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CALIFORNIA
DELAWARE
ILLINOIS
NEW JERSEY
NEW YORK
PENNSYLVANIA
WASHINGTON DC
WISCONSIN

January 18, 2013

Via Hand Delivery

Ms. Marlene Dortch, Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, SW
Washington, DC 20554

STAMP & RETURN

FILED/ACCEPTED

JAN 18 2013

Federal Communications Commission
Office of the Secretary

Re: Section 73.3613 Filing
Esteem Broadcasting of California LLC
KBVU(DT), Eureka, CA, Facility No. 58618
KCVU(DT), Paradise, CA, Facility No. 58605

Dear Ms. Dortch:

Esteem Broadcasting of California LLC, the licensee of the television broadcast stations listed above, by its attorneys and pursuant to Section 73.3613 of the Commission's rules, hereby submits the enclosed organizational documents and security agreement in connection with the post-closing ownership report for KBVU and KCVU. Certain proprietary information has been redacted from these documents, and certain schedules have been removed.

Please direct any questions regarding this filing to Howard Liberman of this firm at 202-842-8876 or to me.

Very truly yours,

Alisa R. Lahey

Alisa R. Lahey

Established 1849

DC01/ 3069501.1

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "ESTEEM BROADCASTING OF CALIFORNIA LLC", FILED IN THIS OFFICE ON THE TWENTY-NINTH DAY OF JUNE, A.D. 2012, AT 1 O'CLOCK P.M.

Jeffrey W. Bullock, Secretary of State

5177627 8100

120793155

AUTHENTICATION: 9680587

DATE: 06-29-12

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:16 PM 06/29/2012
FILED 01:00 PM 06/29/2012
SRV 120793155 - 5177627 FILE

CERTIFICATE OF FORMATION

OF

ESTEEM BROADCASTING OF CALIFORNIA LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:

FIRST: The name of the limited liability company (hereinafter called the "limited liability company") is:

ESTEEM BROADCASTING OF CALIFORNIA LLC

SECOND: The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, in the county of New Castle.

Executed on June 29, 2012

/s/ Jamie L. Warner-McAuley
Jamie L. Warner-McAuley
Authorized Person

ESTEEM BROADCASTING OF CALIFORNIA LLC

UNANIMOUS WRITTEN CONSENT OF THE MEMBER

November 27, 2012

The undersigned, being the sole member (the "Member") of Esteem Broadcasting of California LLC, a Delaware limited liability company (the "Company"), by this consent in writing in accordance with Section 18-302(d) of the Delaware Limited Liability Company Act (the "Act"), does hereby consent to the adoption of the following resolutions.

Appointment of Officers

WHEREAS, the Member believes it is in the best interest of the Company to appoint certain officers of the Company to handle the day-to-day matters of the Company and to ensure the efficient management of the Company's business and affairs; and

WHEREAS, the Limited Liability Agreement of the Company allows for the appointment of officers of the Company by Member by written instrument executed by Member.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that effective immediately the following persons are appointed as officers of the Company:

President and CEO:	David L. Bailey
Secretary and Treasurer:	Diana L. Bailey

Such persons to serve as such officers until their respective successors are duly elected or appointed and qualified.

IN WITNESS WHEREOF, the undersigned has executed this Unanimous Written Consent of the Member of Esteem Broadcasting of California LLC, effective as of the date first above written.

David L. Bailey,
Sole Member of the Company

DC01/2991965.1

LIMITED LIABILITY COMPANY AGREEMENT

OF

ESTEEM BROADCASTING OF CALIFORNIA LLC

This **LIMITED LIABILITY COMPANY AGREEMENT** (the "Agreement") is made and entered into by and between David L. Bailey, as the sole member (the "Member"), and ESTEEM BROADCASTING OF CALIFORNIA LLC, a Delaware limited liability company (the "Company").

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Purpose. The object and purpose of, and the nature of the business to be conducted and promoted by, the Company is engaging in any lawful act or activity for which limited liability companies may be formed under the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, et seq., as amended from time to time (the "Act"), and engaging in any and all lawful activities necessary or incidental to the foregoing.

2. Member. The name and address of the Member are:

David L. Bailey
13865 East Elliott Drive
Marshall, IL 62441

3. Term. The term of existence of the Company shall commence on the effective date of the filing with the Secretary of State of the State of Delaware of the Certificate of Formation of the Company (the "Certificate of Formation") and shall thereafter continue indefinitely.

