pledgee or as sub agent) or the name of the applicable Grantor, endorsed or assigned, where applicable, in blank or in favor of the Administrative Agent, (ii) at the Administrative Agent's request, such Grantor will promptly give to the Administrative Agent copies of any material notices or other communications received by it with respect to any Pledged Collateral registered in its name, and (iii) the Administrative Agent shall at all times have the right to exchange any certificates, instruments or other documents representing or evidencing any Pledged Collateral owned or rights therein held by or on behalf of such Grantor for certificates, instruments or other documents of smaller or larger denominations for any purpose consistent with this Security Agreement.

(c) Voting and Distributions.

(i) Subject to Section 10.15 of the Credit Agreement, unless and until an Event of Default shall have occurred and be continuing:

(A) Each Grantor shall retain and be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of the Pledged Collateral, or any part thereof, for any purpose consistent with the terms of this Security Agreement and the other Loan Documents; provided, however, that such Grantor will not be entitled to exercise any such right if the result thereof could materially and adversely affect the rights inuring to a holder of the Pledged Collateral or the rights and remedies of any of the Secured Parties under this Security Agreement or any other Loan Document or the ability of any of the Secured Parties to exercise the same.

(B) The Administrative Agent shall execute and deliver to each Grantor, or cause to be executed and delivered to each Grantor, all such proxies, powers of attorney and other instruments as such Grantor may reasonably request for the purpose of enabling it to exercise the voting and/or consensual rights and powers it is entitled to exercise pursuant to subsection (c)(i)(A) and to receive the cash payments it is entitled to receive pursuant to subsection (c)(i)(C).

(C) Each Grantor shall be entitled to receive, retain and use any and all cash dividends, interest and principal paid on the Pledged Collateral owned or rights therein held by it or on its behalf to the extent and only to the extent that such cash dividends, interest and principal are not prohibited by, and otherwise paid in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable laws. All non cash dividends, interest and principal, and all dividends, interest and principal paid or payable in cash or otherwise in connection with a partial or total

liquidation or dissolution, return of capital, capital surplus or paid in surplus, and all other distributions (other than distributions referred to in the preceding sentence) made on or in respect of the Pledged Collateral, whether paid or payable in cash or otherwise, whether resulting from a subdivision, combination or reclassification of the outstanding Pledged Equity Interests in any issuer of any Pledged Collateral or received in exchange for any Pledged Collateral, or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Collateral, and, if received by such Grantor, shall not be commingled with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Administrative Agent hereunder and shall be forthwith delivered to the Administrative Agent in the same form as so received (with any necessary endorsement).

(ii) Subject to Section 10.15 of the Credit Agreement, without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default:

(A) To the extent not prohibited by the Communications Act and the rules, regulations and policies of the FCC, all rights of each Grantor to dividends, interest or principal that it is authorized to receive pursuant to subsection (c)(i)(C) shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest or principal, as applicable. All dividends, interest and principal received by or on behalf of any Grantor contrary to the provisions of this Section shall be held in trust for the benefit of the Administrative Agent, shall be segregated from other property or funds of such Grantor and shall be forthwith delivered to the Administrative Agent upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Administrative Agent pursuant to the provisions of this subsection (c)(ii)(A) shall be retained by the Administrative Agent in an account to be established in the name of the Administrative Agent, for the ratable benefit of the Secured Parties, upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 6.2. Subject to the provisions of this subsection (c)(ii)(A), such account shall at all times be under the sole dominion and control of the Administrative Agent, and the Administrative Agent shall at all times have the sole right to make withdrawals therefrom and to exercise all rights with respect to the funds and other property from time to time therein or credited thereto as set forth in the Loan Documents. After all Events of Default have been cured or waived, the Administrative Agent shall, within five Business Days after all such Events of Default have been cured or waived, repay to the applicable Grantor all cash dividends, interest and principal (without interest) that such Grantor would otherwise be permitted to retain pursuant to the terms of subsection (c)(i)(C) and which remain in such account.

(B) To the extent not prohibited by the Communications Act, all rights of each Grantor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to subsection (c)(i)(A), and the obligations of the Administrative Agent under subsection (c)(i)(B), shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers, provided that, unless otherwise directed by the Required Lenders, the Administrative Agent shall have the right from time to time following and during the continuance of an

Event of Default to permit such Grantor to exercise such rights. After all Events of Default have been cured or waived, the applicable Grantor will have the right to exercise the voting and consensual rights and powers that it would otherwise be entitled to exercise pursuant to the terms of subsection (c)(i)(A).

### Section 3.5 Letter of Credit Rights

Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that Schedule 3.5 sets forth, as of the Applicable Date, each letter of credit giving rise to a Letter of Credit Right included in the Collateral owned or rights therein held by or on behalf of such Grantor.

### Section 3.6 Intellectual Property Collateral

(a) Representations and Warranties. Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that Schedule 3.6 sets forth, as of the Applicable Date, (i) all of the federally registered and material non-federally registered Patents and Trademarks, included in the Collateral owned or rights therein held by or on behalf of such Grantor, (ii) all of the material federally registered and material non-federally registered Copyrights, included in the Collateral owned or rights therein held by or on behalf of such Grantor, and (iii) all material Patent Licenses, Trademark Licenses, Copyright Licenses and Trade Secret Licenses included in the Collateral.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees as follows:

(i) It will not, nor will it permit any of its licensees (or sublicensees) to, do any act, or omit to do any act, whereby any Patent included in the Collateral that is material to the conduct of the business of the Loan Parties taken as a whole may become invalidated or dedicated to the public, and it shall continue to mark any products covered by a Patent with the relevant patent number as necessary and sufficient to establish and preserve its maximum rights under applicable patent laws.

(ii) It will (either directly or through its licensees or its sublicensees), for each Trademark included in the Collateral that is material to the conduct of the business of the Loan Parties taken as a whole, (A) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use, (B) maintain the quality of products and services offered under such Trademark, (C) display such Trademark with notice of Federal or other analogous registration to the extent necessary and sufficient to establish and preserve its rights under applicable law, and (D) not knowingly use or knowingly permit the use of such Trademark in violation of any third party's valid and legal rights.

(iii) It will (either directly or through its licensees or its sublicensees), for each work covered by a Copyright included in the Collateral that is material to the conduct of the business of the Loan Parties taken as a whole, continue to publish, reproduce, display, adopt and distribute the work with appropriate copyright notice as necessary and sufficient to establish and preserve its maximum rights under applicable copyright laws.

(iv) It will promptly notify the Administrative Agent in writing if it knows or has reason to know that any Intellectual Property material to the conduct of the business

of the Loan Parties taken as a whole may become abandoned, lost or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or the United States Copyright Office, or any similar offices or tribunals in the United States of America) regarding such Grantor's ownership of any such Intellectual Property, its right to register the same, or to keep and maintain the same.

(v) In no event shall it, either directly or through any agent, employee, licensee or designee, file an application for any Intellectual Property with the United States Patent and Trademark Office or the United States Copyright Office unless it promptly, but in no event later than ten Business Days thereafter, notifies the Administrative Agent in writing thereof and, upon request of the Administrative Agent, executes and delivers any and all agreements, instruments, documents and papers as the Administrative Agent may request to evidence the Administrative Agent's security interest in such Intellectual Property, and such Grantor hereby appoints the Administrative Agent as its attorney in fact to execute and file such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, is irrevocable.

