

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

POSTED
1/11/12

FILED/ACCEPTED

In re Application of

BERNARD DALLAS LLC)

and)

PRINCIPLE BROADCASTING)
NETWORK-DALLAS LLC)

For Assignment of License of)
KFCD(AM), Farmersville, Texas)

For Assignment of License of)
KHSE(AM), Wylie, Texas)

File No. BAL-20070216ABA
Facility ID No. 43757

File No. BAL-20070216ABB
Facility ID No. 133464

JAN - 6 2012
Federal Communications Commission
Office of the Secretary

To: Marlene H. Dortch
Secretary

Attn: The Commission

**SUPPLEMENT TO OPPOSITION TO PETITION FOR LEAVE TO FILE
SUPPLEMENT AND SUPPLEMENT TO APPLICATION FOR REVIEW**

Bernard Dallas, LLC ("Bernard"), by its attorneys, submits a Supplement to its October 27, 2011 "Opposition to Petition for Leave to File Supplement and Supplement to Application for Review" ("Opposition"). In support thereof, Bernard respectfully submits the following:

In response to an October 12, 2011 submission by David A. Schum ("Schum")¹, Bernard submitted its Opposition on October 27, 2011. Therein, Bernard stated that Schum's submission was violative of Section 1.115(d) of the Commission's rules. Specifically, Bernard demonstrated that Schum's submission was late in light of the language contained in Section 1.115(d).

¹ See *Petition for Leave to File Supplement and Supplement to Application for Review*, filed October 12, 2011.

ORIGINAL

In addition, Bernard showed that the Schum submission was also violative of Sections 1.49(b) and (c) of the Commission's rules. Specifically, the Schum pleading exceeded ten (10) pages and omitted the required table of contents and a summary.

On November 23, 2011, Schum requested the withdrawal of the October 12, 2011 submission and concurrently re-submitted his prior submissions with corrected file numbers and also included a table of contents and a summary. No effort was made by Schum to address Bernard's timeliness argument (the Section 1.115(d) violation). Bernard incorporates that argument by reference. In this regard, Bernard hereby reiterates its objection to the timeliness of the Schum Supplement and restates that it is violative of Section 1.115(d) of the Commission's rules.

Schum predicates his submission on "newly discovered facts"; however, the facts relied upon by Schum are hardly new and Schum provides no explanation as to why these "facts" were not available to him at the time of the filing of his Application for Review. Thus, there is an absence of good cause for consideration of the Supplement.

Schum appears to contend, commencing at page 6 of its Supplement, that he has new information to support his previously advanced and rejected arguments concerning the failure to disclose Bernard's full ownership and Bernard's failure to disclose foreign ownership. Schum recites at page 7 of his Supplement that, in the 2006 FCC Form 314 application², only Daniel Bernard Zwirn was disclosed, as the other 99% of the ownership was insulated. In this respect, Schum states the following:

It is now clear what they have been hiding for the past five years- almost 60% of the entities with an attributable interest are foreign (Offshore). Zwirn has no incentive to disclose the truth as they have been illegally collecting LMA fees on the radio licenses for the past five years- fees

² BAL-20060117ACU ("FCC Form 314 Application").

that they were not and are not currently legally entitled to under 47 USC Section 310(b)(2), (3) and (4).

Schum references excerpts from a May 5, 2009 proxy letter³ which sought the removal of D.B. Zwirn & Co., L.P. (“DBZ”) as manager of Onshore, Offshore and affiliated funds (the “Funds”), and its replacement as investment manager of those funds by an affiliate of Fortress Investment Group LLC (“Fortress”). Schum also asserts that there is an SEC investigation which Mr. Zwirn did not report to the FCC.

Schum argues that the “insulated” equity holders in the Funds were actually in control of the management and exercised that control when they voted to remove DBZ. Schum also seems to be arguing, since DBZ is no longer associated with the Funds,⁴ that control of the stations is exerted by foreign entities, and, that such violates Section 310 of the Communications Act.

The FCC Form 314 Application referred to by Schum is attached (Attachment A). Pursuant to that application, which was approved by the Commission,⁵ KFCD and KHSE were assigned to Bernard Dallas LLC. Its sole member is Bernard Radio LLC (subsequently renamed Rocklynn Radio LLC). That application specifically stated the following:

The LLC agreement of Bernard Radio LLC contains provisions insulating D.B. Zwirn Special Opportunities Fund L.P., its non-managing member, from involvement in the LLC’s media enterprises pursuant to FCC requirements...

At that time, Mr. Zwirn held control through his control of DBZ. The sole general partner of DBZ was DBZ GP, LLC. Its managing partner was Daniel B. Zwirn.⁶

³ The actual proxy letter was not attached to Schum’s pleading.

⁴ Of the Funds, only the Onshore Fund has held an economic interest in the subject stations.

⁵ See Attachment B.

⁶ See Attachment C.

On May 20, 2009, an application on FCC Form 316 was filed seeking a *pro forma* transfer of control of Bernard Dallas (BTC-20090520ACD)⁷. Pursuant to that application, DBZ assigned its interest to RL Transition Corp. (“RL”), which is controlled by Mr. Zwirn. Specifically, the sole member of Bernard Dallas, LLC is Rocklynn Radio, LLC (formerly Bernard Radio LLC). Rocklynn’s managing member is RL. RL’s sole shareholder is Daniel B. Zwirn. The application was granted by the Commission.⁸ The post-consummation Ownership Report is attached.⁹

Schum is confused and is attempting to obfuscate the plain facts. Mr. Zwirn’s relationship to the funds he once managed is irrelevant. Schum has failed to show that, with respect to the licensee entity, Mr. Zwirn was not in control. Mr. Zwirn’s departure from the funds in question is hardly a basis for Schum’s totally speculative assertion that Zwirn is not currently in control and was never in control of the radio entities.

It is also unclear as to how the collecting of LMA fees and, presumably, the distribution of those fees, violates Section 310 of the Communications Act. Schum is silent on the rationale for this conclusion. Schum makes the bald assertion that the payment of LMA fees violates Section 310 of the Communications Act. That assertion is incorrect.

Equally perplexing are Schum’s assertions commencing on page 11 relative to the “SEC Lawsuit”. The lawsuit, which is attached to the Schum pleading, names Perry Gruss as a defendant. Mr. Zwirn is not named as a defendant. Thus, the lawsuit is irrelevant.

Also irrelevant are any of the assertions made by Schum with respect to Jeffrey Epstein. Schum seems to argue that, since Mr. Epstein was a shareholder in Zwirn Offshore Fund and is a convicted sex offender, this somehow reflects on the qualifications of Mr. Zwirn and, in turn, on

⁷ A copy of the application is attached (Attachment D).

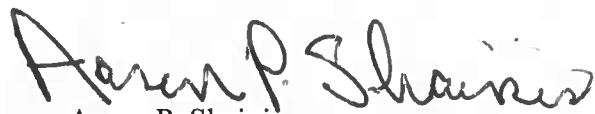
⁸ See Attachment E.

⁹ See Attachment F.

Bernard Dallas. It is impossible to comprehend Schum's logic. Clearly, neither Mr. Zwirn nor the licensee was an accessory to any of the crimes in question. The Commission has historically been reluctant to engage in guilt by mere association.

In view of the foregoing, the Commission should summarily dismiss and/or deny the latest Schum Petition for Leave to File Supplement and Supplement to Application for Review.

Respectfully submitted,

A handwritten signature in black ink, reading "Aaron P. Shainis". The signature is written in a cursive, flowing style.

Aaron P. Shainis
Counsel for
Bernard Dallas, LLC

Shainis & Peltzman, Chartered
1850 M Street NW, Suite 240
Washington, DC 20036
202-293-0011

January 6, 2012

ATTACHMENT A

Federal Communications Commission Washington, D.C. 20554	Approved by OMB 3060-0031 (June 2010)	FOR FCC USE ONLY
FCC 314		
APPLICATION FOR CONSENT TO ASSIGNMENT OF BROADCAST STATION CONSTRUCTION PERMIT OR LICENSE		FOR COMMISSION USE ONLY FILE NO. BAL - 20060117ACU
Read INSTRUCTIONS Before Filling Out Form		

Section I - General Information

1. Legal Name of the Licensee/Permittee DFW RADIO LICENSE, LLC			
Mailing Address P.O. BOX 12345			
<table border="1"> <tr> <td>City DALLAS</td> <td>State or Country (if foreign address) TX</td> <td>Zip Code 75225 - 0345</td> </tr> </table>	City DALLAS	State or Country (if foreign address) TX	Zip Code 75225 - 0345
City DALLAS	State or Country (if foreign address) TX	Zip Code 75225 - 0345	
<table border="1"> <tr> <td>Telephone Number (include area code) 2143692990</td> <td>E-Mail Address (if available) WATCHRADIO@AOL.COM</td> </tr> </table>	Telephone Number (include area code) 2143692990	E-Mail Address (if available) WATCHRADIO@AOL.COM	
Telephone Number (include area code) 2143692990	E-Mail Address (if available) WATCHRADIO@AOL.COM		
<table border="1"> <tr> <td>FCC Registration Number: 0011137072</td> <td>Call Sign KFCD</td> <td>Facility ID Number 43757</td> </tr> </table>	FCC Registration Number: 0011137072	Call Sign KFCD	Facility ID Number 43757
FCC Registration Number: 0011137072	Call Sign KFCD	Facility ID Number 43757	
2. Contact Representative (if other than licensee/permittee) DFW RADIO LICENSE, LLC			
Mailing Address P.O. BOX 12345			
<table border="1"> <tr> <td>City DALLAS</td> <td>State or Country (if foreign address) TX</td> <td>ZIP Code 75225 - 0345</td> </tr> </table>	City DALLAS	State or Country (if foreign address) TX	ZIP Code 75225 - 0345
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<table border="1"> <tr> <td>Telephone Number (include area code) 2143692990</td> <td>E-Mail Address (if available) WATCHRADIO@AOL.COM</td> </tr> </table>	Telephone Number (include area code) 2143692990	E-Mail Address (if available) WATCHRADIO@AOL.COM	
Telephone Number (include area code) 2143692990	E-Mail Address (if available) WATCHRADIO@AOL.COM		
3. Legal Name of the Assignee BERNARD DALLAS LLC			
Mailing Address 745 FIFTH AVENUE 18TH FLOOR			
<table border="1"> <tr> <td>City NEW YORK</td> <td>State or Country (if foreign address) NY</td> <td>ZIP Code 10151 -</td> </tr> </table>	City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -
City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -	
<table border="1"> <tr> <td>Telephone Number (include area code) 6467209100</td> <td>E-Mail Address (if available)</td> </tr> </table>	Telephone Number (include area code) 6467209100	E-Mail Address (if available)	
Telephone Number (include area code) 6467209100	E-Mail Address (if available)		
4. Contact Representative (if other than assignee) GREGORY L. MASTERS			
Mailing Address 1776 K STREET NW			
<table border="1"> <tr> <td>City WASHINGTON</td> <td>State or Country (if foreign address) DC</td> <td>Zip Code 20006 -</td> </tr> </table>	City WASHINGTON	State or Country (if foreign address) DC	Zip Code 20006 -
City WASHINGTON	State or Country (if foreign address) DC	Zip Code 20006 -	
<table border="1"> <tr> <td>Telephone Number (include area code) 2027197370</td> <td>E-Mail Address (if available) GMASTERS@WRF.COM</td> </tr> </table>	Telephone Number (include area code) 2027197370	E-Mail Address (if available) GMASTERS@WRF.COM	
Telephone Number (include area code) 2027197370	E-Mail Address (if available) GMASTERS@WRF.COM		

5.	If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Noncommercial Educational Licensee/Permittee <input checked="" type="radio"/> Other AMENDMENT <input type="radio"/> N/A (Fee Required)	
6.	Purpose of Application: <input type="radio"/> Assignment of license <input type="radio"/> Assignment of construction permit <input checked="" type="radio"/> Amendment to pending application File number of pending application: - If an amendment, submit as an Exhibit a listing by Section and Question Number of the portions of the pending application that are being revised. [Exhibit 1]	
7.	Were any of the authorizations that are the subject of this application obtained through the Commission's competitive bidding procedures (see 47 C.F.R. Sections 1.2111(a) and 73.5001)? <input type="radio"/> Yes <input checked="" type="radio"/> No [Exhibit 2] If yes, list pertinent authorizations in an Exhibit.	
8.	a. Were any of the authorizations that are the subject of this application obtained through the Commission's point system for reserved channel noncommercial educational stations (see 47 C.F.R. Sections 73.7001 and 73.7003)? <input type="radio"/> Yes <input checked="" type="radio"/> No b. If yes to 8(a), have all such stations operated for at least 4 years with a minimum operating schedule since grant pursuant to the point system? <input type="radio"/> Yes <input checked="" type="radio"/> No If no, list pertinent authorizations in an Exhibit and include in the Exhibit a showing that the transaction is consistent with the holding period requirements of 47 C.F.R. Section 73.7005(a). [Exhibit 3] c. LPFM Licenses Only: Has the assignor held the station license and operated the station for at least three years? <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> N/A	
9.	a. Were any of the authorizations that are the subject of this application obtained after award of a dispositive Section 307(b) preference using the Tribal Priority, or through the Tribal Priority as applied before the NCE fair distribution analysis set forth in 47 C.F.R. § 73.7002(b)? <input type="radio"/> Yes <input checked="" type="radio"/> No b. If yes to 9(a), have all such stations operated for at least 4 years with a minimum operating schedule since grant? <input type="radio"/> Yes <input checked="" type="radio"/> No c. If no to 9(b), are both the assignor/transferor and assignee/transferee either (1) a federally recognized Native American tribe or Alaska Native village (a "Tribe") or consortium of Tribes, (2) an enrolled member of a Tribe, or (3) an entity 70 percent or more owned or controlled by a Tribe or Tribes, or enrolled member(s) of a Tribe or Tribes, and are the qualifying Tribe or Tribes in factors (1), (2), or (3) occupying tribal lands, portions of which are covered by at least 50 percent of the stations' principal community contours? <input type="radio"/> Yes <input checked="" type="radio"/> No [Exhibit 4] If no, list pertinent authorizations in an Exhibit and include in the Exhibit a showing that the transaction is consistent with the established Tribal Priority holding period restrictions, or that the policy should be waived.	

Section II - Assignor

1.	Certification. Licensee/permittee certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Licensee	<input checked="" type="radio"/> Yes <input type="radio"/> No
----	--	---

12/29/2011 10:00 AM

Signature	Date 01/13/2006
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WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Section III - Assignee

1.	Certification. Assignee certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Assignee further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions and worksheets.	<input checked="" type="radio"/> Yes <input type="radio"/> No
2.	Assignee is: <input type="radio"/> an individual <input type="radio"/> a general partnership <input type="radio"/> a for-profit corporation <input type="radio"/> a limited partnership <input type="radio"/> a not-for-profit corporation <input checked="" type="radio"/> a limited liability company (LLC/LC) <input type="radio"/> other a. If "other", describe nature of applicant in an Exhibit.	[Exhibit 11]
3.	Agreements for Sale of Station. Assignee certifies that: a. the written agreements in the licensee/permittee's public inspection file and submitted to the Commission embody the complete and final agreement for the sale of the station(s) which are to be assigned; and b. these agreements comply fully with the Commission's rules and policies.	<input type="radio"/> Yes <input checked="" type="radio"/> No See Explanation in [Exhibit 12]
4.	Parties to the Application. a. List the assignee, and, if other than a natural person, its officers, directors, stockholders with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the assignee, list separately its officers, directors, stockholders with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach additional pages if necessary. <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> (1) Name and address of the assignee and each party to the application holding an attributable interest (if other than individual also show name, address and citizenship of natural person authorized to vote the stock or holding the attributable interest). List the assignee first, officers next, then directors and, thereafter, remaining stockholders and other entities with attributable interests, and partners. [Enter Parties/Owners Information] </div> <div style="width: 45%;"> (2) Citizenship. (3) Positional Interest: Officer, director, general partner, limited partner, LLC member, investor/creditor attributable under the Commission's equity/debt plus standard., etc. (4) Percentage of votes. (5) Percentage of total assets (debt plus equity). </div> </div> or [Exhibit 13]	
	b. Assignee certifies that equity interests not set forth above are non-attributable.	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 14]

5.	Other Authorizations. List call signs, locations and facility identifiers of all other broadcast stations in which licensee/permittee or any party to the application has an attributable interest.	<input checked="" type="checkbox"/> N/A [Exhibit 15]
6.	Multiple Ownership.	
	a. Is the assignee or any party to the application the holder of an attributable radio joint sales agreement or an attributable radio or television time brokerage agreement with the station(s) subject to this application or with any other station in the same market as the station(s) subject to this application? If "Yes," radio applicants must submit as an Exhibit a copy of each such agreement for radio stations.	<input type="radio"/> Yes <input type="radio"/> No [Exhibit 16]
	b. Assignee certifies that the proposed assignment complies with the Commission's multiple ownership rules and cross-ownership rules. AM and/or FM Radio applicants only: If "Yes," submit an Exhibit providing information regarding the market, broadcast station(s), and other information necessary to demonstrate compliance with 47 C.F.R. § 73.3555(a). All applicants: If "No," submit as an Exhibit a detailed explanation in support of an exemption from, or waiver of, 47 C.F.R. § 73.3555.	<input type="radio"/> Yes <input type="radio"/> No [Exhibit 17]
	c. Assignee certifies that the proposed assignment: 1. does not present an issue under the Commission's policies relating to media interests of immediate family members; 2. complies with the Commission's policies relating to future ownership interests; and 3. complies with the Commission's restrictions relating to the insulation and nonparticipation of non-party investors and creditors.	<input type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 18]
	d. Does the Assignee claim status as an "eligible entity," that is, an entity that qualifies as a small business under the Small Business Administration's size standards for its industry grouping (as set forth in 13 C.F.R. § 121-201), and holds (1) 30 percent or more of the stock or partnership interests and more than 50 percent of the voting power of the corporation or partnership that will own the media outlet; or (2) 15 percent or more of the stock or partnership interests and more than 50 percent of the voting power of the corporation or partnership that will own the media outlet, provided that no other person or entity owns or controls more than 25 percent of the outstanding stock or partnership interests; or (3) more than 50 percent of the voting power of the corporation that will own the media outlet (if such corporation is a publicly traded company)? All applicants: If "Yes," submit as an Exhibit a detailed showing demonstrating proof of status as an eligible entity.	<input type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 19]
	e. Does this assignment include a grand-fathered cluster of stations? All applicants: If "Yes", applicant certifies that it will come in compliance by divesting the necessary station(s) within 12 months of the consummation of this transaction to:	<input type="radio"/> Yes <input type="radio"/> No
	A. An Eligible Entity (as defined in Item 6d, above).	<input type="radio"/> Yes <input type="radio"/> No
	B. An Irrevocable Trust that will assign the station(s) to an Eligible Entity.	<input type="radio"/> Yes <input type="radio"/> No
	All applicants: If "Yes" to Item 6e A or B: Submit as an Exhibit a copy of the form of irrevocable trust agreement providing for the assignment of the station(s) to an Eligible Entity.	See Explanation in [Exhibit 20]
7.	Character Issues. Assignee certifies that neither assignee nor any party to the application has or has had any interest in, or connection with: a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or any party to the application; or b. any pending broadcast application in which character issues have been raised.	<input type="radio"/> Yes <input checked="" type="radio"/> No See Explanation in [Exhibit 21]

8.	Adverse Findings. Assignee certifies that, with respect to the assignee and each party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to any of the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another governmental unit; or discrimination.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 22]
9.	Alien Ownership and Control. Assignee certifies that it complies with the provisions of Section 310 of the Communications Act of 1934, as amended, relating to interests of aliens and foreign governments.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 23]
10.	Financial Qualifications. Assignee certifies that sufficient net liquid assets are on hand or are available from committed sources to consummate the transaction and operate the station(s) for three months.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 24]
11.	Program Service Certification. Assignee certifies that it is cognizant of and will comply with its obligations as a Commission licensee to present a program service responsive to the issues of public concern facing the station's community of license and service area.	<input checked="" type="radio"/> Yes <input type="radio"/> No
12.	Auction Authorization. Assignee certifies that where less than five years have passed since the issuance of the construction permit and the permit had been acquired in an auction through the use of a bidding credit or other special measure, it would qualify for such credit or other special measure.	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A See Explanation in [Exhibit 25]
13.	Anti-Drug Abuse Act Certification. Assignee certifies that neither assignee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.	<input checked="" type="radio"/> Yes <input type="radio"/> No
14.	Equal Employment Opportunity (EEO). If the applicant proposes to employ five or more full-time employees, applicant certifies that it is filing simultaneously with this application a Model EEO Program Report on FCC Form 396-A.	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A

I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations. I hereby waive any claim to the use of any particular frequency as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and request an authorization in accordance with this application. (See Section 304 of the Communications Act of 1934, as amended.)

Typed or Printed Name of Person Signing DANIEL B. ZWIRN	Typed or Printed Title of Person Signing MANAGING PARTNER OF THE MANAGING MEMBER OF THE SOLE MEMBER
Signature	Date 09/13/2006

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Exhibits

Exhibit 1

Description: NATURE OF AMENDMENT

THIS AMENDMENT SUPPLIES THE FOLLOWING IN THE ASSIGNEE'S SECTION OF THE APPLICATION:

1. A REVISED EXHIBIT 11, IN RESPONSE TO SECTION III, QUESTION 4.
2. IN EXHIBIT 14, IN RESPONSE TO SECTION III, QUESTION 6(A), A COPY OF A LOCAL MARKETING AGREEMENT IN RESPECT OF STATION KHSE(AM). ATTACHMENT I TO THIS AGREEMENT, CONCERNING COMPENSATION AND REIMBURSEMENT, CONTAINS PROPRIETARY INFORMATION AND IS THEREFORE BEING OMITTED FROM THIS COPY. THE ATTACHMENT WILL BE SUPPLIED TO THE COMMISSION SHOULD IT SO REQUEST.
3. A REVISED RESPONSE TO SECTION III, QUESTION 7(B).

Attachment 1

Exhibit 5

Description: AGREEMENTS FOR SALE OF STATIONS

SEE ASSIGNEE'S EXHIBIT 10.

Attachment 5

Exhibit 12

Description: AGREEMENTS FOR SALE OF STATIONS

THE SUBJECT ASSIGNMENT OF LICENSES IS PURSUANT TO AN ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION. A COPY OF THAT ORDER IS ATTACHED HERETO.

A COPY OF THE ASSET PURCHASE AGREEMENT IN CONNECTION WITH THE PROPOSED ASSIGNMENT IS ALSO ATTACHED HERETO. EXHIBIT A TO THE ASSET PURCHASE AGREEMENT, THE FORM OF LOCAL MARKETING AGREEMENT, HAS BEEN OMITTED. THE EXECUTED LOCAL MARKETING AGREEMENT IS BEING SUPPLIED IN EXHIBIT 14 OF THIS APPLICATION. ADDITIONALLY, SCHEDULE 2.5 OF THE ASSET PURCHASE AGREEMENT (ASSUMED CONTRACTS) IS BEING OMITTED, AS IT CONTAINS PROPRIETARY INFORMATION AND IS NOT GERMANE TO THE COMMISSION'S REVIEW OF THIS APPLICATION. THE OMITTED SCHEDULE WILL BE SUPPLIED TO THE COMMISSION SHOULD IT SO REQUEST.

Attachment 12

Description
<u>Bankruptcy Court Order</u>
<u>Asset Purchase Agreement</u>

Attachment 13

Description
<u>Assignee's Ownership</u>
<u>Assignee's Ownership (Revised)</u>

Exhibit 16

Description: LOCAL MARKETING AGREEMENT

A COPY OF THE PRE-CLOSING LOCAL MARKETING AGREEMENT IS ATTACHED HERETO. ATTACHMENT I TO THIS AGREEMENT, CONCERNING COMPENSATION AND REIMBURSEMENT, CONTAINS PROPRIETARY INFORMATION AND IS THEREFORE BEING OMITTED FROM THIS COPY. THE ATTACHMENT WILL BE SUPPLIED TO THE COMMISSION SHOULD IT SO REQUEST.

Attachment 16

Description
Local Marketing Agreement
Local Marketing Agreement (KHSE)

Exhibit 17**Description:** RADIO OWNERSHIP COMPLIANCE

BOTH OF THE RADIO STATIONS IN THIS TRANSACTION -- KFCD(AM), FARMERSVILLE, TEXAS AND KHSE(AM), WYLIE, TEXAS -- ARE DESIGNATED 'HOME' TO THE DALLAS-FT. WORTH, TEXAS, ARBITRON METRO MARKET AS REPORTED BY BIA. ADDITIONALLY, BOTH STATIONS ARE LICENSED TO COMMUNITIES GEOGRAPHICALLY WITHIN THE COUNTIES COMPRISING THE DALLAS-FT. WORTH METRO.

AS INDICATED BY THE ATTACHED REPORT, BIA LISTS 82 COMMERCIAL AND NONCOMMERCIAL RADIO STATIONS THAT ARE DESIGNATED 'HOME' TO THE DALLAS-FT. WORTH METRO MARKET AND/OR HAVE COMMUNITIES OF LICENSE GEOGRAPHICALLY WITHIN THE COUNTIES COMPRISING THAT METRO. ACCORDINGLY, A SINGLE PARTY MAY OWN UP TO EIGHT (8) STATIONS IN THE METRO, WITH NO MORE THAN FIVE (5) IN THE SAME SERVICE (AM OR FM). THE ASSIGNEE'S PROPOSED OWNERSHIP OF TWO (2) AM STATIONS IN THE METRO COMPLIES WITH SECTION 73.3555(A) OF THE COMMISSION'S RULES.

Attachment 17

Description
BIA Report

Exhibit 21**Description:** CHARACTER ALLEGATIONS

ON FEBRUARY 23, 2006, DAVID A. SCHUM AND OTHER INDIVIDUALS FILED A PETITION TO DENY THE INSTANT APPLICATION FOR FCC CONSENT TO THE ASSIGNMENT OF THE AUTHORIZATIONS OF RADIO STATIONS KFCD(AM), FARMERSVILLE, TEXAS AND KHSE(AM), WYLIE, TEXAS, FROM DFW RADIO LICENSE, LLC TO BERNARD DALLAS LLC ('BERNARD DALLAS'). THE PETITION ALLEGES THAT A PRINCIPAL OF THE KFCD/KHSE ASSIGNEE PARTICIPATED IN AN UNAUTHORIZED TRANSFER OF CONTROL OF THE CONSTRUCTION PERMIT FOR STATION KHSE AND ABUSED COMMISSION PROCESSES BY ASSERTEDLY MAKING THREATS THROUGH ITS COUNSEL AGAINST THE KFCD/KHSE ASSIGNOR AND ITS MANAGER. BERNARD DALLAS HAS RESPONDED TO THE PETITION, DEMONSTRATING THAT THE PLEADING IS MERITLESS. THE MATTER IS PENDING.

ON OR ABOUT APRIL 7, 2006 AND APRIL 10, 2006, PETITIONS TO DENY WERE FILED BY (1) MARK S. LITTON AND (2) FRANK HALFACRE AND PERCY SQUIRE CO., LLC, AGAINST AN APPLICATION FOR FCC CONSENT TO THE ASSIGNMENT OF THE LICENSES OF RADIO STATIONS WVKO(AM), COLUMBUS, OHIO, WVKO-FM, JOHNSTOWN, OHIO, WRBP(FM), HUBBARD, OHIO, WASN(AM), YOUNGSTOWN, OHIO, AND WGFT(AM), CAMPBELL, OHIO, FROM STOP 26 RIVERBEND LICENSES, LLC, DEBTOR-IN-POSSESSION, TO BERNARD OHIO LLC ('BERNARD OHIO'), WHICH IS COMMONLY CONTROLLED WITH THE ASSIGNEE HEREIN. THE LITTON PETITION, FILED WITH RESPECT TO WVKO(AM) AND WVKO-FM, ALLEGES, INTER ALIA, THAT BERNARD OHIO LACKED CANDOR IN AN AMENDMENT TO THE ASSIGNMENT APPLICATION. THE HALFACRE/SQUIRE PETITION ALLEGES THAT BERNARD OHIO'S OWNERSHIP WAS NOT PROPERLY DISCLOSED IN THE ASSIGNMENT APPLICATION. BERNARD OHIO HAS OPPOSED BOTH PETITIONS, SHOWING THEM TO BE GROUNDLESS. THE MATTER IS PENDING.