4. Management.

(a) The business and affairs of the Company shall be managed by the Member. The Member shall have, to the fullest extent permitted by the Act, full and complete authority, power and discretion to direct, manage and control the business, affairs and properties of the Company, to make all decisions regarding such matters and to perform any and all acts and to engage in any and all activities necessary, customary or incident to the management of the business, affairs and properties of the Company. The Member shall have authority to execute on behalf of the Company all contracts, deeds, mortgages, bonds, contracts, leases and all other documents, agreements and instruments.

(b) The Member may, by written instrument executed by the Member, appoint a board of directors, officers and agents of the Company to which the Member may delegate such duties, responsibilities and authority as shall be provided in

such instrument. Any director or officer may be removed at any time by written instrument executed by the Member. Only the Member and directors, officers and agents of the Company authorized by the Member to bind the Company by written instrument executed by the Member shall have the authority to bind the Company.

5. Title to Company Property. All real and personal property shall be acquired in the name of the Company and title to any property so acquired shall vest in the Company itself rather than in the Member.

6. Compensation of Member. The Member shall be reimbursed for all expenses incurred in managing the Company and shall, at the election of the Member, be entitled to compensation for his management services, in an amount to be determined from time to time by the Member.

7. Distributions. Distributions shall be made to the Member (in cash or in kind) at the times and in the amounts determined by the Member and as permitted by applicable law.

8. Tax Elections. The Member may make any tax elections for the Company allowed under the Internal Revenue Code of 1986, as amended, or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

9. Liability of the Member. The Member shall not have any liability for any debt, obligation or liability of the Company or for the acts or omissions of any other member, director, officer, agent or employee of the Company except to the extent expressly required by the Act. The failure of the Member to observe any formalities or requirements relating to the exercise of the powers of the Member or the management of the business and affairs of the Company under this Agreement or the Act shall not, by itself, be grounds for imposing personal liability on the Member for liabilities of the Company.

10. Indemnification. The Company shall indemnify the Member and such other persons as are identified by the Member by written instrument executed by the Member as entitled to be indemnified under this section for all costs, losses, liabilities and damages paid or accrued by the Member or any such other person by reason of their actions on behalf of the Company, to the fullest extent provided or allowed by the laws of the State of Delaware. In addition, the Company shall advance costs of defense of any proceeding to the Member or any such other person upon receipt by the Company of an undertaking by or on behalf of the Member or such other person to repay such amount if it shall ultimately be determined that the Member or such other person is not entitled to be indemnified by the Company.

11. Dissolution.

(a) The Company shall dissolve, and its affairs shall be wound up, upon the first to occur of the following: (i) the written direction of the Member, or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act. The death, dissolution, retirement, resignation, expulsion or bankruptcy of the

Member or the occurrence of any other event that terminates the continued membership of the Member shall not cause a dissolution of the Company.

(b) Upon dissolution, the Company shall cease carrying on any and all activities other than the winding up of its business, but the Company is not terminated and shall continue until the winding up of the affairs of the Company is completed and a certificate of cancellation has been filed pursuant to the Act. Upon the winding up of the Company, the assets of the Company shall be distributed: (i) first to creditors, including the Member if the Member is a creditor, to the extent permitted by law, in satisfaction of the liabilities of the Company, whether by payment or the making of reasonable provision for payment thereof; and (ii) then to the Member. Such distributions shall be in cash or property or partly in both, as determined by the Member.

12. Conflicts of Interest. Nothing in this Agreement shall be construed to limit the right of the Member to enter into any transaction that may be considered to be competitive with, or a business opportunity that may be beneficial to, the Company. The Member does not violate a duty or obligation to the Company merely because the conduct of the Member furthers the interests of the Member. The Member may lend money to and transact other business with the Company. The rights and obligations of the Member upon lending money to or transacting business with the Company are the same as those of a person who is not the Member, subject to other applicable law. No transaction with the Company shall be void or voidable solely because the Member has a direct or indirect interest in the transaction.

13. Governing Law. This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws of the State of Delaware, without reference to the conflict of law rules of that or any other jurisdiction.

14. Entire Agreement. This Agreement represents the entire agreement between the Member and the Company.

15. Amendment. This Agreement may be amended or modified from time to time only by a written instrument executed by the Member.

16. Rights of Creditors and Third Parties. This Agreement is entered into by the Member solely to govern the operation of the Company. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. No such creditor or third party shall have any rights under this Agreement or any other agreement between the Company and the Member with respect to the subject matter hereof.

17. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the heirs, personal representatives, successors and assigns of the Member.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on November __, 2012, to be effective for all purposes as of the effective date and time of the filing of the Certificate of Formation.

MEMBER:

David L. Bailey

COMPANY:
ESTEEM BROADCASTING OF CALIFORNIA LLC

By:
Name: David L. Bailey
Title: Member

[Signature Page to Limited Liability Company Agreement of Esteem Broadcasting of California LLC]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on November 27, 2012, to be effective for all purposes as of the effective date and time of the filing of the Certificate of Formation.

MEMBER:

David L. Bailey

COMPANY:
ESTEEM BROADCASTING OF CALIFORNIA LLC

By:
Name: David L. Bailey
Title: Member

[Signature Page to Limited Liability Company Agreement of Esteem Broadcasting of California LLC]

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is made as of December 19, 2012 by Esteem Broadcasting of California LLC, a California limited liability company ("Debtor"), for the benefit of Sainte Partners II, L.P., a California limited partnership, and Sainte Sepulveda, Inc., a California corporation (collectively, "Secured Party").

Recitals

A. Debtor and Secured Party are parties to that certain Asset Purchase Agreement dated August 15, 2012 (the "Asset Purchase Agreement") pursuant to which Debtor acquired from Secured Party certain assets used or held for use in the operation of the following television stations (the "Stations"):

KBVU(DT), Eureka, California
KCVU(DT), Paradise, California

B. In connection with the Asset Purchase Agreement, Debtor has issued to Secured Party a Secured Promissory Note of even date herewith in the principal amount of) (the "Note").

C. In connection with the Asset Purchase Agreement and the Note, Debtor desires to grant Secured Party a first-priority, perfected security interest in the Collateral (defined below).

Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Security Interest. To secure the prompt and complete payment and performance in full when due of all amounts owing under the Loan Documents (defined below), including the payment of principal, interest and other amounts, whether at stated maturity, by acceleration or otherwise (collectively, the "Secured Obligations"), Debtor hereby grants, assigns and pledges to Secured Party a continuing first-priority security interest in and general lien upon, all of Debtor's right, title and interest in and to all assets and properties, whether tangible or intangible, real or personal, whether now or hereafter existing or in which Debtor now has or hereafter acquires such right, title or interest, which are used or held for use in the operation of the Stations (collectively, the "Collateral"), and which shall include the following:

(a) all equipment, machinery, vehicles, tools, furniture, studio equipment, transmitters, antennas, generators, dishes and spare parts, fixtures, inventory and goods, used or usable in connection with the ownership or operation of the Stations, including those listed or described on Schedule 1(a) attached hereto (the "Tangible Personal Property");

(b) all money, deposit accounts, accounts, accounts receivable, other receivables, contract rights, leases, instruments, chattel paper, letters of credit, letter of credit rights, documents, promissory notes, investment property, commercial tort claims, including those related to, arising from, or used or usable in connection with the ownership or operation of

the Stations and all guaranties, indemnities, letters of credit and other security for any of the above, and all books and records (including computer programs, tapes and data processing software) evidencing an interest in or relating to the above (the "Accounts");

(c) all general intangibles and any other intangible property and all goodwill, going concern value, service marks, trademarks, tradenames, domain names, copyrights, licenses, license rights, programs, programming materials, jingles, slogans and logos, related to, arising from, or used or usable in connection with the ownership or operation of the Stations, including those listed or described on Schedule 1(c) attached hereto (the "Intangible Property");

(d) all real estate interests, whether owned, leased or licensed, or arising under an easement or in any other way, in and to any real property, buildings, structures, towers, rights to space on towers and fixtures, related to, or arising from, or used or usable in connection with the ownership or operation of the Stations, including those listed or described on Schedule 1(d) attached hereto (the "Real Property");

(e) all contracts, leases, licenses or other agreements, programming and affiliation agreements, advertising agreements, trade and barter agreements, internet ad sales and hosting agreements, income generating leases, vehicle or equipment leases, voice talent agreements and news or traffic agreements, related to, arising from, or used or usable in connection with the ownership or operation of the Stations, including those listed or described on Schedule 1(e) attached hereto (the "Contracts");

(f) to the extent that security interests may be granted under applicable law, all licenses, permits and authorizations used or useful in the ownership or operation of the Stations (the "Authorizations"), including all licenses, authorizations and permits with respect to the Stations (the "FCC Authorizations") issued by the Federal Communications Commission ("FCC") listed on Schedule 1(f) attached hereto, all licenses issued by the Federal Aviation Administration (the "FAA"), and all rights incident or appurtenant to such licenses, authorizations and permits, including without limitation the right to receive all proceeds derived or arising from or in connection with the assignment or transfer thereof;