(vi) It will take all necessary steps that are consistent with the practice in any proceeding before the United States Patent and Trademark Office or the United States Copyright Office to maintain and pursue each material application relating to the Intellectual Property owned or rights therein held by it or on its behalf (and to obtain the relevant grant or registration) and to maintain each issued Patent and each registered Trademark and Copyright that is material to the conduct of the business of the Loan Parties taken as a whole, including timely filings of applications for renewal, affidavits of use, affidavits of incontestability and payment of maintenance fees, and, if consistent, in good faith, with good business judgment, to initiate opposition, interference and cancellation proceedings against third parties. In the event that it has reason to believe that any Intellectual Property material to the conduct of the business of the Loan Parties taken as a whole has been or is about to be infringed, misappropriated or diluted by a third party, it promptly shall notify the Administrative Agent in writing and shall, if consistent with good business judgment, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and take such other actions as are appropriate under the circumstances to protect such Intellectual Property.

(vii) During the continuance of an Event of Default, it shall use its best efforts to obtain all requisite consents or approvals by the licensor of each License to effect the assignment (as collateral security) of all of its right, title and interest thereunder to the Administrative Agent or its designee.

(viii) It shall take all steps reasonably necessary to protect the secrecy of all Trade Secrets relating to the products and services sold or delivered under or in connection with the Intellectual Property owned or rights therein held by or on its behalf, including entering into confidentiality agreements with employees and labeling and restricting access to secret information and documents.

(ix) It shall continue to collect all amounts due or to become due to such Grantor under all Intellectual Property, and diligently exercise each material right it may have thereunder, in each case at its own cost and expense, and in connection with such collections and exercise, it shall, upon the occurrence and during the continuance of an Event of Default, take such action as it or the Administrative Agent may reasonably deem necessary. Notwithstanding

the foregoing, the Administrative Agent shall have the right at any time after the occurrence and during the continuance of an Event of Default to notify, or require such Grantor to notify, any relevant obligors with respect to such amounts of the Administrative Agent's security interest therein.

### Section 3.7 Commercial Tort Claims

(a) Representations and Warranties. Each of the Grantors, jointly with the other Grantors and severally, represents and warrants to the Administrative Agent and the other Secured Parties that Schedule 3.7 sets forth, as of the Applicable Date, all Material Commercial Tort Claims made by it or on its behalf or to which it otherwise has any right, title or interest.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees that it shall provide the Administrative Agent with prompt written notice of each Material Commercial Tort Claim, and any judgment, settlement or other disposition thereof.

## ARTICLE 4.

### FURTHER ASSURANCES

Each Grantor hereby covenants and agrees, at its own cost and expense, to execute, acknowledge, deliver and/or cause to be duly filed all such further agreements, instruments and other documents, and take all such further actions, that the Administrative Agent may from time to time reasonably request to preserve, protect and perfect the Security Interest granted by it and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with its execution and delivery of this Security Agreement, the granting by it of the Security Interest and the filing of any financing statements or other documents in connection herewith or therewith, provided, however, that (x) no filings (other than the filing of UCC financing statements) shall be made to perfect liens on motor vehicles and (y) no fixture filings shall be made. In addition, to the extent permitted by applicable law, each Grantor hereby irrevocably authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral owned or rights therein held by it or on its behalf without the signature of such Grantor and agrees that a photographic or other reproduction of this Security Agreement or of a financing statement signed by such Grantor shall be sufficient as a financing statement and may be filed as a financing statement in any and all jurisdictions. Each Grantor hereby further irrevocably authorizes the Administrative Agent to file a Record or Records, including financing statements, in all jurisdictions and with all filing offices that the Administrative Agent may determine, in its sole and absolute discretion, are necessary, advisable or prudent to perfect the Security Interest granted by it and agrees that such financing statements may describe the Collateral owned or rights therein held by it or on its behalf in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner that the Administrative Agent may determine, in its sole and absolute discretion, is necessary, advisable or prudent to perfect the Security Interest granted by such Grantor, including describing such property as "all assets" or "all personal property."

## ARTICLE 5.

### ADMINISTRATIVE AGENT APPOINTED ATTORNEY-IN-FACT

Each Grantor hereby appoints the Administrative Agent and any officer or agent thereof, as its true and lawful agent and attorney in fact for the purpose of carrying out the provisions of this Security Agreement and taking any action and executing any instrument that the Administrative Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest, and without limiting the generality of the foregoing, the Administrative Agent shall have the right, with power of substitution for such Grantor and in such Grantor's name or otherwise, for the use and benefit of the Administrative Agent and the other Secured Parties, upon the occurrence and during the continuance of an Event of Default and at such other time or times permitted by the Loan Documents, (i) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral owned or rights therein held by it or on its behalf or any part thereof; (ii) to demand, collect, receive payment of, give receipt for, and give discharges and releases of, any of such Collateral; (iii) to sign the name of such Grantor on any invoice or bill of lading relating to any of such Collateral; (iv) to send verifications of Receivables owned or rights therein held by it or on its behalf to any Account Debtor; (v) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on any of the Collateral owned or rights therein held by it or on its behalf or to enforce any rights in respect of any of such Collateral; (vi) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to any of such Collateral; (vii) to notify, or to require such Grantor to notify, Account Debtors and other obligors to make payment directly to the Administrative Agent, and (viii) subject to the rules, regulations and policies of the FCC, to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with any of such Collateral, and to do all other acts and things necessary to carry out the purposes of this Security Agreement, as fully and completely as though the Administrative Agent were the absolute owner of such Collateral for all purposes; provided, however, that nothing herein contained shall be construed as requiring or obligating the Administrative Agent or any other Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Administrative Agent or any other Secured Party, or to present or file any claim or notice, or to take any action with respect to any of the Collateral or the monies due or to become due in respect thereof or any property covered thereby, and no action taken or omitted to be taken by the Administrative Agent or any other Secured Party with respect to any of the Collateral shall give rise to any defense, counterclaim or offset in favor of such Grantor or to any claim or action against the Administrative Agent or any other Secured Party. The provisions of this Article shall in no event relieve any Grantor of any of its obligations hereunder or under the other Loan Documents with respect to any of the Collateral or impose any obligation on the Administrative Agent or any other Secured Party to proceed in any particular manner with respect to any of the Collateral, or in any way limit the exercise by the Administrative Agent or any other Secured Party of any other or further right that it may have on the date of this Security Agreement or hereafter, whether hereunder, under any other Loan Document, by law or otherwise. Any sale pursuant to the provisions of this paragraph shall be deemed to conform to the commercially reasonable standards as provided in Section 9-611 of the UCC as in effect in the State of New York or its equivalent in other jurisdictions (or any successor provisions).



## ARTICLE 6.

### REMEDIES UPON DEFAULT

#### Section 6.1 Remedies Generally

(a) General Rights. Upon the occurrence and during the continuance of an Event of Default, each Grantor agrees to deliver each item of Collateral owned or rights therein held by it or on its behalf to the Administrative Agent on demand, and it is agreed that the Administrative Agent shall have the right to take any of or all the following actions at the same or different times: (i) with respect to any Collateral consisting of Intellectual Property or Commercial Tort Claims, on demand, to cause the Security Interest to become an assignment, transfer and conveyance of any such Collateral by the applicable Grantors to the Administrative Agent, or, in the case of Intellectual Property, to license or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any such Collateral throughout the world on such terms and conditions and in such manner as the Administrative Agent shall determine (other than in violation of any then-existing licensing arrangements to the extent that waivers cannot be obtained), and (ii) with or without legal process and with or without prior notice or demand for performance, to take possession of the Collateral owned or rights therein held by it or on its behalf and without liability for trespass to enter any premises where such Collateral may be located for the purpose of taking possession of or removing such Collateral and, generally, to exercise any and all rights afforded to a secured party under the UCC or other applicable law. Without limiting the generality of the foregoing, each Grantor agrees that the Administrative Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of any of the Collateral owned or rights therein held by or on behalf of such Grantor, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Administrative Agent shall deem appropriate. The Administrative Agent shall be irrevocably authorized at any such sale of such Collateral constituting securities (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing such Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale, the Administrative Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of the applicable Grantor, and such Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay, valuation and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