Attachment 21



ENTERED

TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the order of the Court.

Signed December 27, 2005

Barbara J. Houser

United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:

THE WATCH, LTD., *et al.*,

DEBTOR.

§
§
§
§
§
§

CASE NO. 05-35874

(Chapter 11)
(Jointly Administered)

ORDER (A) APPROVING SALE FREE AND CLEAR OF CERTAIN LIENS,
CLAIMS, RIGHTS, INTERESTS AND ENCUMBRANCES TO ZWIRN
SPECIAL OPPORTUNITIES FUND, L.P. OR ITS DESIGNEE
AND (B) GRANTING RELATED RELIEF

At a hearing commenced on October 24, 2005, which was concluded on December 5, 2005 (the "Sale Hearing"), the Court considered the motion filed by the above-referenced debtors and debtors in possession (the "Debtors") to sell substantially all of their assets to a successful bidder [Docket No. 57] (the "Sale Motion").¹

¹ Capitalized terms not defined herein shall have the meaning given to them in the Asset Purchase Agreement by and between The Watch, Ltd. and DFW Radio License, LLC (collectively, the "Sellers") and D.B. Zwirn Special Opportunities Fund, L.P. (the "Agreement"), a copy of which was filed with the Court under Docket No. 148.

ORDER (A) APPROVING SALE FREE AND CLEAR OF CERTAIN LIENS, CLAIMS,
RIGHTS, INTERESTS AND ENCUMBRANCES TO ZWIRN SPECIAL OPPORTUNITIES
FUND, L.P. OR ITS DESIGNEE AND (B) GRANTING RELATED RELIEF

Based upon (i) the Sale Motion, (ii) the evidence in support of the Sale Motion, and the arguments of counsel presented at the Sale Hearing, and (iii) all parties in interest having been heard, or having had the opportunity to be heard, regarding the Sale, the Bankruptcy Court finds that the relief requested in the Sale Motion is in the best interests of the Debtors' bankruptcy estates, their creditors and their interest holders. Accordingly, the Bankruptcy Court makes the following findings of fact and conclusions of law.²

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. This Bankruptcy Court has jurisdiction over the Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper in this Bankruptcy Court under 28 U.S.C. §§ 1408 and 1409.

B. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding the provisions of Bankruptcy Rules 6004(g) and 6006(d), effective at 12:01 a.m., Central Time, on the first business day following the date of entry of this Order, there shall be no stay pursuant to Bankruptcy Rule 6004(g) or 6006(d) and this Order shall be effective and enforceable immediately at that time. To the extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Bankruptcy Court expressly finds that cause exists not to delay the implementation of this Order beyond that contained in this subsection.

C. The statutory predicates for the relief sought in the Sale Motion are Bankruptcy Code §§ 105(a), 363(b), (f), (m), and (n), and 365 and Bankruptcy Rules 2002, 6004, 6006, and 9014.

² In accordance with Bankruptcy Rule 7052, when appropriate, all findings of fact shall be construed as conclusions of law, and all conclusions of law shall be construed as findings of fact.

D. On July 21, 2005, after appropriate notice and hearing, this Bankruptcy Court entered the *Order Pursuant to 11 U.S.C. §§ 105(a) and 363 and Fed. R. Bankr. P. 2002 and 7004: (i) Approving Notice of Procedure for Designation of Stalking Horse Bidder(s) and Bid Procedures in Connection with the Proposed Sale of Debtors' Assets and (ii) Scheduling Hearings and Setting Bidding and Objection Deadlines in Connection Therewith* (as supplemented by Dkt. No. 118, the "Sale Procedures Order"). The Sale Procedures Order approved, among other things, the sale procedures (the "Sale Procedures") to be used at the auction of substantially all of the Debtors' assets.

E. On June 23, 2005, the Debtors filed the Sale Motion in which they seek, among other things, an order (i) approving the sale of all assets, other than Excluded Assets, of the Debtors' estates (collectively, the "Acquired Assets") to the successful bidder at the auction for the Debtors' assets, free and clear of certain liens, claims, rights, interests, and encumbrances and (ii) granting certain related relief, pursuant to the terms of the Agreement, which Agreement represents the highest and best offer for the Acquired Assets that was secured at the Auction. The Court took judicial notice of the Agreement that had been previously filed in the record of these Cases.

F. Notice of the Sale Motion, the Sale Hearing, and the relief in this Order were served to all creditors identified on the Debtors' Master Service List, the United States Trustee, the Federal Communications Commission (the "FCC"), all counterparties to the Debtors' executory contracts as set forth on the various Schedules G filed by each of the Debtors, all parties requesting notice, the Official Unsecured Creditors' Committee and its counsel, and all parties asserting liens, claims or encumbrances against any of the Debtors' assets including any and all of the Acquired Assets. The Court finds the scope and manner of service proper, timely,

adequate, and sufficient, in accordance with Bankruptcy Code §§ 105(a) and 363 and Bankruptcy Rules 2002, 2002(i), 6004, 6007, and 9014, and in compliance with the Sale Procedures Order. The Sale Hearing commenced on October 24, 2005, and was concluded on December 5, 2005, and no further notice of the Sale Motion or the Sale Hearing is necessary or shall be required.

G. A reasonable opportunity to object or to be heard regarding the relief requested in the Sale Motion has been afforded to all creditors and parties in interest.

H. As demonstrated by the evidence in support of the Sale Motion, the Debtors, by and through Patrick Communications LLC ("Broker"), have marketed the Acquired Assets and conducted the sale process in compliance with the Sale Procedures Order, and have completed a full and complete marketing and auction process.

I. At the auction conducted by the Debtors on October 13, 2005 (the "Auction"), the Debtors received a variety of bids from six bidders. D.B. Zwirn Special Opportunities Fund L.P. ("Buyer") offered, and, since it was a credit bid the Debtors were compelled by the Sales Procedures to accept, a credit bid of \$9,000,000.00 (the "Purchase Price"). The Purchase Price shall be applied as a credit to amounts owed by the Debtors to the Buyer pursuant to the terms of the Agreement. The Buyer is approved as the successful bidder for the Acquired Assets on the terms set forth in the Agreement.

J. The Debtors have conducted a fair, full, and complete marketing and auction process.

K. The Debtors have full power and authority to execute the Agreement and all other documents referenced in or contemplated by the Agreement or as otherwise necessary or appropriate to effectuate the sale of the Acquired Assets as contemplated in the Agreement.

L. All actions contemplated by the Agreement have been duly and validly authorized by all necessary actions of the Debtors, and the Debtors have the full power and authority to consummate the transaction contemplated by the Agreement. No further consents or approvals, other than entry of this Order, are required for the Sellers or the Buyer to consummate the transfer of the Transferred Assets³ pursuant to the terms of the Agreement. Transfer of title to the To-Be-Transferred Assets⁴ pursuant to the terms of the Agreement is subject only to appropriate approvals by the FCC.

M. Approval of the Agreement and consummation of the transactions contemplated therein at this time are in the best interests of the Debtors, the Debtors' estates, their creditors and interest holders.

N. The Debtors have demonstrated both (i) good, sufficient, and sound business purpose and justification for the sale of the Acquired Assets and (ii) compelling circumstances for approval of the sale transaction contemplated in the Agreement pursuant to Bankruptcy Code §§ 363(b) and (f).

O. The Agreement was negotiated, proposed, and entered into by the Sellers and the Buyer in good faith, without collusion, and were the result of arm's-length bargaining with the parties represented by independent counsel. The Purchase Price constitutes fair value for the Acquired Assets. Neither the Sellers nor the Buyer have engaged in any conduct that would

³ The term "Transferred Assets" refers to all Acquired Assets other than the licenses issued by the FCC in connection with the business or operation of station 700 AM and 990 AM (collectively, the "Stations") or any other Acquired Asset whose transfer is subject to approval by the FCC. Title to the Transferred Assets shall pass from Seller to Buyer upon entry of this Order (the "First Closing Date.")

⁴ The term "To-Be-Transferred Assets" refers to the licenses issued by the FCC in connection with the business or operation of the Stations or any other Acquired Asset whose transfer is subject to approval by the FCC. Title to the To-Be-Transferred Assets shall pass from Seller to Buyer upon requisite approval of such transfer by the FCC (the "Final Closing Date.").

cause or permit the Agreement to be avoided under Bankruptcy Code § 363(n). The Buyer is not an "insider" of any of the Debtors, as that term is defined in Bankruptcy Code § 101.

P. The Buyer is a good faith purchaser of the Acquired Assets pursuant to Bankruptcy Code § 363(m) and, as such, is entitled to all of the protections afforded thereby. The Buyer has acted in good faith within the meaning of Bankruptcy Code § 363(m) in closing the transactions contemplated by the Agreement and will rely on entry of the Order and this good faith determination in closing such transactions.

Q. The consideration provided by the Buyer for the Acquired Assets is fair and reasonable and is the highest and best offer for the Acquired Assets after a thorough and independent marketing process.

R. The sale of the Acquired Assets outside of a plan of reorganization pursuant to the Agreement is reasonable and appropriate under the circumstances and does not impermissibly dictate the terms of any future plan of reorganization or liquidation that may be filed by the Debtors, individually or collectively.

S. Except as set forth in Paragraphs 17 and 18 herein, the Debtors are authorized to sell the Acquired Assets free and clear of all liens, claims, rights, interests, and encumbrances of all parties because one or more of the standards set forth in Bankruptcy Code § 363(f) have been satisfied with respect to each such interest. Except as set forth in Paragraphs 17 and 18 herein, the transfer of the Acquired Assets to the Buyer will be a legal, valid, and effective transfer of the Acquired Assets, and will vest the Buyer with all rights, title, and interest in and to the Acquired Assets free and clear of all liens, claims, rights, interests, and encumbrances, which have, or could have, been asserted by the Debtors or their creditors.

T. The Buyer is the Debtors' pre- and postpetition secured lender holding a first priority lien on all assets of the Debtors' estate, to the extent permitted by law.⁵ The Buyer has consented to the Sale pursuant to Bankruptcy Code § 363(f) upon the terms set forth in this Order.

BASED ON THE FOREGOING FINDINGS, GOOD CAUSE EXISTS FOR ENTRY OF THE FOLLOWING ORDER. IT IS THEREFORE ORDERED:

1. The notice of the Sale Motion and the notice of the Sale Hearing are approved as being fair, reasonable, and adequate under the circumstances of these Bankruptcy Cases, and any additional notice as may otherwise be required under state and federal law is hereby deemed satisfied.

2. The Sale Motion is granted and the sale of the Acquired Assets to the Buyer is hereby authorized and directed as set forth in this Order.

3. All objections to the Sale Motion that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled on the merits in their entirety.⁶

4. The Buyer has fully complied with the terms of the Sale Procedures Order and is the successful bidder for the Acquired Assets on the terms and conditions set forth in the Agreement.

⁵ The Buyer's first priority lien is subject to first priority ad valorem property tax liens.

⁶ This Order is without prejudice to the right of any non-Debtor party to an unexpired lease or executory contract to object to the assumption, assumption and assignment, or rejection of such lease or contract.

Approval of the Agreement and Related Documents

5. The (i) Agreement, (ii) the Local Marketing Agreement between Sellers and Buyer dated as of the date of entry of this Order (the "LMA"), (iii) all exhibits and scheduled related to 5(i) and 5(ii), and (iv) all of the terms and conditions set forth therein are hereby approved in their entirety.

6. Pursuant to Bankruptcy Code §§ 363(b) and (f), the Sellers are authorized and directed to consummate the sale of the Acquired Assets to Buyer pursuant to and in accordance with the terms and conditions of the Agreement.

7. Without need for any additional Bankruptcy Court order, the Sellers and their principals, officers, directors, employees and agents are hereby authorized and directed to execute and deliver, and empowered to perform under, consummate, and implement the Agreement, together with all additional instruments and documents that may be necessary or requested by the Buyer to implement the Agreement; to sign all such instruments and documents, including, without limitation, title transfer documents, FCC license assignment applications, and all related documents; and to cooperate with the Buyer and to take all further actions as may be requested by the Buyer, or otherwise required under the Agreement. The Agreement is a binding obligation on each of the Seller signatories thereto.

8. So long as the Agreement has not been terminated in accordance with its terms, the Sellers shall not be entitled to consider or accept an alternative transaction without the express written consent of Buyer.

Transfer of the Acquired Assets

9. Pursuant to Bankruptcy Code §§ 105(a), 363(b) and 363(f), the transfer of the Acquired Assets to the Buyer pursuant to the Agreement shall vest the Buyer with all rights, title,

ORDER (A) APPROVING SALE FREE AND CLEAR OF CERTAIN LIENS, CLAIMS, RIGHTS, INTERESTS AND ENCUMBRANCES TO ZWIRN SPECIAL OPPORTUNITIES FUND, L.P. OR ITS DESIGNEE AND (B) GRANTING RELATED RELIEF

and interest in and to the Acquired Assets effective as of the First Closing Date for the Transferred Assets and as of the Final Closing Date for the To-Be-Transferred Assets, and, except as set forth in Paragraphs 17 and 18, shall be free and clear of all liens, claims, rights, interest, and encumbrances, which have, or could have, been asserted by the Debtors or their creditors in connection with the Debtors' Bankruptcy Cases, if any.

10. Except as otherwise expressly set forth in the Agreement and/or Paragraphs 17 and 18 herein, this Order shall be the Bankruptcy Court's determination that, on the First Closing Date with respect to the Transferred Assets, and on the Final Closing Date with respect to the To-Be-Transferred Assets, all claims, rights, interests and encumbrances in and to the Acquired Assets have been unconditionally released, discharged, and terminated from the Acquired Assets.

11. Except as otherwise expressly set forth in the Agreement or in Paragraphs 17 and 18 herein, the Buyer shall have no liability or responsibility for any liability or other obligation of the Sellers arising under or related to the Acquired Assets, and in no event shall the Buyer have any liability or responsibility for any liability not expressly assumed (including any unrecorded liabilities of the Debtors). Without limiting the effect or scope of the foregoing, the transfer of the Acquired Assets from the Sellers to the Buyer does not and will not subject the Buyer and, as may be applicable, its affiliates, successors, or assigns or their respective properties (including the Acquired Assets) to any liability for claims (as that term is defined in Bankruptcy Code § 101(5)) against the Sellers or the Acquired Assets by reason of such transfer under the laws of the United States or any state, territory or possession thereof applicable to such transaction. Neither the Buyer and, as may be applicable, its affiliates, successors, or assigns shall be deemed, as a result of actions taken in connection with the purchase of the Acquired Assets: (i) to be a successor to the Debtors or (ii) be a continuation or substantial continuation of

the Debtors or any enterprise of the Debtors. Neither the Buyer and, as may be applicable, its affiliates, successors, or assigns is acquiring or assuming any liability, warranty, or other obligation of the Debtors, including, without limitation, any tax incurred but unpaid by the Debtors prior to the First Closing Date with respect to the Transferred Assets and to the Final Closing Date with respect to the To-Be-Transferred Assets, any fine or penalty relating to a tax, or any addition to a tax, whether or not previously assessed, fixed or audited, whether or not paid, and whether or not contested before and adjudicated by a judicial or administrative tribunal of competent jurisdiction. Except as set forth in Paragraphs 17 and 18 herein, on and after the First Closing Date with respect to the Transferred Assets and after the Final Closing Date with respect to the To-Be-Transferred Assets, all persons or entities holding liens of any kind and nature with respect to the Acquired Assets shall be barred from asserting such liens against the Buyer, and as may be applicable, its successors or assigns, or the Acquired Assets.

12. The processes set forth in the Agreement and other related documents for obtaining all approvals, consents, certificates, waivers, and other authorizations required to be obtained from, or filings or other notices required to be made with or to, any governmental entity having jurisdiction over any of the Acquired Assets in order to consummate the transaction contemplated by the Agreement and the other related transaction documents and the transfer of such Acquired Assets to the Buyer upon the receipt of such approvals is hereby approved pursuant to Bankruptcy Code §§ 105, 363, and 365.

Assumption of Executory Contracts and Unexpired Lease by Debtor and Assignment to Buyer

13. Assumption and assignment of executory contracts and unexpired leases pursuant to the Sale Motion and the Agreement will be dealt with in a separate order entered by this Court. Buyer shall promptly file notice of the executory contracts and unexpired leases that are

proposed by to be assumed by the Seller and assigned to the Buyer, which notice shall include all cure amounts, if any, and provide an opportunity for objection by counterparties to such contracts and leases.

Cooperation

14. Unless otherwise agreed to in writing by the Buyer, within five (5) business days of the entry of this Order, the Sellers and their counsel shall prepare, sign, and file, or cooperate with the Buyer in preparing, signing, and filing, all applications and other documents with the FCC or any other entity necessary to effectuate the transfer of the To-Be-Transferred Assets from the Seller to the Buyer

15. The Sellers and their principals, agents and representatives, in such capacities (but not in their individual capacities), are hereby ordered and directed to fully cooperate with the Buyer in implementing the terms of the Agreement and all other agreements entered into in relation thereto, including the prompt signing and filing of all documents and applications with the FCC and other governmental or non-governmental entities necessary to effectuate the transaction set forth in the Agreement. In the event that Sellers fail to cooperate as required by the preceding sentence, Buyer may complete such documents to the best of its ability, based upon publicly available information, and Sellers shall be deemed to have certified the accuracy of the assignor's, transferor's, and licensee's sections of such application as so completed by Buyer. Sellers shall provide to Buyer all information deemed necessary or desirable by Buyer to facilitate the electronic filing of the necessary FCC applications via the FCC Media Bureau's Consolidated Data Base System ("CDBS"), including but not limited to all CDBS account numbers, Federal Registrations Numbers, and associated passwords of Seller and its affiliates (including the licensees of the Stations). The Sellers and their principals, agents, and

representatives, in such capacities, shall take no action (or refuse to take any action when requested by Buyer) to delay or defeat FCC or other approval of the transaction set forth in the Agreement or the transfer of the Acquired Assets from Sellers to Buyer.

16. In the interim period between the First Closing Date and the Final Closing Date, Sellers shall not sell, assign, lease, or otherwise transfer dispose of or encumber any of the To-Be-Transferred Assets, or permit any of the foregoing to occur, without the express written consent of Buyer. Seller shall preserve the To-Be-Transferred Assets in the ordinary and usual course of business, consistent with good business practices. No action shall be taken by Seller that shall affect the Acquired Assets in any material adverse respect.

Continuing Validity of Liens and Interests Held by Buyer

17. Notwithstanding anything to the contrary herein, all rights and obligations set forth in (i) that certain Financing Agreement by and among The Watch, Ltd. and Highbridge/Zwirn Special Opportunities Fund, L.P., dated as of February 5, 2004, (ii) that certain Real Estate Lien Note, dated as of July 1, 2003, which was subsequently transferred to Highbridge/Zwirn Special Opportunities Fund, L.P, (iii) that certain Construction Loan Agreement by and among Sellers and D.B. Zwirn Special Opportunities Fund, L.P., dated as of July 12, 2005, and (iv) any and all other documents evidencing debt owed by Sellers, individually or collectively, to Buyer or its affiliates (collectively the "Loan Documents") shall remain in full force and effect. Nothing contained in the Agreement, this Order, or any documents related thereto shall be deemed to release, amend, alter, or modify such rights and obligations pending the Final Closing Date. On the Final Closing Date, the amount of the debt owing to Zwirn pursuant to the Loan Documents shall be reduced by the amount of the Purchase Price.

ORDER (A) APPROVING SALE FREE AND CLEAR OF CERTAIN LIENS, CLAIMS, RIGHTS, INTERESTS AND ENCUMBRANCES TO ZWIRN SPECIAL OPPORTUNITIES FUND, L.P. OR ITS DESIGNEE AND (B) GRANTING RELATED RELIEF

Continuing Validity of Liens Held by Landlord and Certain Taxing Authorities

18. Notwithstanding anything to the contrary herein or in the Agreement, all valid ad valorem property tax liens held by taxing authorities for current year taxes and all subsequent tax years shall survive entry of this Order and shall be paid in the ordinary course of business prior to delinquency pursuant to Texas law by the Buyer.⁷ Further, notwithstanding anything to the contrary herein, all valid liens held by North Dallas Bank & Trust, Co. relating to that certain Office Lease Agreement, dated March 25, 2004, between North Dallas Bank & Trust Co. and The Watch, Ltd., providing for the real property lease of Suite 100, 12900 Preston Road, Dallas, Texas, shall survive entry of this Order.

Additional Provisions

19. In accordance with Zwirn's unilateral accommodation as announced to the Court at the Sale Hearing, in the event that the Acquired Assets are sold within one (1) year from and after December 5, 2005 (the "Resale Expiration Date"), the Debtors' estates shall receive from Zwirn the following funds: (a) if the Acquired Assets are sold for a purchase price of more \$9 million and less than \$11 million, the estates shall receive 1% of the amount by which such purchase price exceeds \$9 million; or (b) if the Acquired Assets are sold for a purchase price of \$11 million or greater, the estates shall receive the amount provided in the preceding subsection 19(a) plus 2.5% of the amount by which such purchase price exceeds \$11 million. If the Acquired Assets are sold by Zwirn after the Resale Expiration Date, the estate shall not receive any portion of the purchase price.

⁷ This Order is without prejudice to the Sellers' or Buyer's rights to dispute the amount or validity of such taxes.

20. Any amounts (i) payable by the Buyer pursuant to the Agreement or any of the documents delivered by the Debtors pursuant to or in connection with the Agreement or (ii) expended by Buyer in the interim period between the First Closing Date and Final Closing Date shall (A) constitute administrative expenses of the Debtors' estates pursuant to Bankruptcy Code §§ 503(b) and 507(a)(1) and (B) not be discharged, modified, or otherwise affected by any plan of reorganization, the conversion of these cases to one or more cases under chapter 7, or the appointment of a trustee under Bankruptcy Code § 701, 702, 703 or 1104, unless and until the Final Closing Date occurs, at which point such expenses shall no longer be afforded administrative priority. Notwithstanding the Final Closing Date, the Buyer shall continue hold its valid, first priority liens, subject to first priority ad valorem property tax liens, on all assets of the Debtors' estates for the balance due Zwirn (after crediting the Purchase Price against the secured claim on the Final Closing Date) – if there are any assets left in the estates subject to Zwirn's liens.

21. Except as set forth in Paragraphs 17 and 18 herein, on the First Closing Date with respect to the Transferred Assets and on the Final Closing Date with respect to the To-Be-Transferred Assets, Sellers and each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its interest in the Acquired Assets, if any, as such interests may have been recorded or may otherwise exist.

22. Except as set forth in Paragraphs 17 and 18, regardless of whether the Debtors' creditors execute the releases set forth in the above paragraphs, this Order (i) shall be effective as a determination that, on the First Closing Date with respect to the Transferred Assets and on the Final Closing Date with respect to the To-Be-Transferred Assets, all liens, claims, security interests, rights, interests and encumbrances of any kind or nature whatsoever existing with

respect to the Debtors and the Acquired Assets prior to the First Closing Date with respect to the Transferred Assets and to the Final Closing Date with respect to the To-Be-Transferred Assets have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected and (ii) shall be binding upon and shall govern the acts of all entities including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Acquired Assets.

23. Other than FCC approval, as contemplated by the Agreement, each and every federal, state, and local governmental agency or department is hereby directed to accept for filing and/or recording, and approve as necessary, any and all documents and instruments necessary and appropriate to consummate the transaction contemplated by the Agreement.

24. Except as set forth in Paragraphs 17 and 18, if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing claims or interests with respect to the Debtors or the Acquired Assets shall not have delivered to the Debtors prior to the First Closing Date with respect to the Transferred Assets and to the Final Closing Date with respect to the To-Be-Transferred Assets, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all interests which the person or entity has with respect to the Debtors or the Acquired Assets or otherwise, then (i) the Sellers are hereby authorized to

execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Acquired Assets and (ii) the Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all liens, claims, rights, interests and encumbrances in the Acquired Assets of any kind or nature whatsoever. Notwithstanding the foregoing, nothing herein shall restrict any person in their individual capacity from filing any papers with the FCC with regard to the To-Be-Transferred Assets.

25. All entities that presently are in possession of some or all the Acquired Assets hereby are directed to surrender possession of the Acquired Assets to the Buyer at the First Closing Date with respect to the Transferred Assets and at the Final Closing Date with respect to the To-Be-Transferred Assets.

26. This Bankruptcy Court retains exclusive jurisdiction so long as the Debtors' bankruptcy cases are pending to (i) enforce and implement the terms and provisions of the Agreement (including the breach of the Agreement), all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith in all respects and (ii) determine as a core proceeding (by motion and without necessity for an adversary proceeding if the Court deems appropriate) any proceeding, dispute, or controversy arising out of or related to this Order and the Sale Hearing. Without limiting the generality of the preceding sentence, (a) any dispute regarding this Order, the Agreement, the LMA, and all related documents shall – subject to the Court's availability – be heard on an expedited basis; and (b) neither party may unilaterally terminate the Agreement or the LMA without prior approval of the Court.

27. The transactions contemplated by the Agreement are undertaken by the Buyer in good faith, as that term is used in Bankruptcy Code § 363(m). Accordingly, the reversal or modification of the authorization provided herein to consummate the transaction contemplated herein shall not affect the validity of the sale of the Acquired Assets to the Buyer, unless such authorization is duly stayed. The Buyer is a purchaser in good faith of the Acquired Assets and, upon the First Closing Date and the Final Closing Date, as applicable, is entitled to all of the protections afforded by Bankruptcy Code § 363(m).

28. Nothing contained in any chapter 11 plan confirmed in these Bankruptcy Cases (or any order of this Bankruptcy Court confirming such plan) shall conflict with or derogate from the provisions of the Agreement or the terms of this Order.

29. The terms and conditions of the Agreement and this Order shall be binding in all respects and shall inure to the benefit of the Debtors, their respective bankruptcy estates and their creditors and interest holders, successors, and assigns, and the Buyer, and its respective affiliates, successors, and assigns notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code, as to which trustee(s) such terms and provisions likewise shall binding.

30. The Agreement and the transactions and instruments contemplated thereby shall be specifically performable and enforceable against and binding upon, and not subject to rejection or avoidance by, the Debtors, and their respective affiliates, successors, and assigns, or any chapter 7 or chapter 11 trustee of the Debtors and their estates.

31. The failure specifically to include any particular provision of the Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Bankruptcy Court that the Agreement be authorized and approved in its entirety.

32. Pursuant to the terms of the Agreement and this Order, Buyer may assign its rights and interests in the Agreement and this Order to a third party without further order of this Bankruptcy Court. Except for the substitution of the assignee's name for Zwirn's therein, such assignment shall not be deemed to amend, alter, or modify the terms or validity of this Order, the Agreement, the Loan Documents, or any other document or agreement entered into by and between the Sellers, individually or collectively, and Zwirn.

33. Notwithstanding the provisions of Bankruptcy Rules 6004(g) and 6006(d), effective at 12:01 a.m., Central Time, on the first business day following entry of this Order, there shall be no stay pursuant to Bankruptcy Rule 6004(g) or 6006(d) and this Order shall be effective and enforceable immediately at that time.

34. Pursuant to the terms of the Agreement, the Acquired Assets shall not include causes of action accruing to the Debtors' estates pursuant to Chapter 5 of the United States Bankruptcy Code.

35. The provisions of this Order are non-severable and mutually dependent.

36. Headings are included in this Order for ease of reference only.

37. In the event of any inconsistency between the terms and provisions of this Order and either the Agreement or the LMA, the terms and provisions of this Order shall control.

38. The Bankruptcy Court reserves the right to make additional findings of fact and conclusions of law.

END OF ORDER

APPROVED AS TO FORM AND SUBSTANCE:

/s/ Josiah M. Daniel, III

Josiah M. Daniel, III
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ATTORNEYS FOR D.B. ZWIRN SPECIAL OPPORTUNITIES FUND L.P.