(g) all documents of title, policies and certificates of insurance, investment property, financial assets, bank deposits, bank accounts and cash related to, arising from, or used or usable in connection with the ownership or operation of the Stations;

(h) all other properties, assets and rights of every type used or useful in connection with the ownership or operation of the Stations;

(i) all books, records and documents relating to any of the foregoing; and

(j) all accessions, additions and improvements to, and all replacements, substitutions and parts for, and all proceeds and products of, any of the foregoing, including proceeds of insurance.

Such lien and security interest shall have first priority over all other liens, claims and encumbrances, and shall be automatically perfected upon the filing of a financing statement with the proper authorities. Debtor hereby authorizes Secured Party to file UCC financing statements

evidencing the lien and security interest created by this Agreement. As used herein, the term "Loan Documents" means the Note, this Agreement and any other documents entered into pursuant to any of such documents.

2. Representations and Warranties. Debtor hereby represents and warrants to Secured Party as follows:

(a) Debtor is a duly organized limited liability company, validly existing, and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to execute and deliver this Agreement and the other Loan Documents, and to perform and comply with all of the terms and conditions to be performed and complied with by Debtor hereunder and thereunder.

(b) Debtor has taken all requisite action in order to authorize the execution, delivery, and performance of this Agreement and the other transactions contemplated hereby and by the other Loan Documents. This Agreement has been duly executed and delivered by Debtor and is the legal, valid, and binding obligation of Debtor enforceable against it in accordance with its terms, except as enforceability may be limited by any bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether that enforceability is considered in a proceeding at law or in equity).

(c) Neither the execution, delivery, nor performance of this Agreement by Debtor, nor the consummation of any transaction contemplated by the Loan Documents, after the giving of notice, or the lapse of time, or both, (i) conflicts with or results in a breach of the articles of organization or other organizational instrument of Debtor, (ii) violates any law applicable to Debtor; (iii) constitutes grounds for termination of, results in a breach of, constitutes a default under, violates any right of first refusal or similar right granted to a third party under, or accelerates or permits the acceleration of any performance required by the terms of, any material contract to which Debtor is a party or by which Debtor is bound and which relates to the Stations; or (iv) results in the creation of any lien, claim or encumbrance other than Permitted Encumbrances, upon the Collateral.

(d) Debtor is the legal and beneficial owner of all right, title and interest in and to the Collateral free and clear of liens, claims and encumbrances, except those in favor of Secured Party and liens for taxes or assessments or other governmental charges which are not yet due and payable ("Permitted Liens"), and except for any defect in title or ownership the existence of which constitutes a breach of the Secured party's representations or warranties under the Asset Purchase Agreement.

(e) The Collateral is located at the locations specified in Schedule 2(e) attached hereto and not at any other locations.

3. Covenants. Debtor hereby covenants and agrees as follows:

(a) Debtor shall continue to be the sole and exclusive owner of the Collateral and shall not sell, assign, transfer, convey or otherwise dispose of any Collateral (other than immaterial dispositions in the ordinary course of business that are replaced with items of equal or

greater value), nor create, incur or permit to exist any lien, claim or encumbrance upon any of the Collateral, except for those in favor of Secured Party and Permitted Liens.

(b) Debtor shall, at its cost and expense, pay when due all taxes, charges and assessments against any of the Collateral, except those contested in good faith by appropriate proceedings with timely payment of any amounts due prior to delinquency, and all rent due on any and all premises where any Collateral may be located.

(c) Debtor shall, at its cost and expense, defend against all actions, claims and demands affecting the Collateral, the security interest granted hereby, or Debtor's or Secured Party's right, title, interest or benefit in or to the Collateral. Debtor shall give Secured Party notice of any such action, claim or demand promptly within five (5) days.

(d) Debtor each shall maintain its existence and good standing and its qualification to do business in the state of California.

(e) Debtor shall permit Secured Party, its agents, representatives, employees and independent contractors, to inspect and appraise the Collateral upon reasonable prior notice and during normal business hours.

(f) Debtor shall furnish Secured Party not less than thirty (30) days prior written notice of any change in the location of Debtor's business or any Collateral.

(g) Debtor shall maintain the Collateral in good operating condition, ordinary wear and tear resulting from its intended use excepted.