(b) Sale of Collateral. The Administrative Agent shall give each Grantor fifteen days' written notice (which such Grantor agrees is reasonable notice within the meaning of Section 9-611 of the UCC as in effect in the State of New York or its equivalent in other jurisdictions (or any successor provisions)) of the Administrative Agent's intention to make any sale of any of the Collateral owned or rights therein held by or on behalf of such Grantor. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which such Collateral will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Administrative Agent may fix and state in the notice (if any) of such sale. At any such sale, the Collateral to be sold may be sold in one lot as an entirety or in separate parcels, as the Administrative Agent may (in its sole and absolute

discretion) determine. The Administrative Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Administrative Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of any of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Administrative Agent until the sale price is paid by the purchaser or purchasers thereof, but the Administrative Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by applicable law, private) sale made pursuant to this Section, any Secured Party may bid for or purchase, free (to the extent permitted by applicable law) from any right of redemption, stay, valuation or appraisal on the part of such Grantor (all said rights being also hereby waived and released to the extent permitted by law), any of the Collateral offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from such Grantor as a credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to such Grantor therefor. For purposes hereof, (i) a written agreement to purchase any of the Collateral shall be treated as a sale thereof, (ii) the Administrative Agent shall be free to carry out such sale pursuant to such agreement, and (iii) no Grantor shall be entitled to the return of any of the Collateral subject thereto, notwithstanding the fact that after the Administrative Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Administrative Agent may proceed by a suit or suits at law or in equity to foreclose upon any of the Collateral and to sell any of the Collateral pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Article shall be deemed to conform to the commercially reasonable standards as provided in Part 6 of Article 9 of the UCC as in effect in the State of New York or its equivalent in other jurisdictions (or any successor provisions). Without limiting the generality of the foregoing, each Grantor agrees as follows: (A) if the proceeds of any sale of the Collateral owned or rights therein held by it or on its behalf pursuant to this Article are insufficient to pay all the Obligations, it shall be liable for the resulting deficiency and the fees, charges and disbursements of any counsel employed by the Administrative Agent or any other Secured Party to collect such deficiency, (B) it hereby waives any claims against the Administrative Agent arising by reason of the fact that the price at which any such Collateral may have been sold at any private sale pursuant to this Article was less than the price that might have been obtained at a public sale, even if the Administrative Agent accepts the first offer received and does not offer such Collateral to more than one offeree, (C) there is no adequate remedy at law for failure by it to comply with the provisions of this Section and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements in this Section may be specifically enforced, (D) the Administrative Agent may sell any such Collateral without giving any warranties as to such Collateral, and the Administrative Agent may specifically disclaim any warranties of title or the like, and (E) the Administrative Agent shall have no obligation to marshal any such Collateral.

(c) FCC Licenses. Notwithstanding anything to the contrary contained in the Credit Agreement or in any of the Security Documents, the Administrative Agent and the Secured Parties will not take any action pursuant to the Credit Agreement or any of the Security Documents that would constitute or result in any assignment of an FCC License or any change of control of the Broadcasting Stations if such assignment of FCC License or change of control

would require under then existing law (including the published rules and regulations promulgated by the FCC), the prior approval of the FCC, without first obtaining such approval of the FCC. The Administrative Agent and the Secured Parties specifically agree that (i) voting rights in the Pledged Equity Interests will remain with the holders of such voting rights upon and following the occurrence of an Event of Default unless any required prior approvals of the FCC to the transfer of such voting rights shall have been obtained; (b) upon and following the occurrence of any Event of Default and foreclosure upon the Pledged Equity Interests by the Administrative Agent, there will be either a public or private arm's-length sale of the Pledged Equity Interests; and (c) prior to the exercise of voting rights by the purchaser at any such sale, all prior consents of the FCC required by applicable law will be obtained. Each Grantor agrees to take any action which the Administrative Agent may reasonably request in order to obtain and enjoy the full rights and benefits granted to the Administrative Agent by the Credit Agreement and the Security Documents including specifically, at such Grantor's own cost and expense, the use of the commercially reasonable efforts of such Grantor to assist in obtaining approval of the FCC, if applicable, for any action or transaction contemplated by the Credit Agreement or the Security Documents which is then required by law, and specifically, without limitation, upon request following the occurrence of an Event of Default, to prepare, sign and file (or cause to be prepared, signed or filed) with the FCC any portion of any application or applications for consent to the assignment of license or transfer of control required to be signed by such Grantor and necessary or appropriate under the FCC's rules and regulations for approval of any sale or transfer of any of the Equity Interests or assets of such Grantor or any of its subsidiaries or any transfer of control over any FCC License.

#### Section 6.2 Application of Proceeds of Sale

The Administrative Agent shall apply the proceeds of any collection or sale of the Collateral, as well as any Collateral consisting of cash (except as otherwise provided in Section 6.11 of the Credit Agreement, as follows:

FIRST, to the payment of all reasonable costs and expenses incurred by the Administrative Agent (in its capacity as such hereunder or under any other Loan Document) in connection with such collection or sale or otherwise in connection with this Security Agreement, any other Loan Document or any of the Obligations, including all out of pocket court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all advances made by the Administrative Agent hereunder or under any other Loan Document on behalf of any Grantor and any other reasonable out-of-pocket costs or expenses incurred in connection with the exercise of any right or remedy permitted hereunder or under any other Loan Document;

SECOND, to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution); and

THIRD, to the applicable Grantor, its successors or assigns, or as a court of competent jurisdiction may otherwise direct.

The Administrative Agent shall have sole and absolute discretion as to the time of application of any such proceeds, monies or balances in accordance with this Security Agreement. Upon any sale of the Collateral by the Administrative Agent (including pursuant to a

power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by the Administrative Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Administrative Agent or such officer or be answerable in any way for the misapplication thereof.

### Section 6.3 Pledged Equity Interests

In view of the position of each Grantor in relation to the Pledged Equity Interests, or because of other current or future circumstances, a question may arise under the Securities Act of 1933, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time in effect being called the "Federal Securities Laws") with respect to any disposition of the Pledged Equity Interests permitted hereunder. Each Grantor understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Administrative Agent if the Administrative Agent were to attempt to dispose of all or any part of the Pledged Equity Interests, and might also limit the extent to which or the manner in which any subsequent transferee of any Pledged Equity Interests could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Administrative Agent in any attempt to dispose of all or part of the Pledged Equity Interests under applicable Blue Sky or other state securities laws or similar laws analogous in purpose or effect. Each Grantor recognizes that in light of such restrictions and limitations the Administrative Agent may, with respect to any sale of the Pledged Equity Interests, limit the purchasers to those who will agree, among other things, to acquire such Pledged Equity Interests for their own account, for investment, and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that in light of such restrictions and limitations, the Administrative Agent, in its sole and absolute discretion, (i) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Equity Interests, or any part thereof, shall have been filed under the Federal Securities Laws and (ii) may approach and negotiate with a single potential purchaser to effect such sale. Each Grantor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Administrative Agent shall incur no responsibility or liability for selling all or any part of the Pledged Equity Interests at a price that the Administrative Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Administrative Agent sells any such Pledged Equity Interests.

### Section 6.4 Grant of License to Use Intellectual Property

For the purpose of enabling the Administrative Agent to exercise rights and remedies under this Article, at such time as the Administrative Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Administrative Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to such Grantor) to use, license or sub-license any of the Collateral consisting of Intellectual Property now owned or rights therein held or hereafter acquired or held by or on behalf of such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer

software and programs used for the compilation or printout thereof. The use of such license by the Administrative Agent shall be exercised, at the option of the Administrative Agent, upon the occurrence and during the continuation of an Event of Default; provided that any license, sub-license or other transaction entered into by the Administrative Agent in accordance herewith shall be binding upon such Grantor notwithstanding any subsequent cure of an Event of Default. Any royalties and other payments received by the Administrative Agent shall be applied in accordance with Section 6.2.