APPROVED AS TO FORM ONLY:

/s/ Paul E. Keiffer

Paul E. Keiffer
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ATTORNEYS FOR THE DEBTORS

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**ORDER (A) APPROVING SALE FREE AND CLEAR OF CERTAIN LIENS, CLAIMS,
RIGHTS, INTERESTS AND ENCUMBRANCES TO ZWIRN SPECIAL OPPORTUNITIES
FUND, L.P. OR ITS DESIGNEE AND (B) GRANTING RELATED RELIEF**

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT is dated as of the date of Bankruptcy Court Approval (as defined below), and is entered into by and between The Watch, Ltd., a Texas limited partnership, DFW Radio License LLC, a Texas limited liability company (together, "Seller" or "Seller Parties"), and Bernard Dallas LLC, a Delaware limited liability company ("Buyer").

RECITALS

A. DFW Radio License LLC is the permittee of radio station KHSE, Wylie, Texas ("Station 700 AM") and the licensee of radio station KFCD, Farmersville, Texas ("Station 990 AM", and together, the "Stations") pursuant to licenses and authorizations issued by the Federal Communications Commission (the "FCC").

B. Seller has been ordered by the Bankruptcy Court, in *In re The Watch, Ltd., et al.*, Case No. 05-35874, U.S. Bankruptcy Court, Northern District of Texas, Dallas Division, to sell, and Buyer wishes to buy, substantially all the assets that are used or useful in the construction, business, and operation of the Stations, for the price and on the terms and conditions set forth in this Agreement.

C. At the First Closing (as defined herein in Section 7.1), Seller and Buyer will enter into a Local Marketing Agreement (the "LMA") whereby Buyer will be providing programming and funding to sustain the operation of the Station 990 AM until the Final Closing (as defined herein in Section 7.1) or until termination of the LMA pursuant to its terms. The form of the LMA is attached hereto as Exhibit "A." The terms of the LMA shall only apply to the broadcast operations of Station 990 AM. The Construction (as defined herein) of Station 700 AM shall be managed by Larry Patrick or another individual acceptable to Buyer in its sole discretion as required per prior order of the Bankruptcy Court and by virtue of said order acting on behalf of the Seller and by such authority having Seller's ultimate control and supervision prior to the Final Closing and subject to Buyer's ultimate control and supervision following the Final Closing.

D. Buyer is the assignee of the rights of D.B. Zwirn Special Opportunities Fund, L.P., a Delaware limited partnership ("Zwirn"), pursuant to the order of the Bankruptcy Court referenced in Recital B above.

AGREEMENTS

In consideration of the above recitals and of the agreements and covenants contained in this Agreement, the sufficiency of which are hereby acknowledged, Buyer and Seller, pursuant to an order of the Bankruptcy Court, agree as follows:

SECTION 1. PURCHASE AND SALE OF ASSETS

1.1 Agreement to Sell and Buy. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer, and deliver to Buyer, and Buyer agrees to

purchase on the applicable Closing Date (as hereinafter defined), all of the tangible and intangible assets constituting the Stations and all assets used or useful in connection with the construction, conduct of the business, or operation of the Stations, together with any additions thereto between the date of this Agreement and the Final Closing Date, but excluding the assets described in **Section 1.2** (the "Excluded Assets"), free and clear of any claims, liabilities, security interests, mortgages, liens, pledges, conditions, charges, or encumbrances of any nature whatsoever ("Liens") (except for any and all liens held by Buyer and liens for current and subsequent year ad valorem property taxes ("Permitted Liens")), including, without limitation, the following:

(a) all machinery, equipment, tools, furniture, transmitters, broadcast towers, fixtures, audio equipment, leasehold improvements, office equipment, inventory, spare parts, test equipment and other tangible personal property which is used or useful in the conduct of the business or operation of the Stations (the "Tangible Personal Property");

(b) all real property, including the land and all improvements, fixtures, personalty, rights and appurtenances, where the broadcast towers and other fixtures and personalty related to the Stations are presently located or are presently being constructed (the "Real Property");

(c) all licenses, permits, and other authorizations issued by any federal, state, or local governmental authorities, to Seller in connection with the construction, conduct of the business, or operation of the Stations that may be transferred from Seller to Buyer without first obtaining the consent of the FCC (collectively with all other licenses, permits, tower registrations and other authorizations, the "Licenses");

(d) all contracts, leases (real or personal), non-governmental licenses, and other agreements, written or oral (including any amendments and other modifications thereto) listed on **Schedule 2.5**, and contracts with advertisers for the sale of advertising time on the Stations and trade and barter agreements, including, but not limited to, that certain contract between the Seller and Rio Steel & Tower, Ltd. for the construction of Station 700 AM (the "Rio Steel Contract") (collectively, the "Assumed Contracts");

(e) all copyrights, trademarks, trade names, service marks, licenses, permits, jingles, Internet domain names, and other similar intangible property rights and interests (and any goodwill associated with any of the foregoing) applied for, issued to, or owned by Seller or under which Seller is licensed or franchised and which are used or useful in the business and operation of the Stations (the "Intangible Personal Property");

(f) all of Seller's proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints, and schematics, including filings with the FCC, relating to the business and operation of the Stations;

(h) all books and records relating to the business or operation of the Stations, including executed copies of the Assumed Contracts, and all records required by the FCC to be kept by the Stations; and

(i) any and all other of Seller's assets, other than Excluded Assets, that may be transferred from Seller to Buyer without the prior consent of the FCC;

(collectively, the "Transferred Assets")

(j) all licenses, permits, and other authorizations issued or to be issued by the FCC used or useful in the operation or construction of the Stations including, but not limited to, the construction permit (the "Construction Permit") for Station 700 AM and any other assets the transfer of which is subject to FCC approval (collectively, the "To-Be-Transferred Assets," and collectively with the Transferred Assets, the "Assets").

1.2 Excluded Assets. The Assets shall exclude the following assets:

- (a) any and all pension, profit sharing, or employee benefit plans;
- (b) all books and records pertaining to the organization of the Seller Parties as well as any personal assets of any employees of the Seller Parties;
- (c) any and all causes of action which the Seller may have as an asset in its Chapter 11 Proceeding under Chapter 5 of the United States Bankruptcy Code; and
- (d) executory contracts and unexpired leases not listed on Schedule 2.5.

1.3 Purchase Price. The "Purchase Price" for the Assets shall be Nine Million Dollars and Zero Cents (\$9,000,000.00). The purchase price shall be credited against amounts owing by the Seller Parties, as applicable, to Zwirn pursuant to the Loan Documents (as defined in Section 1.4). Unless and until all obligations due and owing pursuant to the Loan Documents are fully and indefeasibly paid in full, the terms of this Agreement, the LMA, and any related agreements shall not be deemed to alter, amend, or modify the rights and obligations contained within the Loan Documents.

1.4 Purchase Price Delivery. As soon as reasonably practicable after the Final Closing Date, the Purchase Price shall be credited as a book entry by Zwirn reducing the debt owed by the Seller Parties, as applicable, to Zwirn pursuant to (i) that certain Construction Loan Agreement by and among Seller and D.B. Zwirn Special Opportunities Fund, L.P., dated as of July 12, 2005, as subsequently amended (collectively with all related loan and security documents, the "Postpetition Loan Documents"), (ii) that certain Financing Agreement by and among The Watch, Ltd. and Highbridge/Zwirn Special Opportunities Fund, L.P., dated as of February 5, 2004 (collectively with all related loan and security documents, the "Prepetition Loan Documents"), and (iii) that certain Real Estate Lien Note, dated as of July 1, 2003, which was subsequently transferred to Highbridge/Zwirn Special Opportunities Fund, L.P. (collectively with all related loan and security documents, the "Real Estate Loan," and together with the Postpetition Loan Documents and the Prepetition Loan Documents the "Loan Documents"). The Purchase Price shall be applied, first, to interest and costs due and owing under the terms of the Postpetition Loan Documents, second, to principal due and owing under the Postpetition Loan Documents, third, to interest and costs due and owing under the terms of the Prepetition Loan Documents.

Documents, fourth, to interest and costs due and owing under the terms of the Real Estate Note, fifth, to principal due and owing under the terms of the Prepetition Loan Documents, sixth, to principal due and owing under the terms of the Real Estate Note, and, finally, to any other amounts due and owing from the Seller Parties to Zwirn.

1.5 Assumption of Liabilities and Obligations. As of the First Closing Date (as herein defined in Section 7.1) for the Transferred Assets and as of the Final Closing Date (as herein defined in Section 7.1) for the To-Be-Transferred Assets, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller under the Licenses, the Assumed Contracts, and all other Assets insofar as they relate to the time on and after the applicable Closing Date and arise out of events related to Buyer's ownership of the Assets or its operation or construction of the Stations. All expenses arising from the operation of the Stations and the ownership of the Assets, including, without limitation, business and license fees, FCC annual regulatory fees, utility charges, and assessments levied against the Assets, property and equipment rentals, sales and service charges, taxes (except for taxes, if any, arising from the transfer of the Assets under this Agreement), and similar prepaid and deferred items, shall be prorated between Seller and Buyer in accordance with the principle that Seller shall be responsible for all expenses, costs, and liabilities allocable to the period prior to the applicable Closing Date and Buyer shall be responsible for all expenses, costs, and obligations allocable to the period on and after the applicable Closing Date. The U.S. Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Court") shall hear any dispute with respect to this Section 1.5.

Buyer shall not assume any obligation or liability of Seller whatsoever except for matters specifically agreed to by Buyer in this Agreement.

1.6 Assumption of Finish Out Obligations. Buyer, upon entry of a Final Order of the Bankruptcy Court approving the execution of this Agreement, agrees to fund the completion of the construction of the towers, transmitters, and associated required equipment as well as testing measurements and certification of the 700 AM frequency for the purpose of converting the Construction Permit for KHSE into a full license or to be able to secure special temporary authority status that tolls the expiration date of the Construction Permit (the "Construction"). All Construction shall be managed by Larry Patrick or another individual acceptable to Buyer in its sole discretion as the agent of the Seller per prior order of the Bankruptcy Court, subject to the Final Order of the Bankruptcy Court and applicable FCC requirements, the ultimate control and supervision of Seller prior to the Final Closing and subject to the ultimate control and supervision of Buyer following the Final Closing. Upon completion of Construction, the parties shall enter into a LMA for Station 700 AM upon substantially the same terms as the LMA for Station 990 AM.

SECTION 2. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller covenants, represents, and warrants to Buyer as of the date of this Agreement and as of the First Closing Date for Transferred Assets and as of the Final Closing Date for To-Be-Transferred Assets as follows:

2.1 Standing to Contract. Seller consists of two (2) entities: (i) The Watch, Ltd. and (ii) DFW Radio License, LLC both are: (a) entities duly organized, existing, and in good standing under the laws of the State of Texas; (b) duly authorized to engage in their respective businesses; and (c) ordered by the Bankruptcy Court to sell the Stations and the Assets. Seller Parties are not in violation of any provisions of their documents of organization by entering into and consummating this transaction. Seller Parties are required by virtue of the Final Order of the Bankruptcy Court to enter into this Agreement and, subject to FCC approval, to consummate the Final Closing contemplated hereby.

2.2 Authorization of Agreement. The execution, delivery and performance of this Agreement by Seller have been duly authorized by all necessary corporate actions on its part and constitute valid and binding obligations of the Seller Parties, enforceable against the Seller in accordance with its terms. Neither the execution of this Agreement by Seller nor the performance of its obligations hereunder will conflict with or constitute a default under any other agreement or commitment that is now binding upon Seller. The closing of this Agreement is authorized by a Final Order of the Bankruptcy Court.

2.3 Tangible Personal Property. Seller holds good title to each item of Tangible Personal Property. The Tangible Personal Property is subject to a security interest, mortgage, pledge, conditional sales agreement, or other lien or encumbrance, including liens in favor of Zwirn and liens for ad valorem property taxes. The Tangible Personal Property is in good operating condition and repair, is free from material defect or damage, subject to normal wear and tear, is functioning in the manner and purposes for which it was intended, and is either being constructed to, or is already operating in, compliance with applicable rules of the FCC.

2.4 Licenses. The Licenses have been validly issued pursuant to Final Orders of the FCC, and Seller is the authorized legal holder thereof. The Licenses comprise all of the material licenses, permits, and other authorizations required from any governmental or regulatory authority for the lawful conduct of the business and operation of the Stations, and none of the Licenses are subject to any restriction or condition that would limit the full operation of the Stations. The Licenses are in full force and effect, and the conduct of the business and operation, or construction, of the Stations is in accordance therewith. Station 700 AM is being constructed, and Station 990 AM is operating, in accordance with the terms and conditions of its Licenses and in accordance with the rules and regulations of the FCC and all other regulatory and governmental agencies. None of the Licenses have been revoked, suspended, canceled, rescinded, terminated or expired, although license fees may be due and owing with respect to Station 990 AM. There is not pending or, to the Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or adversely modify any of the said Licenses (other than proceedings to amend FCC rules of general applicability), and there is not now issued, outstanding or pending or, to Seller's knowledge, threatened by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller or the Stations. The Construction Permit for Station 700 AM will expire on February 25, 2006. Seller has pending before the FCC, or will have pending before the Final Closing Date, a timely application to renew the license of Station 990 AM, and Seller has no knowledge of facts that would cause the FCC not to grant such renewal of Station 990 AM's license for a full term in the ordinary course without adverse modification, nonstandard conditions, or the imposition of any forfeiture against Seller or Station 990 AM.

2.5 Assumed Contracts. Schedule 2.5 is a true and complete list of all Contracts that the Seller wishes to have assumed and assigned to Buyer. Subject to Bankruptcy Court approval, all of the Assumed Contracts are in capable of being assumed and assigned pursuant to 11 U.S.C. § 365, with their applicable cure amount, if any.

2.6 Intangible Personal Property. The Intangible Personal Property does not infringe upon any third parties' intellectual property rights, and is valid, enforceable, in full force and effect, and in good standing and, to Seller's knowledge, uncontested. No rights of third parties with respect to any intellectual property exist that would have a material adverse effect on the use of the Assets.

2.7 Real Property. The Real Property provides sufficient access to the each Station's tower location from a public right-of-way without the need to obtain any other access rights. Neither the whole nor any part of the Real Property is subject to any pending or, to Seller's knowledge, threatened suit for condemnation or other taking by any public authority. All improvements included in the Real Property are in good operating condition and repair, and free from material defect or damage, and comply with applicable zoning, health and safety laws and codes, and any easements and restrictive covenants in all material respects.

2.8 Litigation and Claims. There is no litigation proceeding or investigation pending, or to the knowledge of Seller threatened against Seller that would materially affect the Assets or the operation or construction of the Stations or its business, operations, prospects or conditions, or its right to dispose of same, nor does Seller know or have any reasonable ground to know of any basis for such litigation, proceeding or investigation. Seller is not in default in respect to any judgment, order, writ, injunction, decree, rule or regulation of any applicable court or administrative agency which are not otherwise subject to the automatic stay under 11 U.S.C. § 362.

2.9 Insurance. Seller shall keep all of the Assets insured at the same level at which such property is currently insured up to and including the First Closing Date for Transferred Assets and the Final Closing Date for To-Be-Transferred Assets.

2.10 Environmental.

(a) No hazardous or toxic substance or waste (including without limitation petroleum products) or other material regulated under any applicable environmental, health or safety law, including without limitation polychlorinated biphenyls (each a "Contaminant") has been generated, stored, transported or released (each a "Release") on, in, from or to any of the Assets.

(b) Seller has not received any notice or claim to the effect that it is or may be liable as a result of the Release of a Contaminant.

(c) Neither the Stations nor any of the Assets are the subject of any investigation by any governmental authority with respect to a Release of a Contaminant.

2.11 Operation of Station 990 AM. Unless otherwise requested by Buyer in writing, Seller agrees to keep Station 990 AM on the air and to operate Station 990 AM in the normal, customary, and ordinary course of business up to and including the Final Closing Date, subject to the terms of the LMA.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF BUYER

3.1 Standing to Contract. Buyer is (i) a limited partnership organized and existing and in good standing under the laws of the State of Delaware and (ii) duly authorized under its organizational documents, as amended, to engage in the business carried on by it. Buyer is not in violation of any provisions of its organizational documents or operating agreement by entering into and consummating this transaction. Buyer has the legal right to enter into this Agreement and, subject to Bankruptcy Court and FCC approval, to consummate the transactions contemplated hereby.

3.2 Authorization of Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary actions on its part and constitutes a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject, however, to the effects of bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally, and to principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity). Neither the execution of this Agreement by Buyer nor the performance of its obligations hereunder will conflict with or constitute a default under any agreement or commitment that is binding upon Buyer.

3.3. Licensee Qualifications. Buyer or its designee is, or at Final Closing will be, legally, financially, and otherwise qualified under the Communications Act of 1934, as amended, and the rules and regulations of the FCC to be the licensee of the Stations.

3.4. Litigation. There is no action, suit, investigation or other proceeding pending, or to Buyer's knowledge threatened, that may adversely affect Buyer's ability to perform its obligations under this Agreement in accordance with the terms hereof, and Buyer is not aware of any facts that could reasonably result in any such proceeding.

3.5. Bankruptcy Court Approval. Buyer acknowledges and agrees that this Agreement is subject to Bankruptcy Court Approval.

3.6 Failure to Obtain FCC Approval. If the FCC refuses to allow the transaction contemplated in this Agreement, the Parties hereto shall promptly negotiate in good faith per the requirements of applicable orders of the Bankruptcy Court, to reform and amend this Agreement so as to revise any provision that they reasonably believe to be responsible for such action and shall resubmit the Agreement to the FCC. If the parties hereto are unable to agree in good faith upon a reformation of this Agreement that they reasonably believe will satisfy the concerns of the FCC, then this Agreement may be terminated pursuant to Section 8.3.

SECTION 4. OPERATIONS PRIOR TO CLOSING

4.1 Generally. With the funding and supervision provided by Buyer, Seller shall, between the date of this Agreement and the Final Closing Date, (i) construct Station 700 AM and prepare for filing, sign, and cooperate in the filing of an application for license to cover the Construction Permit prior to such Construction Permit's final expiration date; and (ii) operate Station 990 AM in accordance with the terms and conditions of its Licenses, the LMA, and in the ordinary course of business (except where such conduct would conflict with Seller's obligations under this Agreement, the LMA, or orders of the Bankruptcy Court) and in accordance with the other covenants in this Section 4. Seller shall maintain its good standing before the FCC, provided that Buyer funds repairs necessary to tune the Station 990 AM's signal to Buyer's reasonable satisfaction. Seller shall comply in all material respects with all laws, rules, and regulations applicable or relating to the ownership and operation of the Stations and their business, and shall fully comply with all orders of the Bankruptcy Court and the FCC.

4.2 Assumed Contracts. Seller will not, without the prior written consent of Buyer, enter into any contract, commitment or obligation relating to the Stations or the Assets, or amend or terminate any Assumed Contract (or waive any material right thereunder), or incur any obligation (including obligations relating to the borrowing of money or the guaranteeing of indebtedness) that will be binding on Buyer after either the First Closing Date or the Final Closing Date, without Buyer's written consent or prior approval of the Bankruptcy Court.

4.3 Disposition of Assets. Seller shall not sell, assign, lease, or otherwise transfer, dispose of or encumber any of the Assets, or permit any of the foregoing to occur, except in connection with the acquisition of replacement property of equivalent kind and value with Buyer's prior written consent. Except as otherwise may be ordered by the Bankruptcy Court, Seller shall preserve the Assets in the ordinary and usual course of business, consistent with good business practices. Except as may otherwise be ordered by the Bankruptcy Court, no action shall be taken by Seller that shall effect the Assets in any material adverse respect.

4.4 Licenses. Seller shall not knowingly or willfully cause or permit, by any act or failure to act, any of the Licenses to expire or to be revoked, suspended, or modified, or take, or fail to take, any action that could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation, or adverse modification of any of the Licenses, provided that Buyer has provided all necessary funding to meet such requirements. Seller shall proceed expeditiously with the Construction of Station 700 AM, as set forth in Section 1.6.

4.5 Consents. Seller Parties and their respective officers, directors or principals, in such capacities, shall fully cooperate and assist in obtaining the consents, permits, or approvals of government authorities and other third parties necessary to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement (the "Consents") without any adverse change in the terms or conditions of any Assumed Contract or License, and will take no action (or refuse to take action when requested) to delay or defeat the grant of the Consents.

SECTION 5. SPECIAL COVENANTS AND AGREEMENTS

5.1 Governmental Approvals. The assignment of all Licenses issued by the FCC in connection with the business or operation of the Stations (the "FCC Licenses"), as contemplated

by this Agreement, shall be subject to the prior consent and approval of the FCC. Unless otherwise authorized in a writing signed by Buyer, upon the occurrence of the First Closing Date, but in no event later than five (5) business days thereafter, Buyer shall promptly prepare and tender to Seller to enable Seller to file with the FCC appropriate applications for the consent to the assignment of the FCC Licenses to Buyer, as requested by Buyer and as contemplated by this Agreement (the "Assignment Consent"). The Seller Parties and their counsel shall fully cooperate with Buyer in the preparation and filing of said applications and all other necessary documents, and will take no action (or refuse to take action when requested) to delay or defeat the grant of said applications. The parties shall prosecute the applications with all reasonable diligence and otherwise use their commercially reasonable efforts to obtain a grant of the applications as expeditiously as practicable. Each party agrees to comply with any condition imposed on it by the Assignment Consent of the FCC except such condition that would have a material adverse effect upon it or any of its affiliates and which did not result from a breach by such party of its representations hereunder. Buyer and Seller shall oppose any third party requests for reconsideration or judicial review of the Assignment Consent, with Buyer to bear the reasonable costs of such actions. If the closing shall not have occurred for any reason within the original effective period of the Assignment Consent, the parties shall jointly request an extension of the effective period of the Assignment Consent.

5.2 Control of the Stations. Prior to the Final Closing Date, Buyer shall not, directly or indirectly, control, supervise, direct, or attempt to control, supervise, or direct, the operation of the Stations and all such operation, including complete control and supervision of all of the Station's programs, employees, and policies shall be the sole responsibility of Seller until the Final Closing Date pursuant to the terms of the LMA.

5.3 Risk of Loss.

(a) The risk of any loss, damage, impairment, confiscation, or condemnation of any of the Assets from any cause whatsoever shall be borne by Seller at all times prior to the First Closing Date for Transferred Assets and the Final Closing Date for To-Be-Transferred Assets

(b) Prior to the First Closing Date for Transferred Assets and prior to the Final Closing Date for To-Be-Transferred Assets, if any damage or destruction of the Assets or any other event occurs that (i) causes the Stations to cease broadcasting operation or (ii) prevents in any material respect signal transmission by the Stations in the normal and usual manner and Seller fails to restore or replace the Assets so that normal and usual transmission is resumed within seven (7) days of the damage, destruction or other event, Buyer, in its sole discretion, may (x) terminate this Agreement forthwith without any further obligations hereunder upon written notice to Seller or (y) proceed to consummate the transaction contemplated by this Agreement and complete the restoration and replacement of the Assets after the applicable Closing Date, in which event Seller shall deliver to Buyer all insurance proceeds received in connection with such damage, destruction, or other event and related to the Stations.

(c) In the event Buyer elects to require Seller to replace, restore, or repair damage or destruction prior to the time of the First Closing Date for Transferred Assets

and prior to the Final Closing Date for To-Be-Transferred Assets pursuant to Section 5.3(b) and these acts cannot be accomplished within the effective period of the Application Consent, Seller and Buyer shall jointly request from the FCC an extension of up to ninety (90) days in which to complete the closing of the transactions contemplated hereunder.

5.4 Confidentiality. Except as necessary for the consummation of the transactions contemplated by this Agreement and except to the extent required by law, each party will keep confidential any information of a confidential nature obtained from the other party in connection with the transactions contemplated by this Agreement.

5.5 Fees and Expenses. Buyer shall pay all filing fees and other fees payable in relation to the Assignment Consent, and all transfer taxes, recordation taxes, sales taxes, document stamps, or other charges levied by any governmental entity on account of the transfer of the Assets from Seller to Buyer. Subject to the limitations set forth in Attachment 1 of the LMA, Buyer shall pay or reimburse the Seller's expenses incurred in connection with the performance of this Agreement, including fees and expenses of counsel.

5.6 Representations and Warranties. Seller shall give Buyer detailed written notice immediately upon learning of the occurrence of any event that would cause or constitute a breach (or would have caused a breach had such event occurred or been known to Seller prior to the date hereof) of any of its representations and warranties contained in this Agreement.

5.7 Access to Information. Between the date hereof and the First Closing Date for Transferred Assets and the Final Closing Date for To-Be-Transferred Assets, and so long as it reasonable and necessary thereafter, Seller agrees that it will give to Buyer during normal business hours reasonable access to the Stations' properties, including the Real Property, contracts, books and records and will furnish to Buyer all such information concerning the affairs of the Stations as Buyer may reasonably request; provided, however, that the rights of Buyer under this Section shall not be exercised in such manner as to interfere unreasonably with Seller's operations, nor require any material expenditure of funds by Seller.

5.8 [Reserved]

5.9 Employee Matters. Buyer may, in its sole discretion, hire any of Seller's employees employed in connection with the operation or construction of the Stations on such terms and conditions as Buyer may determine, provided that Buyer shall have no obligation to do so. Seller shall be responsible for all obligations relating to its employees, including, without limitation, severance, pension, profit sharing, or employee benefit plans.

SECTION 6. CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER AT CLOSING

6.1 Conditions to Obligations of Buyer. All obligations of Buyer as of the First Closing Date for Transferred Assets and the Final Closing Date for To-Be-Transferred Assets are subject at Buyer's option to the fulfillment prior to or at the applicable Closing Date of each of the following conditions:

(a) Representations and Warranties. All material representations and warranties of Seller contained in this Agreement shall be true and complete.

(b) Covenants and Conditions. Seller shall have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Seller prior to or on the applicable Closing Date.

(c) Consents. All Consents, or if applicable, Bankruptcy Court Approval, shall have been obtained and delivered to Buyer without any material adverse change in the terms or conditions of any agreement or any governmental license, permit, or other authorization.

(d) Assignment Consent. The Assignment Consent shall have been granted by the FCC with respect to the To-Be-Transferred Assets without the imposition on Buyer or Seller of any conditions that need not be complied with by it under **Section 5.1** hereof, and Seller shall have complied with all material conditions imposed on Seller by the Assignment Consent.

(e) Deliveries. Seller shall have made or stand willing to make all the deliveries to Buyer set forth in **Section 7.2**.

(f) Licenses. The Licenses shall be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such Licenses, and Seller shall not have received any notice of and shall have no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against either the Stations or Seller, excepting only the previously filed complaint with the FCC by Jack Sellmeyer with respect to 990 AM.

6.2 Conditions to Obligations of Seller. All obligations of Seller as of the First Closing Date for Transferred Assets and the Final Closing Date for To-Be-Transferred Assets are subject at Seller's option to the fulfillment prior to or at the applicable Closing Date of each of the following conditions:

(a) Representations and Warranties. All material representations and warranties of Buyer contained in this Agreement shall be true and complete.

(b) Covenants and Conditions. Buyer shall have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Buyer prior to or on the applicable Closing Date in all material respects.

(c) Assignment Consent. The Assignment Consent shall have been granted by the FCC without the imposition on Seller of any conditions that need not be complied with by Seller under Section 5.1 hereof, and Buyer shall have complied with any conditions imposed on it by the Assignment Consent.

(d) Deliveries. Buyer shall have made or stand willing to make all the deliveries set forth in Section 7.3.

(e) None of the events or conditions referenced in Section 5.3 herein shall have occurred and not been remedied as set forth in Section 5.3.

SECTION 7. CLOSING AND CLOSING DELIVERIES

7.1 Closing Dates. the transactions contemplated herein shall be closed in two closings: in the first closing (the "First Closing"), Seller shall convey and deliver to Buyer the Transferred Assets, and in the second closing (the "Final Closing"), Seller shall convey and deliver to Buyer the To-Be-Transferred Assets.