(h) Debtor give Secured Party reasonable advance written notice of any reorganization, merger, consolidation, liquidation, dissolution, change its name or conducting business under any name other than as set forth herein.

4. Further Assurances. Debtor shall, at its sole cost and expense, execute and deliver to Secured Party such other and further documents, instruments and agreements as reasonably requested by Secured Party to create, maintain, perfect, or assure the priority of, the security interest granted hereby. Without limiting the foregoing, Debtor shall, at its sole cost and expense, execute and deliver to Secured Party, from time to time, such financing statements, mortgages or other evidence of security interest as Secured Party reasonably may request, in a form and substance reasonably satisfactory to Secured Party. For the purpose of carrying out the terms of this Security Agreement, Secured Party is hereby authorized and appointed as agent and attorney-in-fact of Debtor, which appointment is coupled with an interest and shall be irrevocable so long as any of the Secured Obligations remain outstanding, to (a) execute and deliver such financing statements, mortgages or other evidences of security interests, and (b) collect any returned, unearned insurance premiums and proceeds of any such policies described in Section 5 and to endorse any draft or check from such policies made payable to Debtor and to take all such other actions (to the maximum extent permitted by law) in the name and on behalf of Debtor as Secured Party may deem necessary or advisable to create, maintain, perfect, assure the priority of, or foreclose, its security interest in and lien on the Collateral.

5. Insurance. Debtor shall maintain policies of insurance with respect to its properties and business against loss or damage of the kinds customarily carried or maintained by companies of established reputation engaged in similar businesses. All such policies shall name Secured Party as an additional insured and loss payee as Secured Party's interest appears, and shall provide that Secured Party will receive at least thirty (30) days written notice before change or cancellation. Debtor shall deliver to Secured Party such policies and certificates evidencing such policies upon request.

6. Performance of Obligations. In the event Debtor fails to pay or perform any of its obligations hereunder, Secured Party may, but shall have no obligation to, pay or perform such obligations. All costs and expenses of Secured Party incurred in such payment or performance or with respect to any other matter under this Agreement shall become a part of the Secured Obligations and shall be immediately due and payable by Debtor to Secured Party, upon demand, together with interest from the date incurred by Secured Party until the date of payment by Debtor at the Default Rate set forth in the Note.

7. Indemnification. Debtor shall indemnify and hold harmless, and at Secured Party's option defend, Secured Party and its parents, subsidiaries, direct and indirect affiliates and related companies, officers, directors, employees, attorneys, agents, members, managers, and partners of Secured Party, from and against any and all claims, losses, liabilities, damages, judgments, liens, costs and expenses (including reasonable attorneys' fees) that may be imposed upon, incurred by or asserted against any of them by reason of the Loan Documents; provided however, that Debtor's indemnification obligation under this Section 7 shall not extend to any liability for which Secured Party is (or would be, but for the expiration of any applicable survival period or the limitations set forth in Section 9(b) of the Asset Purchase Agreement), entitled to indemnification under the Asset Purchase Agreement.

8. Events of Default. Debtor shall be in default under this Agreement upon the occurrence of any one or more of the following events (each an "Event of Default"):

(a) Debtor fails to pay any amount owed under the Note when due (except (i) to the extent permitted by Section 1.4(b)(iii) the Asset Purchase Agreement, and (ii) after a grace period of three (3) business days);

(b) There is an impairment of Secured Party's security interest in or lien upon any Collateral, or a notice of lien, levy or assessment is filed or asserted against Debtor by any government authority that would materially impact the Collateral; or a judgment or other claim becomes a lien on any Collateral, or any of the Collateral is seized, attached, or otherwise levied upon;

(c) Debtor fails or omits to perform, observe or satisfy any agreement or covenant contained in this Agreement and such failure shall not have been cured in all material respects within ten (10) days after the giving of written notice to Debtor by Secured Party;

(d) any representation or warranty of Debtor made in this Agreement is breached and such breach shall not have been cured in all material respects within ten (10) days after the giving of written notice to Debtor by Secured Party;

(e) Debtor breaches any representation or warranty or defaults under any covenant or agreement under any Loan Document and such breach or default shall not have been cured in all material respects within ten (10) days after the giving of written notice to Debtor by Secured Party;

(f) Debtor becomes subject to a bankruptcy, reorganization, insolvency, dissolution, liquidation or similar proceeding or makes an assignment for the benefit of creditors or becomes insolvent or unable to pay its debts when due, or a trustee, receiver or other custodian for Debtor or all of any part of the Collateral is appointed or sought or all or any material part of the Collateral is attached, levied upon or otherwise seized by legal process or Debtor authorizes or takes any action to authorize any of the actions set forth above; or

(g) any of the FCC Authorizations is revoked, suspended, terminated, adversely modified, denied renewal.