#### Section 6.5     Registration, etc.

Each Grantor agrees that, upon the occurrence and during the continuance of an Event of Default, if for any reason the Administrative Agent desires to sell any of the Pledged Collateral owned or rights therein held by or on behalf of such Grantor at a public sale, it will, at any time and from time to time, upon the written request of the Administrative Agent, use its best efforts to take or to cause, where applicable, the issuer of such Pledged Collateral to take such action and prepare, distribute and/or file such documents, as are required or advisable in the reasonable opinion of counsel for the Administrative Agent to permit the public sale of such Pledged Collateral. Each Grantor further agrees to indemnify, defend and hold harmless the Administrative Agent, each other Secured Party, any underwriter and their respective officers, directors, affiliates and controlling Persons from and against all loss, liability, expenses, costs of counsel (including reasonable fees and expenses of legal counsel), and claims (including the costs of investigation) that they may incur, insofar as such loss, liability, expense or claim, as applicable, relates to such Grantor or any of its property, and arises out of or is based upon any alleged untrue statement of a material fact contained in any prospectus (or any amendment or supplement thereto) or in any notification or offering circular, or arises out of or is based upon any alleged omission to state a material fact required to be stated therein or necessary to make the statements in any thereof not misleading, except insofar as the same may have been caused by any untrue statement or omission based upon information furnished in writing to such Grantor or the issuer of such Pledged Collateral, as applicable, by the Administrative Agent or any other Secured Party expressly for use therein. Each Grantor further agrees, upon such written request referred to above, to use its best efforts to qualify, file or register, or cause, where applicable, the issuer of such Pledged Collateral to qualify, file or register, any of the Pledged Collateral owned or rights therein held by or on behalf of such Grantor under the Blue Sky or other securities laws of such states as may be requested by the Administrative Agent and keep effective, or cause to be kept effective, all such qualifications, filings or registrations. Each Grantor will bear all costs and expenses of carrying out its obligations under this Section. Each Grantor acknowledges that there is no adequate remedy at law for failure by it to comply with the provisions of this Section and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements contained in this Section may be specifically enforced.

### ARTICLE 7.

#### REIMBURSEMENT OF ADMINISTRATIVE AGENT

Each Grantor agrees, jointly with the other Grantors and severally, to pay to the Administrative Agent the amount of any and all reasonable out-of-pocket expenses, including the reasonable fees, other charges and disbursements of counsel and of any experts or agents, that the Administrative Agent may incur in connection with (i) the administration of this Security Agreement relating to such Grantor or any of its property, (ii) the custody or preservation of, or

the sale of, collection from, or other realization upon, any of the Collateral owned or rights therein held by or on behalf of such Grantor, (iii) the exercise, enforcement or protection of any of the rights of the Administrative Agent hereunder relating to such Grantor or any of its property, or (iv) the failure by such Grantor to perform or observe any of the provisions hereof. Without limitation of its indemnification obligations under the other Loan Documents, each of the Grantors agrees, jointly with the other Grantors and severally, to indemnify the Administrative Agent and the other Indemnitees against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related out-of-pocket expenses, including reasonable counsel fees, other charges and disbursements, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (a) the execution or delivery by such Grantor of this Security Agreement or any other Loan Document or any agreement or instrument contemplated hereby or thereby, or the performance by such Grantor of its obligations under the Loan Documents and the other transactions contemplated thereby or (b) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. Any amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section shall remain operative and in full force and effect regardless of the termination of this Security Agreement or any other Loan Document, the consummation of the transactions contemplated hereby or thereby, the repayment of any of the Obligations, the invalidity or unenforceability of any term or provision of this Security Agreement or any other Loan Document or any investigation made by or on behalf of the Administrative Agent or any other Secured Party. All amounts due under this Section shall be payable within ten days of written demand therefor and shall bear interest at the rate specified in Section 3.1 of the Credit Agreement.

## ARTICLE 8.

### WAIVERS; AMENDMENTS

No failure or delay of the Administrative Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the other Secured Parties hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Security Agreement or any other Loan Document or consent to any departure by any Grantor therefrom shall in any event be effective unless the same shall be permitted by this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any Grantor in any case shall entitle such Grantor to any other or further notice or demand in similar or other circumstances. Neither this Security Agreement nor any provision hereof may be waived, amended, supplemented or otherwise modified, or any departure therefrom consented to, except pursuant to an agreement or agreements in writing entered into by, between or among the Administrative Agent and the Grantor or Grantors with respect to which such waiver, amendment, other modification or consent is to apply, subject to any consent required in accordance with Section 10.2 of the Credit Agreement.

## ARTICLE 9.

### SECURITY INTEREST ABSOLUTE

All rights of the Administrative Agent hereunder, the Security Interest and all obligations of each Grantor hereunder shall be absolute and unconditional irrespective of (i) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the Obligations, or any other agreement or instrument relating to any of the foregoing, (ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other waiver, amendment, supplement or other modification of, or any consent to any departure from, the Credit Agreement, any other Loan Document or any other agreement or instrument relating to any of the foregoing, (iii) any exchange, release or non-perfection of any Lien on any other collateral, or any release or waiver, amendment, supplement or other modification of, or consent under, or departure from, any guaranty, securing or guaranteeing all or any of the Obligations, or (iv) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Obligations or in respect of this Security Agreement or any other Loan Document.

## ARTICLE 10.

### TERMINATION; RELEASE

This Security Agreement and the Security Interest shall terminate when all Commitments have expired or otherwise terminated and all Obligations shall have been finally and indefeasibly paid in full and all Letters of Credit have expired and all LC Disbursements have been reimbursed. Upon (i) any sale, transfer or other disposition permitted by the Loan Documents (other than any sale, transfer or other disposition of any Collateral that would, immediately after giving effect thereto, continue to be Collateral but for the release of the Security Interest therein pursuant to this clause) or (ii) the effectiveness of any written consent to the release of the Security Interest in any Collateral pursuant to Section 10.2 of the Credit Agreement, the Security Interest in such Collateral shall be automatically released. In addition, if any of the Pledged Equity Interests in any Restricted Subsidiary are sold, transferred or otherwise disposed of pursuant to a transaction permitted by the Loan Documents and, immediately after giving effect thereto, such Restricted Subsidiary, would no longer be a Subsidiary then the obligations of such Subsidiary under this Security Agreement and the Security Interest in the Collateral owned or rights therein held by or on behalf of such Subsidiary shall be automatically released. In connection with any termination or release pursuant to this Section, the Administrative Agent shall execute and deliver to the applicable Grantor, at such Grantors own cost and expense, all UCC termination statements and similar documents that such Grantor may reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Article shall be without recourse to or warranty by the Administrative Agent or any other Secured Party.

ARTICLE 11.

ADDITIONAL GRANTORS

Upon execution and delivery after the date hereof by the Administrative Agent and a Restricted Subsidiary of a Supplement, such Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein (each an "Additional Grantor"). The execution and delivery of any Supplement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder and each other Loan Party and other party (other than a Credit Party) under the Loan Documents shall remain in full force and effect notwithstanding the addition of any Additional Grantor as a party to this Security Agreement.

ARTICLE 12.

NOTICES

All communications and notices hereunder shall be in writing and given as provided in Section 10.1 of the Credit Agreement. All communications and notices hereunder to the Administrative Agent or the Borrower shall be given to it at its address for notices set forth in such Section, and all communications and notices hereunder to any other Grantor shall be given to it at its address for notices set forth on Schedule I, with, in the case of any Grantor other than the Borrower, a copy to the Borrower.