(a) First Closing Date. Unless otherwise agreed to in a writing signed by Buyer, the First Closing shall take place on a date (the "First Closing Date") that shall be within five (5) business days of the date upon which the Bankruptcy Court Order approving this Agreement becomes a Final Order. The exact time and place of the First Closing is to be mutually agreed upon by Buyer and Seller. In the event Seller and Buyer fail to agree, the First Closing shall occur at the offices of Buyer's attorney at 10:00 a.m. Central Time on the fifth business day following the entry of the Final Order of the Bankruptcy Court approving the Agreement. On the First Closing Date, the parties shall execute the LMA for Station 990 AM.

(b) Final Closing Date. Unless otherwise agreed to in a writing signed by Buyer, the Final Closing shall take place on a date (the "Final Closing Date") that shall be within five (5) business days of the date upon which the Assignment Consent of the FCC becomes a Final Order, as defined below (the "Order Date"). The exact time and place of the Final Closing is to be mutually agreed upon by Buyer and Seller. In the event Seller and Buyer fail to agree, the Final Closing shall occur at the offices of Buyer's attorney at 10:00 a.m. Central Time on the fifth business day following the entry by the FCC of a Final Order approving the transaction set forth in this Agreement. On the Final Closing Date, the LMA for Station 990 AM, and, if applicable, the LMA for Station 700 AM, shall terminate.

(c) For the purpose of this Agreement, a "Final Order" shall mean action by the FCC or Bankruptcy Court, as applicable, that is not reversed, stayed, enjoined, set aside, annulled or suspended.

(d) The time of closing dates and times fixed in accordance with the provision of this **Section 7.1**, are herein collectively called the "Closing Date."

7.2 Deliveries by Seller. Prior to or on the First Closing Date for Transferred Assets and prior to or on the Final Closing Date for To-Be-Transferred Assets, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel as prepared by Buyer and its counsel:

(a) Transfer Documents. Transfer documents (in recordable form, where applicable) that shall be sufficient to vest good and marketable title to the Assets in the name of Buyer, free and clear of all claims, liabilities, security interests, mortgages, liens, pledges, conditions, charges and encumbrances, except for Permitted Liens and liens for ad valorem property taxes, including without limitation the following: (i) Warranty Deed and Bill of Sale, and Assignment and Assumption Agreement transferring and assigning to Buyer good, marketable, and unencumbered right, title, and interest in and to the Real Property, the Assumed Contracts, the Tangible Personal Property and the Intangible Personal Property, such instruments to be recordable; (ii) an instrument assigning to Buyer the Licenses; and (iii) the Final Order of the Bankruptcy Court approving the transaction.

(b) Licenses, Assumed Contracts, Business Records, Etc. Copies of all Licenses, Assumed Contracts, blueprints, schematics, working drawings, plans, projections, engineering records, and all files and records used by Seller in connection with the business and operation of the Stations or relating to the Assets, but not including Seller's internal corporate documents.

(c) Additional Documents. Originals or true copies of the Stations' public files and all other documents required to be maintained by the Stations, pursuant to applicable law and the rules and regulations of the FCC.

(d) Such other documents as the FCC, the Bankruptcy Court, or Buyer may require for the Seller to sell, assume, assign and transfer the Assets to Buyer.

7.3 Deliveries by Buyer. On or as soon as reasonably practicable after the Final Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

(a) Purchase Price. The Purchase Price set forth in **Section 1.4**.

(b) Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and Assumed Contracts in accordance with **Section 1.5**.

(c) Such other documents, evidences, and certificates as Seller or its counsel may reasonably request.

7.4 Lease at First Closing. As of and from the First Closing and until the Final Closing, Buyer leases unto Seller the Transferred Assets used in the operation of the Stations and shall permit Licensee to use any of such assets as necessary for Licensee to fulfill its obligations as FCC licensee or permittee of the Stations.

SECTION 8. TERMINATION

8.1 Termination by Party. This Agreement may be terminated by either party and the purchase and sale of the Stations and the Assets abandoned, if the terminating party is not then in material default, upon written notice to the other party, but only upon the occurrence of any of the following:

(a) If on the date that would otherwise be the First Closing Date for Transferred Assets or the Final Closing Date for To-Be-Transferred Assets, any of the material conditions precedent to the obligations of the terminating party set forth in this Agreement have not been satisfied or waived in writing by the terminating party, provided, however, if the period to cure a breach specified in subsection (b) of this Section has not expired, the applicable Closing Date shall automatically be extended until the end of the cure period.

(b) If before the First Closing Date for the Transferred Assets or the Final Closing Date for the To-Be-Transferred Assets, there occurs a breach of any material provision of this Agreement by the non-terminating party that has not been waived in writing by the party for whose benefit such provision is imposed and such breach has not been cured on or before the applicable Closing Date; provided, however, if either party becomes aware of a breach of any material provision of this Agreement that has not been waived in writing, such party shall notify the other party in writing of such breach and the nature thereof and thereafter the party so notified shall have thirty (30) days to cure any such breach.

(c) If there shall be in effect on the date that would otherwise be the applicable Closing Date any judgment, decree, or order that would prevent or make unlawful the closing.

(d) Unless agreed to in writing by all parties hereto, this Agreement may not be terminated without an order of the Bankruptcy Court.

8.2 Termination by Mutual Consent. This Agreement may be terminated and the purchase and sale of the Stations and the Assets abandoned by mutual consent of the Seller and Buyer.

8.3 Denial of Approvals. If the FCC withholds or denies approval of the transaction set forth herein and the parties hereto have undertaken all reasonable efforts to revise, refile and prosecute the documents pursuant to Section 3.6, either party may, if it is not in material breach of this Agreement, immediately terminate this Agreement without further liability. In such event, all security interests, liens, and other rights granted to Zwirn pursuant to both the Prepetition Loan Documents and the Postpetition Loan Documents shall remain in full force and

effect and the Seller Parties, as applicable, shall remain fully liable for all amounts owing to Zwirn.

8.4 Liability for Breach. Except as otherwise set forth in this Agreement, a termination pursuant to this Section 8 shall not relieve any party from of any liability it would otherwise have for a breach of this Agreement.

8.5 Termination Requiring Court Order. Notwithstanding anything to the contrary herein, neither the Seller Parties nor Buyer may terminate this Agreement without prior order of the Bankruptcy Court.

SECTION 9. REMEDIES

9.1 The parties acknowledge and agree that the Assets to be conveyed hereunder pursuant to this Agreement are unique and not readily available on the open market, and that Buyer would be irreparably injured by Seller's failure to perform its obligations pursuant to this Agreement. Therefore, in addition to any other remedies Buyer may elect to pursue in the event of Seller's breach or default, Buyer shall have the right to seek specific performance of this Agreement and Seller agrees to waive the defense that Seller has an adequate remedy at law.

9.2. The parties acknowledge and agree that the Assets to be conveyed hereunder pursuant to this Agreement are unique and not readily available on the open market, and that Seller would be irreparably injured by Buyer's failure to perform its obligations pursuant to this Agreement. Therefore, in addition to any other remedies Seller may elect to pursue in the event of Buyer's breach or default, Seller shall have the right to seek specific performance of this Agreement and Buyer agrees to waive the defense that Seller has an adequate remedy at law.

SECTION 10. MISCELLANEOUS

10.1 Survival of Liens. All rights and obligations set forth in the Loan Documents shall remain in full force and effect and nothing contained in this Agreement or any related document shall be deemed to amend, alter, or modify such rights and obligations. Upon the occurrence of the Final Closing Date, Seller's obligations under the Loan Documents shall be satisfied to the extent of the Purchase Price. Nothing in this Agreement shall alter, amend, or modify the rights and obligations set forth in the Loan Documents with respect to third parties thereto.

10.2 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be in writing, delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, and shall be deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and addressed as follows:

If to Seller: Paul Keiffer
 Hance Scarborough Wright
 Ginsberg & Brusilow, LLP
 The Elm Place Building

1401 Elm Street, Suite 4750
Dallas, Texas 75202
Tel: (214) 651-6500
Fax: (214) 744-2615

If to Buyer:

Steven F. Campbell
BERNARD DALLAS LLC, a Delaware limited liability company
745 Fifth Avenue, 17th Floor
New York, NY 10151
Tel: (646) 720-9174
Fax: (646) 720-9074

With a copy (which shall not constitute notice) to:

Josiah M. Daniel, III
Michaela C. Crocker
VINSON & ELKINS L.L.P.
3700 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201-2975
Tel: 214-220-7700
Fax: 214-220-7716

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this **Section 10.2**.

10.3 **Benefit and Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Seller may not assign this Agreement without the prior written consent of Buyer. Buyer may assign this Agreement in accordance with **Section 10.16**.

10.4 **Further Assurances.** The parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

10.5 **Survival of Representations, Warranties and Covenants.** Neither the acceptance of payments due nor the acceptance or delivery of property hereunder shall constitute a waiver of any covenant, representation, warranty, agreement, obligation, or indemnification or undertaking contained in this Agreement, and the same shall survive the First Closing Date and the Final Closing Date.

10.6 **Amendment and Waiver.** This Agreement cannot be changed or amended except by an agreement in writing that is signed by the party against which enforcement of any such amendment is sought. No waiver of compliance with any provision or condition hereof, and no consent provided for herein, shall be effective unless evidenced by an agreement in writing which is signed by the party sought to be charged with such waiver or consent.

10.7 Reserved.

10.8 Governing Law. This agreement shall be governed, construed, and enforced in accordance with the laws of the State of New York (without regard to any choice of law or conflict of law provisions (whether of the State of New York or any other jurisdiction) that would cause the application of laws of any jurisdiction other than the State of New York) and the rules and regulations of the FCC. Venue of any dispute with respect to this Agreement shall be proper before the Bankruptcy Court.

10.9 Headings. The headings in this Agreement are included for ease of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

10.10 Entire Agreement. This Agreement, the schedules and exhibits hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement among Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior negotiations between the parties.

10.11 Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart was upon the same instrument, and signatures delivered electronically shall evidence the duly authorized signature of a party hereto.

10.12 Press Releases. None of the parties hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other party hereto; provided, however, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

10.13 Finders. Seller and Buyer agree and represent to each other that, other than Patrick Communications LLC, they know of no broker, finder or intermediary involved in connection with the negotiations and discussions incident to the execution of this Agreement or any broker, finder or intermediary who might to be entitled to a fee or commission payable by Seller upon the consummation of the transaction contemplated herein.

10.14 Interpretation. In the event that this Agreement requires interpretation or construction, this Agreement shall not be interpreted or construed more strictly against one party by reason of any rule of interpretation or construction under which a document is to be construed more strictly against the drafting party.

10.15 Severability. The parties agree that if one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, this Agreement shall be construed with the invalid, illegal, or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby; provided, however, that if the removal of the offending provision or provisions materially alters the burdens or benefits of either party,

the parties agree to negotiate in good faith such modifications to this Agreement as are appropriate to ensure that the burdens and benefits of each party are reasonably comparable to those originally contemplated here.

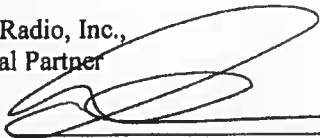
10.16 Assignment. Prior to the Final Closing Date, Buyer may assign and delegate all of its rights and obligations under this contract to any affiliate or subsidiary of Buyer or to any designee (whether or not an affiliate or subsidiary of Buyer) without the prior consent of Seller or any other entity and without any order of the Court.

IN WITNESS WHEREOF, this Agreement has been executed by Seller and Buyer as of the date first written above.

SELLER PARTIES

THE WATCH, LTD.

By: DFW Radio, Inc.,
General Partner

By: 
David S. Schum, President

DFW RADIO LICENSE, LLC.

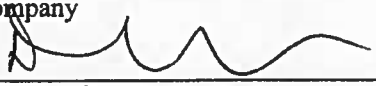
By: 
David S. Schum, Manager

DFW RADIO, INC.

By: 
David S. Schum, President

BUYER

BERNARD DALLAS LLC, a Delaware limited liability company

By: 
Name: David A. Proshan
Title: Authorized Signatory

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ASSIGNEE'S OWNERSHIP

Bernard Dallas LLC, the proposed Assignee herein, is a Delaware limited liability company. Its sole member is:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
Bernard Radio LLC	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Sole Member	100%	100%	U.S. (Delaware LLC)

Bernard Radio LLC, a Delaware limited liability company and sole member of Bernard Dallas LLC, has the following members:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
D.B. Zwirn & Co., L.P.	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Managing Member	100%	Less than 1%	U.S. (Delaware L.P.)
D.B. Zwirn Special Opportunities Fund, L.P.	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Insulated Member ¹	0%	Greater than 99%	U.S. (Delaware L.P.)

¹ The LLC agreement of Bernard Radio LLC contains provisions insulating D.B. Zwirn Special Opportunities Fund, L.P., its non-managing member, from involvement in the LLC's media enterprises pursuant to FCC requirements. Daniel B. Zwirn, whose ultimate controlling interest in the Assignee is disclosed elsewhere in this exhibit, also holds direct or indirect interests in the general partner of D.B. Zwirn Special Opportunities Fund, L.P.

D.B. Zwirn & Co., L.P., a Delaware limited partnership and the managing member of Bernard Radio LLC, has the following general partners, officers and limited partners:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
DBZ GP, LLC	745 Fifth Avenue, 18 th Floor, New York, NY 10151	General Partner	100%	1%	U.S. (Delaware LLC)
Daniel B. Zwirn	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Managing Partner	0%	0%	U.S.
Perry A. Gruss	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Chief Financial Officer	0%	0%	U.S.
David A. Proshan	745 Fifth Avenue, 18 th Floor, New York, NY 10151	General Counsel	0%	0%	U.S.
Insulated Limited Partners ²		Insulated Partners	0%	99%	

DBZ GP, LLC, a Delaware limited liability company and general partner of D.B. Zwirn & Co., L.P., has the following members:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
Zwirn Holdings, LLC	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Managing Member	100%	N/A	U.S. (Delaware LLC)
Insulated Members ³		Insulated Members	0%	N/A	

² At closing, the limited partnership agreement of D.B. Zwirn & Co., L.P. will contain provisions insulating the entity's limited partners from involvement in the partnership's media enterprises pursuant to FCC requirements. Zwirn Holdings, LLC, which is disclosed elsewhere in this exhibit as the managing member of DBZ GP, LLC, also holds a limited partnership interest in D.B. Zwirn & Co., L.P.

³ At closing, the LLC agreement of DBZ GP, LLC will contain provisions insulating the entity's non-managing members from involvement in the LLC's media enterprises pursuant to FCC requirements.

Zwirn Holdings, LLC, a Delaware limited liability company and the managing member of DBZ GP, LLC, is wholly-owned by the following individual:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
Daniel B. Zwirn	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Sole Member	100%	100%	U.S.

ASSIGNEE'S OWNERSHIP

Bernard Dallas LLC, the proposed Assignee herein, is a Delaware limited liability company. Its sole member is:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
Bernard Radio LLC	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Sole Member	100%	100%	U.S. (Delaware LLC)

Bernard Radio LLC, a Delaware limited liability company and sole member of Bernard Dallas LLC, has the following members:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
D.B. Zwirn & Co., L.P.	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Managing Member	100%	0%	U.S. (Delaware L.P.)
D.B. Zwirn Special Opportunities Fund, L.P.	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Insulated Member ¹	0%	100%	U.S. (Delaware L.P.)

¹ The LLC agreement of Bernard Radio LLC contains provisions insulating D.B. Zwirn Special Opportunities Fund, L.P., its non-managing member, from involvement in the LLC's media enterprises pursuant to FCC requirements. Daniel B. Zwirn, whose ultimate controlling interest in the Assignee is disclosed elsewhere in this exhibit, also holds direct or indirect interests in the general partner of D.B. Zwirn Special Opportunities Fund, L.P.

D.B. Zwirn & Co., L.P., a Delaware limited partnership and the managing member of Bernard Radio LLC, has the following general partners, officers and limited partners:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
DBZ GP, LLC	745 Fifth Avenue, 18 th Floor, New York, NY 10151	General Partner	100%	1%	U.S. (Delaware LLC)
Daniel B. Zwirn	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Managing Partner	0%	0%	U.S.
Perry A. Gruss	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Chief Financial Officer	0%	0%	U.S.
David A. Proshan	745 Fifth Avenue, 18 th Floor, New York, NY 10151	General Counsel	0%	0%	U.S.
Harold D. Kahn	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Chief Operating Officer	0%	0%	U.S.
Insulated Limited Partners ²		Insulated Partners	0%	99%	

DBZ GP, LLC, a Delaware limited liability company and general partner of D.B. Zwirn & Co., L.P., has the following members:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
Zwirn Holdings, LLC	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Managing Member	100%	69%	U.S. (Delaware LLC)
Insulated Member ³		Insulated Member	0%	31%	

² At closing, the limited partnership agreement of D.B. Zwirn & Co., L.P. will contain provisions insulating the entity's limited partners from involvement in the partnership's media enterprises pursuant to FCC requirements. Zwirn Holdings, LLC, which is disclosed elsewhere in this exhibit as the managing member of DBZ GP, LLC, also holds a limited partnership interest in D.B. Zwirn & Co., L.P.

³ At closing, the LLC agreement of DBZ GP, LLC will contain provisions insulating the entity's non-managing member from involvement in the LLC's media enterprises pursuant to FCC requirements.

Zwirn Holdings, LLC, a Delaware limited liability company and the managing member of DBZ GP, LLC, is wholly-owned by the following individual:

NAME	ADDRESS	POSITIONAL INTEREST	PERCENTAGE OF VOTES	PERCENTAGE OF EQUITY	CITIZENSHIP
Daniel B. Zwirn	745 Fifth Avenue, 18 th Floor, New York, NY 10151	Sole Member	100%	100%	U.S.

LOCAL MARKETING AGREEMENT

This Local Marketing Agreement ("Agreement") is made and entered into as of December 22, 2005, by and between The Watch, Ltd, a Texas limited partnership, DFW Radio License LLC, a Texas limited liability company, both with a business address of 12900 Preston Road, Suite 101, Dallas, Texas 75230 ("Licensee"), and Bernard Dallas LLC, a Delaware limited liability company, with a business address of 745 Fifth Avenue, 17th Floor, New York, NY 10151 ("Broker").

WITNESSETH

WHEREAS, DFW Radio License LLC is the licensee of radio station KFCD, which is licensed by the Federal Communications Commission ("FCC") at Farmersville, Texas, at frequency AM 990 (the "Station");

WHEREAS, Licensee has been ordered by the Bankruptcy Court to sell the Station and all related assets to Broker, the Broker being the assignee of D.B. Zwirn Special Opportunities Fund, L.P., a Delaware limited partnership, and Broker has agreed to purchase the Station pursuant to that certain Asset Purchase Agreement by and between Licensee and Broker of even date herewith (the "Purchase Agreement");

WHEREAS, Licensee has broadcast time available for sale on the Station and desires that Broker provide radio programming to fill such time that is responsive to the needs, interests, issues and desires of the Station's community-of-license and service area;

WHEREAS, Broker desires to purchase time on the Station to present its programming on the Station and to sell advertising time for inclusion in said programming, and is willing to purchase that broadcast time, subject to the limitations set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the sufficiency of which are acknowledged, the parties hereto have agreed and do agree as follows:

1. **Term.** Commencing on the date when the order of the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court"), entered in case number 05-35874, *In re The Watch, Ltd. et al.* (jointly administered), approving the sale of the Station to the Broker (the "Court Order") becomes a final, non-appealable order (the "Commencement Date"), Licensee agrees to make its broadcasting transmission facilities available to Broker and to broadcast on the Station, or cause to be broadcast, Broker's radio programs. The term of this Agreement (the "Term") shall terminate as provided in Section 9.1 herein.

2. **Consideration.** As consideration for the airtime made available hereunder, Broker shall make payments to Licensee as set forth in Attachment I.

3. **Station Facilities.**

3.1. **Program Time.** Throughout the Term, Licensee shall make available to Broker the broadcast transmission facilities of the Station, and shall cause to be broadcast using such facilities the programming provided to Licensee by Broker. Licensee's broadcast

transmission facilities shall be made available to Broker by Licensee for the maximum time authorized up to one hundred sixty-eight (168) hours per week, Sunday through Saturday, except for downtime occasioned by routine maintenance. Broker shall make available to Licensee its programming during a sufficient number of hours to enable the Station to meet the minimum hours of operation required under the rules and regulations of the FCC and the policies adopted pursuant to such rules and regulations (the "FCC Rules").

3.2. Use of Station Facilities. To facilitate delivery of programming by Broker to Licensee hereunder, Licensee hereby grants to Broker the non-exclusive right for the term of this Agreement to use the equipment in the studio located in the North Dallas Bank Tower at 12900 Preston Road, Suite 100, Dallas, Texas (the "Studio") for broadcasting programs on the Station pursuant to this Agreement (the "Broadcast Equipment"). In addition, Broker shall have, and Licensee hereby grants to Broker, a nonexclusive license to enter the premises on which the Studio is located for purposes of producing its programming hereunder. In the event that it exercises this right to use the Studio, Broker shall maintain the Broadcast Equipment free and clear of liens, claims or encumbrances of any third party claiming by, through or under Broker. Alternatively, Broker may originate its programs for broadcast on the Station from Broker's own studio or other location, in which case Broker shall be responsible, at its sole expense, for the delivery of such programming to the Station.

3.3. Maintenance; Interruption of Normal Operations. Licensee shall use its best efforts to provide at least forty-eight (48) hours' notice to Broker in advance of any maintenance work affecting the operation of the Station, which shall be undertaken at such hours and on such terms as to cause the least disruption to Broker's operations. If the Station suffers any loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability of the Station to operate with its maximum authorized facilities, Licensee shall notify Broker as soon as possible and shall, as soon as possible, undertake such repairs as are necessary to restore full-time operation of the Station with its maximum authorized facilities, after the occurrence of any such loss or damage. If Licensee is unable to complete such repairs within a reasonable time, Broker may cooperate with Licensee by undertaking such repairs, subject to Licensee's supervision.

3.4. Force Majeure. Any failure or impairment of facilities or any delay or interruption in the broadcast of programs, or failure at any time to furnish facilities, in whole or in part, for broadcast, due to a cause beyond the control of Licensee, shall not constitute a breach of this Agreement. Broker and Licensee shall exercise commercially reasonable efforts to remedy any such conditions affecting compliance with their obligations under this Agreement.

3.5. Other Stations. The terms of this Agreement shall only apply to the Station and not to any other radio station or other broadcast facility controlled, owned, or operated by Broker.

3.6. Other Facilities. To the extent any of the assets used in the operation of the Station are owned by Broker, Broker agrees to permit Licensee to use such assets as necessary to fulfill its obligations as FCC licensee of the Station, in accordance with the terms of this LMA and pursuant to the lease provisions in Section 7.4 of the Purchase Agreement.

4. Station Programming Policies.

4.1. Broadcast Station Programming Policy Statement. Licensee has adopted and will enforce a Broadcast Station Programming Policy Statement (the "Policy Statement"), a copy of which appears as Attachment II hereto and which may be amended in a reasonable manner from time to time by Licensee upon notice to Broker. Broker agrees and covenants that all programming, advertising spots, promotional material and announcements that it provides for broadcast on the Station shall comply in all material respects with: (i) the Policy Statement; (ii) all applicable federal, state and local laws, rules and regulations, including the Communications Act of 1934, as amended (the "Act"), the FCC Rules, and the rules and regulations of the Federal Trade Commission ("FTC"); and (iii) all subsequent changes to the Policy Statement, the FCC Rules and the Act. Broker acknowledges that Licensee has not urged, counseled or advised the use of any unfair business practice. If Licensee determines in good faith that a program supplied by Broker does not comply with the Policy Statement or the law, it may, upon prior written notice to Broker (to the extent time permits such notice), suspend or cancel such program without liability to Broker. Licensee will use reasonable efforts to provide such written notice to Broker prior to the suspension or cancellation of such program. Licensee shall have no liability to Broker for suspending or canceling programming pursuant to this Section 4.1.

4.2. Broker Compliance with Copyright Act. Broker represents and warrants to Licensee that Broker has full authority to broadcast its programming on the Station, and that Broker shall not broadcast any material in violation of the Copyright Act. All music supplied by Broker shall be: (i) licensed by ASCAP, SESAC or BMI; (ii) in the public domain; or (iii) cleared at the source by Broker. The right to use the programming and to authorize its use in any manner shall be and remain vested in Broker.

4.3. Sales. Broker shall retain all revenues from the sale of advertising time associated with the programming it provides to Licensee during the Term. Broker shall be responsible for payment of the commissions due to any national sales representative engaged by it for the purpose of selling national advertising that is carried during the programming it provides to Licensee.

4.4. Payola. Broker agrees that it will not accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, material, supplies or other merchandise, services or labor (collectively "Consideration") for the inclusion of any matter as part of the programming or commercial matter supplied by Broker to Licensee for broadcast on the Station, whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, unless the party making or accepting such Consideration is identified in the program for which Consideration was provided as having paid for or furnished such Consideration, in accordance with the Act and FCC requirements. Broker agrees that every two (2) months, or more frequently at the reasonable request of Licensee, it will execute and provide Licensee with a Payola Affidavit from each of its employees involved with the Station substantially in the form attached hereto as Attachment III.

4.5. Cooperation on Programming. Broker, in cooperation with Licensee, will endeavor to ensure that programming is broadcast which is responsive to the needs and

interests of community-of-license Farmersville, Texas and the Station's service area. Broker shall, upon reasonable request, provide Licensee with information concerning such of Broker's programs as are responsive to community issues so as to assist Licensee in the satisfaction of its public service programming obligations. Broker shall also provide Licensee such other information necessary to enable Licensee to prepare records and reports required by the FCC or other local, state or federal government entities, including the quarterly issues/programs lists required by the FCC. Broker shall promptly provide Licensee with any complaint or comments received regarding any programming broadcast on the Station.

4.6. Station Identification and EAS. Broker shall cooperate with Licensee to ensure compliance with the applicable FCC Rules regarding the broadcast of hourly station identification announcements and required Emergency Alert System ("EAS") tests.

4.7. Political Advertising. Any qualified political candidate for federal office shall have access to the Station under this Agreement in accordance with the applicable FCC Rules. In addition, Broker shall cooperate with Licensee to assist Licensee in complying with all other FCC Rules regarding political broadcasting. Licensee shall promptly supply to Broker upon request, and Broker shall promptly supply to Licensee upon request, such information, including all inquiries concerning the broadcast of political advertising, as may be necessary to comply with the FCC Rules, including the lowest unit rate, equal opportunities, reasonable access, political file and related requirements of the Act and the federal election laws. Licensee, in consultation with Broker, shall develop a statement that discloses its political broadcasting policies to political candidates, and Broker shall follow those policies and rates in the sale of political programming and advertising to be broadcast on the Station. In the event that Broker fails to satisfy the political broadcasting requirements under the Act, the FCC Rules and any other applicable federal election laws and such failure inhibits Licensee in its compliance with the FCC Rules regarding political broadcasting then to the extent reasonably necessary to assure such compliance, Broker shall either provide rebates to political advertisers or release broadcast time and/or advertising availabilities to Licensee at no cost to Licensee.

4.8. Licensee Control of Programming. Licensee shall maintain such rights to suspend or preempt programming as provided in Sections 4.1 and 6.1 herein.

4.9. Intellectual Property. Licensee hereby grants to Broker a license to utilize the call signs, slogans, and other intellectual property of the Station, to the extent owned by Licensee, during the term of this Agreement.

5. Responsibility for Employees and Expenses.

5.1. Employees. Licensee shall employ such personnel as shall be necessary to comply with FCC Rules regarding the staffing of a main studio for the Station, and will be responsible for the salaries, taxes, benefits, insurance and related costs for all such employees. Licensee shall be solely responsible for the costs of terminating any of its existing employees in connection with the implementation of this Agreement, including any insurance or other benefits due or accrued vacation time.

Broker shall employ and be responsible for the salaries, commissions, taxes, insurance and all other related costs of all personnel and property involved in the production and

broadcast of Broker's programming, including air personalities, salespersons, traffic personnel, board operators, technical staff and other programming staff members. Whenever on the Station's premises, Broker's personnel shall be subject to the supervision and the direction of Licensee.