9. Remedies.

(a) Upon the occurrence and during the continuance of any Event of Default hereunder, Secured Party may, if it elects in its sole discretion, subject to any necessary prior consent of the FCC, do any one or more of the following:

(1) Declare all outstanding amounts under the Loan Documents (including all costs and expenses, accrued interest, principal and any other amounts) to be immediately due and payable; provided, however, that in the event of an actual entry of an order for relief with respect to Debtor under the United States Bankruptcy Code, all amounts owing under the Loan Documents automatically shall become and be due and payable, without presentment, demand, protest, notice of acceleration, notice of intent to accelerate, or any notice of any kind, all of which are hereby expressly waived by Debtor;

(2) either personally, or by means of a court appointed receiver, to whose appointment Debtor hereby consents, take possession of all or any of the Collateral and exclude therefrom Debtor and all others claiming by, through or under Debtor, and thereafter hold, store, use, dispose of, lease, license, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and power of Debtor with respect to the Collateral or any part thereof; in the event Secured Party or anyone acting on Secured Party's behalf demands or attempts to take possession of the Collateral in the exercise of any rights under this Agreement, Debtor agrees promptly to turn over and deliver possession thereof to Secured Party or anyone acting on Secured Party's behalf;

(3) without notice to or demand upon Debtor, make such payments and do such acts as Secured Party may deem necessary or appropriate to protect its security interest in the Collateral (including, without limitation, paying, purchasing, contesting or compromising any lien or encumbrance, whether superior or inferior to Secured Party's security interest) and in exercising any such powers or authority to pay all expenses (including, without limitation, litigation costs and reasonable attorneys' fees and costs) incurred in connection therewith, all of which payments shall be considered Secured Obligations;

(4) require Debtor from time to time to assemble the Collateral, or any portion thereof, at a place designated by Secured Party, and deliver promptly such Collateral to Secured Party, or an agent or representative designated by Secured Party; Secured Party, and its agents and representatives, shall have the right to enter upon any or all of Debtor's premises and property to exercise Secured Party's rights hereunder;

(5) realize upon the Collateral or any part thereof as herein provided or in any manner permitted by law and exercise any and all of the other rights and remedies conferred upon Secured Party by this Agreement or by law, either concurrently or in such order as Secured Party may determine;

(6) sell, lease, or otherwise dispose of the Collateral, in such order as Secured Party may determine, as a whole or in such parcels as Secured Party may determine, and upon terms and in such manner as Secured Party may determine; Secured Party may be a purchaser at any sale; and

(7) exercise any and all other remedies available under the Uniform Commercial Code or any other applicable law.

(b) No single or partial exercise by Secured Party of any right, power or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Each right, power and remedy herein specifically granted to Secured Party or otherwise available to it shall be cumulative, and shall be in addition to every other right, power, and remedy herein specifically given or now or hereafter existing at law, in equity, or otherwise. Each such right, power and remedy, whether specifically granted herein or otherwise existing, may be exercised at any time and from time to time and as often and in such order as may be deemed expedient by Secured Party in its sole discretion. Secured Party's right to receive payment in full of all amounts owed under the Loan Documents is not limited by the value of the Collateral. Upon the occurrence of an Event of Default, Secured Party may simultaneously seek recovery from the sale of the Collateral and directly from Debtor. Secured Party's right to seek recovery directly from Debtor is in no way conditional or contingent upon any attempt to collect on the Collateral or exhaust its remedies against the Collateral or upon any other action, occurrence or circumstance whatsoever.

(c) Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party shall give Debtor at least five (5) days prior written notice of the time and place of any public sale of the Collateral or other intended disposition thereof to be made. Such notice may be mailed to Debtor as provided by Section 15.

(d) All costs and expenses incurred by Secured Party in connection with an Event of Default or otherwise to enforce its rights under any Loan Documents, including without limitation all costs and expenses of taking, holding, and preparing for the sale and selling of the Collateral, and attorneys' fees and costs (collectively, "Collection Costs") shall become a part of the Secured Obligations and shall be immediately payable by Debtor to Secured Party, upon demand, together with interest from the date incurred by Secured Party until the date of payment by Debtor at the Default Rate set forth in the Note.