ARTICLE 13.

BINDING EFFECT; SEVERAL AGREEMENT; ASSIGNMENTS

Whenever in this Security Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of any Grantor that are contained in this Security Agreement shall bind and inure to the benefit of each party hereto and its successors and assigns. This Security Agreement shall become effective as to any Grantor when a counterpart hereof executed on behalf of such Grantor shall have been delivered to the Administrative Agent and a counterpart hereof shall have been executed on behalf of the Administrative Agent, and thereafter shall be binding upon such Grantor and the Administrative Agent and their respective successors and assigns, and shall inure to the benefit of such Grantor, the Administrative Agent and the other Secured Parties, and their respective successors and assigns, except that no Grantor shall have the right to assign its rights or obligations hereunder or any interest herein or in any of the Collateral (and any such attempted assignment shall be void), except as expressly contemplated by this Security Agreement or the other Loan Documents. This Security Agreement shall be construed as a separate agreement with respect to each of the Grantors and may be amended, supplemented, waived or otherwise modified or released with respect to any Grantor without the approval of any other Grantor and without affecting the obligations of any other Grantor hereunder.



## ARTICLE 14.

### SURVIVAL OF AGREEMENT; SEVERABILITY

All covenants, agreements, representations and warranties made by the Grantors herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Security Agreement or any other Loan Document shall be considered to have been relied upon by the Administrative Agent and the other Secured Parties and shall survive the execution and delivery of any Loan Document and the making of any Revolving Loan, regardless of any investigation made by the Secured Parties or on their behalf, and shall continue in full force and effect until this Security Agreement shall terminate. In the event any one or more of the provisions contained in this Security Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

## ARTICLE 15.

### GOVERNING LAW

THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

## ARTICLE 16.

### COUNTERPARTS

This Security Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which, when taken together, shall constitute but one contract (subject to Article 13), and shall become effective as provided in Article 13. Delivery of an executed counterpart of this Security Agreement by facsimile transmission shall be as effective as delivery of a manually executed counterpart of this Security Agreement.

## ARTICLE 17.

### HEADINGS

Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Security Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Security Agreement.

ARTICLE 18.

JURISDICTION; VENUE; CONSENT TO SERVICE OF PROCESS

Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Security Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that, to the extent permitted by applicable law, all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by applicable law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Security Agreement shall affect any right that the Administrative Agent or any other Secured Party may otherwise have to bring any action or proceeding relating to this Security Agreement or the other Loan Documents against such Grantor or any of its property in the courts of any jurisdiction. Each Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Security Agreement or the other Loan Documents in any foregoing court referred to in this Article. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each party hereto irrevocably consents to service of process in the manner provided for notices in Article 12. Nothing in this Security Agreement will affect the right of any party hereto to serve process in any other manner permitted by law.

ARTICLE 19.

WAIVER OF JURY TRIAL

EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS SECURITY AGREEMENT. EACH PARTY HERETO (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS ARTICLE.

SAGA COMMUNICATIONS, INC.  
SECURITY AGREEMENT

IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement as of the day and year first above written.

SAGA COMMUNICATIONS, INC.

By: Samuel D. Bush  
Name: Samuel D. Bush  
Title: Senior VP, Chief Financial Officer and  
Treasurer

EACH OF THE RESTRICTED SUBSIDIARIES  
LISTED ON SCHEDULE I HERETO

AS TO EACH OF THE FOREGOING


By: Samuel D. Bush  
Name: Samuel D. Bush  
Title: Treasurer

TRADEMARK

REEL: 002813 FRAME: 0035

SAGA COMMUNICATIONS, INC.  
SECURITY AGREEMENT

THE BANK OF NEW YORK,  
as Administrative Agent

By:   
Name: Kristen E. Talaber  
Title: Vice President

**SCHEDULE I  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF RESTRICTED SUBSIDIARIES AND ADDRESSES FOR NOTICES**

<b>Restricted Subsidiary</b>	<b>Address for Notices</b>
Saga Communications of Michigan, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Broadcasting, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of New England, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Quad States Communications, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Tidewater Communications, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Franklin Communications, Inc.	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of Illinois, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Lakefront Communications, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of South Dakota, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of New Hampshire, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of Arkansas, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236

Saga Communications of North Carolina, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of Tuckesseee, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of Milwaukee, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236
Saga Communications of Iowa, LLC	73 Kercheval Avenue Suite 201 Grosse Pointe Farms, Michigan 48236

**SCHEDULE 3.1(a)(i)  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF CHIEF EXECUTIVE OFFICES, JURISDICTIONS OF ORGANIZATION,  
FEDERAL EMPLOYER IDENTIFICATION NUMBERS AND COMPANY  
ORGANIZATIONAL NUMBERS**

<u>Grantor</u>	<u>Chief Executive Office</u>	<u>Jurisdiction of Organization</u>	<u>Federal Employer Identification No.</u>	<u>Company Organization No.</u>
Saga Communications, Inc.	See Schedule 1	Delaware	38-3042953	2292758
Saga Communications of Michigan, LLC	See Schedule 1	Delaware	38-3237080	2893630
Saga Broadcasting, LLC	See Schedule 1	Delaware	38-2683519	2090843
Saga Communications of New England, LLC	See Schedule 1	Delaware	38-3087084	2318233
Saga Quad States Communications, LLC	See Schedule 1	Delaware	06-1399889	2406531
Tidewater Communications, LLC	See Schedule 1	Delaware	22-2346822	0903484
Franklin Communications, Inc.	See Schedule 1	Delaware	22-2403136	0918829
Saga Communications of Illinois, LLC	See Schedule 1	Delaware	38-2691126	2093408
Lakefront Communications, LLC	See Schedule 1	Delaware	39-1441289	2001951
Saga Communications of South Dakota, LLC	See Schedule 1	Delaware	46-0354003	3675141
Saga Communications of New Hampshire, LLC	See Schedule 1	Delaware	02-0448866	3675143
Saga Communications of Arkansas, LLC	See Schedule 1	Delaware	47-0889232	3556706
Saga Communications of North Carolina, LLC	See Schedule 1	Delaware	06-1650123	3575843
Saga Communications of Tuckessee, LLC	See Schedule 1	Delaware	06-1595751	3296194
Saga Communications of Milwaukee, LLC	See Schedule 1	Delaware	39-1828098	3675137
Saga Communications of Iowa, LLC	See Schedule 1	Delaware	52-2203982	3133199

**SCHEDULE 3.1(a)(ii)  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF LEGAL NAMES**

<b><u>Grantor</u></b>	<b><u>Full Legal Name</u></b>
Saga Communications, Inc.	Saga Communications, Inc.
Saga Communications of Michigan, LLC	Saga Communications of Michigan, LLC
Saga Broadcasting, LLC	Saga Broadcasting, LLC
Saga Communications of New England, LLC	Saga Communications of New England, LLC
Saga Quad States Communications, LLC	Saga Quad States Communications, LLC
Tidewater Communications, LLC	Tidewater Communications, LLC
Franklin Communications, Inc.	Franklin Communications, Inc.
Saga Communications of Illinois, LLC	Saga Communications of Illinois, LLC
Lakefront Communications, LLC	Lakefront Communications, LLC
Saga Communications of South Dakota, LLC	Saga Communications of South Dakota, LLC
Saga Communications of New Hampshire, LLC	Saga Communications of New Hampshire, LLC
Saga Communications of Arkansas, LLC	Saga Communications of Arkansas, LLC
Saga Communications of North Carolina, LLC	Saga Communications of North Carolina, LLC
Saga Communications of Tuckessee, LLC	Saga Communications of Tuckessee, LLC
Saga Communications of Milwaukee, LLC	Saga Communications of Milwaukee, LLC
Saga Communications of Iowa, LLC	Saga Communications of Iowa, LLC