5.2. Expenses and Liabilities.

A. Subject to reimbursement by Broker as set forth in Attachment I hereto, Licensee shall be responsible for payment of the costs associated with the day-to-day operation of the Station, including maintenance, repair and replacement expenses to the Station's transmission facilities in the ordinary course; mortgage and/or lease payments, taxes and insurance relating to all real property owned by Licensee; any federal, state and local taxes levied upon the Station and Licensee's own payroll; electric and other utility payments; casualty and liability insurance for all Station facilities; all FCC regulatory fees; and the fees of Licensee's consulting engineer.

B. Broker shall be responsible for all liabilities, debts and obligations of Broker based upon the purchase of air time on the Station under this Agreement and use of Licensee's transmission facilities including, without limitation, accounts payable, barter agreements and unaired advertisements. Broker shall pay for all telephone calls associated with program production and listener responses, for the fees to ASCAP, BMI and SESAC related to Broker's programming, and for any other copyright fees attributable to its programming broadcast on the Station pursuant to this Agreement. Broker shall make any arrangements necessary and be solely responsible for the cost of delivering Broker's programming to the Station from any location other than the Studio.

6. Operation of Station. Notwithstanding any other provision of this Agreement, Licensee shall have full authority and power over the operation of the Station during the period of this Agreement.

6.1. Licensee Control of Station's Operations. Licensee shall retain control over the policies, programming and operations of the Station; including, without limitation: (i) the right to suspend or cancel programming or advertisements pursuant to Section 4.1 herein, (ii) the right to preempt any programs not in the public interest or in order to broadcast a program deemed by Licensee to be of greater national, regional or local interest (provided that Licensee shall exercise such right only to the extent necessary to carry out its obligations as FCC licensee, and shall not exercise such right in an arbitrary manner or for the commercial advantage of Licensee or others), and (iii) the right to take any other actions necessary for compliance with federal, state and local laws, the Act and the rules, regulations and policies of other federal government entities, including the FTC and the United States Department of Justice. Licensee will use its best efforts to give Broker reasonable notice in writing of its intention to preempt Broker's programs. Licensee also shall retain the right to break into Broker's programming without prior notice in case of an emergency.

6.2. Licensee Responsibility For FCC Compliance. Licensee shall at all times be solely responsible for meeting all of the applicable FCC Rules with respect to public service programming, for maintaining the political and public inspection files and the Station's logs, for the preparation of issues/programs lists, and for retaining and supervising a chief

operator, as that term is defined by the FCC, to ensure compliance with the FCC Rules governing the technical operation of the Station. Broker shall maintain all necessary records to permit Licensee to meet its obligations under this paragraph. Licensee shall continue to maintain and staff a main studio, as that term is defined by the FCC, in compliance with the FCC Rules regarding maintenance and operation of the main studio of a radio broadcast station. Except as required to comply with FCC Rules and policies, including those regarding the maintenance of the public inspection file (which shall at all times remain the responsibility of Licensee), Licensee shall not be required to receive or handle mail, cables, or telegraph messages in connection with programs broadcast on the Station.

6.3. Depiction of Licensee. Broker agrees that, during the Term of this Agreement, it shall not represent itself to be the FCC licensee of the Station to any party.

6.4. Contracts. A list of all existing programming, cash advertising and trade/barter agreements, is set forth in Attachment IV hereto ("Licensee's Contracts"). Subject to Bankruptcy Court approval, Broker shall assume as of the Commencement Date all of Licensee's rights, obligations and commitments under the Licensee's Contracts. In the event that commercial advertising time to be run after the Commencement Date was prepaid (in cash or goods) to Licensee under any Licensee's Contracts, Broker shall be entitled to reimbursement for the value of such commercial advertising time. Broker shall be liable for all costs, expenses, termination fees or penalties for all Licensee's Contracts assumed hereunder. In addition, neither Broker nor Licensee will enter into any third-party contracts, leases or agreements that would conflict with this Agreement or result in a material breach of this Agreement.

7. [Reserved]

8. Default.

8.1. Events of Default. The following shall, after the expiration of the applicable cure periods, constitute Events of Default:

A. Broker's failure to timely pay the LMA Fee (as that term is defined in Attachment I hereto) or any obligations required to be met by the Broker hereunder;

B. the default by either party hereto in the material observance or performance of any material covenant, condition or agreement contained herein;

C. a default by Broker or Licensee under the Purchase Agreement;

D. if Broker (i) shall make general assignment for the benefit of creditors, or (ii) files or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee or creditor representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within sixty (60) days; or

E. if any material representation or warranty herein made by either party hereto, or in any certificate or document furnished by either party to the other pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished.

8.2. Cure Periods. An Event of Default shall not be deemed to have occurred until ten (10) business days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that if not cured would constitute an Event of Default and specifying the action necessary to cure the default within such period, except that an Event of Default under Paragraph 8.1(A) shall be deemed to have occurred automatically ten (10) calendar days after the day that the consideration provided for herein is due to be paid to Licensee, but has not been paid, unless Licensee provides an extension of time for such payment. This period may be extended for a reasonable period of time by an agreement between the parties, for so long as the defaulting party continues to act in good faith to cure the default and such default is not materially adverse to the other party.

9. Termination

9.1. This Agreement shall terminate (a) upon the Final Closing Date, as defined in the Purchase Agreement or (b) otherwise pursuant to the terms of this Agreement.

9.2. Termination Upon Default. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement provided that it is not also in material default hereunder. Notwithstanding the foregoing, nor any provision of this Agreement, any termination of this Agreement: (a) shall not constitute an election of remedies with regard to such default or such termination; and (b) shall not affect, or limit, the ability of the non-defaulting party to avail itself of any and all remedies which otherwise would have been available to it, at law or in equity.

9.3. Termination Upon Certain Failures to Effect Closing Under the Purchase Agreement. This Agreement may be terminated twenty-four (24) hours after termination of the Purchase Agreement and any time thereafter: (a) in either Licensee's or Broker's discretion, as provided in written notice to the other party, in the event that (i) Bankruptcy Court approval of the Purchase Agreement or this Agreement is denied and the parties have determined in good faith that such approval cannot be otherwise obtained; or (ii) the application for assignment of license for the Station is denied by the FCC by an order that is no longer subject to stay, reconsideration, review or appeal, including such actions by the FCC on its own motion; (b) in either Licensee's or Broker's discretion, as provided in written notice to the other party, in the event that the Purchase Agreement is terminated because the application for assignment of license for the Station is designated for hearing by the FCC, as provided in the Purchase Agreement; (c) in Licensee's discretion, as provided in written notice to Broker by Licensee, in the event that the Purchase Agreement shall have terminated by reason of default by Broker (as Buyer thereunder) and Licensee shall not be in default (as the Seller thereunder); or (d) in Broker's discretion, as provided in written notice to Licensee by Broker, in the event that the Purchase Agreement shall have terminated by reason of default by Licensee (as the Seller thereunder) and Broker shall not be in default (as Buyer thereunder). Notwithstanding the foregoing, however, any exercise by Broker (as Buyer thereunder) of its right, if any, to seek specific performance to purchase the Station shall not constitute a termination of this Agreement.

9.4. Termination Upon Order of Governmental Authority. Subject to the termination rights provided herein, if this Agreement is challenged at the FCC, counsel for Licensee and counsel for Broker shall jointly defend the Agreement and the parties' performance thereunder throughout all FCC proceedings. If portions of this Agreement do not receive the

approval of the FCC staff, then the parties shall reform the Agreement as necessary to satisfy the FCC staff's concerns. If the parties are unable to reform the Agreement as necessary to satisfy such concerns, either party may terminate this Agreement by giving thirty (30) days' prior written notice to the other party. Subject to the termination rights provided herein, in the event that the FCC or another government authority designates a hearing with respect to the continuation, renewal or revocation of any authorization held by Licensee for the operation of the Station or initiates any revocation or other proceeding with respect to the authorizations issued to Licensee for the operation of the Station, and Licensee elects to contest the action, then Broker shall cooperate and comply with any reasonable request of Licensee to assemble and provide to the FCC information relating to Broker's performance under this Agreement.

9.5. Cooperation Upon Termination. If this Agreement is terminated for whatever reason other than the occurrence of the Final Closing Date, as defined in the Purchase Agreement, the parties agree to reasonably cooperate with one another to restore the *status quo ante*. Without limiting the foregoing:

A. Broker shall return to Licensee any equipment or property owned by Licensee and used by Broker, its employees or agents, in substantially the same condition as such equipment was on the Commencement Date of this Agreement, ordinary wear and tear excepted. Any equipment purchased by Broker in replacement of any obsolete or unusable equipment of Licensee shall be the property of Broker, and any other equipment purchased by Broker shall remain the property of Broker.

B. Licensee shall return to Broker any equipment or property owned by Broker and used by Licensee, its employees or agents, in substantially the same condition as such equipment was on the Commencement Date of this Agreement, ordinary wear and tear excepted. Any equipment purchased by Licensee in replacement of any obsolete or unusable equipment of Broker shall become the property of Broker, and any other equipment purchased by Broker shall remain the property of Broker.

C. Broker shall cooperate with Licensee to allow Licensee to assume, in Licensee's sole discretion and to the extent permitted by the Bankruptcy Court, Broker's advertising or other programming contracts then outstanding, in which event Licensee shall receive as compensation for the carriage of such programming that which otherwise would have been paid to Broker hereunder.

9.6. Termination Requiring Court Order. Notwithstanding anything to the contrary herein, neither the Seller Parties nor Buyer may terminate this Agreement without prior order of the Bankruptcy Court.

10. Mutual Representations, Warranties and Covenants. Both Licensee and Broker represent that they are legally qualified, empowered and able to enter into this Agreement, and that the execution, delivery and performance hereof shall not constitute a breach or violation of any agreement, contract or other obligation to which either party is subject or by which it is bound. Without limiting the foregoing:

A. Broker certifies that this Agreement complies with the FCC Rules regarding multiple ownership of radio broadcasting Stations, 47 C.F.R. §73.3555; and

B. Licensee certifies that it maintains ultimate control of the Station's facilities, including control over Station finances, personnel and programming.

11. **Notices.** All necessary notices and requests permitted or required under this Agreement shall be in writing and shall be sent (i) by facsimile transmission to the facsimile numbers listed herein, (ii) mailed by certified mail, return receipt requested, postage prepaid, to the addresses listed herein, or (iii) sent for overnight delivery via a nationally-recognized overnight delivery service to the addresses listed herein. Such notices and requests shall be deemed to have been given (i) if sent by facsimile, upon sender's receipt of a facsimile confirmation sheet, (ii) if mailed, three (3) days after being sent, or (iii) if sent for overnight delivery, one (1) day after being sent.

If to Licensee: David Schum
General Manager
The Watch, Ltd.
12900 Prestond Road, Suite 101
Dallas, Texas 75230

With copy to: E.P. Keiffer
Hance Scarborough Wright Ginsberg & Brusilow, LLP
The Elm Place Building
1401 Elm Street, Suite 4750
Dallas, Texas 75202
Tel: (214) 651-6500
Fax: (214) 744-2615

If to Broker: Steven F. Campbell
Bernard Dallas LLC, a Delaware limited liability company
745 Fifth Avenue, 17th Floor
New York, NY 10151
Tel: (646) 720-9174
Fax: (646) 720-9074

With copy to: Josiah M. Daniel, III
Michaela C. Crocker
Vinson & Elkins L.L.P.
3700 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201-2975
Tel: 214-220-7700
Fax: 214-220-7716

12. **Modification and Waiver.** No modification of any provision of this Agreement shall in any event be effective unless it is in writing and signed by all parties, and then such modification shall be effective only in the specific instance and for the purpose for which given.

13. **Construction.** This Agreement shall be construed in accordance with the Act, the laws of the State of Texas and the FCC Rules. This Agreement shall not be interpreted or

construed more strictly against any one party by reason of any rule of interpretation or construction under which a document is to be construed more strictly against the drafting party.

14. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall not be assigned without the prior written consent of the other party hereto; provided, however, that Broker may assign and delegate its rights hereunder to a party that is the assignee of the Purchase Agreement and that is qualified under the applicable FCC Rules.

15. **Counterpart Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or the same counterpart. This Agreement shall be effective as of the date first above written.

16. **Entire Agreement.** This Agreement is the Local Marketing Agreement contemplated and approved in the Court Order, and, read together with the Purchase Agreement and the Court Order, constitutes the entire agreement between the parties, and there are no other agreements, representations, warranties or understanding, oral or written, between them with respect to the subject matter hereof. No alteration, modification or change of this Agreement shall be valid unless it is in writing executed by all parties hereto. In the event of any inconsistency or conflict between the provisions of this Agreement and the Court Order, the Court Order shall control.

17. **No Partnership or Joint Venture Created.** Nothing in this Agreement shall be construed to make Licensee and Broker partners or joint venturers or to afford any rights to any third party other than as expressly provided herein.

18. **Severability.** Subject to the provisions hereof, in the event any provision contained in this Agreement is held to be invalid, illegal or unenforceable, such holding shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

19. **[Reserved]**

20. **Governing Law.** The parties agree that this Agreement and the transactions herein contemplated shall be interpreted, construed and enforced under and according to the laws of the State of New York. All claims, demands, proceedings, litigation or other actions arising hereunder shall commence in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division.

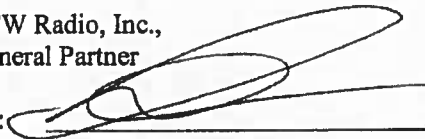
{Signature Page to Follow}

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first above written.

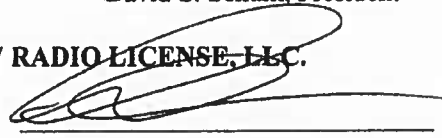
FOR LICENSEE:

THE WATCH, LTD.

By: DFW Radio, Inc.,
General Partner

By: 
David S. Schum, President

DFW RADIO LICENSE, LLC.

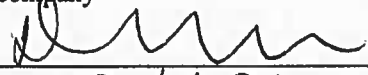
By: 
David S. Schum, Manager

DFW RADIO, INC.

By: 
David S. Schum, President

BROKER

BERNARD DALLAS LLC, a Delaware limited liability company

By: 
Name: David A. Proshan
Title: Authorized Signatory

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ATTACHMENT II

Broadcast Station Programming Policy Statement

The following sets forth the policies generally applicable to the presentation of programming and advertising over Radio Station 990 AM KFCD, Farmersville, Texas (the "Station"). All programming and advertising broadcast by the Station must conform to these policies and to the provisions of the Communications Act of 1934, as amended (the "Act"), and the rules and regulations and policies of the Federal Communications Commission ("FCC") adopted pursuant to the Act (such rules, regulations and policies the "FCC Rules").

Station Identification

The Station must broadcast a station identification announcement once an hour as close to the hour as feasible in a natural break in the programming. The announcement must include (1) the Station's call letters (currently, KFCD); followed immediately by (2) the Station's community of license Farmersville, Texas.

Broadcast of Telephone Conversations

Before recording a telephone conversation for broadcast or broadcasting such a conversation simultaneously with its occurrence, any party to the call must be informed that the call will be broadcast or will be recorded for later broadcast, and the party's consent to such broadcast must be obtained. This requirement does not apply to calls initiated by the other party which are made in a context in which it is customary for the Station to broadcast telephone calls.

Sponsorship Identification

When money, service, or other valuable consideration is either directly or indirectly paid or promised as part of an arrangement to transmit any programming, the Station at the time of broadcast shall announce (1) that the matter is sponsored, either in whole or in part; and (2) by whom or on whose behalf the matter is sponsored. Products or services furnished to the Station in consideration for an identification of any person, product, service, trademark or brand name shall be identified in this manner.

In the case of any political or controversial issue broadcast for which any material or service is furnished as an inducement for its transmission, an announcement shall be made at the beginning and conclusion of the broadcast stating (1) the material or service that has been furnished; and (2) the person(s) or association(s) on whose behalf the programming is transmitted. However, if the broadcast is 5 minutes duration or less, the required announcement need only be made either at its beginning or end.

Payola/Plugola

The Station, its personnel, or its programmers shall not accept or agree to accept from any person any money, service, or other valuable consideration for the broadcast of any matter unless such fact is disclosed to the Station so that all required station identification announcements can be made. All persons responsible for station programming must, from time

to time, execute such documents as may be required by station management to confirm their understanding of and compliance with the FCC Rules governing sponsorship identification.

Rebroadcasts

The Station shall not rebroadcast the signal of any other broadcast station without first obtaining such Station prior written consent to such rebroadcast.

Political Broadcasting

All "uses" of the Station by legally qualified candidates for elective office shall be in accordance with the Act and the FCC Rules, including without limitation, equal opportunities requirements, reasonable access requirements, lowest unit charge requirements and similar rules and regulations, if any.

Obscenity and Indecency

The Station shall not broadcast any obscene material. Material is deemed to be obscene if the average person, applying contemporary community standards in the local community, would find that the material, taken as a whole, appeals to the prurient interest; depicts or describes in a patently offensive way sexual conduct specifically defined by applicable state law; and taken as a whole, lacks serious literary artistic, political or scientific value.

The Station shall not broadcast any indecent, profane or offensive material as may be determined by the Commission from time to time. Material is deemed to be indecent if it includes language or material that, in context, depicts or describes, in terms patently offensive as measured by contemporary community standards for the broadcast medium, sexual or excretory activities or organs.

Billing

No entity which sells advertising for airing on the Station shall knowingly issue any bill, invoice or other document which contains false information concerning the amount charged or the broadcast of advertising which is the subject of the bill or invoice. No entity which sells advertising for airing on the Station shall misrepresent the nature or content of aired advertising, nor the quantity, time of day, or day on which such advertising was broadcast.

Contests

Any contests conducted on the Station shall be conducted substantially as announced or advertised. Advertisements or announcements concerning such contests shall fully and accurately disclose the contest's material terms. No contest description shall be false, misleading or deceptive with respect to any material term.

Hoaxes

The Station shall not knowingly broadcast false information concerning a crime or catastrophe.

Lottery

The Station shall not advertise or broadcast any information concerning any lottery not permitted by law.

Advertising

The Station shall comply with all federal, state and local laws concerning advertising, including without limitation, all laws concerning misleading advertising, and the advertising of alcoholic beverages.

Programming Prohibitions

Knowing broadcast of the following types of programs and announcements is prohibited:

False Claims. False or unwarranted claims for any product or service.

Unfair Imitation. Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.

Commercial Disparagement. Any unfair disparagement of competitors or competitive goods.

Profanity. Any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, as evaluated by station management.

Violence. Any programs which are excessively violent.

Unauthenticated Testimonials. Any testimonials which cannot be authenticated.

ATTACHMENT III

Form of Payola Affidavit

City of _____)
)
County of _____) SS:
)
State of _____)

ANTI-PAYOLA/PLUGOLA AFFIDAVIT

_____, being first duly sworn, depose and say as follows:

I am _____ for [____], [city, state].
Position

1. I have acted in the above capacity since _____.
2. No matter has been broadcast by Station KFCD (the "Station") for which service, money or other valuable consideration has been directly or indirectly paid, or promised to, or charged, or accepted, by me from any person, which matter at the time so broadcast has not been announced or otherwise indicated as paid for or furnished by such person.
3. So far as I am aware, no matter has been broadcast by the Station for which service, money, or other valuable consideration has been directly or indirectly paid, or promised to, or charged, or accepted by the Station or by any independent contractor engaged by the Station in furnishing programs, from any person, which matter at the time so broadcast has not been announced or otherwise indicated as paid for or furnished by such person.
4. In the future, I will not pay, promise to pay, request, or receive any service, money, or any other valuable consideration, direct or indirect, from a third party, in exchange for the influencing of, or the attempt to influence, the preparation of presentation of broadcast matter on the Station.
5. Nothing contained herein is intended to, or shall prohibit receipt or acceptance of anything with the expressed knowledge and approval of my employer, but henceforth any such approval must be given in writing by someone expressly authorized to give such approval.
6. I, my spouse and my immediate family do__ do not__ have any present direct or indirect ownership interest in (other than an investment in a corporation whose stock is

publicly held), serve as an officer or director of, whether with or without compensation, or serve as an employee of, any person, firm or corporation engaged in:

- a. The publishing of music;
 - b. The production, distribution (including wholesale and retail sales outlets), manufacture or exploitation of music, films, tapes, recordings or electrical transcriptions of any program material intended for radio broadcast use;
 - c. The exploitation, promotion, or management or persons rendering artistic, production and/or other services in the entertainment field;
 - d. The ownership or operation of one or more radio or television Station;
 - e. The wholesale or retail sale of records intended for public purchase;
 - f. Advertising on the Station, or any other station owned by its Licensee (excluding nominal stock holdings in publicly owned companies).
7. The facts and circumstances relating to such interest are none___ as follows___:

Affiant

Subscribed and sworn to before me this
_____ day of _____, 20_____.

Notary Public

My Commission expires: _____.

ATTACHMENT IV

Pre-Existing Programming, Trade and Barter

LOCAL MARKETING AGREEMENT

This Local Marketing Agreement ("Agreement") is made and entered into as of September 1, 2006, by and between The Watch, Ltd, a Texas limited partnership, DFW Radio License LLC, a Texas limited liability company, both with a business address of 12900 Preston Road, Suite 101, Dallas, Texas 75230 ("Licensee" and, together with The Watch, Ltd., the "Seller Parties"), and Bernard Dallas LLC, a Delaware limited liability company, with a business address of 745 Fifth Avenue, 17th Floor, New York, NY 10151 ("Broker").

WITNESSETH

WHEREAS, DFW Radio License LLC is the permittee of radio station KHSE, which is licensed by the Federal Communications Commission ("FCC") at Wylie, Texas, at frequency AM 700 (the "Station");

WHEREAS, Licensee has been ordered by the U.S. Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court") to sell the Station and all related assets to Broker, the Broker being the assignee of D.B. Zwirn Special Opportunities Fund, L.P., a Delaware limited partnership, and Broker (also the "Buyer") has agreed to purchase the Station pursuant to that certain Asset Purchase Agreement by and between the Seller Parties and Broker dated December 28, 2005 (the "Purchase Agreement");

WHEREAS, Licensee has broadcast time available for sale on the Station and desires that Broker provide radio programming to fill such time that is responsive to the needs, interests, issues, and desires of the Station's community-of-license and service area;

WHEREAS, Broker desires to purchase time on the Station to present its programming on the Station and to sell advertising time for inclusion in said programming, and is willing to purchase that broadcast time, subject to the limitations set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the sufficiency of which are acknowledged, the parties hereto have agreed and do agree as follows:

1. **Term.** Commencing on the date set forth in the preamble of this Agreement (the "Commencement Date"), Licensee agrees to make its broadcasting transmission facilities available to Broker and to broadcast on the Station, or cause to be broadcast, Broker's radio programs. The term of this Agreement (the "Term") shall terminate as provided in Section 9.1 herein.

2. **Consideration.** As consideration for the airtime made available hereunder, Broker shall make payments to Licensee as set forth in Attachment I.

3. **Station Facilities.**

3.1. **Program Time.** Throughout the Term, Licensee shall make available to Broker the broadcast transmission facilities of the Station, and shall cause to be broadcast using such facilities the programming provided to Licensee by Broker. Licensee's broadcast transmission facilities shall be made available to Broker by Licensee for the maximum time

authorized up to one hundred sixty-eight (168) hours per week, Sunday through Saturday, except for downtime occasioned by routine maintenance. Broker shall make available to Licensee its programming during a sufficient number of hours to enable the Station to meet the minimum hours of operation required under the rules and regulations of the FCC and the policies adopted pursuant to such rules and regulations (the "FCC Rules").

3.2. Use of Station Facilities. To facilitate delivery of programming by Broker to Licensee hereunder, Licensee hereby grants to Broker the non-exclusive right for the term of this Agreement to use the equipment owned or leased by Licensee in the studio of the Station (the "Studio") for broadcasting programs on the Station pursuant to this Agreement (the "Broadcast Equipment"). In addition, Broker shall have, and Licensee hereby grants to Broker, a nonexclusive license to enter the premises on which the Studio is located for purposes of producing its programming hereunder. In the event that it exercises this right to use the Studio, Broker shall maintain the Broadcast Equipment free and clear of liens, claims or encumbrances of any third party claiming by, through or under Broker. Alternatively, Broker may originate its programs for broadcast on the Station from Broker's own studio or other location, in which case Broker shall be responsible, at its sole expense, for the delivery of such programming to the Station.

3.3. Maintenance; Interruption of Normal Operations. Licensee shall use its best efforts to provide at least forty-eight (48) hours' notice to Broker in advance of any maintenance work affecting the operation of the Station, which shall be undertaken at such hours and on such terms as to cause the least disruption to Broker's operations. If the Station suffers any loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability of the Station to operate with its maximum authorized facilities, Licensee shall notify Broker as soon as possible and shall, as soon as possible, undertake such repairs as are necessary to restore full-time operation of the Station with its maximum authorized facilities, after the occurrence of any such loss or damage. If Licensee is unable to complete such repairs within a reasonable time, Broker may cooperate with Licensee by undertaking such repairs, subject to Licensee's supervision.

3.4. Force Majeure. Any failure or impairment of facilities or any delay or interruption in the broadcast of programs, or failure at any time to furnish facilities, in whole or in part, for broadcast, due to a cause beyond the control of Licensee, shall not constitute a breach of this Agreement. Broker and Licensee shall exercise commercially reasonable efforts to remedy any such conditions affecting compliance with their obligations under this Agreement.

3.5. Other Stations. The terms of this Agreement shall only apply to the Station and not to any other radio station or other broadcast facility.

3.6. Other Facilities. To the extent any of the assets used in the operation of the Station are owned by Broker, Broker agrees to permit Licensee to use such assets as necessary to fulfill its obligations as FCC licensee of the Station, in accordance with the terms of this Agreement and pursuant to the lease provisions in Section 7.4 of the Purchase Agreement.

4. Station Programming Policies.

4.1. Broadcast Station Programming Policy Statement. Licensee has adopted and will enforce a Broadcast Station Programming Policy Statement (the "Policy Statement"), a copy of which appears as Attachment II hereto and which may be amended in a reasonable manner from time to time by Licensee upon notice to Broker. Broker agrees and covenants that all programming, advertising spots, promotional material, and announcements that it provides for broadcast on the Station shall comply in all material respects with: (i) the Policy Statement; (ii) all applicable federal, state and local laws, rules and regulations, including the Communications Act of 1934, as amended (the "Act"), the FCC Rules, and the rules and regulations of the Federal Trade Commission ("FTC"); and (iii) all subsequent changes to the Policy Statement, the FCC Rules and the Act. Broker acknowledges that Licensee has not urged, counseled, or advised the use of any unfair business practice. If Licensee determines in good faith that a program supplied by Broker does not comply with the Policy Statement or the law, it may, upon prior written notice to Broker (to the extent time permits such notice), suspend or cancel such program without liability to Broker. Licensee will use reasonable efforts to provide such written notice to Broker prior to the suspension or cancellation of such program. Licensee shall have no liability to Broker for suspending or canceling programming pursuant to this Section 4.1.

4.2. Broker Compliance with Copyright Act. Broker represents and warrants to Licensee that Broker has full authority to broadcast its programming on the Station, and that Broker shall not broadcast any material in violation of the Copyright Act. All music supplied by Broker shall be: (i) licensed by ASCAP, SESAC or BMI; (ii) in the public domain; or (iii) cleared at the source by Broker. The right to use the programming and to authorize its use in any manner shall be and remain vested in Broker.

4.3. Sales. Broker shall retain all revenues from the sale of advertising time associated with the programming it provides to Licensee during the Term. Broker shall be responsible for payment of the commissions due to any national sales representative engaged by it for the purpose of selling national advertising that is carried during the programming it provides to Licensee.

4.4. Payola. Broker agrees that it will not accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, material, supplies or other merchandise, services or labor (collectively "Consideration") for the inclusion of any matter as part of the programming or commercial matter supplied by Broker to Licensee for broadcast on the Station, whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, unless the party making or accepting such Consideration is identified in the program for which Consideration was provided as having paid for or furnished such Consideration, in accordance with the Act and FCC requirements. Broker agrees that every two (2) months, or more frequently at the reasonable request of Licensee, it will execute and provide Licensee with a Payola Affidavit from each of its employees involved with the Station substantially in the form attached hereto as Attachment III.