(e) The proceeds of any sale of Collateral under Section 9(a) shall be applied as follows:

(1) to the repayment of the Collection Costs;

(2) to the payment of the other Secured Obligations in such order as Secured Party shall determine; and

(3) the surplus, if any, shall be paid to Debtor or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

(f) Upon an Event of Default, Debtor shall take any action which Secured Party may request in order to assign all FCC Authorizations to Secured Party or to such one or more third parties as Secured Party may designate, or to a combination of the foregoing.

(g) Upon an Event of Default, Secured Party may obtain appointment of a receiver from any court of competent jurisdiction and Debtor hereby consents to such appointment. Such receiver shall be instructed to seek from the FCC consent to an involuntary assignment of the FCC Authorizations for the purposes of seeking a purchaser to whom control will ultimately be transferred. Debtor hereby agrees to authorize such involuntary assignment upon the request of the receiver so appointed and, if Debtor shall refuse to authorize such assignment, its approval may be required by the court. After an Event of Default, Debtor shall also assist in obtaining approval of the FCC, if required, for any other actions contemplated by this Agreement, including, without limitation, the preparation, execution and filing with the FCC of any application necessary or appropriate to obtain approval of the transfer of control or assignment of any portion of the Collateral, including the FCC Authorizations. Secured Party is hereby authorized and appointed as agent and attorney-in-fact of Debtor, which appointment is coupled with an interest and shall be irrevocable so long as any of the Secured Obligations remain outstanding, to take such actions as Secured Party deems necessary or appropriate in connection with the appointment of a receiver following an Even of Default.

(h) Any receiver shall in addition have the power to dispose of the FCC Authorizations and the Collateral in any manner lawful in the jurisdiction in which his appointment is confirmed, including the power to conduct a public or private sale of the FCC Authorizations and Collateral; provided, however, that the successful bidder at any such public or private sale shall not acquire any FCC Authorizations unless and until the FCC shall first have granted its consent to such acquisition. Secured Party may bid at any such public or private sale.

(i) DEBTOR ACKNOWLEDGES THAT THE ASSIGNMENT OF THE FCC AUTHORIZATIONS IS INTEGRAL TO SECURED PARTY'S REALIZATION OF THE VALUE OF THE COLLATERAL, THAT THERE IS NO ADEQUATE REMEDY AT LAW FOR FAILURE BY DEBTOR TO COMPLY WITH THE PROVISIONS OF THIS SECTION AND THAT SUCH FAILURE WOULD NOT BE ADEQUATELY COMPENSABLE IN DAMAGES, AND THEREFORE AGREES THAT THE AGREEMENTS CONTAINED HEREIN MAY BE SPECIFICALLY ENFORCED.

Secured Party shall have the right to enforce one or more remedies hereunder, successively or concurrently, and such action shall not operate to estop or prevent Secured Party

from pursuing any further remedy that it may have. Any repossession or retaking or sale of the Collateral pursuant to the terms hereof shall not operate to release Debtor until full payment of any deficiency has been made in cash.

10. Waivers.

(a) Debtor hereby waives presentment, demand, notice, protest and, except as is otherwise provided herein, all other demands and notices in connection with this Agreement or the enforcement of Secured Party's rights hereunder or in connection with any Secured Obligations or any Collateral, and hereby consents to and waives notice of the granting of renewals, extensions of time for payment or other indulgences to Debtor or to any third party, or substitution, release or surrender of any collateral security for any Secured Obligation, the addition or release of persons primarily or secondarily liable on any Secured Obligation or on any collateral security for any Loan Document and/or the settlement or compromise thereof. No waiver by Secured Party of any default shall be effective unless in writing nor operate as a waiver of any other default or of the same default on a future occasion.

(b) No delay or omission on the part of Secured Party in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or of any other right or remedy hereunder. Any waiver of any such right or remedy on any one occasion shall not be construed as a bar to or waiver of any such right or remedy on any future occasion.