**SCHEDULE 3.1(a)(v)  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF FILING LOCATIONS**

<b>GRANTOR</b>	<b>FILING OFFICE</b>
Saga Communications, Inc.	Delaware Secretary of State Office
Saga Communications of Michigan, LLC	Delaware Secretary of State Office
Saga Broadcasting, LLC	Delaware Secretary of State Office
Saga Communications of New England, LLC	Delaware Secretary of State Office
Saga Quad States Communications, LLC	Delaware Secretary of State Office
Tidewater Communications, LLC	Delaware Secretary of State Office
Franklin Communications, Inc.	Delaware Secretary of State Office
Saga Communications of Illinois, LLC	Delaware Secretary of State Office
Lakefront Communications, LLC	Delaware Secretary of State Office
Saga Communications of South Dakota, LLC	Delaware Secretary of State Office
Saga Communications of New Hampshire, LLC	Delaware Secretary of State Office
Saga Communications of Arkansas, LLC	Delaware Secretary of State Office
Saga Communications of North Carolina, LLC	Delaware Secretary of State Office
Saga Communications of Tuckesseee, LLC	Delaware Secretary of State Office
Saga Communications of Milwaukee, LLC	Delaware Secretary of State Office
Saga Communications of Iowa, LLC	Delaware Secretary of State Office

**SCHEDULE 3.1(a)(viii)  
LIST OF GRANTOR'S FCC LICENSES  
DATED AS OF JULY 29, 2003**

**LIST OF FCC LICENSES  
(EXCLUDES AUXILIARY LICENSES)**

**Saga Communications, Inc.**

Call Sign	Location	Facility ID#	Expiration Date
WNAX(AM)	Yankton, SD	57846	April 1, 2005
WNAX-FM	Yankton, SD	57839	April 1, 2005

**Saga Broadcasting, LLC**

Call Sign	Location	Facility ID#	Expiration Date
KGMI(AM)	Bellingham, WA	34467	February 1, 2006
KISM(FM)	Bellingham, WA	34469	February 1, 2006
KPUG(AM)	Bellingham, WA	58887	February 1, 2006
KAFE(FM) <sup>1</sup>	Bellingham, WA	58886	February 1, 2006
KBAI(AM)	Bellingham, WA	4633	February 1, 2006
KAVU-TV <sup>2</sup>	Victoria, TX	73101	August 1, 2006
BPCDT-19991021ACQ	Victoria, TX	73101	<sup>3</sup>
WXVT(TV)	Greenville, MS	25236	June 1, 2005
BPCDT-19991021ABP	Greenville, MS	25236	<sup>4</sup>

<sup>1</sup> The Subsidiary is a party to a rule making proceeding in MB Docket 02-136 which could result in a change in the operating channel of KAFE.

<sup>2</sup> An application (File No. BPCT-20030709AAD) to relocate the transmitter site.

<sup>3</sup> An application for construction permit for a new digital television station is pending before the FCC. Saga Broadcasting, LLC, has special temporary authority from the FCC, which expires September 27, 2003, to operate a low power digital television station at Victoria, Texas.

<sup>4</sup> Saga Broadcasting, LLC, has a construction permit and has special temporary authority from the FCC, which expires September 27, 2003, to operate a low power digital television station at Greenville, Mississippi.

**Saga Communications of New England, LLC**

Call Sign	Location	Facility ID #	Expiration Date
WHNP(AM)	East Longmeadow, MA	58546	April 1, 2006
WAQY(FM)	Springfield, MA	58551	April 1, 2006
WHMP(AM)	Northampton, MA	46962	April 1, 2006
WLZX(FM)	Northampton, MA	46963	April 1, 2006
WFEA(AM)	Manchester, NH	58543	April 1, 2006
WZID(FM)	Manchester, NH	58550	April 1, 2006
WQLL(FM)	Bedford, NH	17278	April 1, 2006
WGAN(AM)	Portland, ME	58544	April 1, 2006
WMGX(FM)	Portland, ME	58548	April 1, 2006
WBAE(AM)	Portland, ME	49983	April 1, 2006
WPOR(FM) <sup>5</sup>	Portland, ME	49982	April 1, 2006
WZAN(AM)	Portland, ME	58538	April 1, 2006
WYNZ(FM)	Westbrook, ME	58536	April 1, 2006
WHMQ(AM)	Greenfield, MA	25834	April 1, 2006
WHAI(FM)	Greenfield, MA	25833	April 1, 2006
WKBK(AM)	Keene, NH	36833	April 1, 2006
WKNE(FM)	Keene, NH	36834	April 1, 2006
WKVT(AM)	Brattleboro, VT	57781	April 1, 2006
WKVT-FM	Brattleboro, VT	57780	April 1, 2006
WINQ(FM) <sup>6</sup>	Winchendon, MA	9795	April 1, 2006

**Saga Communications of New Hampshire, LLC**

WZBK(AM)	Keene, NH	57227	April 1, 2006
WOQL(FM)	Winchester, NH	57228	April 1, 2006

<sup>5</sup> Subsidiary holds a construction permit (BPH-20020815AAX) to modify the facilities that expires November 8, 2005.

<sup>6</sup> An application (File No. BPH-20030502ABD) is pending to relocate the transmitter site of WINQ.

**Licensee: Saga Quad States Communications, LLC**

Call Sign	Location	Facility ID#	Expiration Date
KOAM-TV	Pittsburg, KS	58552	June 1, 2006
BEPCDT-20021030AAM	Pittsburg, KS	58552	<sup>7</sup>

**Licensee: Franklin Communications, Inc.**

Call Sign	Location	Facility ID#	Expiration Date
WSNY(FM)	Columbus, OH	22339	October 1, 2004
WODB(FM)	Delaware, OH	54556	October 1, 2004

**Saga Communications of North Carolina, LLC**

Call Sign	Location	Facility ID#	Expiration Date
WOXL(AM)	Canton, NC	51155	December 1, 2003

**Saga Communications of Arkansas, LLC**

Call Sign	Location	Facility ID#	Expiration Date
KDEZ(FM)	Jonesboro, AR	53473	June 1, 2004
KDXY(FM)	Lake City, AR	53472	June 1, 2004
KJBX(FM)	Trumann, AR	18085	June 1, 2004

**Tidewater Communications, LLC<sup>8</sup>**

Call Sign	Location	Facility ID#	Expiration Date
WJOI(AM)	Norfolk, VA	67081	October 1, 2003
WNOR(FM)	Norfolk, VA	67080	October 1, 2003
WAFX(FM)	Suffolk, VA	67082	October 1, 2003

**Saga Communications of Illinois, LLC**

Call Sign	Location	Facility ID#	Expiration Date
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<sup>7</sup> Saga Quad States Communications, LLC, has a construction permit and has special temporary authority from the FCC, which expires November 16, 2003, to operate a low power digital television station at Pittsburg, KS.

<sup>8</sup> Applications are pending for renewal of license of the stations held by this subsidiary. Applications are pending to correct the coordinates of the transmitter sites of WJOI, WNOR and WAFX.