4.5. Cooperation on Programming. Broker, in cooperation with Licensee, will endeavor to ensure that programming is broadcast which is responsive to the needs and

interests of community-of-license Wylie, Texas and the Station's service area. Broker shall, upon reasonable request, provide Licensee with information concerning such of Broker's programs as are responsive to community issues so as to assist Licensee in the satisfaction of its public service programming obligations. Broker shall also provide Licensee such other information necessary to enable Licensee to prepare records and reports required by the FCC or other local, state or federal government entities, including the quarterly issues/programs lists required by the FCC. Broker shall promptly provide Licensee with any complaint or comments received regarding any programming broadcast on the Station.

4.6. Station Identification and EAS. Broker shall cooperate with Licensee to ensure compliance with the applicable FCC Rules regarding the broadcast of hourly station identification announcements and required Emergency Alert System ("EAS") tests.

4.7. Political Advertising. Any qualified political candidate for federal office shall have access to the Station under this Agreement in accordance with the applicable FCC Rules. In addition, Broker shall cooperate with Licensee to assist Licensee in complying with all other FCC Rules regarding political broadcasting. Licensee shall promptly supply to Broker upon request, and Broker shall promptly supply to Licensee upon request, such information, including all inquiries concerning the broadcast of political advertising, as may be necessary to comply with the FCC Rules, including the lowest unit rate, equal opportunities, reasonable access, political file and related requirements of the Act and the federal election laws. Licensee, in consultation with Broker, shall develop a statement that discloses its political broadcasting policies to political candidates, and Broker shall follow those policies and rates in the sale of political programming and advertising to be broadcast on the Station. In the event that Broker fails to satisfy the political broadcasting requirements under the Act, the FCC Rules and any other applicable federal election laws and such failure inhibits Licensee in its compliance with the FCC Rules regarding political broadcasting then to the extent reasonably necessary to assure such compliance, Broker shall either provide rebates to political advertisers or release broadcast time and/or advertising availabilities to Licensee at no cost to Licensee.

4.8. Licensee Control of Programming. Licensee shall maintain such rights to suspend or preempt programming as provided in Sections 4.1 and 6.1 herein.

4.9. Intellectual Property. Licensee hereby grants to Broker a license to utilize the call signs, slogans, and other intellectual property of the Station, to the extent owned by Licensee, during the term of this Agreement.

5. Responsibility for Employees and Expenses.

5.1. Employees. Licensee shall employ such personnel as shall be necessary to comply with FCC Rules regarding the staffing of a main studio for the Station, and will be responsible for the salaries, taxes, benefits, insurance and related costs for all such employees. Licensee shall be solely responsible for the costs of terminating any of its existing employees in connection with the implementation of this Agreement, including any insurance or other benefits due or accrued vacation time.

Broker shall employ and be responsible for the salaries, commissions, taxes, insurance and all other related costs of all personnel and property involved in the production and

broadcast of Broker's programming, including air personalities, salespersons, traffic personnel, board operators, technical staff and other programming staff members. Whenever on the Station's premises, Broker's personnel shall be subject to the supervision and the direction of Licensee.

5.2. Expenses and Liabilities.

A. Subject to reimbursement by Broker as set forth in Attachment I hereto, Licensee shall be responsible for payment of the costs associated with the day-to-day operation of the Station, including maintenance, repair and replacement expenses to the Station's transmission facilities in the ordinary course; mortgage and/or lease payments, taxes and insurance relating to all real property owned by Licensee; any federal, state and local taxes levied upon the Station and Licensee's own payroll; electric and other utility payments; casualty and liability insurance for all Station facilities; all FCC regulatory fees; and the fees of Licensee's consulting engineer.

B. Broker shall be responsible for all liabilities, debts and obligations of Broker based upon the purchase of air time on the Station under this Agreement and use of Licensee's transmission facilities including, without limitation, accounts payable, barter agreements and unaired advertisements. Broker shall pay for all telephone calls associated with program production and listener responses, for the fees to ASCAP, BMI and SESAC related to Broker's programming, and for any other copyright fees attributable to its programming broadcast on the Station pursuant to this Agreement. Broker shall make any arrangements necessary and be solely responsible for the cost of delivering Broker's programming to the Station from any location other than the Studio.

6. Operation of Station. Notwithstanding any other provision of this Agreement, Licensee shall have full authority and power over the operation of the Station during the Term of this Agreement.

6.1. Licensee Control of Station's Operations. Licensee shall retain control over the policies, programming and operations of the Station; including, without limitation: (i) the right to suspend or cancel programming or advertisements pursuant to Section 4.1 herein, (ii) the right to preempt any programs not in the public interest or in order to broadcast a program deemed by Licensee to be of greater national, regional or local interest (provided that Licensee shall exercise such right only to the extent necessary to carry out its obligations as FCC licensee, and shall not exercise such right in an arbitrary manner or for the commercial advantage of Licensee or others), and (iii) the right to take any other actions necessary for compliance with federal, state and local laws, the Act and the rules, regulations and policies of other federal government entities, including the FTC and the United States Department of Justice. Licensee will use its best efforts to give Broker reasonable notice in writing of its intention to preempt Broker's programs. Licensee also shall retain the right to break into Broker's programming without prior notice in case of an emergency.

6.2. Licensee Responsibility for FCC Compliance. Licensee shall at all times be solely responsible for meeting all of the applicable FCC Rules with respect to public service programming, for maintaining the political and public inspection files and the Station's logs, for the preparation of issues/programs lists, and for retaining and supervising a chief

operator, as that term is defined by the FCC, to ensure compliance with the FCC Rules governing the technical operation of the Station. Broker shall maintain all necessary records to permit Licensee to meet its obligations under this paragraph. Licensee shall continue to maintain and staff a main studio, as that term is defined by the FCC, in compliance with the FCC Rules regarding maintenance and operation of the main studio of a radio broadcast station. Except as required to comply with FCC Rules and policies, including those regarding the maintenance of the public inspection file (which shall at all times remain the responsibility of Licensee), Licensee shall not be required to receive or handle mail, cables, or telegraph messages in connection with programs broadcast on the Station.

6.3. Depiction of Licensee. Broker agrees that, during the Term of this Agreement, it shall not represent itself to be the FCC licensee of the Station to any party.

6.4. Contracts. A list of all existing programming, cash advertising and trade/barter agreements, is set forth in Attachment IV hereto ("Licensee's Contracts"). Neither Broker nor Licensee will enter into any third-party contracts, leases or agreements that would conflict with this Agreement or result in a material breach of this Agreement.

7. [Reserved]

8. Default.

8.1. Events of Default. The following shall, after the expiration of the applicable cure periods, constitute Events of Default:

A. Broker's failure to timely pay the LMA Fee (as that term is defined in Attachment I hereto) or any obligations required to be met by the Broker hereunder;

B. the default by either party hereto in the material observance or performance of any material covenant, condition or agreement contained herein;

C. a default by Broker or Licensee under the Purchase Agreement;

D. if Broker (i) shall make general assignment for the benefit of creditors, or (ii) files or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee or creditor representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within sixty (60) days; or

E. if any material representation or warranty herein made by either party hereto, or in any certificate or document furnished by either party to the other pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished.

8.2. Cure Periods. An Event of Default shall not be deemed to have occurred until ten (10) business days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that if not cured would constitute an Event of Default and specifying the action necessary to cure the default within such period, except that an Event of Default under Paragraph 8.1(A) shall be deemed to have occurred automatically ten

(10) calendar days after the day that the consideration provided for herein is due to be paid to Licensee, but has not been paid, unless Licensee provides an extension of time for such payment. This period may be extended for a reasonable period of time by an agreement between the parties, for so long as the defaulting party continues to act in good faith to cure the default and such default is not materially adverse to the other party.

9. Termination.

9.1. This Agreement shall terminate (i) upon the Final Closing Date, as defined in the Purchase Agreement or (ii) otherwise pursuant to the terms of this Agreement.

9.2. Termination Upon Default. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement provided that it is not also in material default hereunder. Notwithstanding the foregoing, nor any provision of this Agreement, any termination of this Agreement: (i) shall not constitute an election of remedies with regard to such default or such termination; and (ii) shall not affect or limit the ability of the non-defaulting party to avail itself of any and all remedies which otherwise would have been available to it, at law or in equity.

9.3. Termination Upon Certain Failures to Effect Closing Under the Purchase Agreement. This Agreement may be terminated twenty-four (24) hours after termination of the Purchase Agreement and any time thereafter: (i) in either Licensee's or Broker's discretion, as provided in written notice to the other party, in the event that (a) Bankruptcy Court approval of the Purchase Agreement or this Agreement is overturned and the parties have determined in good faith that approval cannot be otherwise obtained; or (b) the application for assignment of license for the Station is denied by the FCC by an order that is no longer subject to stay, reconsideration, review or appeal, including such actions by the FCC on its own motion; (ii) in either Licensee's or Broker's discretion, as provided in written notice to the other party, in the event that the Purchase Agreement is terminated because the application for assignment of license for the Station is designated for hearing by the FCC, as provided in the Purchase Agreement; (iii) in Licensee's discretion, as provided in written notice to Broker by Licensee, in the event that the Purchase Agreement shall have terminated by reason of default by Broker (as Buyer thereunder) and Licensee shall not be in default (as the Seller thereunder); or (iv) in Broker's discretion, as provided in written notice to Licensee by Broker, in the event that the Purchase Agreement shall have terminated by reason of default by Licensee (as the Seller thereunder) and Broker shall not be in default (as Buyer thereunder). Notwithstanding the foregoing, however, any exercise by Broker (as Buyer thereunder) of its right, if any, to seek specific performance to purchase the Station shall not constitute a termination of this Agreement.

9.4. Termination Upon Order of Governmental Authority. Subject to the termination rights provided herein, if this Agreement is challenged at the FCC, counsel for Licensee and counsel for Broker shall jointly defend the Agreement and the parties' performance thereunder throughout all FCC proceedings. If portions of this Agreement do not receive the approval of the FCC staff, then the parties shall reform the Agreement as necessary to satisfy the FCC staff's concerns. If the parties are unable to reform the Agreement as necessary to satisfy such concerns, either party may terminate this Agreement by giving thirty (30) days' prior written notice to the other party. Subject to the termination rights provided herein, in the event that the FCC or another government authority designates a hearing with respect to the

continuation, renewal or revocation of any authorization held by Licensee for the operation of the Station or initiates any revocation or other proceeding with respect to the authorizations issued to Licensee for the operation of the Station, and Licensee elects to contest the action, then Broker shall cooperate and comply with any reasonable request of Licensee to assemble and provide to the FCC information relating to Broker's performance under this Agreement.

9.5. Cooperation Upon Termination. If this Agreement is terminated for whatever reason other than the occurrence of the Final Closing Date, as defined in the Purchase Agreement, the parties agree to reasonably cooperate with one another to restore the *status quo ante*. Without limiting the foregoing:

A. Broker shall return to Licensee any equipment or property owned by Licensee and used by Broker, its employees or agents, in substantially the same condition as such equipment was on the Commencement Date of this Agreement, ordinary wear and tear excepted. Any equipment purchased by Broker in replacement of any obsolete or unusable equipment of Licensee shall be the property of Broker, and any other equipment purchased by Broker shall remain the property of Broker.

B. Licensee shall return to Broker any equipment or property owned by Broker and used by Licensee, its employees or agents, in substantially the same condition as such equipment was on the Commencement Date of this Agreement, ordinary wear and tear excepted. Any equipment purchased by Licensee in replacement of any obsolete or unusable equipment of Broker shall become the property of Broker, and any other equipment purchased by Broker shall remain the property of Broker.

C. Broker shall cooperate with Licensee to allow Licensee to assume, in Licensee's sole discretion and to the extent permitted by the Bankruptcy Court, Broker's advertising or other programming contracts then outstanding, in which event Licensee shall receive as compensation for the carriage of such programming that which otherwise would have been paid to Broker hereunder.

9.6. Termination Requiring Court Order. Notwithstanding anything to the contrary herein, neither the Seller Parties nor Buyer may terminate this Agreement without prior order of the Bankruptcy Court.

10. Mutual Representations, Warranties and Covenants. Both Licensee and Broker represent that they are legally qualified, empowered and able to enter into this Agreement, and that the execution, delivery and performance hereof shall not constitute a breach or violation of any agreement, contract or other obligation to which either party is subject or by which it is bound. Without limiting the foregoing:

A. Broker certifies that this Agreement complies with the FCC Rules regarding multiple ownership of radio broadcasting Stations, 47 C.F.R. §73.3555; and

B. Licensee certifies that it maintains ultimate control of the Station's facilities, including control over Station finances, personnel and programming.

11. Notices. All necessary notices and requests permitted or required under this Agreement shall be in writing and shall be sent (i) by facsimile transmission to the facsimile

numbers listed herein, (ii) mailed by certified mail, return receipt requested, postage prepaid, to the addresses listed herein, or (iii) sent for overnight delivery via a nationally-recognized overnight delivery service to the addresses listed herein. Such notices and requests shall be deemed to have been given (i) if sent by facsimile, upon sender's receipt of a facsimile confirmation sheet, (ii) if mailed, three (3) days after being sent, or (iii) if sent for overnight delivery, one (1) day after being sent.

If to Licensee:

David Schum
General Manager
The Watch, Ltd.
P.O. Box 12345
Dallas, TX 75225

With copy to:

E.P. Keiffer
Hance Scarborough Wright
Ginsberg & Brusilow, LLP
The Elm Place Building
1401 Elm Street, Suite 4750
Dallas, Texas 75202
Tel: (214) 651-6500
Fax: (214) 744-2615

If to Broker:

Steven F. Campbell
BERNARD DALLAS LLC
745 Fifth Avenue, 17th Floor
New York, NY 10151
Tel: (646) 720-9174
Fax: (646) 720-9074

With copy to:

Josiah M. Daniel, III
Michaela C. Crocker
VINSON & ELKINS L.L.P.
3700 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201-2975
Tel: 214-220-7700
Fax: 214-220-7716

12. **Modification and Waiver.** No modification of any provision of this Agreement shall in any event be effective unless it is in writing and signed by all parties, and then such modification shall be effective only in the specific instance and for the purpose for which given.

13. **Construction.** This Agreement shall be construed in accordance with the Act, the laws of the State of Texas and the FCC Rules. This Agreement shall not be interpreted or construed more strictly against any one party by reason of any rule of interpretation or construction under which a document is to be construed more strictly against the drafting party.

14. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall not be assigned without the prior written consent of the other party hereto; provided, however, that Broker may assign and delegate its rights hereunder to a party that is an assignee of the Purchase Agreement and that is qualified under the applicable FCC Rules.

15. **Counterpart Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or the same counterpart. This Agreement shall be effective as of the date first above written.

16. **Entire Agreement.** This Agreement is the second of the Local Marketing Agreements contemplated and approved in the Bankruptcy Court's order approving the Purchase Agreement (the "Court Order"), and, read together with the Purchase Agreement and the Court Order, constitutes the entire agreement between the parties, and there are no other agreements, representations, warranties or understanding, oral or written, between them with respect to the subject matter hereof. No alteration, modification or change of this Agreement shall be valid unless it is in writing executed by all parties hereto. In the event of any inconsistency or conflict between the provisions of this Agreement and the Court Order, the Court Order shall control.

17. **No Partnership or Joint Venture Created.** Nothing in this Agreement shall be construed to make Licensee and Broker partners or joint venturers or to afford any rights to any third party other than as expressly provided herein.

18. **Severability.** Subject to the provisions hereof, in the event any provision contained in this Agreement is held to be invalid, illegal or unenforceable, such holding shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

19. **[Reserved]**

20. **Governing Law.** The parties agree that this Agreement and the transactions herein contemplated shall be interpreted, construed and enforced under and according to the laws of the State of New York. All claims, demands, proceedings, litigation or other actions arising hereunder shall commence in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division.

{Signature Page to Follow}

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first above written.

FOR LICENSEE:

THE WATCH, LTD.

By: DFW Radio, Inc.,
General Partner

By: 
David A. Schum, President

DFW RADIO LICENSE, LLC.

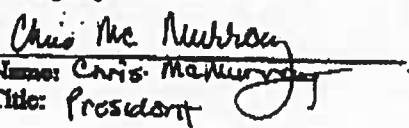
By: 
David A. Schum, Manager

DFW RADIO, INC.

By: 
David A. Schum, President

BROKER

BERNARD DALLAS LLC, a Delaware Limited Liability company.

By: 
Name: Chris Mc Murray
Title: President

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ATTACHMENT II

Broadcast Station Programming Policy Statement

The following sets forth the policies generally applicable to the presentation of programming and advertising over Radio Station 700 AM KHSE, Wylie, Texas (the "Station"). All programming and advertising broadcast by the Station must conform to these policies and to the provisions of the Communications Act of 1934, as amended (the "Act"), and the rules and regulations and policies of the Federal Communications Commission ("FCC") adopted pursuant to the Act (such rules, regulations and policies the "FCC Rules").

Station Identification

The Station must broadcast a station identification announcement once an hour as close to the hour as feasible in a natural break in the programming. The announcement must include (1) the Station's call letters (currently, KHSE); followed immediately by (2) the Station's community of license, Wylie, Texas.

Broadcast of Telephone Conversations

Before recording a telephone conversation for broadcast or broadcasting such a conversation simultaneously with its occurrence, any party to the call must be informed that the call will be broadcast or will be recorded for later broadcast, and the party's consent to such broadcast must be obtained. This requirement does not apply to calls initiated by the other party which are made in a context in which it is customary for the Station to broadcast telephone calls.

Sponsorship Identification

When money, service, or other valuable consideration is either directly or indirectly paid or promised as part of an arrangement to transmit any programming, the Station at the time of broadcast shall announce (1) that the matter is sponsored, either in whole or in part; and (2) by whom or on whose behalf the matter is sponsored. Products or services furnished to the Station in consideration for an identification of any person, product, service, trademark or brand name shall be identified in this manner.

In the case of any political or controversial issue broadcast for which any material or service is furnished as an inducement for its transmission, an announcement shall be made at the beginning and conclusion of the broadcast stating (1) the material or service that has been furnished; and (2) the person(s) or association(s) on whose behalf the programming is transmitted. However, if the broadcast is 5 minutes duration or less, the required announcement need only be made either at its beginning or end.

Pavola/Plugola

The Station, its personnel, or its programmers shall not accept or agree to accept from any person any money, service, or other valuable consideration for the broadcast of any matter unless such fact is disclosed to the Station so that all required station identification announcements can be made. All persons responsible for station programming must, from time

to time, execute such documents as may be required by station management to confirm their understanding of and compliance with the FCC Rules governing sponsorship identification.

Rebroadcasts

The Station shall not rebroadcast the signal of any other broadcast station without first obtaining such Station prior written consent to such rebroadcast.

Political Broadcasting

All "uses" of the Station by legally qualified candidates for elective office shall be in accordance with the Act and the FCC Rules, including without limitation, equal opportunities requirements, reasonable access requirements, lowest unit charge requirements and similar rules and regulations, if any.

Obscenity and Indecency

The Station shall not broadcast any obscene material. Material is deemed to be obscene if the average person, applying contemporary community standards in the local community, would find that the material, taken as a whole, appeals to the prurient interest; depicts or describes in a patently offensive way sexual conduct specifically defined by applicable state law; and taken as a whole, lacks serious literary artistic, political or scientific value.

The Station shall not broadcast any indecent, profane or offensive material as may be determined by the Commission from time to time. Material is deemed to be indecent if it includes language or material that, in context, depicts or describes, in terms patently offensive as measured by contemporary community standards for the broadcast medium, sexual or excretory activities or organs.

Billing

No entity which sells advertising for airing on the Station shall knowingly issue any bill, invoice or other document which contains false information concerning the amount charged or the broadcast of advertising which is the subject of the bill or invoice. No entity which sells advertising for airing on the Station shall misrepresent the nature or content of aired advertising, nor the quantity, time of day, or day on which such advertising was broadcast.

Contests

Any contests conducted on the Station shall be conducted substantially as announced or advertised. Advertisements or announcements concerning such contests shall fully and accurately disclose the contest's material terms. No contest description shall be false, misleading or deceptive with respect to any material term.

Hoaxes

The Station shall not knowingly broadcast false information concerning a crime or catastrophe.

Lottery

The Station shall not advertise or broadcast any information concerning any lottery not permitted by law.

Advertising

The Station shall comply with all federal, state and local laws concerning advertising, including without limitation, all laws concerning misleading advertising, and the advertising of alcoholic beverages.

Programming Prohibitions

Knowing broadcast of the following types of programs and announcements is prohibited:

False Claims. False or unwarranted claims for any product or service.

Unfair Imitation. Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.

Commercial Disparagement. Any unfair disparagement of competitors or competitive goods.

Profanity. Any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, as evaluated by station management.

Violence. Any programs which are excessively violent.

Unauthenticated Testimonials. Any testimonials which cannot be authenticated.

ATTACHMENT III

Form of Payola Affidavit

City of _____)
)
County of _____) SS:
)
State of _____)

ANTI-PAYOLA/PLUGOLA AFFIDAVIT

_____, being first duly sworn, depose and say as follows:

I am _____ for [_____] , [city, state].
Position

1. I have acted in the above capacity since _____.
2. No matter has been broadcast by Station KHSE (the "Station") for which service, money or other valuable consideration has been directly or indirectly paid, or promised to, or charged, or accepted, by me from any person, which matter at the time so broadcast has not been announced or otherwise indicated as paid for or furnished by such person.
3. So far as I am aware, no matter has been broadcast by the Station for which service, money, or other valuable consideration has been directly or indirectly paid, or promised to, or charged, or accepted by the Station or by any independent contractor engaged by the Station in furnishing programs, from any person, which matter at the time so broadcast has not been announced or otherwise indicated as paid for or furnished by such person.
4. In the future, I will not pay, promise to pay, request, or receive any service, money, or any other valuable consideration, direct or indirect, from a third party, in exchange for the influencing of, or the attempt to influence, the preparation of presentation of broadcast matter on the Station.
5. Nothing contained herein is intended to, or shall prohibit receipt or acceptance of anything with the expressed knowledge and approval of my employer, but henceforth any such approval must be given in writing by someone expressly authorized to give such approval.
6. I, my spouse and my immediate family do__ do not__ have any present direct or indirect ownership interest in (other than an investment in a corporation whose stock is

publicly held), serve as an officer or director of, whether with or without compensation, or serve as an employee of, any person, firm or corporation engaged in:

- a. The publishing of music;
 - b. The production, distribution (including wholesale and retail sales outlets), manufacture or exploitation of music, films, tapes, recordings or electrical transcriptions of any program material intended for radio broadcast use;
 - c. The exploitation, promotion, or management or persons rendering artistic, production and/or other services in the entertainment field;
 - d. The ownership or operation of one or more radio or television Station;
 - e. The wholesale or retail sale of records intended for public purchase;
 - f. Advertising on the Station, or any other station owned by its Licensee (excluding nominal stock holdings in publicly owned companies).
7. The facts and circumstances relating to such interest are none____ as follows____:

Affiant

Subscribed and sworn to before me this
_____ day of _____, 20_____.

Notary Public

My Commission expires: _____.

ATTACHMENT IV

Pre-Existing Programming, Trade and Barter

None

ATTACHMENT B



UNITED STATES OF AMERICA
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

(FOR CHIEF, AUDIO DIVISION, MEDIA BUREAU)

DATE: 12/28/2006

<input checked="checked" type="checkbox"/> CONSENT TO ASSIGNMENT:	FROM: DFW RADIO LICENSE, LLC
<input type="checkbox"/> CONSENT TO TRANSFER:	TO: BERNARD DALLAS LLC
Licensee/Permittee: (for transfer only)	

CLASS	CALL SIGN	FACILITY ID	FILE#	STATION LOCATION	AUXILIARY STATIONS
AM	KFCD	43757	BAL-20060117ACU	FARMERSVILLE, TX	ALL CURRENTLY
AM	KHSE	133464	BAP-20060117ACV	WYLIE, TX	AUTHORIZED AUXILIARY STATIONS

Under authority of the Communications Act of 1934, as amended, the consent of the Federal Communications Commission is hereby granted to the transaction indicated above.

The Commission's consent to the above is based on the representations made by the applicants that the statements contained in, or made in connection with, the application are true and that the undertakings of the parties upon which this transaction is authorized will be carried out in good faith.

The actual consummation of voluntary transactions shall be completed within 90 days from the date hereof, and notice in letter form thereof shall promptly be furnished to the Commission by the seller or buyer showing the date the acts necessary to effect the transaction were completed. Upon furnishing the Commission with such written notice, this transaction will be considered completed for all purposes related to the above described station(s).

FCC Form 323, Ownership Report, must be filed within 30 days after consummation, by the licensee/permittee or assignee.

ADDITIONAL REQUIREMENTS FOR ASSIGNMENTS ONLY:

Upon consummation the assignor must deliver the permit/license, including any modifications thereof to the assignee.

It is hereby directed that, upon consummation, a copy of this consent be posted with the station authorization(s) as required by the Commission's Rules and Regulations.

The assignee is not authorized to construct nor operate said station(s) unless and until notification of consummation in letter form has been forwarded to the Commission.

ATTACHMENT C

Federal Communications Commission Washington, D.C. 20554 FCC 323	Approved by OMB 3060-0010 (June 2002)	FOR FCC USE ONLY
OWNERSHIP REPORT FOR COMMERCIAL BROADCAST STATIONS Read INSTRUCTIONS Before Filling Out Form		FOR COMMISSION USE ONLY FILE NO. BOA - 20070410ABA

Section I - General Information

1. Legal Name of the Applicant BERNARD DALLAS LLC			
Mailing Address 745 FIFTH AVENUE 18TH FLOOR			
City NEW YORK		State or Country (if foreign address) NY	ZIP Code 10151 -
Telephone Number (include area code) 6467209100		E-Mail Address (if available)	
FCC Registration Number: 0016039547	Call Sign KFCB	Facility ID Number 43757	
2. Contact Representative (if other than Licensee/Permittee) GREGORY L. MASTERS		Firm or Company Name WILEY REIN LLP	
Telephone Number (include area code) 2027197370		E-Mail Address (if available) GMASTERS@WILEYREIN.COM	
3. Name of entity, if other than licensee or permittee, for which report is filed			
Mailing Address			
City		State or Country (if foreign address)	ZIP Code
Telephone Number (include area code)		E-Mail Address (if available)	
4. If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Fee-exempt Report <input type="radio"/> Other <input checked="" type="radio"/> N/A (Fee Required)			

Section II - Ownership Information

5. a. <input checked="" type="radio"/> Biennial b. <input type="radio"/> Transfer of Control or Assignment of License/Permit c. <input type="radio"/> Other
d. <input type="radio"/> Amendment to pending application
for the following stations:
[Enter Station Information]
This Report is filed for the following stations:

Station List

Call Letters	Facility ID Number	Location (City/State)	Class of service
KFCD	43757	FARMERSVILLE TX	AM

Call Letters	Facility ID Number	Location (City/State)	Class of service
KHSE	133464	WYLIE TX	AM

All of the information furnished in this Report is accurate as of 04/10/2007 (Date must comply with 47 C.F.R. Section 73.3615(a), i.e., information must be current within 60 days of filing of this report, when 5(a) below is checked.)

This Report is filed for (check one)

6. Respondent is:

- ☐ Sole proprietorship
 ☐ Not-for-profit corporation
 ☐ Limited partnership
☐ For-profit corporation
 ☐ General partnership
 ☒ Other

If "Other", describe nature of the respondent in an Exhibit.

[Exhibit 1]

7. List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Contract/Instrument Information]

Contracts/Instruments Information

List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject shall respond.)

Description of contract or instrument	Name of person or organization with whom contract is made	Date of Execution	Date of Expiration
LIMITED LIABILITY COMPANY AGREEMENT	BERNARD RADIO LLC	12/21/2005	

8. Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Capitalization Information]

Capitalization

Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

Class of stock (preferred, common or other)	Voting or Non-voting	Number of Shares			
		Authorized	Issued and Outstanding	Treasury	Unissued
N/A -- LIMITED LIABILITY COMPANY					

9. (a.) List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary. [Enter Owner Information]

Owner Information

List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary. **(Read carefully - The numbered items below refer to line numbers in the following table.)**

1. Name and address of respondent and each party to the respondent holding an attributable interest (if other than individual also show name, address and citizenship of natural person authorized to vote the stock or holding the attributable interest). List the respondent first, officers next, then directors and, thereafter, remaining stockholders and other entities with attributable interests, and partners.
2. Gender (male or female).
3. Ethnicity (check one).
4. Race (select one or more).
5. Citizenship.
6. Positional interest: Officer, director, general partner, limited partner, LLC member, investor/creditor attributable under the Commission's **equity/debt plus** standard, etc.
7. Percentage of votes.
8. Percentage of total assets (equity debt plus).