(c) WITHOUT LIMITING THE GENERALITY OF THE FOREGOING OR LIMITING IN ANY WAY THE RIGHTS OF SECURED PARTY UNDER THE LOAN DOCUMENTS, OR OTHERWISE UNDER APPLICABLE LAW, UPON THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, DEBTOR FURTHER WAIVES ANY RIGHT IT MAY HAVE UNDER APPLICABLE LAW TO NOTICE (OTHER THAN ANY REQUIREMENT OF NOTICE PROVIDED HEREIN) OR TO A JUDICIAL HEARING PRIOR TO THE EXERCISE OF ANY RIGHT OR REMEDY PROVIDED BY THIS AGREEMENT TO SECURED PARTY AND WAIVES ITS RIGHTS, IF ANY, TO SET ASIDE OR INVALIDATE ANY SALE DULY CONSUMMATED IN ACCORDANCE WITH THE FOREGOING PROVISIONS HEREOF ON THE GROUNDS (IF SUCH IS THE CASE) THAT THE SALE WAS CONSUMMATED WITHOUT A PRIOR JUDICIAL HEARING.

(d) DEBTOR IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT.

11. Termination. This Agreement and the security interest in the Collateral created hereby shall terminate when all of the Secured Obligations have been paid and finally discharged in full.

12. Reinstatement. Notwithstanding the provisions of Section 11, this Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by Secured Party in respect of the Secured Obligations is rescinded or must otherwise be restored or returned by Secured Party upon the insolvency, bankruptcy, dissolution,

liquidation or reorganization of Debtor or upon the appointment of any intervenor or conservator of, or trustee or similar official for Debtor or any substantial part of its properties, or otherwise, all as though such payments had not been made.

13. Governmental Approval. Notwithstanding anything to the contrary contained herein, Secured Party's rights hereunder are subject to all applicable rules and regulations of the FCC. Debtor agrees to take any action which Secured Party may request in order to obtain and enjoy the full rights and benefits granted to Secured Party by this Agreement, including specifically the use of its best efforts to assist in obtaining approval of the FCC for any action or transaction contemplated by this Agreement which is then required by law, and specifically, without limitation, upon request, the preparation, execution, filing and diligent prosecution with the FCC of any application or applications for consent to the assignment or for renewal of any license required to be executed by Debtor in any of the transactions contemplated herein.

14. Restrictions on Transfer. To the extent that any restrictions imposed by any document, instrument or agreement would in any way affect or impair the grant of the security interest hereunder or the exercise by Secured Party of any right granted hereunder, including, without limitation, the right of Secured Party to dispose of the Collateral upon the occurrence of an Event of Default, Debtor hereby waives such restrictions, and agrees to take any further commercially reasonable action which Secured Party may request in order that Secured Party may obtain and enjoy the full rights and benefits granted to Secured Party by this Agreement free of any such restrictions.

15. Notices. Any notice, request or other communication required or permitted hereunder shall be in writing and be deemed to have been duly given (a) when personally delivered or sent by facsimile transmission (the receipt of which is confirmed), (b) one business day after being sent by a nationally recognized overnight courier service, or (c) three business days after being sent by first class mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth on Exhibit B. Any party by written notice to the others may change the address or the persons to whom notices or copies thereof shall be directed.

16. Miscellaneous. This Agreement shall be binding upon and inure to the benefit of Secured Party and Debtor and their respective successors and assigns, provided that neither party shall have the right to assign or delegate any of its rights or obligations hereunder or any interest herein. Secured Party may assign this Agreement without the prior written consent of Debtor. If any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Note shall be governed by, and construed in accordance with, the laws of the State of New York, notwithstanding its conflicts of laws principles. This Agreement may not be amended except by a written instrument signed by both parties hereto. The parties acknowledge that under existing FCC policy as of the date hereof, it is permissible to grant a security interest in the proceeds of the sale of an FCC license, permit or authorization, but not in the license, permit or authorization itself.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO SECURITY AGREEMENT

IN WITNESS WHEREOF, Debtor has duly executed this Agreement as of the date set forth above.

DEBTOR: ESTEEM BROADCASTING OF CALIFORNIA LLC

By: David L. Bailey
Name: DAVID L. BAILEY
Title: PRESIDENT

SECURED PARTY: SAINTE PARTNERS II, L.P.

By: _____
Name:
Title:

SAINTE SEPULVEDA, INC.

By: _____
Name:
Title:

SIGNATURE PAGE TO SECURITY AGREEMENT

IN WITNESS WHEREOF, Debtor has duly executed this Agreement as of the date set forth above.

DEBTOR: CALIFORNIA BROADCASTING, INC.

By: _____
Name:
Title:

SECURED PARTY: SAINTE PARTNERS II, L.P.

By: _____
Name: ROB CASTRO
Title: CEO

SAINTE SEPULVEDA, INC.

By: _____
Name: ROB CASTRO
Title: CEO