WYMG(FM)	Jacksonville, IL	58537	December 1, 2004
WLRW(FM)	Champaign, IL	58542	December 1, 2004
WIXY(FM)	Champaign, IL	58539	December 1, 2004
WQQL(FM)	Springfield, IL	58549	December 1, 2004
WTAX(AM)	Springfield, IL	9961	December 1, 2004
WDBR(FM) <sup>9</sup>	Springfield, IL	9960	December 1, 2004
WMHX(FM) <sup>10</sup>	Lincoln, IL	9964	December 1, 2004
WKIO(FM)	Urbana, IL	41592	December 1, 2004

**Saga Communications of South Dakota, LLC**

Call Sign	Location	Facility ID#	Expiration Date
KMIT(FM)	Mitchell, SD	43239	April 1, 2005
KUQL(FM)	Wessington Springs, SD	42113	April 1, 2005

**Lakefront Communications, LLC<sup>11</sup>**

Call Sign	Location	Facility ID#	Expiration Date
WKLH(FM)	Milwaukee, WI	36370	December 1, 2004
WJYI(AM)	Milwaukee, WI	36371	December 1, 2004
WLZR(FM)	Milwaukee, WI	36372	December 1, 2004

<sup>9</sup> There is pending an application (File No. BLH-19960916KC) for a license to cover a construction permit for WDBR.

<sup>10</sup> Holds construction permit File No. BPH-20020802ABA to relocate to Sherman, IL, which expires October 22, 2005, unless an application for license to cover is first filed. In a "Report and Order", *Lincoln and Sherman, Illinois*, DA 02-687, 67 Fed. Reg. 16652, published April 8, 2002, the FCC re-allotted FM Channel 230B1 from Lincoln, Illinois, to Sherman, Illinois, and modified the license of Station WMHX(FM) to operate at Sherman. On April 22, 2002, a former competitor in the Springfield market, Long Nine, Inc., filed a petition for reconsideration of the FCC's action. On May 7, 2002, Saga-Illinois timely opposed the petition for reconsideration. That matter is pending before the FCC. On October 22, 2002, the FCC granted the Subsidiary's application to operate WMHX as a Sherman, Illinois, station without any change in the transmitter site for WMHX and conditioned the permit on the outcome of the appeal. In the unlikely event the FCC's action is reversed, it could require Saga-Illinois to return to Lincoln, Illinois, as the city of license for WMHX.

<sup>11</sup> FCC's records still show these stations licensed to Lakefront Communications, Inc. On July 8, 2003, the Subsidiary's counsel filed a letter notifying the FCC that the *pro forma* assignment of licenses of these stations was consummated as of July 3, 2003, and counsel has sent an email to the FCC requesting the agency to change its records.

WJMR-FM	Menomonee Falls, WI	26222	December 1, 2004
E020262	Milwaukee, WI	N/A	November 5, 2017

**Saga Communications of Milwaukee, LLC**

Call Sign	Location	Facility ID#	Expiration Date
WFMR(FM)	Brookfield, WI	67484	December 1, 2004

**Saga Communications of Iowa, LLC<sup>12</sup>**

Call Sign	Location	Facility ID#	Expiration Date
KRNT(AM)	Des Moines, IA	58534	February 1, 2005
KSTZ(FM)	Des Moines, IA	58541	February 1, 2005
KPSZ(AM)	Des Moines, IA	58533	February 1, 2005
KIOA(FM)	Des Moines, IA	58547	February 1, 2005
KAZR(FM)	Pella, IA	28882	February 1, 2005
KLTI-FM	Ames, IA	7823	February 1, 2005
KICD(AM)	Spencer, IA	29078	February 1, 2005
KICD-FM	Spencer, IA	29079	February 1, 2005
KLLT(FM)	Spencer, IA	29080	February 1, 2005

**Saga Communications of Tuckessee, LLC**

Call Sign	Location	Facility ID#	Expiration Date
WJMR(AM)	Fort Campbell, KY	61260	August 1, 2004
WCVQ(FM)	Fort Campbell, KY	61253	August 1, 2004
WZZP(FM)	Hopkinsville, KY	83979	August 1, 2004
WVVR(FM) <sup>13</sup>	Hopkinsville, KY	73970	August 1, 2004

<sup>12</sup> Subsidiary holds construction permits to modify the licenses of KSTZ (Expires April 29, 2005) and KAZR (Expires May 8, 2005). Subsidiary holds a construction permit to upgrade KIOA to Class C-0) (BMPH-20011101AAV) which expires May 21, 2004.

<sup>13</sup> WVVR was the subject of a "triggering application" pursuant to Title 47 C.F.R. §73.3573, Note 4, which resulted in the issuance of an FCC Order dated November 21, 2002, requiring the Subsidiary to Show Cause why the license of WVVR should not be modified to specify Channel 295C0 in lieu of Channel 295C. The Subsidiary timely responded to the Order to Show Cause and timely filed an application (File No. BPH-20030519AEF) to modify WVVR's technical facilities to attain minimum Class C height above average terrain. That application is pending.

WJQI(AM)	Clarksville, TN	65202	August 1, 2004
WJQY(AM)	Springfield, TN	15960	August 1, 2004
WJOI-FM <sup>14</sup>	Springfield, TN	14915	August 1, 2004

**Saga Communications of Michigan, LLC**

Call Sign	Location	Facility ID#	Expiration Date
E872070	Lansing, M I	N/A	August 28, 2007

**Local Marketing Agreements and Time Brokerage Agreements**

Saga Communications of North Carolina, LLC, has a Time Brokerage Agreement with Ashville Radio Partners for the purchase and resale of broadcast time on Station WISE(AM), Asheville, NC.

Saga Communications of North Carolina, LLC, has a Sub-Time Brokerage Agreement with Ashville Radio Partners for the purchase and resale of broadcast time on Station WOXL-FM, Biltmore Forest, NC.

Saga Broadcasting, LLC, has a Local Marketing Agreement with Surtsey Productions, Inc., for the purchase and resale of broadcast time on Station KVCT(TV), Victoria, TX.

Saga Quad States Communications, LLC, has a Local Marketing Agreement with Surtsey Productions, Inc., under which Saga Quad States Communications, LLC, may sell broadcast time on KFJX(TV), Pittsburg, KS (Permittee is Davis Television Pittsburg, LLC).

Note 1: Recent changes (and proposed changes) in the FCC's multiple ownership rules (See *2002 Biennial Regulatory Review*, FCC 03-127, released July 2, 2003) could, among other things, ultimately result in the early termination of the Borrower's television Local Marketing Agreements and could adversely impact the Borrower's ability to assign or transfer its FCC Licenses in certain radio markets to a single purchaser.

Note 2: In connection with the conversion of the Subsidiaries from corporations to limited liability companies, it was necessary to file with the FCC applications seeking consent to *pro forma* assignment of the FCC Licenses and consent to *pro forma* transfer of control of certain Subsidiaries.

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<sup>14</sup> WJOI-FM is party to a rule making proceeding in MB Docket No. 03-132 to modify the license of WJOI-FM to operate at Oak Grove, Kentucky. The Subsidiary intends to file an amendment to the proposal to relocate WJOI-FM to Trenton, Kentucky, because of multiple ownership concerns.

Those applications have been granted, but because the FCC's actions appeared on multiple public notices, all of the FCC actions will not have become Final FCC Orders until August 19, 2003.