1. Name and Address	BERNARD DALLAS LLC, 745 FIFTH AVENUE, 18TH FLOOR, NEW YORK, NY 10151
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White
5. Citizenship	US
6. Positional Interest	LICENSEE
7. Percentage of votes	0.00
8. Percentage of total assets (equity debt plus)	0.00

1. Name and Address	BERNARD RADIO LLC, 745 FIFTH AVENUE, 18TH FLOOR, NEW YORK, NY 10151
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White

5. Citizenship	US
6. Positional Interest	SOLE MEMBER
7. Percentage of votes	100.00
8. Percentage of total assets (equity debt plus)	100.00
(b) Respondent certifies that equity and financial interests not set forth in response to Question 9(a) are non-attributable.	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A See Explanation in [Exhibit 2]
(c) Is the respondent or any party holding an attributable interest in the respondent also the holder of an attributable interest in any other broadcast station or in any cable or newspaper entities in the same market or with overlapping signals in the same broadcast service, as described in 47 C.F.R. Sections 73.3555 and 76.501?	<input checked="" type="radio"/> Yes <input type="radio"/> No
If "Yes", submit an Exhibit identifying the holder of that other attributable interest, listing the call signs, locations and facilities identifiers of such other broadcast stations, and describing the nature and size of the ownership interest and the positions held in the other broadcast, cable or newspaper entities.	[Exhibit 3]
(d) Are any of the individuals listed in response to Question 9(a) related as parent-child, husband-wife, brothers and sisters?	<input type="radio"/> Yes <input checked="" type="radio"/> No
If "Yes", submit an Exhibit setting forth full information as to the family relationship	[Exhibit 4]
(e) Is respondent seeking an attribution exemption for any officer or director with duties unrelated to the licensee or permittee?	<input type="radio"/> Yes <input checked="" type="radio"/> No
If "Yes", submit an Exhibit identifying that individual by name and title, fully describing that individual's duties and responsibilities, and explaining why that individual should not be attributed an interest.	[Exhibit 5]

SECTION III - CERTIFICATION

I certify that I am PRESIDENT OF THE MANAGING MEMBER OF THE SOLE MEMBER

(Official Title)

of BERNARD DALLAS LLC

(Exact legal title or name of respondent)

and that I have examined this Report and that to the best of my knowledge and belief, all statements in this Report are true, correct and complete.

(Date of certification must be within 60 days of the date shown in Question 5, Section II and in no event prior to that date.)

Signature DAVID C. LEE	Date 04/10/2007
Telephone Number of Respondent (Include area code) 6467209100	

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

Exhibit 1**Description:** NATURE OF RESPONDENT/OTHER INFORMATION

THE RESPONDENT IS A LIMITED LIABILITY COMPANY.

THIS OWNERSHIP REPORT IS ALSO BEING FILED PURSUANT TO THE CONSUMMATION OF THE RESPONDENT'S ACQUISITION OF THE LICENSES OF THE SUBJECT STATIONS PURSUANT TO FILE NOS. BAL/BAP-20060117ACU-ACV.

Attachment 1

Attachment 3

Description
<u>Broadcast Interests</u>

BROADCAST INTERESTS

Bernard Radio LLC ("Bernard Radio") is the sole member of Bernard Dallas LLC ("Bernard Dallas") and of Bernard Ohio LLC ("Bernard Ohio").

Bernard Dallas is the licensee of radio stations KFCD(AM), Farmersville, Texas (Facility ID #43757) and KHSE(AM), Wylie, Texas (Facility ID #133464).

Bernard Ohio is the licensee of radio stations WVKO(AM), Columbus, Ohio (Facility ID #22341), WVKO-FM, Johnstown, Ohio (Facility ID #58633), WRBP(FM), Hubbard, Ohio (Facility ID #63498), WASN(AM), Youngstown, Ohio (Facility ID #72100), and WGFT(AM), Campbell, Ohio (Facility ID #74164).

The managing and sole voting member of Bernard Radio is D.B. Zwirn & Co., L.P. ("DBZ & Co."). The general partner of DBZ & Co. is DBZ GP, LLC. The managing and sole voting member of DBZ GP, LLC is Zwirn Holdings, LLC, which is wholly owned by Daniel B. Zwirn.

David C. Lee, the President of DBZ & Co., is a director of Young Broadcasting Inc. ("Young"). Young, through various subsidiary entities, owns 100% of the licensees of the following stations:

WLNS-TV, Lansing, Michigan (Facility ID #74420)
KLFY-TV, Lafayette, Louisiana (Facility ID #35059)
WKRN-TV, Nashville, Tennessee (Facility ID #73188)
WTEN(TV), Albany, New York (Facility ID #74422)
WCDC-TV, Adams, Massachusetts (Facility ID #74419)
WATE-TV, Knoxville, Tennessee (Facility ID #71082)
WBAY-TV, Green Bay, Wisconsin (Facility ID #74417)
WRIC-TV, Petersburg, Virginia (Facility ID #74416)
KWQC-TV, Davenport, Iowa (Facility ID #6885)
KRON-TV, San Francisco, California (Facility ID #65526)
KELO-TV, Sioux Falls, South Dakota (Facility ID #41983)
KDLO-TV, Florence, South Dakota (Facility ID #41975)
KPLO-TV, Reliance, South Dakota (Facility ID #41964)
KCLO-TV, Rapid City, South Dakota (Facility ID #41969)

ATTACHMENT D

Federal Communications Commission Washington, D.C. 20554	Approved by OMB 3060-0009 (June 2010)	FOR FCC USE ONLY
FCC 316		
APPLICATION FOR CONSENT TO ASSIGN BROADCAST STATION CONSTRUCTION PERMIT OR LICENSE OR TO TRANSFER CONTROL OF ENTITY HOLDING BROADCAST STATION CONSTRUCTION PERMIT OR LICENSE		FOR COMMISSION USE ONLY FILE NO. BTC - 20090520ACD
Read INSTRUCTIONS Before Filling Out Form		

Section I - General Information

1.	Legal Name of the Licensee/Permittee BERNARD DALLAS LLC		
	Mailing Address 745 FIFTH AVENUE 18TH FLOOR		
	City NEW YORK	State or Country (if foreign address) NY	Zip Code 10151 -
	Telephone Number (include area code) 6467209100	E-Mail Address (if available)	
	FCC Registration Number: 0016039547	Call Sign KFCD	Facility ID Number 43757
2.	Contact Representative (if other than licensee/permittee) GREGORY L. MASTERS		Firm or Company Name WILEY REIN LLP
	Mailing Address 1776 K STREET NW		
	City WASHINGTON	State or Country (if foreign address) DC	ZIP Code 20006 -
	Telephone Number (include area code) 2027197370	E-Mail Address (if available) GMASTERS@WILEYREIN.COM	
3.	If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Noncommercial Educational Licensee/Permittee <input type="radio"/> Other <input checked="" type="radio"/> N/A (Fee Required)		
4.	a. <input checked="" type="radio"/> Voluntary Assignment or Transfer of Control <input type="radio"/> Involuntary Assignment or Transfer of Control <input checked="" type="radio"/> Amendment to pending application File number of pending application: - If an amendment, submit as an Exhibit a listing, by Section and Question Number, of the portions of the pending application that are being revised. [Exhibit 1] b. Applicant certifies that the use of FCC Form 316 is appropriate for this transaction. <input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 2]		
5.	Were any of the authorizations that are the subject of this application obtained through the Commission's competitive bidding procedures (see 47 C.F.R. Sections 1.2111(a) and 73.5000)?		<input type="radio"/> Yes <input type="radio"/> No [Exhibit 3]

If yes, list pertinent authorizations in an Exhibit.

NOTE: In addition to the information called for in this section, an explanatory exhibit providing full particulars must be submitted for each question for which a "No" response is provided.

Section II - Assignor/Transferor

1.	Certification. Assignor/Transferor certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Assignor/Transferor further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions and worksheets.			<input checked="" type="radio"/> Yes <input type="radio"/> No	
2.	Application for (check one): <input type="radio"/> Consent to Assign Construction Permit <input type="radio"/> Consent to Assign License <input checked="" type="radio"/> Amendment to pending application	<input type="radio"/> Consent to Transfer Control of Permittee <input type="radio"/> Consent to Transfer Control of Licensee			
3.	Legal Name of the Assignor/Transferor D.B. ZWIRN & CO., L.P. Mailing Address 745 FIFTH AVENUE 18TH FLOOR City NEW YORK State or Country (if foreign address) NY Zip Code 10151 - Telephone Number (include area code) 6467209100 E-Mail Address (if available)				
4.	Contact Representative (if other than Assignor/Transferor) GREGORY L. MASTERS Mailing Address 1776 K STREET, NW City WASHINGTON State or Country (if foreign address) DC Zip Code 20006 - Telephone Number (include area code) 2027197370			Firm or Company Name WILEY REIN LLP E-Mail Address (if available) GMASTERS@WILEYREIN.COM	
If more than one Transferor, submit the information requested in Questions 3 and 4 for each transferor. [Exhibit 4]					
5.	Authorizations to be Assigned/Transferred. List the authorized stations and construction permits to be assigned/transferred. Provide the Facility Identification Number and the Call Sign, or the Facility Identification Number and the File Number of the Construction Permit, and the location, for each station to be assigned/transferred. Include main stations, FM and/or TV translator stations, LPTV stations, FM and/or TV booster stations. [Enter Station Information]				
List the authorized stations and construction permits to be assigned/transferred. Provide the Facility Identification Number and the Call Sign, or the Facility Identification Number and the File Number of the Construction Permit, and the location, for each station to be assigned/transferred. Include main stations, FM and/or TV translator stations, LPTV stations,, FM and/or TV booster stations.					
Facility ID Number		Call Sign or Construction Permit File Number		City	State
43757		KFCD -		FARMERSVILLE	TX

Facility ID Number	Call Sign or Construction Permit File Number	City	State
133464	KHSE -	WYLIE	TX

6. Agreements for Sale/Transfer of Station. a. If the transaction is voluntary, Assignor/Transferor certifies that: i. it has placed in licensee's/permittee's public inspection file(s) and submitted as an exhibit to this item copies of all agreements for the assignment/transfer of the station(s); ii. these documents embody the complete and final understanding between assignor/transferor and assignee/transferee; and iii. these agreements comply fully with the Commission's rules and policies. b. If the transaction is involuntary, the Assignor/Transferor certifies that court orders or other authorizing documents have been issued and that it has placed in the licensee's/permittee's public inspection file(s) and submitted to the Commission copies of such court orders or other authorizing documents. Exhibit Required	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A [Exhibit 5] <input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A [Exhibit 6]
7. Character Issues. Assignor/Transferor certifies that neither licensee/permittee nor any party to the application has or has had any interest in, or connection with: a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or any party to the application; or b. any pending broadcast application in which character issues have been raised.	<input type="radio"/> Yes <input checked="" type="radio"/> No See Explanation in [Exhibit 7]
8. Adverse Findings. Assignor/Transferor certifies that, with respect to the assignor/transferor and each party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to any of the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another governmental unit; or discrimination.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 8]
9. Auction Authorization. Assignor/transferor certifies that more than five years have passed since the issuance of the construction permit for the station being assigned, where that permit was acquired in an auction through the use of a bidding credit or other special measure.	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A See Explanation in [Exhibit 9]
10. Anti-Drug Abuse Act Certification. Assignor/Transferor certifies that neither licensee/permittee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.	<input checked="" type="radio"/> Yes <input type="radio"/> No

I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations.

Typed or Printed Name of Person Signing DAVID C. LEE	Typed or Printed Title of Person Signing PRESIDENT
Signature	Date 05/26/2009

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

NOTE: In addition to the information called for in this section, an explanatory exhibit providing full particulars must be submitted for each question for which a "No" response is provided.

Section III - Assignee/Transferee

1.	Certification. Assignee/Transferee certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Assignee/Transferee further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions and worksheets.		<input checked="" type="radio"/> Yes <input type="radio"/> No
2.	Legal Name of the Assignee/Transferee RL TRANSITION CORP. Mailing Address C/O THOMAS G. AMON 250 WEST 57TH STREET, SUITE 1316 City NEW YORK State or Country (if foreign address) NY Zip Code 10107 - Telephone Number (include area code) 2128102430 E-Mail Address (if available)		
3.	Contact Representative (if other than Assignee/Transferee) AARON P. SHAINIS Mailing Address 1850 M STREET, NW SUITE 240 City WASHINGTON State or Country (if foreign address) DC Zip Code 20036 - Telephone Number (include area code) 2022930011 E-Mail Address (if available) AARON@S-PLAW.COM		
If more than one Transferee, submit the information requested in Questions 2 and 3 for each transferee.			[Exhibit 10]
4.	Agreements for Sale/Transfer of Station. Assignee/Transferee certifies that: a. the written agreements in the licensee/permittee's public inspection file embody the complete and final agreement for the sale or transfer of the station(s); and b. these agreements comply fully with the Commission's rules and policies.		<input type="radio"/> Yes <input checked="" type="radio"/> No [Exhibit 11]
5.	Changes in interests as a result of assignment/transfer. a. [Enter Changes in Interests Information] <hr/> <hr/> or [Exhibit 12]		
	b. Applicant certifies that equity interests not set forth above are non-attributable.		<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A [Exhibit 13]
6.	Other Authorizations. List call signs, locations, and facility identifiers of all other broadcast stations in which assignee/transferee or any party to the application has an attributable interest.		<input type="checkbox"/> N/A [Exhibit 14]
7.	Acquisition of Control. List the file number and date of grant of FCC Form 301, 314, or 315 application by which the Commission approved the qualifications of the individual or entity with a pre-existing interest in the licensee/permittee that is now acquiring control of the licensee/permittee as a result of the grant of this application.		<input checked="" type="checkbox"/> N/A [Exhibit 15]
8.	Character Issues. Assignee/Transferee certifies that neither assignee/transferee nor any party to the application has or has had any interest in, or connection with: a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or any party to the application; or		<input type="radio"/> Yes <input checked="" type="radio"/> No See Explanation in [Exhibit 16]

	b. any pending broadcast application in which character issues have been raised.	
9.	Adverse Findings. Assignee/Transferee certifies that, with respect to the assignee/transferee and each party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to any of the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another governmental unit; or discrimination.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 17]
10.	Alien Ownership and Control. Assignee/Transferee certifies that it complies with the provisions of Section 310 of the Communications Act of 1934, as amended, relating to interests of aliens and foreign governments.	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 18]
11.	Auction Authorization. Assignee/transferee certifies that where less than five years have passed since the issuance of the construction permit and the permit had been acquired in an auction through the use of a bidding credit or other special measure, it would qualify for such credit or other special measure.	<input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 19]
12.	Anti-Drug Abuse Act Certification. Assignee/transferee certifies that neither licensee/permittee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.	<input checked="" type="radio"/> Yes <input type="radio"/> No

I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations. I hereby waive any claim to the use of any particular frequency as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and request an authorization in accordance with this application. (See Section 304 of the Communications Act of 1934, as amended.)

Typed or Printed Name of Person Signing DANIEL B. ZWIRN	Typed or Printed Title of Person Signing MANAGING MEMBER
Signature	Date 05/20/2009

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

Exhibit 1

Description: NATURE OF AMENDMENT

EXHIBIT 2 HAS BEEN AMENDED AT THE REQUEST OF FCC STAFF. NO OTHER CHANGES HAVE BEEN MADE TO THIS APPLICATION.

Attachment 1

Attachment 2

Description
Description of the Transaction

Exhibit 5

Description: AGREEMENTS

THERE ARE NO WRITTEN AGREEMENTS BETWEEN TRANSFEROR AND PROPOSED TRANSFEREE GOVERNING THIS PRO FORMA TRANSFER OF CONTROL. SEE EXHIBIT 2.

Attachment 5

Exhibit 7

Description: CHARACTER STATEMENT

ON OR ABOUT APRIL 10, 2006, A PETITION TO DENY WAS FILED BY FRANK HALFACRE AND PERCY SQUIRE CO., L.L.C., AGAINST AN APPLICATION FOR FCC CONSENT TO THE ASSIGNMENT OF THE LICENSES OF RADIO STATIONS WVKO(AM), COLUMBUS, OHIO, WVKO-FM, JOHNSTOWN, OHIO, WRBP(FM), HUBBARD, OHIO, WASN(AM), YOUNGSTOWN, OHIO, AND WGFT(AM), CAMPBELL, OHIO, FROM STOP 26 RIVERBEND LICENSES, LLC, DEBTOR-IN-POSSESSION ('STOP 26'), TO BERNARD OHIO LLC ('BERNARD OHIO'), AN ENTITY THAT TRANSFEROR CONTROLS THROUGH AN INTERMEDIATE ENTITY. THE HALFACRE/SQUIRE PETITION ALLEGED THAT BERNARD OHIO'S OWNERSHIP WAS NOT PROPERLY DISCLOSED IN THE ASSIGNMENT APPLICATION. BERNARD OHIO OPPOSED THE PETITION, AND IN A DECISION ISSUED ON JANUARY 22, 2007, THE AUDIO DIVISION, MEDIA BUREAU, DENIED THE PETITION AND APPROVED THE ASSIGNMENT (WHICH HAS BEEN CONSUMMATED). ON FEBRUARY 21, 2007, HALFACRE/SQUIRE FILED AN APPLICATION FOR REVIEW OF THE AUDIO DIVISION'S DECISION. STOP 26 AND BERNARD OHIO FILED A JOINT OPPOSITION ON MARCH 8, 2007, SHOWING THE APPLICATION FOR REVIEW TO BE MERITLESS.

ON FEBRUARY 23, 2006, DAVID A. SCHUM AND OTHER INDIVIDUALS FILED A PETITION TO DENY AN APPLICATION FOR FCC CONSENT TO THE ASSIGNMENT OF THE AUTHORIZATIONS OF RADIO STATIONS KFCD(AM), FARMERSVILLE, TEXAS AND KHSE(AM), WYLIE, TEXAS, FROM DFW RADIO LICENSE, LLC TO BERNARD DALLAS LLC ('BERNARD DALLAS'), AN ENTITY THAT TRANSFEROR CONTROLS THROUGH AN INTERMEDIATE ENTITY. THE PETITION ALLEGED THAT A PRINCIPAL OF THE KFCD/KHSE ASSIGNEE PARTICIPATED IN AN UNAUTHORIZED TRANSFER OF CONTROL OF THE CONSTRUCTION PERMIT FOR STATION KHSE AND ABUSED COMMISSION PROCESSES BY ASSERTEDLY MAKING THREATS THROUGH ITS COUNSEL AGAINST THE ASSIGNOR AND ITS MANAGER. BERNARD DALLAS RESPONDED TO THE PETITION, AND IN A DECISION RELEASED ON DECEMBER 28, 2006, THE AUDIO DIVISION, MEDIA BUREAU, DENIED THE PETITION AND APPROVED THE ASSIGNMENT (WHICH HAS BEEN CONSUMMATED). ON JANUARY 29, 2007, THE PETITIONERS FILED A PETITION FOR RECONSIDERATION OF THE AUDIO DIVISION'S DECISION. BERNARD DALLAS FILED AN OPPOSITION ON FEBRUARY 12, 2007, SHOWING THE PETITION FOR RECONSIDERATION TO BE MERITLESS. ON FEBRUARY 19, 2008, THE AUDIO DIVISION, MEDIA BUREAU DENIED THE PETITION FOR RECONSIDERATION. ON MARCH 20, 2008, THE PETITIONERS FILED AN APPLICATION FOR REVIEW. BERNARD DALLAS FILED AN OPPOSITION ON APRIL 4, 2008 SHOWING THAT THE APPLICATION FOR REVIEW WAS MERITLESS. ON MAY 15, 2008, THE PETITIONERS FILED A SUPPLEMENT TO THE APPLICATION FOR REVIEW, WHICH, ON JUNE 4, 2008, BERNARD DALLAS OPPOSED AS UNTIMELY FILED AND WITHOUT MERIT.

ON MARCH 29, 2007, THE SAME PETITIONERS REFERENCED IN THE PRECEDING PARAGRAPH FILED A PETITION TO DENY AN APPLICATION FOR FCC CONSENT TO THE ASSIGNMENT OF THE LICENSES OF RADIO STATIONS KFCD(AM) AND KHSE(AM) FROM BERNARD DALLAS TO PRINCIPLE BROADCASTING NETWORK - DALLAS LLC. SEE FILE NOS. BAL-20070216ABA-ABB. THE PETITION ALLEGED SUBSTANTIALLY THE SAME MATTERS THAT THE PETITIONERS RAISED IN CONNECTION WITH THE EARLIER, APPROVED APPLICATION TO ASSIGN THE STATIONS' LICENSES FROM DFW RADIO LICENSE, LLC TO BERNARD DALLAS. BERNARD DALLAS FILED AN OPPOSITION ON APRIL 11, 2007, SHOWING THE PETITION TO BE REDUNDANT AND MERITLESS. THE AUDIO DIVISION, MEDIA BUREAU DENIED THE PETITION ON FEBRUARY 19, 2008. ON MARCH 20, 2008, THE PETITIONERS FILED A PETITION FOR RECONSIDERATION. BERNARD DALLAS FILED AN OPPOSITION ON APRIL 4, 2008 SHOWING THAT THE PETITION FOR RECONSIDERATION WAS MERITLESS. ON MAY 15, 2008, THE PETITIONERS FILED A SUPPLEMENT TO THEIR PETITION FOR RECONSIDERATION, WHICH, ON JUNE 4, 2008, BERNARD DALLAS OPPOSED AS UNTIMELY FILED AND WITHOUT MERIT.

Attachment 7

Exhibit 11

Description: AGREEMENTS

SEE EXHIBIT 4.

Attachment 11**Exhibit 12****Description: CHANGES IN INTERESTS**

PLEASE SEE EXHIBIT 2.

Attachment 12**Exhibit 14****Description: OTHER INTERESTS**

BERNARD OHIO LLC IS THE LICENSEE OF THE FOLLOWING STATIONS:

WASN 72100 YOUNGSTOWN OH
WGFT 74164 CAMPBELL OH
WRBP 63498 HUBBARD OH
WVCO 22341 COLUMBUS OH
WVCO-FM 58633 JOHNSTOWN OH

BERNARD DALLAS LLC IS THE LICENSEE OF THE FOLLOWING STATIONS:

KFCD 43757 FARMERSVILLE TX
KHSE 133464 WYLIE TX

WITH RESPECT TO BERNARD OHIO LLC AND BERNARD DALLAS LLC, DANIEL B. ZWIRN IS THE CONTROLLING PRINCIPAL.

Attachment 14**Exhibit 16****Description: CHARACTER STATEMENT**

PLEASE SEE TRANSFEROR'S EXHIBIT 6.

Attachment 16

EXHIBIT 2
DESCRIPTION OF THE TRANSACTION / PARTIES TO THE APPLICATION

This application seeks FCC consent to the *pro forma* transfer of control of Bernard Dallas LLC ("Bernard"), the licensee of KFCD(AM), Farmersville, Texas, and KHSE(AM), Wylie, Texas, from D.B. Zwirn & Co., L.P. to RL Transition Corp.

As indicated in the structure charts below, the licensee is wholly owned by Rocklynn Radio, LLC ("Rocklynn"). Rocklynn's managing and sole voting member is D.B. Zwirn & Co., L.P. ("DBZ & Co."), an entity controlled through intervening entities by Daniel B. Zwirn.¹ In the transaction proposed in this application, DBZ & Co.'s managing member interest in Rocklynn would be transferred to RL Transition Corp., an entity also controlled by Mr. Zwirn.

Detailed below are the parties to the application and the proposed attributable ownership following the transfer of control contemplated by this application, along with diagrams summarizing Bernard's pre- and post-consummation ownership and control structure.

Because ultimate control of Bernard will remain with Daniel B. Zwirn, this transaction is *pro forma* in nature and the use of FCC Form 316 is appropriate.

Table 1
Bernard Dallas LLC

1. Name and Address	2. Citizenship	3. Positional Interest	4. Percentage of Votes	5. Percentage of Total Assets (Debt plus Equity)
Bernard Dallas LLC 745 Fifth Avenue 18 th Floor New York, NY 10151	US	Licensee	N/A	N/A
Rocklynn Radio, LLC 745 Fifth Avenue 18 th Floor New York, NY 10151	US	Member	100%	100%

¹ 100% of the total assets of Rocklynn are currently owned, and following the proposed transfer of control will continue to be owned, by Rocklynn's insulated non-managing member D.B. Zwirn Special Opportunities Fund, L.P. The proposed transaction contemplates only the transfer of the managing membership interest in Rocklynn from the transferor to the transferee.

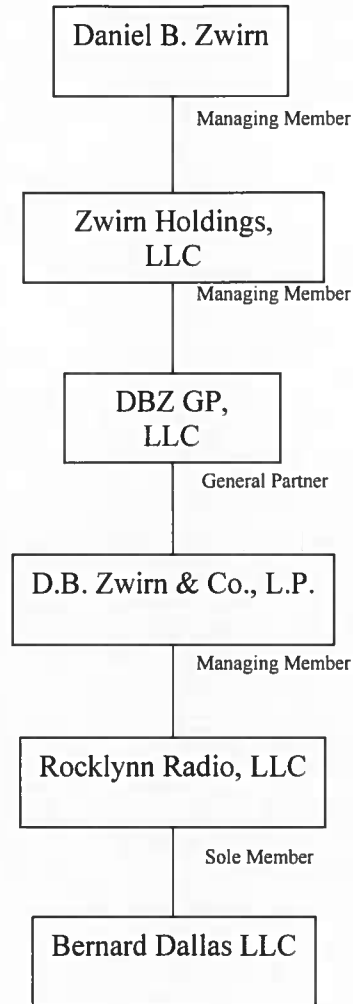
Table 2
Rocklynn Radio, LLC

1. Name and Address	2. Citizenship	3. Positional Interest	4. Percentage of Votes	5. Percentage of Total Assets (Debt plus Equity)
Rocklynn Radio, LLC 745 Fifth Avenue 18 th Floor New York, NY 10151	US	N/A	N/A	N/A
RL Transition Corp. 745 Fifth Avenue 18 th Floor New York, NY 10151	US	Managing Member	100%	

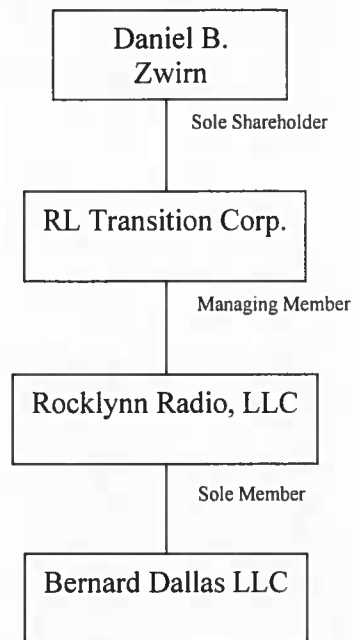
Table 3
RL Transition Corp.

1. Name and Address	2. Citizenship	3. Positional Interest	4. Percentage of Votes	5. Percentage of Total Assets (Debt plus Equity)
RL Transition Corp. 745 Fifth Avenue 18 th Floor New York, NY 10151	US	N/A	N/A	N/A
Daniel B. Zwirn 745 Fifth Avenue 18 th Floor New York, NY 10151	US	Sole Shareholder	100%	100%

Current Structure of Bernard Dallas LLC



Proposed Structure of Bernard Dallas LLC





UNITED STATES OF AMERICA
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

(FOR CHIEF, AUDIO DIVISION, MEDIA BUREAU)

DATE: 05/27/2009

<input type="checkbox"/> CONSENT TO ASSIGNMENT:	FROM: D.B. ZWIRN & CO., L.P.
<input checked="" type="checkbox"/> CONSENT TO TRANSFER:	TO: RL TRANSISTION CORP.
Licensee/Permittee: BERNARD DALLAS LLC (for transfer only)	

CLASS	CALL SIGN	FACILITY ID	FILE#	STATION LOCATION	AUXILIARY STATIONS
AM	KFCD	43757	BTC-20090520ACD	FARMERSVILLE, TX	ALL CURRENTLY
AM	KHSE	133464	BTC-20090520ACE	WYLIE, TX	AUTHORIZED AUXILIARY STATIONS

Under authority of the Communications Act of 1934, as amended, the consent of the Federal Communications Commission is hereby granted to the transaction indicated above.

The Commission's consent to the above is based on the representations made by the applicants that the statements contained in, or made in connection with, the application are true and that the undertakings of the parties upon which this transaction is authorized will be carried out in good faith.

The actual consummation of voluntary transactions shall be completed within 90 days from the date hereof, and notice in letter form thereof shall promptly be furnished to the Commission by the seller or buyer showing the date the acts necessary to effect the transaction were completed. Upon furnishing the Commission with such written notice, this transaction will be considered completed for all purposes related to the above described station(s).

Federal Communications Commission Washington, D.C. 20554	Approved by OMB 3060-0031 (September 2004)	FOR FCC USE ONLY
Consummation Notice		FOR COMMISSION USE ONLY FILE NO.
Read Instructions/FAQ before filling out form		

Section I - General Information

1.	Legal Name of the Applicant BERNARD DALLAS LLC														
	Mailing Address 745 FIFTH AVENUE 18TH FLOOR														
	City NEW YORK	State or Country (if foreign address) NY	Zip Code 10151 -												
	Telephone Number (include area code) 6467209100		E-Mail Address (if available)												
	FCC Registration Number: 0016039547	Call Sign KFCD	Facility ID Number 43757												
2.	Contact Representative (if other than licensee/permittee) GREGORY L. MASTERS		Firm or Company Name WILEY REIN LLP												
	Mailing Address 1776 K STREET NW														
	City WASHINGTON	State or Country (if foreign address) DC	ZIP Code 20006 -												
	Telephone Number (include area code) 2027197370		E-Mail Address (if available) GMASTERS@WILEYREIN.COM												
3.	Purpose: <input checked="" type="radio"/> Consummation Notice <input type="radio"/> Extension of Consummation <input type="radio"/> Notification of Non-consummation														
4.	Consummation for: <input type="radio"/> Assignment of License and/or Permit <input checked="" type="radio"/> Transfer of Control														
5.	Lead Station File Number: BTC - 20090520ACD		Lead Facility ID: 43757												
6.	<table border="1"> <thead> <tr> <th>File Number</th> <th>Facility ID</th> <th>Call Sign</th> <th>Will not Consummate</th> </tr> </thead> <tbody> <tr> <td>BTC-20090520ACD</td> <td>43757</td> <td>KFCD</td> <td><input type="checkbox"/></td> </tr> <tr> <td>BTC-20090520ACE</td> <td>133464</td> <td>KHSE</td> <td><input type="checkbox"/></td> </tr> </tbody> </table>			File Number	Facility ID	Call Sign	Will not Consummate	BTC-20090520ACD	43757	KFCD	<input type="checkbox"/>	BTC-20090520ACE	133464	KHSE	<input type="checkbox"/>
File Number	Facility ID	Call Sign	Will not Consummate												
BTC-20090520ACD	43757	KFCD	<input type="checkbox"/>												
BTC-20090520ACE	133464	KHSE	<input type="checkbox"/>												
7.	Date of consummation: 06/01/2009														
8.	FRN of Assignee/Transferee: 0018819920														

I hereby certify that the referenced assignment of license/transfer of control was consummated within the required time period, on the date indicated in #7 above.

Typed or Printed Name of Person Signing DAVID C. LEE	Typed or Printed Title of Person Signing PRESIDENT
Signature	Date 06/02/2009

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

ATTACHMENT E



UNITED STATES OF AMERICA
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

(FOR CHIEF, AUDIO DIVISION, MEDIA BUREAU)

DATE: 05/27/2009

<input type="checkbox"/> CONSENT TO ASSIGNMENT:	FROM: D.B. ZWIRN & CO., L.P.
<input checked="" type="checkbox"/> CONSENT TO TRANSFER:	TO: RL TRANSISTION CORP.
Licensee/Permittee: BERNARD DALLAS LLC (for transfer only)	

CLASS	CALL SIGN	FACILITY ID	FILE#	STATION LOCATION	AUXILIARY STATIONS
AM	KFCD	43757	BTC-20090520ACD	FARMERSVILLE, TX	ALL CURRENTLY
AM	KHSE	133464	BTC-20090520ACE	WYLIE, TX	AUTHORIZED AUXILIARY STATIONS

Under authority of the Communications Act of 1934, as amended, the consent of the Federal Communications Commission is hereby granted to the transaction indicated above.

The Commission's consent to the above is based on the representations made by the applicants that the statements contained in, or made in connection with, the application are true and that the undertakings of the parties upon which this transaction is authorized will be carried out in good faith.

The actual consummation of voluntary transactions shall be completed within 90 days from the date hereof, and notice in letter form thereof shall promptly be furnished to the Commission by the seller or buyer showing the date the acts necessary to effect the transaction were completed. Upon furnishing the Commission with such written notice, this transaction will be considered completed for all purposes related to the above described station(s).

ATTACHMENT F

Federal Communications Commission Washington, D.C. 20554 <div style="text-align: center;">FCC 323</div>	Approved by OMB 3060-0010 (June 2002)	FOR FCC USE ONLY
OWNERSHIP REPORT FOR COMMERCIAL BROADCAST STATIONS Read INSTRUCTIONS Before Filling Out Form		FOR COMMISSION USE ONLY FILE NO. BOS - 20090819AFP

Section I - General Information

1.	Legal Name of the Applicant BERNARD DALLAS LLC		
	Mailing Address 745 FIFTH AVENUE 18TH FLOOR		
	City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -
	Telephone Number (include area code) 6467209100	E-Mail Address (if available)	
	FCC Registration Number: 0016039547	Call Sign KFCD	Facility ID Number 43757
2.	Contact Representative (if other than Licensee/Permittee) AARON P. SHAINIS, ESQ.		
	Firm or Company Name SHAINIS & PELTZMAN, CHARTERED		
	Telephone Number (include area code) 2022930011	E-Mail Address (if available) AARON@S-PLAW.COM	
3.	Name of entity, if other than licensee or permittee, for which report is filed		
	Mailing Address		
	City	State or Country (if foreign address)	ZIP Code
	Telephone Number (include area code)	E-Mail Address (if available)	
4.	If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Fee-exempt Report <input checked="" type="radio"/> Other TRANSFER OF CONTROL <input type="radio"/> N/A (Fee Required)		

Section II - Ownership Information

5.	a. <input type="radio"/> Biennial b. <input checked="" type="radio"/> Transfer of Control or Assignment of License/Permit c. <input type="radio"/> Other		
	d. <input type="radio"/> Amendment to pending application		
	for the following stations: [Enter Station Information]		
	Station List		
	This Report is filed for the following stations:		

Call Letters	Facility ID Number	Location (City/State)	Class of service
KFCD	43757	FARMERSVILLE TX	AM

Call Letters	Facility ID Number	Location (City/State)	Class of service
KHSE	133464	WYLIE TX	AM

All of the information furnished in this Report is accurate as of 08/18/2009 (Date must comply with 47 C.F.R. Section 73.3615(a), i.e., information must be current within 60 days of filing of this report, when 5(a) below is checked.)

This Report is filed for (check one)

6. Respondent is:

- ☐ Sole proprietorship
 ☐ Not-for-profit corporation
 ☐ Limited partnership
☐ For-profit corporation
 ☐ General partnership
 ☒ Other

If "Other", describe nature of the respondent in an Exhibit.

[Exhibit 1]

7. List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Contract/Instrument Information]

Contracts/Instruments Information

List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject shall respond.)

Description of contract or instrument	Name of person or organization with whom contract is made	Date of Execution	Date of Expiration
LIMITED LIABILITY COMPANY AGREEMENT			

8. Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Capitalization Information]

Capitalization

Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

Class of stock (preferred, common or other)	Voting or Non-voting	Number of Shares			
		Authorized	Issued and Outstanding	Treasury	Unissued
N/A--LIMITED LIABILITY COMPANY					

9. (a.) List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary. [Enter Owner Information]

Owner Information

List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary. **(Read carefully - The numbered items below refer to line numbers in the following table.)**

1. Name and address of respondent and each party to the respondent holding an attributable interest (if other than individual also show name, address and citizenship of natural person authorized to vote the stock or holding the attributable interest). List the respondent first, officers next, then directors and, thereafter, remaining stockholders and other entities with attributable interests, and partners.
2. Gender (male or female).
3. Ethnicity (check one).
4. Race (select one or more).
5. Citizenship.
6. Positional interest: Officer, director, general partner, limited partner, LLC member, investor/creditor attributable under the Commission's **equity/debt plus** standard, etc.
7. Percentage of votes.
8. Percentage of total assets (equity debt plus).

1. Name and Address	BERNARD DALLAS, LLC, 745 FIFTH AVENUE, 18TH FLOOR, NEW YORK, NY 10151
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White
5. Citizenship	US
6. Positional Interest	LICENSEE
7. Percentage of votes	0.00
8. Percentage of total assets (equity debt plus)	0.00

1. Name and Address	ROCKLYNN RADIO, LLC, 745 FIFTH AVENUE, 18TH FLOOR, NEW YORK, NY 10151
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White

5. Citizenship	US
6. Positional Interest	SOLE MEMBER
7. Percentage of votes	100.00
8. Percentage of total assets (equity debt plus)	100.00
(b) Respondent certifies that equity and financial interests not set forth in response to Question 9(a) are non-attributable.	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 2]
(c) Is the respondent or any party holding an attributable interest in the respondent also the holder of an attributable interest in any other broadcast station or in any cable or newspaper entities in the same market or with overlapping signals in the same broadcast service, as described in 47 C.F.R. Sections 73.3555 and 76.501?	<input checked="" type="radio"/> Yes <input type="radio"/> No
If "Yes", submit an Exhibit identifying the holder of that other attributable interest, listing the call signs, locations and facilities identifiers of such other broadcast stations, and describing the nature and size of the ownership interest and the positions held in the other broadcast, cable or newspaper entities.	[Exhibit 3]
(d) Are any of the individuals listed in response to Question 9(a) related as parent-child, husband-wife, brothers and sisters?	<input type="radio"/> Yes <input checked="" type="radio"/> No
If "Yes", submit an Exhibit setting forth full information as to the family relationship	[Exhibit 4]
(e) Is respondent seeking an attribution exemption for any officer or director with duties unrelated to the licensee or permittee?	<input type="radio"/> Yes <input checked="" type="radio"/> No
If "Yes", submit an Exhibit identifying that individual by name and title, fully describing that individual's duties and responsibilities, and explaining why that individual should not be attributed an interest.	[Exhibit 5]

SECTION III - CERTIFICATION

I certify that I am SOLE SHAREHOLDER OF THE MANAGING MEMBER

(Official Title)

of BERNARD DALLAS, LLC

(Exact legal title or name of respondent)

and that I have examined this Report and that to the best of my knowledge and belief, all statements in this Report are true, correct and complete.

(Date of certification must be within 60 days of the date shown in Question 5, Section II and in no event prior to that date.)

Signature DANIEL B. ZWIRN	Date 08/19/2009
Telephone Number of Respondent (Include area code) 6467209100	

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

Exhibit 1**Description:** RESPONDENT TYPE

RESPONDENT IS A LIMITED LIABILITY COMPANY.

Attachment 1

Exhibit 3**Description:** OTHER INTERESTS

ROCKLYNN RADIO, LLC ('ROCKLYNN') IS THE SOLE MEMBER OF BERNARD DALLAS LLC ('BERNARD DALLAS') AND OF BERNARD OHIO LLC ('BERNARD OHIO').

BERNARD OHIO IS THE LICENSEE OF RADIO STATIONS WVKO(AM), COLUMBUS, OHIO (FACILITY ID #22341), WVKO-FM, JOHNSTOWN, OHIO (FACILITY ID #58633), WRBP(FM), HUBBARD, OHIO (FACILITY ID #63498), WASN (AM), YOUNGSTOWN, OHIO (FACILITY ID #72100), AND WGFT(AM), CAMPBELL, OHIO (FACILITY ID #74164).

Attachment 3

Federal Communications Commission Washington, D.C. 20554 FCC 323	Approved by OMB 3060-0010 (June 2002) FOR FCC USE ONLY
OWNERSHIP REPORT FOR COMMERCIAL BROADCAST STATIONS Read INSTRUCTIONS Before Filling Out Form	FOR COMMISSION USE ONLY FILE NO. BOS - 20090819AFS

Section I - General Information

1. Legal Name of the Applicant BERNARD DALLAS LLC				
Mailing Address 745 FIFTH AVENUE 18TH FLOOR				
<table border="1"> <tr> <td>City NEW YORK</td> <td>State or Country (if foreign address) NY</td> <td>ZIP Code 10151 -</td> </tr> </table>	City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -	
City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -		
<table border="1"> <tr> <td>Telephone Number (include area code) 6467209100</td> <td>E-Mail Address (if available)</td> </tr> </table>	Telephone Number (include area code) 6467209100	E-Mail Address (if available)		
Telephone Number (include area code) 6467209100	E-Mail Address (if available)			
<table border="1"> <tr> <td>FCC Registration Number: 0016039547</td> <td>Call Sign</td> <td>Facility ID Number 0</td> </tr> </table>	FCC Registration Number: 0016039547	Call Sign	Facility ID Number 0	
FCC Registration Number: 0016039547	Call Sign	Facility ID Number 0		
2. Contact Representative (if other than Licensee/Permittee) AARON P. SHAINIS, ESQ.				
<table border="1"> <tr> <td>Telephone Number (include area code) 2022930011</td> <td>Firm or Company Name SHAINIS & PELTZMAN, CHARTERED</td> </tr> <tr> <td></td> <td>E-Mail Address (if available) AARON@S-PLAW.COM</td> </tr> </table>	Telephone Number (include area code) 2022930011	Firm or Company Name SHAINIS & PELTZMAN, CHARTERED		E-Mail Address (if available) AARON@S-PLAW.COM
Telephone Number (include area code) 2022930011	Firm or Company Name SHAINIS & PELTZMAN, CHARTERED			
	E-Mail Address (if available) AARON@S-PLAW.COM			
3. Name of entity, if other than licensee or permittee, for which report is filed ROCKLYNN RADIO, LLC				
Mailing Address 745 FIFTH AVENUE 18TH FLOOR				
<table border="1"> <tr> <td>City NEW YORK</td> <td>State or Country (if foreign address) NY</td> <td>ZIP Code 10151 -</td> </tr> </table>	City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -	
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<table border="1"> <tr> <td>Telephone Number (include area code) 6467209100</td> <td>E-Mail Address (if available)</td> </tr> </table>	Telephone Number (include area code) 6467209100	E-Mail Address (if available)		
Telephone Number (include area code) 6467209100	E-Mail Address (if available)			
4. If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Fee-exempt Report <input checked="" type="radio"/> Other PARENT CO <input type="radio"/> N/A (Fee Required)				

Section II - Ownership Information

5. a. <input type="radio"/> Biennial b. <input checked="" type="radio"/> Transfer of Control or Assignment of License/Permit c. <input type="radio"/> Other
d. <input type="radio"/> Amendment to pending application
for the following stations: [Enter Station Information]
<div style="text-align: center;">Station List</div> This Report is filed for the following stations:

Call Letters	Facility ID Number	Location (City/State)	Class of service
KFCD	43757	FARMERSVILLE TX	AM

Call Letters	Facility ID Number	Location (City/State)	Class of service
KHSE	133464	WYLIE TX	AM

All of the information furnished in this Report is accurate as of 08/18/2009 (Date must comply with 47 C.F.R. Section 73.3615(a), i.e., information must be current within 60 days of filing of this report, when 5(a) below is checked.)

This Report is filed for (check one)

6. Respondent is:

- ☐ Sole proprietorship
 ☐ Not-for-profit corporation
 ☐ Limited partnership
☐ For-profit corporation
 ☐ General partnership
 ☒ Other

If "Other", describe nature of the respondent in an Exhibit.

[Exhibit 1]

7. List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Contract/Instrument Information]

Contracts/Instruments Information

List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject shall respond.)

Description of contract or instrument	Name of person or organization with whom contract is made	Date of Execution	Date of Expiration
LIMITED LIABILITY COMPANY AGREEMENT			

8. Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Capitalization Information]

Capitalization

Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

Class of stock (preferred, common or other)	Voting or Non-voting	Number of Shares			
		Authorized	Issued and Outstanding	Treasury	Unissued
N/A--LIMITED LIABILITY COMPANY					

9. (a.) List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary. [Enter Owner Information]

Owner Information

List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary. **(Read carefully - The numbered items below refer to line numbers in the following table.)**

1. Name and address of respondent and each party to the respondent holding an attributable interest (if other than individual also show name, address and citizenship of natural person authorized to vote the stock or holding the attributable interest). List the respondent first, officers next, then directors and, thereafter, remaining stockholders and other entities with attributable interests, and partners.
2. Gender (male or female).
3. Ethnicity (check one).
4. Race (select one or more).
5. Citizenship.
6. Positional interest: Officer, director, general partner, limited partner, LLC member, investor/creditor attributable under the Commission's **equity/debt plus** standard, etc.
7. Percentage of votes.
8. Percentage of total assets (equity debt plus).

1. Name and Address	ROCKLYNN RADIO, LLC-745 FIFTH AVENUE, 18TH FLOOR, NEW YORK, NY 10151
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White
5. Citizenship	US
6. Positional Interest	SOLE MEMBER
7. Percentage of votes	0.00
8. Percentage of total assets (equity debt plus)	0.00

1. Name and Address	RL TRANSITION CORP.-C/O THOMAS G. AMON, 250 WEST 57TH STREET, SUITE 1316, NEW YORK, NY 10157
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White

5. Citizenship	US
6. Positional Interest	MANAGING MEMBER
7. Percentage of votes	100.00
8. Percentage of total assets (equity debt plus)	100.00
(b) Respondent certifies that equity and financial interests not set forth in response to Question 9(a) are non-attributable.	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 2]
(c) Is the respondent or any party holding an attributable interest in the respondent also the holder of an attributable interest in any other broadcast station or in any cable or newspaper entities in the same market or with overlapping signals in the same broadcast service, as described in 47 C.F.R. Sections 73.3555 and 76.501?	<input checked="" type="radio"/> Yes <input type="radio"/> No
If "Yes", submit an Exhibit identifying the holder of that other attributable interest, listing the call signs, locations and facilities identifiers of such other broadcast stations, and describing the nature and size of the ownership interest and the positions held in the other broadcast, cable or newspaper entities.	[Exhibit 3]
(d) Are any of the individuals listed in response to Question 9(a) related as parent-child, husband-wife, brothers and sisters?	<input type="radio"/> Yes <input checked="" type="radio"/> No
If "Yes", submit an Exhibit setting forth full information as to the family relationship	[Exhibit 4]
(e) Is respondent seeking an attribution exemption for any officer or director with duties unrelated to the licensee or permittee?	<input type="radio"/> Yes <input checked="" type="radio"/> No
If "Yes", submit an Exhibit identifying that individual by name and title, fully describing that individual's duties and responsibilities, and explaining why that individual should not be attributed an interest.	[Exhibit 5]

SECTION III - CERTIFICATION

I certify that I am SOLE SHAREHOLDER OF MANAGING MEMBER

(Official Title)

of ROCKLYNN RADIO, LLC, THE SOLE MEMBER OF BERNARD DALLAS, LLC

(Exact legal title or name of respondent)

and that I have examined this Report and that to the best of my knowledge and belief, all statements in this Report are true, correct and complete.

(Date of certification must be within 60 days of the date shown in Question 5, Section II and in no event prior to that date.)

Signature DANIEL B. ZWIRN	Date 08/19/2009
Telephone Number of Respondent (Include area code) 6467209100	

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

Exhibit 1**Description:** RESPONDENT TYPE

RESPONDENT IS A LIMITED LIABILITY COMPANY.

Attachment 1

Exhibit 3**Description:** OTHER AUTHORIZATIONS

ROCKLYNN RADIO, LLC ('ROCKLYNN') IS THE SOLE MEMBER OF BERNARD DALLAS LLC ('BERNARD DALLAS') AND OF BERNARD OHIO LLC ('BERNARD OHIO').

BERNARD OHIO IS THE LICENSEE OF RADIO STATIONS WVKO(AM), COLUMBUS, OHIO (FACILITY ID #22341), WVKO-FM, JOHNSTOWN, OHIO (FACILITY ID #58633), WRBP(FM), HUBBARD, OHIO (FACILITY ID #63498), WASN (AM), YOUNGSTOWN, OHIO (FACILITY ID #72100), AND WGFT(AM), CAMPBELL, OHIO (FACILITY ID #74164).

Attachment 3

Federal Communications Commission Washington, D.C. 20554	Approved by OMB 3060-0010 (June 2002)	FOR FCC USE ONLY
FCC 323		
OWNERSHIP REPORT FOR COMMERCIAL BROADCAST STATIONS		FOR COMMISSION USE ONLY FILE NO. BOS - 20090819AFV
Read INSTRUCTIONS Before Filling Out Form		

Section I - General Information

1.	Legal Name of the Applicant BERNARD DALLAS LLC		
	Mailing Address 745 FIFTH AVENUE 18TH FLOOR		
	City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10151 -
	Telephone Number (include area code) 6467209100		E-Mail Address (if available)
	FCC Registration Number: 0016039547	Call Sign	Facility ID Number 0
2.	Contact Representative (if other than Licensee/Permittee) AARON P. SHAINIS, ESQ.		
	Firm or Company Name SHAINIS & PELTZMAN, CHARTERED		
	Telephone Number (include area code) 2022930011		E-Mail Address (if available) AARON@S-PLAW.COM
3.	Name of entity, if other than licensee or permittee, for which report is filed RL TRANSITION CORP.		
	Mailing Address C/O THOMAS G. AMON 250 WEST 57TH STREET, SUITE 1316		
	City NEW YORK	State or Country (if foreign address) NY	ZIP Code 10157 -
	Telephone Number (include area code) 2128102430		E-Mail Address (if available)
4.	If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Fee-exempt Report <input checked="" type="radio"/> Other PARENT CO <input type="radio"/> N/A (Fee Required)		

Section II - Ownership Information

5.	a. <input type="radio"/> Biennial b. <input checked="" type="radio"/> Transfer of Control or Assignment of License/Permit c. <input type="radio"/> Other d. <input type="radio"/> Amendment to pending application		
	for the following stations:		
	[Enter Station Information]		
	Station List This Report is filed for the following stations:		

Call Letters	Facility ID Number	Location (City/State)	Class of service
KFCD	43757	FARMERSVILLE TX	AM

Call Letters	Facility ID Number	Location (City/State)	Class of service
KHSE	133464	WYLIE TX	AM

All of the information furnished in this Report is accurate as of 08/18/2009 (Date must comply with 47 C.F.R. Section 73.3615(a), i.e., information must be current within 60 days of filing of this report, when 5(a) below is checked.)

This Report is filed for (check one)

6. Respondent is:

- ☐ Sole proprietorship ☐ Not-for-profit corporation ☐ Limited partnership
☒ For-profit corporation ☐ General partnership ☐ Other

If "Other", describe nature of the respondent in an Exhibit.

[Exhibit 1]

7. List all contracts and other instruments required to be filed by 47 C.F.R. Section 73.3613. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Contract/Instrument Information]

8. Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

[Enter Capitalization Information]

9. (a.) List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary.
[Enter Owner Information]

Owner Information

List the respondent, and, if other than a natural person, its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. If a corporation or partnership holds an attributable interest in the respondent, list separately its officers, directors, stockholders and other entities with attributable interests, non-insulated partners and/or members. Create a separate row for each individual or entity. Attach supplemental pages, if necessary.
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2. Gender (male or female).
3. Ethnicity (check one).
4. Race (select one or more).
5. Citizenship.
6. Positional interest: Officer, director, general partner, limited partner, LLC member, investor/creditor attributable under the Commission's **equity/debt plus** standard, etc.
7. Percentage of votes.

8. Percentage of total assets (equity debt plus).

1. Name and Address	RL TRANSITION-250 WEST 57TH STREET, SUITE 1316, NEW YORK, NY 10157
2. Gender (male or female)	N/A
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input type="radio"/> White
5. Citizenship	DE
6. Positional Interest	MANAGING MEMBER
7. Percentage of votes	0.00
8. Percentage of total assets (equity debt plus)	0.00

1. Name and Address	DANIEL B. ZWIRN, 250 WEST 57TH STREET, SUITE 1316, NEW YORK, NY 10157
2. Gender (male or female)	Male
3. Ethnicity (check one)	<input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino
4. Race (select one or more)	<input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian or Other Pacific Islander <input checked="" type="radio"/> White
5. Citizenship	US
6. Positional Interest	SOLE SHAREHOLDER
7. Percentage of votes	100.00
8. Percentage of total assets (equity debt plus)	100.00

(b) Respondent certifies that equity and financial interests not set forth in response to Question 9(a) are non-attributable.	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 2]
(c) Is the respondent or any party holding an attributable interest in the respondent also the holder of an attributable interest in any other broadcast station or in any cable or newspaper entities in the same market or with overlapping signals in the same broadcast service, as described in 47 C.F.R. Sections 73.3555 and 76.501?	<input checked="" type="radio"/> Yes <input type="radio"/> No
If "Yes", submit an Exhibit identifying the holder of that other attributable interest, listing the call signs, locations and facilities identifiers of such other broadcast stations, and describing the nature and size of the ownership interest and the positions held in the other broadcast, cable or newspaper entities.	[Exhibit 3]
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If "Yes", submit an Exhibit identifying that individual by name and title, fully describing that individual's duties and responsibilities, and explaining why that individual should not be attributed an interest.	[Exhibit 5]

SECTION III - CERTIFICATION

I certify that I am SOLE SHAREHOLDER OF THE MANAGING MEMBER

(Official Title)

of ROCKLYNN RADIO, LLC, THE SOLE MEMBER OF BERNARD DALLAS, LLC

(Exact legal title or name of respondent)

and that I have examined this Report and that to the best of my knowledge and belief, all statements in this Report are true, correct and complete.

(Date of certification must be within 60 days of the date shown in Question 5, Section II and in no event prior to that date.)

Signature DANIEL B. ZWIRN	Date 08/19/2009
Telephone Number of Respondent (Include area code) 6467209100	

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits

Exhibit 3

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BERNARD OHIO IS THE LICENSEE OF RADIO STATIONS WVKO(AM), COLUMBUS, OHIO (FACILITY ID #22341), WVKO-FM, JOHNSTOWN, OHIO (FACILITY ID #58633), WRBP(FM), HUBBARD, OHIO (FACILITY ID #63498), WASN (AM), YOUNGSTOWN, OHIO (FACILITY ID #72100), AND WGFT(AM), CAMPBELL, OHIO (FACILITY ID #74164).

Attachment 3

CERTIFICATE OF SERVICE

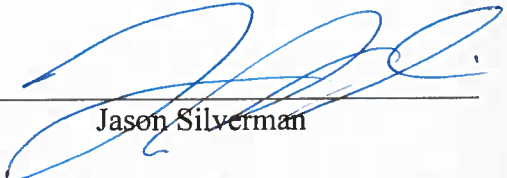
I, Jason Silverman, hereby certify that I have sent, this 6th day of January, 2012, by First Class U.S. Mail, postage prepaid, copies of the foregoing SUPPLEMENT TO OPPOSITION TO PETITION FOR LEAVE TO FILE SUPPLEMENT AND SUPPLEMENT TO APPLICATION FOR REVIEW to the following:

Tom Hutton, Esq.
Deputy Division Chief
Audio Division, Media Bureau
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

David A. Schum
P.O. Box 12345
Dallas, Texas 75225

Gregory L. Masters, Esq.
Wiley Rein LLP
1776 K Street NW
Washington, DC 20006

Richard R. Zaragoza, Esq.
Pillsbury Winthrop Shaw Pittman LLP
2300 N Street NW
Washington, DC 20037



Jason Silverman