**SCHEDULE 3.2  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF LOCATIONS OF EQUIPMENT AND INVENTORY**

<b><u>LIST OF STATES</u></b>	
<b>Saga Communications, Inc.</b> South Dakota Michigan	<b>Lakefront Communications, LLC</b> Wisconsin
<b>Saga Communications of Michigan, LLC</b> Michigan	<b>Saga Communications of South Dakota, LLC</b> South Dakota
<b>Saga Broadcasting, LLC</b> Michigan Connecticut Washington Texas Mississippi	<b>Saga Communications of New Hampshire, LLC</b> New Hampshire
<b>Saga Communications of New England, LLC</b> Maine New Hampshire Massachusetts Vermont	<b>Saga Communications of Arkansas, LLC</b> Arkansas
<b>Saga Quad States Communications, LLC</b> Missouri Kansas	<b>Saga Communications of North Carolina, LLC</b> North Carolina
<b>Tidewater Communications, LLC</b> Virginia	<b>Saga Communications of Tuckessee, LLC</b> Tennessee Kentucky
<b>Franklin Communications, Inc.</b> Ohio	<b>Saga Communications of Milwaukee, LLC</b> Wisconsin
<b>Saga Communications of Illinois, LLC</b> Illinois	<b>Saga Communications of Iowa, LLC</b> Iowa

**SCHEDULE 3.4  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF PLEDGED COLLATERAL**

Pledged Equity Interests

<u>Issuer</u>	<u>Certificate No. (if Applicable)</u>	<u>Registered Owner</u>	<u>No. and Class of Shares</u>	<u>% of Outstanding Equity Interests of Class</u>
Saga Communications of Michigan, LLC	N/A	Saga Communications, Inc.	100 units	100
Saga Broadcasting, LLC	N/A	Saga Communications, Inc.	100 units	100
Saga Communications of New England, LLC	N/A	Saga Communications, Inc.	100 units	100
Saga Quad States Communications, LLC	N/A	Saga Communications, Inc.	100 units	100
Tidewater Communications, LLC	N/A	Saga Broadcasting, LLC	100 units	100
Franklin Communications, Inc.	4	Saga Broadcasting, LLC	100 shares	100
Saga Communications of Illinois, LLC	N/A	Saga Broadcasting, LLC	100 units	100
Lakefront Communications, LLC	N/A	Saga Broadcasting, LLC	100 units	100
Saga Communications of South Dakota, LLC	N/A	Saga Broadcasting, LLC	100 units	100
Saga Communications of New Hampshire, LLC	N/A	Saga Communications of New England, LLC	100 units	100
Saga Communications of Arkansas, LLC	N/A	Franklin Communications, Inc.	1 unit	100
Saga Communications of North Carolina, LLC	N/A	Franklin Communications, Inc.	1 unit	100
Saga Communications of Tuckesse, LLC	N/A	Lakefront Communications, LLC	1 unit	100
Saga Communications of Milwaukee, LLC	N/A	Lakefront Communications, LLC	100 units	100
Saga Communications of Iowa, LLC	N/A	Lakefront Communications, LLC	1 unit	100

**SCHEDULE 3.5  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF LETTERS OF CREDIT**

NONE.

**SCHEDULE 3.6  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF INTELLECTUAL PROPERTY**

Patents and Patent Applications.

NONE.

Trademarks and Trademark Applications

<u>Grantor</u>	<u>Description of Trademark or Trademark Application</u>	<u>Registration or Filing Date</u>	<u>Serial or Registration Number</u>
Lakefront Communications, Inc.	WKLH	1/6/86	1,424,290
Franklin Communications, Inc.*	WSNY	12/30/86	1,423,296
Tidewater Communications, Inc.**	WNOR	3/3/87	1,431,502
Lakefront Communications, Inc.	WLZR (Lazer 103)	5/24/88	1,489,665
Saga Communications of Iowa, LLC	A.W.O.L.	9/12/00	2385690
Saga Communications of New England, Inc.	ROCK 102 WAQY SPRINGFIELD'S CLASSIC ROCK (LOGO)	10/31/00	75872170
Saga Communications of New England, Inc.	BAX AND O'BRIEN MORNINGS (LOGO)	11/28/00	2408688
Saga Communications of Iowa, LLC	RAW ROCK AT WORK	5/21/03	78252487
Saga Communications, Inc.	DESIGN PLUS WORDS	6/25/03	78267017

\* Assignment of interest from Franklin Communications, Inc. to CIBC, Inc., as collateral trustee, recorded on March 8, 1993 at Reel/Frame 0935/0701. Assignment was executed in connection with a debt that has been paid in full and Borrower is working with CIBC to have this assignment released.

\*\* Assignment of interest from Tidewater Communications, Inc. to CIBC, Inc., as collateral trustee recorded on March 8, 1993 at Reel/Frame 0935/0720. Assignment was executed in connection with a debt that has been paid in full and Borrower is working with CIBC to have this assignment released.

Copyrights and Copyright Applications

<u>Grantor</u>	<u>Description of Copyright or Copyright Application</u>	<u>Registration or Filing Date</u>	<u>Serial or Registration Number</u>
Saga Communications, Inc.	CORPORATE LOGO	7/10/03	Pending

**SCHEDULE 3.7  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**LIST OF COMMERCIAL TORT CLAIMS**

NONE.

**EXHIBIT A  
TO SECURITY AGREEMENT  
DATED AS OF JULY 29, 2003**

**FORM OF SUPPLEMENT**

SUPPLEMENT NO. \_\_, dated as of \_\_\_\_\_, to the SECURITY AGREEMENT, dated as of July 29, 2003, among SAGA COMMUNICATIONS, INC., a Delaware corporation (the "Borrower"), the Subsidiaries of the Borrower party thereto, and THE BANK OF NEW YORK, as administrative agent under the Credit Agreement referred to in the next paragraph (as amended, supplemented or otherwise modified from time to time, the "Security Agreement").

Reference is made to the Credit Agreement, dated as of July 29, 2003, among the Borrower, the lenders from time to time party thereto Union Bank of California, N.A., as Syndication Agent, Fleet National Bank, as Documentation Agent, and The Bank of New York, as administrative agent thereunder (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement and the Security Agreement.

The Grantors have entered into the Security Agreement in order to induce the Credit Parties to enter into the Credit Agreement. Article 11 of the Security Agreement provides that additional Subsidiaries may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement in order to induce the Lenders to make additional Revolving Loans and as consideration for Revolving Loans previously made.

Accordingly, the Administrative Agent and the New Grantor hereby agree as follows:

1. In accordance with Article 11 of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor, and the New Grantor hereby agrees to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder. In furtherance of the foregoing, the New Grantor, as security for the payment and performance in full of the Obligations, does hereby create and grant to the Administrative Agent (and its successors and assigns), for the benefit of the Secured Parties (and their successors and assigns), a security interest in and lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) owned or rights therein held by or on behalf of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

2. The New Grantor represents and warrants to the Administrative Agent and the other Secured Parties that (i) this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, (ii) set forth on the Schedules attached hereto are true and complete schedules of all of the information that would have been required to have been delivered by or on behalf of the New Grantor pursuant to the Security Agreement and the Schedules thereto if the New Grantor had been originally named in the Security Agreement, and (iii) the representations and warranties made by it as a

Grantor under the Security Agreement are true and correct on and as of the date hereof based upon the applicable information referred to in clause (ii) of this Section.

3. This Supplement may be executed in counterparts (and by each party hereto on a different counterpart), each of which shall constitute an original, but both of which, when taken together, shall constitute but one contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Administrative Agent. Delivery of an executed counterpart of this Supplement by facsimile transmission shall be as effective as delivery of a manually executed counterpart of this Supplement.

4. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

6. In the event any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Security Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

7. All communications and notices hereunder shall be in writing and given as provided in Article 12 of the Security Agreement. All communications and notices hereunder to the New Grantor shall be given to it at the address set forth in the applicable Schedule hereto, with a copy to the Borrower.

8. The New Grantor agrees to reimburse the Administrative Agent for its out of pocket expenses in connection with this Supplement, including the fees, disbursements and other charges of counsel for the Administrative Agent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the New Grantor and the Administrative Agent have duly executed this Supplement No. \_\_ to the Security Agreement as of the day and year first above written.

**[NAME OF NEW GRANTOR]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE BANK OF NEW YORK, as Administrative Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[ATTACH SCHEDULES CORRESPONDING TO THE  
SCHEDULES TO THE SECURITY AGREEMENT]**